

PFI SHARE BUYBACK PROGRAMME TO COMMENCE

Property for Industry Limited (PFI or the Company) advises that it will commence an on-market share buyback programme on Tuesday, 31 May 2022.

PFI's Chair, Anthony Beverley, noted "As outlined at PFI's recent annual meeting, at year end PFI's balance sheet was strong. PFI's net tangible assets were 303.4 cents per share, a significant premium to PFI's current share price. Based on the information we've received from valuers to date, despite rising interest rates and the potential implications on the wider property market and on the basis we don't experience a significant deterioration in economic and market conditions, we are not anticipating any material change in valuations for the upcoming half year results."

PFI's Chief Executive Officer, Simon Woodhams, continues: "We also outlined at the annual meeting the results of leasing activity for the four months to 30 April 2022, and noted that the year had started strongly in terms of leasing. That being the case, based on our latest forecasts, we expect a 2022 dividend of 8.10 cents per share – which is at the top of our dividend guidance range – to equate to a dividend pay-out ratio at the bottom of our dividend policy range of 90–100% Adjusted Funds From Operations on a rolling three-year basis."

The Company is continuing to progress the redevelopment of the brownfield sites at Bowden Road and Springs Road, with a total investment expected to be in excess of \$150 million, but these opportunities will not require this investment until 2023 and beyond. In addition, PFI is progressing the divestment of Shed 22 in Wellington, and the Company has also begun marketing the property at 39 Edmundson Street in Napier for divestment. Accordingly, PFI's capital needs, taking into account the buyback programme, are well catered for within the Company's gearing policy limits.

Simon Woodhams concludes: "We continue to evaluate a range of investment opportunities but believe the buyback programme will deliver a return to the Company in excess or equal to those other opportunities immediately available."

The buyback programme may run for up to 12 months from today, Wednesday, 25 May, and the Company will acquire shares through the NZX at the prevailing market price from time to time in that period.

The buyback programme will see PFI buyback up to 25,173,940 shares which, based on the current share price, equates to a maximum aggregate purchase price of approximately NZD\$60 million. The number of shares is set in accordance with section 65 of the Companies Act, such that the maximum number that may be acquired will not exceed 5% of the Company's shares on issue 12 months prior to the commencement of the buyback.

The number of shares purchased under the buyback from time to time will be notified to the NZX on the business day following the date on which those shares are bought back. Shares bought back will be cancelled upon acquisition, so the number of shares on issue will reduce accordingly.

The buyback programme is not expected to continue during any blackout period (as defined in PFI's Financial Product Trading Policy available on its website: www.propertyforindustry.co.nz). This includes, in respect of PFI's 2022 half year results, the period from the close of 30 June 2022 until the day after



PFI's half year results announcement is made in August 2022 and a similar period from 31 December 2022 until the day after the release of its full year results in February 2023.

Throughout the buyback period, PFI will continue to assess market conditions, its prevailing share price, available investment opportunities and all other relevant considerations. PFI reserves the right to suspend without notice or terminate the buyback programme at any time.

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ABOUT PFI & CONTACT

PFI is an NZX listed property vehicle specialising in industrial property. PFI's nationwide portfolio of 97 properties is leased to 133 tenants.

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