

2026

Interim Financial Statements

Precinct™



Precinct Properties Group

Interim financial statements For the six months ended 31 December 2025

Signed on behalf of the Boards of Precinct Properties New Zealand Limited and Precinct Properties Investments Limited, who authorised the issue of these financial statements on 25 February 2026.



ANNE URLWIN

CHAIR



MARK TUME

CHAIR AUDIT & RISK COMMITTEE

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Consolidated Statement of Comprehensive Income

For the six months ended 31 December 2025

<i>Amounts in \$ millions</i>	<i>Notes</i>	<i>Unaudited six months ended 31 December 2025</i>	<i>Unaudited six months ended 31 December 2024</i>
Gross operating revenue	2.2	135.4	134.4
Operating expenses			
Direct operating expenses		(55.5)	(53.3)
Employment and administration expenses	8.1	(6.2)	(4.5)
Total operating expenses		(61.7)	(57.8)
Operating profit before net finance expense, other income/(expenses) and income tax		73.7	76.6
Corporate overhead expense		(3.1)	(2.4)
Interest income	6.2	2.6	2.2
Interest expense	6.2	(28.1)	(31.3)
Operating profit before income tax		45.1	45.1
Other income / (expenses)			
Net change in fair value of investment and development properties	3.1	(29.3)	(0.8)
Share of profit / (loss) in equity-accounted investments	4.1	(4.9)	5.6
Equity-accounted investment transaction costs		-	(1.8)
Net change in fair value of derivative financial instruments	6.3	(0.7)	(28.6)
Net gain / (loss) on sale of investment properties		(0.2)	(16.1)
Net realised gain / (loss) on disposal of equity-accounted investments		-	2.8
Depreciation - property, plant and equipment		(2.0)	(2.1)
Amortisation of intangible assets		(2.4)	(2.3)
Lease depreciation		(2.0)	(2.0)
Lease interest		(1.8)	(2.0)
Total other income / (expenses)		(43.3)	(47.3)
Net profit / (loss) before income tax		1.8	(2.2)
Income tax benefit / (expense)	7.1	1.1	11.4
Net profit / (loss) after income tax attributable to equity holders of stapled entity		2.9	9.2
Other comprehensive income / (expense)			
<i>Items that will not be reclassified to profit or loss</i>			
Credit risk adjustments on financial liabilities designated at fair value through profit or loss		(4.1)	(8.3)
Deferred tax on items transferred directly to / (from) equity		1.2	2.3
Total other comprehensive income / (expense)		(2.9)	(6.0)
Total comprehensive income / (loss) after income tax attributable to equity holders of stapled entity		-	3.2
Total comprehensive income after tax attributable to equity holders of:			
Precinct Properties NZ Limited ("PPNZ")		10.1	7.2
Precinct Properties Investments Limited ("PPIL")		(10.1)	(4.0)
Total comprehensive income / (loss) after income tax attributable to equity holders of stapled entity		-	3.2
Earnings per share (cents per share)			
Basic earnings per share	5.1	0.17	0.58
Diluted earnings per share	5.1	0.16	0.58
Other amounts (cents per share)			
Funds from operations (FFO)	5.2	3.18	3.47
Adjusted funds from operations (AFFO)	5.2	2.76	3.23

The accompanying notes on pages 07-32 form part of these Financial Statements

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2025

Amounts in \$ millions	Notes	Attributable to the equity holders of the parent						
		Number of shares (m)	Share capital	Retained earnings	Reserves	PPNZ equity	PPIL equity	PPG total equity
Balance at 1 July 2024 (restated)	8.7	1,586.4	1,622.7	439.4	14.7	2,076.8	(29.5)	2,047.3
Profit after income tax for the period			-	13.2	-	13.2	(4.0)	9.2
Other comprehensive income for the period			-	-	(6.0)	(6.0)	-	(6.0)
Total comprehensive income			-	13.2	(6.0)	7.2	(4.0)	3.2
Distributions	5.3	-	-	(47.5)	-	(47.5)	(6.0)	(53.5)
Long-term incentive scheme		0.6	0.4	-	(0.3)	0.1	-	0.1
Employee share scheme		0.1	0.1	-	-	0.1	0.1	0.2
Total transactions		0.7	0.5	(47.5)	(0.3)	(47.3)	(5.9)	(53.2)
Balance at 31 December 2024 (unaudited) (restated)	8.7	1,587.1	1,623.2	405.1	8.4	2,036.7	(39.4)	1,997.3
Profit after income tax for the period			-	1.2	-	1.2	0.6	1.8
Other comprehensive income for the period			-	-	(1.9)	(1.9)	-	(1.9)
Total comprehensive income			-	1.2	(1.9)	(0.7)	0.6	(0.1)
Distributions	5.3	-	-	(47.6)	-	(47.6)	(6.1)	(53.7)
Long-term incentive scheme		(0.1)	-	-	0.8	0.8	-	0.8
Employee share scheme		-	-	-	-	-	-	-
Total transactions		(0.1)	-	(47.6)	0.8	(46.8)	(6.1)	(52.9)
Balance at 30 June 2025 (audited) (restated)	8.7	1,587.0	1,623.2	358.7	7.3	1,989.2	(44.9)	1,944.3
Profit after income tax for the period			-	13.0	-	13.0	(10.1)	2.9
Other comprehensive income for the period			-	-	(2.9)	(2.9)	-	(2.9)
Total comprehensive income			-	13.0	(2.9)	10.1	(10.1)	-
Issue of shares	6.5	264.9	317.3	-	-	317.3	-	317.3
Distributions	5.3	-	-	(51.5)	-	(51.5)	(6.5)	(58.0)
Long-term incentive scheme		0.8	0.6	-	0.6	1.2	-	1.2
Employee share scheme		0.1	0.1	-	-	0.1	0.1	0.2
Total transactions		265.8	318.0	(51.5)	0.6	267.1	(6.4)	260.7
Balance at 31 December 2025 (unaudited)		1,852.8	1,941.2	320.2	5.0	2,266.4	(61.4)	2,205.0

The accompanying notes on pages 07-32 form part of these Financial Statements

Consolidated Statement of Financial Position

As at 31 December 2025

<i>Amounts in \$ millions</i>	<i>Notes</i>	<i>Unaudited as at 31 December 2025</i>	<i>Audited as at 30 June 2025</i>
Current assets			
Cash		25.6	28.4
Fair value of derivative financial instruments	6.3	3.4	1.0
Debtors and other current assets	8.4	18.8	24.1
Loan receivables	6.4	25.9	38.9
Tax receivable		0.4	-
		74.1	92.4
Inventories	3.1	43.0	-
Investment properties held for sale	3.1	249.4	223.7
Total current assets		366.5	316.1
Non-current assets			
Investment properties	3.1	2,807.5	2,803.7
Development properties	3.1	454.7	334.9
Investment in equity-accounted investments	4.1	132.3	138.7
Property, plant and equipment		46.9	42.3
Right-of-use assets	3.3	15.1	17.0
Fair value of derivative financial instruments	6.3	34.6	22.3
Deferred tax asset		15.9	14.3
Other assets		1.2	1.5
Intangible assets		6.1	8.4
Total non-current assets		3,514.3	3,383.1
Total assets		3,880.8	3,699.2
Current liabilities			
Provision for tax		-	2.4
Lease liabilities	3.3	4.6	5.1
Trade and other payables	8.5	62.4	56.8
Fair value of derivative financial instruments	6.3	2.3	1.3
Total current liabilities		69.3	65.6
Non-current liabilities			
Interest bearing liabilities	6.1	1,528.7	1,610.3
Lease liabilities	3.3	42.7	45.0
Fair value of derivative financial instruments	6.3	35.1	34.0
Total non-current liabilities		1,606.5	1,689.3
Total liabilities		1,675.8	1,754.9
Net assets			
		2,205.0	1,944.3
Equity			
Share capital		1,941.2	1,623.2
Retained earnings (restated)	8.7	320.2	358.7
Other reserves (restated)	8.7	5.0	7.3
Total equity - PPNZ		2,266.4	1,989.2
PPIL equity (non-controlling interest)		(61.4)	(44.9)
Total equity		2,205.0	1,944.3

