Argosy

FY25 Annual Results

QUALITY *attracts* QUALITY

21 May 2025

Agenda

Peter Mence, CEO

Dave Fraser, CFO

Note: This results presentation should be read in conjunction with the NZX release dated 21 May 2025. Due to rounding, numbers presented in this presentation may not add up exactly to the totals provided and percentages may not reflect exactly absolute figures.

“We continue to receive good enquiry for green properties, with their vibrant and engaging environments, which reinforces our overall strategic direction.”

Peter Mence, CEO

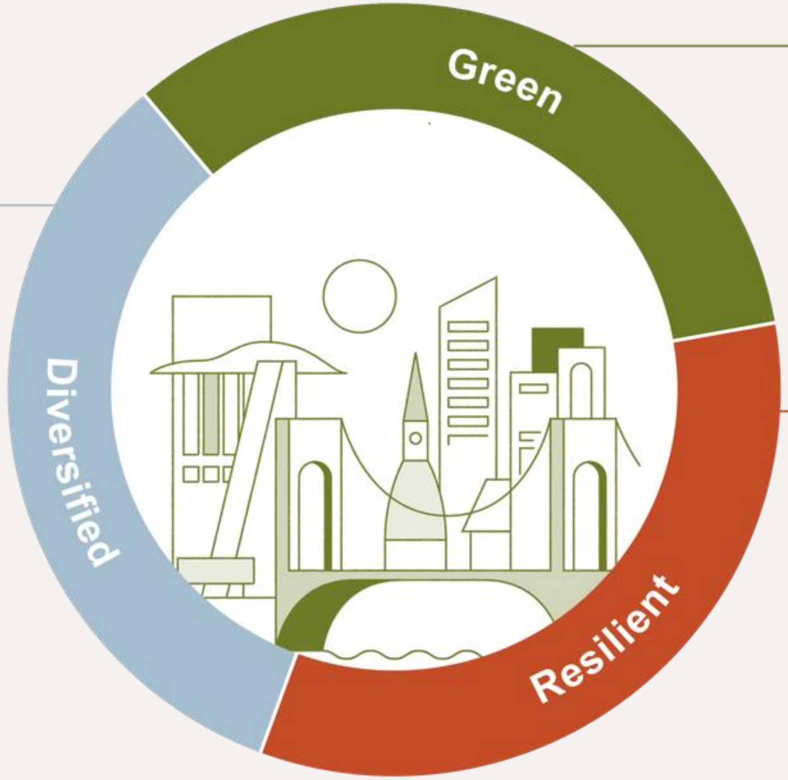
Building a better future

A diversified portfolio by sector and region

A diversified asset allocation across sectors to reduce volatility and widen growth opportunities

Targeting strategic growth opportunities with green potential and a focus on Auckland Industrial

Maintaining a portfolio of high quality, well located Core assets with growth potential



Proactive delivery of sustainable growth

A business culture that is environmentally focused

Executing green Value Add portfolio opportunities to drive earnings and capital growth

A commitment to funding for green assets

A business that is adaptable and responsive to change

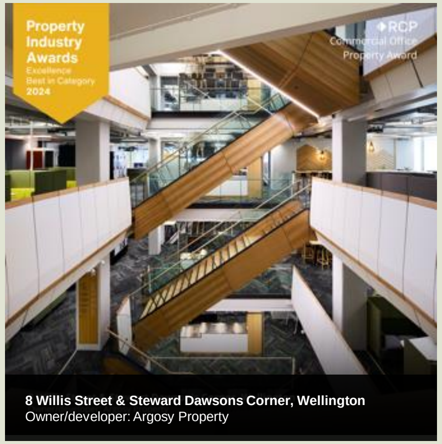
Maintaining strong and valued relationships across all stakeholders

A commitment to management excellence delivering earnings and dividend growth

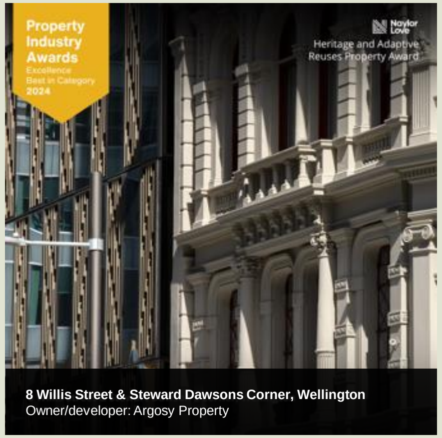
Ensuring safe working environments for Argosy and its partners

Award winning green developments

8 Willis Street & Steward Dawsons Corner, Wellington
Owner/developer: Argosy Property



8 Willis Street & Steward Dawsons Corner, Wellington
Owner/developer: Argosy Property



8 Willis Street & Steward Dawsons Corner, Wellington
Owner/developer: Argosy Property

Argosy

224 Neilson Street Development

6,557m²

of warehouse/office/canopy leased to Bascik Transport

6 Star

Green Built Design rating achieved on completed space (Warehouse B)

15,300m²

on track for completion in September 2025

5 Star

NABERSNZ energy rating being targeted

$110m

value on completion

$11.1m

development margin

Argosy

8-14 Mt Richmond Drive Development (3 stages)

9,500m^2

will be added across two buildings in Stage 2

39,000m2

will be added across two buildings in Stage 3

2027/28

Stage two planned completion

6,633m^2

Stage 1 leased to Viatris Limited on a 10-year lease

9.4%

forecast IRR on completion

2029

Stage three planned completion

Value Add & Green Developments

GREEN ASSETS FILL DEVELOPMENT PIPELINE

- Value Add properties are a key strategic pillar and will transform the portfolio over the next decade.
- 224 Neilson Street development underway with first stage completed and leased. The second stage is underway with projected delivery of September 2025.
- Mt Richmond green industrial estate will be completed in three stages. Stage one has commenced with a target completion date of April 2026, while stage two is planned for completion in 2027/28.
- 291 East Tamaki Road, which will be acquired in August 2025, will be developed to the same high 6 Green Star Built standard.

