

Crombie

ANNUAL INFORMATION FORM

Year Ended December 31, 2023

March 28, 2024

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All disclosure is as of December 31, 2023 unless otherwise indicated.

FORWARD-LOOKING INFORMATION

This Annual Information Form ("**AIF**") contains forward-looking statements about expected future events and the financial and operating performance of Crombie. These statements include, but are not limited to, statements concerning management's beliefs, plans, estimates, intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical fact. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "will", "estimate", "anticipate", "believe", "expect", "intend", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. A number of factors, including those discussed under "Risks" could cause actual results, performance, achievements, prospects or opportunities to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and a reader should not place undue reliance on the forward-looking statements.

Forward-looking information in this AIF includes, but is not limited to statements under the headings "Trends" and "Business Strategy" and statements regarding:

- a. the growth potential of strategic mixed-use development, which may be impacted by uncertainties of development activities including changes in costs and timing and required municipal zoning and development approvals, and real estate market conditions;
- b. AFFO accretion and NAV growth from strategic acquisitions, which may be affected by future occupancy and rental performance, and/or redevelopment activity of acquired properties;
- c. fair value of investment properties, which is based on assumptions such as cash flow projections, and estimates of future cash flows, market capitalization rates and anticipated trends and economic conditions;
- d. overall indebtedness levels and terms, and expectations relating to refinancing, which could be impacted by the level of acquisition and disposition activity that Crombie is able to achieve, levels of indebtedness, Crombie's ability to maintain and strengthen its investment grade credit rating, future financing opportunities, future interest rates, creditworthiness of major tenants and joint arrangement partners, and market conditions;
- e. statements related to Crombie's commitments within its action plan to reduce its Scope 1, 2 and 3 emissions, which could be impacted by available technology and emissions of tenants, suppliers and other parties outside of Crombie's control;
- f. statements under the heading "Property Development" including the locations identified, timing, cost, development size and nature, and anticipated impact on portfolio quality and diversification, cash flow growth, Unitholder value, or other financial measures, all of which may be impacted by real estate market cycles, future capitalization rates, the availability of financing opportunities and labour, actual development costs, ability to achieve lease-up stabilization at current market rents, and general economic conditions and factors described under the "Property Development" section and which assumes obtaining required municipal zoning and development approvals and successful agreements with existing tenants, and where applicable, successful execution of development activities undertaken by related parties not under the direct control of Crombie;
- g. disposition of properties and the anticipated reinvestment of net proceeds ("**recycling capital**"), which could be impacted by the availability of purchasers, the availability of accretive property acquisitions, the timing of property development activities or other accretive uses for net proceeds and real estate market conditions;
- h. estimated GLA, estimated completion dates, and estimated total costs, which are subject to changes in site plans, cost tendering processes, and continuing tenant negotiations, as well as access to job sites, supplies and labour availability, ability to attract tenants, tenant mix, building sizes, and availability and cost of construction financing;
- i. asset growth and reinvesting to develop or otherwise make improvements to existing properties, which could be impacted by the availability of labour, capital resource availability and allocation decisions, as well as actual development costs;
- j. generating improved rental income and occupancy levels, including anticipated replacement of expiring tenancies, which could be impacted by changes in demand for Crombie's properties, tenant bankruptcies, the effects of general economic conditions, e-commerce, and supply of competitive locations in proximity to Crombie locations;
- k. investment in joint ventures and the income contributed by those investments, which could be impacted by the risk and uncertainty from dependence on partners that are not under Crombie's control, including risk of default by a partner on financing obligations or non-performance of a partner's obligations on a project, which may include development, construction, management or leasing;
- l. estimated payments on derivative and non-derivative financial liabilities, which could be impacted by interest rates on floating rate debt, and fluctuations in the settlement value and settlement timing of any derivative financial liabilities;
- m. tax exempt status, which can be impacted by regulatory changes enacted by governmental authorities;

- n. anticipated distributions and payout ratios, which could be impacted by results of operations and capital resource allocation decisions; and
- o. effect that any contingencies or guarantees would have on Crombie's financial statements which could be impacted by their eventual outcome.

These forward-looking statements are presented for the purpose of assisting Crombie's Unitholders in understanding Crombie's operating environment, and may or may not be appropriate for other purposes. These forward-looking statements are not guarantees of future events or performance and, by their nature, are based on Crombie's current estimates and assumptions. Crombie can give no assurance that actual results will be consistent with these forward-looking statements.

These forward-looking statements are made as at the date of the AIF and Crombie assumes no obligation to update or revise them to reflect new or current events or circumstances unless otherwise required by applicable securities legislation.

NON-GAAP FINANCIAL MEASURES

There are financial measures included in this AIF that do not have a standardized meaning under IFRS as prescribed by the IASB. These measures are property net operating income on a cash basis ("**NOI**"), net property income, funds from operations ("**FFO**"), same-asset cash NOI, adjusted funds from operations ("**AFFO**"), earnings before interest, taxes, depreciation and amortization ("**EBITDA**"), and net asset value ("**NAV**"). Management includes these measures as they represent key performance indicators to management and it believes certain investors use these measures as a means of assessing relative financial performance. These measures as computed by Crombie may differ from similar computations as reported by other entities and, accordingly, may not be comparable to other such entities. Definitions of these financial measures can be found in Crombie's Management Discussion and Analysis for the year ended December 31, 2023 on www.sedar.com, under the heading "Non-GAAP Financial Measures", which definitions are incorporated herein by this reference.

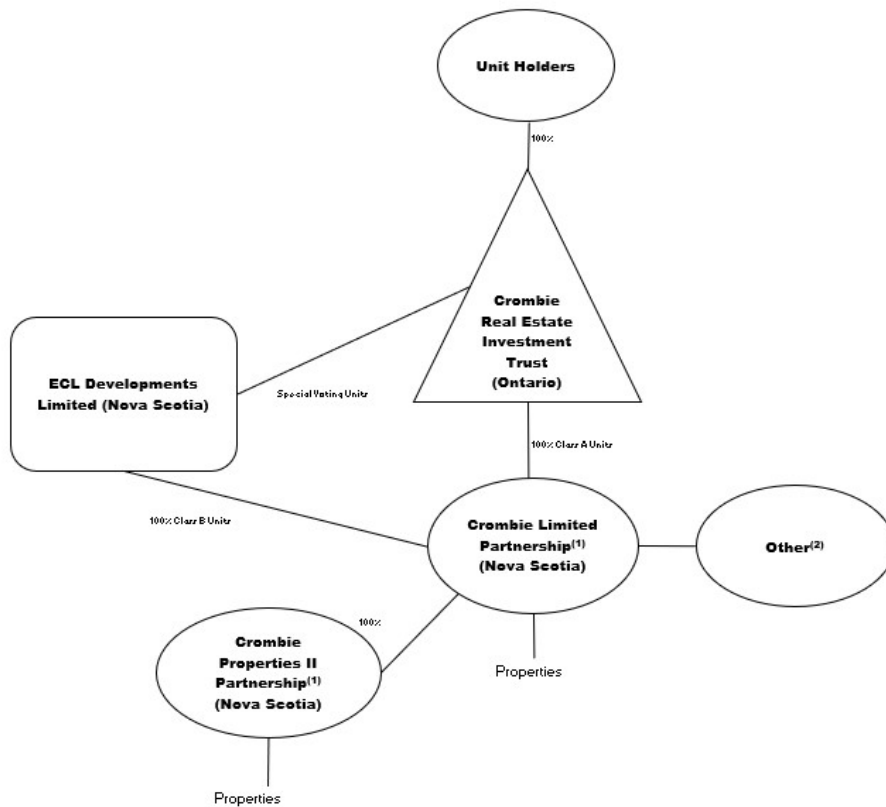
STRUCTURE OF CROMBIE

Name and Establishment

Crombie Real Estate Investment Trust ("Crombie" or the "REIT") is an unincorporated, open-ended real estate investment trust established pursuant to a Declaration of Trust dated January 1, 2006, as amended and restated from time to time (the "Declaration of Trust") under, and governed by, the laws of the Province of Ontario. See "Description of Capital Structure and Declaration of Trust" for amendments to the Declaration of Trust. The principal, registered and head office is located at 610 East River Road, Suite 200, New Glasgow, Nova Scotia B2H 3S2.

Organizational Structure

The following chart shows the names of the principal subsidiaries of Crombie, their respective jurisdictions of incorporation, and the percentages of voting and non-voting securities owned by Crombie as at December 31, 2023.



(1)

Nominee Corporations (100% interest):

Crombie Property Holdings Limited (Canada)	Bronte Property Holdings Limited (Nova Scotia)
Penhorn Plaza Holdings Limited (Nova Scotia)	Crombie Burnaby Property Holdings Limited (Nova Scotia)
Marché St-Augustin Properties Inc. (Canada)	Crombie Penhorn Mall (2011) Limited (Nova Scotia)
Marché St-Charles-de-Drummond Properties Inc. (Canada)	Crombie Yonge Street Holdings Limited (Nova Scotia)
Crombie Southdale Holdings Limited (Nova Scotia)	Crombie Danforth Property Holdings Limited (Nova Scotia)
Crombie Bedford South Limited (Nova Scotia)	Durham Leaseholds Limited (Canada)
4427131 Canada Inc.	Jacklin Property Limited (Nova Scotia)
Crombie 4250 Albert Street Regina Inc. (Nova Scotia)	Crombie McCowan Road Holdings Limited (Nova Scotia)
4541511 Canada Inc.	Crombie Developments Limited (Canada)
Snowcat Property Holdings Limited (Nova Scotia)	1600 Davie Commercial Holdings Inc. (British Columbia)
Crombie Peakview Way Holdings Limited (Nova Scotia)	2761304 Ontario Inc.
Snowcat Mission Developments Inc. (Nova Scotia)	Crombie Nelson Property Holdings Limited (Nova Scotia)
Snowcat Bellline Developments Inc. (Nova Scotia)	Crombie Kitchener Property Holdings Limited (Nova Scotia)
Snowcat Kensington Developments Inc. (Nova Scotia)	

Nominee Corporations (less than 100% interest):

140 CPN Holdings Ltd. (Ontario - 50% interest)	
Crombie Northam Properties Limited (Nova Scotia - 50% interest)	
Crombie OSR Property Holdings (I) Limited (Nova Scotia - 11% interest)	
Crombie OSR Property Holdings (II) Limited (Nova Scotia - 11% interest)	
Broadview Property Holdings Limited (Nova Scotia - 50% interest)	
Crombie FC Properties Limited (Canada - 50% interest)	
1600 Davie Residential Holdings Inc. - (British Columbia - 50% interest)	
2526042 Ontario Inc. (50% interest)	
1304193 BC Ltd. (50% interest)	
(2)	
Duke Street Limited Partnership (Quebec - 50% interest)	1700 East Broadway GP Inc. (British Columbia - 50% interest)
The Duke Street Properties General Partner Limited (Canada - 50% interest)	4326664 Nova Scotia Limited (Nova Scotia)
Bronte Village Limited Partnership (Ontario - 50% interest)	CDTL Investment Partnership (Nova Scotia)
Bronte Village General Partner Limited (Canada - 50% interest)	CDTL Property Partnership (Nova Scotia)
Crombie Davie Street Limited Partnership (Manitoba - 100% interest, holds a 50% interest in 1600 Davie Limited Partnership)	Crombie Kingsway Property Development Limited (Nova Scotia)
1600 Davie Limited Partnership (British Columbia - 50% interest)	Kingsway & Tyne Property Development Limited Partnership (Nova Scotia - 50% interest)
1600 Davie GP Inc (British Columbia - 50% Interest)	Kingsway & Tyne Property Development General Partner Limited (Nova Scotia - 50% interest)
Crombie General Partner Limited (Nova Scotia)	Crombie Lynn Valley Limited (Nova Scotia)
Crombie Properties Holdings II Limited (Nova Scotia)	Lynn Valley Limited Partnership (Nova Scotia - 50% interest)
Penhorn Residential Holdings Limited Partnership (Nova Scotia - 50% interest)	Lynn Valley General Partner Limited (Nova Scotia - 50% interest)
Penhorn Residential Holdings GP Limited (Nova Scotia - 50% interest)	
1700 East Broadway Limited Partnership (British Columbia - 50% interest)	

Empire Company Limited ("**Empire**" or "**ECL**") through ECL Developments Limited has a 41.0% interest in Crombie Limited Partnership through its 74,178,234 Class B LP Units. Empire through ECL Developments Limited has an aggregate 41.5% voting and economic interest in the REIT through its combined ownership of 74,178,234 Class B LP Units of Crombie LP and 909,090 Units of the REIT. Crombie General Partner Limited has a 0.01% interest in Crombie LP through its general partnership units.

GENERAL DEVELOPMENT OF CROMBIE

Crombie was created to invest in income-producing retail, office and mixed-use properties located in Canada, with an initial growth strategy focused primarily on the acquisition of grocery-anchored retail properties.

On May 6, 2021, Crombie amended its declaration of trust to clarify amendments affecting governance and special approvals, amendments to investment guidelines and operating policies to bring these guidelines and policies more in line with Crombie's peers and to provide flexibility appropriate to Crombie's size, current business model and applicable tax rules, amendments to clarify the Trustees' discretion to declare and pay distributions and amendments of a housekeeping nature.

Following is a summary of events that have shaped the development of Crombie's business over the past three fiscal years.

Acquisition Activity

Crombie has continued to improve its asset base through acquisitions consistent with its ongoing business strategy. The following table outlines the property acquisitions completed over the past three fiscal years and highlights the growth opportunities provided through the Empire relationship.

(Cost shown in thousands of CAD dollars)

Fiscal Year	Number of Properties	GLA (sq. ft.)	Acquisition Cost ⁽¹⁾⁽²⁾⁽³⁾	Vendor
2021	1	16,000	\$ 19,975	Third Party
	6	212,000	\$ 42,912	Empire Subsidiaries
2022	2	35,000	\$ 8,289	Third Party
	9	554,000	\$ 99,472	Empire Subsidiaries
2023	—	—	\$ —	Third Party
	3	139,000	\$ 26,482	Empire Subsidiaries

⁽¹⁾ Excluding closing and transaction costs.

⁽²⁾ Includes acquisitions of adjacent property or additional development on pre-existing retail property.

⁽³⁾ Excludes purchases of land and properties purchased as part of a joint venture

Crombie has invested approximately \$87.7 million in aggregate over the last three fiscal years in the redevelopment of existing properties primarily in order to maintain or enhance their productive capacity through expansion of existing gross leasable area ("GLA") and increasing same-asset cash NOI.

Disposition Activity

Crombie has disposed of, or sold partial interests in, seven properties in 2021, eight properties in 2022 and no properties in 2023. Crombie's capital recycling strategy provides organic funding for its development pipeline and enhances the overall quality of Crombie's portfolio. The following table outlines the property dispositions completed over the past three fiscal years.

(Proceeds shown in thousands of CAD dollars)

Fiscal Year	Number of Properties	GLA (sq. ft.)	Disposition Proceeds ⁽¹⁾	Purchaser
2021	7	463,000	\$ 209,188	Third Party
2022	8	401,000	\$ 175,794	Third Party
2023	—	—	\$ —	-

⁽¹⁾ Includes August 26, 2022 disposition of a parcel of land adjacent to existing retail properties to a joint venture.

Financing

In order to support its growth, Crombie has accessed the capital markets to obtain financing. The table below summarizes these capital market financing activities over the three year period ended December 31, 2023.

(Proceeds shown in thousands of CAD dollars)

Date	Nature of Offering	Type of Security	Terms	Gross Proceeds
May 19, 2021	Prospectus	3,525,000 units	\$16.60 per unit	\$ 58,515
May 19, 2021	Concurrent Private Placement to ECL	2,500,000 Class B LP units	\$16.60 per Class B LP unit	\$ 41,335
August 12, 2021	Private Placement	Series J Senior Unsecured Notes	3.133% interest	\$ 150,000
January 31, 2022	Prospectus	6,705,000 units	\$17.45 per unit	\$ 117,000
January 31, 2022	Concurrent Private Placement to ECL	4,756,446 Class B LP units	\$17.45 per Class B LP Unit	\$ 83,000
March 28, 2023	Private Placement	Series K Senior Unsecured Notes	5.244% interest	\$ 200,000

On November 18, 2022, Crombie signed an agreement with a Canadian Chartered Schedule I financial institution for an unsecured non-revolving term credit facility with a maximum principal amount of \$200 million with a maturity date of November 18, 2025. On March 27, 2023, Crombie signed an amendment to the facility to allow a one time repayment of the outstanding balance from proceeds of the Series K Senior Unsecured Notes to be reborrowed in the future.

On October 31, 2018, Crombie renewed the \$400 million floating rate revolving credit facility, extending the term to June 30, 2022. On October 1, 2019, Crombie renewed the facility, extending the term to June 30, 2023. On May 21, 2021, Crombie renewed the facility, extending the term to June 30, 2025. On July 20, 2022, Crombie renewed the facility, extending the term to June 30, 2026. On August 10, 2023 Crombie renewed the facility, extending the term to June 30, 2027.

On May 16, 2016 Crombie signed an agreement with a Canadian Chartered Schedule I financial institution for an unsecured bilateral credit facility with a maximum principal amount of \$100 million with an original maturity date of May 16, 2018. The floating interest rate is based on bankers' acceptance rates plus a spread or specific margin over prime rate. In each 2018 and 2019 the facility was renewed for one additional year, and in 2020 the principal amount was increased to \$130 million and term extended to September 1, 2021. On March 31, 2021, the facility was renewed, extending the term to June 30, 2023. On June 28, 2022, the facility was renewed, extending the term to June 28, 2024. On August 31, 2023 Crombie renewed the facility, extending the term to June 30, 2025.

Crombie continued to refinance some properties in its portfolio using commercial mortgages. During the last three years, these mortgage financings, including mortgages assumed upon acquisition of a property, totalled approximately \$153.2 million at an average interest rate of approximately 4.85% and an average term to maturity of approximately 10.5 years.

Redemptions and Repurchases

On June 1, 2021, Crombie repaid the remaining \$150 million of 3.882% Series B Notes (Senior Unsecured) due June 1, 2021.

On November 18, 2022, Crombie drew from an unsecured non-revolving credit facility to fund the repayment of the \$150 million 4.066% Series D Notes (Senior Unsecured). On March 28, 2023 the \$150 million balance outstanding on the non-revolving facility was repaid with proceeds from the Series K Senior Unsecured Notes.

Development

Crombie completed two major developments in 2021, two in 2022, and zero in 2023. In 2023, Crombie began construction on the Marlstone in downtown Halifax. Further discussion of development activity is discussed in the "Property Development" section of this AIF.

Fiscal Year	Number of Developments Completed	Commercial GLA Completed (sq. ft.) ⁽¹⁾	Residential GLA Completed (sq. ft.) ⁽¹⁾	Residential Units Completed ⁽¹⁾
2021	2	26,000	495,000	717
2022	2	358,000	466,000	481
2023	—	—	—	—

⁽¹⁾ GLA and units completed shown at 100%, including partner's share.

Trends

Canada's retail sector continues to evolve with accelerated upgrading and adaptation of bricks and mortar stores, and the addition of retail-related industrial facilities to deliver the omni channel (store, click and collect, and home delivery) selection and service Canadians expect. Closure of big-box and traditional department stores continues, and other retail centres are being transformed into destinations that people visit for more than just shopping. Despite this challenging and competitive retail environment, the fundamentals of Crombie's needs-based retail real estate remain strong with the addition of strategic mixed-use development adding significant growth potential.

While online retailing has had a minimal effect on the grocery sector historically, COVID-19 accelerated the online sales penetration since the pandemic began. Online sales penetration is evolving, with more emphasis being placed on omni channel shopping including centralized warehousing facilities, various click and collect, and home delivery shopping options.

The importance of Environmental Social and Governance ("ESG" or "Sustainability") matters continues to grow and organizations are responding by designing programs to reduce impact on the environment, placing emphasis on a diverse, equitable and inclusive workforce and tackling the national housing shortage. Reporting requirements on ESG issues in Canada have progressed with the endorsement of the International Sustainability Standards Board ("ISSB") Standards by the Canadian Securities Administrators. The Canadian Sustainability Standards Board is beginning consultations on adoption of the ISSB Standards in Canada. The timing of adoption is unknown but is proposed to include general requirements for disclosure of sustainability-related financial information and climate-related disclosures such as Scope 1, 2 and 3 greenhouse gas emissions ("GHG").

The geo-political uncertainty around the world continues to create pressure on supply chains and rising costs continue to affect different sectors of the economy, resulting in the highest consumer inflation Canada has seen since the 1980's. In light of inflationary pressures, the Bank of Canada increased their overnight rate eight times between January 2022 and January 2023, increasing the overnight rate from 0.25% to 4.50% in 12 months, before holding the rate steady in March 2023. The Bank of Canada increased the rate again in 2023 by 0.50% to 5.0% and has held it steady since. Higher interest rates have put pressure on capitalization rates in most asset classes, resulting in capitalization rate expansion. A weakening Canadian economy along with lower levels of comparable transactions in the market, has resulted in less reliable data for valuers to base capitalization rate recommendations on and, should interest rates remain elevated, capitalization rates may continue to rise. Fewer transactions are happening as a result of widening gaps between buyers and sellers pricing expectations.

Bank failures in the United States in early 2023, resulted in a tighter regulatory environment for Canadian banks, leading to reduced availability of debt financing and higher borrowing costs for many real estate companies. Uncertainty around asset valuations also contribute to refinancing risk for certain assets, although has not affected Crombie's ability to refinance assets to date.

REITs are broadening their strategic focus beyond their traditional asset classes in order to optimize property-specific NAV and drive financial performance. Increased population growth and immigration in urban areas is driving demand for mixed-use, high-density, residential property, including purpose-built rentals and condominiums. These opportunities are facing increased delivery challenges as development costs continue to rise due to higher construction and labour costs, longer municipal approval timelines, high interest rates, and increases in fees and levies. The federal government announced its intent to remove the goods and sales tax (GST) from new purpose-built rental housing projects to counter the increased construction, financing and labour market expenses.

Competition for talent is a reality in the real estate sector. Companies must be nimble in creating a competitive position in the market to attract and retain qualified talent. Successful organizations are adapting their structures with cross-skilled employees capable of handling the new or unexpected, offering remote or hybrid work arrangements, and are selecting key strategic partners to fill specific talent gaps. An aging workforce demographic means increased competition for younger talent in all markets. Inclusion of diverse groups into the workforce and adjusting policies on how work is done, is a priority to attracting and retaining key talent.

DESCRIPTION OF CROMBIE

Overview

Crombie Real Estate Investment Trust is an unincorporated, open-ended real estate investment trust established under, and governed by, its Declaration of Trust and the laws of the Province of Ontario. Crombie is one of the country's leading owners, operators and developers of quality real estate with a portfolio including grocery-anchored retail, retail-related industrial and mixed-use residential properties, in Canada's top urban and suburban markets. At December 31, 2023, Crombie owned full and partial interests in a portfolio of 294 investment properties in 10 provinces, comprising approximately 18.7 million square feet of gross leaseable area. Empire Company Limited, through a subsidiary, holds a 41.5% economic and voting interest in Crombie at December 31, 2023. Crombie units ("**Units**") trade on the Toronto Stock Exchange ("**TSX**") under the symbol "CRR.UN".

Business Strategy

Crombie invests in real estate with a vision of enriching communities together by building spaces and value today that leave a positive impact on tomorrow. Crombie's portfolio primarily includes grocery-anchored retail, retail-related industrial, and mixed-use residential properties. Crombie's values include: embody integrity, care passionately, deliver excellence together, empower one another and outperform expectations.

Supported by a solid foundation, and guided by its values, Crombie is focused on three core pillars of value creation to deliver consistent results and generate long-term sustainable growth for Unitholders, while making valuable contributions to the communities in which it operates.

Value Creation

Own and Operate: Crombie owns properties in the country's three most desirable asset classes: grocery-anchored retail, industrial, and residential. A resilient portfolio comprising primarily of necessity-based tenants provides stability with opportunities for growth.

Optimize: Crombie builds sustainable Unitholder value through measured delivery against a pipeline of both major and non-major development projects, with major development projects focused on industrial and residential assets in growth-oriented markets while non-major developments include modernizations, land-use intensifications, repurposing of existing space, and smaller new developments such as retail-related industrial and new retail construction.

Partners: Strategic partnership with Empire enables the planning and delivery of value creation and growth initiatives that further enhance the quality of Crombie's portfolio. Crombie actively evaluates partnership and collaborative opportunities and has formed multiple joint venture partnerships across the country to unlock the value embedded within its major development pipeline.

Solid Foundation

Financial Strength: A strong balance sheet with well-laddered debt maturities, ample liquidity, multiple sources of capital, and investment grade credit rating.

ESG: A sustainable approach to business is vital to the short-, medium-, and long-term success of Crombie and sustainability practices are embedded into the way Crombie operates. Crombie places priority on its employees by emphasizing diversity, equity, and inclusion ("**DEI**"), building and attracting talent and health, safety and well-being.

People and Culture: Talented team that has a proven long-term track record of delivering Crombie's strategy with a genuine care for our properties, tenants, communities, the environment, and our Unitholders.

The foundation of Crombie's strategy, "Building Together", is a recognition that what Crombie builds today, plays an important role in the future strength of communities across the nation, as well as achievements of the country's sustainability objectives. Crombie's commitment to maintaining its role as steward of community-shaping across Canada, a promise reflected in its vision - Enriching Communities Together. With this vision as a guide, Crombie will continue to create spaces that enrich communities and inspire the people in them, while delivering compelling returns to Unitholders.

Environmental, Social and Governance

Crombie strives to improve communities for the benefit of future generations and knows that investment today enables a better tomorrow. Crombie is committed to embedding ESG into the way it does business, makes decisions and in everyday activities.

Crombie has developed a roadmap that expands its sustainability strategy and identifies key actions, milestones and targets that will drive performance improvements across all eight of its material topics. Crombie's goal is to make decisions that are authentic to its business, core to its culture, and practical to achieve in the short, medium, and long term.

Material Topics

Pillars	Key Topics
Environmental	Climate Action
	Leasing & Operations
	Design & Development
Social	Diversity, Equity, & Inclusion
	Building & Attracting Talent
	Health, Safety, & Well-being
Governance	Board Composition and Governance
	Risk Management

Crombie is guided by a strong set of values and business ethics, which help shape and strengthen its sustainability commitments while managing the risk associated with a changing climate.

In 2019, Crombie implemented a third party ESG software platform, built exclusively for the global commercial real estate sector, to track, measure and report on energy, water, and waste performance. As Scope 3 emissions, and specifically emissions from its tenant controlled spaces, make up the majority of its total emissions, Crombie is proactively working with its tenants to support greenhouse gas emission reductions across the portfolio. Crombie continues to make significant progress in building out its energy, water and waste data collection and reporting. In 2023, Crombie announced commitments within its Climate Action Plan to reduce its Scope 1 and 2 emissions by at least 50% by 2030, and its Scope 1, 2, and 3 emissions by at least 90% by 2050. The Science Based Targets initiative (SBTi) independently validated and approved the 2030 and 2050 GHG emissions targets developed in the Climate Action Plan. Through this process Crombie measured its baseline carbon footprint using a 2019 base year, which is the starting line for its net zero journey. Crombie's GHG profile was analyzed to identify GHG emissions reduction measures to develop the Climate Action Plan - a roadmap built on quality data, aligned with science-based standards and designed to take climate action by decarbonizing Crombie's portfolio. In 2023, Crombie completed a review of its portfolio's resilience to physical climate risks and is in the process of building a roadmap to increase the portfolio's resilience.

Crombie's team continues to identify ways to incorporate ESG considerations through green lease programs for both our existing portfolio and newly acquired assets. Crombie understands the importance of sustainable design and development processes in asset development and ownership and is committed to integrating ESG considerations into the design and development of new and existing assets, including pursuing building ratings and certifications, where appropriate.

Crombie's team is focused on attracting, retaining, and developing people at all levels of the organization who are committed to advancing its purpose, values and business strategy. Crombie has worked diligently to increase the diversity of its workforce, improve equity for all, and build an inclusive culture. Crombie has an internal DEI Advisory Committee to ensure a welcoming workplace for all employees and tenants. Crombie was selected in three categories of the 2023 Canada's Top Employers Awards: Canada's Top Small & Medium Employer, Atlantic Canada, and Nova Scotia. Judges recognized Crombie's holistic well-being framework focused on physical, psychological, professional and personal wellness, as well as its internal career planning services including mentorship and leadership development programs. Crombie is committed to fostering a culture that supports the physical and mental health and wellness of the team. With a vision of enriching communities, Crombie's updated its philanthropic strategy to reflect the importance of focusing on community well-being.

Crombie's commitment to excellence and the highest standards of ethical behaviour guides the business and has built the trusted reputation Crombie enjoys with its tenants, communities, and key stakeholders. A number of guiding policies and programs help Crombie live up to these standards and values daily, including: Code of Business Conduct & Ethics, Whistleblower Policy, Ethics Hotline, Declaration of Trust, Disclosure Policy, Supplier Code of Conduct and Board Mandate.

The Code of Business Conduct & Ethics, Declaration of Trust, and Board Mandate extend to Crombie's Board of Trustees, who bring a diverse mix of experience, skills, and backgrounds necessary to provide thoughtful oversight. The Board of Trustees is comprised of both elected and Empire-appointed Trustees. The Declaration of Trust and Code of Business Conduct & Ethics policies contain conflict of interest provisions requiring Trustees to disclose their interests in certain contracts and transactions and to refrain from voting on those matters. To mitigate these potential conflicts, Crombie and Empire have set limits on the number of appointed Trustees, outlined how potential conflicts of interest will be dealt with, and identified those matters requiring the approval of a majority of the independent, elected trustees.

Risk Management involves evaluating and managing risks that could affect Crombie's operations or ability to achieve its business objectives. Crombie refreshed its Risk Appetite Framework and reviewed the top risks to the business, one of which was cybersecurity. The Board, through the Audit Committee, oversees Crombie's cybersecurity strategy and program. Crombie manages cybersecurity risk mitigation through a multi-layered security approach involving cyber software tool-based controls, policies, standards, procedures, and user education pertaining to security awareness, access, system development, change management, and problem and incident management.

