

Oyster Direct Property Fund

Quarterly Investor Update

*For the quarter ended:
30 June 2024*

OYSTER[®]

Invest in the real world.

Key Updates



3.00¢

PER UNIT

(per annum, payable monthly)¹



6.27

YEAR WALT

(directly held properties)



100%

OCCUPANCY RATE

(across directly held properties)



\$188.6m

TOTAL FUND VALUE

(direct property and investments)



\$1.16

UNIT PRICE

(as at 30 June 2024)



\$1.1b

DIVERSIFIED EXPOSURE

(high quality commercial property)

Manager's Report

General Update

With a challenging period for the Oyster Direct Property Fund (DPF), the Fund's Average Annual Total Return since inception is sitting at 7.79% to 30 June 2024 (after fees and before tax) and economic forecasts show a more positive outlook.

Portfolio Update

The Fund continues to focus on debt reduction in the near term, with proceeds from the successful divestment of 107 Harris Road, East Tamaki in Auckland, were used to repay debt, reducing the loan-to-value ratio (LVR) to 52.6%. We continue to review opportunities for targeted divestments to reduce impact of elevated borrowing costs.

Oyster are in discussions with Westland Dairy around an early lease extension beyond the current expiry in February 2028. The tenant has one six-year right of renewal with the final expiry being 2034. An extension would help facilitate a potential sale should the fund deem that to be the most accretive course of action for investors.

We continue to progress Greenstar at Tuam Street with the first-round assessment now complete and all additional requests for data/information submitted. Preliminary calculations suggest that our introductory rating will be 2-star which we will aim to build on each year.

The 6 Hurring roof replacement project previously forecast to commence in FY25, has been postponed and the intention is the works are carried out in two stages evenly split across two financial periods – FY26 and FY27. Given the large-scale nature of the project, the postponement and spread across financial periods will assist the fund's cashflow.

Financing Report

Interest rates continue to add pressure to the Fund, and remain elevated since the inception. The Fund's bank loan was extended to March 2026 on an interest-only basis with a fixed margin portion of 2.15%. The floating interest rate on the Fund's loans was 5.65%, providing an effective all-in interest rate of 7.80% (including margin).

Distributions

We continue to retain working capital and manage borrowing costs while interest rates remain high, distributions are set at 3.00 cents per unit per annum, for the period 1 July 2024 to 30 September 2024. Distributions are reviewed every quarter.

The Fund's redemptions facility remains suspended to allow the Fund to maintain appropriate working capital over the coming year, with trading of the Fund's units available on the Syndex trading platform to provide a monthly liquidity option for investors.

Fund Strategy

The objective of the Fund is to invest in directly held commercial properties or property investment vehicles across industrial, retail, large format retail and office sectors across New Zealand. The Fund aims to provide investors with long-term, stable returns from these investments to grow the fund's investment portfolio by making property

investments, and divestment from time to time when appropriate to manage the Fund.

Growth in the fund over time provides an increase in the net asset value of the fund and as a consequence provides the potential for capital growth.



