

NZX announcement – 18 April 2023

## Proposed Stapled Structure update and Notice of Meeting

Further to the announcement on 23 February 2022, Precinct Properties New Zealand Limited ("**Precinct**") (NZX: PCT) is pleased to announce today the proposal for the Company to move to a stapled structure.

The stapling comprises a proposal by Precinct to undertake a corporate restructuring whereby each shareholder will receive an equal number of shares in Precinct Properties Investments Limited ("**Precinct Investments**"), which is currently a wholly-owned subsidiary of Precinct. Once issued, these shares will be 'stapled' to the Precinct shares, meaning they can only be transferred or dealt with together.

In order to give effect to the stapling proposal, amendments need to be made to Precinct's constitution, which requires the approval of Shareholders by Special Resolution. The effect of the amendments to the constitution is that Precinct Shares and Precinct Investments Shares will be able to be stapled.

A Special Meeting of shareholders of Precinct Properties New Zealand Limited will be held on Thursday 11 May 2023, commencing at 3:00pm (NZ time), online at <https://meetnow.global/nz> to consider, and if thought fit, pass a Special Resolution approving the amendments to the Constitution.

The Notice of Special Meeting and Explanatory Memorandum, which explains the terms of the stapling and the manner in which the stapling will be considered and implemented (if approved by Shareholders and by each of the Precinct and Precinct Investments Limited Boards), and otherwise contains information material to the decision of Shareholders whether to approve a Special Resolution approving the amendments to the Constitution, will also be sent to Shareholders. It has also been provided to NZX, together with the Proxy form and Virtual Meeting Guide.

Please note for your proxy to be effective it must be received by 3:00pm (NZ time) on Tuesday, 9 May 2023.

Following a comprehensive review of Precinct's corporate structure, the Board believes Stapling is in the best interests of Precinct's Shareholders and will ensure long-term growth for Precinct. The Board unanimously supports and recommends that shareholders vote in favour of the Special Resolution.

If the Special Resolution is approved by Shareholders, Precinct will implement Stapling and the Stapled Securities will form a single saleable unit that would trade on the NZX Main Board under a single ticker code. Precinct shareholders will receive 1 Precinct Investments share for every 1 Precinct share they hold. There is no change in the underlying assets represented by a Shareholder's shareholding.

Craig Stobo, Independent Director and Chair of Precinct said “Given Precinct's strategic direction, future participation in a wider set of opportunities and growth in our capital partnerships, the proposed stapled structure will ensure the most robust company structure to allow flexibility for Precinct to continue to execute its strategy whilst retaining Portfolio Investment Entity (PIE) status”.

“The proposed stapled structure, combined with strategy execution, is expected to provide significant long-term benefits to Precinct and its investors”.

Precinct now has income and investments that are classified as both qualifying and non-qualifying for the purposes of PIE eligibility as set out under the Income Tax Act. Supporting Precinct to move to a stapled structure will allow for further growth while ensuring both Precinct and its investors retain the tax benefits available under New Zealand's PIE regime by remaining a listed PIE.

Retaining Precinct's existing company structure will require Precinct to limit its strategic aspirations and opportunities. Precinct will be constrained in its ability to continue to grow its management and operational business or pursue new growth opportunities to adhere to PIE rules.

Attachments:

- NZX Announcement
- Notice of Special Meeting and Explanatory Memorandum
- Proposed Stapled Structure Presentation
- Proxy form
- Virtual Meeting guide

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### **About Precinct (PCT)**

Listed on the NZX Main Board under the ticker code PCT and ranked in the NZX top 30, Precinct is the largest owner, manager and developer of premium inner-city real estate in Auckland and Wellington. Precinct is predominantly invested in office buildings and also includes investment in Generator, Commercial Bay retail, third party capital partnerships, and a multi-unit residential development business. For information visit: [www.precinct.co.nz](http://www.precinct.co.nz)