DELIVERING TODAY, INVESTING FOR TOMORROW

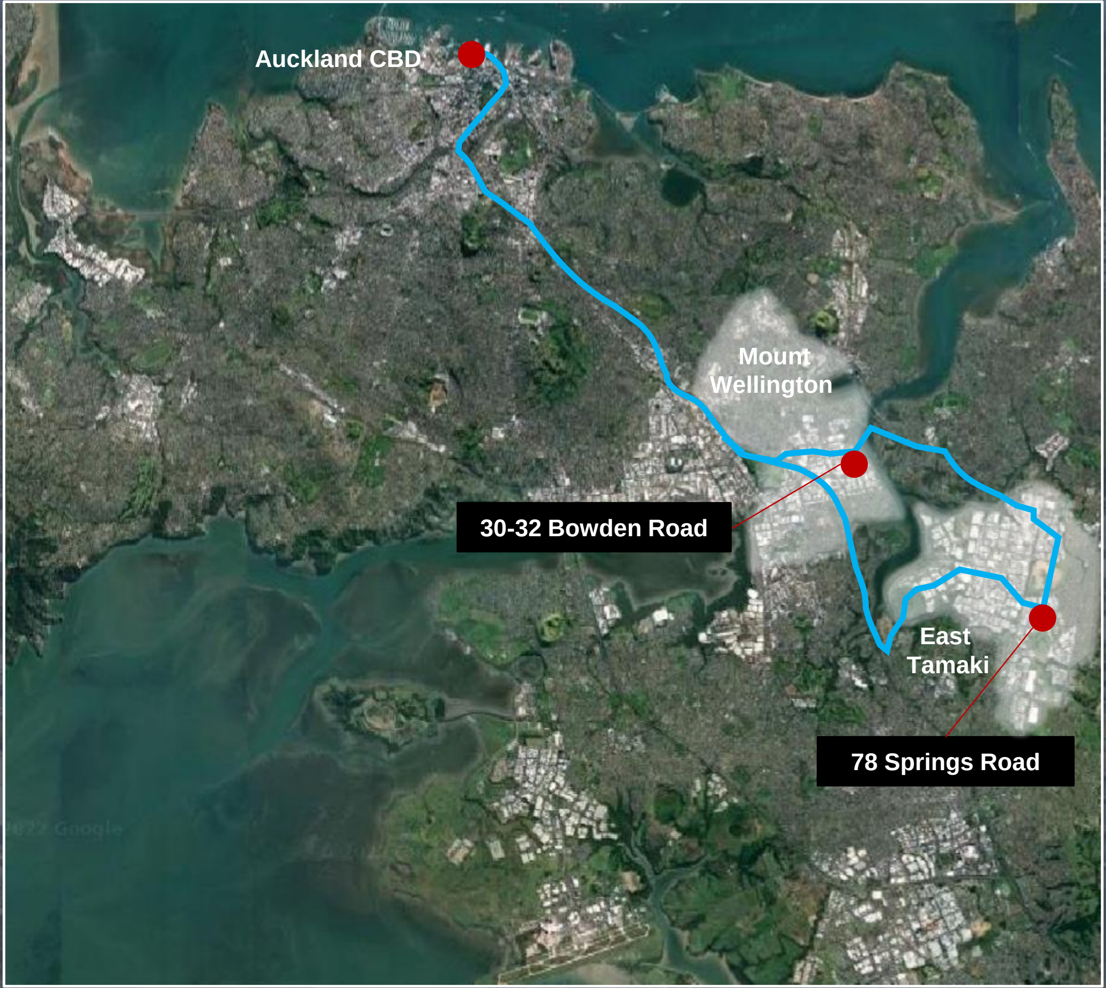
PROPERTY FOR INDUSTRY

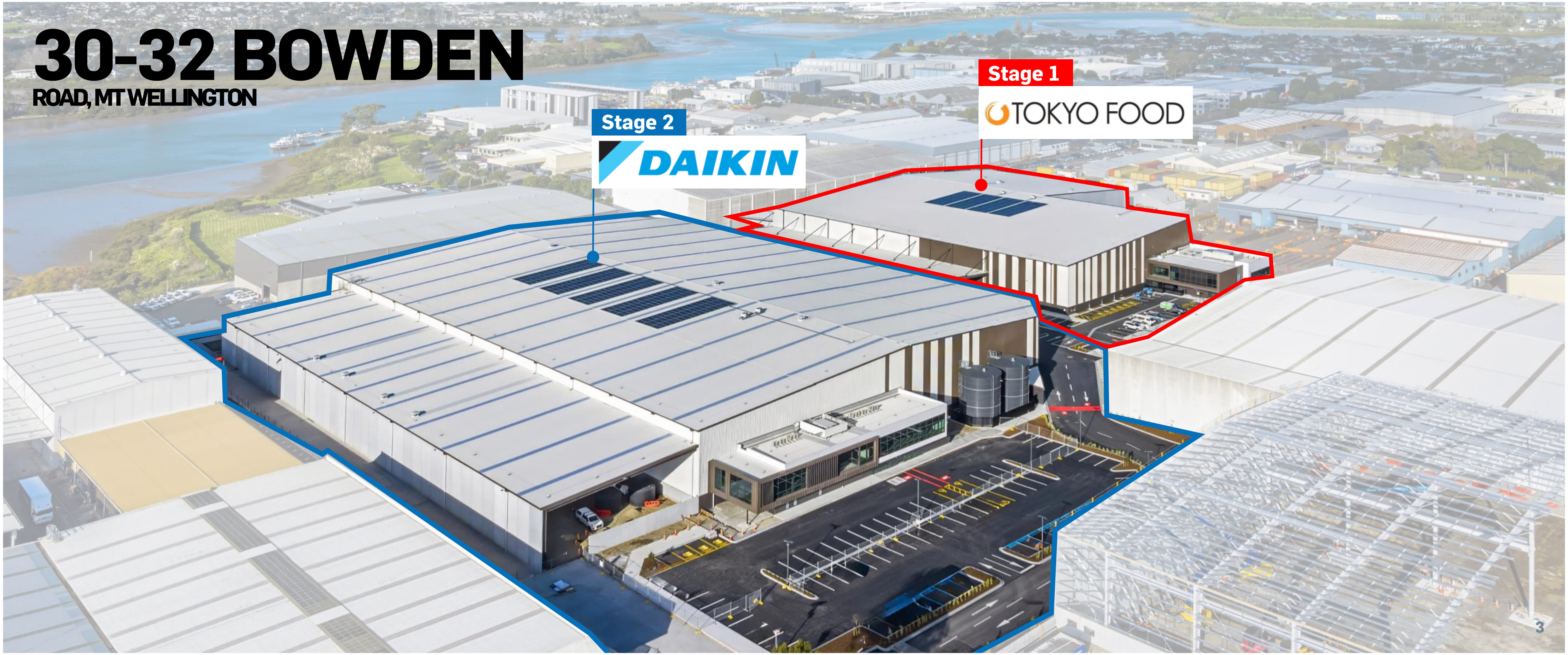
PFI Site Tour
October 2024

WELCOME TO THE PFI SITE TOUR.