Fund Performance

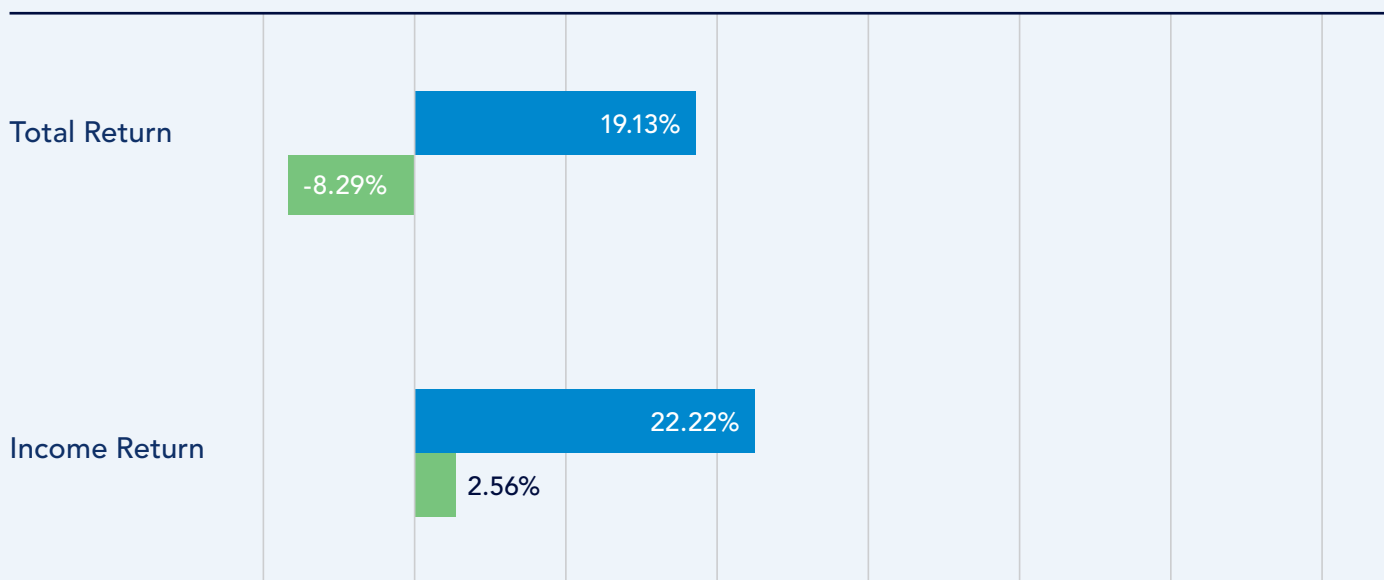
DPF Performance



Last 5 Years



Last 12 Months



Note: the figures above are not annualised and represent the total returns over the time periods in totality. Total return includes capital growth since inception.

Quarterly Summary	30-Sep-23	31-Dec-23	31-Mar-24	30-Jun-24
Unit Price	\$1.1797	\$1.1736	\$1.1576	\$1.1573
Adjusted Net Asset Value	\$151,605,474	\$150,994,558	\$149,091,735	\$149,183,452
Units Traded via DPF Trading Platform	n/a	379,785 Units	68,500 Units	100,176 units
Quarterly Distribution (per unit, p.a.)	3.65 cents per Unit	3.65 cents per Unit	3.00 cents per Unit	3.00 cents per Unit
Weighted Average Lease Term (Directly Held Properties)	6.69 years	6.51 years	6.52 years	6.27 years
Occupancy	98.3%	99.3%	100%	100%
Loan to Value Ratio (Look Through)	49.5%	49.7%	47.8%	47.8%
Income Return ¹	2.5%	2.4%	2.7%	2.6%
Capital Return ¹	-22.7%	-22.4%	-11.0%	-10.9%
Total Return ¹	-20.1%	-20.0%	-8.3%	-8.3%

¹ All returns are annualised for the twelve month period up to each quarter date. Income Return is the pre-tax distribution and Capital Return is the change in Unit Price. The Total Return is the aggregate of Income Return and Capital Return.

Fund Overview

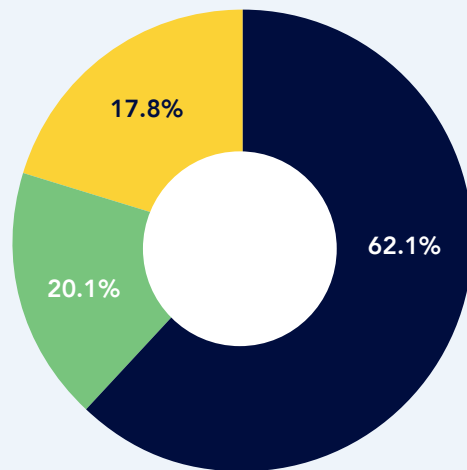
Key Features

Applications	Closed
Minimum Reinvestment (Existing investors)	\$1,000
Pre-Tax Distributions	3.00 cents per unit (p.a.)
Redemptions	Monthly (Currently suspended)
PIE Structured	Yes
Distributions Payable	Monthly
Distribution Reinvestment	Optional
Licensed Manager	Yes