~$272m

Value Add properties with potential to deliver earnings and capital growth

Property		Sector	Location	Valuation @ 31 Mar 25
32 Bell Avenue, Mt Wellington	Future	Industrial	Auckland	18.7
90-104 Springs Road, East Tamaki	Future	Industrial	Auckland	10.2
224 Neilson Street, Onehunga	**Underway**	**Industrial**	**Auckland**	**89.2**
8-14 Mt Richmond Drive, Mt Wellington	**Underway**	**Industrial**	**Auckland**	**103.0**
133 Roscommon Road, Wiri	Future	Industrial	Auckland	14.0
15 Unity Drive, Albany	Future	Industrial	Auckland	8.1
101 Carlton Gore Road, Newmarket	Future	Office	Auckland	29.0
TOTAL $m				**272.2**
% of portfolio				12.9%

Results Summary

$116.9m
Net property income up 0.4%

$72.7m
Revaluation gain to 31 March

6.65cps
Dividend for FY25

$1.53
NTA per share, up 5.6%

$55.8m
Net Distributable Income

35.7%
Gearing within the target 30-40% band

Argosy

Portfolio Highlights

96.5%

Occupancy

5.1yrs

Weighted Average Lease Term

3.5%

Annualised growth on rent reviews

86%

Tenant retention rate

33.2%

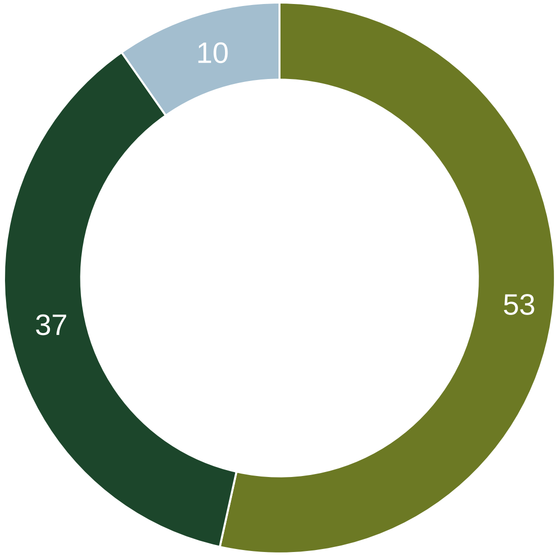
Government sector rental income

46.7%

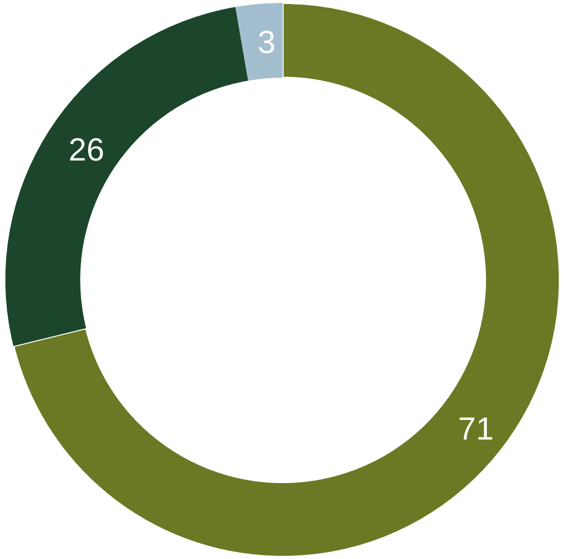
Weighting to Auckland Industrial

Portfolio at a glance

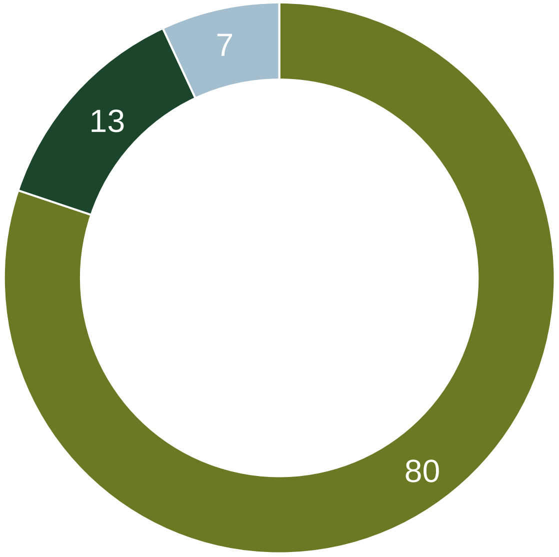
Sector by value %



Region by value %



Asset mix by value %



Targets: Industrial (60-70%) Office (20-30%) LFR[1] (5-15%) Auckland (70-80%) Wellington (15-25%) Regional[2] (0-10%) Core (75-90%) Value Add Divest

1. Large format retail.
2. Regional North Island and South Island. This weighting also includes up to 5% allocation to the golden triangle area between Auckland, Tauranga and Hamilton.

Revaluations

MARKET RENTALS UP

- Independent valuations as at 31 March were completed on all properties.
- $72.7m gain reported, or 3.6% revaluation gain to book value.
- Growth in market rentals. Any impact of firming cap rates yet to come.
- The portfolio is under rented by 11% (Auckland Industrial under rented by 18%).

6.35%

Weighted average portfolio cap rate

	31 Mar 25 Book Value ($m)	31 Mar 25 Valuation ($m)	△ $m	△ %	Mar 25 Cap rate %	Mar 24 Cap rate %
Auckland	1,429.3	1,494.1	64.8	4.5%	6.27%	6.31%
Wellington	550.7	557.8	7.1	1.3%	6.55%	6.49%
North Island Regional & South Island	56.4	57.2	0.8	1.4%	6.86%	6.86%
Total	**2,036.4**	**2,109.1**	**72.7**	**3.6%**	**6.35%**	**6.37%**

	31 Mar 25 Book Value ($m)	31 Mar 25 Valuation ($m)	△ $m	△ %	Mar 25 Cap rate %	Mar 24 Cap rate %
Industrial	1,068.3	1,128.9	60.6	5.7%	6.21%	6.26%
Office	771.4	775.5	4.1	0.5%	6.50%	6.45%
Large Format Retail	196.7	204.7	8.0	4.0%	6.59%	6.67%
Total	**2,036.4**	**2,109.1**	**72.7**	**3.6%**	**6.35%**	**6.37%**

1. Book Value excludes September 2024 revaluation gain/loss.

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Financials

Gross Property Income Waterfall

RENT REVIEWS UP ANNUALISED 3.5%

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Financial Performance

PERFORMANCE SLIGHTY UP ON PRIOR COMPARABLE PERIOD

- Net property income and EBIT were slightly up on the prior comparable period.
- Interest expense was lower, mainly due to lower rates and higher capitalised interest.

$116.9m

NPI up 0.4% on the prior comparable period

	FY25 $m	FY24 (Restated) $m
Net property income	116.9	116.5
Administration expenses	(11.4)	(11.6)
Profit before financial income/(expenses), other gains/(losses) and tax	**105.5**	**104.9**
Net interest expense	(41.3)	(43.7)
Gain/(loss) on derivatives	1.4	0.6
Other gains/(losses)		
Revaluation gains/(losses) on investment property	72.7	(111.7)
Realised gains/(losses) on disposal of investment property	(0.0)	(1.0)
Profit/(loss) before income tax attributable to shareholders	**138.1**	**(50.8)**
Taxation expense	(12.3)	(3.7)
Profit/(loss) and total comprehensive income/(loss) after tax	**125.9**	**(54.5)**
Earnings per share (cents)	14.83	(6.43)

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Distributable Income

SOUND RESULT

- Gross distributable income for the year was $64.1m, up 4.7% on the prior comparable period.
- Net distributable income was flat on the prior comparable period.
- Taxation expense was higher than the prior comparable period, primarily due to incremental tax expense of $2.8m following the Government's removal of the tax deduction for depreciation on buildings.