The accompanying notes on pages 07-32 form part of these Financial Statements

Consolidated Statement of Cash Flows

For the six months ended 31 December 2025

<i>Amounts in \$ millions</i>	<i>Notes</i>	<i>Unaudited six months ended 31 December 2025</i>	<i>Unaudited six months ended 31 December 2024</i>
Cash flows from operating activities			
Operating revenue received		136.7	140.7
Interest income received		0.6	0.8
Property expenses paid		(48.6)	(47.6)
Other expenses paid		(4.4)	(3.1)
Interest expense paid		(29.7)	(28.8)
Employment and administration expenses paid		(4.7)	(4.4)
Income tax paid		(2.0)	(1.0)
Net cash inflow / (outflow) from operating activities		47.9	56.6
Cash flows from investing activities			
Capital expenditure on investment and development properties		(63.2)	(84.3)
Capital expenditure on inventories (development projects)		(25.6)	-
Acquisition of investment and development properties	1.8	(115.8)	-
Investment in equity-accounted investments		1.5	(55.1)
Acquisition of subsidiary		-	(4.7)
Mezzanine loan facilities advanced		-	(9.3)
Loan facilities repaid	6.4	15.0	-
Expenditure on property, plant and equipment		(6.5)	(0.6)
Net proceeds from disposal of investment properties		(0.6)	(1.2)
Capitalised interest on investment and development properties		(13.2)	(7.3)
Net cash inflow / (outflow) from investing activities		(208.4)	(162.5)
Cash flows from financing activities			
Loan facility drawings		808.0	1,246.6
Loan facility repayments		(906.8)	(1,056.3)
Repayment of senior secured bonds		-	(100.0)
Repayment of leasing liabilities		(2.8)	(2.5)
Distributions paid to share holders		(58.0)	(53.6)
Net proceeds from issue of shares		317.3	-
Net proceeds from debt instrument issuance		-	75.0
Net cash inflow / (outflow) from financing activities		157.7	109.2
Net increase / (decrease in cash held)		(2.8)	3.3
Cash at the beginning of the year		28.4	22.1
Cash as the end of the period		25.6	25.4

The accompanying notes on pages 07-32 form part of these Financial Statements

Notes to the Financial Statements

For the six months ended 31 December 2025

1. GENERAL INFORMATION

1.1 Reporting entity

The interim condensed financial statements presented are those of Precinct Properties New Zealand Limited and its wholly-owned subsidiaries (PPNZ) and Precinct Properties Investments Limited and its wholly-owned subsidiaries (PPIL), each of PPNZ and PPIL being a "Stapled Entity", and together the Precinct Properties Group (Precinct or the Group).

For accounting purposes, stapling gives rise to the combination of the Stapled Entities into a consolidated group. For the purposes of financial reporting, one of the combining entities is required to be identified as the parent entity of the consolidated group. In the case of Precinct, PPNZ has been identified as the parent for the purposes of preparing the financial statements and consequently PPIL's equity is presented as the non-controlling interest in the financial statements.

PPNZ and PPIL are both incorporated in New Zealand and registered under the New Zealand Companies Act 1993 and are both FMC reporting entities for the purposes of the Financial Markets Conduct Act 2013.

PPNZ's principal activity is investment in predominantly prime CBD properties in New Zealand. The principal activity of PPIL is the management of real estate investment entities in New Zealand.

Shares of PPNZ and PPIL are stapled and therefore cannot be traded separately and can only be traded as stapled securities. They are quoted on the Main Board equity securities market of NZX under the ticker code PCT.

1.2 Basis of preparation

The interim financial statements were prepared in accordance with Generally Accepted Accounting Principles in New Zealand (GAAP), For the purposes of complying with NZ GAAP Precinct is a for-profit entity.

NZ IAS 34 and IAS 34 Interim Financial Reporting and waivers granted to Precinct from certain NZX Listing Rules on 18 April 2023, which each permit PPNZ and PPIL, subject to the conditions of the waivers, to prepare interim financial statements in respect of Precinct in place of separate interim financial statements of each stapled entity.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profit or losses resulting from intra-group transactions have been eliminated in full.

The financial statements have been prepared:

- On a historical basis except for financial instruments, investment and development properties which are measured at fair value.
- Using the New Zealand Dollar functional and reporting currency.
- On a GST exclusive basis, except for receivables and payables that are stated inclusive of GST.

All financial information has been presented in millions, unless otherwise stated.

1.3 New standards, amendments and interpretations

In May 2024, the XRB introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements (NZ IFRS 18) (effective for annual reporting periods beginning on or after 1 January 2027). This standard replaces NZ IAS 1 Presentation of Financial Statements (NZ IAS 1) and primarily introduces a defined structure for the statement of comprehensive income, disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note together with reconciliation requirements. Precinct has not early adopted this standard and is yet to assess its impacts.

Notes to the Financial Statements

For the six months ended 31 December 2025

1.4 Changes to accounting policies and disclosure of significant accounting policies

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

These interim financial statements should be read in conjunction with the financial statements and related notes included in Precinct's Annual Report for the year ended 30 June 2025.

1.5 Fair value estimation

Precinct classifies its fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (by price) or indirectly (derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

1.6 Significant accounting judgements, estimates and assumptions

In preparing Precinct's interim financial statements, the boards and management continually make judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on Precinct.

All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to the boards and management. Actual results may differ from the judgements, estimates and assumptions made by the boards and management.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The significant judgements, estimates and assumptions made in the preparation of these interim financial statements are in relation to:

- Investment and development properties** – refer Note 3.1
- Investment in associates and joint ventures** – refer Note 4.1
- Lease liabilities** – refer Note 3.3
- Derivative financial instruments** – refer Note 6.3

1.7 Non-GAAP measures

Precinct has chosen to present the following non-GAAP measures to assist investors in understanding the different aspects of Precinct's financial performance.

The consolidated statement of comprehensive income includes the non-GAAP measure of operating profit before net finance expense, other income/(expenses) and income tax.

Note 2.1 adjusted operating profit before net finance expense, other income/(expenses) and income tax. This measure adds back the rent expenses eliminated through the application of NZ IFRS 16. This measure is shown as all internal reporting for operating segments is provided to the boards of PPNZ and PPIL at a pre NZ IFRS 16 level.

Note 5.2 sets out Precinct's calculation of Funds From Operations (FFO) which is one of the industry's best practice measures for a REIT to show the organisation's underlying and recurring earnings from its operations.

