

Investore Property Limited

Strategic Growth Initiatives

Investore Property Limited (Investore) today announces a set of initiatives that align with its strategic focus of targeted growth, portfolio optimisation and proactive capital management to enhance long-term returns for its shareholders:

- the proposed acquisition of the Silverdale Centre, a high-quality asset located in a key metro area from Stride Property Limited (SPL) (the Silverdale Centre Acquisition);
- certain proposed amendments to Investore's management agreement with its manager, Stride Investment Management Limited (SIML) (the Management Agreement Amendments) to ensure that Investore is well-positioned to pursue a broader range of future investment opportunities aligned with its strategic focus; and
- the lodgement of a Product Disclosure Statement (PDS) for an offer (Offer) of up to \$62.5 million of subordinated, unsecured convertible notes to be issued by Investore (Notes) providing capital management benefits while enabling investors to receive a fixed return during the term of the Notes and potentially share in upside from share price growth.

To facilitate delivery of these initiatives, Investore is also today announcing:

- the release of a Notice of Special Meeting (Notice of Meeting) and Independent Appraisal Report for the Special Meeting of Shareholders (Special Meeting) to be held as a virtual meeting on 20 October 2025 in connection with the Silverdale Centre Acquisition, the Silverdale Centre Letter, the Management Agreement Amendments and the ratification of the issuance of the Notes; and
- a \$100 million increase in Investore's bank debt facilities, subject to the Silverdale Centre Acquisition occurring.

Silverdale Centre Acquisition

Investore has entered into a sale and purchase agreement with SPL to acquire the Silverdale Centre for \$114 million, representing an initial yield of 6.8%. An independent valuation of the Silverdale Centre supports the acquisition price. Settlement is conditional only upon approval by Shareholders at the Special Meeting.

Silverdale Centre is an open-air retail centre located in a high-growth metropolitan catchment north of Auckland with 39 tenants. The Silverdale Centre is situated in a strong growth corridor, and the catchment benefits from population growth and residential development driving retail demand. The Silverdale Centre catchment is expected to grow to approximately 125,000 individuals in 2048, representing 48% growth from 2023 (Note 1).

The property is anchored by everyday needs retailers Woolworths and The Warehouse, complemented by a mix of specialty tenants that serve as "mini-anchors," which contribute to visitation and a resilient income profile. These mini-anchor stores such as Noel Leeming, Bed Bath & Beyond, Chemist Warehouse and Supercheap Auto provide Investore with greater tenant diversification to a wider range of retail categories, while still underpinned by non-discretionary everyday needs tenants.

The property has a low site coverage, with 23,000sqm of NLA over a 70,000sqm site meaning that the underlying landholding helps to underpin the property valuation. Silverdale Centre aligns with Investore's broader strategy of investing in properties located in key metro locations with strong growth characteristics.

The Silverdale Centre Acquisition will be considered by Shareholders for approval at the Special Meeting. If approved, settlement is expected to occur on 31 October 2025 and SIML will receive additional fees from managing the property. Further details of those fees are contained in the Notice of Meeting and Independent Appraisal Report. The purchase price will be funded using debt facilities, whose headroom will be increased following the Offer (see below for further information regarding the use of net proceeds of the Offer, which are expected to be received on 26 September 2025).

Further details of the Silverdale Centre Acquisition are contained in the Notice of Meeting and Independent Appraisal Report.

Mandate Expansion and other Management Agreement Amendments

The Management Agreement Amendments 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, and for 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 the Board.

The Management Agreement Amendments are to ensure that Investore is well-positioned to pursue a broader range of complementary strategic, targeted growth opportunities to deliver a resilient and growing income stream, optimising returns for Shareholders.

The Management Agreement Amendments will be considered by Shareholders for approval at the Special Meeting.

Further details of the Management Agreement Amendments are contained in the Notice of Meeting and Independent Appraisal Report. A copy of the Management Agreement showing the proposed amendments may be reviewed on Investore's website (www.investoreproperty.co.nz) under "Special Meeting".

Offer of up to \$62.5 million of Notes

Investore has today lodged a PDS in respect of the Offer, which comprises:

- a General Offer of up to \$60 million of Notes (open to investors resident in New Zealand and Australian Institutional Investors); and
- a Shareholder Priority Offer of up to \$2.5 million of Notes (open only to New Zealand Shareholders and Australian Institutional Investors who are Shareholders as at 5.00pm on 5 September 2025).

The net proceeds raised from the Offer will be used to initially repay existing bank debt. This will provide Investore with the flexibility and additional debt capacity to fund future acquisitions that align with

Investore's strategy, including (subject to approval by Shareholders at the Special Meeting) the Silverdale Centre Acquisition, and for general corporate purposes.