$55.8m

Net distributable income

	FY25 $m	FY24 $m
Profit before income tax	**138.1**	**(50.8)**
Adjustments:		
Revaluation (gains)/losses on investment property	(72.7)	111.7
Realised losses/(gains) on disposal	0.0	1.0
Derivative fair value (gain)/loss	(1.4)	(0.6)
Gross distributable income	**64.1**	**61.2**
Depreciation recovered on disposals	-	1.0
Current tax expense	(8.3)	(6.3)
Net distributable income	**55.8**	**55.8**
Weighted average number of ordinary shares (m)	848.5	847.1
Gross distributable income per share (cents)	**7.56**	**7.23**
Net distributable income per share (cents)	**6.58**	**6.58**

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Adjusted Funds From Operations (AFFO)

HIGHER TAXATION AND MAINTENANCE CAPEX IMPACTS AFFO

- AFFO 6.43cps, compared to 6.90cps in prior comparable period.
- Mainly due to higher taxation, lower amortisation and higher net maintenance capex.

103%

AFFO dividend payout ratio

	FY25 $m	FY24 $m
Net distributable income	**55.8**	**55.8**
Amortisation of tenant incentives and leasing costs	2.1	3.5
Share based payment expense	0.1	0.3
Funds from operations (FFO)	**57.9**	**59.6**
Capitalisation of tenant incentives and leasing costs	(1.4)	(1.3)
Maintenance capital expenditure	(2.1)	(2.1)
Maintenance capital expenditure recovered through sale	0.2	2.3
Adjusted funds from operations (AFFO)	**54.6**	**58.4**
Weighted average number of ordinary shares (m)	848.5	847.1
FFO cents per share	6.83	7.04
AFFO cents per share	**6.43**	**6.90**
Dividends paid/payable in relation to period	6.65	6.65
Dividend payout ratio to FFO	97%	94%
Dividend payout ratio to AFFO	**103%**	**96%**

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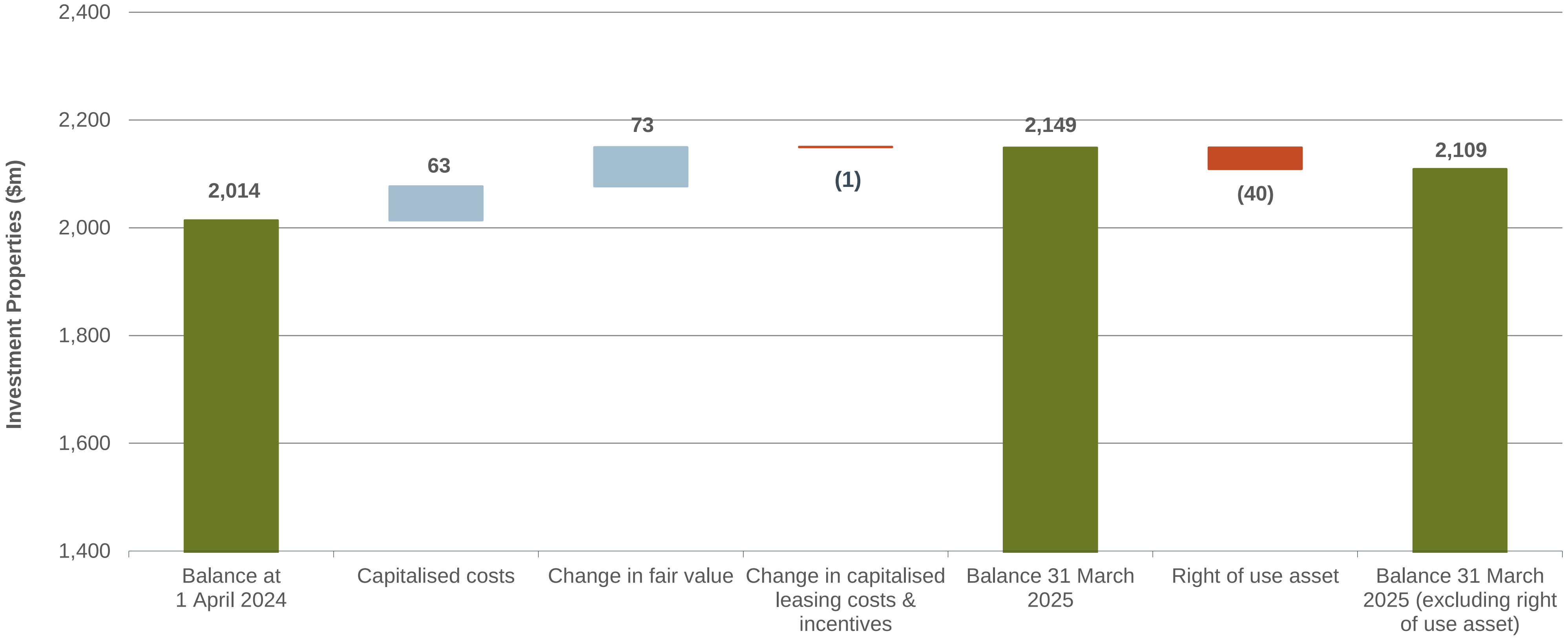
Investment Property Waterfall

POSITIVE REVALUATION GAIN



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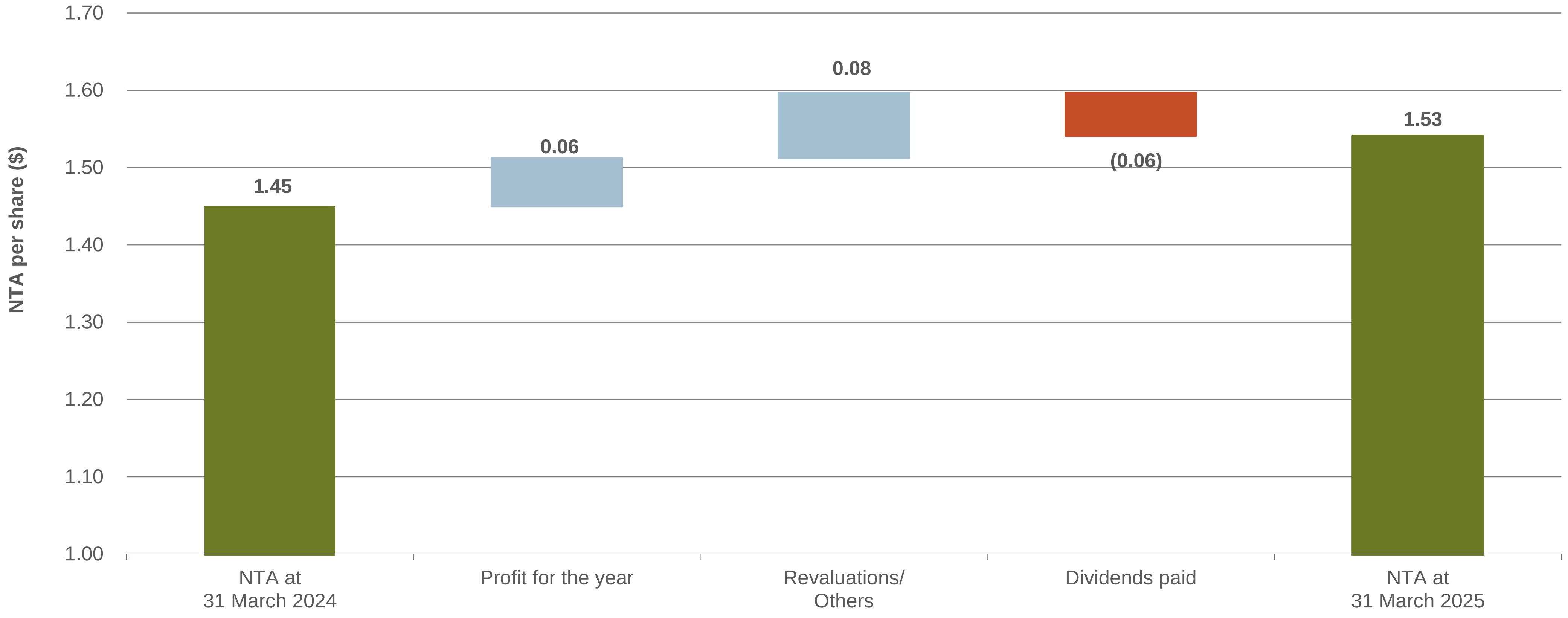
Net Tangible Assets



