

NZX announcement – 26 February 2026

Precinct FY26 Half Year Results

Performance summary for the six months ended 31 December 2025

Financial summary

- Investment property funds from operations of \$69.2 million (1H25: \$72.7 million), up \$1.2 million after adjusting for one-off income (note 1).
- Total comprehensive income after tax of nil (1H25: \$3.2 million).
- Funds from operations (FFO) of 3.18 cps (1H25: 3.47 cps).
- Net tangible assets (NTA) of \$1.18 per stapled security (FY25: \$1.21).
- FY26 dividend guidance remains at 6.75 cents per stapled security.
- FY26 FFO guidance remains at 7.30 to 7.50 cents per stapled security.

Operating performance

- Portfolio occupancy of 97% (Jun-25: 97%) and 6.1 years weighted average lease term (WALT) (Jun-25: 6.0 years).
- Momentum continuing in the Auckland office leasing market, underpinning 10.3% growth in contract rents in the office portfolio.
- Over 25,000 square metres of new lease deals concluded in the half, materially above recent years.
- Molesworth Street office development achieved practical completion.
- Committed to second student accommodation project at 256 Queen Street, taking the total number of beds under development to 1,602 over two sites.

Funding initiatives position Precinct to execute growth strategy

- Successfully raised \$325 million of new equity, providing growth capital and ensuring Precinct maintains a balanced approach to gearing and liquidity.
- Settled Amora hotel and, post balance date, settled InterContinental Hotel and 22 Stanley Street with the proceeds used to repay bank debt, taking gearing as at 31 December 2025 to 33.7% on a pro forma basis.

Capital partnering update

- Post balance date, committed to acquire ASB North Wharf for \$205 million through Precinct's investment partnership with global institutional investor, GIC.
- Precinct is in exclusive negotiations with a global institutional investor to form a 50:50 joint venture to acquire PwC Tower, Auckland's premier premium office tower.

- Process underway to secure a capital partner for 256 Queen Street; market conditions remain favourable.

Downtown Car Park development update

- Significant progress has been made in the period with preliminary design now complete and developed design underway.
- Procurement process has advanced with entry into an early contractor involvement (ECI) arrangement anticipated in Q1 CY2026.
- Negotiations ongoing for around 50% of the office NLA.
- A substantive resource consent application has now been lodged with the Environmental Protection Agency under the 'Fast Track' consenting pathway.
- Settled the acquisition of Downtown Car Park.

Environmental, Social and Governance (ESG) update

- Improved Global Real Estate Sustainability Benchmark (GRESB) score, from 89 to 91, retaining Precinct's position in the top 20% of more than 2,300 participating funds and entities globally, materially above the global average score of 79.

Note: Further information can be found within the 2026 Interim Financial Statements and results presentation. These can be found at <http://www.precinct.co.nz/investors/2026-interim-results>

Precinct Properties Group (Precinct) (NZX: PCT) reported its financial results for the six months ended 31 December 2025 today.

Scott Pritchard, Precinct CEO said, "Precinct's investment portfolio has continued to perform well, delivering underlying income growth over the first six months of the financial year. While the Wellington market is more challenging, Precinct's office portfolio has delivered like-for-like FFO growth of 3.0% compared to the same period last year after adjusting for occupancy movements and one-off income, while the Commercial Bay retail centre continues to show encouraging progress with FFO up 2.5% on the same period last year and moving annual turnover (MAT) up 6.2%.

"Precinct's team has made exceptional leasing progress over the first six months of the year, with 25,000 square metres of new office and retail lease deals agreed including over 18,000 square metres in the Auckland office portfolio. Occupancy remains at 97%, consistent with 30 June 2025, while significant future vacancy risk has been mitigated with the leasing completed in the period. New leases in Precinct's office portfolio are on average 10.3% higher than previous rents which reflects the quality of our assets and demand for well-located, amenity rich premium-grade office accommodation."

"The business also made solid progress on its capital management and capital partnering initiatives over the last six months. The \$325 million equity raise was well supported by both our institutional and local retail shareholders, which resulted in the offer closing oversubscribed. It allows Precinct to maintain a balanced approach to gearing and liquidity management, and enabled us to capitalise on favourable construction market pricing and commit to the new student accommodation project at 256 Queen Street in Auckland."