AGENDA

TIME	ACTIVITY
10.00am	Transport departs Craigs Investment Partners 48 Shortland Street, Auckland CBD, 1010 Travel to Mount Wellington
10.30am	Bowden Road (Mount Wellington) visit to the Tokyo Food and Daikin buildings
11.00am	Travel to East Tamaki
11.15am	Springs Road (East Tamaki) visit to new Fisher & Paykel Appliances building and MiTek site to be developed
12.00pm	Depart back to CBD




30-32 BOWDEN
ROAD, MT WELLINGTON
Stage 2
DAIKIN
Stage 1
TOKYO FOOD

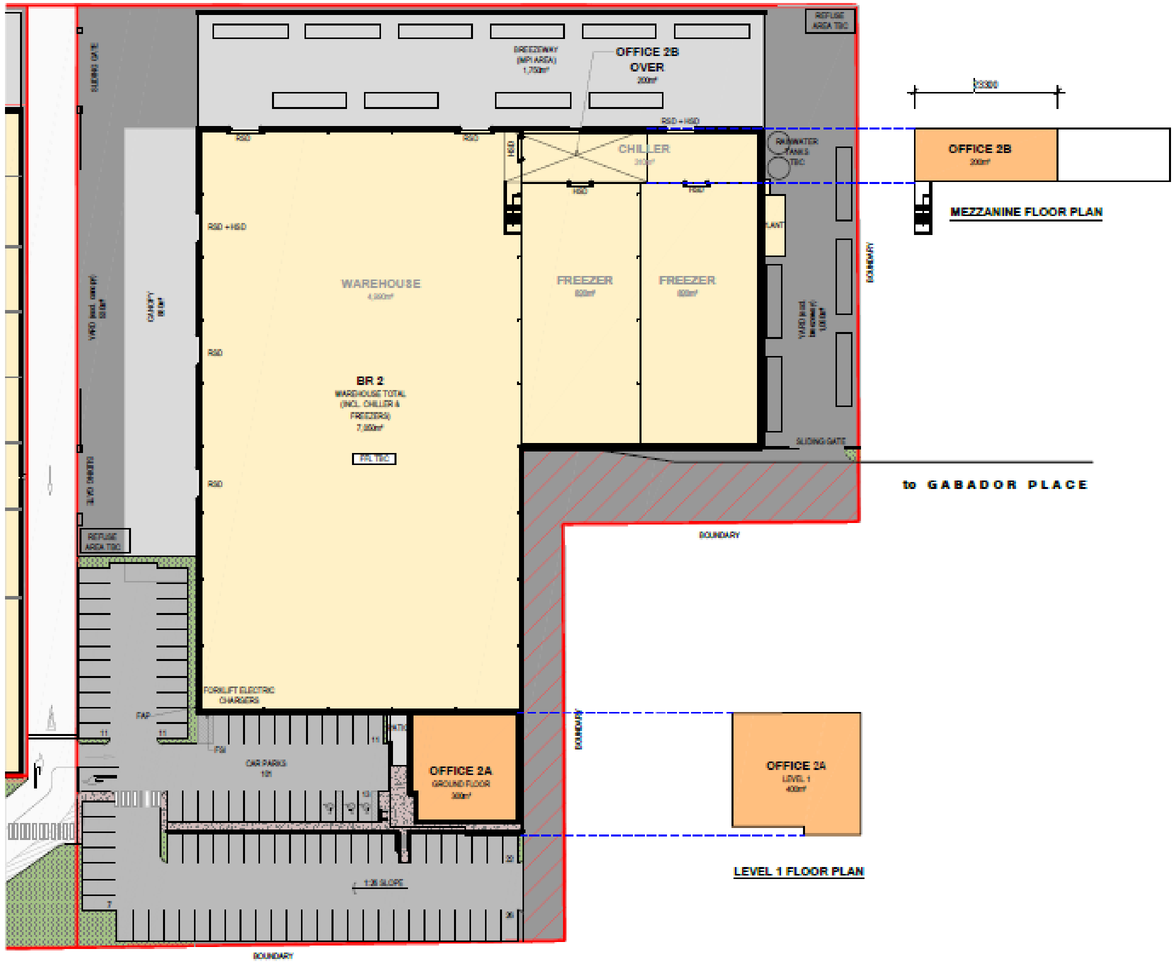
STAGE 1

WAREHOUSE + FREEZER
4,994 M² + 2,010 M²

OFFICE
887 M²

BREEZEWAY + CANOPY + YARD
1,748 M² + 835 M² + 2,013 M²

CARPARKS
101



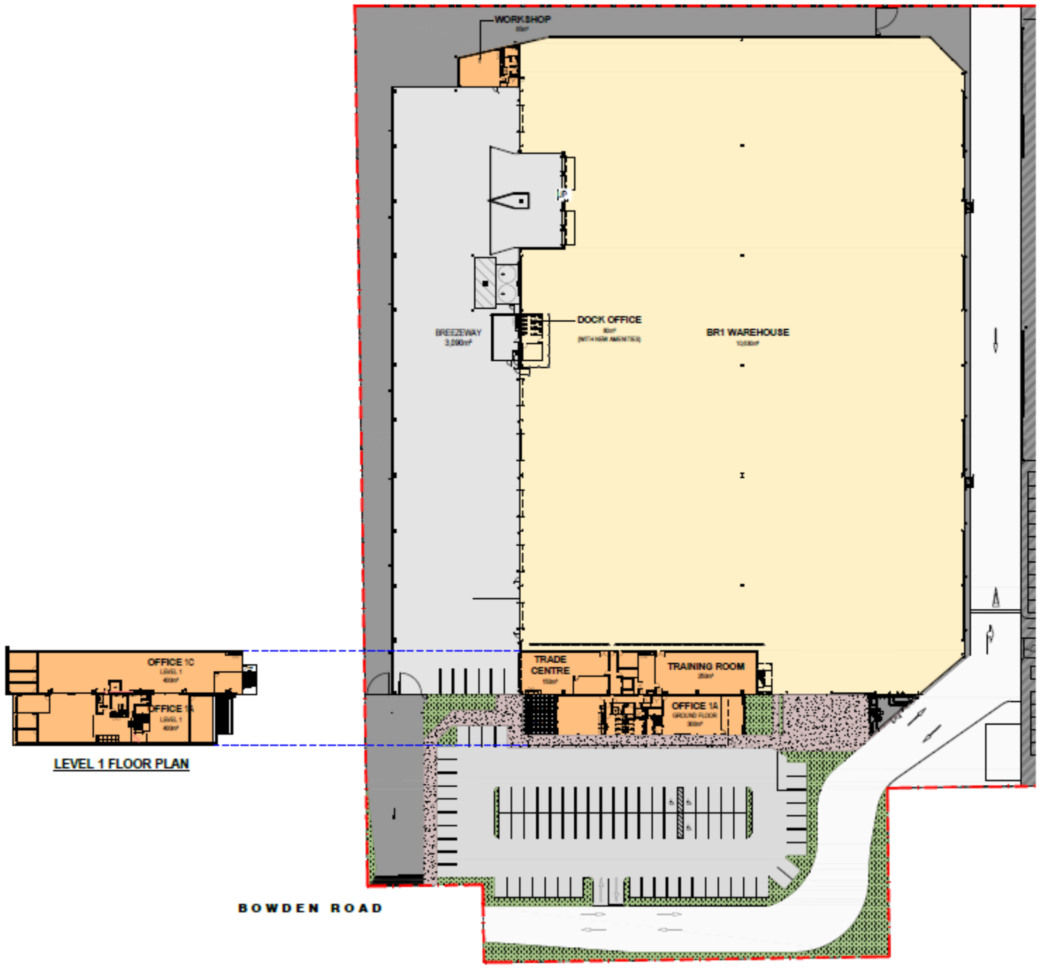
STAGE 2

WAREHOUSE
10,630 M²

OFFICE
1,655 M²

BREEZEWAY
3,090 M²

CARPARKS
77



HIGHLIGHTS

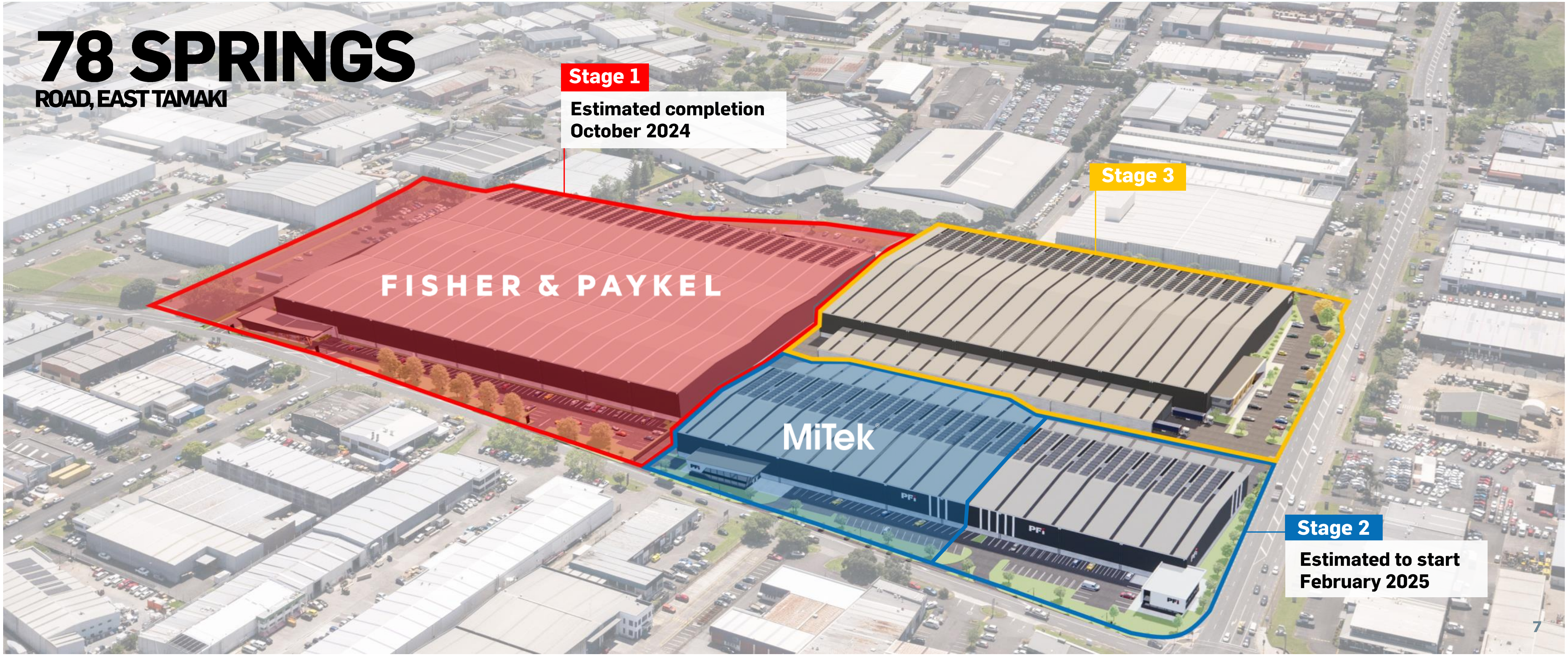
TOTAL RENT
$5.13M P/A

5 GREEN STAR
30 Bowden – Targeted
32 Bowden – Achieved

LEASE TERMS
12 YEARS

SITE COVERAGE
66%

DELIVERED ON TIME AND ON BUDGET


78 SPRINGS
ROAD, EAST TAMAKI
Stage 1
Estimated completion
October 2024
FISHER & PAYKEL
Stage 3
MiTek
Stage 2
Estimated to start
February 2025

- Stage 1 of the project will see the delivery of a 25,500 sqm 5 Green Star rated warehouse for long-term tenant Fisher & Paykel Appliances, with an option to expand the warehouse to 30,000 sqm
- The programme of works for Stage 1 is ahead of schedule and on budget, with completion now expected in October 2024
- Stage 1 expected to deliver a yield on cost in excess of 5.3%, ~$23M of remaining spend as at 30 June 2024

- Design and Build Agreement to Lease signed with MiTek, PFI to develop ~6,500 sqm of warehouse, anchoring Stage 2, with the balance (~4,800 sqm of warehouse) to be developed on a speculative basis
- Early works (demolition, earthworks etc) are expected to begin in early 2025, with the project expected to complete in late 2026
- Stage 2 has an estimated total incremental cost of around $42M, with a targeted yield on cost, including land, in excess of 6%

- Current plans for the balance of the site (Stage 3) include a ~17,500 sqm warehouse with 500 sqm of office, 2,800 sqm of breezeway and 3,700 sqm of canopies and yard
- Stage 3 has an estimated incremental cost of ~$50M, and is likely to be tenant-led
- Based on current plans, once complete, all three stages of the redevelopment of 78 Springs Road are expected to combine to create over 70,000 sqm of 5 Green Star rated, covered, workable industrial area

