

March 10, 2021

BUSINESS TRANSFORMATION PLAN

Artis REIT
TSX:AX.UN, AX.PR.A, AX.PR.E, AX.PR.I

FORWARD-LOOKING STATEMENTS AND NON-GAAP MEASURES

FORWARD-LOOKING STATEMENTS

Statements in this presentation are made as at March 10, 2021, or such other date set forth in the statement. All references to dollars (\$) in this presentation refer to Canadian dollars, unless otherwise specified.

This presentation contains forward-looking statements. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, the words “expects”, “anticipates”, “intends”, “estimates”, “projects”, “seeks”, and similar expressions or variations of such words and phrases or state that certain actions, events or results “may”, “would” or “will” occur or be achieved are intended to identify forward-looking statements. Particularly, statements regarding the Business Transformation Plan, the steps required to implement the Business Transformation Plan, planned divestitures, the use of proceeds from divestitures, prospective investments and investment strategy, Artis’ plans to optimize the value and performance of its assets, Artis’ goals to grow NAV per unit and distributions, executive compensation, tax treatment of divestitures, and the engagement of Sandpiper are forward-looking statements.

Forward-looking statements are based on a number of factors and assumptions which have been used to develop such statements, but which may prove to be incorrect. Although Artis believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Assumptions have been made regarding, among other things: the general stability of the economic and political environment in which Artis operates, treatment under governmental regulatory regimes, securities laws and tax laws, the ability of Artis and Sandpiper to obtain and retain qualified staff, equipment and services in a timely and cost efficient manner, currency, exchange and interest rates, global economic, financial markets and economic conditions in Canada and the United States will not, in the long term, be adversely impacted by COVID-19, disruptions resulting from the temporary restrictions that governments imposed on businesses to address COVID-19 will not be long term.

Artis is subject to significant risks and uncertainties which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied in these forward-looking statements. Such risk factors include, but are not limited to, risks associated with the COVID-19 pandemic, real property ownership, geographic concentration, current economic conditions, strategic initiatives, debt financing, interest rate fluctuations, foreign currency, tenants, SIFT rules, other tax-related factors, illiquidity, competition, reliance on key personnel, future property transactions, general uninsured losses, dependence on information technology, cyber security, environmental matters and climate change, land and air rights leases, public markets, market price of common units, changes in legislation and investment eligibility, availability of cash flow, fluctuations in cash distributions, nature of units, legal rights attaching to units, preferred units, debentures, dilution, unitholder liability, failure to obtain additional financing, potential conflicts of interest, developments and trustees. Further, the Business Transformation Plan has additional risk factors including, but not limited to: failure to obtain requisite unitholder or other approvals for the Business Transformation Plan, failure to execute the Business Transformation Plan, in part or at all, the ability to achieve certain efficiencies to generate savings in G&A, pace of completing investments and divestitures, inability to engage Sandpiper on terms satisfactory to Artis, Sandpiper’s ability to provide the contemplated services to Artis, risk of not obtaining control or significant influence in portfolio companies, risks associated with minority investments, reliance on the performance of underlying assets, operating and financial risks of investments, ranking of Artis’ investments and structural subordination, follow-on investments, investments in private issuers, valuation methodologies involve subjective judgments, risks associated with owning illiquid assets, competitive market for investment opportunities, risks upon disposition of investments, reputation of Artis and Sandpiper, unknown merits and risks of future investments; resources could be wasted in researching investment opportunities that are not ultimately completed, credit risk, tax risk, regulatory changes, foreign security risk, foreign exchange risk, potential conflicts of interest with Sandpiper and market discount. Artis cannot assure investors that actual results will be consistent with any forward-looking statements and Artis assumes no obligation to update or revise such forward-looking statements to reflect actual events or new circumstances. All forward-looking statements contained in this press release are qualified by this cautionary statement.

NON-GAAP MEASURES

In addition to reported IFRS measures, non-GAAP measures are commonly used by Canadian real estate investment trusts as an indicator of financial performance. “GAAP” means the generally accepted accounting principles described by the CPA Canada Handbook - Accounting, which are applicable as at the date on which any calculation using GAAP is to be made. Artis applies IFRS, which is the section of GAAP applicable to publicly accountable enterprises. These non-GAAP measures are not defined under IFRS and are not intended to represent operating profits for the period, or from a property, nor should any of these measures be viewed as an alternative to net income, cash flow from operations or other measures of financial performance calculated in accordance with IFRS. Readers should be further cautioned that non-GAAP measures as calculated by Artis may not be comparable to similar measures presented by other issuers. These non-GAAP financial measures are more fully defined and discussed in Artis’ Management’s Discussion and Analysis as at and for the three and twelve months ended December 31, 2020, available at www.artisreit.com and on www.sedar.com.