"Post balance date, we were pleased to announce the acquisition of ASB North Wharf in Wynyard Quarter in partnership with global institutional investor, GIC. This acquisition demonstrates the benefits of our capital partnering strategy, delivering value for our partners and earnings accretion for Precinct shareholders, and providing strong risk-adjusted returns.

"We also settled the sale of both the InterContinental Auckland hotel and 22 Stanley Street post balance date. While the hotel was an outright sale, Precinct continues to hold a 20% interest in 22 Stanley Street, in partnership with Keppel, and Precinct will continue to manage the development of the 964-bed student accommodation project for the partnership."

Financial performance

Net property income (NPI) for the six months to 31 December 2025 of \$68.9 million (1H25: \$71.4 million) reflects ongoing underlying income growth from the portfolio, noting the prior period included material one-off income. Funds from operations from investment portfolio of \$69.2 million (1H25: \$72.7 million) has contributed to operating profit before income tax of \$45.1 million which is consistent with the previous comparable period. Total comprehensive income after tax of nil compares to \$3.2 million for the same period last year.

Considering the metrics assessed by the external independent valuations of Precinct's partnership assets as at 31 December 2025, an internal review of Precinct's wholly-owned investment properties was conducted, indicating no material movement in value during the period.

Commercial Bay retail has delivered a pleasing result with total sales up 6.2%. First half FFO from the centre is \$8.1 million, up 2.5% on 1H25.

Further financial commentary is provided in Precinct's 2026 Interim Financial Statements, which was released today. A copy has been provided to the NZX as an attachment to this announcement and is available at <http://www.precinct.co.nz/investors/2026-interim-results>

Operational performance

Precinct Flex produced an improved result in the first half, with adjusted operating profit before net finance expense and income tax (note 2) of \$1.1 million, up \$0.7 million on 1H25, delivering the expected benefits of the business reset undertaken in FY25. Pipiri Lane commenced operations in the period with a strong start in the events side of the business.

Total management fee income of \$2.5 million in 1H26 is down \$1.6 million on 1H25 primarily due to completion of Wynyard Stage 3 and the disposal of 40 and 44 Bowen Street. A stronger second half is expected with the settlement of 22 Stanley Street with Keppel, and ASB North Wharf settlement anticipated in H2.

Development update

Precinct's office development at Molesworth Street in Wellington achieved practical completion post balance date in January 2026. The Ministry of Foreign Affairs and Trade, the building's main occupier, becomes the largest client in Precinct's portfolio.

The active pipeline of development work is weighted nearly entirely to the living sector at present, with \$375 million of residential build-to-sell projects and around \$530 million of purpose-built student accommodation projects currently under construction.

Procurement is progressing well at Pillars where contractors have been shortlisted and construction start before the end of the financial year is targeted, subject to satisfaction of usual development preconditions.

Significant progress has been made on the Downtown Car Park project in the period with preliminary design now complete and developed design underway. A substantive resource consent application was lodged under the 'Fast Track' consenting pathway in the period and resource consent uplift is anticipated in the next circa six months. Negotiations with office pre-commitment occupiers are ongoing for around 50% of the office net lettable area and Precinct continues to target commitment to Stage 1 in Q4 of the 2026 calendar year.

Dividends payment

Precinct shareholders will receive a second-quarter dividend for Precinct Properties New Zealand Limited ("PPNZ") of 1.497500 cents per share in cash dividends. This dividend has no imputation credits to attach for the quarter and therefore no supplementary dividend to be paid (see note 3). Precinct shareholders will also receive a second-quarter dividend for Precinct Properties Investments Limited ("PPIL") of 0.220313 cents per share, comprising cash of 0.190000 cents per share, imputation credits of 0.020851 cents per share and a supplementary dividend of 0.009462 cents per share (see note 3).

The record date for both PPNZ and PPIL dividends above is 6 March 2026 and payment will be made on 20 March 2026.

Outlook and guidance

Precinct's core portfolio has continued to perform well over the last six months. The premium office market in Auckland continues to surprise to the upside with sustained demand observed for high quality space in amenity-rich precincts. This trend, coupled with a constrained supply outlook, supports our optimism for the Downtown Car Park development which will set a new benchmark for premium office accommodation in Auckland and further strengthen the appeal of the Commercial Bay precinct.

As the economy now begins to transition into the early stages of a recovery, with improving business and investor sentiment, Precinct continues to attract partner capital to support its growth strategy. Importantly, the capital management and capital partnering initiatives completed recently and currently underway, position the business for sustained earnings growth.