1.8 Significant events and transactions during the period

Precinct's financial position and performance was affected by the following events and transactions that occurred during the reporting period:

i. **Syndicated Facility Agreement Refinance**

On 26 August 2025, Precinct secured a refinance of \$268.0 million in bank loans maturing in 2026 with \$275.0 million in bank loans with maturity in 2030. Additionally, Precinct secured a further \$75.0 million of bank liquidity facilities.

ii. **Equity Raise and commitment to commence a new PBSA facility at 256 Queen Street, Auckland**

On 13 October 2025, Precinct announced a \$310.0 million equity raise target to fund its growth strategy through a fully underwritten \$285.0 million placement (Placement) and a non-underwritten share purchase plan (SPP) targeting \$25.0 million. Following SPP oversubscription, the offer was upsized to \$40.0 million. The purpose of the equity raise is to increase flexibility to progress Precinct's pipeline of development opportunities, including its commitment to commence a newly announced purpose-built student accommodation (PBSA) facility at 256 Queen Street in Auckland, planned development of Downtown Car Park, residential build-to-sell projects and other growth opportunities.

iii. **Updated IRD Binding Ruling**

On 24 November 2025, Precinct announced that it had received a binding tax ruling from Inland Revenue in relation to its stapled structure, updating the terms of the existing ruling and extending its validity through to 24 November 2030.

iv. **Conversion Price Caps Adjustment for subordinated convertible notes PCTHB and PCTHC**

On 18 December 2025, Precinct announced an adjustment to the Conversion Price Cap for its subordinated convertible notes, with PCTHB reset to \$1.3449 and PCTHC to \$1.3845. The adjustment followed the issuance of stapled shares at less than 98% of market price under the Placement and SPP completed and settled over October and November 2025.

v. **Purchase of Downtown Car Park, Auckland**

On 18 December 2025, Precinct announced the acquisition of Downtown Car Park in Auckland, with a final settlement payment of \$115.8 million.

vi. **Sale of Amora Hotel, Wellington**

On 23 December 2025, Precinct early settled the sale back of the Amora Hotel in Wellington for \$15.0 million. The property had previously been accounted for as a loan receivable due to a sell back provision.

Notes to the Financial Statements

For the six months ended 31 December 2025

2. OPERATING SEGMENTS

2.1 Segment information

a) Basis for segmentation

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the respective board of each of PPNZ and PPIL as each makes all key strategic resource allocation decisions.

Precinct has the following reportable segments that are managed separately because of different operating strategies. The following describes the operation of each of the reportable segments.

Reportable segment	Operations
Investment properties	Investment in predominately prime CBD properties
Flexible space	Operation of co-working and shared office and event space
Hotel and hospitality	Operating of hotel and hospitality venues
Investment management	Management of real estate investments

b) Information about reportable segments

Information related to each reportable segment is set out below. Segment profit/(loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

There are varying levels of integration between the investment properties, co-working and investment management segments. This integration includes occupied space, future leasing and events.

The following is an analysis of Precinct's results, by reportable segments.

Adjusted operating profit before net finance expense and income tax

Amounts in \$ millions	Investment properties	Flexible space	Hotel and hospitality	Investment management	Unaudited six months ended 31 December 2025
Gross operating revenue	109.7	11.5	11.7	2.5	135.4
Intersegment property transaction eliminations	1.4	(0.4)	0.1	(1.1)	-
Intersegment management transaction eliminations	-	(1.1)	-	1.1	-
Direct operating expenses	(40.9)	(5.6)	(9.0)	-	(55.5)
Employment and administration expenses	-	-	-	(6.2)	(6.2)
Operating profit before net finance expense and income tax	70.2	4.4	2.8	(3.7)	73.7
Add back rent eliminated in application of IFRS 16	(1.3)	(3.3)	-	-	(4.6)
Adjusted operating profit before net finance expense and income tax¹	68.9	1.1	2.8	(3.7)	69.1

¹ See Note 1.7 for further details of this measure.

Amounts in \$ millions	Investment properties	Flexible space	Hotel and hospitality	Investment management	Unaudited six months ended 31 December 2024
Gross operating revenue	107.8	11.4	11.1	4.1	134.4
Intersegment property transaction eliminations	1.4	(0.3)	(0.1)	(1.0)	-
Intersegment management transaction eliminations	(0.1)	(0.1)	-	0.2	-
Direct operating expenses	(36.4)	(7.4)	(9.5)	-	(53.3)
Employment and administration expenses	-	-	-	(4.5)	(4.5)
Operating profit before net finance expense and income tax	72.7	3.6	1.5	(1.2)	76.6
Add back rent eliminated in application of IFRS 16	(1.3)	(3.2)	-	-	(4.5)
Adjusted operating profit before net finance expense and income tax¹	71.4	0.4	1.5	(1.2)	72.1

1 See Note 1.7 for further details of this measure.

Reconciliation to net profit / (loss) before income tax

Amounts in \$ millions	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Operating profit before net finance expense and income tax	73.7	76.6
Interest income	2.6	2.2
Interest expense	(28.1)	(31.3)
Corporate overhead expense	(3.1)	(2.4)
Net change in fair value of investment and development properties	(29.3)	(0.8)
Share of profit / (loss) in equity-accounted investments	(4.9)	5.6
Equity-accounted investment transaction costs	-	(1.8)
Net change in fair value of derivative financial instruments	(0.7)	(28.6)
Net gain / (loss) on sale of investment properties	(0.2)	(16.1)
Net realised gain / (loss) on disposal of equity-accounted investments	-	2.8
Depreciation - property, plant and equipment	(2.0)	(2.1)
Amortisation of intangible assets	(2.4)	(2.3)
Lease depreciation	(2.0)	(2.0)
Lease interest	(1.8)	(2.0)
Net profit / (loss) before income tax	1.8	(2.2)

Notes to the Financial Statements

For the six months ended 31 December 2025

2.2 Gross operating revenue

<i>Amounts in \$ millions</i>	<i>Unaudited six months ended 31 December 2025</i>	<i>Unaudited six months ended 31 December 2024</i>
Revenue		
Gross property income from rentals	87.8	87.9
Straightline rental adjustments	0.6	0.9
Amortisation of capitalised lease incentives	(4.7)	(4.8)
Revenue from contracts with customers		
Gross property income from expense recoveries	26.0	23.8
Precinct Flex operating revenue	11.5	11.4
Commercial Bay Hospitality operating revenue	0.3	1.0
Hotel operating revenue	11.4	10.1
Management fee income	2.5	4.1
Total gross operating revenue	135.4	134.4

