

Precinct Quarterly Update

December 2023



Welcome to the December edition of our quarterly update.

Annual Meetings of Shareholders

Precinct held its annual general meetings of shareholders of Precinct Properties New Zealand Limited and Precinct Properties Investments Limited on 14 November 2023. It was a hybrid format so in addition to the in-person meeting held at Generator Commercial Bay Meeting & Event Suites, attendance was also available online via a live webcast.

Voting was conducted by poll and shareholders passed all six resolutions, including resolutions 4 and 6 as special resolutions. We welcome any feedback from shareholders in advance of the 2024 annual general meetings.

Board Update

Following this year's annual meetings of shareholders, we said farewell to Craig Stobo who stepped down as Chair and Independent Director of Precinct. As mentioned at our annual meetings, Craig has been instrumental in the direction of Precinct over the last 13 years and has made a significant contribution to the business. We wish him all the very best in the future.

It is a privilege to be considered the best replacement for my predecessor Craig Stobo by the People and Performance Committee. I would like to express my sincere appreciation for the trust and confidence my fellow Board of Directors and Management of Precinct have placed in me to take on the role as Chair of Precinct. And of course, I also thank you, our shareholders for entrusting me with this important responsibility.

During the quarter, we are delighted to have appointed Chris Meads as an Independent Director. Chris is an experienced professional and has worked in banking and funds management across Asia Pacific. We also welcomed Alana Barron as Precinct's first Future Director for a one-year term. Alana is a capital markets professional with 20 years' experience in New Zealand, Australia, Hong Kong and the United States.

Outlook

Consistent with earlier guidance provided, the Board expects total combined cash dividends for Precinct Properties New Zealand Limited and Precinct Properties Investment Limited for the 2024 financial year to be 6.75 cents per stapled security to be paid to shareholders.

Wishing you all a joyful and safe festive season.

Yours faithfully,

Anne Urlwin, Independent Director and Chair

Dividends

Precinct Properties New Zealand Limited

Payment date	15 December 2023
Excluded dividend (cents per share)	1.497500 cps
Fully imputed dividend (cents per share)	0 cps
Cash dividend (cents per share)	1.497500 cps
Imputation credits (cents per share)	0 cps

Precinct Properties Investments Limited

Payment date	15 December 2023
Cash dividend (cents per share)	0.190000 cps
Imputation credits (cents per share)	0.031924 cps
Supplementary dividend (cents per share)	0.014487 cps

Indicative dividends payment dates

2nd Quarter 2024 financial year	22 March 2024
3rd Quarter 2024 financial year	7 June 2024

These dates represent the current expectation of Precinct (PCT) as at the date of publication, are subject to PCT board approval, may change without notice and are not a guarantee or warranty as to the payment of a dividend or the actual payment dates.

Key metrics as at 30 September 2023

Portfolio value	\$3.1 billion
Overall occupancy	98%
Weighted average lease term	6.1 years
Market capitalisation	\$1.8 billion
Weighted average cap rate	5.6%
Weighting to Auckland (by value)	73%

All portfolio metrics are as at 30 September 2023 and reflect Precinct's direct ownership in assets and exclude joint investment partnerships assets, unless otherwise stated.

Financial Summary as at 30 September 2023

Balance sheet

	Unaudited 30 Sept 23	Audited 30 June 23
Total assets	\$3,531.5 m	\$3,642.8 m
Net equity	\$2,190.4 m	\$2,183.1 m
Number of shares on issue	1,586.4 m	1,585.9 m
Net asset value per share	\$1.38	\$1.38
Bank covenant gearing	31.1%	38.0%

Shareholder returns

	September Quarter	1 Yr	3 Yr	5 Yr
Precinct (NZX: PCT)	(9.6%)	(6.6%)	(21.7%)	(1.2%)
Listed Property	(5.7%)	(4.5%)	(14.1%)	10.7%

Returns are based on close price for the quarter, and assume reinvestment of dividend (returns exclude imputation credits). Listed property is the S&P/NZX All Real Estate Gross Index. Source IRESS

Precinct's FY24 interim results are scheduled to be announced on 22 February 2024.

