



WELCOME TO THE **FY25**
INTERIM RESULTS
BRIEFING.



Fisher & Paykel Appliances
78 Springs Road

Following the change in PFI and its subsidiaries' balance date from 31 December to 30 June, throughout this presentation (and the accompanying interim results announcement and interim financial statements), in order to provide a useful basis for comparison, the unaudited FY25 interim results (H1 FY25) have been compared to the audited six-month results from 1 January to 30 June 2024 (FP24, the prior comparable period, or 'pcp'), unless otherwise noted.

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HIGHLIGHTS

01. ■



ROBUST INTERIM RESULTS

Profit after tax of \$28.8m, up \$7.6m on the pcp, incorporating fair value gains on properties of \$16.6m, as compared to losses of \$4.2m in the pcp

Funds From Operations (FFO) down 3.8% on the pcp to 4.84 cents per share (cps), Adjusted Funds From Operations (AFFO) down 4.9% on the pcp to 4.35 cps, reflecting increased interest and tax

Interim cash dividends of 4.00 cps



CONTINUED STABILITY OF PORTFOLIO FUNDAMENTALS

Valuation of \$2.1bn industrial property portfolio showing signs of recovery, 15 properties revalued at the half-year, fair value gains on properties of \$16.6m or 3.1%, net tangible assets confirmed at \$2.72 cents per share

\$36.7m of contract rent reviewed during H1 FY25 delivering an average annualised uplift of 6.6%, \$2.9m of contract rent leased during H1 FY25 at an average of 21.3% above previous contract rents, occupancy increased to 99.9% post-balance date, no contract rent due to expire in the second half of FY25



NEXT PHASE OF GREEN STAR DEVELOPMENT PIPELINE TO COMMENCE

\$220m of 5 Green Star developments completed on-time and on-budget across 30-32 Bowden Road and Stage 1 of 78 Springs Road, Stage 2 of the redevelopment of 78 Springs Road commenced and ~60% leased, opportunity to deploy ~\$355m on Green Star development over the medium-term



DISCIPLINED CAPITAL MANAGEMENT

\$550m of facilities refinanced or established during H1 FY25, \$100m PFI010 bonds repaid in November 2024, ~\$180m of facility headroom, gearing comfortable at 33.4%



OUTLOOK

PFI well placed to navigate the remainder of FY25, guiding to cash dividends of 8.50 cps, an increase of 0.20 cps or 2.4% on annualised FP24 dividends

PORTFOLIO

02.



PORTFOLIO SNAPSHOT



Daikin
30-32 Bowden Road

90

PROPERTIES

▼ June 2024: 91

124

TENANTS

▼ June 2024: 126

\$108.5m

CONTRACT RENT

▲ June 2024: \$99.7m

98.7%

OCCUPANCY

▲ June 2024: 98.6%

5.67 years

WALT

▲ June 2024: 5.07 years

VALUATIONS

15 PROPERTIES REVALUED AT H1 FY25:

H1 FY25 VALUATION UPLIFT

+\$16.6m
(▲3.1%)

MARKET RENTAL GROWTH¹

1.3%

CAP RATE COMPRESISON

▼**3.5 bps**

ENTIRE PORTFOLIO:

PORTFOLIO VALUE

\$2.1bn

PORTFOLIO UNDER-RENTING²

~14%

▼2% on 30 June 2024

STABILISED CAP RATE

5.81%

▼8 bps on 30 June 2024

¹ Average increase in valuer assessed market rents between 30 June 2024 and 31 December 2024 for the 15 properties that received full valuations, ² Based on 31 December 2024 passing rent to independent valuer assessed market rents

LEASING

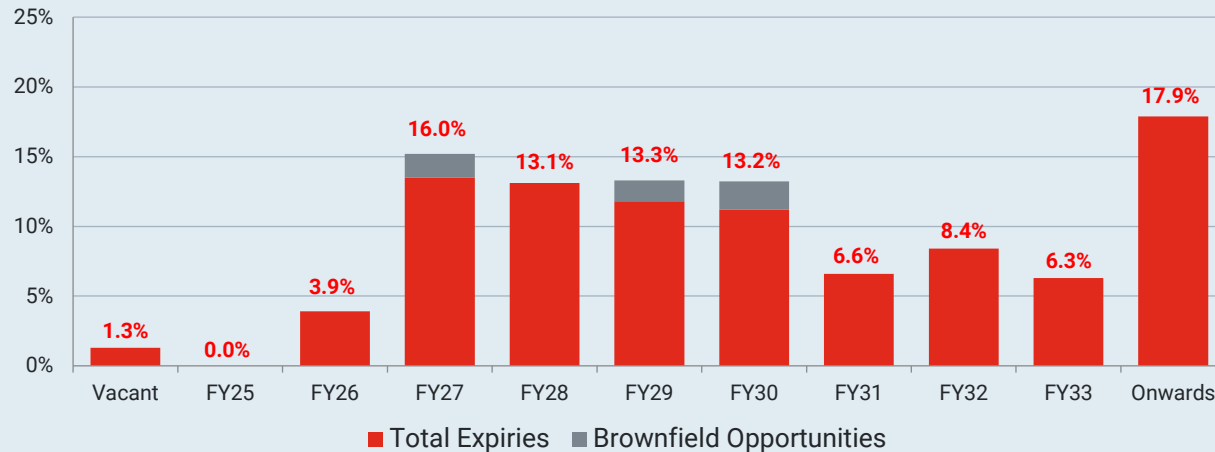
	STABILISED	DEVELOPMENTS	TOTAL
CONTRACT RENT (\$)	\$4.9m	\$8.9m	\$13.8m
% OF PORTFOLIO BY CONTRACT RENT	4.5%	8.3%	12.8%
AVERAGE INCENTIVE PER YEAR OF TERM (MONTHS)	0.2 months	0.5 months	0.4 months
WEIGHTED AVERAGE LEASE TERM (WALT)	4.8 years	13.9 years	10.7 years
AREA LEASED (SQM)	35,668m ²	51,225m ²	86,893m ²
% OF DEALS COMPLETED THAT WERE RENEWALS	82%	0%	29%

- Total of \$13.8m of contract rent secured in H1 FY25
- \$8.9m of contract rent secured in H1 FY25 relates to newly developed properties¹
- Of the \$4.9m of stabilised contract rent secured in H1 FY25, rents were agreed on \$2.9m of this
- These rents were settled 21.3% above previous contract rents, and 5.4% above June 2024 market rental assessments
- Remaining \$2.0m of stabilised contract rent secured in H1 FY25 is subject to market review on renewal
- Those renewals (3) are ~14% under-rented as at 31 December 2024 (all un-capped), with a weighted average review date of August 2025

