City of Brisbane Investment Corporation

CBIC

CITY OF BRISBANE INVESTMENT CORPORATION | CBIC

2026

LORD MAYOR'S FOREWORD

As Lord Mayor of the City of Brisbane, I am pleased to introduce you to the City of Brisbane Investment Corporation.

The City of Brisbane Investment Corporation (CBIC) is an independent investment corporation, wholly owned by the Brisbane City Council.

Overseen by an experienced board, CBIC is tasked with delivering superior long-term, risk-adjusted returns to the Council.

Since its inception in 2008, CBIC has delivered over $217.1m of dividends while growing the initial seed investment from $135.0m, to now managing over $410.9m of diversified real estate assets.

Southeast Queensland (SEQ) has strongly recovered post the global pandemic and the 2022 floods.

SEQ is now well positioned for growth given significant infrastructure projects associated with the 2032 Olympic and Paralympic Games combined with the requirements of a growing population.

CBIC's next chapter involves working alongside like-minded partners to jointly invest in new real estate opportunities.

I am confident that CBIC will be a great partner in Australia's growing real estate markets.

Adrian Schrinner

The Right Honourable, the Lord Mayor of Brisbane

PARTNERING WITH CBIC

CBIC CAPABILITIES

Starting with an initial seed investment of $135.0m in 2008 combined with a strong relationship with its shareholder, Brisbane City Council, CBIC has been able to sustainably grow its assets under management to $400.0m while providing over $217.1m of dividends to the benefit of the residents of Brisbane.

CBIC’s inhouse team of property professionals manage all stages of the asset life cycle including:

- **Market Assessment and Connectivity**
- **Initial Due Diligence and Acquisition**
- **Investment and Development Management**
- **Property and Facilities Management**
- **Finance and Governance**
- **Property Divestment**

CBIC PORTFOLIO METRICS

CBIC has assembled a diversified portfolio of 9 quality real estate assets that are managed by a dedicated team of property professionals. This strategy has led to a consistent dividend being paid to the shareholder while focusing on capital preservation.

$400.0m Assets Under Management	**$12.8m p.a.** Average Dividends Paid	**6.5%** Weighted Average Capitalisation Rate
6.7years Weighted Average Lease Expiry *Oct 2025*	**98.98%** Portfolio Occupancy	**5.3 Star** Weighted Average NABERS Energy Rating

CBIC PERFORMANCE

Through active management and disciplined property selection, CBIC has outperformed its primary benchmark 10 year rolling CPI+ 3.5%.