With the goal of strengthening Crombie's critical first line of defense against cyber risk, Crombie continued its enhanced training and user education in 2023. These enhancements include semi-annual mandatory "User Cyber Awareness Training" and monthly internal "Phishing Campaigns". Additionally, Crombie completed annual Board and Executive level tabletop scenario planning, with the goal of testing the resolution procedures as outlined within Crombie's Cybersecurity Critical Incident Response playbook. Updates are provided to the Audit Committee of the Board of Trustees on a quarterly basis which includes results of any internal phishing campaigns, recent actual phishing attempts, cyber security trends and any planned or implemented risk mitigation practices/processes/technologies.

Crombie can prepare its users to assist in mitigating risk but cannot eliminate risk entirely without dependencies on critical cyber focus applications support. Crombie is currently leveraging industry leading technologies to support awareness training, proactive risk notification and assessment, multi factor authentication, cyber risk strategies, secured/encrypted data backup, privileged access management, and patch and vulnerability management.

For more information on Crombie's ESG program please visit <https://www.crombie.ca/esg/>. The information on Crombie's website does not form part of this Annual Information Form. Information regarding Crombie's ESG and corporate governance practices is set out in Crombie's Management Information Circular dated March 28, 2024, which Crombie incorporates by reference herein and is available on SEDAR at www.sedar.com.

Property Development

Property Development is a strategic priority for Crombie to improve cash flow growth, NAV and Unitholder value. With urban intensification an important reality across the country, Crombie is focused on evaluating and undertaking major and non-major developments at certain properties, where development may include residential, commercial, and/or retail-related industrial.

Crombie has a strategic relationship with Empire. The majority of our development properties currently have Empire as an anchor tenant. Our strategic relationship enables us to unlock value and transition from existing operating properties to construction/development of these sites on mutually-agreeable terms. In conjunction with our strategic partner, Crombie management continuously reviews and prioritizes development opportunities that drive AFFO growth and NAV, including high-density urban redevelopment, new grocery-anchored retail, retail-related industrial e-commerce facilities, and land use intensification.

Major Development Pipeline

Crombie has the potential to unlock significant value within its current pipeline of 26 major development properties over the next 15 years or longer. Crombie benefits from having solid income (NOI, FFO and AFFO) generated by most of these properties while working through the various approvals, entitlements and advance preparations required before each major development can commence.

Our major development plans include the entitlement and development of mixed-use properties, primarily purpose-built residential rental accommodations that provide revenue, diversification and growth to Crombie. We view this approach as the optimal way to drive both NAV and AFFO growth. From time to time, Crombie may enter into partnerships to complete developments to share knowledge, risk and expertise. In certain cases, residential condominium uses may also be considered, as will certain other uses (e.g. retail-related industrial), to satisfy municipal requirements and/or market opportunities.

Management uses current project assumptions to calculate the pipeline cost range, factoring in a degree of uncertainty that comes with a diverse pipeline that spans 15 years or longer. Uncertainty can come in the form of changing project scopes, moving certain properties in or out of the pipeline, variations in the entitlement process, the potential of engaging joint venture partners, dispositions of pipeline properties, and a variety of external factors that may affect project costing. Costs presented in Crombie's pipeline are reflective of current construction

cost estimates on a market-by-market basis. Crombie monitors inflationary pressures impacting construction costs and adjusts pipeline assumptions when necessary. Given that some of these projects may not reach the full potential of the original scope, management discloses a low and high range to reasonably estimate the pipeline costs. As of December 31, 2023, total project costs to develop the pipeline range from \$5.0 to \$6.8 billion. Crombie may enter into joint ventures or other partnership arrangements for these properties to share cost, revenue, risk, and development expertise, depending on the nature of each project. Each selected project remains subject to normal development approvals, achieving required economic hurdles, and Board of Trustees' approval.

Crombie divides its development pipeline into three timing-based segments. Near-term projects are either under active construction or indicate that a decision to commit financially is expected to be determined within the next two years. Medium-term projects have a timeline to commitment of two years to five years, and long-term projects are expected to be committed within five to fifteen years. Many projects in the current pipeline are large, multi-phased endeavors where the project timeline could span several years. In these instances, Crombie recognizes the project in the time period where financial commitment to the initial phase is expected.

Active Major Developments

Crombie currently has one active major development underway, The Marlstone, located in downtown Halifax. Key project metrics are summarized in the below table.

Property	CMA	Use	Ownership %	Residential GLA on Completion	Residential Units	Estimated Substantial Completion Date	Estimated Total Cost (\$ in millions)
The Marlstone	Halifax	Residential	100%	189,000	291	Q1/Q2 2026	\$ 134 ⁽¹⁾
Total Active Major Developments				189,000	291		\$ 134

⁽¹⁾ Costs presented for the Marlstone are exclusive of land costs.

Total estimated costs include soft and hard construction costs, tenant inducements, external leasing costs, finance costs and capitalized interest and other carrying costs, such as capitalized construction and development wages, and property taxes. These costs are determined by using internal knowledge and external professional resources, where applicable. Project capital costs uncertainty exists, and project cost estimates contain a contingency for capital cost exceedances in the ordinary course. Historically, capital cost exceedances in the 5%-10% range are reflective of such contingencies.

These estimates and assumptions are reviewed and updated regularly and are subject to changes, which could be material. Estimated total costs are based on assumptions that are updated regularly, based on revised site plans, cost tendering processes, market studies and continuing tenant negotiations. These assumptions are based on access to job sites, supply and labour availability, ability to attract tenants, estimated GLA, and tenant mix among rental, air rights sale, tenant rents, building sizes, and availability and cost of construction financing. Within specific projects, scheduling and/or completion timing uncertainty exists and project economics can handle reasonable delays in the range of 10%. Estimations included in the chart are believed to be reasonable, but there can be no assurance that actual results will be consistent with these projections.

Near-term Projects

The table below provides additional detail on Crombie's near-term development opportunities.

Property	City	% Ownership	Full Project Density		
			Commercial GLA	Residential GLA	Residential Units
The Marlstone ⁽¹⁾	Halifax	100%	—	189,000	291
1780 East Broadway (Broadway and Commercial) ⁽²⁾	Vancouver	50% ⁽³⁾	105,000	626,000	970
Belmont Market - Phase II	Victoria	100%	—	145,000	200
Total Near-Term Developments			105,000	960,000	1,461

⁽¹⁾ The Marlstone was previously referred to as Westhill on Duke. The Marlstone is an active construction project.

⁽²⁾ Square footage and units at 1780 East Broadway (Broadway and Commercial) were adjusted to reflect latest architectural design work in progress. Square footage is at 100%.

⁽³⁾ Crombie will own 100% of the commercial portion of this development.

Full project density reflects estimated GLA upon completion. Estimated GLA on completion is based on applicable standards of area measurement determined through internal site plans and drawings, and using external massing studies, where applicable.

Near-term Project Update

The Marlstone, Halifax, Nova Scotia

Type: Residential

Ownership: 100%

Project Status: The Marlstone is a 291-unit residential rental project in the heart of downtown Halifax, located within the Scotia Square mixed-use retail, office and hotel complex. Demolition and existing building upgrades commenced in May 2023 and construction continues to progress well. Completion is expected in the first half of 2026.

1780 East Broadway (Broadway & Commercial), Vancouver, British Columbia

Type: Retail / Residential

Ownership: 100% retail, 50% residential and office

Project Status: East Broadway is a proposed major mixed-use re-development on 2.43 acres of land located at the busiest transit node in Western Canada. A rezoning application is in process with the City of Vancouver that comprises a mix of grocery-anchored retail, rental residential, and office. If rezoning is completed in 2024 as expected, construction tendering could commence in 2025.

Belmont Market - Phase II, Victoria, British Columbia

Type: Residential

Ownership: 100%

Project Status: Belmont Market - Phase II envisions the development of approximately 200 residential units on the remaining 1.70 acres of land within the Belmont Market development area. The lands are fully entitled and could be ready for construction commencement in 2024.

Total Development Pipeline

In addition to near-term projects, Crombie is actively working on its pipeline to ensure a consistent inventory of projects. A number of potential major developments in Crombie's pipeline are multi-phased projects spanning over several years. For the table below, Crombie has summarized total project costs and GLA data at the date of its financial commitment to Phase 1. The following table details total project cost estimates by category at December 31, 2023.

Project Timeline ⁽¹⁾	Number of Projects	At Crombie's Share (\$ in millions)		
		Total Estimated Costs ⁽¹⁾	Total Spend to Date ⁽²⁾	Estimated Cost to Complete
Near-term	3	\$ 500-600	\$ 50	\$ 450-550
Medium-term	7	2,200-2,900	90	2,110-2,810
Long-term	16	2,300-3,300	160	2,140-3,140
Total Pipeline	26	\$ 5,000 - 6,800	\$ 300	\$ 4,700-6,500

⁽¹⁾ Many projects in the pipeline are multi-phased. Project costs are shown to align with the first phase of project commencement. Project timelines are subject to change.

⁽²⁾ Total spend to date includes Crombie's total investment in land at these properties, with the exception of The Marlstone.

Crombie continuously monitors and evaluates the potential pipeline to optimize value creation. With a strong commitment to portfolio growth, Crombie actively analyzes costs and market opportunities within the potential pipeline in order to maximize NAV and AFFO growth.

Total estimated costs usually include land cost on the existing income-producing properties upon transfer to the development, soft and hard construction costs, tenant inducements, external leasing costs, finance costs, and capitalized interest and other carrying costs, such as capitalized construction and development wages, and property taxes. These costs are determined by using internal knowledge and external professional resources, where applicable. Project capital cost uncertainty exists, and project cost estimates contain a contingency for capital cost exceedances in the ordinary course. Historically, capital costs exceedances in the 5% - 10% range are reflective of such contingencies.

For joint venture projects, our partners may provide estimates, which Crombie reviews and analyzes to determine final estimates.

These estimates and assumptions are reviewed and updated regularly and are subject to changes that could be material. Estimated total costs are based on assumptions that are updated regularly, based on revised site plans, cost tendering processes, market studies and continuing tenant negotiations. These assumptions are based on supply and labour availability, ability to attract tenants, estimated GLA, tenant rents, building sizes, and availability and cost of construction financing. Within specific projects, scheduling and/or completion timing uncertainty exists and project economics can handle reasonable delays in the range of 10%. Estimations included in the table are believed to be reasonable, but there can be no assurance that actual results will be consistent with these projections.

Crombie's current pipeline has the potential to add up to 1,144,000 square feet of commercial GLA, and up to 9,460,000 square feet (up to 11,291 units) of residential GLA (which may include a combination of rental or condominium units).

Total Pipeline Density by Project Timeline			
Project Timeline ⁽¹⁾	Commercial GLA	Residential GLA	Residential Units
Near-term	105,000	960,000	1,461
Medium-term	259,000	4,407,000	5,080
Long-term	780,000	4,093,000	4,750
Total Pipeline	1,144,000	9,460,000	11,291

⁽¹⁾ Many projects in the pipeline are multi-phased. GLA and units are shown to align with the first phase. Project timelines are subject to change.

An important part of creating a sustainable development program is a systematic approach to proactively moving potential development lands through the entitlement process to obtain zoning approvals. Crombie currently has eight of these 26 potential major projects either already zoned or identified for re-zoning and is currently in various stages of entitlement pursuit as noted in the following table:

Crombie's Entitled Projects					
	Number of Projects	Estimated Commercial Sq. ft. ⁽¹⁾	Estimated Residential Sq. ft. ⁽¹⁾	Estimated Total Sq. ft. ⁽¹⁾	Residential Units ⁽¹⁾
Zoned	4	55,000	1,444,000	1,499,000	1,801
Application Submitted	4	197,000	2,893,000	3,090,000	3,460
Future	18	892,000	5,123,000	6,015,000	6,030
Total	26	1,144,000	9,460,000	10,604,000	11,291

⁽¹⁾ Square footage and unit information presented in the table are estimates only and are subject to change. Design, municipal approvals and market conditions may influence estimates

Zoning is in place for the following development sites: The Marlstone, formerly Westhill on Duke (Halifax), Belmont Market - Phase II (Victoria), Barrington Residential, formerly Triangle Lands, (Halifax), and Brunswick Place (Halifax). Rezoning applications have been submitted and are in process for Broadway and Commercial (Vancouver), McCowan and Ellesmere (Toronto), Park West (Halifax), and Toronto East.

The following table lists the 26 identified potential major development locations and certain key features of each property. Potential developments in the following table are organized in order of potential construction commencement:

Potential Major Development Pipeline							
Existing Property ⁽¹⁾	CMA	Site Size (acres)	Existing Tenants	Potential Commercial Expansion	Entitlement Status	Project Timing	
1 The Marlstone ⁽²⁾	Halifax	0.46 ⁽³⁾	N/A	No	Zoned	Near-term	
2 Belmont Market - Phase II	Victoria	1.70	Land	No	Zoned	Near-term	
3 Broadway and Commercial	Vancouver	2.43	Safeway	Yes	Application Submitted	Near-term	
4 Brunswick Place	Halifax	0.75 ⁽⁴⁾	Office/Parkade	Yes	Zoned	Medium-term	
5 McCowan & Ellesmere	Toronto	4.48	FreshCo/Other	Yes	Application Submitted	Medium-term	
6 Lynn Valley	Vancouver	2.82	Safeway	Yes	Future	Medium-term	
7 Park West	Halifax	19.66	Sobeys	Yes	Application Submitted	Medium-term	
8 Toronto East	Toronto	0.14	Land	Yes	Application Submitted	Medium-term	
9 Barrington Residential ⁽⁵⁾	Halifax	0.68	Land	Yes	Zoned	Medium-term	
10 Fleetwood	Vancouver	4.45	Safeway	Yes	Future	Medium-term	
11 1818 Centre Street	Calgary	2.18	Safeway	Yes	Future	Long-term	
12 Port Coquitlam	Vancouver	5.31	Safeway	Yes	Future	Long-term	
13 Danforth	Toronto	0.79	The Beer Store	Yes	Future	Long-term	
14 West Broadway	Vancouver	1.95	Safeway	Yes	Future	Long-term	
15 Centennial Parkway	Hamilton	2.75	Retail	Yes	Future	Long-term	
16 King Edward	Vancouver	1.80	Safeway	Yes	Future	Long-term	
17 Elbow Drive	Calgary	1.60	Safeway	Yes	Future	Long-term	
18 Robson Street	Vancouver	1.15	Safeway	Yes	Future	Long-term	
19 Kensington	Calgary	1.73	Safeway	Yes	Future	Long-term	
20 Beltline	Calgary	2.59	Safeway	Yes	Future	Long-term	
21 Kingsway and Tyne	Vancouver	3.74	Safeway/Other	Yes	Future	Long-term	
22 East Hastings	Vancouver	3.30	Safeway/Other	Yes	Future	Long-term	
23 Bernard Ave	Kelowna	1.83	Safeway	Yes	Future	Long-term	
24 Whyte Ave	Edmonton	2.44	Safeway/Other	Yes	Future	Long-term	
25 New Westminster	Vancouver	2.82	Safeway	Yes	Future	Long-term	
26 Brampton Mall	Toronto	8.74	Office/Retail	Yes	Future	Long-term	

- (1) All projects in the pipeline are transit-oriented and have the potential for residential expansion.
(2) The Marlstone was formerly referred to as Westhill on Duke.
(3) The Marlstone is being developed through densification on 0.46 acres of the existing 9.05-acre Scotia Square site.
(4) Brunswick Place can be developed through densification on the existing 0.75-acre Brunswick Place Parkade.
(5) Barrington Residential was formerly referred to as Triangle Lands.

Non-major Developments

Non-major developments, includes land-use intensification, property redevelopments, and modernizations, which are projects with a total estimated cost below \$50 million at Crombie's share. Projects in the non-major category are shorter in duration and thus boast less overall risk compared to our major development pipeline. These projects have the ability to create value while enhancing the overall quality of the portfolio. The below table summarizes active non-major developments within Crombie's portfolio at December 31, 2023.

Type	GLA on Completion	At Crombie's Share	
		Estimated Total Cost (\$ in millions)	
Land-use intensification	28,000	\$	20
Modernizations ⁽¹⁾ , Redevelopments, and Other	—		30
Total Non-major developments	28,000	\$	50

⁽¹⁾ Modernizations are a capital investment to modernize/ renovate Crombie-owned grocery store properties in exchange for a defined return and potential extended lease term. Annual spend on modernizations totals \$25,201.

Competition

The real estate business in which Crombie operates is competitive. Numerous other developers, managers and owners of properties compete with Crombie in seeking tenants. Please refer to "Risks - Risk Factors Related to the Real Estate Industry - Competition".

Intellectual Property

Crombie has registered, or is in the process of registering, various trademarks that it uses in its operations. None of these trademarks are critical to Crombie's operations.

Employment

Crombie employed a total of 297 employees as at December 31, 2023. The employees are located in the head office in New Glasgow, Nova Scotia as well as various regional locations in British Columbia, Alberta, Ontario, Quebec, New Brunswick, Nova Scotia, and Newfoundland and Labrador.

PROPERTIES HELD BY CROMBIE

At December 31, 2023, Crombie owned a portfolio of 294 income-producing properties in ten provinces, comprising approximately 18.7 million square feet of GLA. For property details please refer to Appendix A.

RISKS

There are certain risks inherent in the activities of Crombie, including the following:

Risk Factors Related to the Real Estate Industry

Real Property Ownership and Tenant Risks

All real property investments are subject to elements of risk. The value of real property and any improvements thereto depend on the credit and financial stability of tenants and upon the vacancy rates of the properties. In addition, certain significant expenditures, including property taxes, ground rent, mortgage payments, insurance costs, and related charges must be made throughout the period of ownership of real property regardless of whether a property is producing any income. Cash available for distribution will be adversely affected if a significant number of tenants are unable to meet their obligations under their lease or if a significant amount of available space in the properties becomes vacant and cannot be leased on economically favourable lease terms.

Upon the expiry of any lease, there can be no assurance that the lease will be renewed, or the tenant replaced. The terms of any subsequent lease may be less favourable to Crombie than those of an existing lease. The ability to rent unleased space in the properties in which Crombie has an interest will be affected by many factors, including general economic conditions, local real estate markets, changing demographics, supply and demand for leased premises, competition from other available premises and various other factors.

As technology and e-commerce continue to evolve and proliferate the daily business activities of certain of our tenants and the resulting shopping options for their customers, tenants may need to alter the way they do business to remain relevant and successful. This could include reducing store footprints, rationalizing the number of properties they operate from and/or investing in a larger e-commerce presence to remain competitive in light of continued technology and e-commerce innovation. Any such changes could adversely affect tenant demand for our properties.

Fixed Costs

The failure to rent a material amount of unleased space on a timely basis, or at all, would likely have an adverse effect on Crombie's financial condition and results of operation and decrease the amount of cash available for distribution. Certain significant expenditures, including property taxes, ground rent, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether a property is producing any income. If Crombie 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 or the landlord's exercise of remedies. Costs may also be incurred in making improvements or repairs to property required by a new tenant and income may be lost as a result of any prolonged delay in attracting suitable tenants to the vacant space.

The timing and amount of capital expenditures by Crombie will affect the amount of cash available for distribution to Unitholders. Distributions may be reduced, or even eliminated, at times when Crombie deems it necessary to make significant capital or other expenditures.

Liquidity of Real Estate Investments

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may limit Crombie's ability to vary its portfolio promptly in response to changing economic or investment conditions. If Crombie were to be required to liquidate its real property investments, the proceeds might be significantly less than the aggregate carrying value of its properties, which could have an adverse effect on Crombie's financial condition and results of operation and decrease the amount of cash available for distribution.

Competition

The real estate business is competitive. Numerous other developers, managers and owners of properties compete with Crombie in seeking tenants. Some of the properties located in the same markets as Crombie's properties may be newer, better located, less levered or have stronger anchor tenants than Crombie's properties. Some property owners with properties located in the same markets as Crombie's 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 Crombie's ability to lease space in its properties and on the rents charged or concessions granted, which could have an adverse effect on Crombie's financial condition and results of operation and decrease the amount of cash available for distribution. Competition for acquisitions of real properties can be intense and some competitors may have the ability or inclination to acquire properties at a higher price or on terms less favourable than those that Crombie may be prepared to accept. An increase in the availability of investment funds, an increase in interest in real property investments or a decrease in interest rates may tend to increase competition for real property investments, thereby increasing purchase prices and reducing the yield on them.

Risk Factors Related to the Business of Crombie

Credit Risk

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

In measuring tenant concentration, Crombie considers both the annual minimum rent and total property revenue of major tenants.

At December 31, 2023, Crombie's largest tenant, Empire (including Sobeys and all other subsidiaries of Empire), represents 58.5% of annual minimum rent. No other tenant accounts for more than 2.4% of Crombie's annual minimum rent.

Total property revenue includes base rent as well as operating and realty tax cost recovery income and percentage rent. These amounts can vary by property type, specific tenant leases and where tenants may directly incur and pay operating and realty tax costs. Empire (including Sobeys and all other subsidiaries of Empire) represents 54.1% of total property revenue. Excluding these tenants, no other tenant accounts for more than 2.3% of Crombie's total property revenue.

Over the next five years, no more than 7.3% of the gross leaseable area of Crombie will expire in any one year.

Interest Rate Risk

Interest rate risk is the potential for financial loss arising from increases in interest rates. Crombie mitigates this risk by utilizing staggered debt maturities and limiting the use of permanent floating rate debt and, on occasion, utilizing interest rate swap agreements. As at December 31, 2023:

- Crombie's weighted average term to maturity of its fixed rate mortgages is 5.9 years;
- Crombie's weighted average term to maturity of its unsecured notes is 4.4 years;
- Crombie has an unsecured non-revolving credit facility available to a maximum of \$200.0 million, with \$93.3 million utilized at December 31, 2023;

- Crombie has a floating rate unsecured revolving credit facility available to a maximum of \$400.0 million, subject to available Borrowing Base, with \$47.6 million utilized at December 31, 2023;
- Crombie has a floating rate bilateral credit facility available to a maximum of \$130.0 million with no balance at December 31, 2023;
- Crombie has joint operation credit facilities available to a maximum of \$3.5 million at Crombie's share with a balance of \$3.5 million outstanding;
- Crombie has interest rate swap agreements on \$83.4 million of floating rate debt and an interest rate swap agreement held in equity-accounted investments on \$52.0 million, at Crombie's share, of floating rate debt; and
- Crombie has floating rate credit facilities included in debt held in equity-accounted investments, available to a maximum of \$133.0 million with \$120.2 million utilized, at Crombie's share.

Crombie enters into interest rate swap agreements to manage the interest rate profile of its current or future debts without an exchange of the underlying principal amount. The interest swap rates would be based on Canadian bond yields, plus a premium, called the swap spread, which reflects the risk of trading with a private counterparty as opposed to the Canadian government. Under interest rate swap arrangements, Crombie would agree to pay the counterparty an amount if market interest rates decline, in return for the counterparty's agreement to pay Crombie an amount if market interest rates increase. As a result, the combined effect of variable interest rates on certain debt arrangements coupled with the payment obligations under interest rate swap agreements is to stabilize Crombie's net interest expense, as increased interest payments are partially offset by the right to receive payments under the interest rate swap agreements, while decreased interest payments are partially offset by the obligation to make payments under the interest rate swap agreements. In the event that interest rates change by more than was anticipated in the interest rate swap agreements, payment obligations under interest rate swap agreements could adversely impact Crombie's financial condition and results of operations and decrease the amount of cash available for distribution.

Crombie does not enter into these interest rate swap transactions on a speculative basis. Crombie is prohibited by its Declaration of Trust in purchasing, selling or trading in interest rate future contracts other than for hedging purposes.

In light of inflationary pressures, the Bank of Canada increased their overnight interest rate eight times from 0.25% in January 2022 to 4.50% in January 2023. This has increased to 5.00% in January 2024. A fluctuation in interest rates would have an impact on Crombie's operating income related to the use of floating rate debt. The following table reflects the impacts of selected interest rate changes on operating income by adjusting interest rates on month end floating rate debt balances throughout the year:

Impact on operating income attributable to Unitholders of interest rate changes on the Revolving credit facility	Year ended	
	December 31, 2023	
	Increase in rate	Decrease in rate
Impact of a 0.5% interest rate change	\$ (701)	\$ 701
Impact of a 1.0% interest rate change	\$ (1,402)	\$ 1,402
Impact of a 1.5% interest rate change	\$ (2,104)	\$ 2,104

Impact on other comprehensive income (loss) of interest rate changes on interest rate swap agreements at Crombie's share	As at December 31, 2023	
	Increase in rate	Decrease in rate
Impact of a 0.5% interest rate change	\$ 1,600	\$ (1,600)
Impact of a 1.0% interest rate change	\$ 3,200	\$ (3,200)
Impact of a 1.5% interest rate change	\$ 4,800	\$ (4,800)

Development Risk

Crombie owns a number of investment properties at varying stages of development as well as a significant pipeline of potential future development properties.

Development risk associated with development projects underway include: construction delays and their impact on financing and related costs as well as commitments from tenants for occupancy; cost overruns that could impact the profitability and/or financial viability of a project; and, the inability to meet revenue projections upon completion, which could be impacted by unmet leasing assumptions on timing of tenant occupancy or rent per square foot.

Development risks associated with potential future development properties include all of the above as well as the risks associated with the ability to develop the property at all. This may include waiting for all current leases to expire or negotiating favourable terms with current tenants, which could include costs associated with lease interruptions to permit development, and, inability to receive various required municipal/provincial approvals for site plan, development, zoning, construction, etc.

Joint Arrangement Risk

Crombie has entered into joint arrangements or partnerships with other third party entities including our mixed-use developments at Davie Street, Le Duke, Bronte Village, Opal Ridge, King George, and Broadway and Commercial where Crombie holds a 50% ownership. For more information on these developments please see the "Property Development" section of this AIF. As a result of these joint arrangements, Crombie may not have the same level of control over the operation or development of such properties that it ordinarily has, which may impact its ability to respond to conditions affecting such properties. Risks associated with these arrangements include risk of default by a partner on financing obligations or non-performance of a partner's obligations on a project, which may include development, construction, management or leasing.

Capitalization Rate Risk

Crombie values its investment properties using the capitalized net operating income method. Under this method, valuations are derived by dividing trailing stabilized net operating income (property revenue less property operating expenses) by market capitalization rates. The key assumptions are the capitalization rates for each specific property and stabilized net income. Crombie is responsible for the reasonableness of the assumptions and for the accuracy of inputs that are used to determine our valuation disclosures. Crombie receives biannual capitalization rate reports (June and December) from external knowledgeable property valuers. The capitalization rate reports provide a range of rates for various geographic regions and for various types and qualities of properties within each region. Management selects the rate for each property from the range provided that management believes is most appropriate in its judgment. In addition to this, Crombie uses the market information obtained in external appraisals each quarter and makes relevant adjustments to our input assumptions. If these input assumptions are not correct, our valuation disclosures may not accurately describe the fair value of our properties. The Audit Committee provides oversight to this process, receiving a detailed summary including any major capitalization rate movement and other key decisions made each quarter and are provided with opportunities to discuss and question management on decisions made.

There has been upward pressure on capitalization rates, resulting in negative pressure on property valuations, since the beginning of 2022, largely in response to the dramatic increase in overnight prime interest rates and Government of Canada bond yields, and the weakening Canadian economy. This, along with the lower level of comparable transactions in the market, has resulted in less reliable data for valuers, which may result in increased subjectivity in their capitalization rates provided to Crombie and adversely affect the reliability of Crombie's valuation input assumptions, which in turn may adversely affect the certainty of Crombie's reported fair value based measures. Further increases to overnight prime interest rates and Government of Canada bond yields could put additional upward pressure on capitalization rates.

Reliance on Anchor Tenants

Retail shopping centres have traditionally relied on there being a number of anchor tenants (grocery stores and discount department stores among others) in the centre and are therefore subject to the risk of such anchor tenants either moving out of the property or going out of business. If any anchor tenant were to leave a property, the property could be negatively affected by such a loss which could have an adverse effect on Crombie's financial condition and results of operation and decrease the amount of cash available for distribution.

Tenant Concentration

Crombie's anchor tenants are concentrated in a relatively small number of retail operators. Specifically, 58.5% of the annual minimum rent and 54.1% of total property revenue generated from Crombie's properties is derived from anchor tenants that are owned and/or operated by Empire (including Sobeys and all other subsidiaries of Empire). Therefore, Crombie is reliant on the sustainable operation by Empire in these locations, and any disruption of Empire's business or financial condition could adversely affect Crombie's financial condition and results of operations, and the value of its Empire-anchored properties.

Economic Stability of Local Markets

Some of Crombie's properties are located in regions where the economy is dominated by a small number of industries with only a few major participants. The economic stability and development of these local markets would be negatively affected if such major industry participants failed to maintain a significant presence in such markets. An economic downturn in these markets may adversely affect revenues derived by tenants of Crombie from their businesses and their ability to pay rent to Crombie in accordance with their leases. An enduring economic decline in a local market may affect the ability of Crombie to: (i) lease space in its properties, (ii) renew existing leases at current rates, and (iii) derive income from the properties located in such market, each of which could adversely impact Crombie's financial condition and results of operations and decrease the amount of cash available for distribution.

Retail Concentration

Crombie's portfolio of properties is heavily weighted in retail properties. Consequently, changes in the retail environment and general consumer spending, including the growing trend in e-commerce, could adversely impact Crombie's financial condition.

Acquisitions

Crombie's business plan includes growth through identifying suitable property acquisition opportunities, pursuing such opportunities, consummating acquisitions and effectively operating and leasing such properties. If Crombie is unable to manage its growth effectively, it could adversely impact Crombie's financial condition and results of operations and decrease the amount of cash available for distribution. There can be no assurance as to the pace of growth through property acquisitions or that Crombie will be able to acquire assets on an accretive basis, and as such there can be no assurance that distributions to Unitholders will increase in the future.

