Argosy

SEPTEMBER 2026 | VOLUME III

THE Steward

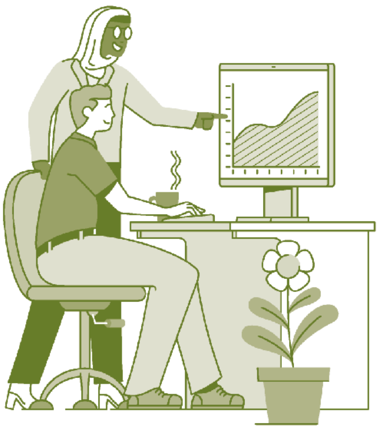
AN ARGOSY PERSPECTIVE

Welcome to the latest edition of The Steward.

There's plenty happening across our portfolio, from new developments and improved tenant facilities to well-deserved recognition for our people and properties.

We've also been getting out into the community, supporting the next generation of property professionals and lending a hand to some great organisations.

We hope you enjoy this latest snapshot of what we've been up to as we continue Building a Better Future together.



Property Council Tour Event, Mt Richmond.

Development Update

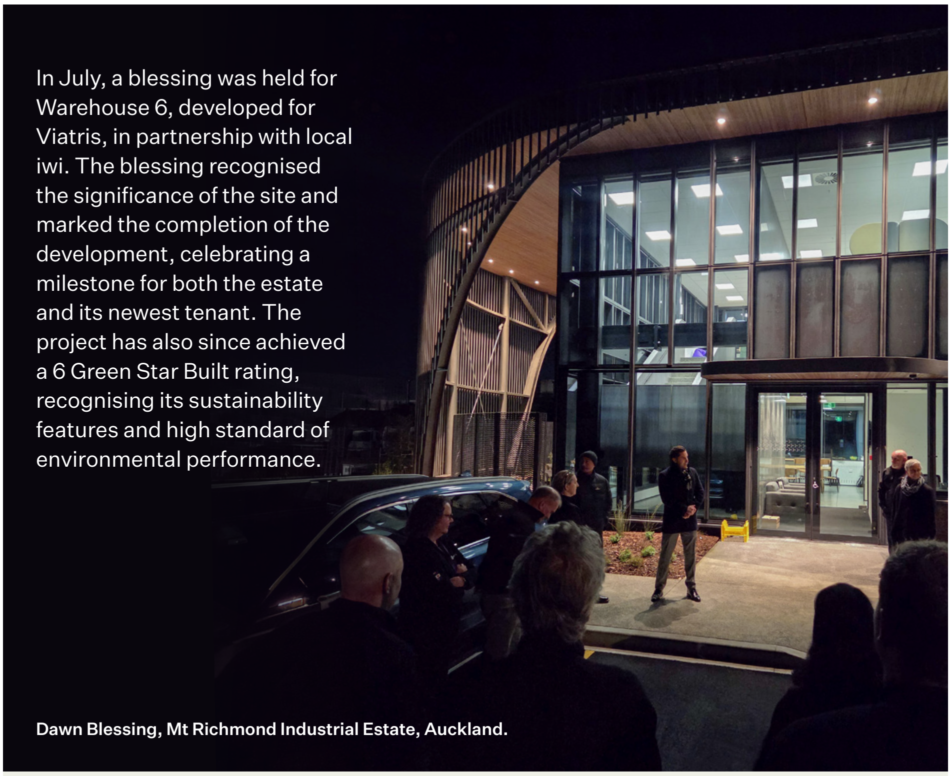
It's been a busy few months across our Auckland industrial developments, with some significant milestones reached.

MT RICHMOND

Warehouse 6 at Mt Richmond Industrial Estate reached practical completion in May, with Viatris moving in the following month. A blessing was held in July to welcome Viatris and mark another important milestone for the development.

Earlier in the year, around 60 people visited the site as part of a Property Council New Zealand tour, hearing from our team and JLL before taking a look around the new facility.

In July, a blessing was held for Warehouse 6, developed for Viatris, in partnership with local iwi. The blessing recognised the significance of the site and marked the completion of the development, celebrating a milestone for both the estate and its newest tenant. The project has also since achieved a 6 Green Star Built rating, recognising its sustainability features and high standard of environmental performance.



Dawn Blessing, Mt Richmond Industrial Estate, Auckland.

Mt Richmond
Industrial Estate / Warehouse 6
Mt Wellington
AUCKLAND

greenstar Certified 6 Built
NZGBC
TE KAUNIHERA HANGANGA TAUTAIAO

224 NEILSON STREET

Leasing activity has also continued at nearby 224 Neilson Street with ECLY Limited securing a 16-year lease for Warehouse A from March 2027.

