

Precinct Quarterly Update

December 2021



Welcome to the December edition of our quarterly update.

COVID-19 impact and support

The impacts of COVID-19 have been felt across New Zealand with the country experiencing prolonged lockdowns and various levels of restrictions over the last three months. Many businesses, particularly those in Auckland have suffered heavy financial impacts and sadly, business closures for some. Precinct engaged with our occupiers early on with an approach of providing support to those who are suffering significant losses and facing financial hardship. While support has mainly been provided to our retailers and hospitality food and beverage operators, Precinct will continue to support all occupiers in our portfolio who need it. Precinct acknowledge how stressful the immediate impacts have been and for many, are still being felt. Precinct have provided support through a range of relief packages including rental abatements. Since the pandemic started, this has totalled financial support of around \$10 million.

Annual General Meeting (AGM)

Precinct held its AGM on 4 November 2021. Attendance was online only due to the COVID-19 situation. Voting was conducted by poll and shareholders passed all seven resolutions, including resolution seven as a special resolution. We hope to be able to hold an in-person meeting next year with our shareholders and welcome any feedback you have.

Outlook

Our business has demonstrated remarkable resilience over the last 18+ months. While there is much uncertainty with regards to COVID-19, we are encouraged by the increase in New Zealand's vaccination rate and move into the traffic light framework. While our AFFO, which adjusts for several non-cash items, has been impacted by the lockdowns resulting from COVID-19, Precinct is committed to maintaining a FY22 dividend to our shareholders of 6.70 cents per share despite this. This represents an expected year on year growth of 3.1%.

On behalf of my Board colleagues, Management and wider Precinct team, I would like to thank you, our shareholders for your continued support in Precinct. It has been another unique and challenging year and I hope you have a good and safe break over the Christmas and New Year period.

Yours faithfully,

Craig Stobo, Independent Director and Chair

Dividend

Payment date	10 December 2021
Excluded dividend per share	1.675 cents per share (cps)
Fully imputed dividend per share	0 cps
Cash dividend per share	1.675 cps
Imputation credits	0 cps

Indicative dividend payment dates

2nd Quarter 2022 financial year	25 March 2022
3rd Quarter 2022 financial year	10 June 2022

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 at 30 September 2021

Portfolio value	\$3.1 billion
Overall occupancy	98%
Weighted average lease term	7.5 years
Market capitalisation	\$2.7 billion
Weighted average cap rate	4.9%
Weighting to Auckland (by value)	71%

Financial Summary

as at 30 September 2021

Year to date (Unaudited)

Dividends declared	1.675 cps
Full year forecast dividend per share	6.70 cps

Balance sheet

	Unaudited 30 Sept 21	Audited 30 June 21
Total assets	\$3,589.8 m	\$3,456.4 m
Net equity	\$2,422.9 m	\$2,220.6 m
Number of shares on issue	1,585.4 m	1,458.5 m
Net asset value per share	\$1.53	\$1.52
Bank covenant gearing	30.5%	28.2%

Shareholder returns

Shareholder returns

	September Quarter	1 Yr	3 Yr	5 Yr
Precinct (NZX: PCT)	6.0%	3.4%	30.6%	58.0%
Listed Property	3.2%	9.6%	41.2%	60.2%

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

FY22 Interim Results

Precinct's FY22 interim results are scheduled to be announced on 23 February 2022.

Precinct Quarterly Update *(Continued)*

Focus on ESG at Precinct

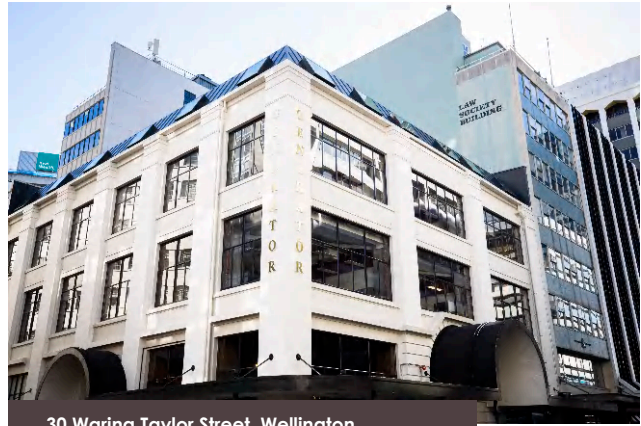
Reflecting the high priority Precinct places on our material Environmental, Social & Governance (ESG) risks and opportunities, Precinct recently established a dedicated Board ESG Committee. This reinforces the importance our business places on Sustainability and the long-term view we are taking. Nicola Greer has been appointed Chair of this committee. Ensuring Precinct is continuously aligned with international best practice sustainability governance, management practices and disclosure enables Precinct to review and evaluate its performance against industry peers and global benchmarks.

The Global Real Estate Sustainability Benchmark (GRESB) is considered the global standard for ESG benchmarking and reporting for real estate and remains our core ESG indices performance benchmark. During the quarter, Precinct received its most recent 2021 GRESB results which were published globally in October. Precinct achieved a score of 82, again placing us above the current global average of 73. Precinct has also been recognised for its high level of public disclosure. This has improved from a GRESB 'B' to an 'A' level which is well above the global average of 'C', further reflecting the improvements our business has made.

As we continue to deliver on our business objectives and key priorities for FY22 and beyond, we are focused on improving our operational performance further. The requirement for climate-related financial risk reporting for listed corporates and major financial institutions has now been passed by Parliament and, once it comes into force, will further support a low-carbon future for Aotearoa New Zealand, something Precinct is fully supportive of.

A comprehensive response to all Precinct's ESG factors material to our business can be found in Precinct's 2021 annual report.

30 Waring Taylor Street opens



30 Waring Taylor Street, Wellington

During the quarter we are pleased to have opened Generator's first Wellington-based offering, on 8 November 2021.

30 Waring Taylor Street is centrally located where the Lambton Quay shopping district meets the parliamentary precinct. The five-level character building has been fully redeveloped and seismically strengthened to 100% of the National Building Standard. The offering comprises private offices, coworking, cafe and event spaces. It also includes the new Wellington Precinct Head Office.

The Precinct and Generator teams are proud of the successful delivery of this project and the transformation the building has undertaken since May 2019. The project was on programme and in-line with budget.



PwC Tower, Auckland

Please contact our registrar, Computershare:

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

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

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