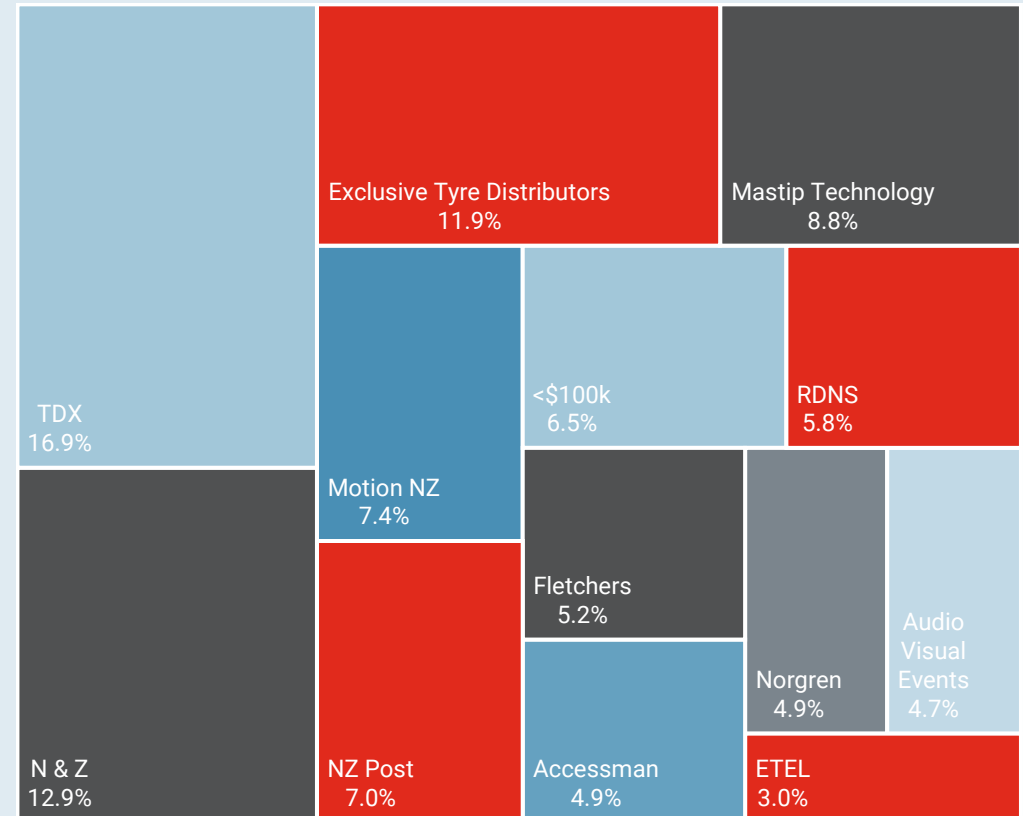
¹Being Daikin at 30-32 Bowden Road and Fisher & Paykel Appliances at 78 Springs Road.

EXPIRIES

- Portfolio is 98.7% occupied (1.3% vacancy) and there is no contract rent due to expire over the remainder of FY25 (chart below)
- PFI has agreed commercial terms on largest single FY26 expiry, TDX, \$725k, or 0.7% of contract rent (16.9% of FY26 expiries) (chart on right)
- Post balance date, lease signed with Portacom on vacant space at 212C Cavendish Drive (1.3% of contract rent, commencing February 2025), lifting portfolio occupancy to 99.9%



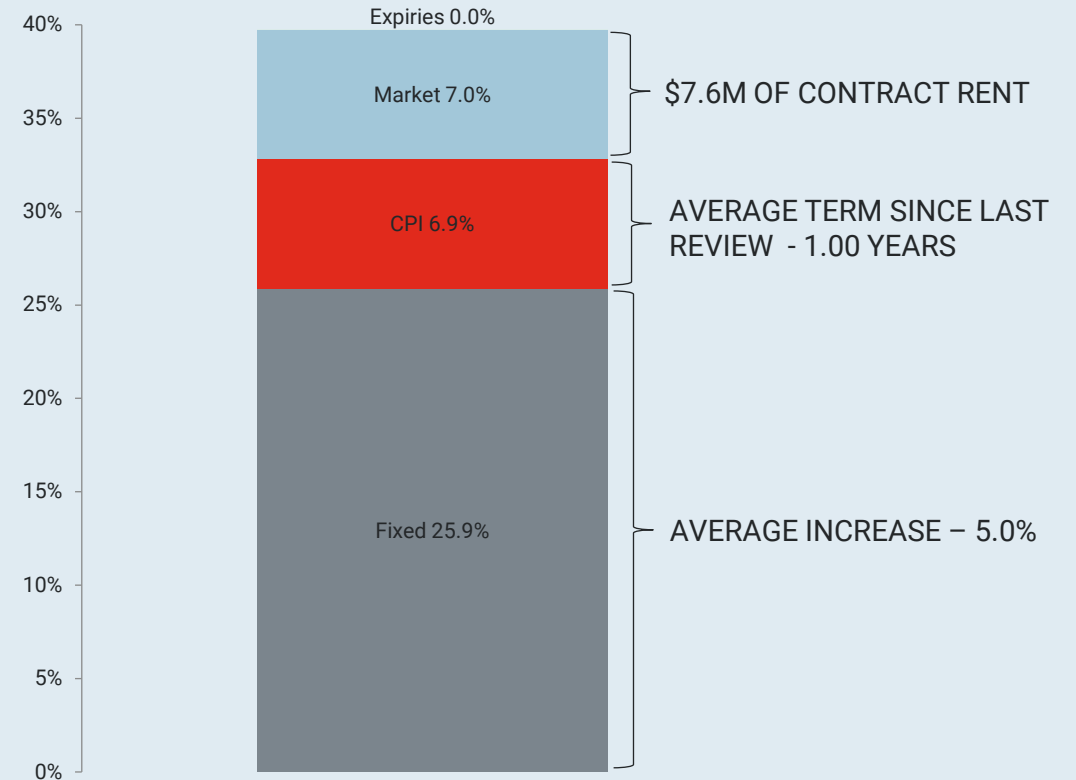
FY26 LEASE EXPIRIES



RENT REVIEWS

- 49 rent reviews during H1 FY25 delivered an increase of 7.8% on ~\$36.7m of contract rent (~6.6% annualised, up from 5.7% in FP24)
 - 30 fixed reviews delivered an increase of 2.9% on ~\$24.7m of contract rent (~2.9% annualised)
 - Six market rent reviews delivered an increase of 20.1% on \$3.1m of contract rent (annualised increase of 5.7% over an average review period of 3.5 years)
- No contract rent due to expire in the second half of FY25
- Around 40% of PFI's portfolio is subject to some form of lease event during the remainder of FY25:
 - Market reviews (7.0% of contract rent) ~21% under-rented at December 2024 after factoring in review caps