Access to Capital

The real estate industry is highly capital intensive. Crombie will require access to capital to maintain its properties, as well as to fund its growth strategy and significant capital expenditures from time to time. There can be no assurances that Crombie will have access to sufficient capital or access to capital on terms favourable to Crombie for future property acquisitions, financing or refinancing of properties, funding operating expenses or other purposes. In addition, Crombie may not be able to borrow funds under the Revolving Credit Facility or Unsecured Bilateral Credit Facility due to the limitations on the incurrence of debt by Crombie set forth in the Revolving Credit Facility or Unsecured Bilateral Credit Facility and the Declaration of Trust. Crombie's access to public debt and equity markets may be limited by market conditions or willingness to incur dilution at prevailing market prices from time to time. Failure by Crombie to access required capital could adversely impact Crombie's financial condition and results of operations and decrease the amount of cash available for distribution.

Liquidity Risk

The real estate industry is highly capital intensive. Liquidity risk is the risk that Crombie may not have access to sufficient debt and equity capital to fund its growth program, refinance debt obligations as they mature or meet its ongoing obligations as they arise.

Cash flow generated from operating the property portfolio represents the primary source of liquidity used to service the interest on debt, fund general and administrative expenses, reinvest in the portfolio through capital expenditures, as well as fund tenant incentive costs and make distributions to Unitholders. Debt repayment requirements are primarily funded from refinancing Crombie's maturing debt obligations. Property acquisition funding requirements are funded through a combination of accessing the debt and equity capital markets and recycling capital from property dispositions.

There is a risk that the debt capital markets may not refinance maturing fixed rate and floating rate debt on terms and conditions acceptable to Crombie or at any terms at all. There is also a risk that the equity capital markets may not be receptive to a REIT Unit offering from Crombie with financial terms acceptable to Crombie. Access to debt and equity capital markets may also be affected by national and international events, and economic conditions beyond Crombie's control.

There is a risk that credit ratings may change. No ratings agency has issued a credit rating with respect to the Units, and no credit rating of the Units will be sought or obtained by Crombie. As of December 31, 2023, Crombie's outstanding senior unsecured notes maintain a credit rating of "BBB(low)" with a "Stable" trend from DBRS. Credit ratings may not reflect all risks associated with an investment in Crombie's securities. Any credit ratings applied to the notes are an assessment of Crombie's ability to pay its obligations generally. Consequently, real or anticipated changes in the credit ratings will generally affect the market value of the notes. The credit ratings, however, may not reflect the potential impact on the value of the notes, of risks related to structure, market or other factors discussed herein. Crombie is under no obligation to maintain any specified level of credit rating with credit rating agencies and there is no assurance that any credit rating assigned to the notes will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency. A lowering, withdrawal or failure to maintain any credit ratings applied to the notes may have an adverse effect on the market price or value and the liquidity of the notes. Credit ratings are not recommendations to purchase, hold or sell the notes or other securities of Crombie. Any future lowering of Crombie's ratings likely would make it more difficult or expensive for Crombie to obtain additional debt financing.

Under the amended terms governing the Revolving Credit Facility, Crombie is entitled to borrow a maximum of 70% of the fair market value of assets subject to a first security position (50% for certain co-owned assets) and 60% of the excess of fair market value over first mortgage financing of assets subject to a second security position or a negative pledge. The terms of the Revolving Credit Facility also require that Crombie must maintain annualized NOI (meaning the difference between revenue and expenses for investment properties) for the prescribed properties that is a minimum of 1.3 times the coverage of the related annualized debt service requirements.

The terms of the Revolving Credit Facility, Unsecured Bilateral Credit Facility and the Non-Revolving Credit Facility also require that Crombie must maintain certain covenants:

- annualized NOI on all properties must be a minimum of 1.4 times the coverage of all annualized debt service requirements;
- access to the debt facilities is limited by the amount utilized under the facility, and any outstanding letters of credit, not to exceed the security provided by Crombie; and
- distributions to Unitholders are limited to 100% of Funds From Operations as defined in the Revolving Credit Facility and Unsecured Bilateral Credit Facility.

As at December 31, 2023, and throughout the 2023 fiscal year, Crombie was in compliance with all externally imposed capital requirements and all covenants relating to its debt facilities.

As outlined above, access to the Revolving Credit Facility is limited such that the amount utilized under the facility, plus outstanding letters of credit may not exceed the security provided by Crombie identified as the "**Aggregate Coverage Amount**" as defined in the Revolving Credit Facility. At December 31, 2023 the additional amount available to be drawn under the Revolving Credit Facility was \$352.4 million (\$347.1 million after taking effect of outstanding letters of credit).

Environmental Matters

Environmental legislation and regulations have become increasingly important in recent years. As an owner of interests in real property in Canada, Crombie is subject to various Canadian federal, provincial and municipal laws relating to environmental matters.

Such laws provide that Crombie could become liable for environmental harm, damage or costs, including with respect to the release of hazardous, toxic or other regulated substances into the environment, and the removal or other remediation of hazardous, toxic or other regulated substances that may be present at or under its properties. Further liability may be incurred by Crombie with respect to the release of such substances from Crombie's properties to properties owned by third parties, including properties adjacent to Crombie's properties. The failure to remove or otherwise address such substances or properties, if any, may adversely affect Crombie's ability to sell such property, realize the full value of such property or borrow using such property as collateral security, and could potentially result in claims against Crombie by public or private parties by way of civil action.

Crombie's operating policy is to obtain a Phase I environmental site assessment, conducted by an independent and experienced environmental consultant, prior to acquiring a property and to have Phase II environmental site assessment work completed where recommended in a Phase I environmental site assessment. Although such environmental site assessments provide Crombie with some level of assurance about the condition of property, Crombie may become subject to liability for undetected contamination or other environmental conditions at its properties against which it cannot insure, or against which Crombie may elect not to insure where insurance premium costs are considered to be disproportionate to the assessed risk, which could negatively impact Crombie's financial condition and results of operations and decrease the amount of cash available for distribution.

Environmental laws can change and Crombie or its subsidiaries may become subject to even more stringent environmental laws in the future, with increased enforcement of laws by the government. Compliance with more stringent environmental laws, which may be more rigorously enforced, the identification of currently unknown environmental issues or an increase in the costs required to address a currently known condition may have an adverse effect on Crombie's business, financial condition and results of operation and distributions.

Natural Disaster and Climate Change Risk

Crombie has properties located in areas that are subject to natural disasters and severe weather conditions such as hurricanes, ice storms, floods, earthquakes, and fires, and the frequency of these natural disasters and severe weather conditions may increase due to climate change. The occurrence of natural disasters, severe weather conditions and the effects of climate change can delay new development or redevelopment projects, increase investment costs to repair or replace damaged properties, increase operation costs, including the cost of energy at our properties, increase costs for future property insurance, negatively impact the tenant demand for lease space and cause substantial damages or losses to our properties which could exceed any applicable insurance coverage. The incurrence of any of these losses, costs or business interruptions may adversely affect our financial condition, results of operations, and cash flows. In addition, changes in government legislation and regulation on climate change, such as reduction in greenhouse gas emissions, could result in increased capital expenditures to transition Crombie's existing properties to have a lower carbon footprint and could also require Crombie to spend more on our development or redevelopment projects some of which may not be recoverable from tenants, which may adversely affect its financial condition, results of operations, and cash flows. Any failure to adapt to climate change could adversely affect Crombie's reputation, financial condition, results of operations and cash flows.

Potential Conflicts of Interest

The Trustees will, from time to time, in their individual capacities, deal with parties with whom Crombie may be dealing, or may be seeking investments similar to those desired by Crombie. The interests of these persons could conflict with those of Crombie. The Declaration of Trust and Code of Conduct contain conflict of interest provisions requiring the Trustees to disclose their interests in certain contracts and transactions and to refrain from voting on those matters. In addition, certain decisions regarding matters that may give rise to a conflict of interest must be made by a majority of independent elected Trustees only.

Conflicts may exist due to the fact that certain Trustees, senior officers and employees of Crombie are directors and/or senior officers of Empire and/or its affiliates or will provide management or other services to Empire and its affiliates. Empire and its affiliates are engaged in a wide variety of real estate and other business activities. Crombie may become involved in transactions that conflict with the interests of the foregoing. The interests of these persons could conflict with those of Crombie, which may impair their ability to act in the best interests of Crombie.

General Insured and Uninsured Risks

Crombie carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance under a blanket policy available to affiliates of Empire with customary policy specifications, limits and deductibles. Crombie has insurance for earthquake risks, subject to certain policy limits, deductibles and self-insurance arrangements, and will continue to carry such insurance if it is economical to do so. There are, however, certain types of risks, generally of a catastrophic nature, such as war or environmental contamination, which are either uninsurable or not insurable on an economically viable basis. Should an uninsured or under insured loss occur, Crombie could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, but would continue to be obligated to repay any recourse mortgage indebtedness on such properties which would likely adversely impact Crombie's financial condition and results of operation and decrease the amount of cash available for distribution. If Crombie is no longer able to participate in Empire's blanket policy it will be required to obtain a replacement policy, and the terms and premiums of such policy may be less favourable to Crombie.

Many insurance companies have eliminated coverage for communicable disease and acts of terrorism from their policies, and Crombie may not be able to obtain coverage at commercially reasonable rates or at any price. Damage to a property sustained as a result of an uninsured terrorist or similar act or prolonged business interruption resulting from a pandemic, could adversely impact Crombie's financial condition and results of operation and decrease the amount of cash available for distribution.

Land Leases

To the extent the properties in which Crombie has or will have an interest are located on leased land, the land leases may be subject to periodic rate resets which may fluctuate and may result in significant rental rate adjustments which would likely adversely impact Crombie's financial condition and results of operation and decrease the amount of cash available for distribution.

Specific Lease Considerations

Certain of Crombie's properties are leased on a base year or semi-gross basis or otherwise have caps on operating costs and/or tax recoveries. As a result, Crombie will bear the economic costs of increases in certain of the operating costs and/or property taxes in such cases to the extent it is not able to fully recover increases in operating costs and property taxes from these tenants which increases would likely adversely impact Crombie's financial condition and results of operations and decrease the amount of cash available for distribution.

Reliance on Key Personnel

The management of Crombie depends on the services of certain key personnel, particularly its Chief Executive Officer and Chief Financial Officer. Crombie has robust succession planning in place for both key personnel, including designated internal personnel to act on an interim basis in case of emergency, and periodically engages in broader reviews of its management structure and succession planning. Crombie has undergone a number of changes to its senior management team over the last 18 months, including the retirements of its Chief Executive Officer, Chief Operating Officer and Chief Talent Officer, and most recently, the resignation of its Chief Financial Officer. In January 2024, Clinton Keay, Crombie's Chief Financial Officer and Secretary as at December 31, 2023 submitted his resignation effective February 23, 2024. In accordance with Crombie's succession planning, Kara Cameron, currently Vice President, Accounting and Financial Reporting, will serve as Interim CFO while a search for a permanent CFO is conducted. While these transitions have occurred without significant disruption to Crombie's business to date, the unexpected loss of the service of any key personnel in the future could affect Crombie and adversely impact Crombie's financial condition if Crombie does not have adequate succession plans in place for these personnel. In addition to potential business disruption, departures of senior management members can result in significant employee transition costs. There can be no assurance that Crombie will not experience adverse impacts to its financial condition as a result of the recent changes beyond the employee transition costs already disclosed. Crombie does not have key-person insurance on any of its key employees.

Reliance on ECL, SDLP and Other Empire Affiliates

Crombie's ability to acquire new properties is dependent in part upon ECL and Sobeys Developments Limited Partnership ("**SDLP**") and the successful operation of the right of first offer agreement as described in "Material Contracts". Also, a significant portion of Crombie's rental income is received from tenants that are affiliates of Empire. Finally, ECL has obligations to indemnify Crombie in respect to the cost of environmental remediation of certain properties acquired by Crombie from ECL to a maximum permitted amount in relation to some properties and unlimited in relation to other properties. There is no certainty that ECL and SDLP will be able to perform their obligations to Crombie in connection with these agreements. ECL and SDLP have not provided any security to guarantee these obligations. If ECL, SDLP, Empire or such affiliates are unable or otherwise fail to fulfill their obligations to Crombie, such failure could adversely impact Crombie's financial condition. As at December 31, 2023, Empire, through its wholly-owned subsidiary ECL Developments, holds a 41.5% indirect interest in Crombie.

Rent Control Risk

Crombie has interests in equity-accounted investments which hold residential properties in locations where there is a risk that municipalities have, or will, impose rent caps. Such rent control regulations would limit Crombie's ability to charge market rents, which could adversely affect Crombie's property revenue and net property income from affected properties and adversely affect the fair value of properties subject to rent control regulations, and may negatively affect Crombie's financial condition, results of operations and cash flows.

Limit on Activities

In order to maintain its status as a "mutual fund trust" and a "real estate investment trust" under the *Income Tax Act* (Canada), Crombie cannot carry on most active business activities, is limited in the types of investments it may make, and must comply with specific restrictions regarding its development activities. The Declaration of Trust contains restrictions to this effect.

Cyber Security Risk

A cyber security incident includes any material adverse event that threatens the confidentiality, integrity and/or availability of Crombie's information resources. Crombie recognizes that information is a critical enterprise asset, both internal business and employee information and information of Crombie's tenants and suppliers. Currently, cyber security risk is managed through a multilayered security approach involving cyber software tool-based controls, policies, standards, procedures and frontline user education pertaining to security awareness, access, system development, change management and problem and incident management. Inaccurate, incomplete or unavailable information, external intrusions on information systems or inappropriate access to these information resources could lead to incorrect financial and/or operational reporting, poor decisions, privacy breaches or inappropriate disclosures, leaks of sensitive information or system disruptions. Such events, intentional or unintentional, could include malicious attacks, unauthorized access to confidential data or information systems or security breaches and could lead to a disruption of operations or unauthorized access to, and release of, confidential information. The organizational impact could include reputational damage with tenants, suppliers, or other strategic partners, financial costs, or a disruption to Crombie's business. Some of Crombie's confidential information is held and managed by third-party service providers. Any failure in data security or any system vulnerability (internal or external) could result in harm to Crombie's reputation or competitive position. Cyber incidents are becoming more frequent and more sophisticated. Crombie has implemented security measures, including monitoring, recovery testing, maintenance of protective systems and contingency plans, to protect and to prevent unauthorized access of confidential information and to reduce the likelihood of disruption to its IT systems or critical data. There is no guarantee that these measures, as well as Crombie's enhanced awareness of the risk of a cyber incident, will not negatively impact its financial results by the occurrence of any such event.

Risk Factors Related to the Units

Cash Distributions Are Not Guaranteed

There can be no assurance regarding the amount of income to be generated by Crombie's properties. The ability of Crombie to make cash distributions and the actual amount distributed are entirely dependent on the operations and assets of Crombie and its subsidiaries, and are subject to various factors including financial performance, obligations under applicable credit facilities, the sustainability of income derived from anchor tenants, and capital expenditure requirements. Cash available to Crombie to fund distributions may be limited from time to time because of items such as principal repayments, tenant allowances, leasing commissions, capital expenditures and redemptions of Units, if any. Crombie may be required to use part of its debt capacity or to reduce distributions in order to accommodate such items. The market value of the Units will deteriorate if Crombie is unable to maintain its distribution in the future, and that deterioration may be significant. In addition, the composition of cash distributions for tax purposes may change over time and may affect the after-tax return for investors.

Structural Subordination of the Units

In the event of a bankruptcy, liquidation or reorganization of Crombie LP or any of its subsidiaries, holders of its indebtedness and its trade creditors will generally be entitled to payment of their claim from the assets of Crombie LP and those subsidiaries before any assets are made available for distribution to Crombie or its Unitholders. The Units are effectively subordinated to the debt and other obligations of Crombie LP and its subsidiaries. Crombie LP and its subsidiaries generate all of Crombie's revenue available for distribution and hold substantially all of Crombie's operating assets.

Restrictions on Redemptions

It is anticipated that the redemption right described under "Description of Units and Declaration of Trust - Redemption Right" will not be the primary mechanism for holders of Units to liquidate their investments. The entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the following limitations: (i) the total amount payable by Crombie in respect of such Units and all other Units tendered for redemption in the same calendar month must not exceed \$50,000 (provided that such limitation may be waived at the discretion of the Trustees); (ii) at the time such Units are tendered for redemption, the outstanding Units must be listed for trading on a stock exchange or traded or quoted on another market which the Trustees consider, in their sole discretion, provides fair market value prices for the Units; and (iii) the trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not listed on a stock exchange, on any market on which the Units are quoted for trading) on the redemption date for more than five trading days during the 10 day trading period commencing immediately after the redemption date.

Potential Volatility of Unit Prices

One of the factors that may influence the market price of the Units is the annual yield on the Units. An increase in market interest rates may lead purchasers of Units to demand a higher annual yield, which accordingly could adversely affect the market price of the Units. In addition, the market price of the 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 Crombie.

Nature of Investment

A holder of a Unit of Crombie does not hold a share of a body corporate. The rights of Unitholders are based primarily on the Declaration of Trust. There is no statute governing the affairs of Crombie equivalent to the *Business Corporations Act* (Ontario) ("**OBCA**") or the *Canada Business Corporations Act* ("**CBCA**") which sets out the rights and entitlements of shareholders of corporations in various circumstances. A number of these rights, for example, the right to bring "oppression" or "derivative" actions, have been added to the Declaration of Trust, however, these rights are not statutory in nature and the interpretation of these rights by courts may not be the same as those available under the applicable statutes.

Tax-related Risk Factors

Crombie intends to make distributions not less than the amount necessary to eliminate Crombie's liability for tax under Part I of the Income Tax Act (Canada). Where the amount of net income and net realized capital gains of Crombie in a taxation year exceeds the cash distributions in the year, such excess net income and net realized capital gains will be distributed to Unitholders and such additional distributions may be in the form of cash and/or additional Units. Unitholders will generally be required to include an amount equal to the fair market value of any additional Units in their taxable income, notwithstanding that they do not directly receive a cash distribution.

Certain properties have been acquired by Crombie on a tax deferred basis, whereby the tax cost of these properties is less than their fair market value. Accordingly, if one or more of such properties is disposed of, the gain for tax purposes recognized by Crombie will be in excess of that which it would have been if it had acquired the properties at a tax cost equal to their fair market values.

Publicly traded income trusts, or specified investment flow-through entities ("**SIFTS**"), are subject to income taxation at corporate tax rates, subject to an exemption for real estate investment trusts ("**REITs**"). The exemption for REITs was provided to "recognize the unique history and role of collective real estate investment vehicles," which are well-established structures throughout the world. A trust that satisfies the criteria of a REIT throughout its taxation year will not be subject to income tax in respect of distributions to its Unitholders or be subject to the restrictions on its growth that would apply to SIFTS.

While REITs were exempted from the SIFT taxation, a number of technical tests apply to determine which entities would qualify as a REIT. These technical tests did not fully accommodate the business structures used by many Canadian REITs.

Crombie and its advisors underwent an extensive review of Crombie's organizational structure and operations to support Crombie's assertion that it meets the REIT technical tests contained in the Act through the 2023 fiscal year. The relevant tests apply throughout the taxation year of Crombie and, as such, the actual status of Crombie for any particular taxation year can only be ascertained at the end of the year.

Notwithstanding that Crombie may meet the criteria for a REIT and thus be exempt from the distribution tax, there can be no assurance that the Department of Finance (Canada) or other governmental authority will not undertake initiatives which have an adverse impact on Crombie or its Unitholders.

Availability of Cash Flow

Cash available to Crombie may be limited from time to time because of items such as debt principal repayments, tenant allowances, leasing commissions, capital expenditures and redemptions of Units, if any. Crombie may be required to use part of its debt capacity or to reduce distributions in order to accommodate such items. Crombie anticipates temporarily funding such items, if necessary, through the Revolving Credit Facility or Unsecured Bilateral Credit Facility in expectation of refinancing long-term debt on its maturity.

Dilution

The number of Units Crombie is authorized to issue are unlimited. Crombie may, in its sole discretion, issue additional Units from time to time, and the interests of the holders of Units may be diluted thereby.

Indirect Ownership of Units by Empire

Empire holds a 41.5% economic interest in Crombie through the ownership of REIT and Class B LP Units. Pursuant to the Exchange Agreement, each Class B LP Unit will be exchangeable at the option of the holder for one Unit of Crombie and will be attached to a Special Voting Unit of Crombie, providing for voting rights in Crombie. Furthermore, pursuant to the Declaration of Trust, Empire is entitled to appoint a certain number of Trustees based on the percentage of Units held by it. Thus, Empire is in a position to exercise a certain influence with respect to the affairs of Crombie. If Empire sells substantial amounts of its Class B LP Units or exchanges such units for Units and sells these Units in the public market, the market price of the Units could fall. The perception among the public that these sales will occur could also produce such effect.

Risk Factors Related to the Ownership of Notes

An Active Trading Market May Not Develop for the Notes

There is no public market through which the Notes may be sold. Crombie does not intend to list the Notes on any securities exchange or include the Notes in any automated quotation system.

Therefore, an active market for the Notes may not develop or be maintained, which would adversely affect the market price and liquidity of the Notes. In such case, the holders of the Notes may not be able to sell their Notes at a particular time or at a favourable price. If a public trading market were to develop, future trading prices of the Notes may be volatile and will depend on many factors, including:

- the number of holders of Notes;
- prevailing interest rates;
- Crombie's operating performance and financial condition;
- Crombie's credit rating;
- the interest of securities dealers in making a market for them; and
- the market for similar securities.

Even if an active trading market for the Notes does develop, there is no guarantee that it will continue. The Notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar Notes, Crombie's performance and other factors.

Credit Risk and Prior Ranking Indebtedness: Absence of Covenant Protection

The likelihood that Noteholders will receive payments owing to them under the terms of the Notes, as applicable, will depend on the financial health of Crombie and its creditworthiness. In addition, the Notes are unsecured obligations of Crombie and the applicable Guarantors, and are subordinate in right of payment to all Crombie's, and the applicable Guarantors', existing and future senior indebtedness. Therefore, if Crombie becomes bankrupt, liquidates its assets, reorganizes or enters into certain other transactions, Crombie's assets will be available to pay its obligations with respect to the Notes only after it has paid all of its senior and secured indebtedness in full. There may be insufficient assets remaining following such payments to pay amounts due on any or all of the Notes then outstanding. The Notes are also effectively subordinate to claims of creditors of Crombie's subsidiaries except to the extent Crombie is a creditor of such subsidiaries ranking at least *pari passu* with such other creditors. The indentures do not prohibit or limit the ability of Crombie or its subsidiaries to incur additional debt or liabilities (including senior indebtedness) or to make distributions, except, in respect of distributions, where an event of default has occurred

and such default has not been cured or waived. The indentures do not contain any provision specifically intended to protect Noteholders in the event of a future leveraged transaction involving Crombie.

Change of Control Triggering Event

Upon the occurrence of a Change of Control Triggering Event, Crombie will be required to offer to repurchase all outstanding Notes. However, it is possible that Crombie will not have sufficient funds at the time of the Change of Control Triggering Event to make the required repurchase of the Notes.

Crombie's ability to repurchase Notes pursuant to a Change of Control Offer may be limited by a number of factors. The occurrence of the events constituting a Change of Control Triggering Event under the Indenture may constitute a default under the Revolving Credit Facility and the Unsecured Bilateral Credit Facility and may result in an Event of Default in respect of Crombie's and its subsidiaries' other current or future indebtedness and, consequently, the lenders thereof may have the right to require repayment of such indebtedness in full. Moreover, the exercise by holders of Notes of their right to require Crombie to repurchase the Notes upon a Change of Control Triggering Event could cause a default under these other agreements, even if the Change of Control Triggering Event itself does not, due to the financial effect of such repurchases on Crombie. Crombie's failure to repurchase the Notes would be an Event of Default under the Note Indenture, Revolving Credit Facility and the Unsecured Bilateral Credit Facility. See "*Description of Notes and Indenture - Change of Control Triggering Event*".

Credit ratings may not reflect all risks of an investment in the Notes and may change

Credit ratings may not reflect all risks associated with an investment in the Notes. Any credit ratings applied to the Notes are an assessment of Crombie's ability to pay its obligations. Consequently, real or anticipated changes in the credit ratings will generally affect the market value of the Notes. The credit ratings, however, may not reflect the potential impact on the value of the Notes, of risks related to structure, market or other factors discussed in this AIF. Crombie is under no obligation to maintain any specified level of credit rating with credit rating agencies and there is no assurance that any credit rating assigned to the Notes will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency.

A lowering, withdrawal or failure to maintain any credit ratings applied to the Notes may have an adverse effect on the market price or value and the liquidity of the Notes. Credit ratings are not recommendations to purchase, hold or sell the Notes. Any future lowering of Crombie's ratings likely would make it more difficult or more expensive for Crombie to obtain additional debt financing. If any credit rating initially assigned to the Notes is subsequently lowered or withdrawn for any reason, holders of Notes may not be able to resell their Notes without a substantial discount.

Bankruptcy and Insolvency Laws

The ability of holders of the Notes to enforce remedies will be subject to certain limitations in the event of Canadian bankruptcy, insolvency or debt reorganization proceedings (including receivership). Upon the commencement of bankruptcy, insolvency or other debt reorganization proceedings in Canada, a stay of proceedings is typically imposed (automatically in the case of bankruptcy or, in receivership and other proceedings, by court order) which may stay, among other things:

- the commencement or continuation of any action or proceeding against the debtor that was or could have been commenced before the commencement of the applicable bankruptcy, insolvency or debt reorganization proceedings to recover a claim against the debtor that arose before the commencement of such proceedings;
- any act to obtain possession of, or control over, property of the debtor's estate or the debtor;
- any act to create or enforce any lien against property of the debtor's estate or the debtor (provided that certain rights to perfect or re-perfect existing security interests may remain unaffected by the stay of the proceedings); and
- any act to collect or recover a claim against the debtor that arose before the commencement of the bankruptcy, insolvency or debt reorganization proceedings.

In the event of bankruptcy, insolvency or other debt enforcement proceedings, creditors may be prevented from enforcing their remedies from a debtor company without approval from the court supervising the proceeding, and may be prevented from disposing of assets or security repossessed from such debtor without court approval. In such proceedings, the debtor may be permitted to continue to retain assets, including cash, even though the debtor is in default under applicable debt instruments.

In the event of bankruptcy, insolvency or other debt enforcement proceedings, a court may grant an order authorizing interim financing which ranks in priority to the claim of any other creditor of the debtor. In such a circumstance, the court must consider a number of factors including whether any creditor may be materially prejudiced. The court may provide protections in the face of material prejudice. However, this power is discretionary, and it cannot be predicted when, or whether, the Trustee under the indentures for the Notes or the Noteholders can enforce remedies, or whether, or to what extent, holders of Notes would be compensated for any delay in payment or loss of value of the Notes. In the event of bankruptcy, insolvency or other debt enforcement proceedings, the court may impose charges on the property of the debtor that rank in priority to the claims of secured and unsecured creditors.

DESCRIPTION OF CAPITAL STRUCTURE AND DECLARATION OF TRUST

General

Crombie is an unincorporated open-ended real estate investment trust established pursuant to the Declaration of Trust. Although Crombie qualifies as a "mutual fund trust" as defined in the *Income Tax Act* (Canada), Crombie is not a "mutual fund" as defined by applicable securities legislation.

The Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of such Act or any other legislation. The Units are not shares in Crombie and Unitholders do not have statutory rights of shareholders of a corporation incorporated under either the OBCA or the CBCA including, for example, the right to bring "oppression" or "derivative" actions, although similar rights exist under Crombie's Declaration of Trust. Furthermore, Crombie is not a trust company and accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

Crombie is authorized to issue an unlimited number of Units and an unlimited number of Special Voting Units. Issued and outstanding Units and Special Voting Units may be subdivided or consolidated from time to time by the Trustees without the approval of the Unitholders.

Units

Units do not have preference or priority over one another. No Unitholder has or is deemed to have any right of ownership of any of the assets of Crombie. Each Unit represents a Unitholder's proportionate undivided beneficial ownership interest in Crombie and confers the right to one vote at any meeting of Unitholders and to participate *pro rata* in any distributions by Crombie, whether of net income, net realized capital gains or other amounts and, in the event of termination of Crombie, in the net assets of Crombie remaining after satisfaction of all liabilities. Units are fully paid and non-assessable when issued (unless issued on an instalment receipt basis) and are transferable.

Special Voting Units

Special Voting Units have no economic entitlement in Crombie, but entitle the holder to one vote per Special Voting Unit at any meeting of the Unitholders of Crombie. Special Voting Units may only be issued in connection with or in relation to Class B LP Units for the purpose of providing voting rights with respect to Crombie to the holders of such securities. Special Voting Units are issued in conjunction with the Class B LP Units to which they relate, and are evidenced only by the certificates representing such Class B LP Units.

Special Voting Units are not transferable separately from the Class B LP Units to which they are attached and are automatically transferred upon the transfer of such Class B LP Unit. Each Special Voting Unit entitles the holder thereof to that number of votes at any meeting of Unitholders that is equal to the number of Units that may be obtained upon the exchange of the Class B LP Unit to which such Special Voting Unit is attached. Upon the exchange or surrender of a Class B LP Unit for a Unit, the Special Voting Unit attached to such Class B LP Unit will automatically be redeemed and cancelled for no consideration without any further action of the Trustees, and the former holder of such Special Voting Unit will cease to have any rights with respect thereto.

Redemption Right

Each Unitholder is entitled to require Crombie to redeem at any time or from time to time at the demand of the Unitholder all or any part of the Units registered in the name of the Unitholder at the prices determined and payable in accordance with the conditions provided in the Declaration of Trust.

Purchases of Units by Crombie

Crombie may from time to time purchase Units in accordance with applicable securities legislation and the rules prescribed under applicable stock exchange and regulatory policies. Any such purchase will constitute an "issuer bid" under Canadian provincial securities legislation and must be conducted in accordance with the applicable requirements thereof.