Past performance is no indication or guarantee of future performance. For further details please refer to the Product Disclosure Statement. Prospective investors are recommended to seek professional advice from a financial advice provider which takes into account their personal circumstances before making an investment decision.

Sector Diversification

by proportion of asset value of the Fund



- Office
- Industrial
- Large Format Retail

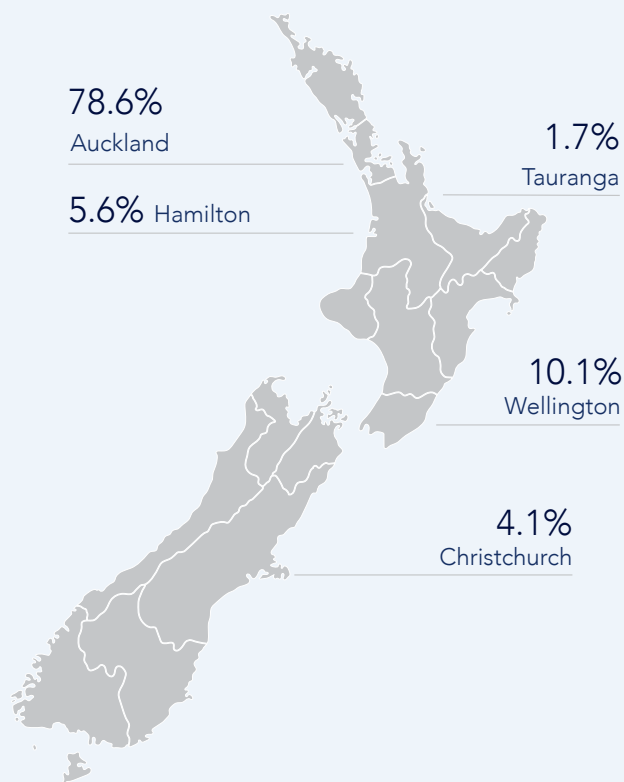
Top Ten Tenants

by gross income as at 30 June 2024 across the Fund

16.6%	Government (various)
11.7%	Kathmandu Ltd
7.8%	Mitre 10 Ltd (New Zealand)
6.2%	Westland Dairy Company Ltd
6.1%	City Fitness Ltd
5.8%	Woolworths New Zealand
3.6%	ASB Bank Ltd
3.6%	VIP Plastic Packaging (NZ) Ltd
3.1%	Cardinal Logistics Ltd
2.2%	Alto Packaging Limited

Geographical Diversification

by proportion of assets



Property Investments

Directly Owned Properties

	Property Value ²	Value of Property Investments	% of Total Property Investments
12 NEWLANDS ROAD – Newlands, Wellington	\$14,500,000	\$14,500,000	7.7%
6 HURRING PLACE – Newlands, Wellington	\$16,200,000	\$16,200,000	8.6%
35 HICKORY PLACE – Christchurch	\$17,000,000	\$17,000,000	9.0%
223 TUAM STREET – Christchurch	\$30,200,000	\$30,200,000	16.0%
TOTAL DIRECT PROPERTY	\$77,900,000	\$77,900,000	41.3%