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BACKGROUND

100-DAY REVIEW

On November 30, 2020, Artis' newly reconstituted Board of Trustees (the "Board") commenced a comprehensive review of the REIT and committed to completing the review and announcing the results within 100 days. The Board engaged Sandpiper Group ("Sandpiper") to lead the review at no cost to Artis.

DISTRIBUTION INCREASE

The Board announced an increase in common unitholder distribution to **\$0.60 per unit annually** from \$0.5562 per unit annually, effective for the March 2021 monthly distribution, payable on April 15, 2021. This represents a 11.1% increase from the distribution in-place when Sandpiper presented its 'Case for Change' last October.

RESET	<ul style="list-style-type: none"> • Replaced five trustees with highly qualified individuals who bring a broad range of experience and expertise (Board Chair: Ben Rodney) • Senior Management Changes: Samir Manji is appointed permanent CEO, Jaclyn Koenig is appointed CFO and Kim Riley is appointed COO • Reduced Board fees by 25% • Enhanced governance framework and practices • Identified other efficiencies and cost reduction opportunities that are expected to generate over \$3.0 million per annum of general and administrative ("G&A") and property-level savings • Increased common unitholder distributions to \$0.60 per unit annually, representing a cumulative increase of 11.1% since November 2020
ASSESS	<ul style="list-style-type: none"> • Engaged with Management • In-depth analysis of Artis' assets and corporate operations • Refined Sandpiper's valuation, arriving at a \$16.04 net asset value ("NAV") per unit
EXECUTE	<ul style="list-style-type: none"> • Present Business Transformation Plan to all stakeholders • Optimize capital allocation plan • Focus on maximizing value for ALL unitholders

THE OPPORTUNITY

Artis has significant opportunities for value enhancement, and will focus on growth in NAV per unit and distributions

CONSIDERATIONS

- Artis currently trades at a 24% discount to its \$15.03 IFRS NAV per unit
- It is widely known that diversified REITs are out of favour and real estate generally trades at dramatically lower valuations in the public markets versus private markets
- Accessing hard assets of quality and scale can be done indirectly through the public markets at discounted valuations

OBJECTIVES

The 100-day review contemplated a range of alternatives and permutations, ultimately concluding with a bold new vision and strategy to: **(1) bridge the value gap; and (2) drive long-term outperformance through NAV per unit and distribution growth.**

Bridging the value gap while building a best-in-class real estate entity with a clearly defined vision and strategy and long-term growth potential requires ingenuity and pursuit of an unconventional path.

A **BOLD** NEW VISION

To build a best-in-class asset management and investment platform focused on growing NAV per unit and distributions for our investors through value investing in real estate

A compelling opportunity to sell assets and focus on active management of value investments in the public markets

ARTIS' BUSINESS TRANSFORMATION PLAN

STRENGTHENING THE BALANCE SHEET TO PROVIDE SIGNIFICANT LIQUIDITY AND FLEXIBILITY

- Unlocking substantial value by monetizing Artis' institutional-grade industrial portfolio;
- Maximizing value of Artis' office and retail assets by improving operating performance and pursuing a measured, opportunistic and patient strategy for divestitures;
- Maintaining strong liquidity to capitalize on opportunities; and
- Maintaining low leverage and debt metrics within the DBRS defined parameters.

FOCUSING ON VALUE INVESTING BY IDENTIFYING REAL ESTATE OPPORTUNITIES THAT ARE MISPRICED, MISUNDERSTOOD OR MISMANAGED

- Identifying investments that are undervalued and can produce above average risk-adjusted returns over the medium-to-long term;
- Evaluating opportunistic investments that can be fixed or turned around;
- Acting as a catalyst to influence positive change; and
- Capitalizing on mispricing in the public markets.

DRIVING ORGANIC GROWTH

- Improving the income profile of assets to the highest potential;
- Developing a recurring, high-margin fee stream for management of assets through future joint ventures;
- Optimizing the value of existing properties through operational efficiencies; and
- Focusing on operating in a cost-efficient manner across the organization.

INSTITUTIONALIZING THE NEW PLATFORM

- Establishing an entrepreneurial culture that supports and promotes the execution of Artis' long-term vision and strategy;
- Continuously raising the bar for financial reporting and other disclosures;
- Developing a robust environmental, social and governance strategy;
- Enhancing the investor relations and communications program; and
- Rebranding – new name, new image, new future.