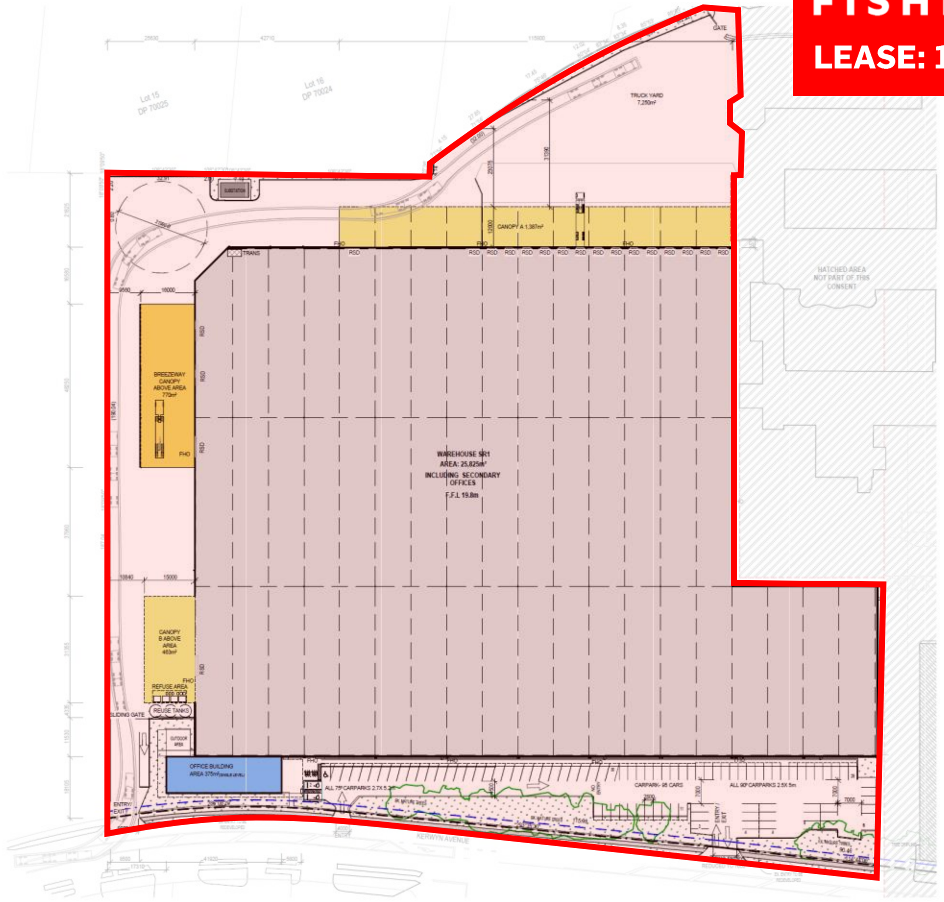
STAGE 1

WAREHOUSE
25,825 M²

OFFICE
375 M²

BREEZEWAY + CANOPY + YARD
770 M² + 1,850 M² + 7,250 M²

CARPARKS
95



FISHER & PAYKEL

LEASE: 15 YEARS

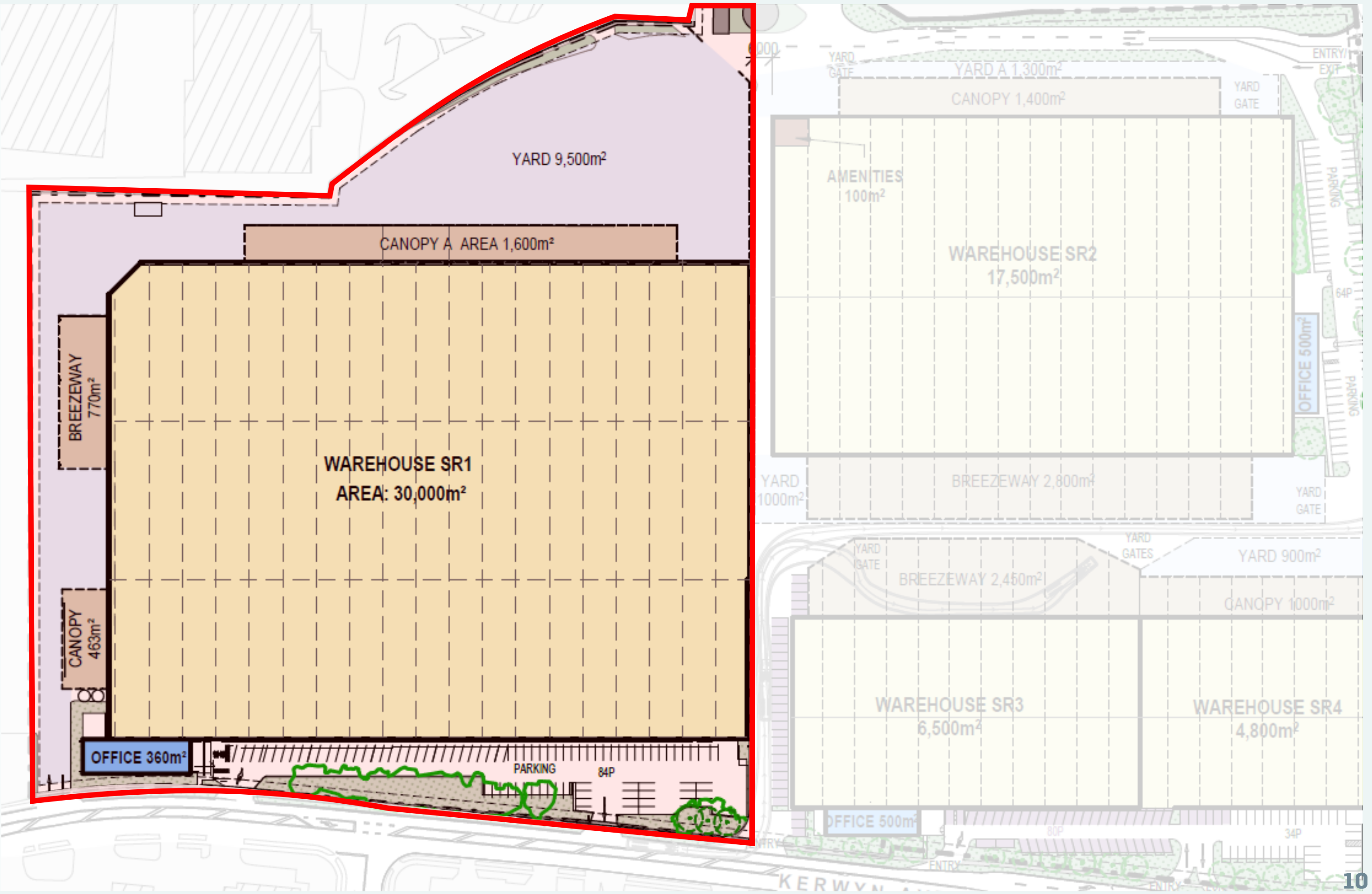
STAGE 1 – Expansion Option

WAREHOUSE
30,000 M²

OFFICE
375 M²

BREEZEWAY + CANOPY + YARD
770 M² + 1,850 M² + 7,250 M²

CARPARKS
95



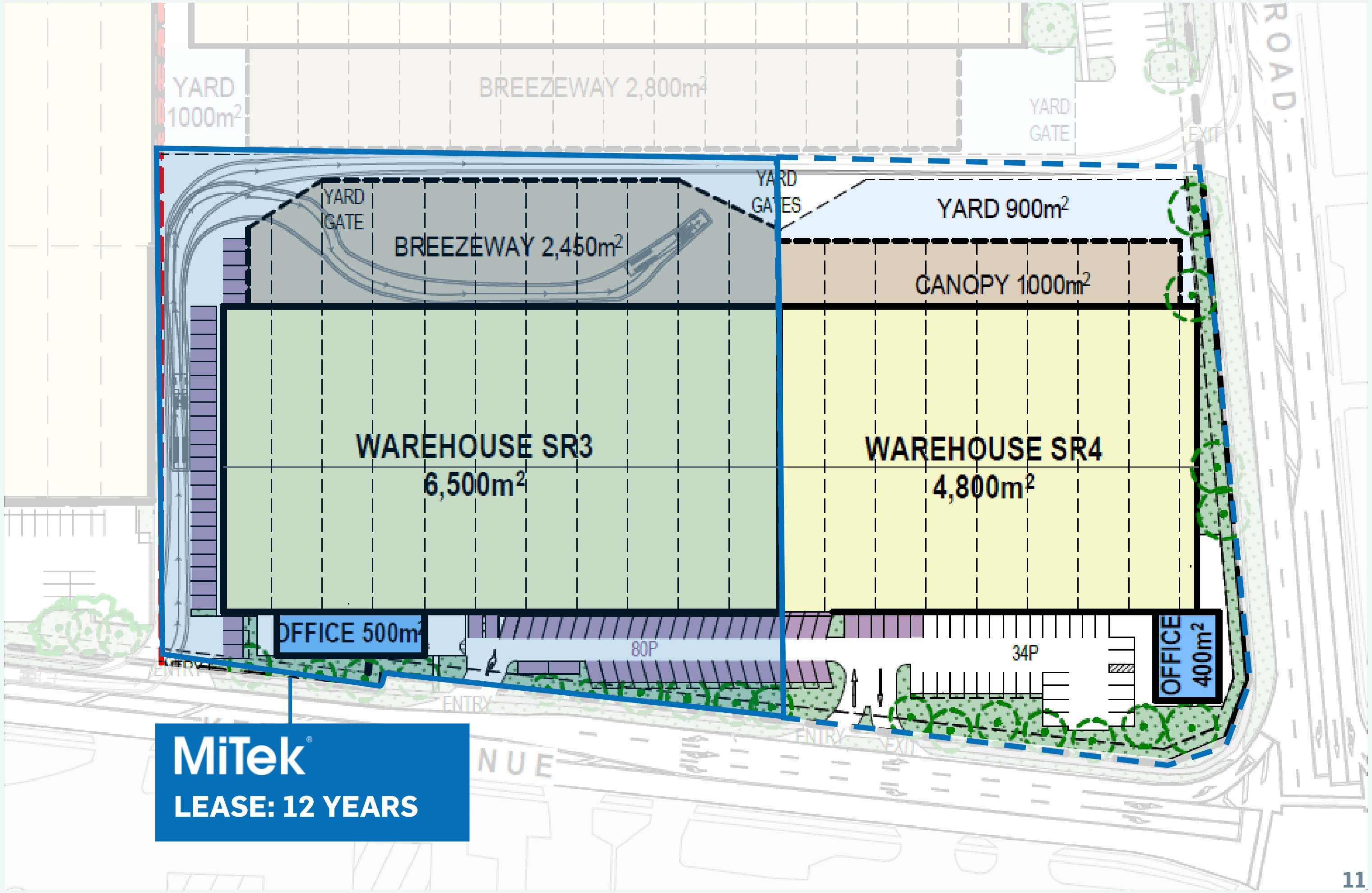
STAGE 2

WAREHOUSES
6,500 M² + 4,800 M²

OFFICES + MEZZANINE
1240 M² + 400 M²

BREEZEWAY + CANOPY / YARD
2,450 M² + 1,900 M²

CARPARKS
80 + 34



PFI

78 Springs Road – Stage 1

PFI Site Tour
October 2024

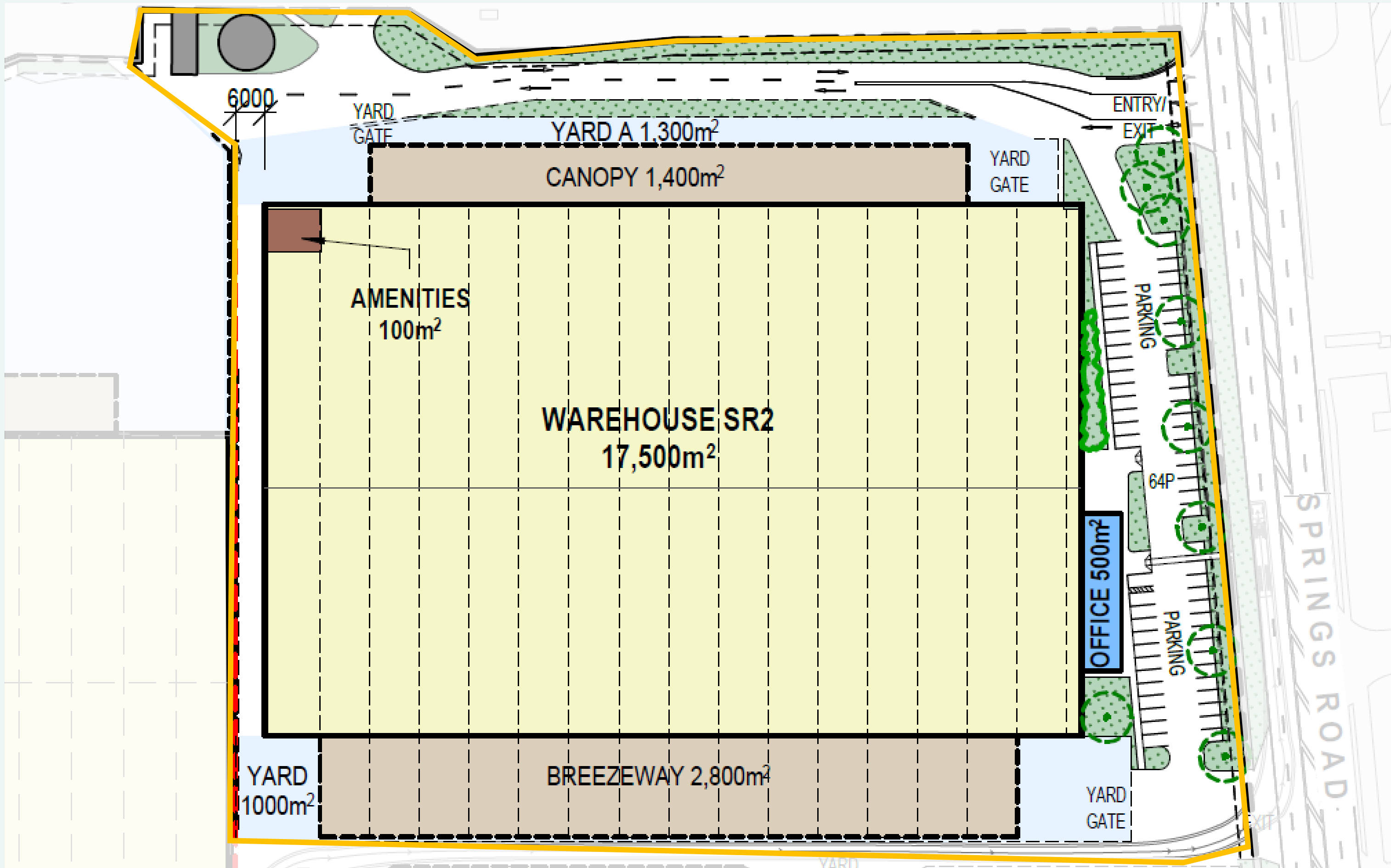
STAGE 3

WAREHOUSES
17,500 M²

OFFICES
500 M²

BREEZEWAY + CANOPY / YARD
2,800 M² + 3,700 M²

CARPARKS
64



Indicative concept only, plans subject to change

- Redevelopment of obsolete sites to a Green Star standard with high site-coverage is a key part of PFI's strategy
- PFI's growing development pipeline now estimated to be ~$388M of incremental development spend
- 30-32 Bowden Road and Stage 1 of 78 Springs Road redevelopments nearing completion (lower site coverage at Stage 1 of Springs Road reflects expansion option)
- Spedding Road provides the opportunity to invest an additional ~$130M (including land), with works expected to commence mid-to-late-2025
- Early-stage concepts in place across other key medium term brownfield opportunities
- Partial redevelopment of the two Rosebank Road properties (shaded red) new additions to the pipeline
- All projects subject to meeting hurdle rates of return, market conditions and availability of capital

PROPERTY	TOTAL INCREMENTAL SPEND	NLA ON COMPLETION (SQM)	SITE COVERAGE ON COMPLETION	LEASE EXPIRY / START OF WORKS
30-32 BOWDEN ROAD[1]	$10M	25,850	66%	Oct-36
78 SPRINGS ROAD – STAGE 1[1]	$23M	28,820	56%	Oct-39