Take-Over Bids

The Declaration of Trust contains provisions to the effect that if a take-over bid or issuer bid is made for Units within the meaning of the *Securities Act* (Ontario) and not less than 90% of the 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 is entitled to acquire the Units held by Unitholders who do not accept the offer either, at the election of each Unitholder, on the terms offered by the offeror or at the fair value of such Unitholder's Units determined in accordance with the procedures set out in the Declaration of Trust.

Issuance of Units

Subject to the approval rights of ECL set out in the Exchange Agreement, Crombie may issue new Units from time to time, in such manner, for such consideration and to such person or persons as the Trustees shall determine. Unitholders do not have any pre-emptive rights whereby additional Units proposed to be issued would be first offered to existing Unitholders, except that for so long as ECL continues to hold directly or indirectly, at least 10% of the Special Voting Units, ECL will have the pre-emptive right to purchase additional Units issued by Crombie to maintain its *pro rata* voting interest in Crombie.

If the Trustees determine that Crombie does not have cash in an amount sufficient to make payment of the full amount of any distribution, the payment may include the issuance of additional Units having a value equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution. Immediately after any *pro rata* distribution of Units to all Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will be consolidated so that each Unitholder will hold, after the consolidation, the same number of Units as the Unitholder held before the non-cash distribution. In this case, each certificate representing a number of Units prior to the non-cash distribution is deemed to represent the same number of Units after the non-cash distribution and the consolidation. Where amounts distributed represent income, non-resident holders will be subject to withholding tax and the consolidation will not result in such non-resident Unitholders holding the same number of Units. Such non-resident Unitholders will be required to surrender the certificates (if any) representing their original Units in exchange for a certificate representing post-consolidation Units.

Crombie may also issue new Units as consideration for the acquisition of new properties or assets by it, at a price or for the consideration determined by the Trustees, or pursuant to any incentive or option plan established by Crombie from time to time.

Book-Based System

Except as otherwise provided below, the Units are represented in the form of one or more fully registered global unit certificates held by, or on behalf of, CDS as depository of such global unit certificates for the participants of CDS, registered in the name of CDS or its nominee, and registration of ownership and transfers of the Units are effected only through the book-based system administered by CDS.

Except as described below, no Unitholder is entitled to a certificate or other instrument from Crombie evidencing Unitholder's ownership thereof, and no holder of a beneficial interest in a Unit is shown on the records maintained by CDS except through book-entry accounts of a participant of CDS acting on behalf of the beneficial owners. CDS is responsible for establishing and maintaining book-entry accounts for its participants having interests in the global unit certificates. Sales of interests in the global unit certificates can only be completed through participants in the depository services of CDS.

Units are issued in fully registered form to Unitholders or their nominees who acquire such Units in reliance upon Rule 144A adopted under the *U.S. Securities Act*. If any such privately placed Units represented by definitive certificates are subsequently traded into Canada, the registrar and transfer agent will deliver a certificate registered in the name of CDS or its nominee representing such Units and, thereafter, registration of ownership and transfers of such Units will be made through the book-based system administered by CDS.

Except in the case of United States Unitholders who acquire Units under Rule 144A, Units are issued in fully registered form to holders or their nominees, other than CDS or its nominee, only if: (i) Crombie is required to do so by applicable law; (ii) the depository system of CDS ceases to exist; (iii) Crombie determines that CDS is no longer willing or able or qualified to discharge properly its responsibility as depository and Crombie is unable to locate a qualified successor; or (iv) Crombie at its option elects to terminate the book-entry system in respect of the Units through CDS.

Transfer and Exchange of Units

Transfers of beneficial ownership of Units represented by global unit certificates are effected through records maintained by CDS or its nominees (with respect to interests of participants) and on the records of participants (with respect to interests of persons other than participants). Unless Crombie elects, in its sole discretion, to prepare and deliver definitive certificates representing the Units, beneficial owners who are not participants in the book-entry system administered by CDS, but who desire to purchase, sell or otherwise transfer ownership of or other interest in global unit certificates, may do so only through participants in the book-entry system administered by CDS.

The ability of a beneficial owner of an interest in a Unit represented by a global unit certificate to pledge the Unit or otherwise take action with respect to such owner's interest in the Unit represented by a global unit certificate (other than through a participant) may be limited due to the lack of a physical certificate.

Registered holders of definitive certificates representing Units may transfer such Units upon payment of taxes or other charges incidental thereto, if any, by executing and delivering a form of transfer together with the Unit certificates to the registrar for the Units at its principal office in the City of Toronto, Ontario or such other city or cities as may from time to time be designated by Crombie, whereupon new Unit certificates are issued in authorized denominations in the same aggregate principal amount as the Unit certificates so transferred, registered in the name of the transferees. Any request to transfer or exchange Units may not be honoured by Crombie and the transfer agent for the Units if such

transfer or exchange is in contravention of United States federal and state securities laws or would require Crombie to register as an investment Trust under the *United States Investment Company Act of 1940*.

Limitation on Non-Resident Ownership

In order for Crombie to maintain its status as a "mutual fund trust" under the *Income Tax Act (Canada)*, Crombie must not be established or maintained primarily for the benefit of non-residents of Canada within the meaning of the *Income Tax Act (Canada)*. Accordingly, at no time may non-residents of Canada (within the meaning of the *Income Tax Act (Canada)*) be the beneficial owners of more than 49% of the Units and the Trustees will inform the transfer agent and registrar of this restriction. The Trustees may require declarations as to the jurisdictions in which beneficial owners of Units are resident. If the Trustees become aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 49% of the Units then outstanding are, or may be, non-residents of Canada or that such a situation is imminent, the Trustees may make a public announcement thereof and will not accept a subscription for Units from or issue Units to a person unless the person provides a declaration that the person is not a non-resident. If, notwithstanding the foregoing, the Trustees determine that more than 49% of the Units are held by non-residents, the Trustees may send a notice to non-resident holders of Units, 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 Trustees may, on behalf of such Unitholders sell such Units and, in the interim, must suspend the voting and distribution rights attached to such Units. Upon such sale the affected holders will cease to be holders of Units and their rights will be limited to receiving the net proceeds of sale, subject to the right to receive payment of any distribution declared by the Trustees which is unpaid and owing to such Unitholders. The Trustees will have no liability for the amount received provided that they act in good faith. Class B LP Units, which are economically equivalent to Units, are not permitted to be transferred to non-resident entities.

ECL Approval Rights

The Declaration of Trust provides that so long as ECL or its affiliates hold or control at least 20% of the Special Voting Units Crombie may not issue any securities that, in the aggregate, would result in the dilution of ECL's voting interest to a level less than that required to be maintained pursuant to any agreements to which Crombie is a party without the approval of ECL.

Amendments to Declaration of Trust

The Declaration of Trust may be amended or altered from time to time. Certain amendments require approval by at least two-thirds of the votes cast at a meeting of Unitholders called for such purpose. Other amendments to the Declaration of Trust require approval by a majority of the votes cast at a meeting of Unitholders called for such purpose.

The following amendments, among others, require the approval of two-thirds of the votes cast by all Unitholders at a meeting:

- a. an exchange, reclassification or cancellation of all or part of the Units or Special Voting Units;
- b. the addition, change or removal of the rights, privileges, restrictions or conditions attached to the Units or Special Voting Units;
- c. the constraint of the issue, transfer or ownership of the Units or Special Voting Units or the change or removal of such constraint;
- d. the sale or transfer of the assets of any of Crombie or its subsidiaries as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of any of Crombie or its subsidiaries approved by the Trustees);
- e. the termination of any of Crombie or its subsidiaries;
- f. the combination, amalgamation or arrangement of any of Crombie or its subsidiaries with any other entity; and
- g. except as described herein, the amendment of the Investment Guidelines and Operating Policies of Crombie set out in the Declaration of Trust.

Upon the recommendation of the Independent Trustees (as defined in the Declaration of Trust) of Crombie, the Trustees may, without the approval of the Unitholders, make certain amendments to the Declaration of Trust, including amendments:

- a. aimed at ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over: (i) the Trustees or Crombie; (ii) the status of Crombie as a "mutual fund trust" or "registered investment" under the Income Tax Act (Canada); or (iii) the distribution of Units;
- b. which, in the opinion of the Trustees, provide additional protection for the Unitholders;
- c. to remove any conflicts or inconsistencies in the Declaration of Trust or to make minor corrections which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Unitholders;
- d. which, in the opinion of the Trustees, are necessary or desirable to remove conflicts or inconsistencies between the disclosure in this AIF and the Declaration of Trust;
- e. of a minor or clerical nature or to correct typographical mistakes, ambiguities or manifest omissions or errors, which amendments, in the opinion of the Trustees, are necessary or desirable and not prejudicial to the Unitholders;
- f. which, in the opinion of the Trustees, are necessary or desirable: (i) as a result of changes in taxation or other laws, or to ensure continuing compliance with IFRS for January 1, 2010 and thereafter; or (ii) to ensure the Units qualify as equity for purposes of IFRS for January 1, 2010 and thereafter;
- g. which, in the opinion of the Trustees, are necessary or desirable to enable Crombie to implement a Unit option or purchase plan or issue Units for which the purchase price is payable in installments;
- h. to create one or more additional classes of units solely to provide voting rights to holders of shares, units or other securities that are exchangeable for Units entitling the holder thereof to a number of votes not exceeding the number of Units into which the exchangeable shares, units or other securities are exchangeable or convertible but that do not otherwise entitle the holder thereof to any rights with respect to Crombie's property or income other than a return of capital; and
- i. for any purpose (except one in respect of which a Unitholder vote is specifically otherwise required) which, in the opinion of the Trustees, is not prejudicial to Unitholders and is necessary or desirable.

DESCRIPTION OF NOTES AND INDENTURE

On October 31, 2018, Crombie issued \$175 million aggregate principal amount of 4.800% Series E Notes (The "**Series E Notes**"), maturing January 31, 2025. The Series E Notes were priced with an effective yield to maturity of 4.802% and sold at a price of \$999.96 per \$1,000.00 principal amount. Interest is payable in equal semi-annual installments on January 31 and July 31 of each year.

On August 26, 2019, Crombie issued, on a private placement basis, \$200 million Series F Notes, maturing August 26, 2026. The notes were priced with an effective yield to maturity of 3.677% and sold at a price of \$1,000.00 per \$1,000.00 principal amount. Interest is payable in equal semi-annual installments on February 26 and August 26.

On December 20, 2019, Crombie issued on a private placement basis, \$150 million 3.917% Series G Notes (senior unsecured) maturing June 21, 2027 (the "**Series G Notes**"). The Series G Notes were priced with an effective yield to maturity of 3.917% and sold at a price of \$1,000.00 per \$1,000.00 principal amount. Interest is payable in equal semi-annual installments on June 21 and December 21.

On October 9, 2020, Crombie issued on a private placement basis, \$150 million 2.686% Series H Notes (senior unsecured) maturing March 31, 2028. The Series H Notes were priced with an effective yield to maturity of 2.686% and sold at a price of \$1,000.00 per \$1,000.00 principal amount. Interest is payable in equal semi-annual installments on March 31 and September 30.

On October 9, 2020, Crombie issued on a private placement basis, \$150 million 3.211% Series I Notes (senior unsecured) maturing October 9, 2030. The Series I Notes were priced with an effective yield to maturity of 3.211% and sold at a price of \$1,000.00 per \$1,000.00 principal amount. Interest is payable in equal semi-annual installments on April 9 and October 9.

On August 12, 2021, Crombie issued on a private placement basis, \$150 million 3.133% Series J Notes (senior unsecured) maturing August 12, 2031 (the "**Series J Notes**"). The Series J Notes were priced with an effective yield to maturity of 3.133% and sold at a price of \$1,000.00 per \$1,000.00 principal amount. Interest is payable in equal semi-annual installments on February 12 and August 12.

On March 28, 2023, Crombie issued on a private placement basis, \$200 million 5.244% Series K Notes (senior unsecured) maturing September 28, 2029 (the "**Series K Notes**"). The Series K Notes were priced with an effective yield to maturity of 5.244% and sold at a price of \$1,000.00 per \$1,000.00 principal amount. Interest is payable in equal semi-annual installments on March 28 and September 28.

The Series E Notes, Series F Notes, Series G Notes, Series H Notes, Series I Notes, Series J Notes and Series K Notes, to the extent applicable, are collectively referred to in this AIF as the "**Notes**".

The Notes are direct senior unsecured obligations of Crombie and are guaranteed by all of Crombie's existing and future subsidiaries (excluding certain entities that hold title to real property as bare Trustees for another subsidiary) (the "**Guarantors**") on a senior unsecured basis. The Notes and the guarantees rank equally and rateably in right of payment with all other unsecured and unsubordinated indebtedness of the REIT and the Guarantors, respectively.

Rank

The Notes will be direct senior unsecured obligations of Crombie and will rank equally and rateably with one another and with all other Debt Securities and with all other unsecured and unsubordinated indebtedness of Crombie, except for sinking fund provisions applicable to other Debt Securities or to other similar types of obligations of Crombie, if any, and except to the extent prescribed by law. The Notes will be effectively subordinated to all of Crombie's secured indebtedness.

Guarantees

The payment of principal, premium, if any, and interest on the Notes will be fully and unconditionally guaranteed, on a joint and several basis, by the Initial Guarantors. If Crombie or any Subsidiary acquires or creates another Subsidiary (other than an Excluded Nominee) on or after the original issue date of the Notes, then that newly acquired or created Subsidiary will similarly guarantee the Notes, on a joint and several basis with each of the existing Guarantors. Each such Note Guarantee will be a direct senior unsecured obligation of the applicable Guarantor, will rank equally and rateably with all other unsecured and unsubordinated indebtedness of that Guarantor and will be effectively subordinated to all of that Guarantor's secured indebtedness. The financial results of the Guarantors are included in the consolidated financial results of Crombie.

A Guarantor's Note Guarantee (other than the Note Guarantee provided by Crombie LP) will be released in connection with certain transactions where, as a result of the transaction, neither Crombie nor any of its Affiliates, directly or indirectly, own a majority of the equity in that Guarantor; provided that (i) immediately after giving effect to that transaction and the release of that Guarantor's Note Guarantee, no Event of Default (or event that with the passage of time or the giving of notice or both, would be, an Event of Default) shall have occurred and be continuing and (ii) prior to any such release, each Specified Rating Agency that rated the Notes immediately prior to public notice of the intention of Crombie to effect such transaction has, within ten Business Days of such public notice of such transaction, confirmed in writing that its rating assigned to the Notes, after giving effect to that transaction and proposed release of such Guarantor's Note Guarantee, is equal to or higher than its rating prior to giving effect thereto.

Crombie LP's Note Guarantee will be released only in the circumstances described below under "Certain Covenants in the Supplements - Restrictions on Consolidations and Mergers".

Redemption by Crombie

At Crombie's option, Crombie may redeem the Notes at any time, in whole or in part, on payment of a redemption price equal to the greater of (i) the Canada Yield Price and (ii) 100% of the aggregate principal amount of the Notes to be redeemed, together in each case with accrued and unpaid interest to the date fixed for redemption (less any taxes required by law to be deducted or withheld). Crombie will give notice of redemption at least 15 days but not more than 30 days before the date fixed for redemption. Where less than all of the Notes are to be redeemed pursuant to their terms, the Notes to be so redeemed will be redeemed on a *pro rata* basis according to the principal amount of such Notes registered in the respective name of each Noteholder or in such other manner as the Trustee may consider equitable, provided that such selection will be proportionate.

Purchase of Notes

Provided no Event of Default under the Indenture has occurred and is continuing, Crombie may, at any time and from time to time, purchase Notes in the market (which will include purchases from or through an investment dealer or a firm holding membership on or being a participating organization with respect to a recognized stock exchange) or by tender or private contract at any price. Notes that are so purchased will be cancelled and will not be reissued or resold.

Certain Covenants in the Series E, Series F, Series G, Series H, Series I, Series J and Series K Supplements

The Series E, Series F, Series G, Series H, Series I, Series J, and Series K supplements (the "**Supplements**") to the indenture governing the Notes contain covenants substantially to the following effect.

Consolidated EBITDA to Consolidated Interest Expense Ratio

Crombie will maintain at all times a ratio, calculated for each Reference Period, of Consolidated EBITDA to Consolidated Interest Expense of not less than 1.65 to 1.

For the purposes of this calculation, Consolidated EBITDA and Consolidated Interest Expense, as applicable, will be calculated on a *pro forma* basis giving effect to the incurrence of the Indebtedness to be Incurred, Indebtedness Incurred to the date of calculation and, in each case, to the application of the proceeds therefrom and, for this purpose, (i) all Indebtedness Incurred since the first day of the Reference Period and the application of the proceeds therefrom, including Indebtedness Incurred to refinance other Indebtedness, will be deemed to have occurred at the beginning of the Reference Period, (ii) the repayment or retirement of any other Indebtedness since the first day of the Reference Period will be deemed to have been repaid or retired at the beginning of the Reference Period, (iii) in the case of any acquisition or disposition by the REIT or its subsidiaries of any asset or group of assets since the first day of the Reference Period, whether by merger, share purchase or sale, or asset purchase or sale, such acquisition or disposition or any related repayment of Indebtedness will be deemed to have occurred as of the

first day of the Reference Period with the appropriate adjustments with respect to such acquisition or disposition being included in such pro forma calculation and (iv) the Consolidated EBITDA and Consolidated Interest Expense attributable to discontinued operations will be excluded; provided that such Consolidated Interest Expense will be excluded only to the extent that the obligations giving rise to it will not be obligations of Crombie or any of its subsidiaries following the date of calculation.

Restrictions on Additional Indebtedness

On each day that Crombie or any Subsidiary of Crombie incurs Indebtedness (other than Permitted Intercompany Indebtedness), Crombie will calculate an Indebtedness percentage as set out below. Neither Crombie nor Crombie LP will incur, nor will either of them permit any of their subsidiaries to incur, any Indebtedness (other than Permitted Intercompany Indebtedness) unless (i) the quotient (expressed as a percentage) obtained by dividing the amount of Consolidated Indebtedness (excluding any convertible Indebtedness) by the amount of Aggregate Adjusted Assets (in the case of each such amount, including any cash or cash equivalents on hand of a Joint Venture Arrangement, but excluding all other cash or cash equivalents on hand) and calculated on a *pro forma* basis as described below would be less than or equal to 60%, and (ii) the quotient (expressed as a percentage) obtained by dividing the amount of Consolidated Indebtedness (including, for certainty, any convertible Indebtedness) by the amount of Aggregate Adjusted Assets (in the case of each such amount, including any cash or cash equivalents on hand of a Joint Venture Arrangement, but excluding all other cash or cash equivalents on hand) and calculated on a *pro forma* basis as described below would be less than or equal to 65% (the 60% and 65% percentages in the preceding clauses (i) and (ii) are collectively referred to as the "**Indebtedness Percentage**").

The Supplements provide that the Indebtedness Percentage will be calculated on a *pro forma* basis as at the date of Crombie's most recently published annual or interim consolidated balance sheet (the "**Balance Sheet Date**") giving effect to the incurrence of the indebtedness to be incurred and the application of the proceeds therefrom and to any other event that has increased or decreased Consolidated Indebtedness or Aggregate Adjusted Assets since the Balance Sheet Date to the date of calculation.

Equity Maintenance

Crombie will maintain at all times an Adjusted Net Assets Attributable to Unitholders of at least \$300 million.

Restrictions on Consolidations and Mergers

Without the consent of the Noteholders by Extraordinary Resolution, neither Crombie nor Crombie LP may consolidate or amalgamate with, enter into a merger or reorganization or similar transaction with any Person, or sell, assign, transfer, or lease all or substantially all of its properties and assets to any Person, in one transaction or a series of related transactions (each such transaction or series of transactions, as applicable, a "**Transaction**") unless:

- a. either (x) Crombie shall be the continuing Person or (y) the Person, if other than Crombie, formed by such Transaction or which acquires all or substantially all of Crombie's or Crombie LP's properties and assets (the "**Successor**") is organized or existing under the laws of Canada or any province or territory thereof and the Successor expressly assumes under a supplemental indenture, executed and delivered to the Trustee in form satisfactory to the Trustee, all of Crombie's obligations under the Indenture and the Notes;
- b. immediately before and immediately after giving effect to such Transaction, no Event of Default, or event that with the passage of time or the giving of notice or both, would be, an Event of Default, under the Indenture has occurred and is continuing;
- c. immediately after giving effect to the Transaction, the Successor could Incur at least \$1.00 of Indebtedness under the Indenture;
- d. each Guarantor (unless such Guarantor is the Person with which Crombie has entered into a Transaction under this covenant) will have by amendment to its Note Guarantee confirmed that its Note Guarantee will apply to the obligations of Crombie or the Successor, as applicable, in accordance with the Notes and the Indenture; and
- e. such Transaction is, in the opinion of counsel, on such terms as to preserve and not impair any of the rights and powers of the Trustee or the Holders of Notes under the Indenture.

In the event of any Transaction described in and complying with the applicable conditions listed in the immediately preceding paragraph in which Crombie is not the surviving Person, the Successor will succeed to, and be substituted for, and may exercise every legal right and power of Crombie, under the Indenture, and thereafter Crombie will, except in the case of a lease, be discharged from all obligations and covenants under the Indenture and the outstanding Notes. If any such Transaction is a sale, assignment or transfer of all or substantially all of the properties and assets of Crombie LP to any Person and Crombie LP will remain a separate legal entity from, and will not be an Affiliate of, the Successor after giving effect to such Transaction, Crombie LP will be released and relieved of its obligations under its guarantee in respect of the Notes immediately following such Transaction.

Change of Control Triggering Event

If a Change of Control Triggering Event occurs with respect to the Notes, unless the REIT has exercised its optional right to redeem all of the Notes as described under "*Redemption by Crombie*", the REIT will be required to make an offer to repurchase all or, at the option of the Holder of the Notes, any part (equal to \$1,000 or an integral multiple thereof) of each Holder's Notes pursuant to the offer described below (the "**Change of Control Offer**") and on the further terms described in the Supplemental Indenture. In such offer, the Trust will be required to offer payment in cash equal to 101% of the aggregate outstanding principal amount of Notes to be repurchased together with accrued and unpaid interest on the Notes to the date of repurchase. The acceptance of the REIT's Change of Control Offer at 101% shall be at the option of each Holder of the Notes.

Within two Business Days following any Change of Control Triggering Event, Crombie will be required to give written notice to the Noteholders describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the Notes on the payment date specified in the notice, which date will be the 30th day from the date such notice is given (the "**Change of Control Payment Date**"). Crombie must comply with the requirements of applicable securities laws and regulations in connection with the repurchase of the Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any such applicable securities laws and regulations conflict with the provision described in the Indenture relating to a Change of Control Triggering Event, Crombie will be required to comply with such laws and regulations and will not be deemed to have breached its obligations to repurchase the Notes by virtue of such conflict.

Crombie will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes such an offer substantially in the manner, at the times and in compliance with the requirements for a Change of Control Offer (and for at least the same purchase price payable in cash) and such third party purchases all Notes properly tendered and not withdrawn under its offer.

Maintenance of Rating

Crombie will be required to maintain at least one rating on the Notes from any of the Specified Rating Agencies, provided that such rating is available on commercially reasonable terms.

Certain Covenants in the Base Indenture

The Base Indenture will contain covenants substantially to the following effect.

Maintenance of Properties

Crombie will maintain and keep or cause to be maintained and kept in good condition, repair and working order all of the properties owned by it or any of its subsidiaries used in its business or in the business of any of its subsidiaries and will make or cause to be made all necessary repairs and renewals and improvements to and replacements of these properties, in each case as in its judgment may be necessary to carry on its business properly and prudently. Notwithstanding the foregoing, subject to various provisions in the Indenture, Crombie and its subsidiaries will not be prohibited from selling or transferring any of their properties.

Insurance

Crombie will maintain and will cause its subsidiaries to maintain such property and liability insurance as would be maintained by a prudent owner.

Financial Information

For so long as Crombie is a reporting issuer in any jurisdiction in Canada, Crombie shall provide to the Trustee, within 20 days after Crombie is required to file the same with the applicable securities regulatory authority (accounting for any extensions of the time required for such filing granted by such securities regulatory authority), copies of its annual audited consolidated financial statements for each fiscal year and copies of its unaudited condensed consolidated interim financial statements for each of the first three fiscal quarters of each fiscal year, in each case prepared in accordance with IFRS and accompanied by the management's discussion and analysis of results of operations and financial condition in respect of those financial statements.

If at any time Crombie is no longer a reporting issuer in any jurisdiction in Canada, Crombie will furnish to the Trustee (i) within 120 days after the end of each fiscal year of Crombie, copies of its annual audited consolidated financial statements for such fiscal year; and (ii) within 60 days after the end of each of the first three fiscal quarters of Crombie, copies of its unaudited condensed consolidated interim financial statements for such fiscal quarter, in each case prepared in accordance with IFRS in respect of those financial statements.

Events of Default

The Indenture will provide that each of the following events will constitute an event of default (the "**Event of Default**") in respect of each series of Debt Securities (including the Notes):

- a. default in payment of principal when due;
- b. default in payment of any interest when due where such default continues for a period of three Business Days after the relevant interest payment date;
- c. a breach of or default in the performance of the covenants described under "*Change of Control Triggering Event*" or "*Restrictions on Consolidations and Mergers*";
- d. a breach of or default in the performance of any other covenant of Crombie under the Notes or the Indenture where such default or breach continues for a period of 30 days after (i) the Trustee has given notice in writing to Crombie or (ii) Holders of at least 25% of the aggregate principal amount of the outstanding Debt Securities of such series has given notice in writing to Crombie and the Trustee, in each case specifying such breach or default and requiring Crombie to remedy such breach or default;
- e. certain events of bankruptcy, insolvency, winding up or dissolution related to Crombie or a Material Subsidiary as set out in the Indenture;
- f. the rendering of a final judgment or judgments (not subject to appeal) against Crombie or any Material Subsidiary in an aggregate amount in excess of \$25 million by a court of competent jurisdiction, which remains undischarged and unstayed for a period of 60 days after the date on which the right to appeal has expired;
- g. default by Crombie or any Subsidiary under the terms of any Indebtedness (other than any Non-Recourse Indebtedness) or any Financial Instrument Obligation where that default results in the acceleration of the stated maturity of that Indebtedness (after expiration of any applicable grace period) unless such acceleration is waived or rescinded; provided that the aggregate amount of all such Indebtedness and Financial Instrument Obligations which is accelerated exceeds \$25 million; and
- h. any Note Guarantee of a Material Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases to be in full force and effect (except as contemplated by the terms thereof) and such default continues for 10 days or a Guarantor, or any Person acting on behalf of a Guarantor, denies or disaffirms Crombie LP's obligations under its Guarantee or the Indenture.

Subject to the provisions of the Base Indenture relating to the duties of the Trustee, in case an event of default applicable to a particular series of Debt Securities occurs and is continuing, the Trustee will be under no obligation to exercise any of its rights or powers under the Base Indenture at the request or direction of any of the Holders of Debt Securities of such series, unless such Holders have offered to indemnify the Trustee to its reasonable satisfaction.

If an Event of Default (other than an Event of Default described in paragraph (e) above) occurs and is continuing with respect to a particular series of Debt Securities (including the Notes), the Trustee may, in its discretion, or will, upon receiving instruction from the Holders of at least 25% in aggregate principal amount of the outstanding Debt Securities of such series, accelerate the maturity of all Debt Securities of such series. If an Event of Default specified in paragraph (e) above occurs, the outstanding Debt Securities will become immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

At any time before a judgment or decree for payment of the money due thereon has been obtained by the Trustee as provided in the applicable Indenture, the Holders of a majority in principal amount of the outstanding Debt Securities of such series, by written notice to Crombie and the Trustee, may rescind and annul such declaration of acceleration and its consequences if:

- a. Crombie has paid or deposited, or caused to be paid or deposited, with the Trustee a sum sufficient to pay,
 1. all unpaid principal of any outstanding Debt Securities of such series which has become due and payable otherwise than by such declaration of acceleration, and interest on such unpaid principal at the rate borne by the Debt Securities of such series,
 2. to the extent that payment of such interest is lawful, interest on overdue interest on the Debentures of such Series at the rate borne by the Debt Securities of such series, and
 3. all sums paid or advanced by the Trustee under the Indenture for Debt Securities of such series and the reasonable compensation, expenses, disbursements and advances of the Trustee and its counsel; and
- b. all Events of Default, other than the non-payment of amounts of principal of, premium or interest on the Debt Securities of such series which have become due solely by such declaration of acceleration, have been cured or waived.

Defeasance

The Base Indenture will contain provisions requiring the Trustee to release Crombie from its obligations under the Indenture relating to a particular series of Debt Securities (including the Notes) provided that, among other things, Crombie satisfies the Trustee that it has deposited

funds or made due provision for the payment of the expenses of the Trustee and for payment of all principal and interest and other amounts due or to become due in respect of such series of Debt Securities.

Modification and Waiver

The rights of Holders (including Noteholders) may be modified if authorized by Extraordinary Resolution. If the proposed modification affects the rights of the Holders of a separate series of Debt Securities rather than all of the Debt Securities, the approval of a like proportion of the Holders of such separate series of Debt Securities outstanding will be required.