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Balance Sheet Management

GEARING AT THE MID-RANGE OF TARGET BAND

- The balance sheet is in good shape.
- 8 Forge Way settled in March 2025 for $35m.
- At 31 March a further $147m (across 7 properties) regarded as non Core.

35.7%

Debt-to-total-assets ratio comfortably within the target band of 30-40%

	FY25 $m	FY24 $m
Investment properties	**2,148.9**	2,013.8
Asset held for sale	-	35.2
Other assets	13.3	20.0
Total assets	**2,162.2**	2,069.0
Right of Use Asset	(39.8)	(40.0)
Total assets (net of Right of Use Asset)	**2,122.4**	2,029.0
Fixed Rate Green Bonds	325.0	325.0
Bank debt[1]	433.3	415.6
Total Bank Debt & Bond Funding	**758.3**	740.6
Debt-to-total-assets ratio[2]	**35.7%**	36.5%

1. Excludes capitalised borrowing costs.
2. Excludes Right of Use Asset at 39 Market Place of $39.8 million.

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Interest Rate Management

FIXED RATE COVER OF 63%

- Weighted average interest rate reduced to 5.1% from 5.6% at 31 March 2024.
- Fixed rate cover at 63% of debt.
- $170m in forward swaps, effective from varying dates post 31 March 2025.

2.5x

Interest cover ratio. Banking covenant set at a minimum of 2.0x

	FY25 $m	FY24 $m
Weighted average interest rate[1]	5.1%	5.6%
Interest Cover Ratio	2.5x	2.4x
% of fixed rate borrowings	63%	71%
Weighted average duration of active payer swaps	2.4 years	1.1 years
Average rate of active payer swaps	3.47%	3.43%

1. Including margin and line fees.

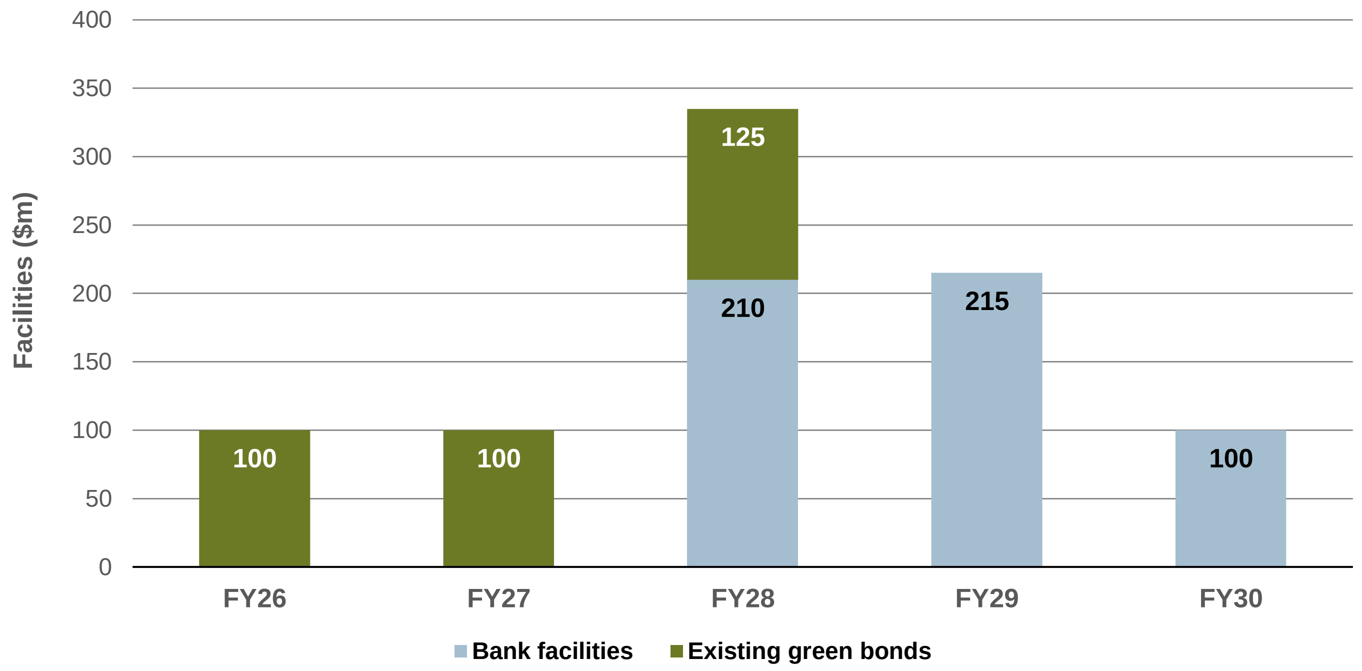
Debt Profile

GREEN BOND DIVERSIFICATION 38%

- The total amount of the bank facility is $525m with the nearest tranche expiring in October 2027 (FY28).
- Argosy's $325m of green bonds continue to provide important diversification.
- The first bond matures in March 2026, and we will refinance at some point this year.