TIMELINE: ESTIMATING TWO-TO-THREE YEARS TO IMPLEMENT THE BUSINESS TRANSFORMATION PLAN

Artis intends to maintain its corporate operations headquartered in Winnipeg and will evaluate its satellite offices going forward based on geographical presence and ongoing job functions

CREATING CANADA'S PRE-EMINENT ASSET MANAGEMENT AND INVESTMENT PLATFORM FOCUSED ON VALUE INVESTING IN REAL ESTATE

- Seek to monetize industrial portfolio with the goal of maximizing value on a tax-efficient basis
- Evaluate the sale of office and retail assets over the short-to-medium term in an opportunistic and disciplined manner, with the goal of maximizing value on a tax-efficient basis
- Deploy proceeds into active capital markets investments and value-add investments and developments

CAPITAL ALLOCATION

Balanced and flexible approach to capital allocation will allow Artis to capitalize on best opportunities

CAPITAL GROWTH INVESTMENTS

- Undervalued public real estate investments
- Value-add acquisitions and development opportunities

CAPITAL STRUCTURE ENHANCEMENTS

- Debt repayment
- Common unit repurchases
- Preferred unit repurchases

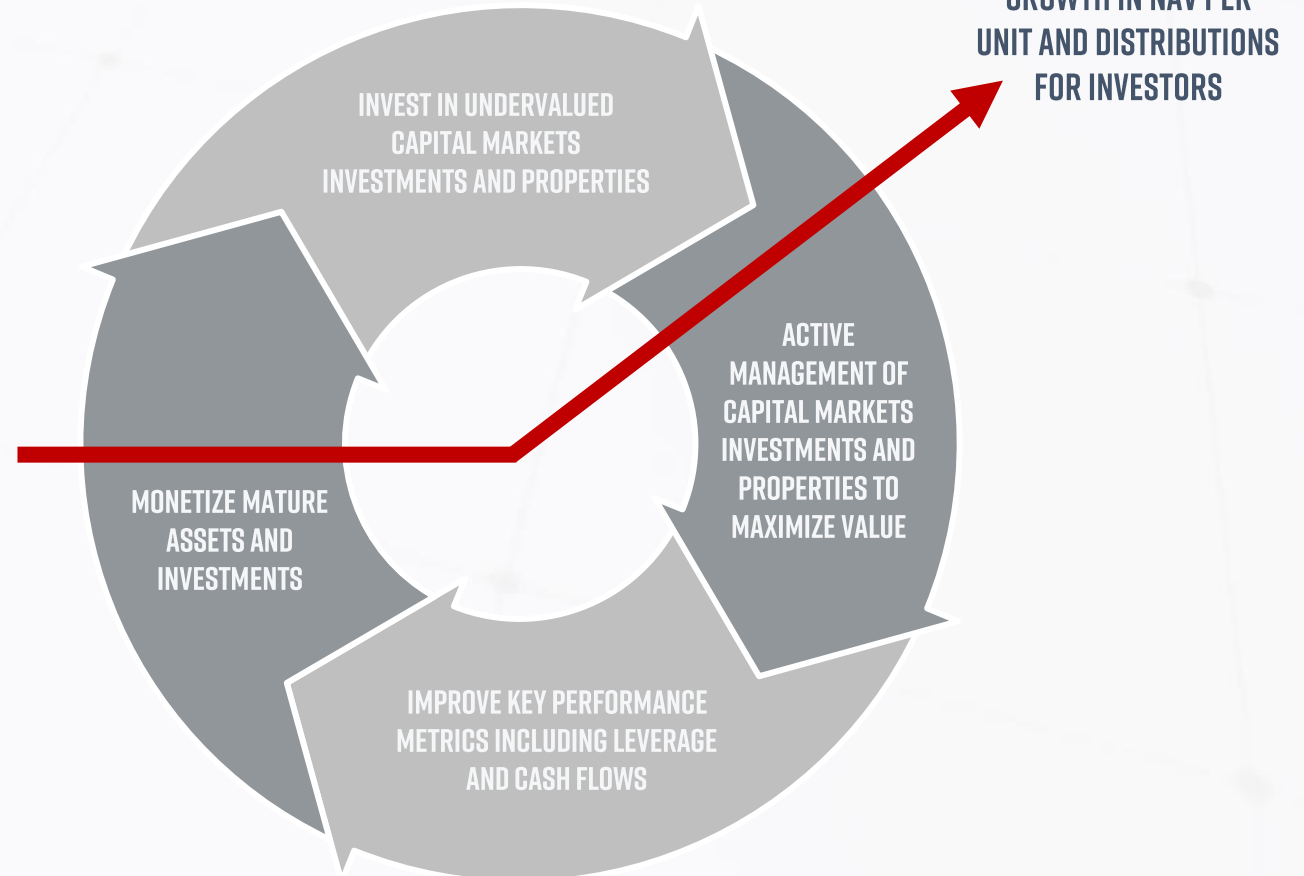
BRIDGE THE VALUE GAP

PROVE THE NAV

COMPOUND CAPITAL

THE ARTIS FLYWHEEL

The path forward unlocks a powerful flywheel effect to create long-term value for unitholders