Notwithstanding the above, the Base Indenture provides that the approval of Holders of 75% of the outstanding principal amount of Debt Securities of a particular series will be required (a) to change the stated maturity of the principal of, or any instalment of interest on, any Debt Securities of such series or the time at which any Debt Securities of such series may or must be redeemed, (b) to reduce the principal amount of, or interest or premium (if any) on, any Debt Securities of such series, or reduce the redemption price thereof, or impair the right to institute suit for the enforcement of any such payment after the stated maturity thereof (or, in the case of redemption, on or after the applicable redemption date), (c) to change the place or currency of payment of the principal of, premium (if any) on redemption price of or interest on, any Debt Securities of such series, (d) to reduce the percentage of principal amount of outstanding Debt Securities of such series, the consent of whose Holders is necessary to amend or waive compliance with certain provisions of the Base Indenture or the supplemental indenture applicable to such series or to waive certain Defaults, (e) to modify the guarantee of any Subsidiary in respect of any Debt Securities in any manner adverse to the Holders of those Debt Securities or release any such Subsidiary from any of its obligations under any such guarantee or the Indenture, except in accordance with the terms of the Indenture, (f) to modify any provision affecting the ranking of the Debt Securities or any guarantee thereof in any manner adverse to the holders of those Debt Securities, or (g) to modify any of the provisions relating to the modification or amendment of the Base Indenture or the particular terms and conditions of such series which provisions require the consent of Holders of outstanding Debt Securities of such series or relating to the waiver of past Defaults, except to increase the percentage of outstanding Debt Securities of such series the consent of whose Holders is required for such actions or to provide that certain other provisions of the Base Indenture or the supplemental indenture applicable to such series cannot be modified or waived without the consent of the Holder of 75% of the outstanding principal amount of Debt Securities of that series. The Supplements further provide that approval of the Holders of 75% of the outstanding principal amount of each series of the Notes will be required for any modification or amendment of the obligations of Crombie to make a Change of Control Offer after the obligation to make such offer has arisen or any waiver of any Event of Default arising from any breach of or default in the performance of any of covenants or conditions described above under "Change of Control Triggering Event".

Subject to certain rights of the Trustee as provided in the Base Indenture, the Holders of a majority of the outstanding principal amount of the Debt Securities of a particular series, on behalf of all Holders of Debt Securities of such series, may waive compliance by Crombie with certain covenants and other provisions of the Base Indenture that apply to such series of Debt Securities and the supplemental indenture applicable to such series, including any existing Default or Event of Default and its consequences under the Base Indenture and such supplemental indenture other than a Default or Event of Default (i) in the payment of interest (or premium, if any) on, or the principal of, the Debt Securities of that series or (ii) in respect of a covenant or other provision that cannot be modified or amended without the consent of the Holders of 75% of the outstanding principal amount of Debt Securities of that series.

Depository Services

Except as otherwise provided below, the Notes will be issued in book-entry only form and deposited with CDS and must be purchased or transferred through participant in the depository services of CDS (the "**Participant**"), which include securities dealers, banks and trust companies. On the date of closing of this offering, Crombie will cause a Global Note to be delivered to, and registered in the name of, CDS or its nominee. Except as described below, no purchaser of a Note will be entitled to a certificate or other instrument from Crombie or CDS evidencing that purchaser's ownership thereof, and no Noteholder will be shown on the records maintained by CDS except through a book-entry account of a Participant acting on behalf of such Noteholder. Each Noteholder will receive a customer confirmation of purchase from the registered dealer from which the Note is purchased in accordance with the practices and procedures of that registered dealer. Practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in the Notes.

Notes will be issued in fully registered form to Noteholders or their nominees other than CDS or its nominee only if: (i) Crombie determines that CDS is no longer willing or able to discharge properly its responsibilities as depository and Crombie is unable to find a qualified successor, (ii) Crombie at its option elects, or is required by law, to terminate the book-entry system through CDS, (iii) an Event of Default under the Indenture shall have occurred and be continuing, or (iv) the book-entry only system ceases to exist.

Neither Crombie nor the Agents will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Notes held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Notes; or (c) any advice or representation made by or with respect to CDS and contained in the offering memorandum and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its Participants. The rules governing CDS provide that it acts as the agent and depository for

the Participants. As a result, Participants must look solely to CDS and beneficial owners must look solely to Participants for the payment of the principal and interest on the Notes paid by or on behalf of Crombie to CDS.

As indirect holders of Notes, investors should be aware that they (subject to certain exceptions): (a) may not have Notes registered in their name; (b) may not have physical certificates representing their interest in the Notes; (c) may not be able to sell the Notes to institutions required by law to hold physical certificates for securities they own; and (d) may be unable to pledge Notes as security.

Transfers

Transfers of ownership in the Notes will be effected only through records maintained by CDS or its nominee for such Notes with respect to interests of Participants and on the records of Participants with respect to interests of Persons other than Participants. Noteholders who are not Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interest in the Notes, may do so only through Participants.

The ability of a Noteholder to pledge a Note or otherwise take action with respect to such Noteholder's interest in the Note (other than through a Participant) may be limited due to the lack of a physical certificate.

Payment of Interest and Principal

Except in the case of payment on maturity or redemption, in which case, at the option of Crombie, payment may be made on surrender of the Global Note(s), payments of interest and principal on each Global Note will be made to CDS as the sole registered Noteholder. Principal payments on a Global Note will be made by deposit to the applicable account one Business Day before the Maturity Date or the redemption date and the funds will be paid to CDS against receipt of the Global Note. As long as CDS is the registered Noteholder, CDS will be considered the sole owner of the Global Note for the purpose of receiving payment on the Notes and for all other purposes under the Indenture and the Notes.

Crombie expects that CDS, upon receipt of any payment of principal or interest in respect of a Global Note, will credit Participants' accounts, on the date principal or interest is payable, with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Note as shown on the records of CDS. Crombie also expects that payments of principal and interest by Participants to the owners of beneficial interests in such Global Note held through such Participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participants. The responsibility and liability of Crombie and the Trustee in respect of Notes represented by a Global Note is limited to making payment of any principal and interest due on such Global Note to CDS.

If the date for payment of any amount of principal or interest on any Note is not a Business Day at the place of payment, then payment will be made on the next Business Day and the Noteholder will not be entitled to any further interest or other payment in respect of the delay.

While the Notes are represented by a Global Note, the date specified for determining holders entitled to receive interest on the Notes (the "**Regular Record Date**") will be the close of business three Business Days preceding the relevant interest payment date. If the Notes cease to be represented by a Global Note, the REIT may select a Regular Record Date which will be a date that is at least 10 Business Days preceding the relevant interest payment date.

Credit Rating

As of December 31, 2023, the Series E Notes, Series F Notes, Series G Notes, Series H Notes, Series I and Series J Notes maintained a credit rating of "BBB (low)" with a Stable trend from DBRS Limited ("**DBRS**"). The requests for such credit ratings were initiated by Crombie.

DBRS provides credit ratings of debt securities for commercial entities and the following description has been sourced from information made publicly available by DBRS. DBRS ratings are opinions that reflect the creditworthiness of an issuer, a security, or an obligation. They are opinions based on forward-looking measurements that assess an issuer's ability and willingness to make timely payments on outstanding obligations (whether principal, interest, dividend, or distributions) with respect to the terms of an obligation. Ratings are opinions based on the quantitative and qualitative analysis of information sourced and received by DBRS, which information is not audited or verified by DBRS. DBRS cautions that no two issuers possess exactly the same characteristics, nor are they likely to have the same future opportunities. Consequently, two issuers with the same rating should not be considered to be of exactly the same credit quality. The DBRS long-term rating scale provides an opinion on the risk of default, that is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued.

The BBB (low), with a Stable trend, rating assigned to Crombie and the Notes by DBRS is the fourth highest rating of DBRS' ten rating categories, which range from AAA to D. With the exception of the AAA and D categories, DBRS uses high or low designations to indicate the relative standing of the securities being rated within a particular rating category, and the absence of either a high or low designation indicates the rating is in the middle of the category. Under the DBRS rating system, debt securities rated BBB are of adequate credit quality and the capacity for payment of financial obligations is considered acceptable, but the entity may be vulnerable to future events.

DBRS uses “rating trends” for its ratings in, among other areas, the real estate investment trust sector. DBRS’ rating trends provide guidance in respect of DBRS’ 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 or, in some cases, unless challenges are addressed. In general, DBRS’ view is based primarily on an evaluation of the issuer, but may also include consideration of the outlook for the industry or industries in which the issuer operates. A “Positive” or “Negative” trend assigned by DBRS is not an indication that a rating change is imminent, but represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a “Stable” trend was assigned.

The credit rating assigned to Crombie and the Notes by DBRS is not a recommendation to buy, hold or sell securities of Crombie. A rating is not a comment on the market price of a security nor is it an assessment of ownership given various investment objectives. There is no assurance that any rating will remain in effect for any given period of time and ratings may be upgraded, downgraded, placed under review, confirmed and discontinued. Non-credit risks that can meaningfully impact the value of the securities issued include market risk, trading liquidity risk and covenant risk. DBRS uses rating symbols as a simple and concise method of expressing its opinion to the market, although DBRS ratings usually consist of broader contextual information regarding the security provided by DBRS in rating reports, which generally set out the full rationale for the chosen rating symbol, and in other releases.

Crombie paid to DBRS the customary fee in connection with the ratings assigned to Crombie and the Notes and will continue to make payments to DBRS from time to time in connection with the confirmation of such ratings for purposes of securities offerings, if any, from time to time.

DISTRIBUTIONS

The following outlines the distribution policy of Crombie as contained in the Declaration of Trust. Subject to compliance with such distribution policy, determinations as to the amounts actually distributable are made in the sole discretion of the Trustees.

Distribution Policy

Pursuant to the Declaration of Trust, cash distributions are to be determined by the Trustees in their discretion. Crombie intends to make distributions to Unitholders at least equal to the amount of net income, net realized capital gains and net recapture income of Crombie as is necessary to ensure that Crombie will not be liable for ordinary income taxes on such income. Any increase or reductions in the percentage of income to be distributed to Unitholders will result in a corresponding increase or decrease in distributions on Class B LP Units.

Distributions are made to Unitholders of record as at the close of business on the last business day of the month preceding a distribution date. Distributions may be adjusted for amounts paid in prior periods if the actual distribution for the prior periods is greater than or less than the estimates for the prior periods. Under the Declaration of Trust and pursuant to the distribution policy of Crombie, where Crombie's cash is not sufficient to make payment of the full amount of a distribution, such payment will, to the extent necessary, be distributed in the form of additional Units.

Crombie LP is the primary source of cash flow to fund distributions to Unitholders. The fourth amended and restated Crombie LP Partnership Agreement (the "**Crombie LP Agreement**") dated June 30, 2017, between ECL Properties, and Crombie General Partner Limited ("**Crombie GP**") requires Crombie LP to make monthly cash distributions to holders of Class B LP Units equal to the distribution payout ratio set by Crombie from time to time. Crombie LP retains the discretion to make unequal distributions to account for expenses incurred or income earned by Crombie so that distributions to be made to Class B LP Units are economically equivalent, to the greatest extent possible, to the distributions that the holder of Class B LP Units would have received if they were holding Units instead of Class B LP Units.

Crombie has implemented a Distribution Reinvestment Plan ("**DRIP**") to enable Canadian resident Unitholders to automatically reinvest cash distributions paid on their Units in additional Units. Units are issued under the DRIP directly from treasury of Crombie at a price equal to the volume-weighted average trading price of the Units on the Toronto Stock Exchange for the five trading days immediately preceding the relevant distribution payment date ("**Market Price**"). On August 4, 2021 the DRIP price was reduced from 100% of the Market Price to 97%, to restore the discount that had applied from the DRIP's adoption until it was discontinued in May 2018. The DRIP also permits owners of the outstanding Class B LP units of Crombie LP to reinvest distributions in additional Class B LP units on substantially the same terms. Crombie has currently reserved for issuance with the Toronto Stock Exchange eight million additional Units to accommodate the purchase of Units under the DRIP of which 6.7 million Units have been issued as of December 31, 2023.

Distribution History

The monthly cash distributions paid by Crombie during the fiscal years 2021, 2022 and 2023 are as follows:

Month	2021	2022	2023
	\$/unit	\$/unit	\$/unit
January	\$ 0.07417	\$ 0.07417	\$ 0.07417
February	\$ 0.07417	\$ 0.07417	\$ 0.07417
March	\$ 0.07417	\$ 0.07417	\$ 0.07417
April	\$ 0.07417	\$ 0.07417	\$ 0.07417
May	\$ 0.07417	\$ 0.07417	\$ 0.07417
June	\$ 0.07417	\$ 0.07417	\$ 0.07417
July	\$ 0.07417	\$ 0.07417	\$ 0.07417
August	\$ 0.07417	\$ 0.07417	\$ 0.07417
September	\$ 0.07417	\$ 0.07417	\$ 0.07417
October	\$ 0.07417	\$ 0.07417	\$ 0.07417
November	\$ 0.07417	\$ 0.07417	\$ 0.07417
December	\$ 0.07417	\$ 0.07417	\$ 0.07417
TOTAL:	\$ 0.89004	\$ 0.89004	\$ 0.89004

Amendments

The distribution policy may be amended only with the approval of 66 $\frac{2}{3}$ % of the votes cast at a meeting of Unitholders called for such purpose. At the 2008 annual general meeting, Unitholders approved amendments to the Declaration of Trust to eliminate the term "Distributable Income" and the use of such term in the determination of cash distributions to Unitholders. On November 5, 2009, the Trustees adopted amendments to the Declaration of Trust which eliminated the obligation of the Trust to distribute in each year an amount at least equal to its taxable income calculated prior to such distributions, in accordance with the Declaration of Trust. At the 2017 annual general meeting, Unitholders approved amendments to the Declaration of Trust to facilitate an internal reorganization of Crombie's subsidiaries, including introducing the ability to make distributions to Unitholders in the form of securities of a subsidiary of Crombie.

MARKET FOR SECURITIES

The Units are listed on the TSX under the trading symbol "CRR.UN". The monthly high and low trading price and the volume for the Units for the fiscal year ended December 31, 2023 are as follows:

Month	High	Low	Volume by Month
	(\$ per Unit)	(\$ per Unit)	(in Units)
January	\$ 17.07	\$ 15.84	2,493,800
February	\$ 16.74	\$ 15.81	3,508,300
March	\$ 16.28	\$ 14.19	4,196,800
April	\$ 15.78	\$ 15.00	2,800,700
May	\$ 15.69	\$ 14.23	2,592,000
June	\$ 14.93	\$ 13.02	3,385,000
July	\$ 14.30	\$ 13.51	3,655,900
August	\$ 14.04	\$ 12.66	3,004,600
September	\$ 13.94	\$ 12.33	3,667,100
October	\$ 12.77	\$ 11.68	3,773,400
November	\$ 13.88	\$ 12.03	5,523,000
December	\$ 14.27	\$ 12.79	5,275,200

INVESTMENT GUIDELINES AND OPERATING POLICIES OF CROMBIE

Investment Guidelines

The Declaration of Trust provides certain guidelines on investments that may be made directly or indirectly by Crombie. These guidelines were amended by Unitholders at Crombie's Annual Meeting of Unitholders held on May 14, 2014, May 11, 2017 and May 6, 2021. As a result, the assets of Crombie may be invested only in accordance with the following restrictions:

- a. Crombie is intended to invest primarily, directly or indirectly (including by investments by its subsidiaries), in interests (including fee ownership and leasehold interests) in income producing real property that is or will be primarily commercial, residential or retail in nature, or a combination thereof, and assets ancillary thereto necessary for the acquisition, holding, development, maintaining, improving, leasing, managing, or otherwise dealing with such real estate and such other activities as are consistent with the other investment guidelines of Crombie;
- b. Crombie will not invest in raw land for development, except (i) for the purpose of the renovation or expansion of existing properties of Crombie, or properties adjacent to existing properties of Crombie or (ii) for the development of new properties which will be capital property of Crombie; provided that the aggregate value of the investments of Crombie in raw land, excluding raw land under development, after giving effect to the proposed investment, will not exceed 10% of Gross Book Value;
- c. notwithstanding anything else contained in the Declaration of Trust, Crombie shall not make or hold, directly or indirectly (including by investments by its subsidiaries), any investment, take any action or omit to take any action where such investment, action or omission would result in:
 - i. Crombie not qualifying as a "mutual fund trust" (effective the date it was established and thereafter) or a "unit trust" both within the meaning of the Tax Act;
 - ii. Units not qualifying as qualified investments for Plans;
 - iii. Crombie not qualifying as a "real estate investment trust" within the meaning of the Tax Act if, as a consequence of the Trust not so qualifying, the Trust or any of its subsidiaries would be liable to pay a tax imposed under either paragraph 122(1)(b) or subsection 197(2) of the Tax Act; or
 - iv. Crombie being liable to pay a tax under Part XII.2 of the Tax Act;
- d. Crombie shall not invest, directly or indirectly (including by investments by its subsidiaries), in any interest in a single real property if, after giving effect to the proposed investment, the cost to Crombie of such investment (net of the amount of debt incurred or assumed in connection with such investment) will exceed 15% of Gross Book Value (as defined in the Declaration of Trust) at the time the investment is made;
- e. Crombie may, directly or indirectly (including by investments by its subsidiaries), invest in a joint venture arrangement for the purposes of owning interests or investments otherwise permitted to be held by Crombie; provided that such joint venture arrangement contains terms and conditions which, in the opinion of management, are commercially reasonable, including without limitation such terms and conditions relating to restrictions on the transfer, acquisition and sale of Crombie's and any joint venturer's interest in the joint venture arrangement, provisions to provide liquidity to Crombie, provisions to limit the liability of Crombie and its Unitholders to third parties, and provisions to provide for the participation of Crombie in the management of the joint venture arrangement. For purposes hereof, a joint venture arrangement is an arrangement between Crombie and one or more other persons pursuant to which Crombie, directly or indirectly, conducts an undertaking for one or more of the purposes set out in the investment guidelines of Crombie and in respect of which Crombie may hold its interest jointly or in common or in another manner with others either directly or through the ownership of securities of a corporation, partnership (general or limited), limited liability company or other entity;
- f. except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province of Canada, 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 the investment guidelines and operating policies of Crombie, Crombie may not hold, directly or indirectly (including by investments by its subsidiaries), 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 Subsection (b) above, Crombie may acquire securities of other real estate investment trusts;
- g. Crombie shall not invest, directly or indirectly (including by investments by its subsidiaries), in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

- h. Crombie shall not invest, directly or indirectly (including by investments by its subsidiaries), in operating businesses unless such investment is an indirect investment and is incidental to a transaction:
 - i. where revenue will be derived, directly or indirectly, principally from real property; or
 - ii. which principally involves the ownership, maintenance, development, improvement, leasing or management, directly or indirectly, of real property (in each case as determined by the Trustees); and
- i. Crombie may invest, directly or indirectly (including by investments by its subsidiaries), in mortgages and mortgage bonds (including participating or convertible mortgages) and mezzanine loans and similar instruments where:
 - i. the real property which is security therefor is real property which otherwise meets the other investment guidelines of Crombie; and
 - ii. the aggregate book value of the investments of Crombie in mortgages, after giving effect to the proposed investment, will not exceed 15% of Gross Book Value.
- j. Crombie may invest an amount (measured as Crombie's proportionate share for investments not wholly-owned by Crombie, directly or indirectly) up to 10% of Gross Book Value of the Trust in investments which do not comply with one or more of paragraphs (a), (b), (e), (f), (h) and (i) above.

For the purpose of the foregoing investment guidelines, the assets, liabilities and transactions of a corporation, trust, partnership, limited liability company or other entity wholly or partially-owned by Crombie, will be deemed to be those of Crombie on a proportionate consolidation basis. In addition, 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 Declaration of Trust provides that the operations and affairs of Crombie are to be conducted in accordance with the following policies. These policies were amended by Unitholders at Crombie's Annual Meeting of Unitholders held on May 14, 2014 and on May 6, 2021, to read as follows:

- a. Crombie shall not purchase, sell, market or trade, directly or indirectly (including by investments in its subsidiaries), in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term "hedging" has the meaning ascribed thereto by National Instrument 81-102 adopted by the Canadian Securities Administrators, as amended from time to time;
- b. (i) any written instrument creating an obligation which is or includes the granting by Crombie or subsidiary of a mortgage; (ii) and to the extent the Trustees determine to be practicable and consistent with their fiduciary duties to act in the best interest of the Unitholders, any written instrument which is, in the judgment of the Trustees, a material obligation shall contain a provision, or be subject to an acknowledgment to the effect, that the obligation being created is not personally binding upon, and that resort must not be had to, nor will recourse or satisfaction be sought from, by lawsuit or otherwise the private property of any of the Trustees, Unitholders, annuitants or beneficiaries under a plan of which a Unitholder acts as a Trustee or carrier, or officers, employees or agents of Crombie, but that only property of Crombie or a specific portion thereof is bound; Crombie, however, is not required, but must use all reasonable efforts, to comply with this requirement in respect of obligations assumed by Crombie upon the acquisition of real property;
- c. Crombie shall not lease or sublease, directly or indirectly (including by investments by its subsidiaries), to any person (other than Sobey's) 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 Gross Book Value;
- d. the limitation contained in paragraph (c) will not apply to the renewal of a lease or sublease and will not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed by: (i) the Government of Canada, any province or territory of Canada, any municipality or city in Canada or any agency or crown corporation thereof; (ii) any entity, of which any of the bonds, debentures or other evidences of indebtedness of, or guaranteed by, such entity, or any of the other securities of such entity, have received and continue to hold, an investment grade rating from a 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) 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. title to each real property shall be held by and registered in the name of Crombie, the Trustees or a corporation or other entity wholly-owned, directly or indirectly, by Crombie or jointly-owned, directly or indirectly, by Crombie, with joint venturers;

- f. Crombie shall not incur or assume, directly or indirectly (including by investments by its subsidiaries), any indebtedness if, after giving effect to the incurrence or assumption of such indebtedness, the total indebtedness of Crombie would be more than 60% of Gross Book Value (65% including any convertible debentures of Crombie);
- g. at no time shall Crombie incur, directly or indirectly (including by investments by its subsidiaries), indebtedness aggregating more than 20% of its Gross Book Value (excluding debt with an original maturity of one year or more falling due in the next 12 months or variable rate debt for which Crombie or a subsidiary has entered into interest rate swap agreements to fix the interest rate for a one year period or more) at floating interest rates or having maturities of less than one year unless otherwise approved by the Trustees;
- h. Crombie shall not directly or indirectly (including by investments by its subsidiaries) guarantee any indebtedness or liabilities of any kind of a third party, except indebtedness or liabilities assumed or incurred by an entity in which Crombie holds an interest, directly or indirectly (including by investments by its subsidiaries), or by an entity jointly-owned by Crombie or a subsidiary with joint venturers and operated solely for the purpose of holding a particular property or properties, where such indebtedness, if granted by Crombie directly, would cause Crombie to contravene its investment guidelines or operating policies. Crombie is not required but shall use its reasonable best efforts to comply with this requirement (i) in respect of obligations assumed by Crombie pursuant to the acquisition of real property or (ii) if doing so is necessary or desirable in order to further the initiatives of Crombie permitted under the Declaration of Trust;
- i. Crombie shall directly or indirectly (including by investments by its subsidiaries) obtain and maintain at all times property insurance coverage in respect of potential liabilities of Crombie and the accidental loss of value of the assets of Crombie 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;
- j. unless the requirement for such an appraisal or engineering survey is waived by the Trustees, Crombie shall obtain an independent appraisal of each property it intends to acquire and an engineering survey with respect to the physical condition thereof (including capital replacement programs); and
- k. unless the requirement for such environmental site assessment is waived by the Trustees, the Trust shall (i) obtain a Phase I environmental site assessment, or (ii) be entitled to rely on a Phase I environmental site assessment dated no earlier than 24 months prior to receipt by the Trust, 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, the Trust shall conduct such further environmental site assessments, in each case by an independent and experienced environmental consultant.

For the purposes of the foregoing investment guidelines and operating policies, the assets, liabilities and transactions of a corporation, partnership or other entity in which Crombie has an interest will be deemed to be those of Crombie on a proportionate, consolidated basis. In addition, any references in the foregoing investment guidelines and operating policies to an investment in real property will be deemed to include an investment in a joint venture arrangement. In addition, the term "indebtedness" means (without duplication) on a consolidated basis:

- a. any obligation of Crombie for borrowed money (excluding any premium in respect of indebtedness assumed by Crombie for which Crombie has the benefit of an interest rate subsidy, but only to the extent an amount receivable has been excluded in the calculation of Gross Book Value with respect to such interest rate subsidy);
- b. any obligation of Crombie incurred in connection with the acquisition of property, assets or business other than the amount of future income tax liability arising out of indirect acquisitions;
- c. any obligation of Crombie issued or assumed as the deferred purchase price of property;
- d. any capital lease obligation of Crombie; and
- e. any obligation of the type referred to in clauses (a) through (d) of another person, the payment of which Crombie has guaranteed or for which Crombie is responsible for or liable, provided that (i) for the purposes of (a) through (d), an obligation will constitute indebtedness only to the extent that it would appear as a liability on the consolidated balance sheet of Crombie in accordance with Canadian generally accepted accounting principles; and (ii) obligations referred to in clauses (a) through (c) exclude trade accounts payable, distributions payable to Unitholders and accrued liabilities arising in the ordinary course of business.

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), (c), (d), (f), (g), (h), (i), (j), and (k) set out under the heading "Operating Policies" may be amended only with the approval of two-thirds of the votes cast by Unitholders at a meeting called for such purpose. The remaining operating policies may be amended with the approval of a majority of the votes cast by Unitholders at a meeting called for such purpose.

Selected Consolidated Financial Information

Consolidated financial information relating to Crombie is included in Crombie's audited financial statements for the year ended December 31, 2023.

In addition, the following table provides summary financial information for Crombie over the last three fiscal periods.

(in thousands)	Year Ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Property revenue	\$ 440,939	\$ 428,079	\$ 408,892
Property net operating income	\$ 287,412	\$ 281,818	\$ 283,031
Increase (decrease) in net assets attributable to Unitholders	\$ (59,278)	\$ 12,283	\$ 7,870

(in thousands)	December 31, 2023	December 31, 2022	December 31, 2021
Investment property debt ⁽¹⁾	\$ 979,019	\$ 1,073,970	\$ 1,096,983
Senior unsecured notes	\$ 1,171,769	\$ 972,003	\$ 1,121,267
Net assets attributable to Unitholders	\$ 1,824,713	\$ 1,850,540	\$ 1,597,492
Total assets	\$ 4,148,568	\$ 4,078,398	\$ 4,023,041

⁽¹⁾ includes fixed rate mortgages and credit facilities

MANAGEMENT'S DISCUSSION AND ANALYSIS

Reference is made to Crombie's 2023 Management Discussion and Analysis, which is incorporated into this AIF, a copy of which may be obtained, without charge, from the SEDAR website (www.sedar.com) or by contacting the Secretary of Crombie at 610 East River Road, Suite 200, New Glasgow, Nova Scotia B2H 3S2.

MANAGEMENT OF CROMBIE

Governance and Board of Trustees

The Declaration of Trust provides that, subject to certain conditions, the Trustees have absolute and exclusive power, control and authority over Crombie's assets and operations, as if the Trustees were the sole and absolute legal and beneficial owners of Crombie's assets. The governance practices, investment guidelines and operating policies of Crombie are overseen by the Board of Trustees consisting of a minimum of three (3) and a maximum of twelve (12) Trustees, a majority of whom are Canadian residents. At all times, a majority of Trustees must be Independent Trustees within the meaning of National Instrument 52-110- *Audit Committees*.

In fulfilling its mandate, the Board is responsible for, among other things, (i) participating in the development of and approving a strategic plan for Crombie; (ii) supervising the activities and managing the investments and affairs of Crombie; (iii) approving major decisions regarding Crombie; (iv) defining the roles and responsibilities of management; (v) reviewing and approving the business and investment objectives to be met by management; (vi) assessing the performance of and overseeing management; (vii) reviewing Crombie's debt strategy; (viii) identifying and managing risk exposure; (ix) ensuring the integrity and adequacy of Crombie's internal controls and management information systems; (x) succession planning; (xi) establishing committees of the Board, where required or prudent, and defining their mandate; (xii) maintaining records and providing reports to Unitholders; (xiii) ensuring effective and adequate communication with Unitholders, other stakeholders and the public; (xiv) effecting payments of cash available for distribution from Crombie to Unitholders; (xv) acting for, voting on behalf of and representing Crombie as an indirect holder of limited partnership Units of Crombie LP; and (xvi) voting in favour of Crombie's nominees to serve as directors of Crombie GP.

Other than the Trustees appointed by ECL as described below, Trustees are elected at each annual meeting of Unitholders to hold office for a term expiring at the close of the next annual meeting. The nominees for election of the Trustees are determined by the Governance and Nominating Committee in accordance with the provisions of the Declaration of Trust and are included in the proxy-related materials to be sent to Unitholders prior to each annual meeting of Unitholders.

The Declaration of Trust grants ECL the exclusive right to appoint certain Trustees of Crombie based on its direct and indirect voting interest in Crombie at the time of appointment and the size of the Board, as shown in the following table:

ECL's Proportion of Outstanding Units and Special Voting Units Held	Total Number of Trustees of Crombie	Number of ECL Appointees
Greater than 30%	Greater than 10	5
	10	4
	7 to 9	3
	5 to 6	2
	Less than 5	1
20% - 30%	Greater than 10	4
	10	3
	7 to 9	2
	Less than 7	1
10% - 19.99%	10 or greater than 10	2
	Less than 10	1
Less than 10%	Any	—

Trustees

The following table sets forth the name, municipality of residence, positions held with Crombie and principal occupation of each of the Trustees of Crombie as of December 31, 2023. All of the Trustees have held that position since the date indicated below, and will hold such positions until the next annual meeting of Unitholders, at which time they will be proposed for re-election or appointed by ECL. ECL has appointed five directors with no retained right to add more.