3.0x Growth

Assets Under Management Since Inception

9.57%

Since Inception Net Return

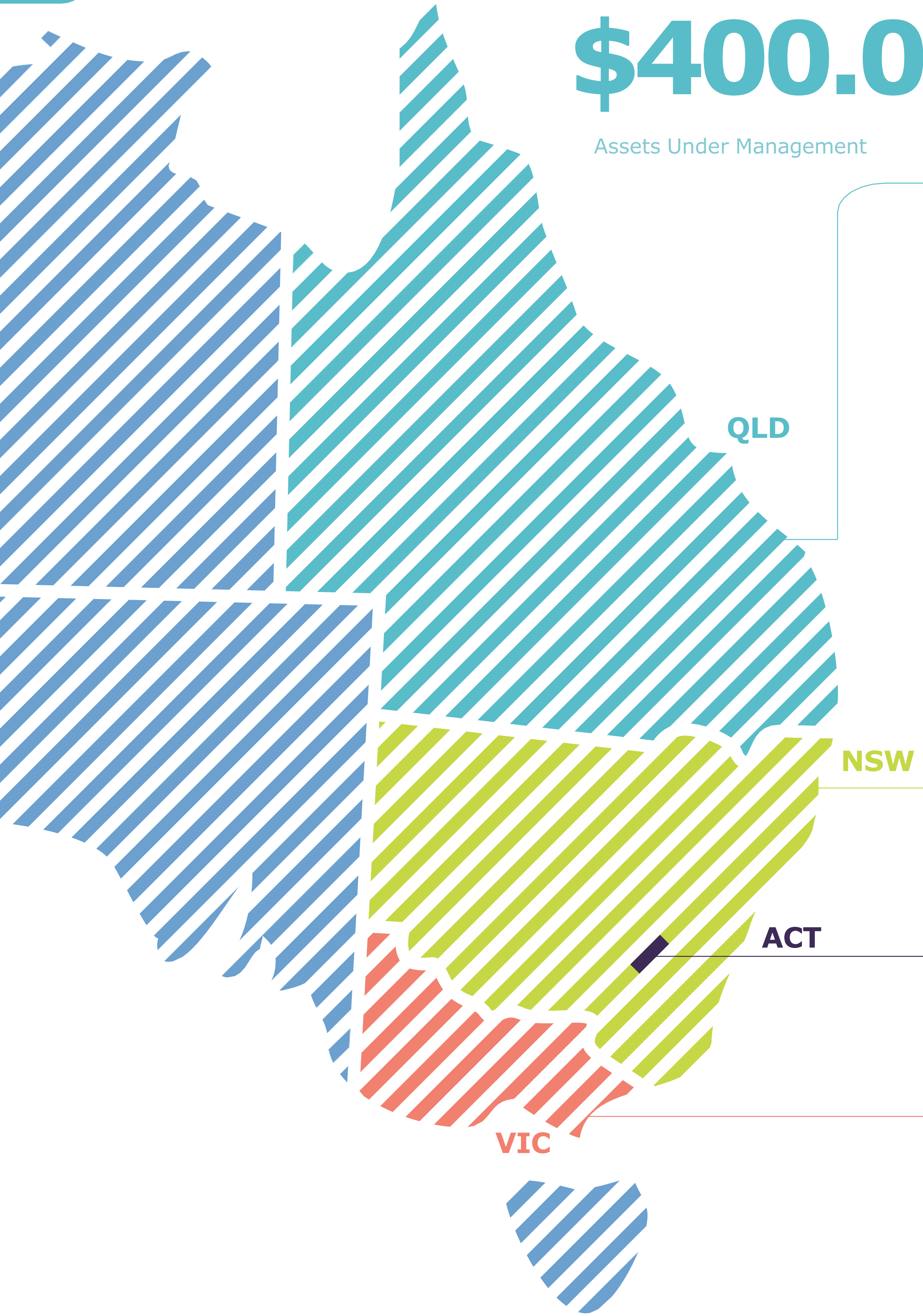
7.45%

10 Year Net Return (to June 2025)

PORTFOLIO MAP

$400.0m

Assets Under Management



OFFICE

NORTH REGIONAL BUSINESS CENTRE
Brisbane City Council Library and Councillor offices

GEORGIANA TCE, GOSFORD
Australian Tax Office Regional NSW headquarters

ALLARA ST, CANBERRA
Murray Darling Basin and multinational and national companies