Precinct Quarterly Update *(Continued)*

Precinct secures Downtown Car park site for transformational development

On 24 November 2023, Precinct announced that it has entered into a conditional agreement with Eke Panuku Development Auckland to acquire and redevelop the Downtown Car Park site. Precinct will partner with Ngāti Whātua Ōrākei to redevelop the site located on the corner of Customs and Lower Albert Street. Precinct was selected as the preferred development partner in October 2022 and has since been progressing commercial negotiations.

This is an incredible, once in a generation, opportunity to enhance the vibrancy of Auckland's city centre, and to create a seamless connection along the waterfront.

Initial designs for the 6,442 square metre site are for a centralised podium sitting beneath two high-rise towers. There will be a retail and hospitality offer as well as new public spaces. Precinct is proud of delivering world-class transformational outcomes in partnership with the city, as seen with Commercial Bay and Wynyard Quarter. Precinct's existing connections and interests provide a unique opportunity to create a public East-West connection, from Britomart to the Viaduct and beyond, which delivers on the Auckland Council's long-term masterplan for the City Centre.

In line with Precinct's sustainability strategy and wider ESG commitments, a whole-of-life approach will be taken with this redevelopment. This aligns with both Auckland Council's sustainability approach and Eke Panuku's vision to develop the site underpinned by sustainable urban transformation and renewal. Precinct will commit to a social procurement strategy, which aims to provide quality employment opportunities to underemployed and minority groups, with a key focus on increasing access for Māori and Pasifika owned businesses.

The Downtown Car Park site purchase price is \$122 million, payable at the end of 2025 with Auckland Transport to continue to operate the carpark until then. Demolition cannot commence before 30 April 2025. While design is underway, development timing will be dependent on a number of factors, including demand, feasibility and consenting processes.



Joint Venture formed to acquire Te Tōangaroa portfolio

Precinct formed a joint venture with Ngāti Whātua Ōrākei, to invest in the regeneration of the Te Tōangaroa precinct in Auckland city centre. Precinct's investment will be in partnership with global private investor, PAG. The Te Tōangaroa portfolio comprises two low-rise commercial buildings situated at 8 Tangihua Street and 30 Mahuhu Crescent, totalling approximately 22,000 square metres.

The joint venture will focus on the repositioning of both assets and enhancing the Te Tōangaroa precinct, where Ngāti Whātua Ōrākei owns approximately 20 hectares of land. The acquisition of the Te Tōangaroa portfolio settled on 1 September 2023.

Sustainability

Precinct has continued to progress strategies to reduce our negative impacts and scale positive impacts informed by our material topics. During the quarter, Precinct received our 2023 GRESB result. Precinct improved its score to 86 which is well above the current global average of 75. This is a great result and reflects the continued progress Precinct is making across our ESG targets.

Preparing Precinct for compliance with the External Reporting Board's (XRB) Aotearoa New Zealand Climate Standards in FY24 has been a key priority. Precinct has voluntarily prepared interim climate-related disclosures in this year's Annual Report to support transparency towards compliance with XRB's NZ CS1 Standards.

This can be found here: www.precinct.co.nz/annual-reporting/2023-annual-results

Precinct will apply the full CS 1 standard in its FY24 Annual Report. We look forward to sharing this with you.

Please contact our registrar, Computershare:

- To change investment details such as name, postal address or method of payment, and
- For questions on your dividends and shareholdings

Registrar:

Computershare Investor Services Limited

T +64-9-488-8777

Email: enquiry@computershare.co.nz

If you have any questions please feel free to email us at hello@precinct.co.nz

Disclaimer: The information and opinions in this report were prepared by Precinct Properties New Zealand Limited (PCT). PCT makes no representation or warranty as to the accuracy or completeness of the information in this report. Opinions including estimates and projections in this report constitute the current judgement of PCT as at the date of this report and are subject to change without notice. Such opinions are not guarantees or predictions of future performance. This report is provided for information purposes only and does not constitute investment advice. Neither PCT, nor any of its Board members, officers, employees, advisers (including Precinct Properties Holdings Limited) or other representatives will be liable for any damage, loss or cost incurred by any recipient of this report or other person in connection with this report.