Name and Municipality of Residence	Position with Crombie	Principal Occupation	Trustee Since
PAUL V. BEESLEY ⁽¹⁾⁽³⁾ Halifax, NS, Canada	Independent Trustee	Corporate Director	February 28, 2019
JANE CRAIGHEAD ⁽²⁾⁽³⁾ Elizabethtown, ON, Canada	Independent Trustee	Corporate Director	May 10, 2021
JIM DICKSON ⁽³⁾⁽⁶⁾ Halifax, NS, Canada	Independent Trustee	Chairman of Empire Company Limited	June 28, 2017
HEATHER GREY-WOLF ⁽¹⁾⁽²⁾⁽⁶⁾ Toronto, ON, Canada	Independent Trustee	Chief Development Officer, Infrastructure Ontario	May 11, 2023
MARK HOLLY ⁽⁴⁾ Whitby, ON, Canada	Trustee, President and Chief Executive Officer	President and Chief Executive Officer of Crombie	March 1, 2023
HEIDI JAMIESON-MILLS ⁽⁴⁾⁽⁶⁾ Pictou County, NS, Canada	Independent Trustee ⁽⁹⁾	Director of Finance, IWK Foundation	October 6, 2022
MICHAEL KNOWLTON ⁽⁵⁾ Toronto, ON, Canada	Independent Trustee and Chair of the Board	Corporate Director	May 18, 2011
JASON P. SHANNON ⁽¹⁾⁽⁴⁾⁽⁸⁾ Bedford, NS, Canada	Independent Trustee	President & Chief Operating Officer of Shannex Inc.	October 11, 2016
PAUL D. SOBEY ⁽¹⁾⁽²⁾⁽⁶⁾⁽⁷⁾ Pictou County, NS, Canada	Independent Trustee	Retired President and Chief Executive Officer of Empire Company Limited	February 14, 2006
MICHAEL VELS ⁽⁴⁾⁽⁶⁾ Hillsburgh, ON, Canada	Independent Trustee ⁽⁹⁾	Corporate Director	February 1, 2022
MICHAEL WATERS ⁽³⁾⁽⁴⁾ Ottawa, ON, Canada	Independent Trustee	Chief Executive Officer, Minto Group and Trustee, Minto Apartment REIT	May 13, 2022
KAREN WEAVER ⁽²⁾⁽⁴⁾ Clarksburg, ON, Canada	Independent Trustee	President of Timberlane Group	May 7, 2020

⁽¹⁾ Member of the Audit Committee.

⁽²⁾ Member of the Human Resources Committee.

⁽³⁾ Member of the Governance and Nominating Committee.

⁽⁴⁾ Member of the Investment Committee.

⁽⁵⁾ Mr. Knowlton in his capacity as Chair, attends all committee meetings on an ex officio basis. Mr. Knowlton has announced his intention to retire from the board on May 9, 2024.

⁽⁶⁾ ECL appointee

⁽⁷⁾ Mr. Sobey has announced his intention to retire from the board on May 9, 2024.

⁽⁸⁾ Mr. Shannon will be the incoming Chair of the Board assuming he is elected as a Trustee at the Annual General Meeting on May 9, 2024.

⁽⁹⁾ In February 2024, the Board of Crombie determined Heidi Jamieson-Mills and Michael Vels were both independent given the passage of time since each was directly employed by Empire.

Additional biographical information regarding the Trustees of Crombie for the past five years is set out below:

Paul Beesley. Paul Beesley has served as a corporate director since 2018. He was Chief Financial Officer of Hudson's Bay Company from 2014 until his retirement in 2017. Prior to joining HBC, he held the position of Executive Vice President and Chief Financial Officer at Empire Company Limited from 1999 until 2014. Paul sits on the Board of Orlando Corporation and the Board of Governors for Dalhousie University. He holds various designations including ICD.D, Chartered Professional Accountant (CPA, CA), a MBA from Saint Mary's University and a B.Sc. from Dalhousie University in addition to having completed the Advanced Management Program at Harvard Business School.

Jane Craighead. Jane Craighead has over twenty years of international experience with public company Boards of Directors, a strong understanding of corporate governance and board effectiveness, and a deep expertise in human resources including executive compensation. Jane is a board member of Telesat Corporation and Wajax Corporation and was a board member of Intertape Polymer Group until its privatization. Her prior roles include Senior Vice President Global Human Resources at Scotiabank, Global Practice Leader Rewards at Rio Tinto PLC, and Eastern Canada Business Leader for Human Capital Advisory Services at Mercer Human Resource Consulting. Previously, Jane held full-time faculty appointments at Queen's University, Concordia University, and McGill University. Jane began her career with Ernst & Young and was a manager in audit before pursuing an academic career. Jane holds a PhD in Management from McGill University, a Bachelor of Commerce from Mount Allison University, and is a Chartered Professional Accountant (CPA) and Chartered Accountant (CA).

Jim Dickson. Jim Dickson is the Chair of Empire Company Limited. He is counsel to Stewart McKelvey, with over 30 years of experience practicing law primarily in the areas of mergers and acquisitions, corporate finance and securities. Jim serves as a director of Empire Company Limited and Sobeys Inc. He is the past Chair of the Board of Regents of Mount Allison University, past Chair of the IWK Health Centre Foundation and was a director of Clearwater Seafoods Incorporated. Jim holds a Certificate in Engineering from Mount Allison University, a Bachelor of Civil Engineering from the Technical University of Nova Scotia and a Bachelor of Laws from the University of Calgary. He is a professional engineer and was appointed King's Counsel in 2010.

Heather Grey-Wolf. Heather Grey-Wolf is the Chief Development Officer of Infrastructure Ontario, a position she has held since 2021. In this position, Heather leads Infrastructure Ontario's \$74 billion development program. Her portfolio consists of 71 sites across three business lines, including transit-oriented communities, social purpose projects and landmark projects. Prior to this she served in increasingly senior development positions at Capital Developments from 2018 to 2021. From 2016 to 2017 Heather was the Vice President, Development of Realstar Management. Before joining Realstar Management, Heather served in various development positions with Toronto Community Housing Corporation from 2009 to 2016. Heather has an MBA from the Rotman School of Management at the University of Toronto, a B.Arch and B.Sc from McGill University, and is a licensed architect with the Ontario Association of Architects.

Mark Holly. Mark Holly was appointed President and Chief Executive Officer of Crombie in 2023. Prior to joining Crombie, Mark held the position of Senior Vice President, Real Estate & Strategic Sourcing at Sobeys Inc., a position he held since January 2018. Before joining Sobeys, Mark was the Vice President of Real Estate Development for Tim Hortons from 2006 until 2016 and President of Restaurant Development Partners from 2016 to 2017. Mark graduated from Brock University with a BBA and from York University with a Bachelor of Arts in Urban Studies/Affairs.

Heidi Jamieson-Mills. Heidi Jamieson-Mills is the Director of Finance with the IWK Health Centre Charitable Foundation, based in Halifax, Nova Scotia, a position she has held since July 2023. Prior to joining the Foundation, Heidi was the Senior Vice President Finance, Reporting and Treasury for Sobeys Inc., a position she held since 2019. She had held senior accounting and finance roles within Sobeys Inc. since joining in 2004. Heidi holds a Bachelor of Commerce degree from Dalhousie University and completed her Chartered Accountant designation in 2001. A committed community leader, she has been actively involved with various organizations that enhance health care and health outcomes, and support victims of domestic abuse.

Michael Knowlton. Michael Knowlton was appointed Chair of Crombie in May 2019 and has served as a corporate director since 2011. He retired from Dundee Realty Corporation as President of Dundee REIT in May 2011 after 13 years of service. From December 1998 until May 2011 he held increasingly senior executive positions culminating in becoming President of Dundee REIT. Michael is a director of Tricon Residential Inc. and a Trustee of Dream Industrial REIT. Michael served as a Trustee of Dream Global REIT from 2016 to 2019. Michael received his B.Sc. (Engineering) and MBA from Queen's University, earned his Chartered Professional Accountant (CPA,CA) designation in 1977 and his ICD.D designation in 2011.

Jason P. Shannon. Jason Shannon is President of the Shannex group of companies, one of Canada's leading seniors living companies serving over 5,000 residents in over 70 residences across the Maritimes and Ontario. Under his leadership, Shannex, a private family-owned

company, has designed and built over 5 million square feet of state-of-the-art facilities across the seniors living continuum. Jason has held progressively senior roles with Shannex Incorporated since joining in 1999. Prior to joining Shannex, he practiced law with Stewart McKelvey. He is currently a member of the board of Atlantic Corporation Limited and advises several other private technology companies. He is past director of the Loran Scholars Foundation, the Health Association of Nova Scotia, Chair of the Nova Scotia Continuing Care Council, Atlantic Institute of Market Studies and the Atlantic Institute of Aging. Jason holds both a Bachelor of Commerce and a Bachelor of Laws from Dalhousie University.

Paul D. Sobey. Paul Sobey was the President & Chief Executive Officer of Empire Company Limited from 1998 until his retirement in 2013 after 31 years with the company. He holds a Bachelor of Commerce degree from Dalhousie University, and graduated from the Harvard Business School's Advanced Management Program. He received an honorary Doctorate of Commerce from Saint Mary's University and is a Fellow of the Institute of Chartered Professional Accountants of Nova Scotia. Paul received the Queen Elizabeth II Diamond Jubilee Medal. Paul sits on the boards of Empire Company Limited and Sobeys Inc. He previously served as the Audit Committee Chair and a member of the board of directors of Bank of Nova Scotia, Chairman of Wajax Income Fund (now Wajax Corporation), a director of Emera Inc., and a member of the Board of Governors and Chancellor of Saint Mary's University in Halifax, Nova Scotia.

Michael Vels. Michael Vels retired in December 2022 as Chief Development Officer of Empire Company Limited ("Empire") and Sobeys Inc. ("Sobeys"). He joined Sobeys in 2017 as Chief Financial Officer where he was responsible for leading the finance, real estate, technology and enterprise project management, and merger and acquisition activities. Prior to joining Empire, Michael was Chief Financial Officer of Hydro One from 2014 to 2017, where he led their Initial Public Offering and before that he was Chief Financial Officer at Maple Leaf Foods. He was educated and earned his Chartered Accountant designation in South Africa and worked in public accounting and mergers and acquisitions in South Africa, the United Kingdom and Canada. He has earned his ICD.D designation. Michael serves as a Director and Treasurer of Canada's National Ballet School.

Michael Waters. Michael Waters is the Chief Executive Officer of The Minto Group ("Minto") and served as Chief Executive Officer of Minto Apartment REIT since its IPO until April 2023. Michael has over 25 years' experience in real estate finance, investment and development, and financial advisory services. Prior to becoming Minto's Chief Executive Officer in 2013, Michael served as president of Minto Communities Canada from 2011 to 2013 and as Chief Financial Officer of Minto from 2007 to 2011. Prior to joining Minto in 2007, he served in a variety of roles at Intrawest Corporation, a large resort developer and operator with a presence across North America. Earlier in his career, Michael worked at PricewaterhouseCoopers LLP and KPMG LLP. Michael previously served on the board of REALPAC and on the board of governors of Algonquin College, and the board of the Algonquin Foundation. Michael completed his Bachelor of Commerce degree at the University of British Columbia and an MBA from the Wharton School of the University of Pennsylvania. He was elected a Fellow of the Chartered Professional Accountants of British Columbia (FCPA, FCA) and is a CFA® charterholder.

Karen Weaver. Karen Weaver has served as President of Timberlane Group, a private family office since June 2023. She retired as the President and CEO of MCAN Mortgage Corporation on June 1, 2023, after having been appointed in May 2019. Prior to that, Karen was Interim CEO of MCAN Mortgage Corporation since October 2018. Karen was a Director of MCAN Mortgage Corporation from 2011 until her retirement. Karen was the Executive Vice President and Chief Financial Officer of D+H Corporation from 2014 to 2017 and the Executive Vice President and Chief Financial Officer of First Capital Realty, Inc from 2004 to 2014. She served as the Chief Financial Officer and Senior Vice President at Brookfield Property Corporation from 2000 to 2003. Karen was a Trustee of Northwest Healthcare Properties REIT until 2021 and also previously a member of the Board of Directors for MCAP Commercial LP. Karen holds a BBA from Old Dominion University and an ICD.D designation from the Institute of Corporate Directors and is a licensed public accountant, retired, from Washington State, USA.

The Trustees and executive officers of Crombie as of March 2023, as a group, beneficially own, or control or direct, directly or indirectly, approximately 293,632 Units, representing approximately 0.2% of the outstanding voting securities of Crombie (Units and Special Voting Units).

No Trustee or executive officer is, as at the date of this AIF, or was within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including a personal holding company), that:

- (a) was subject to an order (as defined in Form 51-102 F2 of National Instrument 51-102 - *Continuous Disclosure Obligations*) that was issued while the Trustee or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order (as defined in Form 51-102 F2 of National Instrument 51-102 - *Continuous Disclosure Obligations*) that was issued after the Trustee 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.

No Trustee, executive officer, unitholder holding a sufficient number of securities of Crombie to affect materially the control of Crombie, or a personal holding company thereof,

- a. is, as at the date of this AIF, or was within 10 years before the date of this AIF, a director or executive officer of any company (including a personal holding 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;
- b. has, within 10 years before the date of this AIF, 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 the Trustee, executive officer or shareholder; or
- c. has been subject to:
 - i. 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
 - ii. any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Audit Committee

The Audit Committee consists of at least three Trustees, all of which are both Independent Trustees and financially literate as required by National Instrument 52-110 - Audit Committees. The Audit Committee's responsibilities include: (i) reviewing Crombie's procedures for internal control with Crombie's auditors and Chief Financial Officer; (ii) reviewing and approving the engagement of the auditors; (iii) reviewing annual and quarterly financial statements and all other material continuous disclosure documents, including Crombie's AIF and Management's Discussion and Analysis; (iv) overseeing Crombie's financial and accounting personnel; (v) assessing Crombie's accounting policies; (vi) reviewing Crombie's risk management procedures including cyber security; and (vii) reviewing any significant transactions outside Crombie's ordinary course of business and any pending litigation involving Crombie.

The Audit Committee has direct communication channels with the (Interim) Chief Financial Officer of Crombie, the internal auditor of Crombie, and the external auditors of Crombie to discuss and review such issues as the Audit Committee may deem appropriate.

As at December 31, 2023, the Audit Committee is comprised of Paul Beesley (Chair), Heather Grey-Wolf, Jason Shannon, and Paul Sobey.

Governance and Nominating Committee

The Governance and Nominating Committee is composed of a minimum of three Trustees, comprised exclusively of Independent Trustees, and is charged with reviewing, overseeing and evaluating the governance and nominating policies of Crombie. In addition, the Governance and Nominating Committee is responsible for: (i) assessing the effectiveness of the Board of Trustees, each of its committees and individual Trustees; (ii) overseeing the recruitment and selection of candidates as Trustees of Crombie; (iii) organizing an orientation and education program for new Trustees; (iv) considering and approving proposals by the Trustees to engage outside advisers on behalf of the Board as a whole or on behalf of the Independent Trustees; and (v) reviewing and making recommendations to the Board concerning any change in the number of Trustees composing the Board.

As at December 31, 2023, the Governance and Nominating Committee is comprised of Jane Craighead (Chair), Paul Beesley, Jim Dickson, and Michael Waters.

Human Resources Committee

The Human Resources Committee is comprised of at least three Trustees, a majority of which are Independent Trustees. The Committee assists the Board in its oversight of Crombie's human resource strategies, policies and programs. Its mandate includes reviewing, overseeing and evaluating talent management and compensation policies of Crombie with a primary focus on executive compensation, development and succession planning.

As at December 31, 2023, the Human Resources Committee is entirely comprised of independent Trustees: Karen Weaver (Chair), Jane Craighead, Heather Grey-Wolf and Paul Sobey.

Investment Committee

The Investment Committee is comprised of six Trustees, five of whom are Independent Trustees. No more than one member of the Investment Committee may be a member of management of Crombie, and the Trustees of the Investment Committee shall be comprised of two Trustees who shall have particular expertise in the area of real estate investment and management and two Trustees who shall have particular expertise in the area of corporate finance. The Investment Committee is charged with assisting in discharging the Board's responsibilities with regards to investments, dispositions and developments undertaken by Crombie. In addition, the Investment Committee is responsible for considering and, if appropriate, approving acquisitions, dispositions and developments proposed by management of Crombie with a value greater than \$5 million dollars provided that such authority is limited to the approval of individual transactions of up to \$100 million. Project activity in excess of

the Investment Committee's authority level shall receive the Committee's full consideration but will be advanced to the full Board of Trustees for approval. Any property acquisitions made by Crombie from Empire or affiliated companies must be considered and approved by only elected Trustees.

As at December 31, 2023, the committee is comprised of Jason Shannon (Chair), Mark Holly, Heidi Jamieson-Mills, Michael Vels, Michael Waters and Karen Weaver. Mr. Shannon, Mr. Waters and Ms. Weaver have particular expertise in the area of real estate investment, management, and development and Ms. Jamieson-Mills and Ms. Weaver have particular expertise in the area of corporate finance.

Remuneration of Trustees and Ownership Requirements

From January to August 2023, each Trustee who is not a senior executive of Crombie receives from Crombie an annual retainer initially in the amount of \$40,000 per year, plus a fee of \$1,500 for each day on which the Trustee attends a board meeting in person, and \$1,000 for attendance by telephone. On an annual basis, the Board may be awarded Deferred Units as part of their total compensation. Each Trustee, other than the CEO of Crombie, receives an annual grant of \$25,000 of Deferred Units, values at the market value of Crombie's units at the time of grant. Trustees may also elect to take a portion of their retainer and other fees in Deferred Units in lieu of cash. The Chair of the Board receives an annual retainer of \$130,000 but does not receive meeting fees. Members of the Human Resources Committee, Investment Committee and Governance and Nominating Committee receive a fee of \$1,500 for each committee meeting attended in person and \$1,000 for attendance by telephone. Members of the Audit Committee receive \$2,000 for each committee meeting attended in person and \$1,000 for attendance by telephone. The Chair of the Audit Committee receives an additional annual retainer of \$17,500, the Chair of the Human Resources Committee receives an annual retainer of \$12,000, the Chair of the Governance and Nominating Committee receives an annual retainer of \$10,000 and the Chair of the Investment Committee receives an annual retainer of \$12,500. Each Trustee is also reimbursed for reasonable travel and other expenses properly incurred in attending meetings of the Board or any committee meeting.

In 2023, the Governance and Nominating Committee approved a change in compensation philosophy from annual retainer fees plus meeting fees for each board and committee meeting attended to annual retainer fees only. The following table presents the elements of Trustee compensations paid to Trustees following the August 2023 board meeting. Trustees will receive either the Chair or Member retainer for each committee they are a member or chair of.

Elements of Compensation	Amount of Annual Compensation (\$)
Board Chair	\$ 130,000
Non-Chair Annual Retainer	\$ 60,000
Annual Deferred Unit Grant	\$ 25,000
Audit Chair Retainer	\$ 25,000
Governance & Nominating Chair Retainer	\$ 17,500
Investment Chair Retainer	\$ 20,000
Human Resources Chair Retainer	\$ 20,000
Audit Member Retainer	\$ 9,000
Governance & Nominating Member Retainer	\$ 5,000
Investment Member Retainer	\$ 7,000
Human Resources Member Retainer	\$ 9,000

Each Trustee is expected to hold a minimum number of Units or Deferred Units having a total value equal to three times the amount of the annual retainer paid to a non-management Trustee. This goal should be met by the fifth anniversary of joining the Board.

Conflicts of Interest

The Declaration of Trust contains "conflict of interest" provisions to protect Unitholders without creating undue limitations on Crombie. As the Trustees are engaged in a wide range of real estate and other activities, the Declaration of Trust contains provisions, similar to those contained in the *Canada Business Corporations Act*, that require each Trustee to disclose to Crombie, at the first meeting of Trustees at which a proposed contract or transaction is considered, any interest in a material contract or transaction or proposed material contract or transaction with Crombie (including a contract or transaction involving the making or disposition of any investment in real property or a joint venture agreement) 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 Crombie. If a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Trustees, as Trustee are required to disclose in writing to Crombie, or request to have entered into the minutes of meetings of Trustees, the nature and extent of his or her interest forthwith after the Trustee becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect will not be entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction relates to his or her remuneration or an indemnity under the provisions of the Declaration of Trust or liability insurance.

All decisions of the Board of Trustees will require the approval of a majority of the Trustees present in person or by phone at a meeting of the Board, except for each of the following matters which will also require the approval of a majority of the independent elected Trustees:

- a. an acquisition or disposition of a property or an investment in a property, whether by co-investment or otherwise, in which ECL or any related parties has any direct or indirect interest;
- b. a material change to any material agreement or any renewal, extension or termination thereof or any increase in any fees payable thereunder (including any transaction fees);
- c. the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by Crombie, 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 or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or 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 other similar capacity;
- e. the grant of options or issuing of Units under any option or purchase plan, or any amendment thereto, provided to any Trustee, officer or others;
- f. a change in the number of Trustees;
- g. decisions relating to compensation of Trustees; and
- h. decisions relating to any claims by or against one or more parties to any of the material agreements, or any related party.

The Board also has in place appropriate structures to ensure that it can function independently of management of Crombie, including the appointment of a Chair of the Board and a Lead Trustee (if applicable). The Chair of the Board is Michael Knowlton. The Chair's role and responsibilities includes managing the affairs of the Board of Trustees and, together with the Governance and Nominating Committee, monitoring the effectiveness of the Board. The Lead Trustee is an Independent Trustee, acting as an effective leader of the Board in respect of matters required to be considered by the Independent Trustees only, and ensures that the Board's agenda will enable it to successfully carry out its duties.

Senior Management

The responsibilities of the senior management of Crombie includes: (i) providing the Board of Trustees with information and advice relating to the operation of Crombie's properties, acquisitions and financings; (ii) establishing, at least on an annual basis, investment and operating plans for the ensuing period; (iii) conducting and supervising the due diligence required in connection with proposed acquisitions, and completing any acquisitions or dispositions; (iv) maintaining the books and financial records of Crombie; (v) determining and preparing designations, elections and determinations to be made in connection with the income and capital gains of Crombie for tax and accounting purposes; (vi) preparing reports and other information required to be sent to Unitholders and other disclosure documents; (vii) calculating and determining all distributions; (viii) communicating with Unitholders and other persons, including investment dealers, lenders and professionals; and (ix) administering or supervising the administration, on behalf of the Board of Trustees, of the payment of cash available for distribution and other distributions by Crombie.

The following table sets forth the name, municipality of residence and positions held with Crombie of each executive officer of Crombie:

Name and Municipality of Residence	Office with Crombie
MARK HOLLY Whitby, ON, Canada	President & Chief Executive Officer
CLINTON KEAY New Glasgow, NS, Canada	Outgoing Chief Financial Officer & Secretary
KARA CAMERON Stellarton, NS, Canada	Interim Chief Financial Officer
JOHN BARNOSKI Bowmanville, ON, Canada	Executive Vice President, Corporate Development
ARIE BITTON Vaughan, ON, Canada	Executive Vice President, Leasing & Operations
VICTOR SETTINO Vaughan, ON, Canada	Executive Vice President, Development & Construction
ASHLEY HARRISON New Glasgow, NS, Canada	Senior Vice President People & Culture
FRED SANTINI Woodbridge, ON, Canada	General Counsel & Corporate Secretary

Clinton Keay announced his resignation in January 2024, effective Feb 23, 2024. Kara Cameron, current Vice President of Accounting and Financial Reporting, was appointed to Interim Chief Financial Officer effective Feb 23, 2024 while a search for a permanent CFO is conducted. In addition Victor Settino joined Crombie as Executive Vice President Development & Construction on January 29, 2024. Additional biographical information regarding the executive officers of Crombie, who are not Trustees is provided as follows:

Clinton Keay. Clinton Keay resigned from his position as Chief Financial Officer and Secretary effective February 23, 2024. Clinton Keay was appointed Chief Financial Officer and Secretary of Crombie on May 15, 2019. Prior to this role, he was Executive Vice President IT and Transformation for Sobeys Inc., where he oversaw company efforts to restructure the way it does business. Clinton is a Chartered Professional Accountant (CPA, CA) who joined Sobeys Inc. in 1989 and held a number of progressively senior finance roles before being appointed Senior Vice President & Chief Information Officer in 2002, Executive Vice President Finance for Empire in 2014, and Interim Chief Financial Officer at Empire (July 2016 - April 2017). Clinton is a Business Administration graduate of St. Francis Xavier University with an Honours in Accounting. Clinton is a Director of the Royal Nova Scotia International Tattoo Society and a Director of Aberdeen Health Foundation.

Kara Cameron. Kara Cameron joined Crombie in 2019 as Vice President Accounting and Financial Reporting and was recently appointed as Interim Chief Financial Officer of Crombie effective February 23, 2024. Kara leads Crombie's financial strategy, including our financial reporting, capital management, treasury, investor relations, and information technology teams. Prior to joining Crombie, Kara held progressively senior roles at Empire and Nova Scotia Gaming Corporation (NSGC). Kara is a CPA and holds a BBA from St. Francis Xavier University. She is a graduate of the Harvard Business School, Certificate of Management Excellence program. Kara serves on the IWK Foundation Board of Trustees and is Vice-Chair of their Finance and Investment Committee. Kara is Treasurer of the TANGO2 Research Foundation and President and Founder of the Canadian TANGO2 Rare Disease Foundation.

John Barnoski. John Barnoski was appointed Executive Vice President, Corporate Development in August 2019. John has held progressively senior roles in Corporate Development since joining Crombie in July 2015. John leads the company's national corporate development program, providing oversight of Crombie's strategic partnership with Empire, and is responsible for transaction structures, major development acquisitions and dispositions, strategic asset management, and joint ventures. John has an extensive career in the real estate industry, including National Vice President, Real Estate at Shoppers Drug Mart/Loblaw Companies Ltd. John is a graduate of Schulich's Executive Development Program and holds a Diploma in Assessment, Appraisal & Real Estate Management, a P1 License from the Law Society of Upper Canada and an A.I.M.A. designation from the Institute of Assessors.

Arie Bitton. Arie Bitton joined Crombie in 2019. As Executive Vice President, Leasing and Operations, Arie is responsible for leading the company's Leasing, Operations, Portfolio Management, and ESG teams, overseeing Crombie's approximately 300 income-producing properties. He has over 20 years of commercial real estate experience with perspectives from both the landlord and tenant sides. Prior to joining Crombie, Arie was Vice President, Real Estate at Shoppers Drug Mart/Loblaw Companies Limited, with portfolio responsibility for over 1,200 pharmacy and retail locations. Arie held roles of increasing scope and responsibility at RioCan Real Estate Investment Trust prior to joining Shoppers Drug Mart. Arie is an alumnus of Harvard Business School and York University, and serves on Building Owners & Managers Association (BOMA) Canada's National Advisory Council.

Victor Settino. Victor Settino joined Crombie on January 29, 2024 as Executive Vice President, Development and Construction. Victor is responsible for leading Crombie's development and construction activities, including oversight of our multi-billion-dollar development pipeline. Victor is an accomplished, results-oriented leader with a passion for real estate, and his team's work enables Crombie to create and enrich communities. Before joining Crombie Victor was Vice President, Development & Construction at Dream Unlimited from 2019 to 2024 and Senior Vice President of Development and Construction at First Gulf Corporation from 2015 to 2019. Victor holds a BAA (Urban and Regional Planning) from Toronto Metropolitan University.

Ashley Harrison. Ashley Harrison was appointed Senior Vice President, People & Culture in September 2023. She has held a number of progressively senior people and culture roles since joining Crombie in September 2015. Ashley provides leadership to translate the company's business strategy into People and Culture programs and leads strategic Communications and Marketing to drive business objectives. Prior to joining Crombie, Ashley was a human resource consultant with KBRS where she collaborated with several organizations to support their leadership and human resource needs and implement proven people and culture strategies. Ashley holds a Masters of Science in Industrial/Organizational Psychology from Saint Mary's University. Ashley serves on the Board of the Aberdeen Health Foundation.

Fred Santini. Fred Santini was appointed to General Counsel of Crombie on September 15, 2016, and to Corporate Secretary on February 26, 2024. Prior to that Fred held the position of Regional Vice President Central Canada (2014-2016), National Director of Legal Services (2012-2014) and National Director, Lease Administration (2010-2012). Upon completion of an Honours B.A. in Economics and Political Science at the University of Toronto, Fred received his LL.B. from the University of Windsor, Faculty of Law in 1986. He articulated at Blake Cassels and Graydon and then subsequently joined the firm as an associate after his call to the Ontario Bar in 1988 practicing in the areas of commercial litigation and commercial real estate. Fred continued his legal career as Legal Counsel for such leading organizations as Sears Canada, The Bank of Nova Scotia and, as Senior Legal Counsel for Ivanhoe Cambridge. Over that last 20 years, he has also had an extensive role in the education and treatment of children with autism as one of the co-founders and Board Member and President of Shining Through Centre for Children with Autism.

Certain Trustees of Crombie are also directors and/or officers of Empire or the Empire subsidiaries which have entered into several contractual arrangements with Crombie as described in this AIF. No Trustee or officer of Crombie has any other existing or potential material conflicts of interest with Crombie or any of its subsidiaries.

AUDIT COMMITTEE INFORMATION

Audit Committee Mandate

The Audit Committee Mandate as approved by the Board is attached to the AIF as Appendix B. The Audit Committee Mandate contains specific policies and procedures for the engagement of non-audit services.

Audit Committee Composition

The members of the Audit Committee, at the fiscal year ended December 31, 2023, and their relevant education and experience are:

1. Paul Beesley (Audit Committee Chair)
 - CPA, CA
 - Former Chief Financial Officer of Hudson's Bay Company and Empire Company Limited
 - Master of Business Administration Degree from Saint Mary's University
 - Former Director and Chair of Audit Committee of NB Power
 - Board member of Orlando Corporation
 - Member of the Institute of Corporate Directors and holds the ICD.D designation
 - Bachelor of Science Degree from Dalhousie University

2. Heather Grey-Wolf
 - Chief Development Officer of Infrastructure Ontario
 - Master of Business Administration Degree from Rotman School of Management, University of Toronto
 - Bachelor of Science in Architecture from McGill University
 - Licensed Architect with Ontario Association of Architects

3. Jason Shannon
 - Chief Operating Officer of Shannex Inc. since 2001, President since 2006
 - Bachelors of Commerce and Bachelor of Laws from Dalhousie University
 - Called to the bar in Nova Scotia in 1998
 - Board member of Empire Company Limited's Pension Investment Committee
 - Former Director of Loran Scholars Foundation and Former Chair of the Investment Committee

4. Paul Sobey
 - FCPA, FCA
 - Retired President and Chief Executive Officer of Empire Company Limited
 - Bachelor of Commerce from Dalhousie University
 - Advanced Management Program from Harvard Business School
 - Board member of Empire Company Limited and Sobeys Inc.
 - Former Director and Chair of Audit Committee of Bank of Nova Scotia
 - Former Chair of Wajax Income Fund (now Wajax Corporation)
 - Former Chancellor of Saint Mary's University, Halifax, NS

All members of the Audit Committee are considered to be financially literate and independent.