78 SPRINGS ROAD – STAGE 2	$42M	~16,900	~74%	Feb-25
78 SPRINGS ROAD – STAGE 3	$50M	~22,200	~74%	Sep-26
SPEDDING ROAD ESTATE	$130M	~40,000	~70%	Jul-25
304/318 NEILSON STREET	$26M	~13,250	~52%	Jun-27
92-98 HARRIS ROAD	$38M	~19,360	~73%	Nov-28
9 NESDALE AVENUE	$27M	~12,290	~74%	Dec-29
686 ROSEBANK ROAD (PARTIAL)	$14M	~10,000	~68%	Jul-26
670-680 ROSEBANK ROAD (PARTIAL)	$28M	~12,800	~85%	Aug-27
TOTAL	**~$388M**	**~201,470**		

[1]Remaining spend as at 30-Jun-24

SPEDDING ROAD - WHENUAPAI

- Land acquisition ($40.6M) now unconditional, 5% deposit now paid, titles expected mid-2025
- Staged settlement at attractive entry price, further 45% payable on titles being received and vendor works complete, remaining 50% payable in two instalments, 12 and 24-months following titles
- Early plans allow for ~40,000 sqm of covered workable area once complete, estimated total project spend of ~$130M (including land)
- In advanced discussions with prospective tenant for ~7,000 sqm of industrial facilities to kick off Stage 1

ROSEBANK ROAD

- Partial redevelopment, two ~10,000sqm warehouses on completion
- Incremental spend of ~$43M ($14M & $28M)
- Earliest start dates of Jul-26 and Aug-27

NEILSON STREET

- ~9,600sqm warehouse on completion
- Incremental spend of ~$26M
- Earliest start date of Jun-27

HARRIS ROAD

- ~16,000sqm warehouse on completion
- Incremental spend of ~$38M
- Earliest start date of Nov-28

NESDALE ROAD

- ~8,230sqm of warehouse on completion (~4,340sqm & 3,890sqm)
- Incremental spend of ~$27M
- Earliest start date of Dec-29

BROWNFIELD DEVELOPMENT:

- Helps manage expiring leases.
- Optimises existing industrial sites by increasing site coverage.
- Capitalises on strategic locations with essential infrastructure.
- Key part of PFI's plan transition to a low-carbon / climate-resilient portfolio.