Property Investment Vehicles

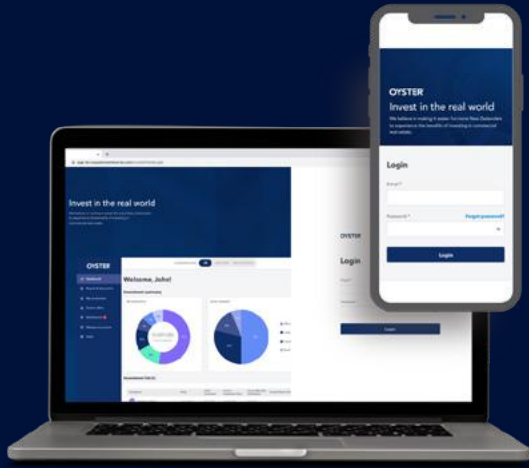
	Property Value ¹	Value of Property Investments ³	% of Total Property Investments
PUKEKOHE MEGA POS – 12 Wrightson Way, Pukekohe, Auckland	\$24,100,000	\$618,675	0.3%
JACKSON PETONE POS – 106–110 Jackson Street, Petone, Wellington	\$10,200,000	\$631,941	0.3%
51 CORINTHIAN POS – 51 Corinthian Drive, Albany, Auckland	\$19,000,000	\$899,000	0.5%
181 GRAFTON POS – 181 Grafton Road, Grafton, Auckland	\$24,000,000	\$1,964,392	1.0%
9 CORINTHIAN POS – 9 Corinthian Drive, Albany, Auckland	\$36,000,000	\$1,820,641	1.0%
C&C POS – 618 Cameron Road, Tauranga	\$19,000,000	\$2,826,699	1.5%
UNIVERSAL DRIVE POS – 185–187 Universal Drive, Henderson, Auckland	\$24,000,000	\$3,651,647	1.9%
HOME STRAIGHT PARK POS – 17–21 Home Straight, Te Rapa, Hamilton	\$64,100,000	\$7,096,661	3.8%
33 CORINTHIAN POS – 33 Corinthian Drive, Albany, Auckland	\$55,400,000	\$5,939,105	3.1%
PASTORAL HOUSE POS – 25 The Terrace, Wellington	\$74,800,000	\$7,794,457	4.1%
HENDERSON MEGA POS – 186 Lincoln Rd, Henderson, Auckland	\$40,500,000	\$7,749,048	4.1%
100 HARRIS POS – 100 Harris Road, East Tamaki, Auckland	\$39,500,000	\$10,737,537	5.7%
OYSTER LARGE FORMAT RETAIL FUND – 260 Oteha Valley Road, Albany, Auckland	\$82,250,000	\$11,636,673	6.2%
CIDER POS – 4 Williamson Avenue, Ponsonby, Auckland	\$110,500,000	\$11,520,159	6.1%
OYSTER INDUSTRIAL LTD – Multi-Asset Portfolio of Industrial Property	\$174,950,000	\$16,054,093	8.5%
MILLENNIUM CENTRE POS – 600–604 Great South Road, Greenlane, Auckland	\$273,100,000	\$19,764,718	10.7%
TOTAL PROPERTY INVESTMENT VEHICLES	\$1,071,400,000	\$110,705,447	58.7%

TOTAL	\$1,149,300,000	\$188,605,447	100.0%
--------------	------------------------	----------------------	---------------

¹ The Property Value of the Property Investment Vehicles reflect the Fund's Assessment of Fair Value as at 30 June 2024

² The Property Value for the Directly Owned Properties reflects independent valuations completed as at 31 March 2024.

³ Value of Property Investments - The Fund's proportionate share of the value of net assets in each Property Investment Vehicle based on management accounts. For further explanation, please refer to the Product Disclosure Statement.



OYSTER[®] Investor Portal

The Oyster Investor Portal provides quick, easy and secure access to your investment details at your fingertips.

See a personalised snapshot of how your investments are performing

Access key documents including Quarterly Investor Updates and Distribution Statements

Stay informed of key upcoming dates

Learn about available investment offers

Update your personal details

If you need to set up your access to the portal, please contact our Investor Relations Team at

investor@oystergroup.co.nz

for assistance with getting set up.