If the maximum \$62.5 million is raised from the Offer and the Silverdale Centre Acquisition proceeds, Investore's pro forma Loan to Value Ratio will be 40.2%, marginally higher than the 39.4% Loan to Value Ratio as at 31 March 2025, pro forma for the acquisition of Bunnings New Lynn and disposal of Woolworths Browns Bay previously announced by Investore.

During their term, the Notes will pay a fixed rate of interest, with quarterly interest payments over the four-year term subject to meeting the Payment Condition (as described in the PDS).

The Indicative Issue Margin range and minimum Interest Rate will be determined by Investore in conjunction with the Joint Lead Managers and will be announced when the Offer opens. The Issue Margin and Interest Rate are expected to be set following a bookbuild process and will be announced to the market on or about 19 September 2025.

The Notes will convert into ordinary shares in Investore, subject to a Cash Election by Investore as described below. The Notes have a Conversion Date of 26 September 2029.

The number of Shares to be issued following Conversion of each holding of Notes will be determined by dividing their Principal Amount (together with any accrued and Unpaid Interest (and any interest thereon)) by the Conversion Price, which is the lesser of:

- the Conversion Price Cap of \$1.56; and
- a 2% discount to the Market Price (Note 2).

This means the Conversion Price will be a 2% discount to the Market Price, unless the Market Price is at least approximately \$1.592 in which case the Conversion Price will be \$1.56.

At Conversion, Noteholders will receive a minimum value of approximately \$1.02 for every \$1.00 invested. Noteholders will also benefit from any appreciation of the Share price to the extent the Market Price is above approximately \$1.592 (being the Conversion Price Cap of \$1.56 adjusted for the effect of the 2% discount). Please refer to the PDS for example scenarios of Conversion at different Market Prices.

The Conversion Price Cap may be adjusted in certain circumstances as further described in the PDS.

Rather than Converting the Notes, Investore may (either in whole or in part) elect instead to pay a cash amount to Noteholders at the end of the term (Cash Election). In this case, Noteholders would be paid an amount equal to the Market Price (Note 2) multiplied by the number of Shares that would have otherwise been issued to them on Conversion of their Notes. This means Noteholders would receive an equivalent value to those Shares (as determined under the terms of the Notes) and would similarly benefit from any appreciation of the Share price to the extent the Market Price is above approximately \$1.592 (being the Conversion Price Cap of \$1.56 adjusted for the effect of the 2% discount).

In order to maximise availability of Notes for other Investore Shareholders and other participating investors, SPL has confirmed that it will not participate in the Offer.

The Offer is expected to open on 16 September 2025. The General Offer is expected to close on 19 September 2025 at 11.00am (New Zealand time) and the Shareholder Priority Offer is expected to close on 23 September 2025 at 5.00pm (New Zealand time).

The Offer is being made in accordance with the Financial Markets Conduct Act 2013 and the Notes are expected to be quoted on the NZX Debt Market.

Further details of the Offer are contained in the PDS lodged today with the Registrar of Financial Service Providers which (together with further information in relation to the Notes and the Offer) is available on

the Disclose Register at www.companiesoffice.govt.nz/disclose under Investore's offer number OFR13984. The PDS is also available through www.investorennotesoffer.co.nz or by contacting one of the Joint Lead Managers as listed below and must be obtained by investors before they decide to acquire any Notes.

Copies of the PDS, Investore's investor presentation and indicative terms sheet are also attached and available at www.investorennotesoffer.co.nz. A copy of the Shareholder letter for the Shareholder Priority Offer, which will be mailed out to Shareholders, also accompanies this announcement.

After the Offer opens, Eligible Shareholders in New Zealand may apply for Notes in the Shareholder Priority Offer at www.investorennotesoffer.co.nz.

There is no public pool for the Offer with all of the Notes under the General Offer being reserved for clients of the Joint Lead Managers, NZX participants and other approved financial intermediaries.

For further details, investors should contact one of the Joint Lead Managers as listed below or their usual financial adviser.

Arranger and Joint Lead Manager

Forsyth Barr Limited



Phone: 0800 367 227

Joint Lead Manager

Craigs Investment Partners Limited



Phone: 0800 272 442

Special Shareholders' Meeting

As set out in the Notice of Meeting, there are four resolutions (Resolutions) to be considered at the Special Meeting, being, in broad terms, resolutions to:

- approve the Silverdale Centre Acquisition;
- approve the Silverdale Centre Letter (to the extent that the Management Agreement Amendments are not approved);
- approve the Management Agreement Amendments; and
- approve the ratification of the issue of Notes (together with the number of shares that the Listing Rules deem to be issued on conversion as at the date of the Offer).