GREENFIELD DEVELOPMENT:

- Expands portfolio in strategic locations.
- Caters to the growing demand for industrial space.

OVERALL BENEFITS:

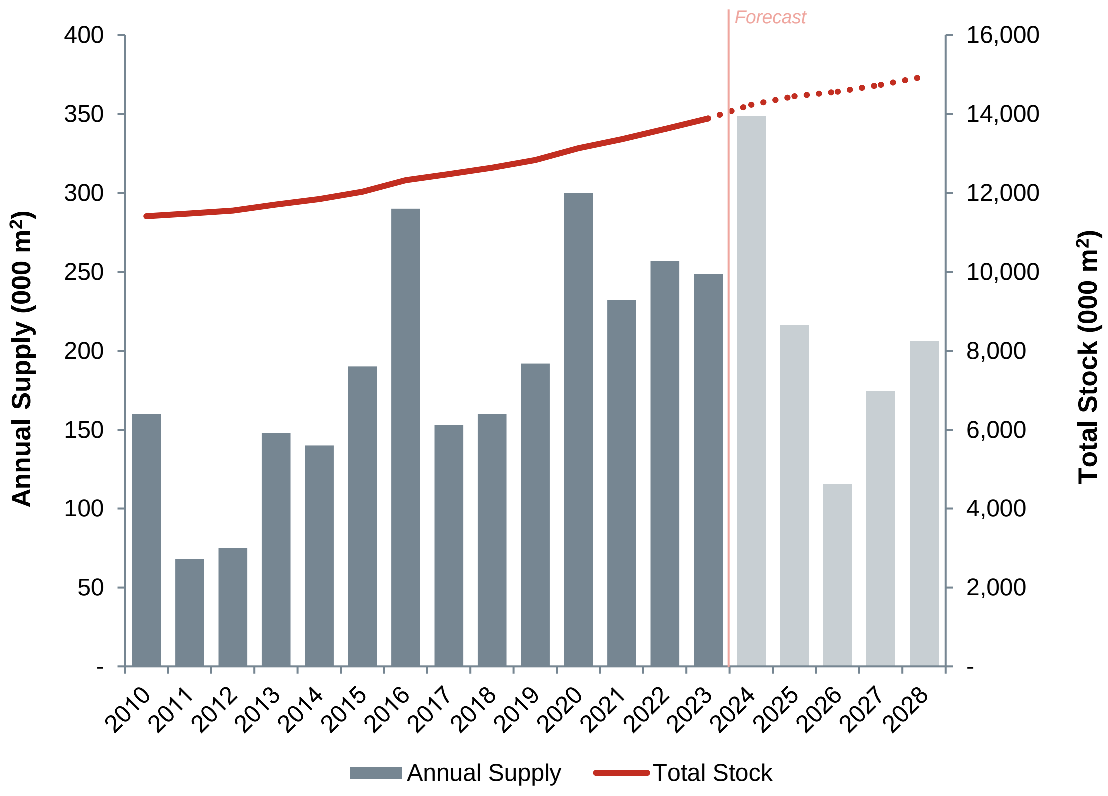
- Meets increased tenant demand for low-carbon / climate-resilient premises.
- Offers modern, purpose-built facilities, attracting high-quality tenants.
- Improves the quality of PFI's portfolio by creating state-of-the-art facilities targeting Green Star ratings.
- Enhanced returns via development margin, long leases with embedded growth, lower levels of on-going capex, resulting in attractive property-level IRRs.
- Disciplined approach, targeting property-level IRR, AFFO and NTA accretion on all projects.

PFI Site Tour
October 2024

MARKET UPDATE

Auckland industrial supply is expected to remain tight, supporting continued low vacancy

AUCKLAND INDUSTRIAL NET NEW SUPPLY

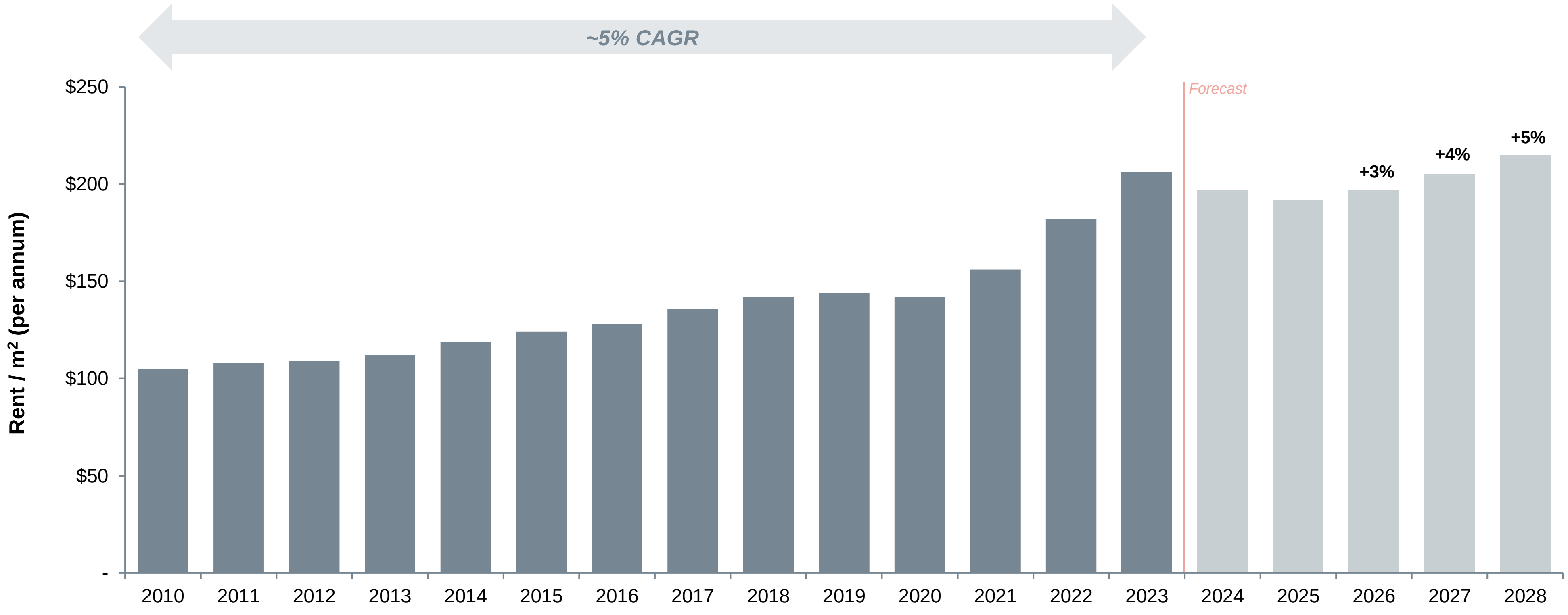


AUCKLAND INDUSTRIAL VACANCY

Source: CBRE "Auckland Property Market Outlook" June 2024

Rental growth expected to accelerate through 2026 – 2028, back to long-term historical levels