REMAINING FY25 LEASE EVENTS % OF CONTRACT RENT

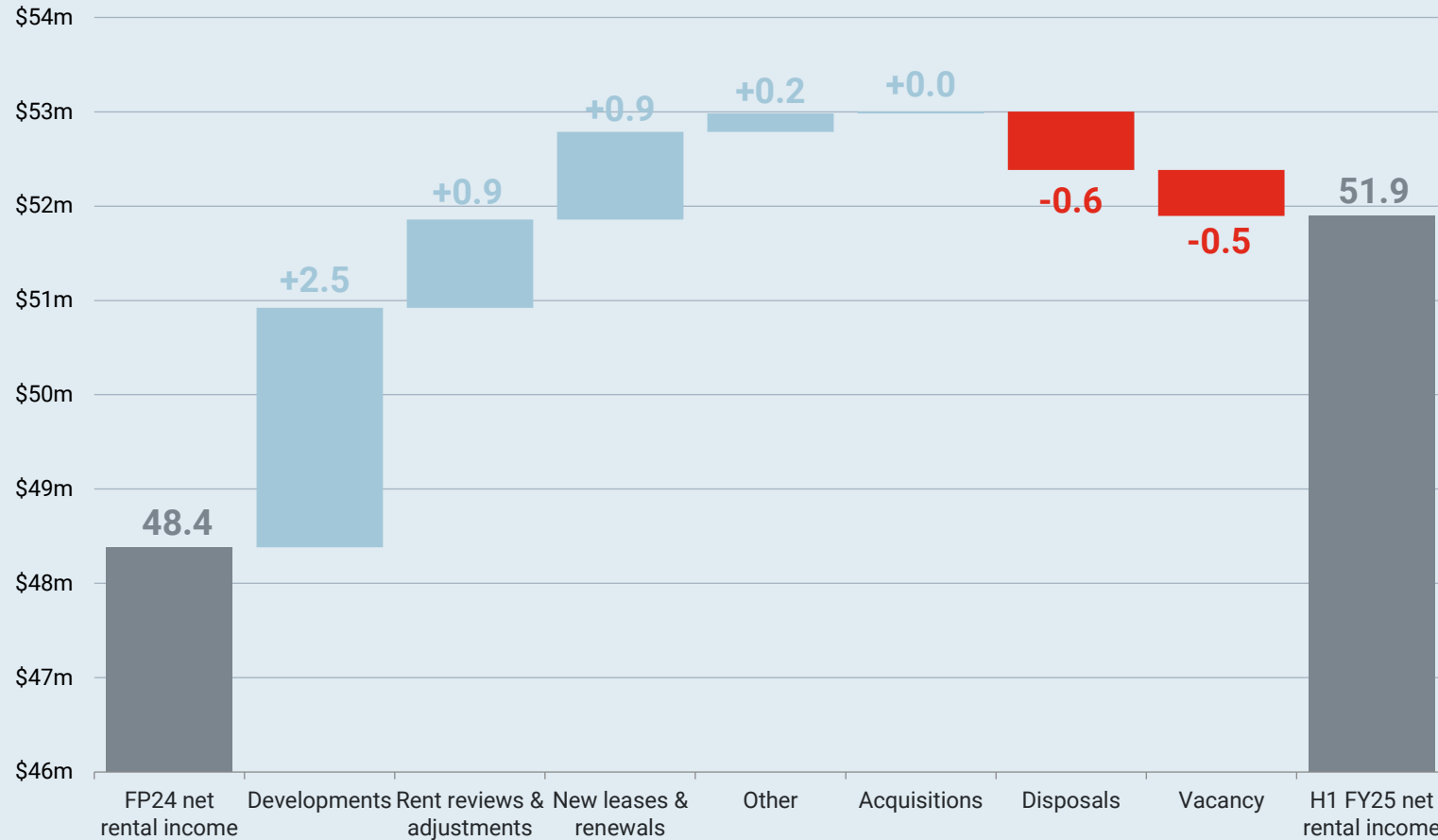


FY25 INTERIM RESULTS

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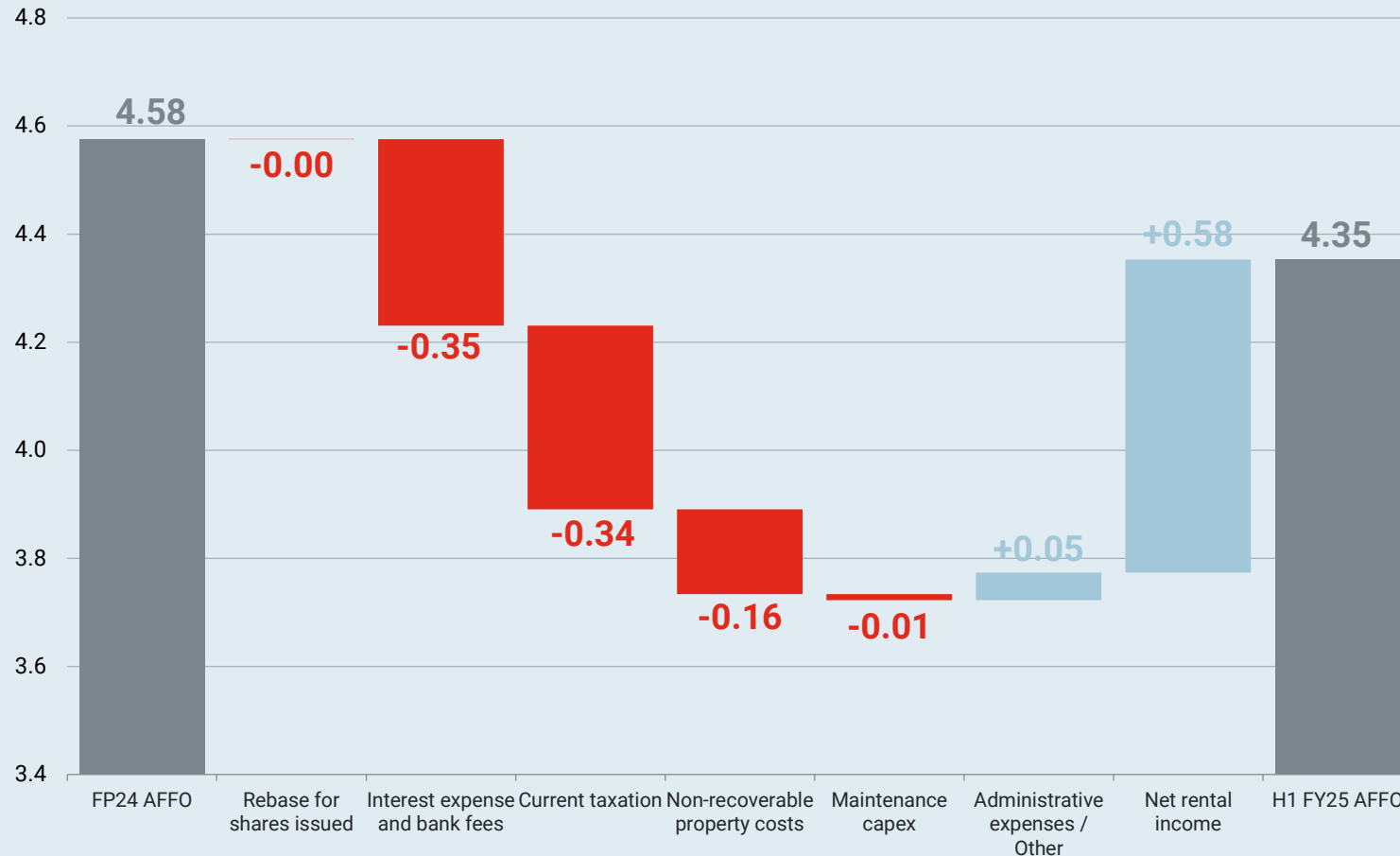
NET RENTAL INCOME



- Net rental income¹ of \$51.9m up \$3.5m or 7.3% on the pcp (\$48.4m)
- Additional income from the completion of 5 Green Star development projects at 30-32 Bowden Road and Stage 1 of 78 Springs Road contributed to an increase of +\$2.5m
- Positive leasing activity contributed to an increase totaling +\$2.0m (rent reviews & adjustments +\$0.9m, new leases & renewals +\$0.9m, other +\$0.2m)
- Decreases due to current and prior period divestment activity (-\$0.6m) and vacancy (-\$0.5m)

¹ Refer note 2.4 of the interim financial statements. Excludes service charge income recovered from tenants and management fee income.

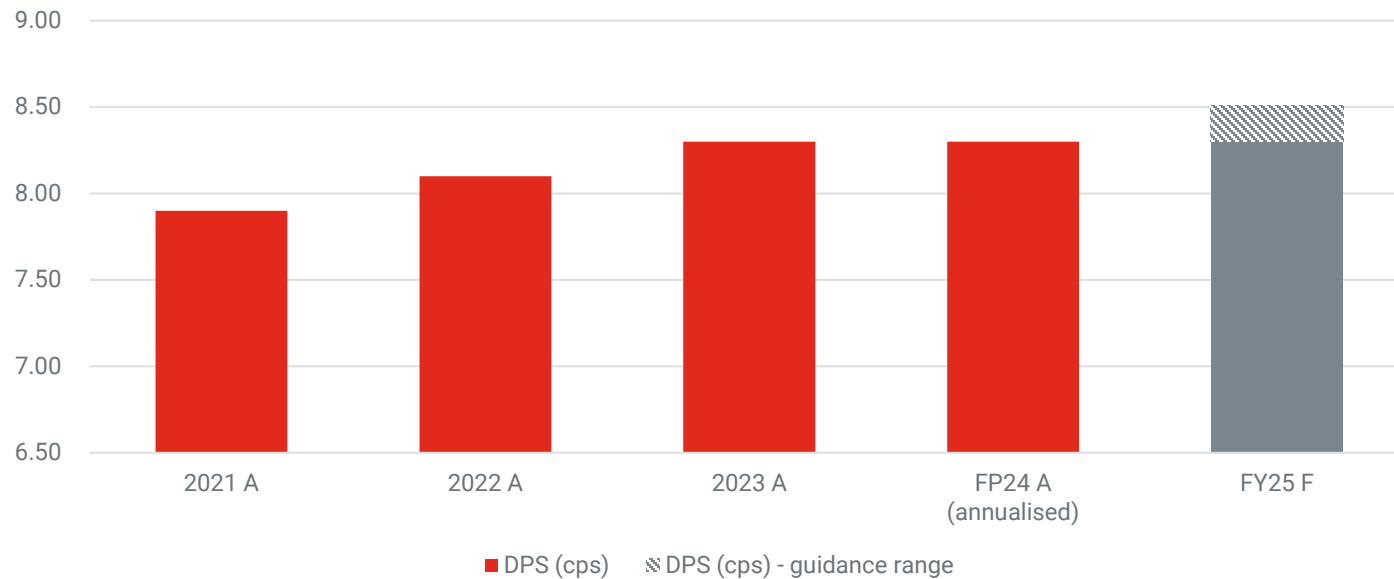
ADJUSTED FUNDS FROM OPERATIONS (AFFO)



