

FY24 Q1 DIVIDEND AND DEVELOPMENT UPDATE

Property for Industry Limited (PFI, the Company) is pleased to announce a first quarter dividend of 1.9500 cents per share and to confirm earlier dividend guidance for FY24¹ of 4.1500 cents per share, which on an annualised basis is 8.3000 cents per share, in line with FY23 dividends and reflective of the resilience of the Company. An update on the Company's development activity is also provided below.

FY24 Q1 Dividend

The PFI Board today resolved to pay a first quarter cash dividend of 1.9500 cents per share. The dividend will have imputation credits of 0.3056 cents per share attached and a supplementary dividend of 0.1387 cents per share will be paid to non-resident shareholders. The record date for the dividend is 17 May 2024, and the payment date is 28 May 2024. The dividend reinvestment scheme will not operate for this dividend.

Development Update

As previously announced, PFI has been working towards the redevelopment the Company's 30-32 Bowden Road property in Mount Wellington, Auckland. Around 40% of the redevelopment of this 3.9-hectare site was pre-leased to Tokyo Food for a lease term of 12-years (Stage 1), with PFI embarking on the redevelopment of the remainder of the site without tenant commitment.

PFI is pleased to announce that Daikin Air Conditioning New Zealand Limited (Daikin) has recently entered into a 12-year lease for the balance of the site (Stage 2), being a 10,630 square metre warehouse with 1,655 square metres of office and amenities, 3,090 square metres of breezeway, and 77 car parks.

Daikin will be using the Bowden Road site as its new head office. As a result, PFI will be incurring additional capex (~\$3.8 million) for design changes to meet Daikin's operational requirements. These design changes, which are largely generic, are expected to result in a revised practical completion date for Stage 2 of September 2024. Stage 1 remains on programme and within budget, with the expected practical completion date unchanged at June 2024.

Taking into account the design changes associated with the Daikin lease, the combined project has a revised estimated total project cost (excluding land) of around \$69 million.

PFI Chief Executive Officer Simon Woodhams, said: "Pleasingly, a key differentiator in securing Daikin as a tenant for Stage 2 was PFI's decision to target a 5 Green Star rating, and we are delighted to welcome them to Bowden Road. The prime location of the Bowden site, coupled with the targeted 5 Green Star ratings, combine to create a best-in-class estate in one of Auckland's key industrial precincts, with close to 26,000 sqm of covered workable area once complete, generating contract rent in excess of \$5.1 million² for a weighted average lease term of 12.0 years."

Works are also progressing well at the Company's 78 Springs Road property in East Tamaki, with construction of the 25,500 sqm warehouse (Stage 1) being developed for long-term tenant Fisher & Paykel Appliances (FPA) ahead of programme and within budget, with completion now expected in Q4 2024 (originally Q1 2025). As previously announced, FPA will enter into a 15-year lease on practical completion, and consistent with PFI's climate commitments, all new buildings at 78 Springs Road will target a 5 Green Star rating, including Stage 1.

¹ FY24 reflects the six-month period to 30 June 2024 to account for PFI's balance date change.

² Based on annual contract rents at lease commencement.



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ABOUT PFI & CONTACT

PFI is an NZX listed property vehicle specialising in industrial property. PFI's nationwide portfolio of 92 properties is leased to around 124 tenants.

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