2.7 years

Weighted average duration of Argosy's debt



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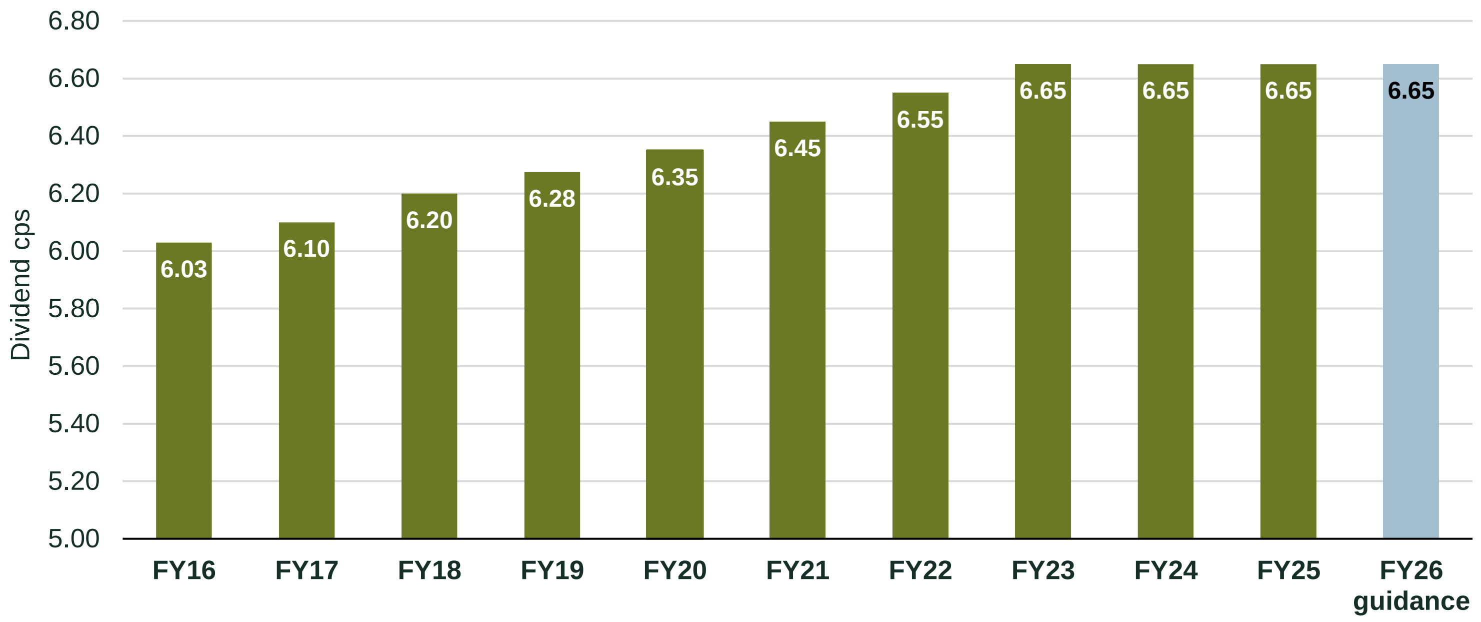
Dividends

STEADY DIVIDEND

- A 4th quarter dividend of 1.6625 cents per share has been declared with 0.2180 cents per share imputation credits attached.
- Overseas investors will receive an additional supplementary dividend of 0.0989 cents per share to offset non-resident withholding tax.
- Dividend Reinvestment Plan is still open.

6.65c

FY26 dividend guidance in line with prior year



Leasing & sector commentary

Leasing Outcomes

57,100m²

of NLA leased to 31 March

12yr

New lease to Steel E.D. & Patton Limited at 39 Randwick Road, Wellington

54

Leases executed, 22 new leases, 24 renewals and 8 extensions

8,790m²

New lease to Booths Logistics for 3 years at 32 Bell Avenue

7yr

New lease to JD Sports Fashions NZ Pty Limited at Albany Mega Centre

105

Rent reviews over the period, annualised rental growth of 3.5%

Lease Expiry & Rent Review Profile

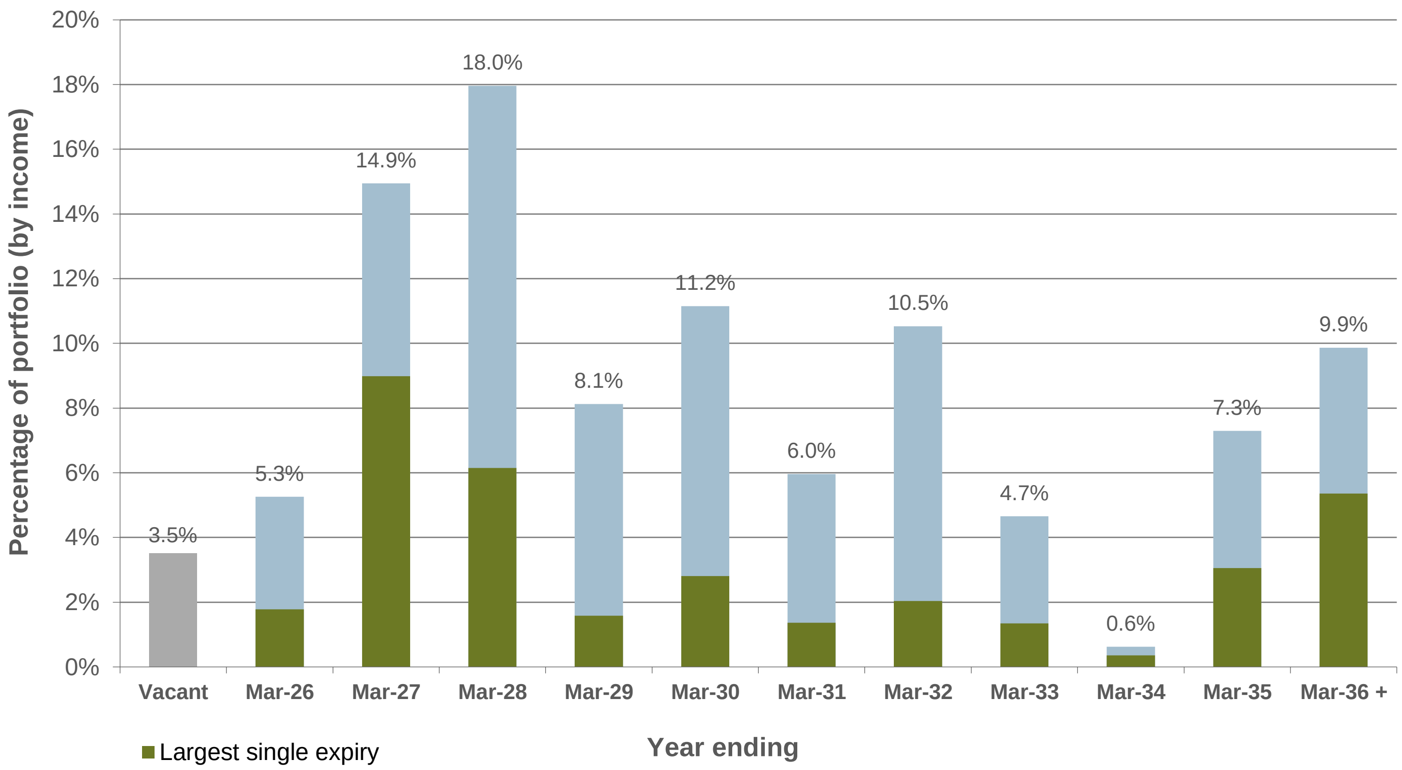
LEASE EXPIRY PROFILE IS WELL MANAGED

- Largest single expiry remains MBIE in 2027.
- Average annual expiry over the next two years (FY26 and FY27) is ~10.1%.