- AFFO of 4.35 cps, 0.23 cps or 4.9% down on FP24
- Interest expense and bank fees up \$1.7m or 0.35 cps, lower level of capitalised interest following completion of development projects
- Effective tax rate of 15.4% up 5.7% on FP24, driven by lower depreciation deductions as a result of changes to tax legislation
- Maintenance capex flat on FP24 at ~20 basis points
- Net rental income (including AFFO adjustments) up \$2.9m or 0.58 cps on FP24

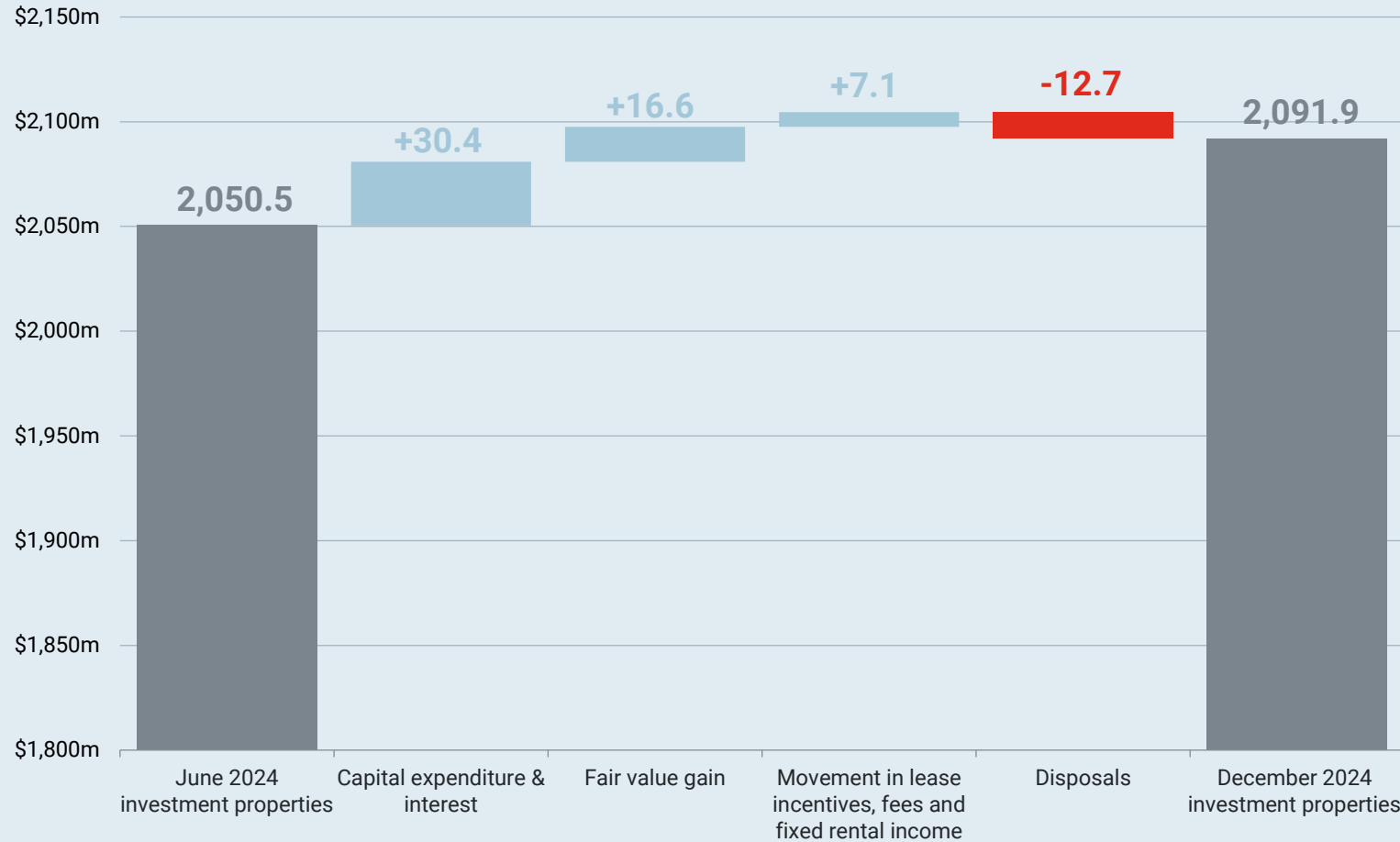
EARNINGS, DIVIDENDS, GUIDANCE

EARNINGS	H1 FY25 CPS	FP24 CPS	CHANGE
FUNDS FROM OPERATIONS	4.84	5.03	-0.19 cps or -3.8%
ADJUSTED FUNDS FROM OPERATIONS	4.35	4.58	-0.23 cps or -4.9%