Consistent with earlier guidance provided, the Board expects no change to the total combined cash dividends for Precinct Properties New Zealand Limited and Precinct Properties Investment Limited for the 2026 financial year of 6.75 cents per stapled security to be paid.

Funds from operations guidance also remains at 7.30 to 7.50 cents per stapled security, representing a FFO payout ratio of 90-92%. The near-term earnings outlook is underpinned by lower funding costs from recent capital management initiatives, increasing income from the completion of Molesworth Street and the acquisition of ASB North Wharf, revenue recognition from student accommodation projects, and Investment Boost benefits.

Further information can be found within Precinct's 2026 Interim Financial Statements and results presentation. These can be found at <http://www.precinct.co.nz/investors/2026-interim-results>

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About Precinct

Listed on the NZX Main Board under the ticker code PCT and ranked in the NZX top 30, Precinct is the largest owner, manager and developer of premium city centre real estate in Auckland and Wellington. Precinct is predominantly invested in office buildings and also includes investment in Precinct Flex, Commercial Bay retail and a multi-unit residential development business. As at 31 December 2025, Precinct's directly-held portfolio totalled \$3.3 billion and Precinct had a further \$1.9 billion of committed capital partnering assets under management; Precinct holds a minority interest in \$1.4 billion of these assets, with the balance being managed on behalf of third-party partners (all amounts presented on a committed, completion value basis). For more information visit: www.precinct.co.nz

Shareholders in Precinct hold an equal number of shares in Precinct Properties New Zealand Limited and Precinct Properties Investments Limited and these shares can only be dealt with together. The stapled issuers are described as "Precinct Properties NZ & Precinct Properties Investments Ltd" on NZX systems and the ticker code for the Stapled Shares remains PCT.

Note 1

Funds from operations (FFO) is the organisation's underlying and recurring earnings from its operations. This is determined by adjusting statutory net profit (under IFRS) for certain non-cash and other items. FFO has been determined based on guidelines established by the Property Council of Australia and is intended as a supplementary measure of operating performance.

Reconciliation of net profit after tax to funds from operations (FFO)

<i>Amounts in \$ millions unless otherwise stated</i>	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Net profit / (loss) after income tax	2.9	9.2
Income tax (benefit) / expense	(1.1)	(11.4)
Total other (income) / expenses	43.3	47.3
Operating profit before income tax	45.1	45.1
Current tax benefit / (expense)	1.6	3.7
<i>Share-based payments scheme</i>	1.8	1.3
Convertible note option value amortisation	0.8	0.8
IFRS 16 lease adjustments	(4.6)	(4.5)
Amortisations of incentives and leasing costs	7.7	7.0
Straightline rents	(0.6)	(0.9)
Distributions from equity-accounted investment attributable to the period	1.2	2.3
Adjust for one-off items	0.8	0.2
Funds from operations (FFO)	53.8	55.0
Funds from operations per share (cents)	3.18	3.47
Maintenance capex	(2.5)	(1.1)
Incentives and leasing costs	(4.6)	(2.6)
Adjusted funds from operations (AFFO)	46.7	51.3
Weighted average number of shares for net operating income per share (millions)	1,692.6	1,586.9
Adjusted funds from operations per share (cents)	2.76	3.23

Adjusted funds from operations (AFFO) is determined by adjusting FFO for other non-cash and other items which have not been adjusted in determining FFO. A dividend payout ratio of 100% indicates a company is neither over or under paying dividend. AFFO is considered a measure of operating cash flow generated from the business, after providing for all operating capital requirements including maintenance capital expenditure,

tenant improvement works, incentives and leasing costs. While AFFO overcomes the limitations of FFO by considering the impact of capital requirements for operations, it can vary dramatically year over year, depending on the lease expiry profile and level of activity in any one period.

These additional performances measure are provided to assist shareholders in assessing their returns for the period.

Note 2

Non-GAAP measure. Please refer note 1.7 of Precinct's financial statements.

Note 3

A supplementary dividend is paid to non-resident shareholders to offset the amount of non-resident withholding tax ("NRWT") that New Zealand companies are required to deduct from dividends paid to non-resident shareholders. A supplementary dividend is paid to ensure equitable treatment between non-resident shareholders and resident shareholders (whose dividends are not subject to NRWT).

General notes

- All portfolio metrics are as at 31 December 2025 and reflect Precinct's direct ownership in assets, unless otherwise stated.
- Net property income excludes IFRS 16 rent expense.