The development also picked up some impressive recognition at the 2026 Master Builders Commercial Project Awards. The 6 Green Star-rated project received a National Category Award, a Gold Award and the overall Environmental and Sustainability Award.

The Argosy team at the 2026 Master Builders Commercial Property Awards.

Building Update

A NEW LEASE OF LIFE AT CITIGROUP CENTRE

A former NZ Post PO Box facility at Citigroup Centre has been transformed into a modern end-of-trip facility, new retail tenancy and three secure storage units.

Designed to support active lifestyles and more sustainable ways of getting to work, the new end-of-trip facility includes premium showers, changing areas and secure lockers.

Together, the changes have turned an underused area into a more functional space, while providing better facilities and a better building experience for tenants and their visitors.

Citigroup Centre, Auckland.

> We're proud to see 224 Neilson Street recognised on the national stage. These awards acknowledge the hard work of the entire team and the project's strong sustainability outcomes.

Simon Brake
DEVELOPMENT MANAGER

CEO Insight

Peter Mence
CHIEF EXECUTIVE OFFICER

Current market conditions are being shaped by a high level of geopolitical instability, and any discussion of the international and domestic economies will be forced to consider the effects of the Middle East conflict, including the resulting constraints on oil supplies around the world.

This is compounded by uncertainty surrounding international trade, including tariffs. These developments have contributed to heightened market volatility and inflationary pressures, while established trade patterns are changing, with little certainty of where these will settle.

Domestically too, there are changes with further reductions targeted in the headcount of Government employees, and in migration numbers. Over the last few months, we have seen the tarnishing of the artificial intelligence (AI) star, with the breaking of supposed tethers and undirected hacking into computer data systems. With China and America both racing to dominate this field, it should not be surprising to find that the new toy is over-reaching (it should be noted that this column is prepared the old fashioned way!).

Then of course we have an election due in New Zealand and opinion polls are, to date, not anointing a probable winning combination. It may be that the mid-term elections in America are of greater economic impact in New Zealand than our own Government elections.

In the climate change area, there is plenty to be concerned about, and plenty to be thankful that we live in New Zealand for. The northern hemisphere has been dealing with weather extremes producing droughts or flooding, depending on the location.

Extreme heat and wildfires have rocked the United Kingdom and Europe. In addition to the human costs, property has been destroyed and travel disrupted. The tragedy in Nepal has brought home the unpredictable power of nature.

Scientists have noted that the world, when viewed from space, has become duller – that is less reflective. Apparently this is measured by what is referred to as the earth's planetary albedo and suggests that the world is absorbing heat from the sun rather than reflecting it at a higher level. Ironically, this may be contributed to by a reduction in atmospheric pollutants.

As is often observed, the share market hates uncertainty and we can certainly see the impact on the NZX. So top down, there are plenty of issues to focus on.

Real estate as an asset class has the solid benefit of being tangible, and often the investment community will neglect this benefit when assessing the investment case for the sector. It is not a sector where asset values can evaporate to zero in the face of the next best product arriving in the market.

The domestic property market is continuing to deliver stability in investment values and income levels that provide regular predictable dividends. The market is coming from a relatively modest level of valuation and there is little excess capacity. In this context, it is worth considering just how much negativity is currently priced into current trading prices and assess what level of downside realistically is justified. Certainly, leasing activity is slower than before the commencement of hostilities in Iran, and there has been some slight easing in net effective rentals. There is some excess capacity in the industrial market in Auckland and in commercial offices in both Auckland and Wellington, that may take some time to absorb. However this is already factored into most asset valuations, and in Wellington office, enquiry is surprising on the upside.

The Argosy portfolio has shown some good bottom-up improvement since my last update and is not causing significant concern with either investment values or income levels. The portfolio has weathered another downturn very well and has consistently demonstrated resilience, one of the benefits of diversification. New leases, lease renewals and lease extensions have been secured across all three sectors in both Wellington and Auckland, with notable success in the Wellington office market at 147 Lambton Quay.

It is easy for market commentators to make the mistake of assuming that all assets in a sector are going to perform in the same way, but (with apologies to George Orwell) some animals are more equal than others. This is particularly so with the Wellington commercial office market where there is a locational preference for occupants being close to parliament, a seismic preference for buildings of at least 80% of the new building standard, and a sustainability preference for buildings of at least 4 stars (built or performance rating).

The Argosy portfolio is well positioned and we are building momentum on the leasing front. This is a positive backdrop upon which to consider the next period and reassuring for those of us that rely on regular and sustainable dividend payments.

This commentary is provided for general information only and does not constitute financial or investment advice. You should consider your own circumstances and seek independent professional advice before making any investment decisions.

