

Precinct Quarterly Update

June 2023



Welcome to the June edition of our quarterly update.

Special Meeting

Precinct held a Special Meeting on 11 May 2023 to consider moving to a stapled company structure.

In order to give effect to the stapling proposal, amendments to Precinct's constitution required the approval of Shareholders by Special Resolution. The effect of the amendments to the constitution is that Precinct Shares and Precinct Investments Shares is able to be stapled together, meaning they can only be transferred or dealt with together. Noting the underlying assets of the stapled group are the same as immediately prior to stapling.

Voting was conducted by poll and Shareholders passed the Special Resolution with 99.92% of votes received in favour.

Given Precinct's strategic direction, future participation in a wider set of opportunities and growth in our capital partnerships, a 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.

Having the support of you, our Shareholders is an integral part of achieving Precinct's long-term strategy. A stapled structure, combined with strategy execution, is expected to provide significant long-term benefits to Precinct and its investors.

Board Update

We are delighted to have announced early this year in February that Anne Urlwin will replace myself as Chair of the Precinct Board at the conclusion of my current term in November 2023.

Ensuring a seamless transition and handover, the People and Performance Committee consider Anne to be the best replacement for the Chair of Precinct and strongly believe Anne has the right skills and experience. Since her appointment to the Precinct Board in 2019, Anne has been Chair of the Audit and Risk Committee and has made a significant contribution to Precinct's governance regime.

Outlook

Consistent with earlier guidance provided, the Board expects no change to Precinct's full year FY23 dividend of 6.70 cps to be paid in total cash dividends to shareholders.

Yours faithfully,

Craig Stobo, Independent Director and Chair

Dividend

Payment date	9 June 2023
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

4th Quarter 2023 financial year	22 September 2023
1st Quarter 2024 financial year	15 December 2023

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 31 March 2023

Portfolio value	\$3.2 billion
Overall occupancy	98%
Weighted average lease term	6.5 years
Market capitalisation	\$2.0 billion
Weighted average cap rate	4.8%
Weighting to Auckland (by value)	71%

All portfolio metrics are as at 31 March 2023 and include Precinct's ownership in assets of joint investment partnerships which have settled, unless otherwise stated.

Financial Summary

as at 31 March 2023

Year to date (Unaudited)

Dividends declared	5.025 cps
Full year forecast dividend per share	6.70 cps

Balance sheet

	Unaudited 31 March 23	Audited 30 June 22
Total assets	\$3,820.7 m	\$3,839.2 m
Net equity	\$2,379.7 m	\$2,435.5 m
Number of shares on issue	1,585.9 m	1,585.4 m
Net asset value per share	\$1.50	\$1.54
Bank covenant gearing	34.9%	34.3%

Shareholder returns

Shareholder returns

	March Quarter	1 Yr	3 Yr	5 Yr
Precinct (NZX: PCT)	1.7%	(14.9%)	(15.1%)	21.9%
Listed Property	1.8%	(15.7%)	6.7%	27.4%

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

FY23 Annual Results

Precinct's FY23 annual results are scheduled to be announced on 23 August 2023.

Precinct Quarterly Update *(Continued)*

Investment Partnerships

During the quarter, we have continued to advance Precinct's partnership with Singapore sovereign wealth fund GIC with Precinct announcing the settlement of the sale of Wynyard Quarter Stage 3 to Precinct Pacific Investment Limited Partnership (PPILP).

All three buildings, namely 124 Halsey Street, 117 Pakenham Street and the Flowers Building make up Wynyard Quarter Stage 3 and is due to complete in 2025. Precinct will continue to manage delivery of the development under the terms of a development management agreement.

In addition to the Wynyard Quarter Stage 3 development project to be completed by PPILP, Precinct will continue to manage the initial portfolio of properties which comprises Mayfair House, 10 Madden Street, 12 Madden Street and Charles Fergusson Building under the terms of an investment management agreement and has a 24.9% ownership interest in the Limited Partnership.

Further to the announcement on 13 October 2022, the sale of Charles Fergusson Building to PPILP is expected to settle on 13 June 2023.



Artist impression - 117 Pakenham Street, Auckland

Sustainability

Precinct continue to take an active approach to climate action, as well as Climate-related disclosures.

Since 2021, Precinct has reported climate-related financial disclosures that align with the recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD). This prepares us to meet the incoming mandatory Aotearoa New Zealand Climate Standards in subsequent reporting periods. Presently, we have identified physical and transition climate-related risks and incorporated them into Precinct's climate-related risk register, which is a component of the Risk Management Plan.

Our full climate-related disclosures can be found here: www.precinct.co.nz/tcf-d-framework

We remain focused on energy efficiency and meeting or exceeding New Zealand's excellence levels under NABERSNZ and Green Star Ratings.

We look forward to sharing more with you in our upcoming Annual Report as we continue to advance our ESG initiatives.

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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