Note: Flywheel Concept developed by Dr. Jim Collins as explained in the book 'Good to Great'.

FINANCING STRATEGY

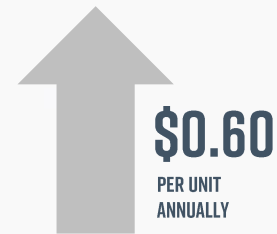
Objective: Reduce leverage and increase liquidity over the next five years

- Targeted capital stack includes mortgages, credit facilities and margin loans
- Reduce leverage and maintain debt metrics within DBRS defined parameters
- Repurchase common units and preferred units through the normal course issuer bid ("NCIB")
- Maximize liquidity by optimizing the secured and unsecured asset pools to respond to the best cost of capital and flexibility for value-add and transitional assets

DISTRIBUTION STRATEGY

Objective: Generate a growing stream of income through our investments to sustainably grow Artis' distribution over time

- Commitment to continue growing the distribution over the long term
- Manage the distribution payout to maintain appropriate leverage



11.1% **increase** in annual distribution to common unitholders since November 2020

KEY PERFORMANCE INDICATORS

A focus on investor-centric KPIs that will maximize long term value

- Net Asset Value Per Unit
- Adjusted Funds From Operations Per Unit
- Distribution Per Unit
- Adjusted Funds From Operations Payout Ratio
- Debt to Gross Book Value

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

Objective: To make ESG a focal point and establish an ESG-minded culture

- Expand Governance, Nominating and Compensation committee role to encompass the oversight of ESG-related matters and develop an equity, diversity and inclusion framework
- Improve operating efficiencies by establishing sustainability targets (using Greenhouse Gas Protocols) with respect to achieving reductions in carbon pollution, energy consumption, water consumption and waste
- Align a portion of performance-based compensation with achieving ESG targets
- Establish internal ESG committee
- Substantially improve Artis' GRESB rating
- Target LEED Gold or Platinum certification on all new ground-up development projects
- Publish annual ESG report and provide regular updates on progress

Note: GRESB is the global ESG benchmark for real assets.

Green stars represent quintile buckets based on the global ESG performance of all reporting entities.

Latest GRESB score of 65 is an absolute ESG performance measure, out of 100 possible marks

Latest relative score of 22nd is in comparison to the North American Diversified (Office/Industrial) peer group comprised of 33 entities



A BOLD NEW VISION FOR A BRIGHTER FUTURE

Execution will reward investors with growing distributions and significant value creation

BUILDING A BEST-IN-CLASS REAL ESTATE ENTITY

ACHIEVE investor returns through distributions and unit price performance

POWER long-term growth through superior execution and strong operational performance

BUILD a portfolio of quality investments

IMPROVE the balance sheet and liquidity position

ATTRACT, DEVELOP and **RETAIN** top talent

STRENGTHEN investor confidence

ENHANCE brand equity

INVEST in the platform

ANNUAL & SPECIAL MEETING

In order to allow Artis to complete the Business Transformation Plan, Artis will seek approvals at its upcoming annual and special meeting of unitholders to amend the declaration of trust of Artis to, inter alia: (1) remove certain provisions that prevent Artis from making investments or taking actions that would result in a loss of “REIT” status under the Income Tax Act (Canada) (the “Tax Act”); and (2) providing a right of redemption to the common units of Artis to allow Artis to become an “open-ended trust” under the Tax Act. However, Artis would not effect amendment (2) until a later date.

Sandpiper and Halcyon International (formerly Jetport Inc.) and Steven Joyce have advised the REIT that they intend to vote in favour of the foregoing amendments and the Business Transformation Plan. Sandpiper owns or controls approximately 11% of the REIT’s issued and outstanding common units (“Units”). Halcyon International Limited and Steven Joyce collectively own or control approximately 11% of the issued and outstanding Units. In addition, the REIT has support from four unitholders representing approximately 9% of the issued and outstanding Units, for total support of 31% of the issued and outstanding Units.



www.artisreit.com