

The logo for Investore, featuring the word "investore" in a white, lowercase, sans-serif font. The background is a dark teal color with a large, light blue geometric shape on the right side.

investore

Managed by Stride Investment Management Limited

Special Meeting of Shareholders

16 January 2020

Agenda

Chair's Address

Resolutions

Background to the Transaction



NZX Listing Rule Requirements

Related Party transaction requiring shareholder approval

Material Transaction - value of the transaction exceeds 10% of Investore's average market capitalisation

Stride Property is a Related Party of Investore, due to its 19.4% shareholding

An independent Appraisal Report has been prepared for shareholders, as required by NZX

Independent and Robust Transaction Process

- Independent Directors managed the sale and purchase process, undertaken on an arms' length basis
- Strict conflicts protocols adhered to, ensuring separation of information and advisors
- Independent valuations by Savills (NZ) Limited supported purchase price
- SIML-appointed Directors of Investore abstained from voting on the Transaction

The Transaction

Bunnings Carr Road, Mt Roskill

Bunnings 2 Carr Road Mt Roskill, Auckland¹

Purchase Price	\$48.5 million
Occupancy	100%
Net Lettable Area	11,601 sqm
WALT	7.4 years
Net Income	\$2.34 million
Market cap rate	4.88%
Major Tenant	Bunnings
Total Tenants	1

1. All figures as at 30 Sept 2019



Mt Wellington Shopping Centre, Auckland

295 Penrose Road Mt Wellington¹

Purchase Price	\$39.25 million
Occupancy ²	100%
Net Lettable Area	9,011 sqm
WALT	3.1 years
Net Income	\$2.62 million
Market cap rate	6.63%
Major Tenant	Countdown
Total Tenants	22

1. All figures as at 30 Sept 2019
2. Including vendor underwrite of vacant premises



Bay Central Shopping Centre, Tauranga

65 Chapel Street Tauranga¹

Purchase Price	\$53 million
Occupancy ²	100%
Net Lettable Area	17,097 sqm
WALT	4.2 years
Net Income	\$3.54 million
Market cap rate	6.75%
Major Tenants	NZ Post, Briscoes Rebel Sport
Total Tenants	29

1. All figures as at 30 Sept 2019
2. Including vendor underwrite of vacant premises



Key Terms

- Purchase price \$140.75 million, supported by independent valuations
- Transaction remains conditional on shareholder approval and OIO approval
- Expected settlement April 2020 – depending on OIO timeframe
- Vendors to provide underwrite for four vacant tenancies for up to two years
- Vendors to undertake seismic strengthening works

Alignment with Strategic Principles

1. Active Portfolio Management

- Strengthens long-standing relationships with existing core tenants including Countdown and Bunnings
- Provides diversification of tenant mix, including new nationally recognised retailers
- Retains Investore's strong portfolio metrics, including 99.7% occupancy¹ and pro forma WALT² in excess of 10.8 years

2. Targeted Growth

- Increases total portfolio value, through adding quality large format retail properties
- Enhances geographical and tenant diversification

3. Continued Portfolio Optimisation

- Opportunity to further develop acquired properties over time through expansion and intensification to meet tenant needs and the surrounding catchment
- Increases exposure to the growing regions of Auckland and Tauranga

4. Proactive Capital Management

- Capital raise completed to support the acquisition, with over 44 million shares issued at \$1.75 per share, equating to gross proceeds raised of \$77.7 million
- Pro forma LVR following completion of the offer is expected to be 41.5% once the Transaction settles

1. Calculated as at 30 September 2019, including the three properties to be acquired, and assuming the tenancies subject to the underwrite by the Vendors are fully occupied.

2. Weighted average lease term, calculated as at 30 September 2019, assuming the transaction had settled as at that date.

Alignment with Mandate and Strategy

- ✓ Combination of single tenanted and multi-tenanted properties
- ✓ Located in growing regions
- ✓ Overall consistent with investment mandate
- ✓ Supports Investore's focus on nationally recognised tenants offering convenience-based and non-discretionary retail

Transaction Funding – Capital Raise

Transaction to be funded through available bank debt facilities

Successful Capital Raise completed, raising \$77.7m of gross proceeds, which were used to pay down bank debt

Pro forma LVR expected to be 41.5% on settlement, below the Board's maximum of 48% and within debt limits of 65%

Why Support this Transaction?

- **Strategic Fit** – consistent with Investore's strategic objectives
- **Acquisition Terms** – purchase price consistent with independent valuations
- **Financial Impact** – acquisition and capital raise expected to increase distributable profit per share for FY21
- **Operational Impact** – enhances tenant and geographical diversification of portfolio

Northington Partners concluded that the terms and conditions are fair to Investore shareholders not associated with Stride Property

Resolutions

Resolution 1

Approval of Transaction

That, in accordance with NZX Listing Rule 5.2.1, the purchase of three properties located in Auckland and Tauranga for \$140.75 million by Investore Property Limited (Investore) from Stride Property Limited (in respect of the Auckland properties at Bunnings Mt Roskill and Mt Wellington Shopping Centre) and Stride Holdings Limited (for Bay Central Shopping Centre in Tauranga) (as described in further detail in the Explanatory Notes within the Notice of Special Meeting dated 13 December 2019), be approved.

Resolution 2

Ratification of previous issue of shares under the placement

That the previous issue under NZX Listing Rule 4.5.1 of 37,142,858 fully paid ordinary shares in Investore to investors at an issue price of \$1.75 per share on 25 November 2019, be approved and ratified for all purposes, including NZX Listing Rule 4.5.1(c).

Resolution 3

Ratification of previous issue of shares under the retail offer

That the previous issue under NZX Listing Rule 4.5.1 of 1,868,483 fully paid ordinary shares in Investore to eligible shareholders under the Retail Offer at an issue price of \$1.75 per share on 10 December 2019, be approved and ratified for all purposes, including NZX Listing Rule 4.5.1(c).

Completion of Voting

Proxy Votes Received¹

Resolution 1. Approval of Transaction

Proxy votes lodged	For	Against	Discretionary
141,032,169	98.37%	0.14%	1.49%

Resolution 2. Ratification of previous issue of shares under the placement

Proxy votes lodged	For	Against	Discretionary
141,032,169	96.0%	0.03%	3.97%

Resolution 3. Ratification of previous issue of shares under the retail offer

Proxy votes lodged	For	Against	Discretionary
141,032,169	97.47%	0.01%	2.52%

1. Representing in total 46.32% of securities able to be voted.

Thank you

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Level 12, 34 Shortland Street
Auckland 1010, New Zealand

PO Box 6320, Wellesley Street
Auckland 1141, New Zealand

P +64 9 912 2690
W investoreproperty.co.nz