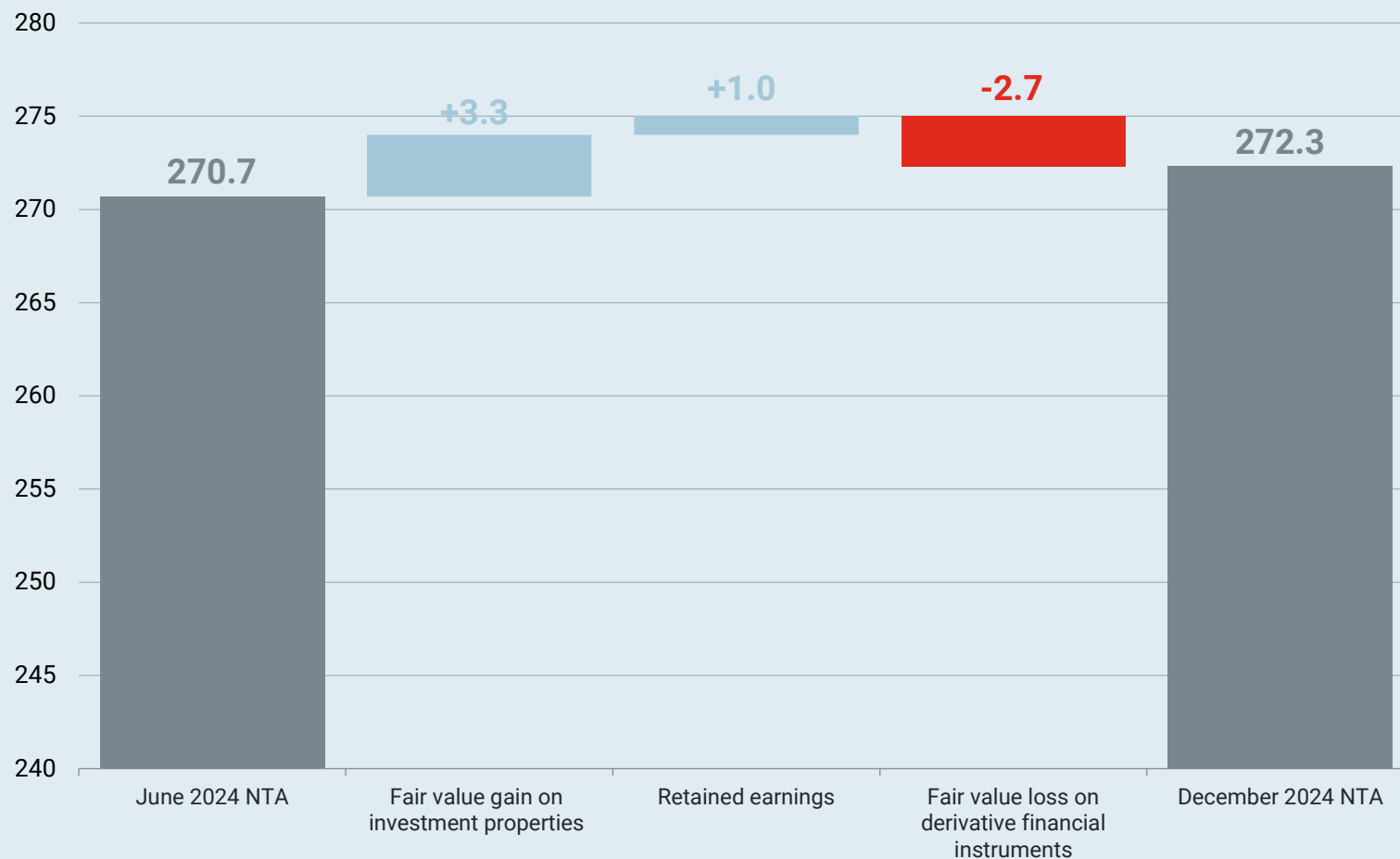
- H1 FY25 cash dividends total 4.00 cps
- Based on H1 FY25 performance and recent trading, PFI expects to declare FY25 cash dividends of 8.50 cps (top end of original guidance), an increase of 0.20 cps or 2.4% on FP24 dividends (annualised)
- FY25 cash dividends of 8.50 cps anticipated to result in a dividend pay-out towards the middle of PFI's [dividend policy](#) range, and around 100% of AFFO on a one-year basis
- Guidance subject to no material adverse changes in conditions or unforeseen events, including no material tenant failures

INVESTMENT PROPERTIES



- Portfolio value of \$2.09 billion at December 2024
- Capex at 30-32 Bowden Road and 78 Springs Road (5 Green Star developments), 212 Cavendish Drive (refurbishment), 43 Cryers Road (office refurbishment), 12 Zelanian Drive (yard extension)
- Full valuations on 15 properties resulted in write-up of \$16.6m or 3.1%
- 44 Mandeville Street, Christchurch, divestment settled in December 2024

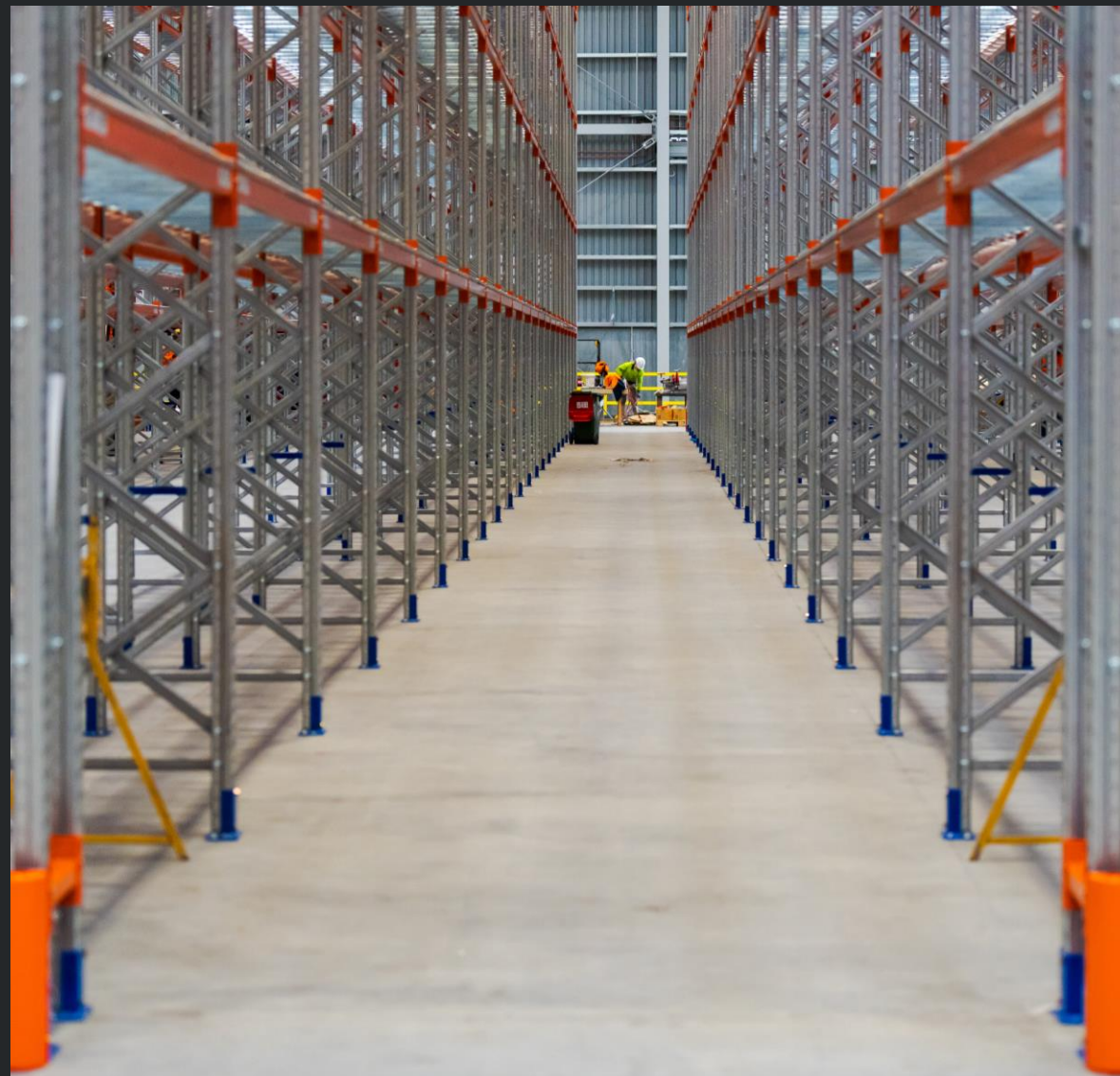
NET TANGIBLE ASSETS (CPS)



- Net tangible assets (NTA) per share increased by 1.6 cps or 0.6%
- Change in NTA per share driven by increases in the fair value of investment properties (+3.3 cps) and retained earnings (+1.0 cps), partly offset by a decrease in the net fair value asset for derivative financial instruments (-2.7 cps)

CAPITAL MANAGEMENT

04.