Tenant Spotlight

Henkel New Zealand

This year marks a significant milestone for Henkel as the company celebrates 150 years of innovation. Operating in New Zealand for nearly four decades, Henkel is a leader in adhesives, sealants, coatings and consumer brands, supporting customers across a diverse range of industries.

For the Henkel team, 2 and 12 Allens Road were a natural fit. The industrial buildings provide a combination of quality office and operational space, excellent transport connections and easy access for customers and suppliers, supporting both day-to-day operations and future growth.

The Henkel team speaks highly of its Argosy Property Manager and Asset Manager, valuing their practical support, responsiveness and willingness to work collaboratively to meet the needs of the business.

A major milestone for Henkel was bringing its Adhesive Technologies and Consumer Brands teams together at 2 Allens Road last year, creating a more connected workplace and strengthening collaboration across the business.

Reflecting the breadth of Henkel's work, its technologies have been used in projects such as Barcelona's iconic Sagrada Familia, now the tallest church in the world. Closer to home, the team enjoys making the most of the East Tamaki and Highbrook area, with local cafés and eateries proving popular for coffee catch-ups and customer meetings.

New and Renewed Tenants

We're pleased to welcome the following new tenants:

- **ECLY Limited**, 224A Neilson Street – 12,077m² of office and warehouse on a new 16-year lease
- **Viatris Limited**, 8–14 Mt Richmond Drive – 5,871m² of office and warehouse on a new 10-year lease
- **Moore Markham Partnership**, 101 Carlton Gore Road – 989m² of office on a new nine-year lease
- **New Zealand Red Cross Incorporated**, Albany Mega Centre – 509m² of retail space on a new five-year lease
- **Financial Services Complaints Limited**, 147 Lambton Quay – 496m² of office on a new six-year lease
- **Scott Technology NZ Limited**, 101 Carlton Gore Road – 473m² of office on a new eight-year lease.

And we're pleased to have the following tenant extend their stay with us:

- **Alpine Motors Limited**, 291 East Tamaki Road – 280m² of warehouse on a two-and-a-half-year extension.

Staff Spotlight

Oli Pritchard
PROPERTY MANAGER

Nine months into his time with us, Property Manager Oli Pritchard is making the most of everything the property sector has to offer.

Having grown up around property, Oli developed an early appreciation for the difference well-managed spaces can make to businesses, communities and the people who use them every day.

One of his highlights so far has been managing our own home at 39 Market Place. He particularly enjoys the people side of the role, working with tenants, contractors, consultants and colleagues to solve problems and get things done.

Outside work, you'll often find Oli surfing Auckland's east or west coast, or fitting in a gym session. And his advice for anyone starting out in property? Stay curious, keep learning and embrace new opportunities.

MARILYN STOREY RECOGNISED AS A WOMAN OF IMPACT

A big congratulations to our Head of Development, Marilyn Storey, who was named in Property Council New Zealand's Women of Impact Property list earlier this year.

Released to mark International Women's Day, the list recognises women making a significant contribution to New Zealand's property sector.

Marilyn's inclusion acknowledges both her leadership within the industry and her track record of delivering successful development outcomes. It's fantastic to see her contribution recognised alongside other women helping shape New Zealand's built environment.

> It's a privilege to be included among such an inspiring group of women and I'm proud to contribute to an industry that helps shape the way people live, work and connect.

Marilyn Storey
HEAD OF DEVELOPMENT

Community Update

Putting future property talent to the test

We were pleased to support The Property Foundation's 2026 Case Challenge, providing a real-world property case study with support from Donavin Wick, Development Manager.

The standard of the student teams was exceptional and a great showcase of the future talent coming into New Zealand's property sector. Teams from Auckland, Lincoln and Massey universities will now represent New Zealand at the PropConnex Case Competition in Sydney.

Supporting Keystone Trust

We recently joined more than 500 property industry colleagues at the Keystone Trust Rugby Lunch at the New Zealand International Convention Centre.

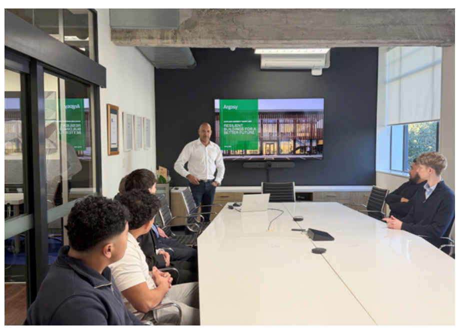
Hosted by Paddy Gower and featuring Mils Muliaina and John Afoa, the event raised funds for scholarships, development programmes and hardship assistance. A highlight was hearing directly from students about the difference Keystone Trust has made to their education and career journeys.

Rolling up our sleeves

Earlier this year, our team put their volunteer days to good use with Camp Bentzon and the New Zealand Food Network.