Pre-Approval Policies and Procedures

Reference is made to Appendix B - Section E.6 for a description of the specific policies and procedures for the engagement of non-audit resources.

External Auditor Service Fees (by Category)

During fiscal 2023 and 2022, fees charged by Crombie's auditor, PricewaterhouseCoopers LLP, were as follows:

Fees Billed	Year ended December 31, 2023	Year ended December 31, 2022
Audit Fees	\$ 434,656	\$ 424,020
Audit Related Fees	72,275	103,782
Tax Fees	—	15,000
Other	50,000	—
Total Fees	\$ 556,931	\$ 542,802

Audit fees include annual audit and quarterly reviews of Crombie's financial statements. Audit related fees include services related to the issue of units and debentures and French translation services. Tax fees include tax planning and project-based assignments related to regulatory compliance. Other fees relates to ESG related services.

The Audit Committee has considered whether the nature and extent of non-audit or audit-related services is compatible with maintaining the independence of the external auditor and has concluded that the independence of PricewaterhouseCoopers LLP is not compromised by the non-audit services provided. In addition, the Audit Committee's mandate requires that the committee pre-approve the nature and extent of all significant non-audit engagements with the external auditor.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Crombie is not a party or subject to any legal proceedings or group of similar proceedings, nor are any such proceedings known to Crombie to be contemplated, where the amount involved, exclusive of interest and costs, exceed 10% of the current assets of Crombie.

During fiscal 2023, Crombie has not been subject to any penalties or sanctions imposed by a court or regulatory authority nor have any settlement agreements been entered into in respect of same.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

As at December 31, 2023, Empire, through its wholly-owned subsidiary ECL, holds a 41.5% indirect interest in Crombie. Crombie acquired six properties in 2021, nine properties in 2022 and three properties in 2023 from subsidiaries of Empire. The purchase price for each property acquired by Crombie from subsidiaries of Empire was fair market value determined by external appraisals and approved by the Independent Elected Trustees or CEO of Crombie in accordance with the delegation of approval authorities under the Declaration of Trust and Investment Committee Mandate.

Multilateral Instrument 61-101 - Protection of Minority Shareholders in Special Transactions ("**MI 61-101**") provides a number of circumstances in which a transaction between an issuer and a related party may be subject to valuation and minority approval requirements. An exemption from such requirements is available when the fair market value of the transaction is not more than 25% of the market capitalization of the issuer. Crombie received exemptive relief from securities regulators in Ontario and Quebec from the requirements of MI 61-101 that, subject to certain conditions, permit it to be exempt from the minority approval and valuation requirements for transactions that would have a value of less than 25% of Crombie's market capitalization if Empire's indirect economic and voting interest in Crombie was included in the calculation of Crombie's market capitalization. As a result, the 25% threshold above which the minority approval and valuation requirements would apply would be increased to reflect the approximately 41.5% indirect interest in Crombie held by Empire.

Related party transactions are transactions with associates, post employment benefit plans, and key management personnel. Related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Crombie's transactions with related parties are as follows (all amounts in thousands of CAD dollars):

	Year ended		
	December 31, 2023	December 31, 2022	December 31, 2021
Property revenue			
Property revenue ⁽¹⁾	\$ 238,607	\$ 230,752	\$ 209,684
Head lease income	\$ 1,275	\$ 956	\$ 1,001
Lease termination income	\$ —	\$ 125	\$ 136
Revenue from management and development services ⁽²⁾	\$ 3,114	—	—
Property operating expenses ⁽³⁾	\$ (135)	\$ (135)	\$ (96)
General and administrative expenses			
Property management services recovered ⁽⁴⁾	\$ 208	\$ 398	\$ 483
Other general and administrative expenses	\$ (171)	\$ (331)	\$ (265)
Finance costs - operations			
Interest rate subsidy	\$ —	\$ 53	\$ 230
Finance costs - distributions to Unitholders	\$ (66,349)	\$ (65,459)	\$ (59,952)

⁽¹⁾ Crombie earns property revenue from Empire (including Sobeys and all other subsidiaries of Empire). Consistent with the current year presentation, property revenue for the year ended December 31, 2022 has been increased by \$8,488 to reflect a change in the presentation of recoverable property taxes for certain properties where a tenant pays the property taxes on Crombie's behalf.

⁽²⁾ Crombie provides property management, development management, project management, leasing services, and environmental management to co-owners and to specific properties owned by certain subsidiaries of Empire on a fee-for-service basis pursuant to a Management Agreement, which is being recognized as revenue from management and development services.

⁽³⁾ Certain executive management individuals and other employees of Crombie provide general management, financial, leasing, administrative, and other administration support services to certain subsidiaries of Empire on a cost-sharing basis pursuant to a Management Agreement effective January 1, 2016.

⁽⁴⁾ Crombie earns administrative fees from co-owners for leases on specific properties.

Included in the above, during the year ended December 31, 2023, Crombie issued 1,122,338 (December 31, 2022 - 860,958) Class B LP Units to ECL Developments Limited under the DRIP.

During the year ended December 31, 2023, Crombie purchased three properties from a subsidiary of Empire for a total purchase price of \$26.5 million before transaction costs.

During the year ended December 31, 2023, Crombie invested \$25.2 million (December 31, 2022 - \$14.9 million) in properties anchored by subsidiaries of Empire, which resulted in amended lease terms. These amounts have been included in tenant incentive additions or income property additions depending on the nature of the work completed. The costs are being amortized over the amended lease terms or the useful life of the projects, as applicable.

Crombie has a mortgage payable of \$24.9 million (December 31, 2022 - \$25.2 million) due to 1600 Davie Limited Partnership that has interest at 3.22% and matures December 1, 2027. This mortgage relates to the commercial component of the Davie Street development, 100% of which is included in Crombie's financial statements.

Amounts due from related parties include \$10.7 million (December 31, 2022 - \$10.4 million) in 6% subordinated notes receivable due from Bronte Village Limited Partnership. The subordinated note receivable is due on demand and is expected to be collected within the next year.

During the year ended December 31, 2023, Crombie paid \$16.4 million to a subsidiary of Empire in connection with the assignment of 24 subleases to Crombie for retail sites in Western Canada. This payment was allocated to either deferred leasing costs or tenant incentive additions, based on each component's relative fair value.

During the year ended December 31, 2023, Crombie paid two initial right-to-develop fees totalling \$34.3 million to a subsidiary of Empire, which resulted in the existing leases being modified. The right to develop will allow Crombie flexibility as it works through the entitlement and future development of existing properties in which a subsidiary of Empire is currently a tenant.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar is TSX Trust Company and can be contacted by e-mail at inquiries@tmx.com.

MATERIAL CONTRACTS

In addition to the Declaration of Trust, the following are the only contracts, other than contracts entered into in the ordinary course of business, which have been entered into by Crombie within the most recently completed financial year, or before the most recently completed financial year that are still in effect (referred to herein as the "Material Contracts"). The following is a summary of the Material Contracts, which summaries are not intended to be complete. Reference is made to the Material Contracts for a complete description and the full text of their provisions. Copies of each Material Contract may be obtained on request without charge from Kara Cameron, Interim Chief Financial Officer of Crombie, via Crombie's website at: www.crombiereit.com, or on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Oak Street Transaction Agreements

On January 25, 2019, Crombie and certain subsidiaries entered into an agreement (the "**Tranche 1 Transaction Agreement**") with SBCA001 LLC ("**Tranche 1 Buyer**"), a subsidiary of Oak Street Real Estate Capital Fund IV, LP, a U.S.-based real estate fund to sell an 89% non-managing interest in a 26 property portfolio for an aggregate purchase price of approximately \$161.6 million to the Tranche 1 Buyer. The Tranche 1 Transaction Agreement was subsequently amended on April 10, 2019. The Tranche 1 Transaction Agreement was subject to certain due diligence and third party consent conditions, which were satisfied or waived by the Tranche 1 Buyer on April 10, 2019, and approval of the Crombie Board of Trustees, as well as Competition Act approval and other customary closing conditions. Pursuant to the Tranche 1 Transaction Agreement, the Tranche 1 Buyer acquired an undivided 89% beneficial interest in the Transaction properties and related leases, contracts, permitted encumbrances, chattels, letters of credit and names and domain names, and 89% of the outstanding shares of the registered owner of the Tranche 1 Transaction properties.

On January 25, 2019, Crombie and certain subsidiaries entered into another agreement (the "**Tranche 2 Transaction Agreement**") with SBCA002 LLC ("**Tranche 2 Buyer**"), a subsidiary of Oak Street Real Estate Capital Fund IV, LP, a U.S.-based real estate fund to sell an 89% non-managing interest in a 15 property portfolio for an aggregate purchase price of approximately \$193.3 million to the Tranche 2 Buyer. The Tranche 2 Transaction Agreement was subsequently amended on April 10, 2019, April 24, 2019 and May 27, 2019. The Tranche 2 Transaction Agreement was subject to certain due diligence and third party consent conditions, which were satisfied or waived by the Buyer on April 10, 2019, and approval of the Crombie Board of Trustees, as well as Competition Act approval and other customary closing conditions. Pursuant to the Tranche 2 Transaction Agreement, the Buyer acquired an undivided 89% beneficial interest in the Transaction properties and related leases, contracts, permitted encumbrances, chattels, letters of credit and names and domain names, and 89% of the outstanding shares of the registered owner of the Tranche 2 Transaction properties.

Upon the Closing of each of the transactions, the relevant parties entered into Co-Ownership Agreements, Property Management Agreements, Shareholder Agreements and certain other leases and ancillary agreements, pursuant to which Crombie will continue the day to day management and operation the properties and the parties will have customary rights of co-owners, including rights of first refusal, co-sale and drag along rights if certain conditions are met in relation to possible future transfers of the properties included in each tranche. On May 12, 2021 SBCA001 LLC sold its interest in the Tranche 1 properties to BMO Life Assurance Company ("**BMOLA**") and BMOLA assumed all of SBA0001 LLC's rights and obligations under the agreements described herein.

2016 Acquisition Agreement

In connection with the Portfolio Acquisition, on May 12, 2016, Crombie LP entered into the acquisition agreement (the "**2016 Acquisition Agreement**") with subsidiaries of Sobeys pursuant to which Crombie will indirectly acquire (i) a portfolio of nineteen (19) retail properties (the "**Properties**"), (ii) a 50% interest in three distribution centres (the "**Distribution Centres**"), and (iii) two parcels of development land adjacent to existing REIT properties (the "**Land**", and collectively with the Properties and the Distribution Centres, the "**Acquisition Properties**"), and to invest approximately \$58.9 million in the renovation and expansion of ten properties anchored by Sobeys retail grocery stores currently beneficially owned by the REIT (the "**Modernizations**"), for an aggregate purchase price of approximately \$418 million, subject to certain adjustments (collectively, the "**Transaction**"). The Portfolio Acquisition was subject to certain conditions precedent, including the accuracy of the representations and warranties on the closing and receipt of Competition Act approval and the approval of the Unitholders. The closing of the Portfolio Acquisition took place effective on June 29, 2016.

Also upon the closing of the Portfolio Acquisition, Sobeys or its affiliate, executed and delivered an environmental indemnity (the "**Environmental Indemnity Agreement**") with respect to all of the Acquisition Properties to the extent that environmental issues were identified in the course of Crombie LP's due diligence investigation of the Acquisition Properties, including matters identified up to 120 days after the closing of the Portfolio Acquisition (the "**Identified Issues**"). Under the terms of the Environmental Indemnity Agreement, Sobeys shall retain independent engineers to undertake such remediation and monitoring steps with respect to the Identified Issues as may be agreed by the Independent Engineers and Crombie LP, such work to be completed within 60 months following the closing of the Portfolio Acquisition in a manner such that remediation work will be completed at 20% of the Acquisition Properties (by allocated purchase price) in each 12 month

period following the closing. Sobeys will indemnify Crombie for any claims or costs imposed by, under or pursuant to applicable environmental laws which arise as a result of or in connection with any Identified Issue, the work done or required to be done in connection therewith or any breach of the Environmental Indemnity Agreement by Sobeys or its subsidiaries, including costs of remediation and monitoring work. The indemnification obligation is not limited in amount. Crombie cannot assign the benefit of the Environmental Indemnity Agreement to a purchaser of any of the Acquisition Properties, but may assign the benefit of the agreement to a lender. In the event that the cost of complying with remediation and monitoring obligations is estimated to exceed \$2 million, Sobeys has the option to repurchase such Acquisition Property at the purchase price allocated to such Acquisition Property under the Transaction Agreement.

The Acquisition Agreement contains representations and warranties relating to each of Sobeys subsidiary, Sobeys, Crombie GP, Crombie LP and Crombie as are customary in arm's length transactions of this nature. The Acquisition Agreement also contains customary indemnity provisions between the Sobeys subsidiaries and Sobeys, on one hand, and Crombie LP, on the other hand for breaches of covenant and representations and warranties, as well as taxes and certain matters that could affect title to the Acquisition Properties. The indemnification obligation is subject to certain thresholds and the aggregate liability shall not exceed the aggregate purchase price under the Acquisition Agreement. Such indemnification is in addition to the specific indemnity provided under the Environmental Indemnity Agreement.

2013 Acquisition Agreement

On July 24, 2013, Crombie announced that it entered into agreement to purchase a portfolio of retail properties from a wholly-owned subsidiary of Sobeys (the "**Safeway Portfolio Acquisition**"). The portfolio originally consisted of 68 retail properties, subsequently updated to 70 retail properties, representing approximately 3.0 million square feet of 100% occupied GLA acquired by Sobeys from Canada Safeway (the "**Safeway Acquisition Properties**"). Crombie LP, through Snowcat Property Holdings Limited, entered into separate lease agreements with respect to each of the Safeway Acquisition Properties (the "**Sobeys Leases**"), whereby Crombie LP or a subsidiary thereof is the landlord and Sobeys West Inc., a subsidiary of Sobeys, is the tenant of the entire Safeway Acquisition Property. In connection with the Safeway Portfolio Acquisition, on July 24, 2013, Crombie LP entered into the acquisition agreement (the "**2013 Acquisition Agreement**") with Sobeys West Inc. ("**Sobeys West**"), a wholly-owned subsidiary of Sobeys, which provided for the indirect acquisition of the Safeway Acquisition Properties, and certain related assets, including shares of Snowcat Property Holdings Limited, a bare Trustee of Sobeys West, holding registered title to each of the Safeway Acquisition Properties, for an aggregate purchase price of \$990 million, subsequently adjusted to \$991.3 million. The Safeway Portfolio Acquisition was subject to certain conditions precedent, including the accuracy of the representations and warranties on the closing and receipt of Competition Act approval and the approval of the Unitholders. The closing of the Safeway Portfolio Acquisition took place effective on November 3, 2013.

Under the Acquisition Agreement, upon the closing of the Safeway Portfolio Acquisition, Sobeys West, as tenant, and Sobeys, as indemnifier, entered into the Sobeys Leases. Pursuant to the Sobeys Leases, Sobeys West retained the obligations under: (i) the contracts and other documents binding on Sobeys West with respect to the ownership or operation of the Safeway Acquisition Properties, (ii) the leases or other rights or licences binding upon Sobeys West with respect to the Safeway Acquisition Properties, (iii) the existing third party warranties and guarantees relating to the Safeway Acquisition Properties, and (iv) certain permitted encumbrances. The Acquisition Agreement also identified 17 of the Safeway Acquisition Properties as having potential for redevelopment, and provides for such redevelopment to be undertaken on a 50/50 joint venture basis between Crombie LP and Sobeys West.

Also upon the closing of the Safeway Portfolio Acquisition, Sobeys West and Sobeys executed and delivered an environmental indemnity (the "**Omnibus Environmental Indemnity Agreement**") with respect to all of the Safeway Acquisition Properties to the extent that environmental issues were identified in the course of Crombie LP's due diligence investigation of the Safeway Acquisition Properties, including matters identified up to 90 days after the closing of the Safeway Portfolio Acquisition (the "**Identified Issues**"). Under the terms of the Omnibus Environmental Indemnity Agreement, Sobeys shall retain independent engineers to undertake such remediation and monitoring steps with respect to the Identified Issues as may be agreed by the Independent Engineers and Crombie LP, such work to be completed within 36 months following the closing of the Safeway Portfolio Acquisition. Sobeys will indemnify Crombie for any claims or costs imposed by, under or pursuant to applicable environmental laws which arise as a result of or in connection with any Identified Issue, the work done or required to be done in connection therewith or any breach of the Omnibus Environmental Indemnity Agreement by Sobeys or Sobeys West, including costs of remediation and monitoring work. The indemnification obligation is not limited in amount. Crombie cannot assign the benefit of the Omnibus Environmental Indemnity Agreement to a purchaser of any of the Safeway Acquisition Properties, but may assign the benefit of the agreement to a lender. The form of Omnibus Environmental Indemnity Agreement is attached to the Acquisition Agreement as Schedule D.

The Acquisition Agreement contains representations and warranties relating to each of Sobeys West, Sobeys, Crombie GP, Crombie LP and Crombie as are customary in arm's length transactions of this nature. The Acquisition Agreement also contains customary indemnity provisions between Sobeys West and Sobeys, on one hand, and Crombie LP, on the other hand for breaches of covenant and representations and warranties, as well as taxes and certain matters that could affect title to the Safeway Acquisition Properties. The indemnification obligation is subject to certain thresholds and the aggregate liability shall not exceed the aggregate purchase price under the Acquisition Agreement. Such indemnification is in addition to the specific indemnity provided under the Omnibus Environmental Indemnity Agreement.

Trust Indentures

Crombie entered into a trust indenture dated October 31, 2013 with BNY Trust Company of Canada as note Trustee, as supplemented by a first supplemental indenture dated October 31, 2013 and a second supplemental indenture dated March 5, 2014, a third supplemental indenture dated February 10, 2015, a fourth supplemental indenture dated November 20, 2017, a fifth supplemental indenture dated October 31, 2018, a sixth supplemental indenture dated August 26, 2019, a seventh supplemental indenture dated December 20, 2019, an eighth supplemental indenture, a ninth supplemental indenture each dated October 9, 2020, a tenth supplemental indenture dated August 12, 2021, and a eleventh supplemental indenture dated March 28, 2023, providing for the issue of the Notes (see "Description of Notes and Indenture").

Right of First Offer Agreement

Crombie is a party to a Right of First Offer Agreement dated August 3, 2011 (the "**ROFO Agreement**"). Pursuant to the ROFO Agreement, Sobeys agreed to provide to Crombie a right of first offer to acquire any property that Sobeys intends to dispose of other than to an affiliate of Sobeys. Crombie shall have a period of 30 days following receipt of a notice of disposition from Sobeys to indicate that it will exercise the right of first offer to acquire the property. In the event that no notice of acceptance is issued to Sobeys within the thirty days, Crombie will be deemed to have refused to exercise its right.

Sobeys has the right to offer to sell any such property within 180 days after the expiration 30 day period, provided that the disposition to a third party is not on terms more favourable to the third party than those offered to Crombie. Sobeys has the right to exempt properties from the ROFO Agreement as a result of the bona fide grant of any option, right of first refusal, right of first offer or other similar right to any franchisee, developer or other such party in furtherance of any aspect of Sobeys' business, and to exempt any group of properties from the ROFO Agreement if the sale of such properties is related to the sale by Sobeys of substantially all of the operating assets of any division or region of its business.

The ROFO Agreement shall terminate: (i) after five years unless extended by agreement of the parties; (ii) in case of change of control of Crombie; (iii) in case of change of control of Sobeys; or (iv) in case of the sale of substantially all of the assets of Sobeys.

Exchange Agreement

Crombie has entered into an Exchange Agreement dated March 23, 2006 (the "**Exchange Agreement**") whereby ECL is granted certain rights, such as the right to require Crombie to indirectly exchange each Class B LP Unit for one Unit of Crombie, provided certain conditions have been met, and, for so long as ECL continues to hold at least 10% of the Units, pre-emptive rights to purchase Units in Crombie to maintain its *pro rata* ownership interest in Crombie.

INTEREST OF EXPERTS

Crombie's auditor for 2023 is PricewaterhouseCoopers LLP, 400 - 1601 Lower Water Street, Halifax, NS B3J 3P6. PricewaterhouseCoopers LLP has advised Crombie that it is independent within the meaning of the Chartered Professional Accountants of Nova Scotia CPA code of Professional Conduct.

PROMOTERS

Crombie had no promoters within its two most recently completed financial years.

ADDITIONAL INFORMATION

Additional information relating to Crombie may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Crombie's securities and securities authorized for issuance under equity compensation plans is contained in Crombie's management information circular for its 2024 annual meeting.

Additional financial information is provided in Crombie's comparative financial statements and Management's Discussion and Analysis for its last fiscal year ended December 31, 2023. A copy of such documents may be obtained by request from Kara Cameron, Interim Chief Financial Officer of Crombie, via Crombie's web site at: www.crombiereit.com, or on the System for Electronic Document Analysis and Retrieval (SEDAR) www.sedar.com.

APPENDIX A - PROPERTY LISTING

The following table lists Crombie's properties as at year ended December 31, 2023.

Property Name	Location	Asset Type	Ownership Interest	GLA (Approx. Sq.Ft.)	Committed Occupancy %
Newfoundland and Labrador					
Random Square	Clarenville	Retail	100.0%	107,000	94.3%
Conception Bay Plaza	Conception Bay	Retail	100.0%	65,000	100.0%
2A Commerce Street	Deer Lake	Retail	100.0%	29,000	100.0%
71 Grandview Boulevard	Grand Bank	Retail	100.0%	19,000	100.0%
21 Cromer Avenue	Grand Falls	Retail	11.0%	3,000	100.0%
69 Blockhouse Road	Placentia	Retail	11.0%	2,000	100.0%
10 Elizabeth Avenue	St. John's	Retail	100.0%	80,000	100.0%
45 Ropewalk Lane	St. John's	Retail	11.0%	6,000	100.0%
Avalon Mall	St. John's	Retail	100.0%	594,000	96.4%
Hamlyn Road Plaza	St. John's	Retail	100.0%	38,000	76.8%
Topsail Road Plaza	St. John's	Retail	100.0%	158,000	94.0%
Torbay Road Plaza	St. John's	Retail	100.0%	102,000	81.7%
Woodgate Plaza	St. John's	Retail	100.0%	80,000	100.0%
				1,283,000	95.0%
Prince Edward Island					
400 University Avenue	Charlottetown	Retail	11.0%	6,000	100.0%
9 Kinlock Road	Stratford	Retail	100.0%	103,000	95.1%
485 Granville Street	Summerside	Retail	100.0%	7,000	100.0%
				116,000	95.6%
Nova Scotia					
Amherst Centre	Amherst	Retail	100.0%	228,000	85.3%
Amherst Plaza	Amherst	Retail	100.0%	24,000	100.0%
151 Church Street	Antigonish	Retail	11.0%	6,000	100.0%
Hemlock Square	Bedford	Retail	100.0%	185,000	100.0%
Mill Cove Plaza	Bedford	Retail	100.0%	151,000	100.0%
2 Forest Hills Parkway	Cole Harbour	Retail	50.0%	22,000	100.0%
Dartmouth Crossing Cineplex	Dartmouth	Retail	100.0%	45,000	100.0%
Panavista Drive	Dartmouth	Retail	11.0%	5,000	100.0%
Penhorn Plaza	Dartmouth	Retail	100.0%	145,000	100.0%
Russell Lake	Dartmouth	Retail	50.0%	34,000	100.0%
Elmsdale Shopping Centre	Elmsdale	Retail	100.0%	147,000	100.0%
Fall River Plaza	Fall River	Retail	100.0%	101,000	100.0%
North & Windsor Street	Halifax	Retail	100.0%	50,000	100.0%
Park West Centre	Halifax	Retail	100.0%	143,000	90.8%
Queen Street Plaza	Halifax	Retail	100.0%	55,000	100.0%
Downsview Mall	Lower Sackville	Retail	100.0%	79,000	98.5%
Downsview Plaza	Lower Sackville	Retail	100.0%	226,000	97.5%
Aberdeen Business Centre	New Glasgow	Retail	100.0%	321,000	99.5%
Highland Square Mall	New Glasgow	Retail	100.0%	200,000	100.0%
West Side Plaza	New Glasgow	Retail	100.0%	71,000	91.2%
County Fair Mall	New Minas	Retail	100.0%	271,000	51.2%
75 Emerald Street	New Waterford	Retail	11.0%	3,000	100.0%
3415 Plummer Avenue	New Waterford	Retail	100.0%	4,000	100.0%
Blink Bonnie Plaza	Pictou	Retail	100.0%	51,000	100.0%
622 Reeves Street	Port Hawkesbury	Retail	100.0%	34,000	100.0%
22579 Highway 7	Sheet Harbour	Retail	11.0%	1,000	100.0%

Property Name	Location	Asset Type	Ownership Interest	GLA (Approx. Sq.Ft.)	Committed Occupancy %
279, 289 & 303 Herring Cove Road	Spryfield	Retail	100.0%	73,000	100.0%
293 Foord Street	Stellarton	Retail	100.0%	24,000	100.0%
Prince Street Plaza	Sydney	Retail	100.0%	71,000	100.0%
Sydney Shopping Centre	Sydney	Retail	100.0%	190,000	98.7%
39 Pitt Street	Sydney Mines	Retail	100.0%	18,000	100.0%
North Shore Centre	Tatamagouche	Retail	100.0%	17,000	100.0%
70 Marketway Lane	Timberlea	Retail	100.0%	61,000	100.0%
Fundy Trail Centre	Truro	Retail	100.0%	126,000	98.3%
Tantallon Plaza	Upper Tantallon	Retail	100.0%	157,000	99.5%
Scotia Square Properties					
Barrington Tower	Halifax	Office	100.0%	186,000	99.7%
Brunswick Place	Halifax	Retail	100.0%	252,000	97.9%
CIBC Building	Halifax	Office	100.0%	207,000	87.7%
Cogswell Tower	Halifax	Office	100.0%	204,000	91.3%
Duke Tower	Halifax	Office	100.0%	225,000	90.1%
Scotia Square	Halifax	Retail	100.0%	195,000	88.7%
Scotia Square Parkade	Halifax	Retail	100.0%	—	—%
				4,608,000	93.7%
New Brunswick					
850 Saint Peters Avenue	Bathurst	Retail	100.0%	18,000	100.0%
477 Paul Street	Dieppe	Retail	100.0%	52,000	100.0%
501 Regis Street	Dieppe	Retail	100.0%	26,000	100.0%
580 Victoria Street	Edmundston	Retail	100.0%	42,000	100.0%
Brookside Mall	Fredericton	Retail	100.0%	43,000	100.0%
Uptown Centre	Fredericton	Retail	100.0%	263,000	93.0%
Grand Bay Plaza	Grand Bay	Retail	100.0%	26,000	100.0%
1234 Main Street	Moncton	Office	100.0%	140,000	85.0%
Elmwood Drive	Moncton	Retail	100.0%	107,000	94.8%
Mountain Road Plaza	Moncton	Retail	100.0%	17,000	100.0%
Northwest Centre	Moncton	Retail	100.0%	52,000	100.0%
Vaughan Harvey Plaza	Moncton	Retail	100.0%	103,000	100.0%
273 Pleasant Street	Newcastle	Retail	100.0%	20,000	100.0%
Riverview – Findlay Boulevard	Riverview	Retail	100.0%	76,000	100.0%
Riverview Place	Riverview	Retail	100.0%	149,000	73.1%
Fairvale Plaza	Rothsay	Retail	100.0%	52,000	100.0%
107 Catherwood Street	Saint John	Retail	11.0%	5,000	100.0%
Loch Lomond Place	Saint John	Retail	100.0%	188,000	49.8%
Charlotte Mall	St. Stephen	Retail	100.0%	116,000	97.8%
426 rue du Moulin	Tracadie	Retail	100.0%	40,000	95.7%
3430 rue Principale	Tracadie-Sheila	Retail	100.0%	31,000	100.0%
				1,566,000	88.2%
Quebec					
1500 rue de Bretagne	Baie Comeau	Retail	100.0%	50,000	100.0%
1020 boulevard Monseigneur-de-Laval	Baie Saint Paul	Retail	100.0%	65,000	100.0%
Beauport Plaza	Beauport	Retail	100.0%	78,000	98.4%
50 rue Bourgeois	Bromptonville	Retail	11.0%	3,000	100.0%
50 rue Bourgeois	Bromptonville	Retail	100.0%	4,000	—%
3260 boulevard Lapiniere & 3305 Broadway	Brossard	Retail	100.0%	48,000	100.0%
645 boulevard Thibeau	Cap-de-la-Madeleine	Retail	100.0%	49,000	100.0%