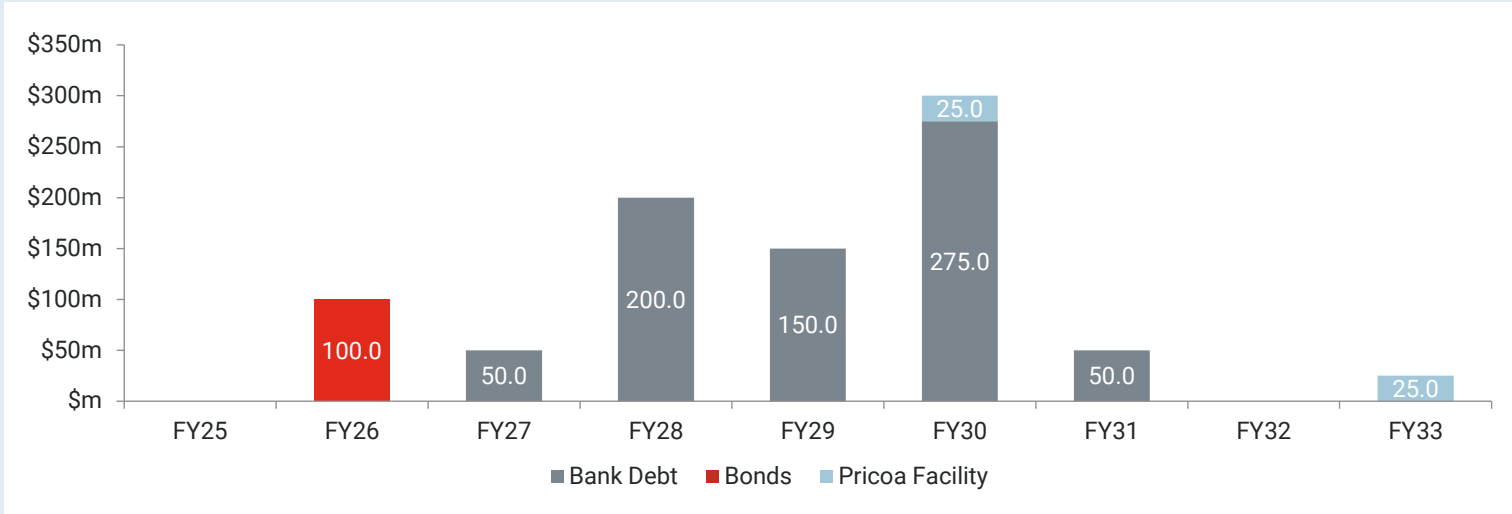


FUNDING, COVENANTS, INTEREST RATES

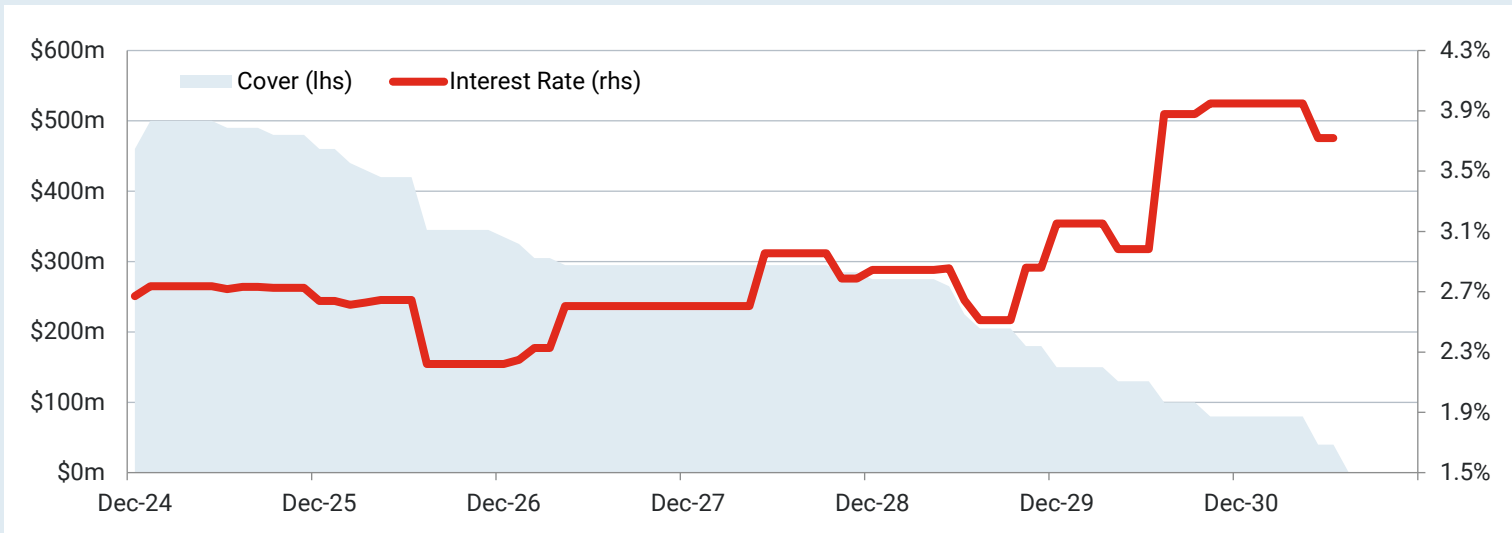
	DECEMBER 2024	JUNE 2024
FUNDING		
BANK FACILITIES DRAWN	\$548.1m	\$450.5m
BANK FACILITIES LIMIT	\$725.0m	\$675.0m
BANK FACILITIES HEADROOM	\$176.9m	\$224.5m
DCM ¹	\$150.0m	\$225.0m
FUNDING TERM (AVERAGE)	3.6 years	2.2 years
BANKS	ANZ, BNZ, CBA, Westpac	ANZ, BNZ, CBA, Westpac
COVENANTS		
LOAN-TO-VALUE RATIO (COVENANT: <50%)	33.4%	32.9%
INTEREST COVER RATIO (COVENANT: >2.0X)	2.5 times	2.8 times
INTEREST RATES		
WEIGHTED AVERAGE COST OF DEBT	4.93%	5.72%
INTEREST RATE HEDGING (EXCL. FORWARD STARTING)	\$505m / 2.93% / 2.9 years	\$400m / 2.64% / 2.6 years
FORWARD STARTING INTEREST RATE HEDGING	\$190m / 3.93% / 3.0 years	\$175m / 4.05% / 3.6 years

- \$550m of facilities refinanced or established in H1 FY25
- PFI010 Bonds (\$100m) repaid in November 2024
- Disposal of 44 Mandeville Street, Christchurch (\$13.25m) settled in December 2024, with proceeds recycled into current brownfield redevelopment projects
- December 2024 gearing of 33.4% lifting to ~35.8% after committed acquisitions and projects, near the middle of PFI's target range
- Significant decrease in weighted average cost of debt following 125 basis points of OCR cuts over the second half of 2024

DEBT MATURITY PROFILE, HEDGING



- PFI’s debt instruments have an average term to expiry of ~3.6 years (top chart), with adequate unutilised bank facility capacity



- Fixed rate payer hedging profile (lower chart) provides for an average of ~69% of debt to be hedged at an average fixed rate of ~2.73% during H2 FY25, offering some protection from floating interest rates

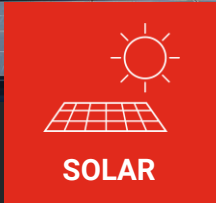
SUSTAINABILITY

05. ■



SUSTAINABILITY TARGETS

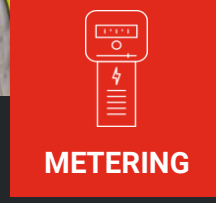
HOW WE'RE TRACKING:



TARGET: Install solar systems at five buildings by the end of 2025¹

STATUS: **ACHIEVED**

We have successfully installed 1,400 solar panels across 7 buildings in our portfolio. These installations were either in collaboration with tenants at existing sites, as part of Green Star developments, or sustainable refurbishments.



TARGET: Implement power metering and monitoring for 90% of properties by the end of FY25.

STATUS: **ACHIEVED**

We have now installed power metering systems at 83 properties. This equals 92% of our overall portfolio.



TARGET: Significant new buildings to target a minimum 5 Green Star certification.

STATUS: **ON TRACK**

5 Green Star developments have now been completed at 30-32 Bowden Road and for Stage 1 of 78 Springs Road.² We are also targeting Green Star certification for the redevelopment of 78 Springs Road, which has now commenced

¹This target is currently under review, with an updated target expected to be announced with our annual results, ² PFI is well progressed through the New Zealand Green Building Council Green Star certification process.