INDUSTRIAL

MUDGEE ST, KINGSTON
Coates QLD Headquarters

RIVERGATE MARINA AND SHIPYARD
Brisbane City Council
River City Ferries

TRADECOAST
Brisbane City Council
Regional Operations Centre

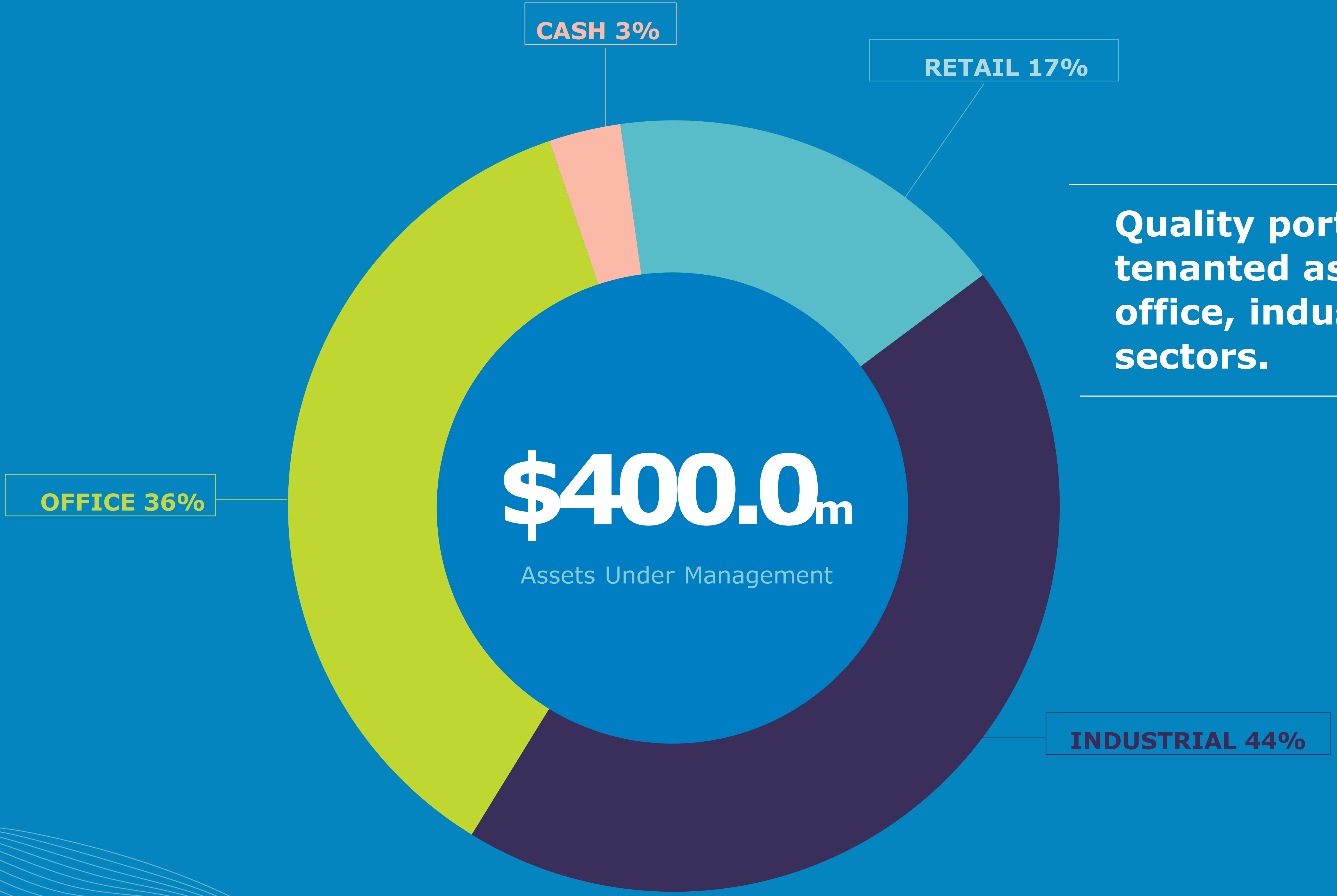
RADFORD RD, RESERVOIR
National Food Manufacturer