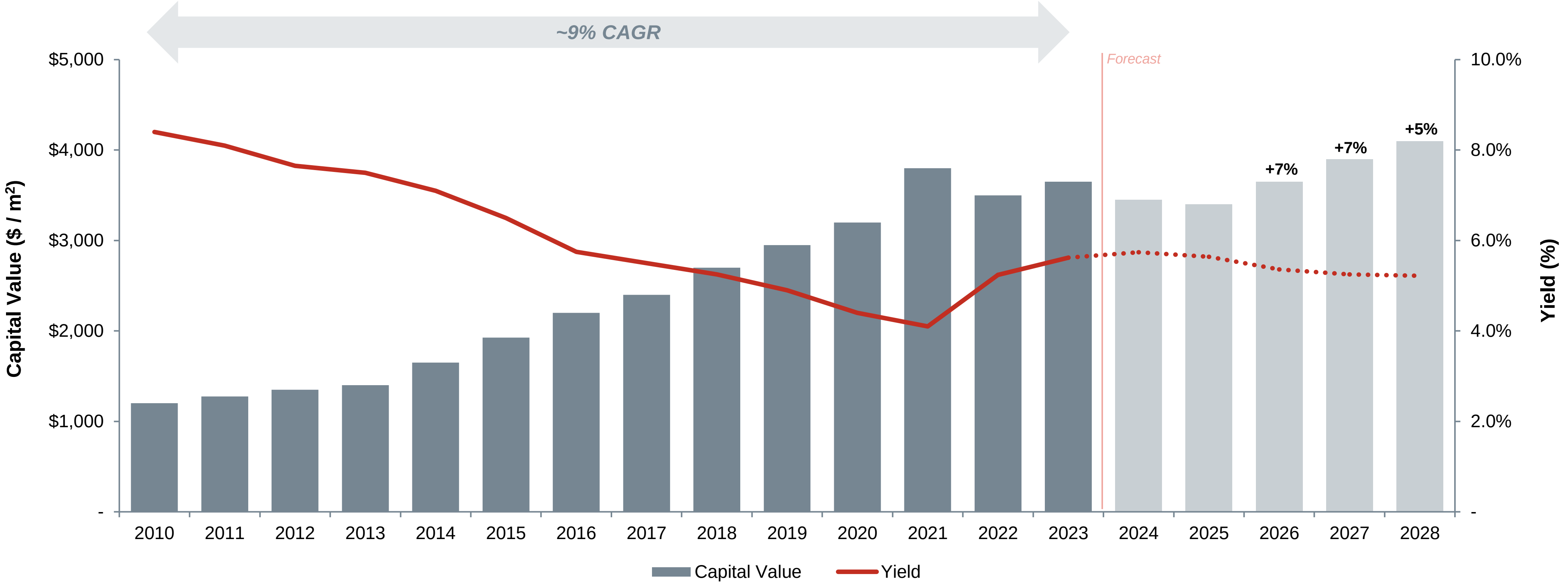
Rents are expected to plateau following a period of unprecedented growth, with a return to growth expected in 2026



Source: CBRE "Auckland Property Market Outlook" June 2024, rents reflect net effective market rents

Rental growth, combined with cap rate compression, has driven significant capital growth

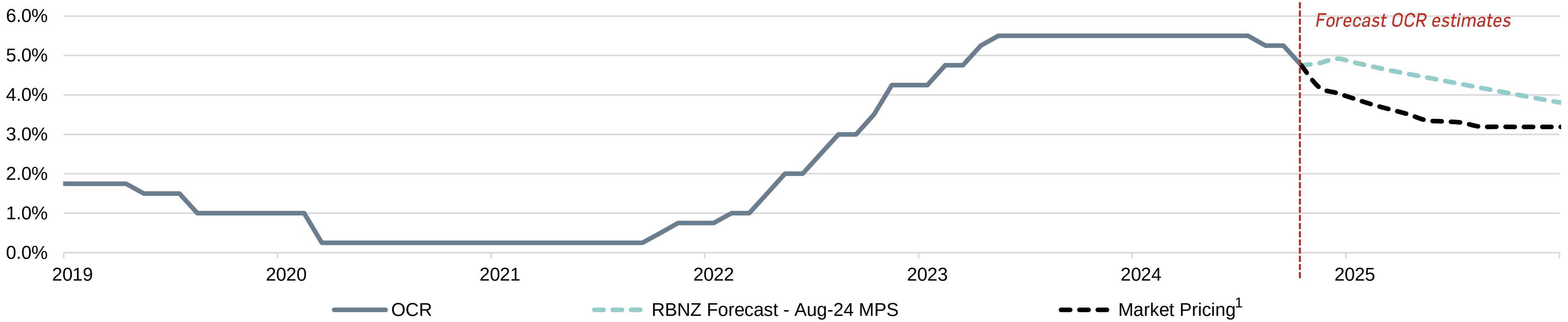
With expectations that we have reached peak cap rates, a return to capital growth is expected in 2026 driven by a combination of cap rate normalisation and rental growth across the Auckland prime industrial property market



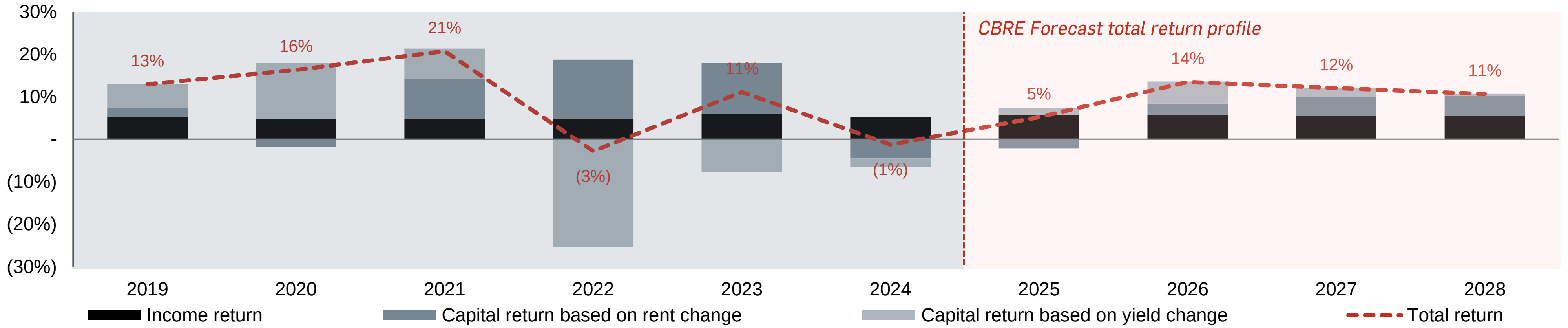
Source: CBRE "Auckland Property Market Outlook" June 2024

Industrial property is positioned to benefit from the turn in the interest rate cycle