SUSTAINABLE REFURBISHMENT

A sustainable refurbishment was carried out on the vacant property at 212C Cavendish Drive, Wiri using PFI's Sustainable Refurbishment Framework. This framework provides a way to minimise environmental impacts when undertaking refurbishment projects through a preference for lower-carbon materials and resource efficient design features.

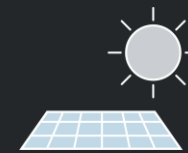
The sustainable refurbishment assisted PFI to secure a new tenant, Portacom, for this property (post balance date).



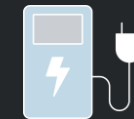
212C CAVENDISH DRIVE, WIRI



KEY ELEMENTS INCLUDE:



SOLAR PANELS



EV CHARGERS



LED LIGHTING AND LIGHTING CONTROLS (OFFICE & CANOPY)



RAINWATER HARVESTING



DOUBLE GLAZING (OFFICE)



INSULATION (OFFICE)

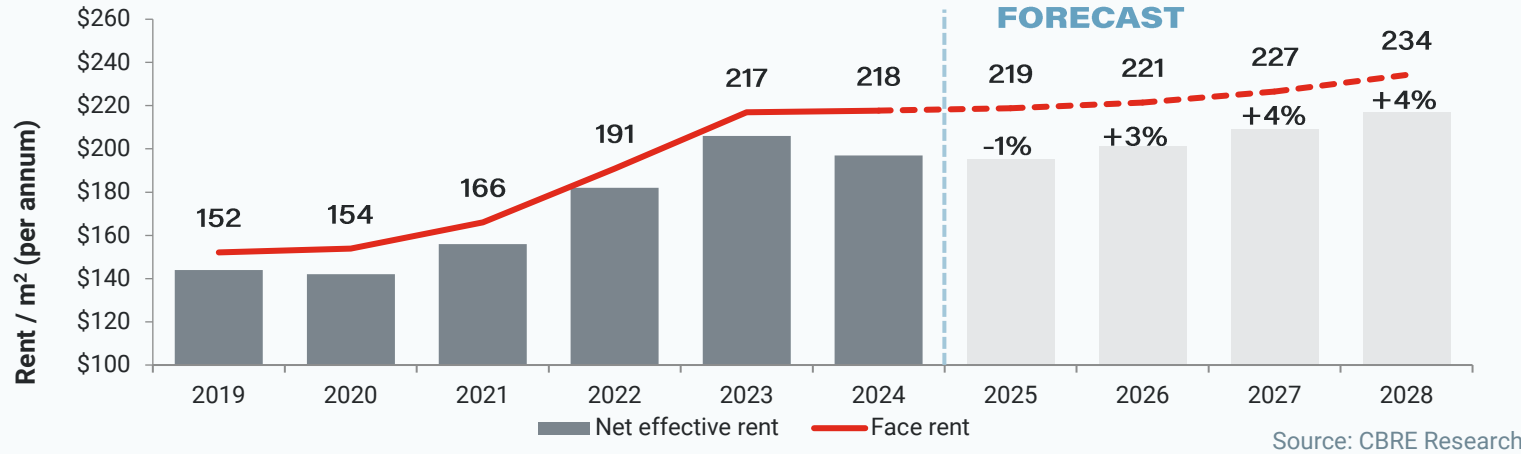
MARKET

06. ■

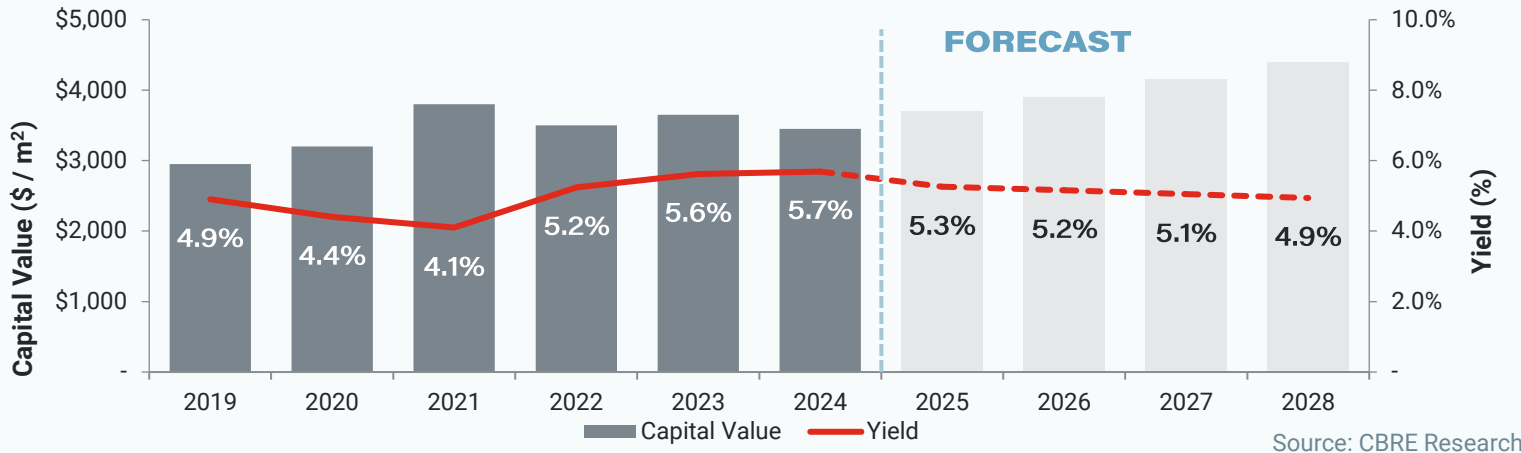


MARKET UPDATE

AUCKLAND PRIME INDUSTRIAL RENTS



AUCKLAND PRIME INDUSTRIAL MARKET YIELDS



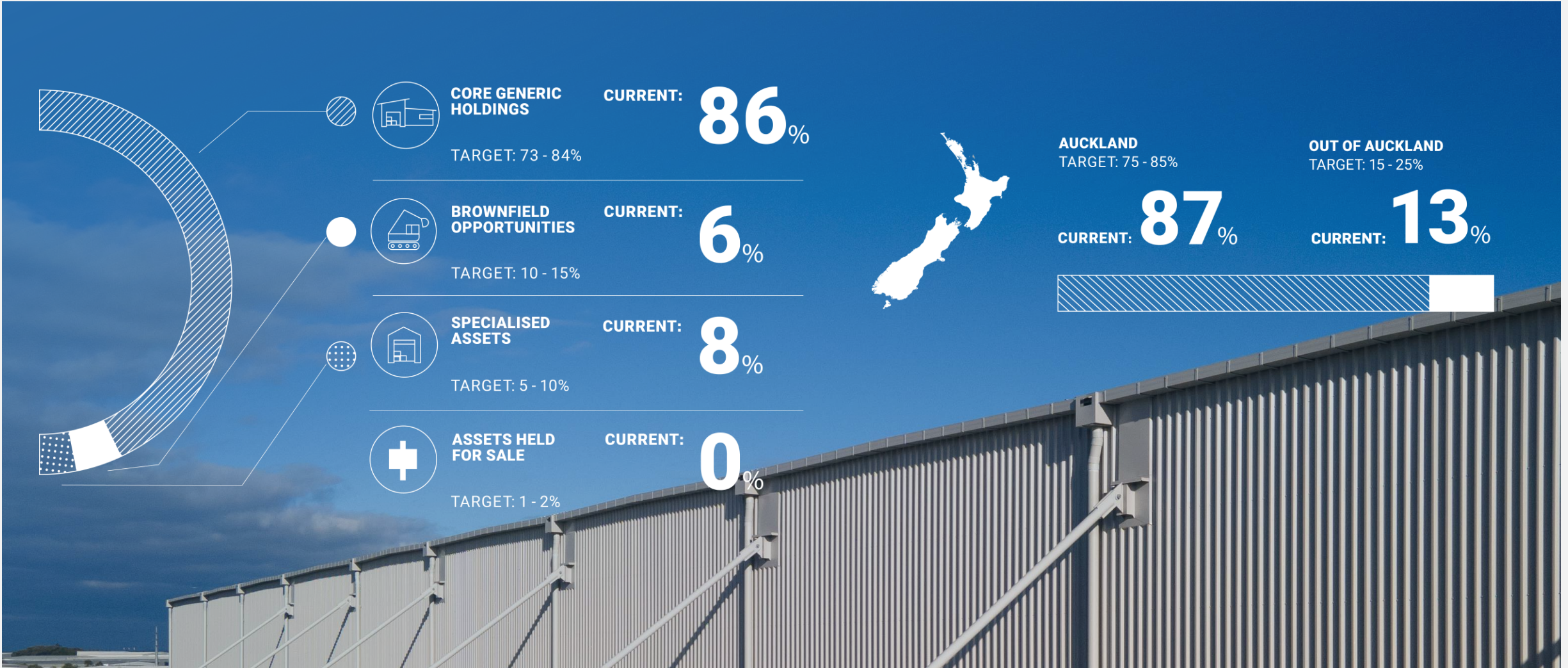
- After unprecedented growth over the last 5 years, CBRE¹ are expecting Auckland industrial rents to plateau through to 2025 before returning to growth from 2026 onward (top chart)
- PFI has achieved market leading rents on its recent developments (\$230 – 240 / sqm), reflecting the 5 Green Star rating build quality and prime locations
- CBRE¹ research suggests that Auckland industrial cap rates have stabilised, with yields forecast to firm over the next 2-years (~0.5%) and through to 2028 (~0.8%) (lower chart)
- Both dynamics are set to benefit PFI’s portfolio, as under-renting gaps close (Dec-24: ~14%) and cap rates firm (Dec-24: 5.81%)