RETAIL

WYNNUM CENTRAL
Woolworths Supermarket and Brisbane City Council Library

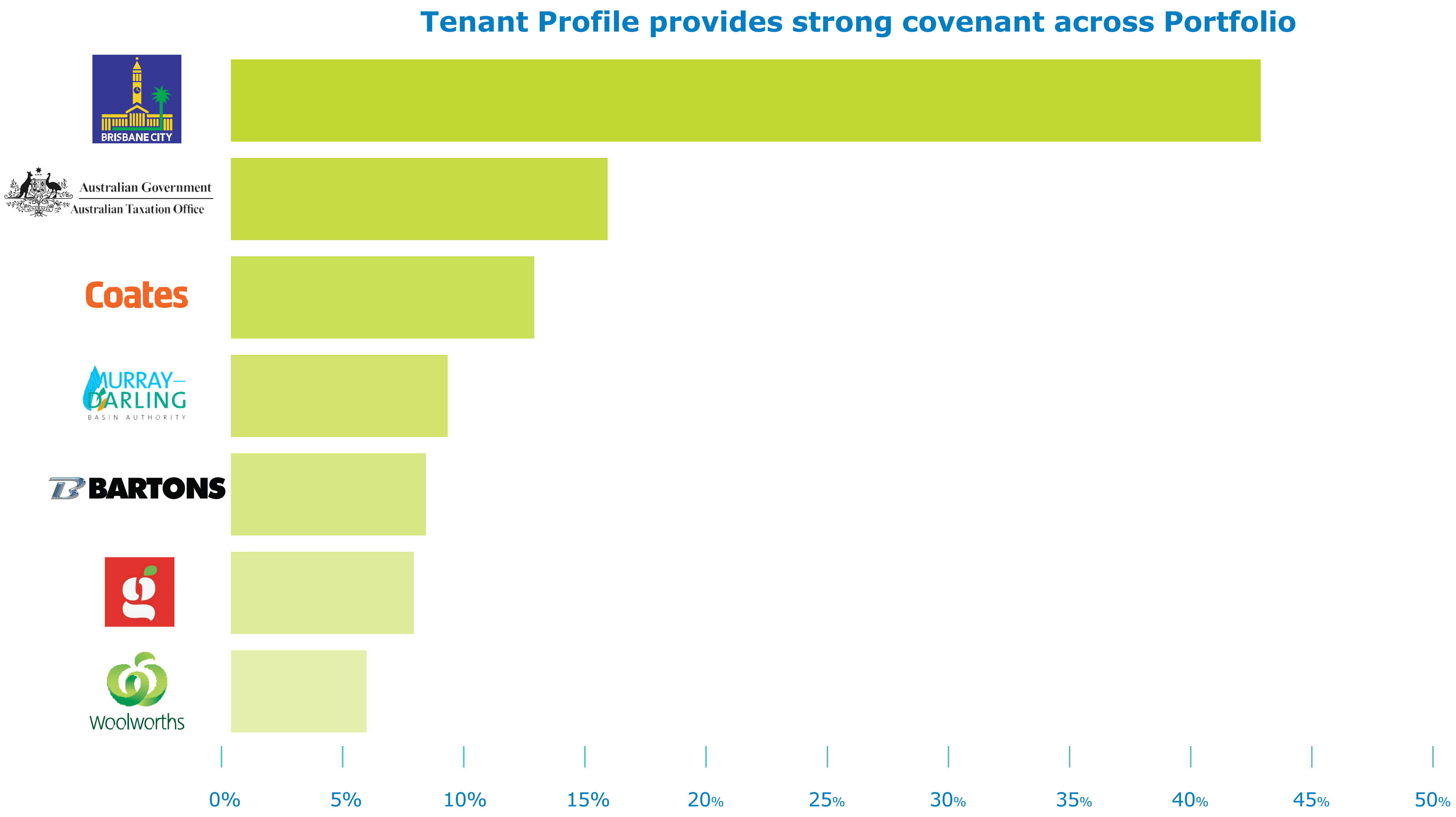
WYNNUM
Bartons

SECTOR ALLOCATION



Quality portfolio of blue-chip tenanted assets across office, industrial and retail sectors.

EXISTING COMMERCIAL PARTNERSHIPS



6.7 years

PORTFOLIO WEIGHTED AVERAGE LEASE EXPIRY

48%

INCOME IS SECURED BY GOVERNMENT ENTITIES

54%

ANCHORED BY GOVERNMENT, MULTI-NATIONALS AND LISTED COMPANIES

RESPONSIBLE INVESTMENT

Environmental

CBIC invests in the properties it owns pursuing improvements to enhance building environmental efficiencies across energy, water and waste. This improves NABERS ratings while balancing operating costs for the occupiers.