3. PROPERTY

3.1 Investment and development properties

Amounts in \$ millions	Valuer	Capitalisation rate ¹	Valuation 30 June 2025	Capitalised incentives	Additions / disposals ²	Transfers ³	Revaluation gain / (loss)	Book value 31 December 2025
Investment properties⁴								
Auckland								
AON Centre - Akld	CBRE	6.1%	220.0	0.1	1.2	-	-	221.3
HSBC Tower	Colliers	5.5%	445.0	(0.6)	1.6	-	-	446.0
Jarden House	CBRE	5.9%	128.0	(0.1)	0.3	-	-	128.2
Commercial Bay Retail	JLL	6.0%	340.0	(0.6)	0.9	-	-	340.3
PwC Tower (Commercial Bay)	JLL	5.4%	623.0	(1.5)	0.1	-	-	621.6
Deloitte Centre	Colliers	5.3%	174.0	(0.5)	(0.2)	-	-	173.3
Wellington								
NTT Tower	CBRE	6.8%	130.5	0.4	1.1	-	-	132.0
No. 1 and 3 The Terrace	Bayleys	6.0%	129.9	(0.1)	0.1	-	-	129.9
No. 3 The Terrace ⁵	Bayleys	N/A	12.4	-	-	-	-	12.4
AON Centre - Wgtn	Colliers	6.8%	204.5	0.2	1.4	-	-	206.1
Defence House	Colliers	5.5%	190.0	0.3	-	-	-	190.3
Bowen House	CBRE	5.5%	147.5	0.5	-	-	-	148.0
Other investment properties ⁶	Colliers	7.8%	34.9	-	0.1	-	-	35.0
Right-of-use assets ⁷	N/A	N/A	24.0	-	-	-	(0.9)	23.1
Market value (fair value) of investment properties		5.8%	2,803.7	(1.9)	6.6	-	(0.9)	2,807.5
Investment properties held for sale⁴								
22 Stanley Street	N/A	N/A	43.7	-	25.7	-	-	69.4
One Queen Street (Hotel)	N/A	N/A	180.0	-	-	-	-	180.0
Market value (fair value) of investment properties held for sale			223.7	-	25.7	-	-	249.4
Development properties⁴								
Auckland								
Downtown Car Park	CBRE	N/A	43.9	-	129.4	-	(23.3)	150.0
256 Queen Street	N/A	N/A	11.0	-	-	(11.0) ⁸	-	-
Other development properties	N/A	N/A	6.4	-	-	(6.4) ⁸	-	-
Wellington								
Freyberg Building	Colliers	N/A	30.7	-	2.4	-	-	33.1
61 Molesworth Street	Colliers	N/A	242.9	-	33.8	-	(5.1)	271.6
Market value (fair value) of development properties			334.9	-	165.6	(17.4)	(28.4)	454.7
Inventories (development projects)								
256 Queen Street	N/A	N/A	-	-	10.0	11.0 ⁸	-	21.0
Other residential development projects	N/A	N/A	-	-	15.6	6.4 ⁸	-	22.0
Lower of cost and NRV of development projects			-	-	25.6	17.4	-	43.0

1 Total weighted average by market value.

2 Additions arise from subsequent expenditure recognised in the carrying amount. Additions include \$13.3 million of capitalised interest. Disposals relate to completed sales and unconditional contracts for sale at year-end.

3 Transfers occur when a property is transferred to another category of property.

4 All properties are categorised as level 3 in the fair value hierarchy.

5 No. 3 The Terrace relates to the freehold title in respect to Precinct's leasehold interest.

6 Other investment properties are small value properties held for strategic purposes.

7 Right-of-use assets associated with ground leases at AON Centre - Wgtn, 204 Quay Street and Viaduct Car Park.

Notes to the Financial Statements

For the six months ended 31 December 2025

- 8 Properties in the process of development for sale in the ordinary course of business have been transferred from Development properties to Inventories, consistent with Precinct's growing programme of developments structured for sale into capital partnerships.

Accounting policies

Valuation of investment and development properties

In line with Precinct's valuation policy, for 31 December 2025 interim financial reporting purposes, all development properties under construction were externally valued. The Board and Management have reviewed the remainder of the portfolio using available market data and considered other key property information. Where fair value movements were material in the context of Precinct's valuation policy the internal valuation amount was adopted as fair value.

Inventories

Precinct develops residential, commercial and mixed-use properties for sale in the ordinary course of business. Inventories are presented as current assets when they are expected to be realised within the normal operating cycle; otherwise, they are presented as non-current.

Development projects classified as inventories are measured at the lower of cost and net realisable value (NRV). Cost includes acquisition, development, capitalised interest, and other costs directly attributable to the specific project. NRV is the estimated selling price in the ordinary course of business less the estimated costs to complete and sell. NRV is determined using the most reliable evidence available at the reporting date, including expected movements in selling prices and updated estimates of costs to complete and sell.

3.2 Capital commitments

Precinct has \$285.3 million of capital commitments as at 31 December 2025 (30 June 2025: \$164.8 million) relating to construction contracts and property purchases still to be settled. The capital commitments balance as at 31 December 2025 includes \$138.6 million in respect of the 22 Stanley Street capital commitments, which was settled to Stanley Limited Partnership on 12 February 2026 (see Note 8.8).

3.3 Leases

a) Lease liabilities

Precinct has entered into ground leases (as lessee) and property leases (Precinct Flex as lessee). Ground leases have remaining non-cancellable lease terms of between one and 47 years (30 June 2025: one and 47 years). Precinct Flex property leases have remaining non-cancellable lease terms of between one and 7 years (30 June 2025: one and 8 years).

Amounts in \$ millions	Investment properties	Flexible space	Unaudited as at 31 December 2025	Investment properties	Flexible Space	Audited as at 30 June 2025
Current	1.3	3.3	4.6	1.3	3.8	5.1
Non-current	24.2	18.5	42.7	24.8	20.2	45.0
Total lease liabilities	25.5	21.8	47.3	26.1	24.0	50.1

b) Right-of-use assets

<i>Amounts in \$ millions</i>	Investment properties	Flexible space	Unaudited as at 31 December 2025	Investment properties	Flexible Space	Audited as at 30 June 2025
Total right-of-use assets	23.1¹	15.1	38.2	24.0	17.0	41.0

1 Right-of-use assets for investment properties are included within investment properties value in the Consolidated Statement of Financial Position.

Notes to the Financial Statements

For the six months ended 31 December 2025

4. GROUP STRUCTURE

4.1 Equity-accounted investments

Set out below are the associates and joint ventures of Precinct as at 31 December 2025. For those which, in the opinion of the directors, are material to Precinct the key financial information has been disclosed. For associates or joint ventures which, in the opinion of the directors, are individually immaterial to Precinct the key financial information has been aggregated for disclosure.

a) Ownership structures

Amounts in \$ millions	Country of incorporation	Ownership	Ownership interest		Nature of relationship	Measurement method
			Unaudited as at 31 December 2025	Audited as at 30 June 2025		
Material equity-accounted investments						
Precinct Pacific Investment Limited Partnership ("PPILP") ¹	New Zealand	Units	24.9%	24.9%	Associate	Equity
<i>Individually immaterial equity-accounted investments</i>						
Mahuhu Investment Limited Partnership ("MILP") ¹	New Zealand	Units	33.3%	33.3%	Associate	Equity
Tangihua Investment Limited Partnership ("TILP") ¹	New Zealand	Units	33.3%	33.3%	Associate	Equity
Westhaven Residential Limited Partnership ("WRLP") ¹	New Zealand	Units	50.0%	50.0%	Joint Venture	Equity
Westhaven Commercial Limited Partnership ("WCLP") ¹	New Zealand	Units	24.9%	24.9%	Associate	Equity

¹ There has been no change in ownership interests during the period.

b) Equity-accounted investments

Amounts in \$ millions	Unaudited as at 31 December 2025	Audited as at 30 June 2025
Precinct Pacific Investment Limited Partnership ("PPILP")	73.9	79.0
Individually immaterial equity-accounted investments	58.4	59.7
Total equity-accounted investments	132.3	138.7

Individually immaterial equity-accounted investments balance includes \$21.0 million of investment into WCLP (30 June 2025: \$21.1 million), \$22.0 million of investment into WRLP (30 June 2025: \$22.1 million) and \$15.3 million of other individually immaterial investments (30 June 2025: \$16.5 million).