OUR PRIORITIES

07.



OUR PORTFOLIO



COMPLETED DEVELOPMENTS

	30-32 BOWDEN ROAD	78 SPRINGS ROAD – STAGE 1	TOTAL
TOTAL PROJECT COST (INCLUDING LAND)	\$101.3m	\$111.2m	\$212.5m
VALUATION ¹	\$101.5m	\$120.0m	\$221.5m
MARKET CAP RATE ¹	5.25%	5.38%	5.32%
TOTAL CONTRACT RENT	\$5.1m	\$6.1m	\$11.2m
VALUER ASSESSED MARKET RENT ¹	\$5.4m	\$6.7m	\$12.1m
WEIGHTED AVERAGE LEASE TERM (WALT)	12.0 years	15.0 years	13.4 years
5 GREEN STAR RATED INDUSTRIAL AREA	~27,000 sqm	~28,300 sqm	~55,300 sqm



¹ As at 31 December 2024.

BROWNFIELD OPPORTUNITIES



30-32 BOWDEN RD MT WELLINGTON

- Both buildings have achieved practical completion, and were delivered on-time and on-budget
- Tokyo Food warehouse achieved a 5 Green Star Design rating, Daikin warehouse well progressed through design certification process
- Both buildings now considered 'core-generic' holdings



78 SPRINGS RD EAST TAMAKI

- Stage 1 achieved practical completion in October 2024, and was delivered on-time and on-budget. Stage 1 now considered 'core-generic'
- Well progressed through 5 Green Star design certification process
- Construction of Stage 2 (~11,300 sqm of warehouse) commenced January 2025



SPEEDING ROAD WHENUAPAI

- Spedding Road provides the opportunity to invest an additional ~\$130m (including land) into PFI's development pipeline, bringing PFI's total pipeline of incremental development spend to ~\$355m
- Spedding Road land acquisition (\$40.6m) conditional on titles being received and works being complete (expected mid-to-late-2025)



OTHER

- PFI to commence redevelopment of remaining brownfield sites from 2027 and beyond
- Redevelopment of end-of-life buildings to a Green Star standard is a key part of PFI's transition to a low-carbon, climate-resilient portfolio

¹ PFI has achieved a 5 Green Star – NZ Design and As Built v.1.0 Design Certified Rating in relation to the Tokyo Food development at 32 Bowden Road and is well progressed through the 'As Built' certification process. PFI is also well progressed through the design certification process in relation to the Daikin development at 30 Bowden Road and the Fisher and Paykel Appliances development at 78 Springs Road (Stage 1)

78 SPRINGS ROAD

STAGE 2

ESTIMATED PROJECT COST (INCL LAND)

\$60.1m

TARGET RETURN ON COST

>6.0%

CONTRACT RENT ON COMPLETION¹

\$3.7m

% OF DEVELOPMENT PRE-LEASED

~60 %

5 GREEN STAR RATED INDUSTRIAL AREA

~16,000sqm





316 NEILSON STREET

PURCHASE PRICE

\$8.5m

INITIAL YIELD

3.58%

WALT

3.0 years

SITE AREA

5,607 sqm

CONTIGUOUS INDUSTRIAL ESTATE

~5.7 ha

REVIEW & QUESTIONS

08. ■



REVIEW & QUESTIONS

“

The completion of over \$220m of 5 Green Star rated industrial developments on-time and on-budget is a key milestone for PFI.

With signs of recovery emerging in the valuation of PFI’s \$2.1bn industrial property portfolio, and careful application of strategy, PFI is well placed to navigate the remainder of FY25.



SIMON WOODHAMS
Chief Executive Officer



ROBUST INTERIM RESULT



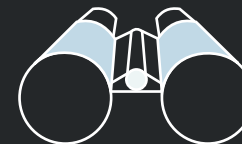
CONTINUED STABILITY OF PORTFOLIO FUNDAMENTALS



NEXT PHASE OF GREEN STAR DEVELOPMENT PIPELINE TO COMMENCE



DISCIPLINED CAPITAL MANAGEMENT



OUTLOOK



THANK YOU FOR ATTENDING

APPENDIX 1 – FFO AND AFFO CALCULATIONS

Funds / Adjusted Funds From Operations (unaudited, \$000, unless noted)	For the six months ended 31 December 2024	For the six months ended 30 June 2024
Profit (loss) and total comprehensive income after income tax attributable to the shareholders of the Company	28,758	21,181
<i>Adjusted for:</i>		
Fair value (gain) / loss on investment properties	(16,605)	4,166
Material damage insurance income	-	(6)
(Gain) / loss on disposal of investment properties	(63)	526
Fair value loss / (gain) on derivative financial instruments	13,794	(3,611)
Amortisation of tenant incentives	1,263	1,259
Straight lining of fixed rental increases	(462)	21
Deferred taxation	(2,389)	1,709
Other	-	-
Funds From Operations (FFO)	24,296	25,245
FFO per share (cents)	4.84	5.03
Maintenance capex	(2,027)	(1,971)
Incentives and leasing fees given for the period (stabilised assets only, excludes development assets)	(454)	(349)
Other	44	53
Adjusted Funds From Operations (AFFO)	21,859	22,978
AFFO per share (cents)	4.35	4.58

DISCLAIMER: The information included in this presentation is provided as at 25 February 2025 and should be read in conjunction with the interim financial statements, NZX results announcement, NZX Form –Results Announcement and NZX Form –Distribution Notice issued on that same day.

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Past performance is not a reliable indicator of future performance.

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Our results are reported under NZ IFRS. This presentation includes non-GAAP financial measures which are not prepared in accordance with NZ IFRS. The non-GAAP financial measures used in this presentation include Funds From Operations (FFO) and Adjusted Funds From Operations (AFFO). The calculation of FFO and AFFO is set in Appendix 1 this presentation.

FFO and AFFO are common property investor metrics and therefore we believe they provide useful information to readers to assist in the understanding of our financial performance, financial position and returns. They should not, however, be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS. Non-GAAP financial measures may not be comparable to similarly titled measures reported by other entities.

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