



Stride Property Group (NS)

NZX Announcement

8 September 2025

Stride Property Group

Silverdale Centre Divestment & Management Agreement Amends

Stride Property Group (Stride) is pleased to announce that:

- Stride Property Limited (SPL) has entered into a conditional agreement to sell the Silverdale Centre to Investore Property Limited (Investore) for \$114 million.
- Stride Investment Management Limited (SIML) has agreed to certain proposed amendments to Investore's management agreement (the Management Agreement Amendments) to ensure SIML is well-positioned to support Investore's strategic focus of pursuing a broader range of future investment opportunities aligned with its long-term vision.

Silverdale Centre disposal

The sale to Investore represents another important step in Stride's strategy to grow its established real estate funds management platform. The sales price of \$114m represents a yield of 6.8%. The sale remains conditional on Investore receiving shareholder approval at a special meeting to be held on 20 October 2025 (the Investore Special Meeting).

Stride's Chair, Tim Storey commented on the transaction, "the sale of the Silverdale Centre to Investore represents a strong outcome for Stride. The sale price represents 20% capital growth in the asset since March 2020. Combined with our existing ~19% cornerstone stake in Investore, and the incremental growth of our funds management business, we are delighted with the overall outcome for Stride. As a major shareholder and the Manager of Investore, we are very happy that Investore has the opportunity to acquire this quality asset which complements Investore's existing portfolio, and which will help Investore continue its pathway of growing returns for shareholders. We are confident this transaction will be of significant benefit to both Stride and Investore shareholders over the long term".

Upon settlement of the Silverdale Centre, Investore's portfolio value will grow to \$1.1 billion. Stride's aggregate external assets under management, including Investore, Industrie Property and Diversified NZ Property Trust, will be ~\$2.3 billion.

Investore has also announced today an offer of up to \$62.5 million of unsecured, subordinated convertible notes (the Offer). In order to maximise availability of the Notes for other Investore Shareholders and other participating investors, SPL confirms that it will not participate in the Offer.

As part of the sale of the Silverdale Centre, at the option of Investore, SPL will either undertake seismic strengthening works up to a maximum cost of \$800k or, upon the parties agreeing the cost and scope of such works, SPL will reimburse part of the purchase price up to a maximum of \$800k for Investore to undertake the seismic strengthening works (which shall be recorded as a reduction in the purchase price). The cost of the seismic strengthening works is estimated to be \$750k.

The net proceeds Stride receives from the Silverdale Centre sale will initially be used to repay bank debt, with SPL's bank LVR expected to fall on a pro forma basis from 39% as at 31 March 2025 to 32%, which will provide balance sheet capacity to pursue future opportunities.

Mandate Expansion and other Management Agreement Amendments

In addition to the property sale, SIML has agreed to certain proposed amendments to Investore's Management Agreement to ensure that Investore is favourably placed to pursue a broader range of targeted growth opportunities to deliver a resilient and growing income stream, optimising returns for shareholders. The proposed Management Agreement Amendments, which remain subject to Investore receiving shareholder approval at the Investore Special Meeting, include:

- an expansion of Investore's current mandate into convenience-based retail properties, which is a resilient and attractive sector that complements Investore's existing large format retail portfolio;
- amendments to the building management fee structure to introduce a more equitable and market-aligned structure (rather than the current flat fee of \$10,000 per annum for each property held by Investore);
- flexibility for additional management resource intensive services that are not contemplated by the Management Agreement to be requested by Investore with the scope and fees for such services to be agreed between Investore and SIML; and
- amendments to the capital management provisions so that the LVR and hedging policies will be determined solely by Investore's Board.

Whilst the Management Agreement Amendments and the Silverdale Centre acquisition will both be considered by Investore's shareholders at the Investore Special Meeting, approval of the Management Agreement Amendments is not conditional on the Silverdale Centre acquisition being approved.

Tim Storey commented "We are very pleased to support the amendments to Investore's Management Agreement. The amendments will provide Investore with the necessary mandate scope, and management resources, to enable it to invest in a broad range of assets that will help grow Investore's returns."

Ends

For further information please contact:

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A Stapled Security of the Stride Property Group comprises one ordinary share in Stride Property Limited and one ordinary share in Stride Investment Management Limited. Under the terms of the constitution of each company, the shares in each can only be transferred if accompanied by a transfer of the same number of shares in the other. Stapled Securities are quoted on the NZX Main Board under the ticker code SPG. Further information is available at www.strideproperty.co.nz or at www.nzx.com/companies/SPG.