Property	Energy	Water
375 Hamilton Rd, Chermside	5.0	3.5
99 Georgiana Tce, Gosford	6.0	4.5
33 Allara St, Canberra	5.0	4.0
Portfolio Average	**5.3**	**4.0**

CARBON NEUTRAL

Social

CBIC has a strong history of delivering social infrastructure assets.

- Wynnum and Chermside libraries.
- CBIC annual dividend continues to shape community facilities for the benefit of Brisbane residents.

Each provide a significant benefit to their local communities.

Governance

CBIC is operated by an independent Board in conjunction with a management team consisting of a broad range of industry knowledge and experience.

Additionally, the Board has established two committees to assist with the efficient functioning of CBIC in line with corporate governance practices.

The Finance, Audit and Risk Committee (FAR) and People, Performance and Culture Committee (PPC) to help guide business activities.

CBIC BOARD & GOVERNANCE

SIMONE DESMARCHELIER
Chair of the Board

Simone has over 30 years' experience in law, financial services and diplomacy. Simone has worked in Europe and Australia with a focus on alternate assets, notably real estate and infrastructure.

NEIL CASTLES
Board Director

Neil is a consultant to the local government sector in the finance and risk sectors. Neil has also been a director and company secretary of several of the Queensland Government's special purpose companies. Neil's areas of expertise include finance, debt management, credit and risk management.

MARIA ROACH
Board Director

Maria has more than 20 years' experience as a company secretary of publicly listed companies in Australia. Maria also provides consulting services in corporate governance.

STEWART WALLS
Board Director

Stewart has over 19 years' experience working for both contractors and project owners in all stages of construction projects. Currently Stewart has a broad commercial legal practice founded on matters affecting the construction and property industries, including all aspects of building and construction, professional liability, insurance, property law, leasing and retail shop leases and planning and environment issues.

PATRICE SHERRIE
Board Director

Patrice has extensive experience with over 30 years spent in chartered accounting and commerce starting with PWC in both Brisbane and Port Moresby. She went on to hold a CEO role for Paridian Property Development Fund and an Executive role with Grant Samuel Property.

CBIC MANAGEMENT LEADERS

LACHLAN DYSON
Chief Executive Officer

Lachlan is the Chief Executive Officer at CBIC and is responsible for leading the dedicated team to set the strategic direction of the organisation, deliver the strategic and financial goals of the corporation and continue to grow the assets under management.

JASON BUCHANAN
Head of Investment Management

Jason is the Head of Investment Management and is responsible for leading the Funds Management function of the business to optimise CBIC's earnings and long-term performance.

TOM VOYSEY
Chief Financial Officer

Tom is Chief Financial Officer at CBIC, with his role encompassing financial reporting, compliance, treasury and corporate services.

SAM RILEY
Investment Manager

Sam is the Investment Manager at CBIC. He is responsible for the active management and optimisation of the portfolio through strategic value-add opportunities in leasing, major capital upgrade programmes and implementing the ESG strategy.

SAMANTHA MACANN
Capital Transactions Manager

Samantha is the Capital Transactions Manager responsible for CBIC's investment activities, including sourcing, assessing and acquiring new opportunities. Sam actively analyses potential investments and maintains a strong understanding of current property trends through her established industry networks.

CASE STUDY

29-47 Mudgee Street, Kingston,QLD

1. INVESTMENT STRATEGY

The investment strategy focused on enhancing CBIC's portfolio exposure to the industrial sector in Southeast QLD and to capitalise on CBIC's ability to efficiently internalise management as well as benefit from the region's economic growth.