At Camp Bentzon, the team helped with clean-up and maintenance work to improve the camp's facilities and outdoor spaces. At the New Zealand Food Network, volunteers sorted and packed fresh produce and other food that would otherwise have gone to landfill, ready for distribution to charities around the country.

Two very different days, but both great opportunities to support organisations making a positive difference.



Getting a taste of the property industry

In May, we welcomed University of Auckland students as part of the Department of Property's Buddy Programme.

Starting at 82 Wyndham Street, the students then split into groups to visit Citigroup Centre and Mt Richmond, meeting our people and getting a first-hand look at asset management, development and sustainability in action.

It was a great opportunity to give students a taste of the breadth of careers available in commercial property and bring some of their classroom learning to life.

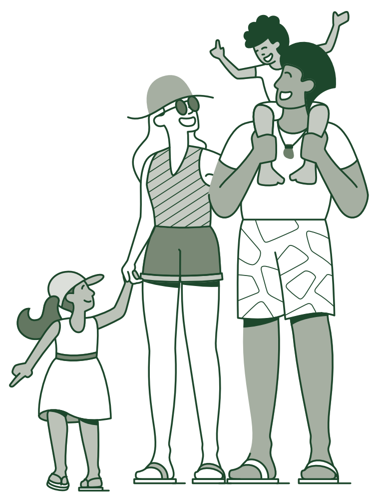
Saatyesh Bhana, Head of Sustainability volunteering at Camp Bentzon.

Camp Bentzon Update

Camp Bentzon has had a productive winter, with several improvement projects completed ahead of the busy school camp season. The largest project has been the refurbishment of the female ablution block, including new plumbing, wiring, ventilation, lighting, showers, toilets and finishes. The upgrade modernises a facility that has served youth for more than 30 years.

The camp has also developed a new team-based activity where students work together to construct a bridge and move their group across an obstacle using limited resources.

Despite rising costs across the construction sector, Camp Bentzon continues to invest in its facilities while working hard to keep camp fees affordable for schools. We are pleased to continue supporting the camp and the opportunities it provides for young New Zealanders.



Portfolio Update
As at 31 August 2026

PROPERTIES

49

PORTFOLIO

$2.25b

TENANTS

183

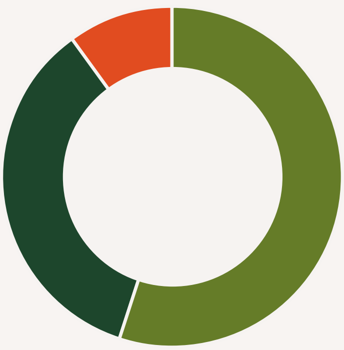
WALT

5.3yrs

OCCUPANCY BY RENT

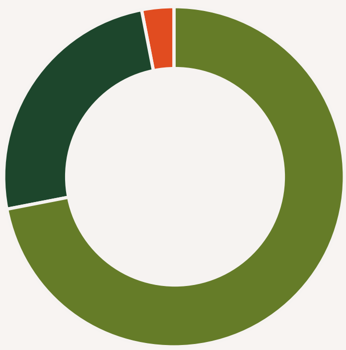
97.3%

TOTAL PORTFOLIO UPDATE
by sector



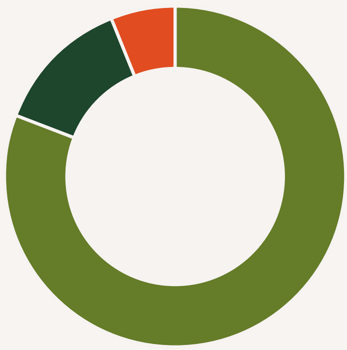
- 55% Industrial
- 35% Office
- 10% Large Format Retail

TOTAL PORTFOLIO UPDATE
by region



- 72% Auckland
- 25% Wellington
- 3% Regional North Isl. & South Isl.

TOTAL PORTFOLIO UPDATE
by asset type



- 81% Core
- 13% Value Add properties
- 6% Properties and land to divest

Dividend

The **1st Quarter Dividend** for the 2027 financial year of 1.6625 cents per share with imputation credits of 0.219213 cents per share attached was announced on 22 July 2026. The record date for the dividend was 9 September and the payment date was 23 September 2026. Overseas investors will receive an additional supplementary dividend of 0.099475 cents per share to offset non-resident withholding tax.

Important dates

FY27 Q1 DIVIDEND PAYMENT
23 SEPTEMBER 2026

FY27 Q2 DIVIDEND PAYMENT
DECEMBER 2026

FY27 Q3 DIVIDEND PAYMENT
MARCH 2027

FY27 ANNUAL ANNOUNCEMENT
MAY 2027

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