5.3%

Percentage of leases in FY26 expiring

As at 31 March 2025



Market Insights

INDUSTRIAL

- As economic conditions improve, the imbalance between supply and net absorption (demand) will correct.
- Limited land supply in Auckland and Wellington continues pressure on land values, with prime sites holding their value.
- Prime rent reviews continue to show growth in well specified and well located assets.
- Vacancy remains low, and focused in secondary and sublease space.

OFFICE

- Flexible working environments continue but working from home and full-time remote work continue to decline.
- Central Government goal of returning staff to the office is a positive development.
- Many firms are looking to increase unassigned seating (hot desking) while also seeking more collaborative spaces.
- The building environment is increasingly in focus, as employers try to get more staff back to the office.
- Projected demand for green buildings will exceed supply.
- End of trip facilities now a must have.
- Serviced office/meeting room facilities in increasing demand.

LARGE FORMAT RETAIL

- National retail sales have decreased over the past year.
- Discretionary lines showing a significant drop in sales.
- Retail surveys indicate confidence is improving.
- Large Format Retail continues to receive solid demand in prime locations.
- Retailers consolidating to a fewer number of locations.
- Growth in demand from offshore retailers continues.

Focus and outlook

Outlook

STAYING FOCUSED ON ACHIEVING STRONG OPERATIONAL RESULTS AND EXECUTING ON STRATEGIC GOALS

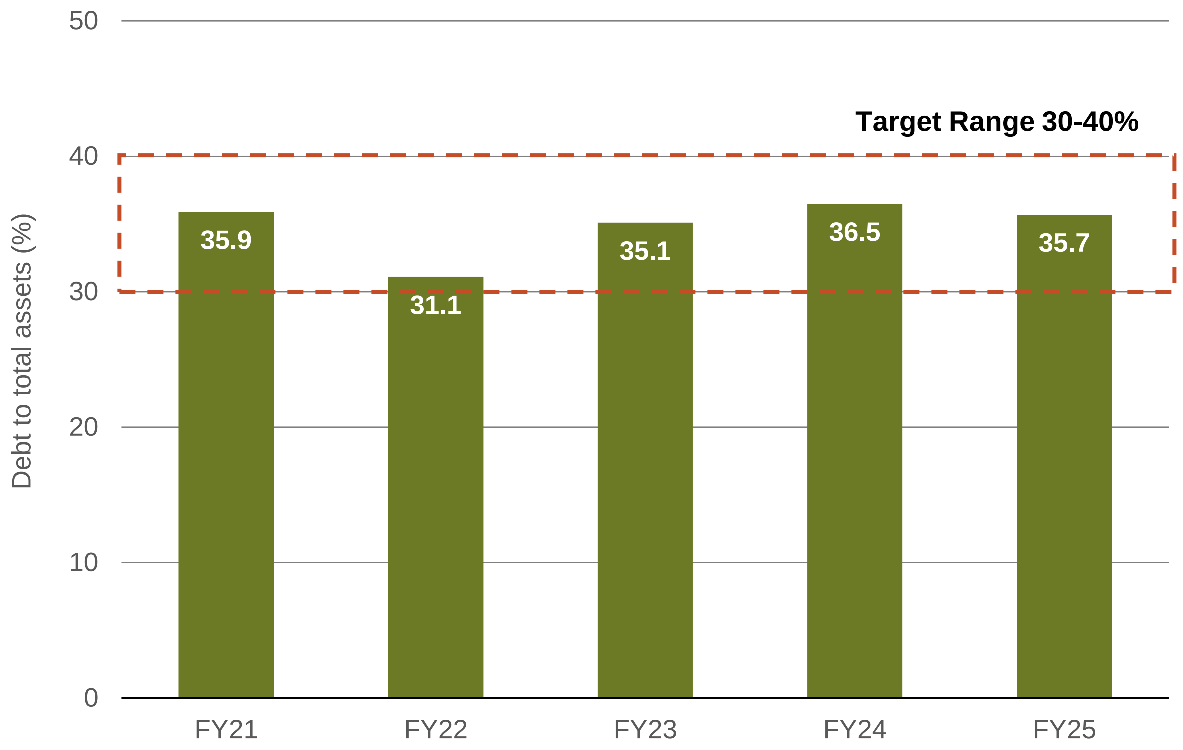
- The domestic economy is expected to gradually improve, although there is some volatility at present.
- Highly restrictive interest rates are easing.
- Lower supply and improving demand across the market, with tenants focused on prime locations and sustainable initiatives, is positive for Argosy.
- The strong bottoms up fundamentals of the Industrial sector will continue to underpin growth.
- Argosy is well placed, with a sound capital position to continue transforming towards a green & environmentally sustainable business.
- The key focus areas for 2025/26 are to:

1. Address existing vacancy and key expiries;
2. Progress existing green developments at Neilson Street and Mt Richmond;
3. Achieve Green Star & NABERSNZ certifications;
4. Divest non Core assets and reinvest proceeds;
5. Position the business for the future; and
6. Complete acquisition of 291 East Tamaki Road and commence master planning for future development.