Precinct Pacific Investment Limited Partnership ("PPILP")

Given the extent of Precinct's equity investment as at balance date of 24.9%, the appointment of Precinct Properties Management Limited ("PPML") as manager, and that two of Precinct's current executives are directors of the PPILP General Partnership, the Precinct board has concluded that Precinct has "significant influence" over PPILP. As such, Precinct's interest in PPILP has been treated as an interest in an associate.

Mahuhu Investment Limited Partnership ("MILP"), Tangihua Investment Limited Partnership ("TILP") and the Te Tōangaroa Joint Venture ("Te Tōangaroa")

Te Tōangaroa is a Joint Venture between Precinct, PAG and Ngāti Whātua Ōrākei to invest in the regeneration of the Te Tōangaroa precinct in the Tāmaki Makaurau city centre. Precinct and PAG have invested in the Joint Venture through MILP and TILP and Precinct's look-through investment in the Joint Venture through MILP is 16.8% and TILP is 19.0%.

Given the extent of Precinct's equity investment in MILP and TILP as at balance date of 33.3% respectively, the appointment of Precinct Properties Management Limited ("PPML") as manager of MILP, TILP and Te Tōangaroa, and that two of Precinct's current executives are directors of the MILP and TILP General Partnerships, the Precinct board has concluded that Precinct has "significant influence" over MILP and TILP. As such, Precinct's interest in both MILP and TILP has been treated as an interest in an associate.

Westhaven Residential Limited Partnership ("WRLP") and Westhaven Commercial Limited Partnership ("WCLP")

Precinct and Orams Group have entered a Joint Venture to develop Orams significant waterfront site at Wynyard Quarter including a small scaled commercial development (through Westhaven Commercial Limited Partnership) and a large scale residential development site (through Westhaven Residential Limited Partnership).

Given the extent of Precinct's equity investment as at balance date of 24.9%, the appointment of Precinct Properties Management Limited ("PPML") as development manager, and that two of Precinct's current executives are directors of WCLP General Partnership, the Precinct board has concluded that Precinct has "significant influence" over WCLP. As such, Precinct's interest in WCLP has been treated as an interest in an associate.

Westhaven Residential Limited Partnership is jointly owned by Precinct and Orams Group and is focussed on the delivery of a high-quality multi-unit residential development.

Notes to the Financial Statements

For the six months ended 31 December 2025

c) Summarised financial information for associates and joint ventures

The following tables provide summarised financial information for the associates and joint ventures of Precinct and reflect the amounts presented in the financial statements of the relevant entities, not Precinct's share of those amounts.

Summarised statement of comprehensive income

Amounts in \$ millions	Unaudited six months ended 31 December 2025			Unaudited six months ended 31 December 2024		
	PPILP	BILP ¹	Other	PPILP	BILP ¹	Other
Net operating income	15.6	-	6.8	8.7	6.9	1.5
Finance income	0.0	-	-	0.1	-	-
Finance expense	(11.3)	-	(3.0)	(5.0)	-	(1.3)
Other income / (expense)	(1.3)	-	(0.3)	(0.8)	(0.4)	(0.1)
Net change in fair value of investment and development properties	(19.6)	-	(4.8)	8.6	2.8	-
Net change in fair value of derivative financial instruments	0.2	-	-	(7.4)	-	(0.7)
Profit / (loss)	(16.5)	-	(1.3)	4.2	9.3	(0.6)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive profit / (loss)	(16.5)	-	(1.3)	4.2	9.3	(0.6)

1 Precinct sold its entire interest in Bowen Investment Limited Partnership ("BILP") on 31 May 2025.

Summarised statement of financial position

Amounts in \$ millions	Unaudited as at 31 December 2025			Audited as at 30 June 2025		
	PPILP	BILP ¹	Other	PPILP	BILP ¹	Other
Assets						
Current assets	6.6	-	1.0	12.6	1.7	3.0
Investment properties	657.6	-	270.5	668.6	252.6	271.1
Other non-current assets	-	-	0.7	-	-	0.7
Total assets	664.2	-	272.2	681.2	254.3	274.8
Liabilities						
Current liabilities	9.8	-	3.0	5.1	0.7	3.8
Borrowings - non-current	350.3	-	93.3	351.3	-	91.2
Other non-current liabilities	7.5	-	0.9	7.7	-	0.9
Total liabilities	367.6	-	97.2	364.1	0.7	95.9
Net assets	296.6	-	175.0	317.1	253.6	178.9

1 Precinct sold its entire interest in Bowen Investment Limited Partnership ("BILP") on 31 May 2025.

4.2 Related party disclosures

Precinct Properties Management Limited ("PPML", subsidiary of PPIL), earns revenue streams from the management of real estate investments including PPILP and Te Tōangaroa. Under the various management agreements PPML is entitled to receive management fees for services performed including: asset management, building management, development management and transaction fees.

The table below sets out transactions with a related party that took place:

Unaudited six months ended 31 December 2025

Amounts in \$ millions	Fees charged during period			Amounts owing at period end		
	Associates	Joint Ventures	Total	Associates	Joint Ventures	Total
Asset management fee income	1.2	-	1.2	-	-	-
Development management fee income	0.2	-	0.2	2.9	-	2.9
Building management fee income	0.4	-	0.4	-	-	-
Leasing fee income	-	-	-	-	-	-
Total management fee income	1.8	-	1.8	2.9	-	2.9
Rent paid	(0.1)	-	(0.1)	-	-	-

Unaudited six months ended 31 December 2024

Amounts in \$ millions	Fees charged during period			Amounts owing at period end		
	Associates	Joint Ventures	Total	Associates	Joint Ventures	Total
Asset management fee income	1.1	-	1.1	-	-	-
Development management fee income	1.3	0.4	1.7	-	-	-
Building management fee income	0.4	-	0.4	-	-	-
Leasing fee income	-	-	-	0.1	-	0.1
Total management fee income	2.8	0.4	3.2	0.1	-	0.1
Rent paid	(1.5)	-	(1.5)	-	-	-

Notes to the Financial Statements

For the six months ended 31 December 2025

The following table details the transactions between PPNZ and other Precinct entities, which are eliminated on consolidation.

<i>Amounts in \$ millions</i>	Amounts charged during period		Amounts owing at period end	
	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024	Unaudited as at 31 December 2025	Unaudited as at 31 December 2024
<i>Charged from PPIL to PPNZ</i>				
Asset management fee	5.7	5.7	-	-
Development management fee	3.8	3.1	-	-
Building management fee	3.0	2.7	-	-
Leasing fee	1.1	0.7	1.7	0.6
Acquisition and disposal fees	1.4	-	-	-
Additional services fee	1.2	0.8	-	-
Total management fee income	16.2	13.0	1.7	0.6
<i>Charged from PPNZ to PPIL</i>				
Rental income	1.5	1.3	-	-
Interest income	1.6	1.7	18.0	14.6
Total charges	3.1	3.0	18.0	14.6

There were expense recharges between PPNZ and other Precinct entities for items such as insurance premiums, directors fees and travel where the transactions were not eliminated on consolidation. The total value of these recharges for the period ended 31 December 2025 were \$0.1 million charged from PPIL to PPNZ (31 December 2024: \$0.2 million) and \$1.5 million recharged from PPNZ to PPIL (31 December 2024: \$1.4 million) .

Interest bearing loans exist between PPNZ and other Precinct entities. At 31 December 2025, interest bearing loans of \$75.1million (30 June 2025: \$70.1 million) were receivable by PPNZ from other Precinct entities. Loans to related Precinct entities bear interest at PPNZ's weighted average cost of capital. Loans are repayable on demand.