The approval of the Silverdale Centre Acquisition is conditional upon either the Silverdale Centre Letter or the Management Agreement Amendments being approved. This is to ensure that SIML receives fees for the additional services to Investore that would result from managing the Silverdale Centre. If the Management Agreement Amendments are approved, the additional fees payable to SIML in respect of managing the Silverdale Centre will be included in those broader set of amendments and the Silverdale Centre Fee Letter would not take effect. If, on the other hand, the Management Agreement Amendments are not approved, the Silverdale Centre Letter would apply to the payment of any fees to SIML for managing the Silverdale Centre. A copy of the Silverdale Centre Letter between SIML and the Company setting out the proposed fees for managing the Silverdale Centre may be reviewed on Investore's website (www.investoreproperty.co.nz) under "Special Meeting".

The Silverdale Centre Acquisition, Silverdale Centre Fees and the Management Agreement Amendments will each be a Material Transaction for the purpose of the "Related Party" rules of the NZX Listing Rules and therefore subject to shareholder approval (excluding those Shareholders who are prohibited by the NZX Listing Rules from voting in favour of the resolutions).

In accordance with the requirements of the NZX Listing Rules, Northington Partners has been engaged by Investore to prepare the Independent Appraisal Report on the Silverdale Centre Acquisition and the Management Agreement Amendments. Overall, Northington Partners have assessed:

- the Silverdale Centre Acquisition to be fair to Shareholders (excluding SPL and those Shareholders associated with SPL); and
- the Silverdale Centre Fees to be fair to Shareholders (excluding those Shareholders associated with SIML); and
- the Management Agreement Amendments to be fair to Shareholders (excluding those Shareholders associated with SIML).

In addition, Shareholder approval is being sought to ratify of the issue of Notes by Investore which is expected to occur on 26 September 2025 (together with the number of shares that the Listing Rules deem to be issued on conversion as at the date of the Offer) to preserve the ability of Investore to issue further shares in accordance with Listing Rule 4.5.1, should Investore wish to undertake a placement of shares in the 12 month period from 26 September 2025.

The Special Meeting will be held as a virtual meeting only using Computershare's Meeting Platform <https://meetnow.global/nz>, commencing at 10:30am (New Zealand time) on 20 October 2025.

A copy of the Notice of Meeting and the Independent Appraisal Report are attached, and should be read and considered by Shareholders before voting.

Additional banking facilities

Investore's bank debt facilities have been increased by \$100 million to \$325 million, subject to the Silverdale Centre Acquisition occurring.

In addition, the banking syndicate has agreed to increase the LVR covenant from 55% to 60%. The Board's policy of a target LVR range of 30% to 40% over the long term still applies.

Interim portfolio valuation update

Investore is undertaking independent valuations as at 30 September 2025 across 25 of its 43 properties, which has resulted in a draft portfolio value of \$1.0 billion, excluding lease liabilities. For the properties that are being independently revalued, the draft capitalisation rate has decreased by approximately (13) basis points since 31 March 2025. The draft total portfolio capitalisation rate is now 6.20%, excluding properties classified as development and other. The resulting gain has been offset by ~\$20 million of additional capital expenditure provisions, including seismic strengthening provisions and building lifecycle costs, together with expansion works that will have associated rentals.

Overall, this represents an estimated gross investment property movement of +\$3.1 million, or +0.3%, for the six month period to 30 September 2025, excluding properties that have been bought and sold during the period, or a net reduction in fair value movement of \$(0.4) million, or (0.0)%. The independent valuations remain in draft and subject to auditor review.

Capitalised terms used but not defined in this announcement have the meanings given to them in the Notice of Meeting or PDS (as applicable).

Notes:

1. Colliers, "Retail Catchment Analysis Silverdale Centre", November 2023

2. The Market Price is determined based on the arithmetic average of the daily volume weighted average price of Shares on the NZX Main Board in the 20 Business Days prior to (but not including) the Conversion Announcement Date, as described in section 5 of the PDS (*Key features of the Notes*).
3. As determined under the terms of the Notes and subject to rounding and variance between the Market Price and the Share price on the Conversion Date.

Ends

Attachments provided to NZX:

- Investore Property Limited – NZX Announcement – 080925
- Investore Property Limited – Product Disclosure Statement – 080925
- Investore Property Limited – Indicative Terms Sheet – 080925
- Investore Property Limited – Presentation relating to Subordinated Convertible Notes and Special Meeting of Shareholders – 080925
- Investore Property Limited – Notice of Special Meeting – 080925
- Investore Property Limited – Independent Appraisal Report – 080925
- Investore Property Limited – Cleansing Notice – 080925
- Investore Property Limited – Shareholder Letter – 080925

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