Appendices

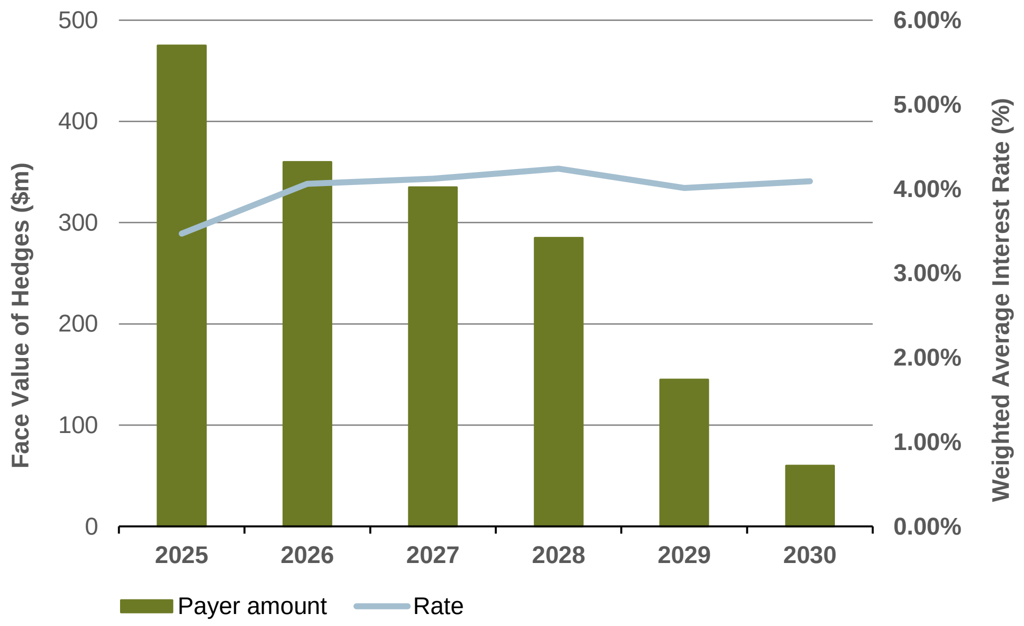
Balance Sheet Management

GEARING REMAINS COMFORTABLY WITHIN THE MID-RANGE OF THE BAND

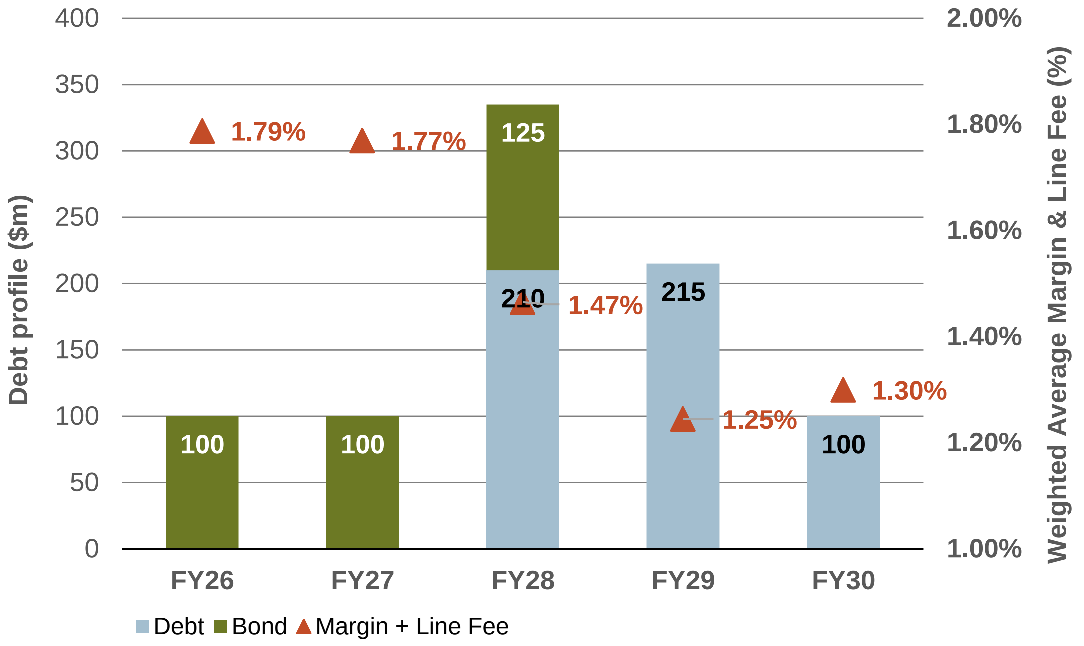


Hedges, Interest Rates & Debt Maturity

HEDGES & WEIGHTED AVERAGE INTEREST RATES (MARCH Y/E)



DEBT MATURITY PROFILE (FACILITY) & WEIGHTED AVERAGE MARGIN AND LINE FEE

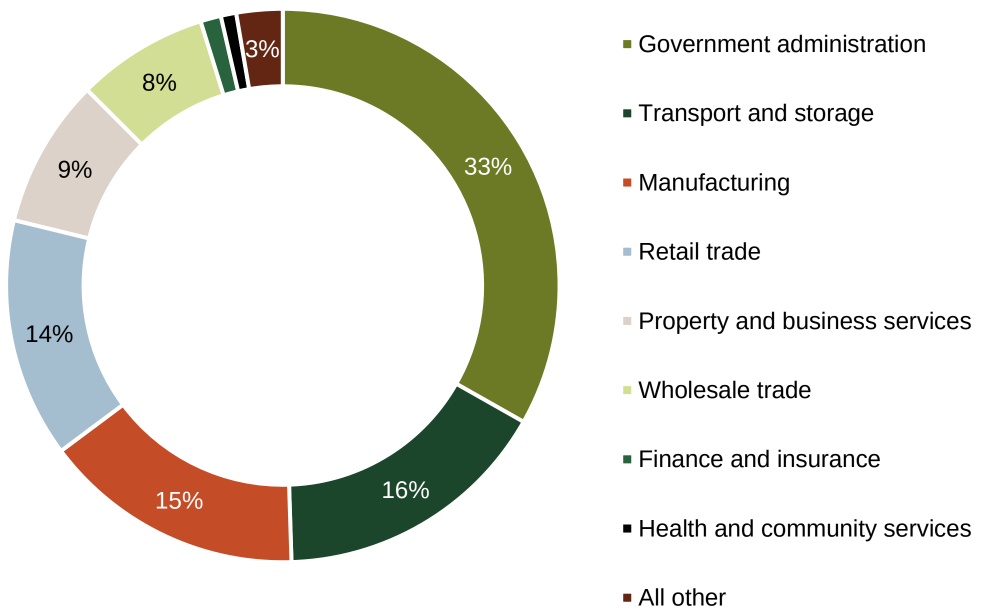


Rent review summary – by type, sector and location

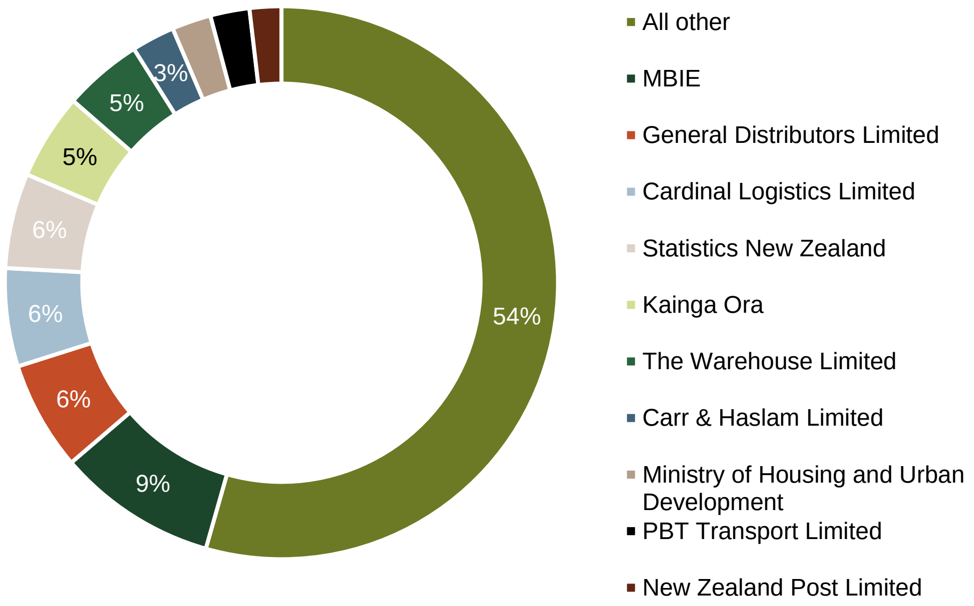
Type	#	Previous Rent ($000's)	% of rent reviewed	New Rent ($000's)	$ Increase (000's)	% Increase	Annualised $ Increase (000's)	% of Total Annualised Increase	Annualised % Increase
Total	**105**	**76,452**	**100%**	**79,167**	**2,715**	**3.6%**	**2,655**	**100%**	**3.5%**
By review type									
Fixed	83	62,124	81%	63,914	1,790	2.9%	1,801	68%	2.9%
Market	10	7,171	10%	7,834	663	9.2%	592	22%	8.3%
CPI	12	7,158	9%	7,419	262	3.7%	262	10%	3.7%
By sector									
Industrial	34	41,465	54%	43,204	1,739	4.2%	1,739	65%	4.2%
Office	54	29,483	39%	30,256	772	2.6%	738	28%	2.5%
LFR	17	5,504	7%	5,708	204	3.7%	179	7%	3.3%
By location									
Auckland	81	51,916	68%	54,021	2,105	4.1%	2,090	79%	4.0%
Wellington	21	20,896	27%	21,417	521	2.5%	475	18%	2.3%
Other	3	3,640	5%	3,729	89	2.5%	89	3%	2.5%