2. OPPORTUNITY IDENTIFICATION

The property was identified off-market through our strong relationships with key stakeholders in the region which allowed CBIC to negotiate favourable terms and secure a high-quality asset without the competitive pressures of a public sale.

3. ASSET SELECTION

The asset was selected for several reasons:

Long Term Lease
Strong Lease Covenant (9-year WALE) to Coates (ASX: SVW).

Net Lease Structure
The net lease structure ensures protection from rising statutory and operating expenses, providing strong and predictable income streams.

Rent Review Mechanism
Annual > CPI (All Groups Brisbane) or 4% rent reviews with ratcheted market rent reviews every 5 years.

Strategic Location
Low-site coverage, offering potential future development, strategically positioned with exposure to the Logan Motorway.

4. DUE DILIGENCE AND SETTLEMENT

Comprehensive physical, financial, and legal due diligence was undertaken by management to mitigate risks and confirm the asset's value. A delayed settlement aligned with the the commencement of the new rent, optimising cash flow and investment returns from the outset.

CASE STUDY
48A Radford Road, Reservoir, VIC

1. INVESTMENT STRATEGY
CBIC's strategy was to enhance portfolio exposure to the industrial sector, focusing on high-value infill markets where:
- Industrial property is constrained by surrounding residential catchments, limiting future supply.
- A significant portion of the asset's value is underpinned by land value.
- Connectivity to key infrastructure supports long-term industrial demand.
- Flexible zoning accommodates a diverse range of tenant uses and future redevelopment options.

2. OPPORTUNITY IDENTIFICATION
CBIC identified Melbourne as a compelling investment destination, offering deep value for onshore capital. The introduction of a new foreign ownership property taxes has quelled demand from offshore capital sources and created a unique acquisition window for domestic capital.

3. DUE DILIGENCE & SETTLEMENT
CBIC undertook comprehensive physical, financial and legal due diligence to mitigate risks and validate the asset's value. Key highlights include:
- Acquired significantly below replacement cost.
- Independent valuation confirmed that 70%-80% of the total asset value is underpinned by land value, ensuring long-term capital preservation and growth potential.
- Independent consultants confirmed that the local Council is supportive of future redevelopment and/or subdivision, which gives CBIC flexibility when considering its exit options.

CASE STUDY (cont.)
48A Radford Road, Reservoir, VIC

5. ASSET SELECTION

- Situated 13kms north of the Melbourne CBD, the precinct is within proximity to Melbourne Airport, Somerton Intermodal and the Metropolitan Ring Road, together with the soon to be completed North East link.
- A corner allotment with dual street frontage and multiple vehicle crossovers, offering future redevelopment and subdivision potential.
- Radford Road is a corporate precinct, occupied by leading businesses such as Visy, Taxibox and IPLEX (subsidiary of Fletcher Building Group, ASC:FBU). Radford Road has also attracted institutional investment, as demonstrated by ESR Australia's newly completed Reservoir Business Hub.

Strong Lease Covenant

- 5-year prime term to Gourmet Saba, a supplier to Coles and independent supermarkets nationally.
- Sale-and-leaseback structure secured with a strong bank guarantee and a net lease, ensuring protection against rising statutory and operating costs while providing stable, predictable income.
- Annual fixed 4% rent increases and a market review every 5-years with a ratchet provision.
- The lease term requires that temperature-controlled fit-out remains in place or is removed at the tenant's expense upon lease expiry, offering flexibility in future asset repositioning.

Improvements

The improvements are attractive to industrial occupiers with multiple roller shutter door access points from the northern and southern building alignments, sunken loading dock, ample on-site parking and has undergone significant refurbishment over recent years, including:

- Temperature controlled rooms and fire services.
- Enhanced power supply (2,000kVA) and gas availability, making it highly attractive for food manufacturers.
- Upgraded office, amenities and security fencing.

CONTACT DETAILS

LACHLAN DYSON
Chief Executive Officer

0439 970 125
lachlan.dyson@cbic.com.au