5. INVESTOR RETURNS

5.1 Earnings per share

<i>Amounts in \$ millions unless otherwise stated</i>	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Weighted average number of shares for both PPNZ and PPIL		
Weighted average number of shares for basic earnings per share (millions)	1,692.6	1,586.9
Weighted average number of shares for diluted earnings per share (millions) ¹	1,704.0	1,597.0
PPNZ		
Net profit after tax for basic and diluted earnings per share - PPNZ	13.0	13.2
Basic earnings per share (cents) - PPNZ	0.77	0.83
Diluted earnings per share (cents) - PPNZ	0.76	0.83
PPIL		
Net profit after tax for basic and diluted earnings per share - PPIL	(10.1)	(4.0)
Basic earnings per share (cents) - PPIL	(0.60)	(0.3)
Diluted earnings per share (cents) - PPIL	(0.60)	(0.3)
Stapled entity		
Net profit after tax for basic and diluted earnings per share - stapled entity	2.9	9.2
Basic earnings per share (cents) - stapled entity	0.17	0.58
Diluted earnings per share (cents) - stapled entity	0.16	0.58

¹ Effect of dilution relates to share rights under the long-term incentive scheme for key management personnel.

The calculation of diluted earnings per share has been based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after the adjustment for all dilutive potential ordinary shares.

Notes to the Financial Statements

For the six months ended 31 December 2025

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

FFO is a non-GAAP financial measure that shows the organisation's underlying and recurring earnings from its operations and is used as a measure of operating performance. This is determined by adjusting operating income after current tax for IFRS 16, other non-cash accounting adjustments, cash distributions received from equity-accounted investments, and other one-off items. FFO is intended as a supplementary measure of operating performance.

<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

5.3 Dividends paid

<i>Amounts in \$ millions unless otherwise stated</i>	Unaudited six months ended 31 December 2025			Unaudited six months ended 31 December 2024		
	Payment Date	Cents per share	Total	Payment Date	Cents per share	Total
The following dividends were declared and paid by PPNZ during the period:						
Q4 final dividend	19-Sep-25	1.4975	23.8	20-Sep-24	1.4975	23.8
Q1 interim dividend	12-Dec-25	1.4975	27.7	13-Dec-24	1.4975	23.7
Total dividends paid - PPNZ		2.995	51.5		2.9950	47.5
The following dividends were declared and paid by PPIL during the period:						
Q4 final dividend	19-Sep-25	0.1900	3.0	20-Sep-24	0.19	3.0
Q1 interim dividend	12-Dec-25	0.1900	3.5	13-Dec-24	0.1900	3.0
Total dividends paid - PPIL		0.3800	6.5		0.3800	6.0
Total dividends paid - Precinct		3.3750	58.0		3.3750	53.5

Supplementary dividends of \$59,104 were paid to PPIL shareholders not resident in New Zealand for which PPIL received a foreign investor tax credit entitlement (31 December 2024: \$50,278).

6. CAPITAL STRUCTURE AND FUNDING

6.1 Interest bearing liabilities

<i>Amounts in \$ millions</i>	Unaudited as at 31 December 2025	Audited as at 30 June 2025
Bank loans	749.6	848.2
US private placement	195.4	195.4
NZ senior secured bonds	400.0	400.0
Convertible note	150.0	150.0
Total drawn debt	1,495.0	1,593.6
US private placement - fair value adjustment	38.2	21.7
Convertible note - embedded financial derivative and amortisation adjustment	0.3	0.2
Capitalised borrowing costs	(4.8)	(5.2)
Net interest bearing liabilities	1,528.7	1,610.3

Notes to the Financial Statements

For the six months ended 31 December 2025

Breakdown of borrowings:

Amounts in \$ millions	Held at	Maturity ¹	Facility	Coupon ¹	Unaudited as at 31 December 2025	Audited as at 30 June 2025
Bank loans	Amortised cost	Aug-25	68.0	Floating ²	-	12.0
Bank loans ³	Amortised cost	Nov-27	180.0	Floating ²	167.6	139.2
Bank loans	Amortised cost	Jun-29	200.0	Floating ²	7.0	197.0
Bank loans	Amortised cost	Jun-28	300.0	Floating ²	300.0	300.0
Bank loans	Amortised cost	Aug-30	275.0	Floating ²	275.0	200.0
Bank loans	Amortised cost	Jun-27	75.0	Floating ²	-	-
NZ senior secured bond (PCT030)	Amortised cost	May-27	150.0	2.85%	150.0	150.0
NZ senior secured bond (PCT040)	Amortised cost	May-28	175.0	5.25%	175.0	175.0
NZ wholesale green bond (PCTW29)	Amortised cost	Oct-29	75.0	5.42%	75.0	75.0
Convertible note (PCTHB)	Amortised cost	Sep-26	65.0	7.56%	65.0	65.0
Convertible note (PCTHC)	Amortised cost	Sep-27	85.0	7.53%	85.0	85.0
US private placement	Fair value	Jan-27	32.6	4.23%	32.6	32.6
US private placement	Fair value	Jul-29	118.4	4.28%	118.4	118.4
US private placement	Fair value	Jul-31	44.4	4.38%	44.4	44.4
Total drawn debt					1,495.0	1,593.6
Weighted average term to maturity					2.8 years	2.8 years
Weighted average interest rate before swaps (including funding costs)					4.41%	5.20%

1 As at 31 December 2025.

2 Interest rates on bank loans are at the 90-day benchmark borrowing rate (BKBM) plus a margin. Precinct also pays facility fees.

3 Term bank loan relating to the 61 Molesworth Street property.

Precinct has committed funding of \$1,775.5 million (30 June 2025: \$1,693.4 million) including the NZ retail bonds, NZ wholesale bond, US private placements and convertible notes.

All lenders (excluding convertible noteholders) have the benefit of security over certain assets of the Group. The Group has given a negative pledge which provides that it will not permit any security interest in favour of a party other than the lenders to exist over more than 15% of the value of substantially all of its properties. The value of the mortgaged property pool as at 31 December 2025 is \$2,990.4 million (30 June 2025: \$2,990.4 million).

The convertible notes are subordinated to all secured debt and will convert into ordinary shares of Precinct subject to a Cash Election. The cash election allows Precinct to elect to instead pay a cash amount to noteholders at the end of the term.

The number of shares into which each holding of notes converts will be determined by dividing the Principal Amount (\$1.00 per note) by the Conversion Price, which is the lesser of:

- the Conversion Price Cap of \$1.3449 for PCTHB notes and \$1.3845 for PCTHC notes; and
- the Market Price.

Accounting Policies

Interest bearing liabilities

Bank loans, the NZ retail bonds and the NZ wholesale bond are recognised initially at fair value less any attributable transaction costs. Subsequent to initial recognition, these liabilities are stated at amortised cost using the effective interest method.

The US private placements are recognised at fair value including translation to NZD with any gains or losses recognised in the profit or loss as they arise. This fair value is determined using swap models and present value techniques with observable inputs such as interest rate and cross-currency curves. The movement in fair value attributable to changes in Precinct's own credit risk is calculated by determining the changes in credit spreads above observable market interest rates and is recognised in other comprehensive income. This measurement falls into level 2 of the fair value hierarchy.