Property Name	Location	Asset Type	Ownership Interest	GLA (Approx. Sq.Ft.)	Committed Occupancy %
80-90 boulevard d'Anjou	Chateauguay	Retail	100.0%	58,000	100.0%
Marché St-Charles-de-Drummond	Drummondville	Retail	100.0%	48,000	100.0%
1205 rue de Neuville	Gatineau	Retail	100.0%	31,000	100.0%
1248 boulevard de la Verendrye Est	Gatineau	Retail	100.0%	71,000	100.0%
1298 rue de la Digue	Havre-Saint-Pierre	Retail	100.0%	26,000	100.0%
2195 chemin Ridge	Huntingdon	Retail	100.0%	19,000	100.0%
Centre Lavaltrie	Lavaltrie	Retail	100.0%	43,000	77.2%
Marché Lavaltrie	Lavaltrie	Retail	100.0%	52,000	97.8%
5555 boulevard des Grandins	Lebourgneuf	Retail	11.0%	5,000	100.0%
5555 boulevard des Grandins	Lebourgneuf	Retail-related Industrial	11.0%	2,000	100.0%
5005 boulevard de l'Ormiere	Les Saules	Retail	100.0%	70,000	100.0%
714 boulevard Saint-Laurent Ouest	Louiseville	Retail	11.0%	3,000	100.0%
1450 & 1454 rue Royale	Malartic	Retail	100.0%	29,000	100.0%
551 avenue du Phare Est	Matane	Retail	11.0%	3,000	100.0%
20-70 boulevard Sir Wilfrid Laurier	McMasterville	Retail	100.0%	55,000	100.0%
631-665 boulevard Saint Jean-Baptiste	Mercier	Retail	100.0%	58,000	100.0%
Marché St-Augustin	Mirabel	Retail	100.0%	38,000	100.0%
1 avenue Westminster Nord	Montreal	Retail	50.0%	10,000	100.0%
3964 rue Notre-Dame Ouest	Montreal	Retail	100.0%	41,000	100.0%
Voilà CFC 2	Montreal	Retail-related Industrial	50.0%	155,000	100.0%
Paspebiac Plaza	Paspebiac	Retail	100.0%	73,000	91.7%
395 avenue Sirois	Rimouski	Retail	11.0%	5,000	100.0%
395 avenue Sirois	Rimouski	Retail	100.0%	6,000	100.0%
375 boulevard Jessop	Rimouski	Retail	100.0%	41,000	100.0%
254 boulevard de l'Hotel de Ville	Rivière-du-Loup	Retail	100.0%	72,000	100.0%
680 avenue Chausse	Rouyn-Noranda	Retail	11.0%	5,000	100.0%
Carrefour Bourgeois	Saint-Amable	Retail	100.0%	67,000	97.6%
Saint-Apollinaire Plaza	Saint-Apollinaire	Retail	100.0%	62,000	100.0%
867-871 rue Principale	Saint-Donat	Retail	100.0%	34,000	100.0%
8980 boulevard Lacroix	Saint-Georges-de-Beauce	Retail	11.0%	5,000	100.0%
131-A avenue Sainte-Cecile	Saint-Pie	Retail	100.0%	14,000	100.0%
Saint-Romuald Plaza	Saint-Romuald	Retail	100.0%	76,000	100.0%
10505 boulevard Sainte-Anne	Sainte-Anne-de-Beaupré	Retail	11.0%	4,000	100.0%
1440-1510 rue Trudel	Shawinigan	Retail	100.0%	67,000	100.0%
2959 rue King Ouest	Sherbrooke	Retail	100.0%	13,000	100.0%
3950 rue King Ouest	Sherbrooke	Retail	11.0%	6,000	100.0%
411 boulevard Poliquin	Sorel-Tracy	Retail	100.0%	40,000	100.0%
1101 boulevard de la Piniere Ouest	Terrebonne	Retail-related Industrial	100.0%	469,000	100.0%
				2,173,000	98.9%

Ontario

977 Golf Links Road	Ancaster	Retail	50.0%	32,000	100.0%
409 Bayfield Street	Barrie	Retail	50.0%	24,000	100.0%
680 Longworth Avenue	Bowmanville	Retail	100.0%	42,000	100.0%
20 Melbourne Drive	Bradford	Retail	11.0%	4,000	100.0%
Brampton Mall	Brampton	Retail	100.0%	103,000	86.4%
Brampton Plaza	Brampton	Retail	50.0%	38,000	100.0%
4130 Harvester Road	Burlington	Retail-related Industrial	100.0%	20,000	100.0%

Property Name	Location	Asset Type	Ownership Interest	GLA (Approx. Sq.Ft.)	Committed Occupancy %
Burlington Plaza	Burlington	Retail	100.0%	70,000	78.6%
142 Dundas Street	Cambridge	Retail	100.0%	4,000	100.0%
215 Park Avenue West	Chatham	Retail	11.0%	5,000	100.0%
990 Division Street	Cobourg	Retail	100.0%	31,000	100.0%
77 Coldwater Road	Coldwater	Retail	100.0%	15,000	100.0%
Village Centre	Dorchester	Retail	100.0%	32,000	100.0%
15 Lindsay Street	Fenelon Falls	Retail	11.0%	4,000	100.0%
417 Scott Street	Fort Frances	Retail	100.0%	43,000	100.0%
44 Livingston Avenue	Grimbsy	Retail	100.0%	36,000	100.0%
188 Highland Street	Haliburton	Retail	100.0%	24,000	100.0%
Havelock Centre	Havelock	Retail	11.0%	2,000	100.0%
400 First Avenue South	Kenora	Retail	11.0%	4,000	100.0%
2327 Princess Street	Kingston	Retail	100.0%	35,000	100.0%
274 Highland Road West	Kitchener	Retail	100.0%	67,000	100.0%
London Pine Valley	London	Retail	100.0%	39,000	100.0%
515 Main Street North	Mount Forest	Retail	100.0%	46,000	100.0%
5931 Kalar Road	Niagara Falls	Retail	11.0%	4,000	100.0%
5931 Kalar Road	Niagara Falls	Retail	100.0%	2,000	100.0%
Niagara Falls Plaza	Niagara Falls	Retail	100.0%	64,000	100.0%
Village Square Mall	Nepean	Retail	100.0%	92,000	100.0%
Algonquin Avenue Mall	North Bay	Retail	100.0%	163,000	97.4%
500 Riddell Road	Orangeville	Retail	11.0%	5,000	100.0%
5150 Innes Road	Orleans	Retail	100.0%	65,000	100.0%
Taunton and Wilson Plaza	Oshawa	Retail	100.0%	107,000	97.1%
Don Reid Drive	Ottawa	Retail-related Industrial	100.0%	19,000	100.0%
25 Pine Drive	Parry Sound	Retail	100.0%	46,000	100.0%
3130 Danforth Avenue	Scarborough	Retail	50.0%	3,000	100.0%
McCowan Square	Scarborough	Retail	100.0%	61,000	100.0%
Mountain Locks Plaza	St. Catharines	Retail	100.0%	85,000	100.0%
Stittsville Corner	Stittsville	Retail	100.0%	111,000	100.0%
Stoney Creek Plaza	Stoney Creek	Retail	100.0%	12,000	100.0%
105 Arthur Street West	Thornbury	Retail	100.0%	40,000	100.0%
70 Court Street North	Thunder Bay	Retail	100.0%	39,000	100.0%
115 Arthur Street West	Thunder Bay	Retail	100.0%	58,000	100.0%
1015 Dawson Road	Thunder Bay	Retail	100.0%	54,000	100.0%
1099 Broadview Avenue	Toronto	Retail	50.0%	15,000	100.0%
3362-3370 Yonge Street	Toronto	Retail	100.0%	29,000	100.0%
The Queensway Commons	Toronto	Retail	100.0%	36,000	100.0%
The Queensway Commons	Toronto	Retail-related Industrial	100.0%	17,000	100.0%
8265 Huntington Road	Vaughan	Retail-related Industrial	100.0%	793,000	100.0%
385 Springbank Avenue North	Woodstock	Retail	100.0%	55,000	100.0%
				2,695,000	98.7%

Manitoba

3156 Bird's Hill Road East	East St. Paul	Retail	11.0%	4,000	100.0%
3156 Bird's Hill Road East	East St. Paul	Retail	100.0%	3,000	100.0%
498 Mountain Avenue	Neepawa	Retail	11.0%	2,000	100.0%
318 Manitoba Avenue	Selkirk	Retail	11.0%	4,000	100.0%
2 Alpine Avenue	Winnipeg	Retail	100.0%	57,000	100.0%
285 Marion Street	Winnipeg	Retail	100.0%	38,000	100.0%
469-499 River Avenue	Winnipeg	Retail	100.0%	59,000	100.0%
594 Mountain Avenue	Winnipeg	Retail	100.0%	18,000	100.0%
600 Sargent Avenue	Winnipeg	Retail	100.0%	33,000	100.0%
654 Kildare Avenue	Winnipeg	Retail	100.0%	43,000	100.0%
655 Osborne Street	Winnipeg	Retail	100.0%	20,000	100.0%
731 Henderson Highway	Winnipeg	Retail	100.0%	24,000	100.0%

Property Name	Location	Asset Type	Ownership Interest	GLA (Approx. Sq.Ft.)	Committed Occupancy %
920 Jefferson Avenue	Winnipeg	Retail	100.0%	56,000	100.0%
1305-1321 Pembina Highway	Winnipeg	Retail	100.0%	38,000	100.0%
2155 Pembina Highway	Winnipeg	Retail	100.0%	46,000	100.0%
3381 & 3393 Portage Avenue	Winnipeg	Retail	100.0%	56,000	100.0%
Kildonan Green	Winnipeg	Retail	100.0%	74,000	100.0%
River East Plaza	Winnipeg	Retail	100.0%	84,000	96.6%
				659,000	99.6%

Saskatchewan

200 1st Avenue NW	Moose Jaw	Retail	100.0%	39,000	100.0%
9801 Territorial Drive	North Battleford	Retail	100.0%	30,000	100.0%
2895 2nd Avenue West	Prince Albert	Retail	100.0%	56,000	100.0%
2231 East Quance Street	Regina	Retail	50.0%	19,000	100.0%
2915 13th Avenue	Regina	Retail	50.0%	20,000	100.0%
4250 Albert Street	Regina	Retail	100.0%	41,000	100.0%
302 33rd Street	Saskatoon	Retail	100.0%	16,000	100.0%
1860 McOrmond Drive	Saskatoon	Retail	100.0%	58,000	100.0%
River City Centre	Saskatoon	Retail	100.0%	161,000	100.0%
				440,000	100.0%

Alberta

318 Marten Street	Banff	Retail	100.0%	19,000	100.0%
5700 50th Street	Beaumont	Retail	100.0%	21,000	100.0%
Beaumont Shopping Centre	Beaumont	Retail	100.0%	58,000	100.0%
550 Cassils Road & 654 4th Street West	Brooks	Retail	100.0%	60,000	100.0%
55 Castleridge Boulevard NE	Calgary	Retail	11.0%	6,000	100.0%
99 Crowfoot Crescent NW	Calgary	Retail	100.0%	75,000	100.0%
110-620 McKenzie Towne Gate SE	Calgary	Retail	50.0%	9,000	100.0%
410 10 Street NW	Calgary	Retail	100.0%	38,000	100.0%
511 17 Avenue SE	Calgary	Retail	100.0%	42,000	100.0%
504 & 524 Elbow Drive SW	Calgary	Retail	100.0%	29,000	100.0%
813 11 Avenue SW	Calgary	Retail	100.0%	40,000	100.0%
850 Saddlestone Circle NE	Calgary	Retail	11.0%	6,000	100.0%
1818 Centre Street NE & 134 17 Avenue NE	Calgary	Retail	100.0%	36,000	100.0%
2425 34 Street SW	Calgary	Retail	100.0%	48,000	100.0%
3550 32 Avenue NE	Calgary	Retail	100.0%	69,000	100.0%
5048 16 Avenue NW	Calgary	Retail	50.0%	21,000	100.0%
5607 4 Street NW	Calgary	Retail	100.0%	50,000	100.0%
260199 High Plains Boulevard	Calgary	Retail-related Industrial	50.0%	655,000	100.0%
South Trail Plaza	Calgary	Retail	100.0%	79,000	100.0%
Strathcona Square	Calgary	Retail	100.0%	81,000	89.3%
Voilà CFC 3	Calgary	Retail-related Industrial	100.0%	304,000	100.0%
1200 Railway Avenue	Canmore	Retail	100.0%	53,000	100.0%
135 Chestermere Station Way	Chestermere	Retail	100.0%	48,000	100.0%
304 5 Avenue West	Cochrane	Retail	100.0%	54,000	100.0%
17th Street & 23rd Avenue	Edmonton	Retail	100.0%	52,000	100.0%
400 & 500 Manning Crossing North	Edmonton	Retail	100.0%	50,000	100.0%
2304 109 Street NW	Edmonton	Retail	100.0%	48,000	100.0%
2534 Guardian Road NW	Edmonton	Retail	100.0%	50,000	100.0%
5119 167 Avenue NW	Edmonton	Retail	100.0%	39,000	100.0%
5309 Ellerslie Road	Edmonton	Retail	100.0%	50,000	100.0%
8118 118 Avenue NW	Edmonton	Retail	50.0%	22,000	100.0%
8204 109 Street NW	Edmonton	Retail	100.0%	34,000	94.0%
9611 167 Avenue NW	Edmonton	Retail	100.0%	37,000	100.0%
10907 82 Avenue NW	Edmonton	Retail	100.0%	21,000	100.0%

Property Name	Location	Asset Type	Ownership Interest	GLA (Approx. Sq.Ft.)	Committed Occupancy %
12950 137 Avenue NW	Edmonton	Retail	100.0%	55,000	100.0%
13550 Victoria Trail	Edmonton	Retail	100.0%	37,000	100.0%
Lewis Estates	Edmonton	Retail	100.0%	38,000	100.0%
Millwood Commons	Edmonton	Retail	50.0%	29,000	96.9%
Namao Centre	Edmonton	Retail	100.0%	34,000	100.0%
304 54 Street	Edson	Retail	100.0%	33,000	100.0%
9601 Franklin Avenue	Fort McMurray	Retail	11.0%	4,000	100.0%
Clearwater Landing	Fort McMurray	Retail	100.0%	143,000	93.0%
8100-8300 100 Street	Grand Prairie	Retail	100.0%	67,000	95.1%
9844 92 Street	Grand Prairie	Retail	100.0%	44,000	100.0%
9925 114 Avenue	Grand Prairie	Retail	100.0%	69,000	97.5%
Leduc Centre	Leduc	Retail	100.0%	140,000	100.0%
1760 23 Street	Lethbridge	Retail	100.0%	45,000	100.0%
2750 Fairway Plaza Road South	Lethbridge	Retail	11.0%	7,000	100.0%
West Lethbridge Towne Centre	Lethbridge	Retail	100.0%	104,000	97.1%
615 Division Avenue South	Medicine Hat	Retail	100.0%	43,000	100.0%
410 & 610 Big Rock Lane	Okotoks	Retail	11.0%	5,000	100.0%
4407 50th Avenue	Red Deer	Retail	100.0%	56,000	100.0%
688 Wye Road	Sherwood Park	Retail	50.0%	23,000	100.0%
1109 James Mowatt Trail SW	Southbrook	Retail	50.0%	23,000	100.0%
94 McLeod Avenue	Spruce Grove	Retail	11.0%	6,000	100.0%
395 St. Albert Trail	St. Albert	Retail	100.0%	53,000	100.0%
4607 50 Street	Stettler	Retail	100.0%	31,000	100.0%
100 Ranch Market	Strathmore	Retail	100.0%	35,000	100.0%
4202 South Park Drive	Stony Plain	Retail	11.0%	5,000	100.0%
				3,433,000	99.1%

British Columbia

575 Alder Avenue	100 Mile House	Retail	11.0%	2,000	100.0%
575 Alder Avenue	100 Mile House	Retail	100.0%	7,000	—%
4454 East Hastings Street	Burnaby	Retail	100.0%	4,000	100.0%
Burnaby Heights	Burnaby	Retail	100.0%	61,000	100.0%
1721 Columbia Avenue	Castlegar	Retail	11.0%	3,000	100.0%
45850 Yale Road	Chilliwack	Retail	11.0%	6,000	100.0%
1551 Cliffe Avenue	Courtenay	Retail	100.0%	54,000	100.0%
Crown Isle Shopping Centre	Courtenay	Retail	100.0%	109,000	97.2%
934 Baker Street	Cranbrook	Retail	100.0%	9,000	100.0%
1200 Baker Street	Cranbrook	Retail	100.0%	48,000	100.0%
11200 8 Street	Dawson Creek	Retail	11.0%	5,000	100.0%
9123 100 Street	Fort St. John	Retail	100.0%	67,000	100.0%
750 Fortune Drive	Kamloops	Retail	100.0%	56,000	100.0%
945 Columbia Street West	Kamloops	Retail	11.0%	5,000	100.0%
697 Bernard Avenue	Kelowna	Retail	100.0%	30,000	100.0%
Belmont Market	Langford	Retail	100.0%	143,000	94.5%
20871 Fraser Highway	Langley	Retail	100.0%	48,000	100.0%
27566 Fraser Highway	Langley	Retail	100.0%	45,000	100.0%
32520 Lougheed Highway	Mission	Retail	100.0%	55,000	100.0%
211 Anderson Street	Nelson	Retail	100.0%	39,000	100.0%
800 McBride Boulevard	New Westminster	Retail	100.0%	43,000	100.0%
1170 27 Street East	North Vancouver	Retail	100.0%	37,000	100.0%
1175 Mount Seymour Road	North Vancouver	Retail	100.0%	36,000	100.0%
801-1301 Main Street	Penticton	Retail	100.0%	59,000	100.0%
2850 Shaughnessy Street	Port Coquitlam	Retail	100.0%	49,000	100.0%
200 2 Avenue West	Prince Rupert	Retail	100.0%	50,000	100.0%
445 Reid Street	Quesnel	Retail	11.0%	3,000	100.0%
6140 Blundell Road	Richmond	Retail	100.0%	28,000	100.0%
3664 Yellowhead Highway	Smithers	Retail	11.0%	5,000	100.0%
7450 120 Street	Surrey	Retail	100.0%	60,000	100.0%

Property Name	Location	Asset Type	Ownership Interest	GLA (Approx. Sq.Ft.)	Committed Occupancy %
8860 152 Street	Surrey	Retail	100.0%	56,000	100.0%
4655 Lakelse Avenue	Terrace	Retail	100.0%	43,000	100.0%
1599 2nd Avenue	Trail	Retail	100.0%	32,000	100.0%
990 King Edward Avenue West	Vancouver	Retail	100.0%	28,000	100.0%
1641 & 1653 Davie Street	Vancouver	Retail	100.0%	54,000	100.0%
1766 Robson Street	Vancouver	Retail	100.0%	42,000	100.0%
1780 East Broadway	Vancouver	Retail	100.0%	42,000	100.0%
2733 West Broadway	Vancouver	Retail	100.0%	55,000	100.0%
3410 Kingsway	Vancouver	Retail	100.0%	51,000	100.0%
8475 Granville Street	Vancouver	Retail	50.0%	24,000	100.0%
3417 30 Avenue	Vernon	Retail	100.0%	29,000	100.0%
4300 32 Street	Vernon	Retail	100.0%	57,000	100.0%
451 Oliver Street	Williams Lake	Retail	100.0%	29,000	100.0%
				1,708,000	99.0%
Total Portfolio - Excluding Joint Ventures				18,681,000	96.5%
Joint Ventures					
140 Centennial Parkway North	Hamilton	Retail	50.0%	16,000	
Le Duke	Montreal	Mixed-use Residential	50.0%	133,000	
The Village at Bronte Harbour	Oakville	Mixed-use Residential	50.0%	260,000	
Davie Street Residential	Vancouver	Mixed-use Residential	50.0%	121,000	
Total Joint Ventures				530,000	
Total Portfolio Inclusive of Joint Ventures				19,211,000	

APPENDIX B - AUDIT COMMITTEE OF THE BOARD

MANDATE

The Audit Committee (the "Committee") of the Board of Trustees has the responsibilities and duties as outlined below:

A. MANDATE

- To perform such duties as may be required by applicable legislation and regulations including those of the Ontario Securities Commission, the Toronto Stock Exchange and the Canadian Securities Administrators (CSA).
- To assist the Board of Trustees in fulfilling its oversight responsibilities for:
 - The integrity of the financial statements;
 - Compliance with legal and regulatory requirements relating to financial disclosure;
 - The external auditors' independence, performance and fees;
 - Identification and monitoring of principal risks that could impact financial reporting; and
 - The system of internal control for financial reporting and management information systems.
- To perform such other duties as may from time to time be assigned to the Audit Committee by the Board.

B. AUDIT COMMITTEE COMPOSITION

The Audit Committee shall be composed of three or more Trustees, appointed by the Board on the recommendation of the Governance and Nominating Committee. All members of the Committee must be independent. Independence will be defined by applicable legislation and Crombie's Declaration of Trust and at a minimum each Committee member will have no direct or indirect relationship with the REIT which in the view of the Board of Trustees could reasonably interfere with the exercise of a member's independent judgement except as otherwise permitted by applicable laws.

All members of the Audit Committee shall be financially literate (as defined by applicable legislation). A member of the Board of Trustees who is not financially literate may be appointed to the Audit Committee provided that the member becomes financially literate within four months following his or her appointment, subject to the Board of Trustees determining that this appointment will not materially adversely affect the ability of the Audit Committee to act independently and to satisfy the other requirements of this mandate.

If a Committee member's trustee status should change, including a change in the member's independence, the member shall advise the Chair of the Governance & Nomination Committee within 5 days of such change and the Governance & Nominating Committee will then determine based on the requirements in the DOT, if such trustee will be required to offer their resignation.

Members are reappointed annually by the Board, with such appointments to take effect immediately following the Annual General Meeting of Unitholders. Members shall hold office until the earlier of the time when their successors are appointed, or they cease to be Trustees of Crombie REIT. Vacancies of members of the Audit Committee may be filled for the remainder of the current term of appointment by the Board, upon recommendation of the Governance and Nominating Committee.

The Board shall appoint from the Audit Committee membership a Chair for the Audit Committee to preside at its meetings. The Chair must be independent. In the absence of the Chair, one of the other members of the Audit Committee present shall be chosen by the Audit Committee to preside at the meeting.

C. AUTHORITY

The Audit Committee has the authority to:

1. Conduct or authorize an investigation into any matters within the scope of its mandate or responsibility;
2. At the REIT's expense, as determined by the Committee, retain independent counsel, accountants or others to advise the Audit Committee or assist in carrying out its duties or assist in the conduct of an investigation;
3. Meet with management, internal auditors, external auditors or outside counsel as necessary; and
4. Call a meeting of the Board to consider any matter of concern to the Audit Committee.

D. MEETINGS

The Audit Committee shall meet quarterly or more frequently as circumstances dictate. Meetings of the Audit Committee may be called by:

- The Chair;
- Any member of the Audit Committee; or
- The external auditors.

The external auditors and Internal Audit shall be invited to attend and be heard at every quarterly Audit Committee meeting and have the opportunity to discuss matters with the Audit Committee without the presence of management at each meeting. The Audit Committee will meet in-camera with the external auditors, Internal Audit, management and the Committee itself at each meeting. The Secretary of the REIT shall act as Secretary of the Audit Committee and minutes of the Audit Committee shall be recorded and maintained by the Secretary.

E. RESPONSIBILITIES

Administration:

1. The Committee annually reviews its mandate and recommends any changes to the Governance and Nominating Committee.
2. The Audit Committee shall report to the Board on the proceedings and recommendations of each Audit Committee meeting at the next regularly scheduled Board Meeting.

External Auditor:

3. As required by the Board, the external auditor reports directly to the Audit Committee, and is invited to attend each quarterly Audit Committee meeting and meets quarterly in camera with the Audit Committee.
4. The Audit Committee must recommend to the Board of Trustees;
 - a) the external auditor to be nominated, after annual review, for purposes of preparing or issuing an auditor's report or performing other audit, review or attest services for the REIT; and
 - b) the compensation of the external auditor.
5. The Audit Committee is directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing the Auditor's Report or performing other audit, review or attest services for the REIT, including the resolution of disagreements between management and the external auditor regarding financial reporting.
6. The Audit Committee must pre-approve all non-audit services to be provided to the REIT or its subsidiary entities by the REIT's external auditor. The Audit Committee has delegated to the Chair of the Committee the authority to pre-approve the non-audit services, with such pre-approval presented to the Audit Committee at the next scheduled Audit Committee meeting following such pre-approval.

De minimis non-audit services satisfy the pre-approval requirement provided:

- a) the aggregate amount of all these non-audit services that were not pre-approved is reasonably expected to constitute no more than 5% of the total audit fees paid by the REIT and its subsidiaries to the REIT's external auditor during the fiscal year in which the services are provided;
- b) the REIT or subsidiaries of the REIT, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- c) the services are promptly brought to the attention of the Audit Committee of the REIT and approved, prior to the completion of the audit, by the Audit Committee or by the Chair of the Audit Committee, who has been granted authority to pre-approve non-audit services.

The Audit Committee has instructed management that, to obtain pre-approval, management must detail the work to be performed by the external auditor and obtain the assurance from the external auditor that the proposed work does not impair their independence.

7. The Committee reviews with the external auditor and management all major accounting policies and practices adopted, any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties and key estimates and judgements of management that may be material to financial reporting. The Committee shall also review any significant changes to GAAP / IFRS or its application.
8. The Committee reviews and approves Crombie's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of Crombie.
9. The Committee ensures through enquiry that the external auditor is in good standing with the Canadian Public Accountability Board (CPAB) and that the lead partner and other partners fulfil the rotation requirements. The Committee also reviews that the relationship with the external auditor and management is independent with consideration to the requirements set out by the Canadian Securities Administrators and CPA Canada.
10. The Committee receives from the external auditor an outline of the annual audit scope, plan, resources, reliance on management and progress reports against that plan. The Committee approves the annual audit plan.
11. The Committee reviews the Auditor Report with the external auditor:

- a) significant findings during the year and management's response thereto;
- b) any difficulties encountered in the course of their audit, including any restrictions to the scope of their work or access to required information; and any changes required to the planned scope of their audit or quarterly reviews.

Risk Management

- 12. The Committee annually reviews the adequacy and quality of insurance coverage maintained by the REIT and the status of litigation matters occurring in the ordinary course of business.
- 13. The Committee will have oversight responsibility of key risks identified in the Risk Appetite Framework falling within the role and area of responsibility of the Committee as allocated by the Board of Trustees. The Committee reviews its assigned principal risks and ensures appropriate risk management techniques are in place. This will involve enquiry of management regarding how risks are managed as well as opinions from management regarding the degree of integrity of the risk mitigation strategies and accepted thresholds. The Committee shall review risk management policies as recommended by management. The Committee will collaborate on certain risks, where appropriate, with other Board Committees and the Board.
- 14. The Committee reviews the Environmental Report, Litigation Report, Hedge Report, and any other reports requested from time to time and ensures their appropriateness.
- 15. The Committee reviews the status of compliance with laws and regulations and the scope and status of systems designed to ensure compliance therewith, and receives reports from management, legal counsel and other third parties as determined by the Committee on such matters, as well as major legislative and regulatory developments which could impact the REIT's contingent liabilities and risks.
- 16. The Committee determines through enquiry with Committee members and others the specific technical training and/or education required for Committee members to stay apprised of ongoing changes in financial reporting, risk management, etc
- 17. The Committee receives ongoing reports from management and other third-party opinions confirming compliance with SIFT and other taxation policies outlining the ongoing risks, priorities and action plans to maintain that compliance.
- 18. The Committee quarterly reviews the REIT's Information Technology platform including hardware, applications and infrastructure to monitor new and ongoing initiatives, risks, including cybersecurity, and changes since last report. Additionally, the Committee reviews and recommends to the Board capital allocation for new Information Systems and Technology, and provides strategic oversight and monitoring of project design, implementation milestones and risk mitigation.
- 19. The Committee completes debt overviews on a regular basis to ensure:
 - a) compliance with debt covenants in trust deeds, mortgages and credit agreements;
 - b) achievement of liquidity requirements and financing plans;
 - c) no material business risks, uncertainties and contingent liabilities; and
 - d) appropriate debt ladder maturities exist that are aligned with the REIT's objectives and risk thresholds.

Financial Management and Reporting

- 20. The Audit Committee reviews and recommends to the Board approval of the REIT's financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information. It also ensures that adequate procedures are in place for the review of financial information extracted or derived from the REIT's financial statements, contained in the REIT's other financial disclosures and must periodically assess the adequacy of those procedures.
- 21. The Committee reviews the financially related disclosures contained in the Annual Report, Sustainability Report, Annual Information Form and Annual Information Circular.
- 22. The Committee reviews the disclosure controls and procedures and internal controls on financial reporting, including any significant deficiencies or material non-compliance with such controls and procedures.
- 23. The Committee reviews the Insider Trading and Corporate Disclosure Policies and the Disclosure Committee Mandate and reviews the minutes of the quarterly Disclosure Committee meetings.
- 24. The Committee establishes procedures for:
 - a) the receipt, retention and treatment of complaints received by Crombie regarding accounting, internal accounting controls, or auditing matters; and
 - b) the confidential, anonymous submission by employees of Crombie of concerns regarding questionable accounting or auditing matters.
- 25. The Committee reviews the status and adequacy of the REIT's efforts to ensure its businesses are conducted and its facilities are

operated in an ethical, legally compliant and socially responsible way, and recommends to the Board, for approval, policy changes and program initiatives considered advisable.

Internal Audit

26. The Committee annually reviews and approves the Internal Audit relationship and Annual Audit Plan.
27. The Committee receives quarterly reports from, and meets in camera with, Internal Audit. Internal Audit is invited to each quarterly Audit Committee meeting.
28. The Committee ensures that the Internal Audit function is independent of management and has sufficient resources to carry out its mandate.
29. The Committee approves the appointment, replacement or termination of key Internal Audit Resources.

Environmental Social and Governance ("ESG") Matters

The Audit Committee contributes to the Board's oversight of ESG by:

30. Monitoring ESG metrics, performance indicators and disclosures and ESG-related disclosure controls and procedures;
31. Integrating ESG in Enterprise-Risk Management including climate and other sustainability and ESG Risks, along with monitoring and mitigation strategies;
32. Monitoring compliance with ESG regulations including climate, environment, human rights, and supply chain and ESG-related litigation risks;
33. Providing oversight of ESG matters in Crombie's Investor Relations Strategy; and
34. Monitoring ethics compliance, whistleblower complaints relating to Diversity, Equity & Inclusion or other ESG matters.

Reviewed: February 21, 2024