OCR – HISTORICAL AND FORECAST PROFILE



CBRE – AUCKLAND INDUSTRIAL TOTAL RETURN PROFILE

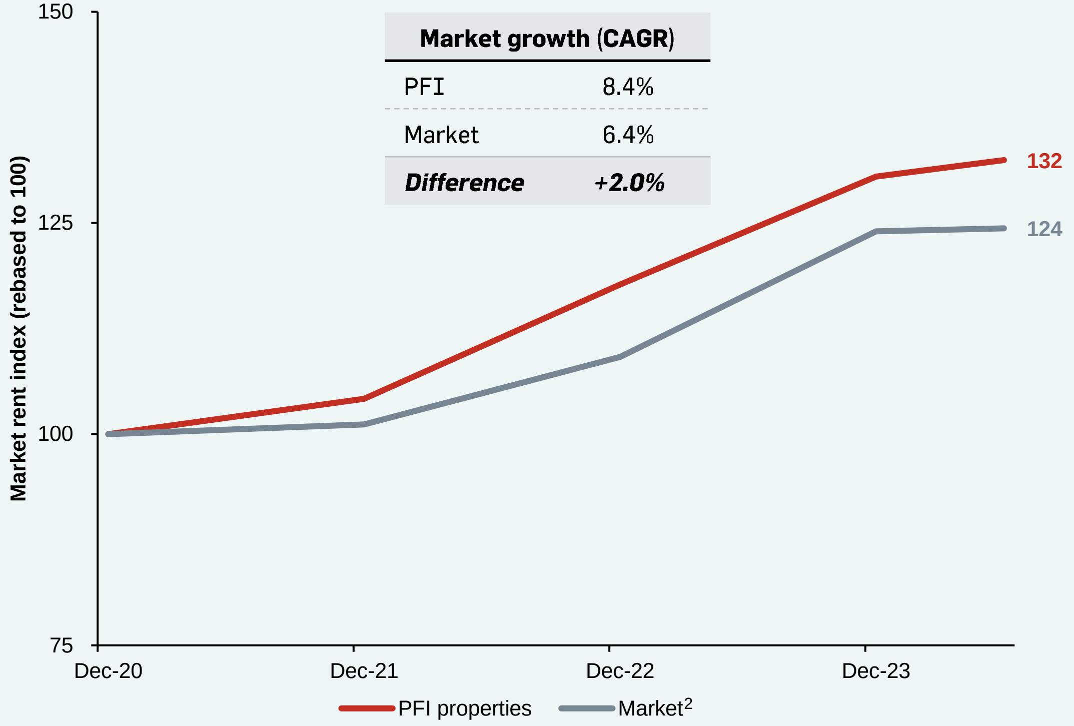


[1] Bloomberg, as at 29-Oct-24

PFI has outperformed the market in rental growth, delivering attractive property level returns

PFI has achieved above average market rental growth over the last three years

Portfolio market rental growth from December 2020[1]



PFI has achieved above valuer assessed market rents, indicating valuations assessments of market rent may be conservative

Selected leases signed during 2024:

Lease	Lease signing	Lease start	Market rent[3] ($000)	Contract rent[4] ($000)	% over market rent
#1	Feb-24	Jul-24	176	216	23%
#2	Aug-24	Nov-24	245	275	12%
#3	Mar-24	Jul-24	370	413	12%
#4	Sep-24	Jul-25	103	115	12%
#5	Feb-24	Sep-24	3,183	3,300	4%
#6	Aug-24	Oct-24	574	595	4%
#7	Jun-24	Sep-25	511	525	3%
#8	Apr-24	Jun-24	481	486	1%
#9	Apr-24	Oct-24	799	799	0%
#10	Mar-24	Jan-25	205	205	-
#11	Jun-24	Feb-25	1,388	1,388	-
#12	Apr-24	Jun-24	185	184	(0%)
#13	Jun-24	Mar-25	722	716	(1%)
#14	Feb-24	Feb-24	269	261	(3%)

~5%

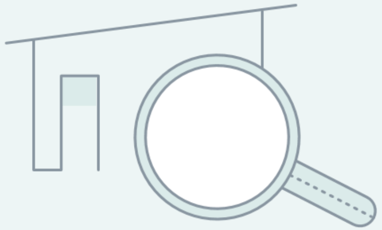
Average contract rent above 30-June valuer assessed market rent

Source: CBRE, PFI

1) *Prime industrial face value rent / SQM*
2) *Excludes any developments or properties divested / acquired during the measurement period*
3) *As per 30-Jun-24 investment property valuations, rents reflect face market rents*
4) *As at lease signing*

The interest rate hiking cycle has peaked with inflationary pressures easing.

Industrial property is positioned to benefit from an easing monetary cycle.

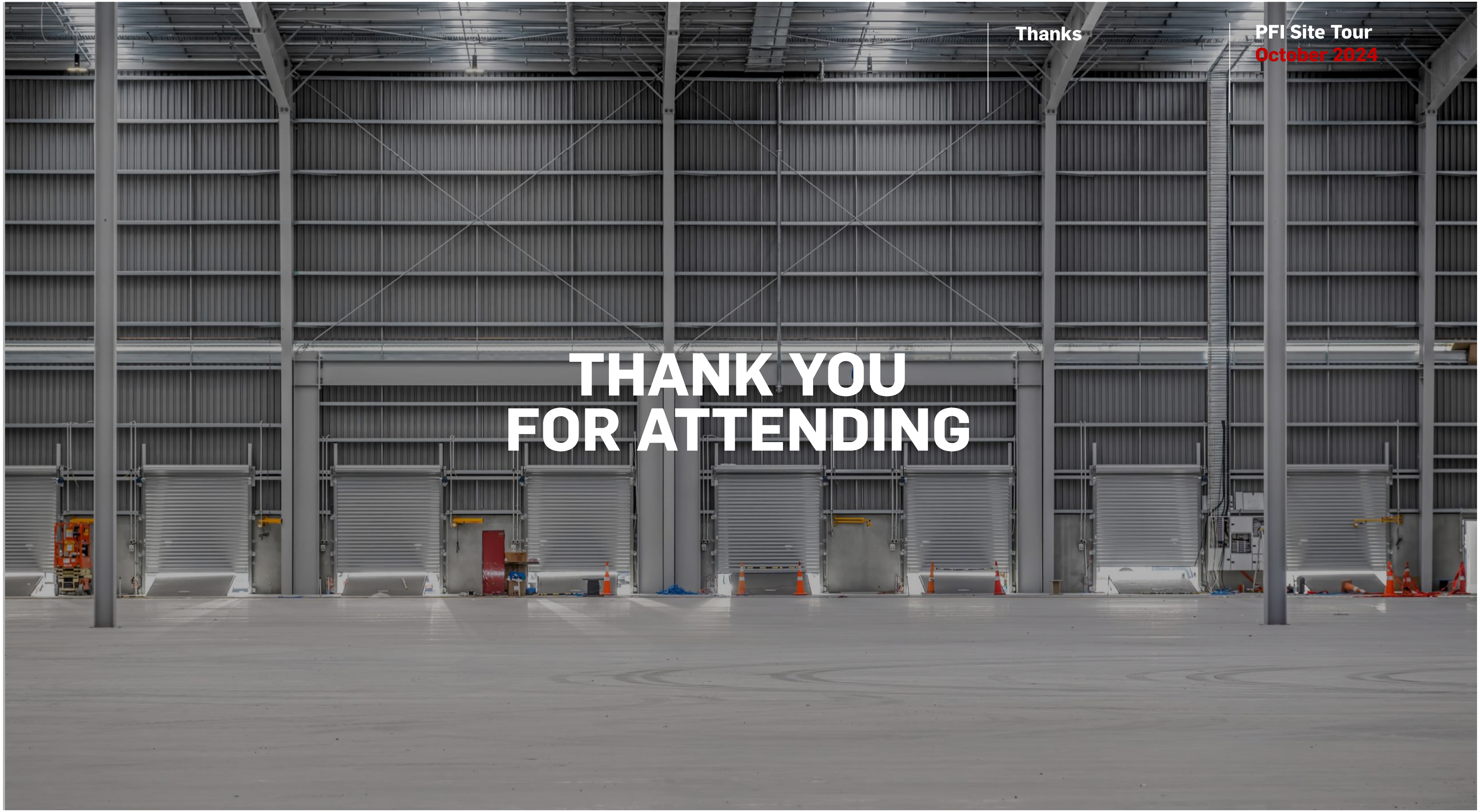


Despite recent property sector headwinds, underlying fundamentals of industrial property remain sound: vacancy remains low and reduced new supply is expected to come to market.

PFI's portfolio under-renting of ~16% provides embedded growth.

PFI is strongly positioned to capitalise on its development pipeline of ~$388M.

Attractive returns can be generated by leveraging PFI's development expertise and experienced team.



THANK YOU FOR ATTENDING