The convertible note embedded financial derivatives are recognised at fair value with any gains or losses recognised in the profit or loss as they arise. This fair value is determined using the black-scholes model with observable inputs such as Precinct's share price and its historic standard deviation, the convertible note strike price and the risk free rate. This measurement falls into level 2 of the fair value hierarchy.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

6.2 Net finance expense

<i>Amounts in \$ millions</i>	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Finance income		
Bank interest income	0.3	0.4
Interest income on loan receivables	2.3	1.8
	2.6	2.2
Finance expense		
Interest bearing liabilities interest expense	(41.4)	(38.6)
Capitalised interest	13.3	7.3
	(28.1)	(31.3)
Net finance expense	(25.5)	(29.1)

Notes to the Financial Statements

For the six months ended 31 December 2025

6.3 Derivative financial instruments

<i>Amounts in \$ millions</i>	Unaudited as at 31 December 2025	Audited as at 30 June 2025
Financial derivative assets		
Current	3.4	1.0
Non current ¹	34.6	22.3
	38.0	23.3
Financial derivative liabilities		
Current	(2.3)	(1.3)
Non current	(35.1)	(34.0)
	(37.4)	(35.3)
Total fair value of derivative financial instruments	0.6	(12.0)
Notional contract cover (fixed payer)	1,695.0	2,295.0
Notional contract cover (fixed receiver)	465.0	465.0
Notional contract cover (cross currency swaps - fixed receiver)	195.5	195.5
Percentage of net drawn borrowings fixed	57.5%	82.8%
Weighted average term to maturity (fixed payer)	2.9 years	2.5 years
Weighted average interest rate after swaps (including funding costs)	4.96%	5.22%

¹ This includes the cross currency interest rate swap valuation of \$32.5 million (June 2025: \$17.8 million) and a net debit value adjustment of \$0.3 million debit (June 2025: \$0.1 million debit).

Accounting Policies

Derivative financial instruments

Precinct uses derivative financial instruments (interest rate and cross currency swaps) to manage its exposure to interest rate and foreign exchange risks arising from operational, financing and investment activities.

Derivative financial instruments are recognised initially at fair value and subsequently re-measured and carried at fair value. They are carried as assets when the fair value is positive and liabilities when the fair value is negative. The gain or loss on re-measurement to fair value is recognised directly in profit or loss.

The fair value is the estimated amount that Precinct would receive or pay to terminate the swap at the balance date, taking into account current rates and creditworthiness of the swap counterparties. This is determined using swap models and present value techniques with observable inputs such as interest rate and cross-currency curves. The fair value of derivatives fall into level 2 of the fair value hierarchy.

6.4 Loan receivables

Amounts in \$ millions	Held at	Maturity ¹	Facility	Coupon	Unaudited as at 31 December 2025	Audited as at 30 June 2025
Sale and lease back property ²	Amortised cost	Dec-25	15.0	5.00%	-	15.0
Mezzanine loan	Amortised cost	Apr-26	20.0	14.00%	20.0	20.0
Total loan receivables			35.0		20.0	35.0
Capitalised interest and line fees					6.0	4.1
Capitalised borrowing costs					(0.1)	(0.2)
Total net loan receivables					25.9	38.9

1 As at 31 December 2025.

2 Precinct sold the Amora Hotel property during the period.

6.5 Share capital

There is only one class of shares, being ordinary shares, and they rank equally with each other. All issued shares are fully paid, carry full voting rights, have no redemption rights, have no par value and are subject to the terms of the constitution. PPNZ and PPIL shares are "stapled" and jointly listed on the NZX (Stapled Securities). Each of PPNZ and PPIL has 1,852,849,352 shares on issue as at 31 December 2025.

Stapling of shares is a contractual and constitutional arrangement between the two Stapled Entities whereby each Stapled Entity's equity securities are combined with (or stapled to) the equity securities issued by the other Stapled Entity. The Stapled Entities have the same shareholders, and their shares cannot be traded or transferred independently of one another. The Stapled Securities are traded as a single economic unit with a single quoted price.

The following table provides details of movements in Precinct's issued shares:

Amounts in \$ millions unless otherwise stated	Unaudited as at 31 December 2025		Audited as at 30 June 2025	
	Number (m)	Amount	Number (m)	Amount
Balance at the beginning of the period	1,587.0	1,623.4	1,586.4	1,622.8
Issue of shares:				
Equity raise (Placement and SPP) ¹	264.9	317.3	-	-
Long term incentive plan - shares vested	0.8	0.6	0.5	0.4
Employee share scheme - shares issued	0.1	0.1	0.1	0.2
Balance at the end of the period	1,852.8	1,941.4	1,587.0	1,623.4

1 Precinct raised \$285.0 million of equity through a fully underwritten placement (Placement) and a further \$40.0 million through a non-underwritten share purchase plan (SPP) during the period. See Note 1.8 for details.

Share capital is recognised at the fair value of the consideration received by Precinct. Costs relating to the issue of new shares have been deducted from the proceeds received.

Notes to the Financial Statements

For the six months ended 31 December 2025

7. TAXATION

7.1 Income tax

<i>Amounts in \$ millions</i>	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Current tax benefit / (expense)	1.6	3.7
Depreciation recovered on sale	-	-
Deferred tax benefit / (expense)	(0.5)	7.7
Income tax benefit / (expense) as per consolidated statement of comprehensive income	1.1	11.4
<hr/>		
<i>Amounts in \$ millions</i>	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Net profit / (loss) before taxation	1.8	(2.2)
Tax benefit / (expense) at the statutory income tax rate of 28.0%	(0.5)	0.6
(Increase) / decrease in income tax due to:		
Unrealised (gain) / loss on value of investment and development properties	(8.2)	-
Net realised (gain) / loss on sale of investment & development properties	(0.1)	(4.5)
Unrealised (gain) / loss on financial instruments	(0.2)	(8.0)
Net realised gain / (loss) on disposal of investment in joint venture	-	0.5
Disposal of depreciable assets	0.5	0.3
Capitalised interest	3.7	2.1
Prior period adjustments	-	1.1
Other adjustments	(0.2)	2.0
Depreciation	7.7	7.5
Deductible capital expenditure	0.2	-
Tax impacts of equity-accounted investments	(1.4)	2.1
Current tax benefit / (expense)	1.6	3.7
<hr/>		
Depreciation recovered on sale of depreciable assets	-	-
<hr/>		
Deferred tax charged to profit or loss:		
Fair value of financial instruments	0.4	8.4
Investment property depreciation	(1.0)	2.5
Other deferred tax	0.1	(3.2)
Total deferred tax benefit / (expense)	(0.5)	7.7
<hr/>		
Total income tax benefit / (expense)	1.1	11.4
<hr/>		
Effective tax rate	-59%	518%

Precinct holds its properties on capital account for income tax purposes.

The group has tax losses of \$246.7 million available to carry forward as at 31 December 2025 (30 June 2025: \$243.0 million).

Imputation credits available for use as at 31 December 2025 are \$nil (PPNZ) and \$1,159,026 (PPIL) (30 June 2025: \$nil (PPNZ) and \$653,657 (PPIL)).

Accounting Policies

Income tax

a) Recognition and measurement

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

b) Key estimates and assumptions

Precinct undertakes transactions in the ordinary course of business where the income tax treatment requires the exercise of judgement. Precinct estimates the amount expected to be paid to / recovered from tax authorities based on its understanding and interpretation of the law, seeking external advice where appropriate, and considers that it holds appropriate provisions. Uncertain tax positions are presented as current or deferred tax assets or liabilities with reference to the nature of the underlying uncertainty based on management's determination of the likelihood that uncertain tax positions will be accepted by the tax authorities.

