GARDA

Garda Property Group

Level 21, 12 Creek Street
Brisbane QLD 4000
GPO Box 5270
Brisbane QLD 4001

W gardaproperty.com.au
E info@gardaproperty.com.au
P +61 7 3002 5300

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2026 AGM CHAIRMAN'S ADDRESS

Introduction

Good morning, Ladies and Gentlemen. It is 11.00am and, as there is a quorum present, I declare this meeting open.

Welcome to the 2026 Annual General Meeting of Garda Property Group. My name is Matthew Madsen and I am Executive Chairman.

I am joined today by my fellow directors:

- Paul Leitch – our Independent Director, Chair of both the Nomination and Remuneration Committee and of the Audit, Risk and Sustainability Committee;
- Andrew Thornton, Non-executive Director and member of the Audit, Risk and Sustainability Committee and of the Nomination and Remuneration Committee; and
- Oliver Talbot, Non-executive Director and member of the Audit, Risk and Sustainability Committee and of the Nomination and Remuneration Committee.

Also present today are:

- Lachlan Davidson, our Company Secretary and General Counsel;
- Warwick Face from our current auditors, Pitcher Partners;
- Ben Woodbridge from our new auditors (subject to approval in this meeting), PriceWaterhouse Coopers;
- Craig Walker from MUFG Capital Markets, our share registry, who will oversee the conduct of today's polls; and
- members of the Garda team.

Before moving to the formal business of today's meeting, as detailed in the Notice of Meeting, I would like to provide some perspectives on Garda's recent activities.

Discussion

FY26 was an important year for Garda, as we shifted capital away from property ownership and "develop to own" activities and into lending. At year end, lending made up 27% of active assets but contributed more than 50% of funds from operations (FFO).

In October Garda announced the divestment of our property portfolio in three separate transactions, totaling $350 million of asset realization. Two assets were sold in separate transactions to owner occupiers and the balance of the portfolio to a Charter Hall managed fund in what I consider was a rare and narrow window of liquidity in the last number of years.

The sale price of a nominal 1.4% discount to underlying carrying value is in stark contrast to the 38% discount to NTA at which Garda securities were trading at the time.

Seven of the nine properties settled last Friday for a total of $237 million. Of the remaining two assets, Pinkenba is due to settle on 22 January while, at Morningside, a 6,000m^2 extension and refurbishment of the existing 10,000m^2 building are due for completion in late March, which will trigger settlement of this asset.

These two assets will release a further $114 million.

Garda and other REITs are operating in an environment where the spreads between industrial property capitalisation rates, government bond yields and funding costs have narrowed, increasing asset valuation risks, particularly if strong market rental growth is not achieved.

In contrast, the returns and security profile available from prudent lending activities remain attractive. These activities are of course occurring in the same economic and market conditions as asset ownership and the outlook is not without its challenges and continues to deteriorate.

Real estate lending is expected to be our primary deployment focus in the medium term, however, we fully anticipate future ownership of real property at a time where the prospective returns are compelling for the risk assumed and our cost of capital.

As a result of the asset sales, and without assuming redeployment of the net capital released, Garda upgraded its FY27 FFO guidance by 19%, from 10.5 cents to 12.5 cents per security, and distribution guidance was upgraded by 39%, from 9.0 cents to 12.5 cents per security.

As distributions will no longer include tax-advantaged income from property tax depreciation benefits, Garda intends to distribute substantially all its FFO, targeting a payout ratio of approximately 100%.

In addition, a special 10 cent distribution will be made to assist security holders with capital gains outcomes, in two instalments in FY27. Capital gains will be attributed, and special distributions paid, to securityholders in respect of the quarter in which the property settlements occur. The distribution announcement for the December quarter is expected to be made in the coming weeks.

Looking forward I believe Garda has positioned itself well to take advantage of what is an improving and increasing opportunity set. The availability of capital has become scarcer and the opportunities and returns available are increasing as a result.

I would like to thank security holders for their continued support, the board for your counsel and encouragement and our team, both internal and external, for your significant contributions.

We will now move to the formal business of today's meeting.

– END –

Authorised for release by: Matthew Madsen (Executive Chairman)

For more information please contact:

Paul Brown
Head of Treasury and Investor Relations
Garda Property Group
Phone: 07 3002 5362
pbrown@gardaproperty.com.au