Portfolio metrics

RENT ROLL BY INDUSTRY



TOP 10 CUSTOMERS BY RENT



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Sector Summary

Industrial

Number of buildings

33

Market value of assets ($m)

$1,128.9

Occupancy (by income)

100%

Weighted average lease term (WALT)

5.6 years

Office

Number of buildings

13

Market value of assets ($m)

$775.5

Occupancy (by income)

88%

Weighted average lease term (WALT)

4.5 years

Large format retail

Number of buildings

4

Market value of assets ($m)

$204.7

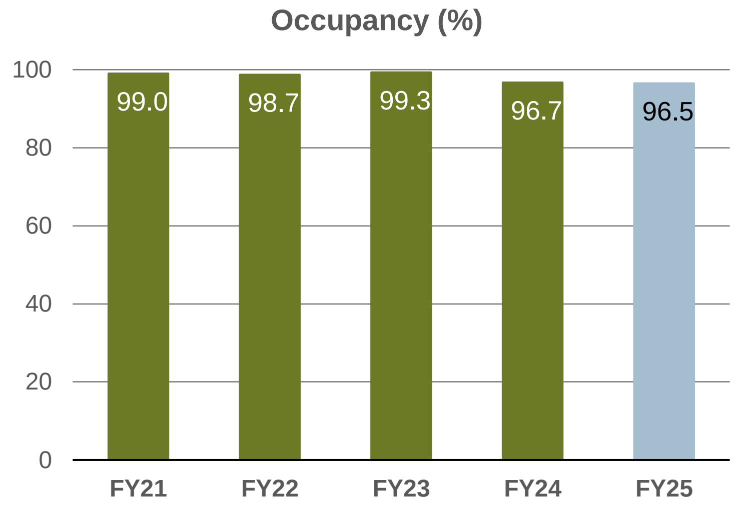
Occupancy (by income)

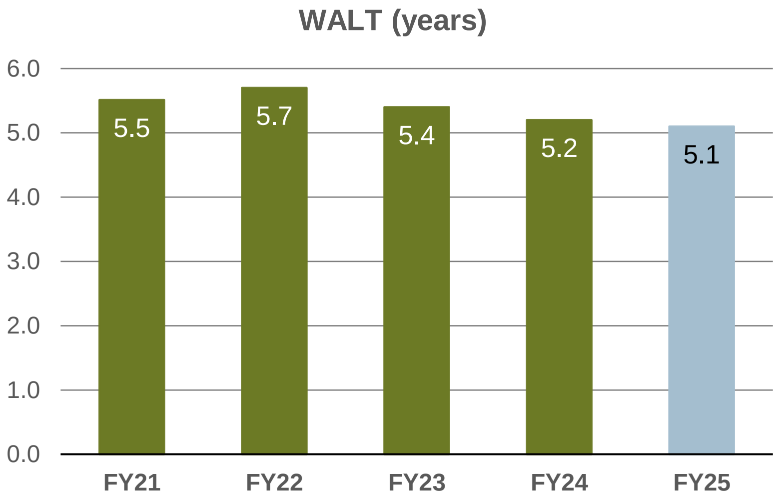
100%

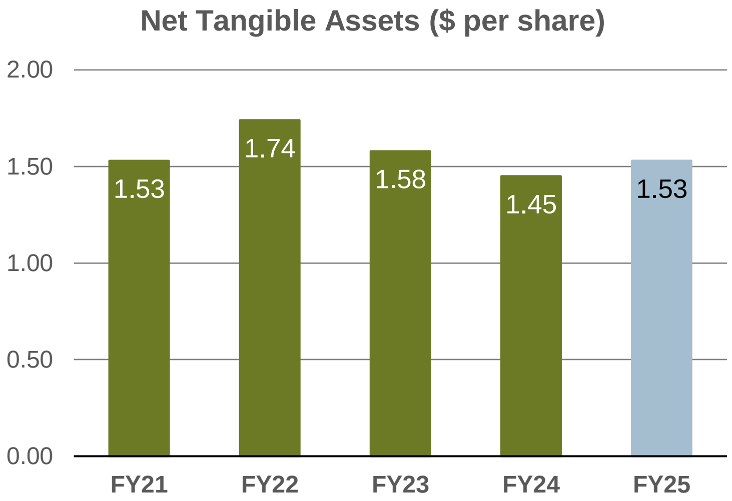
Weighted average lease term (WALT)

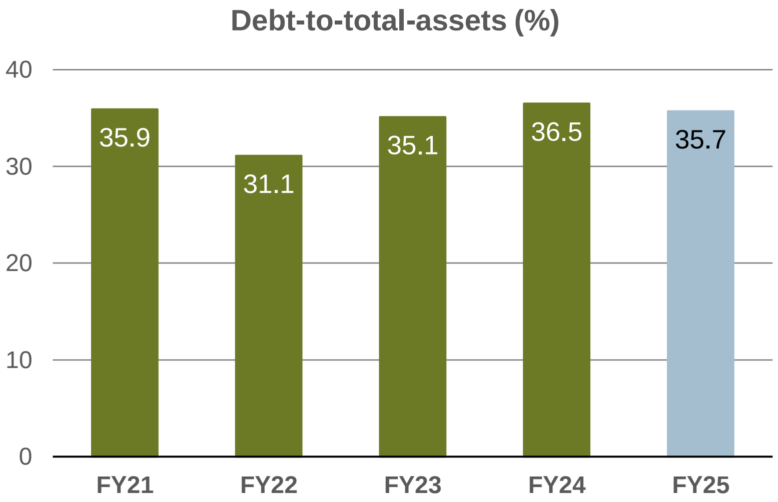
5.0 years

Portfolio snapshot









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Thank you

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21 May 2025