Precinct applies judgement in evaluating whether the proceeds of sale of properties are on capital or revenue account for income tax purposes.

8. OTHER

8.1 Employment and administration expenses

<i>Amounts in \$ millions</i>	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Salaries and other short-term benefits	11.3	9.1
Long-term benefits expense	1.8	1.3
Less: management expenses recognised in direct operating expenses	(3.5)	(3.2)
Less: management expenses capitalised to properties being developed	(5.9)	(4.6)
Other employment and administration expenses	2.5	1.9
Total employment and administration expenses	6.2	4.5

Notes to the Financial Statements

For the six months ended 31 December 2025

8.2 Corporate overhead expenses

<i>Amounts in \$ millions</i>	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Audit fees	0.2	0.2
Directors' fees and expenses	0.9	0.9
Other ¹	2.0	1.3
Total corporate overhead expenses	3.1	2.4

1 Other includes valuation fees, NZX listing fees, share registry costs, annual report publication and property investigations and feasibility costs.

8.3 Key management personnel

<i>Amounts in \$ millions</i>	Unaudited six months ended 31 December 2025	Unaudited six months ended 31 December 2024
Directors' fees ¹	0.4	0.4
Executive team remuneration ²	4.4	3.3
Total key management personnel expenses	4.8	3.7

1 Includes due diligence committee (DDC) fees that may be capitalised depending on the nature of the DDC.

2 Total remuneration comprising base salary, STI payments, market value of LTI shares vesting and employer contributions to superannuation.

8.4 Debtors and other current assets

<i>Amounts in \$ millions</i>	Unaudited as at 31 December 2025	Audited as at 30 June 2025
Trade receivables	7.6	9.8
Less Allowance for expected credit losses on trade receivables	(0.3)	(0.7)
Net trade receivables	7.3	9.1
Receivables from related parties	0.2	0.2
Other receivables	1.3	-
Total debtor and other receivables (excluding prepayments)	8.8	9.3
Prepayments	10.0	14.8
Total debtor and other receivables	18.8	24.1

8.5 Trade and other payables

<i>Amounts in \$ millions</i>	Unaudited as at 31 December 2025	Audited as at 30 June 2025
Trade creditors	1.8	3.3
Accrued capital expenditure	17.5	11.7
Retention accruals	5.3	5.6
Accrued other expenses	22.3	22.9
Accrued interest	9.0	8.1
Rent received in advance	6.5	5.2
Total other accruals and payables	62.4	56.8

8.6 Contingencies

a) Contingent liabilities

There are no contingent liabilities as at 31 December 2025 (30 June 2025: \$nil).

b) Contingent assets

There are no contingent assets as at 31 December 2025 (30 June 2025: \$nil).

8.7 Adjustments to prior periods

In December 2025, Precinct conducted a review of the reserve balance within equity. It was identified that \$18.2 million, which accumulated as a result of movements in the fair value of the US private placements attributable to changes in Precinct's own credit risk during 2020 and 2021, had been incorrectly recognised in profit or loss instead of other comprehensive income. The impact is limited to retained earnings and reserves within equity. The correction did not require any change to net assets or total equity previously presented.

The error has been corrected by restating the opening retained earnings and reserve balances in the comparative period for the impact arising in prior periods, as follows:

<i>Amounts in \$ millions</i>	Audited as at 30 June 2025 (restated)	Audited as at 30 June 2025 (as reported)	Unaudited as at 31 December 2024 (restated)	Unaudited as at 31 December 2024 (as reported)	Audited as at 1 July 2024 (restated)	Audited as at 1 July 2024 (as reported)
Retained earnings	358.7	376.9	405.1	423.3	439.4	457.6
Reserves	7.3	(10.9)	8.4	(9.8)	14.7	(3.5)

Notes to the Financial Statements

For the six months ended 31 December 2025

8.8 Events after balance date

On 27 January 2026, Precinct announced the acquisition of ASB North Wharf by Precinct Pacific Investment Limited Partnership (PPILP) for \$205.0 million as part of an existing partnership with global institutional investor, GIC. The acquisition remains conditional on Overseas Investment Office approval, with settlement expected to occur in the first half of 2026.

On 30 January 2026, Precinct announced the settlement of the sale of the InterContinental Hotel at One Queen Street in Auckland for \$180.0 million. Following the settlement, Precinct has cancelled \$150.0 million of bank loan facilities maturing in June 2028.

On 12 February 2026, Precinct announced the settlement of the sale of 22 Stanley Street to Stanley Limited Partnership (Stanley LP), a newly-formed investment partnership between Precinct and Keppel, a leading global asset manager and operator.

On 25 February 2026, the PPNZ and PPIL Boards approved the financial statements for issue.

On 25 February 2026, the Board of PPNZ approved the payment of a dividend of 1.4975 cents per share to be paid on 20 March 2026.

On 25 February 2026, the Board of PPIL approved the payment of a dividend of 0.1900 cents per share to be paid on 20 March 2026.



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Independent Auditor's review report to the shareholders of Precinct Properties New Zealand Limited and Precinct Properties Investments Limited

Conclusion

We have reviewed the interim condensed financial statements of Precinct Properties New Zealand Limited ("PPNZ") and its subsidiaries and Precinct Properties Investments Limited ("PPIL") and its subsidiaries (together "the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six months ended on that date, and explanatory notes. Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the six months ended on that date, in accordance with New Zealand Equivalent to International Accounting Standard 34: *Interim Financial Reporting* (NZ IAS 34) and International Accounting Standard 34: *Interim Financial Reporting* (IAS 34).

This report is made solely to the Company's shareholders, as a body. Our review has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our review procedures, for this report, or for the conclusion we have formed.

Basis for conclusion

We conducted our review in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial statements* section of our report. We are independent of the Group in accordance with the Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* as applicable to audits and reviews of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standard 1.

Ernst & Young provides other assurance related services to the Group. Partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. We have no other relationship with, or interest in, the Group.

Directors' responsibilities for the interim financial statements

The directors of PPNZ and PPIL are responsible, on behalf of the Group, for the preparation and fair presentation of the interim financial statements in accordance with NZ IAS 34 and IAS 34 and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.



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Auditor's Responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with NZ IAS 34 and IAS 34.

A review of interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on those interim financial statements.

The engagement partner on the review resulting in this independent auditor's review report is Susan Jones.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive script.

Chartered Accountants

Auckland

25 February 2026

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Directory

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George Crawford, Deputy Chief Executive Officer
Richard Hilder, Chief Financial Officer
Emma de Vries, GM - People & Culture
Nicola McArthur, GM - Marketing, Communications & Experience
Anthony Randell, GM - Property
Louise Rooney, General Counsel & Company Secretary
Tim Woods, GM - Development

Bankers

ANZ New Zealand Bank
Bank of New Zealand
Westpac New Zealand
Commonwealth Bank of Australia
Industrial and Commercial Bank of China (New Zealand) Limited
Bank of China (New Zealand) Limited

Bond Trustee

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Trust Company Limited
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Alison Barrass - Independent Director
Nicola Greer – Independent Director
Christopher Judd – Independent Director
Chris Meads – Independent Director
Mark Tume – Independent Director

Manager

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Please contact our registrar:

- To change investment details such as name, postal address or method of payment.
- For queries on dividends and interest payments.
- To elect to receive electronic communication.