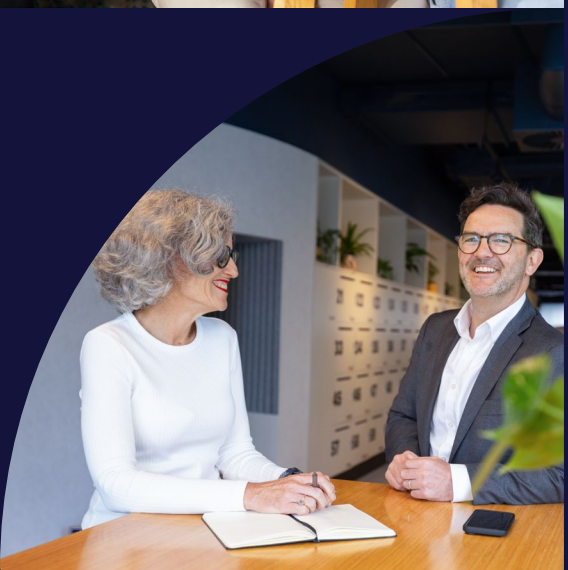








Kiwi Property

Interim Report

For the six months ended 30 September 2026


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Kiwi Property Interim Report for the six months ended 30 September 2026

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For further information visit our investor centre at kp.co.nz/investor-centre

Letter from the Chair and Chief Executive Officer



Simon Shakesheff
Chair



Clive Mackenzie
Chief Executive Officer

Net rental income

$90.9m

↓ 10.9%
↑ 4.8% like-for-like[1]

Adjusted funds from operations

$48.6m

↓ 6.4%
↑ 1.5% like-for-like[1]

Interim results for the six months ended 30 September 2026

Our interim results for the six months ended 30 September 2026 (HY27) reflect a solid operating performance from our retail-led portfolio, delivered against a backdrop of cautious consumer spending.

Financial performance

This half reflects a transition in our earnings profile following the divestment of The Plaza in December 2025 and ASB North Wharf in May 2026. With around 74% of portfolio value now in high-quality, retail-led assets, our portfolio is better aligned with our ambition of being New Zealand's leading creator of retail-led destinations.

As expected, the loss of income from divested assets means reported earnings are lower than the prior period, with net rental income of $90.9 million, down 10.9%, and adjusted funds from operations (AFFO) of $48.6 million, down 6.4%. However, on a like-for-like basis adjusting for these divested assets, our underlying performance strengthened, with net rental income up 4.8% at $88.6 million and AFFO up 1.5% at $48.7 million. Our retail-led portfolio continued to drive growth, with net operating income from these assets up 4.2% to $67.4 million.

The proceeds from the divestments reduced debt levels, resulting in lower net finance expenses, down 18.9% to $22.8 million. A continued focus on cost discipline led to employment and administration expenses reducing by 6.2% to $12.1 million, with our management expense ratio broadly stable at 66 basis points. Net profit after tax increased to $36.3 million from $9.8 million, primarily reflecting a lower fair value loss on investment properties and a positive movement in the fair value of interest rate derivatives.

As at 30 September 2026, Kiwi Property's portfolio value was stable at $3.0 billion with net tangible assets of $1.11 per share. Recent retail centre transactions in the broader market (including Glenfield Mall and a 49% share of Westfield Albany) were at or around book value, providing market evidence to support the carrying values of our retail centres. Retail-led and office valuations held firm,

"Our portfolio is better aligned with our ambition of being New Zealand's leading creator of retail-led destinations."

WHAT YOU NEED TO KNOW

Customer visits to our centres reached 37 million over the 12 months to 30 September 2026, up 3.8%.

with the modest decline of 0.5% primarily reflecting our Drury development land, driven by current land market conditions, remaining development costs and the timing of staged development.

Strong demand for space in our centres

Leasing momentum continued through the half. We completed 126 new leases and renewals (representing 8% of gross income) at an average leasing spread of 3.9%, and 321 rent reviews (representing 28% of gross income) delivered average growth of 4.2%[2]. Our portfolio occupancy remains high at 97.9%, with our retail-led centres at 99.4%. Around 65% of our income is subject to fixed or CPI-based rent reviews, giving us confidence in future rental growth. Specialty occupancy costs of 15.3% leave headroom for sustainable future rental growth against our target range of 17-18%.

New entrants and expansions, including LEGO, R.M. Williams, Mecca and Adidas, alongside HOYTS cinema refurbishments, show that retailers continue to support our destinations.

Customer visits to our centres reached 37 million over the 12 months to 30 September 2026, up 3.8% and led by Sylvia Park, which welcomed more than 17 million visits. Total sales at our retail centres rose 2.0% to $1.92 billion.

Our conviction in our strategy comes from a simple, reinforcing cycle. Our destinations sit on scarce, hard-to-replicate land, with around 95% of our portfolio in Auckland and Hamilton, two of New Zealand's fastest-growing regions. These strategic locations draw significant and growing visitation, with that traffic underpinning strong retailer demand and low vacancy, giving us the ability

WHAT YOU
NEED TO KNOW

We're proud that Sylvia Park achieved a market-leading 6-star NABERSNZ rating and The Base Te Awa a 5-star rating under the new NABERSNZ Energy for Shopping Centres tool.

to continue to grow rents. We reinvest in our tenant mix and customer experience, giving customers more reasons to visit and strengthening the cycle. The result is resilient, growing income and long-term value for our shareholders.

Investing in our destinations

We continue to invest in the range and experiences that make our retail centres the destination of choice for our customers.

At Sylvia Park, IKEA continues to attract customers to the wider precinct. Since IKEA opened in December 2025, visits to Sylvia Park shopping centre from outside the Auckland trade area have increased by 21%. IKEA is also supporting the formation of a furniture precinct at Sylvia Park Lifestyle, where furniture retailer sales are up 15% in the last 12 months. The introduction of Asian grocer STACKS added a new category to Sylvia Park's mix and is trading well in its first few months. Completed ahead of the upcoming holiday season, Sylvia Green includes an expansion of Kmart and strengthens the customer experience and choice with a new pedestrian plaza, a digital media screen, food trucks, and new hospitality tenancies.

At Vero Centre, the Shortland Street lobby refresh, Fort Street entrance refresh and end-of-trip upgrade were completed in mid-November and the lift upgrade will complete in March 2027. These upgrades enhance the tenant experience at Vero Centre and reinforce its position as one of Auckland's premium office buildings, more than 25 years after opening.

Drury works continuing

The opening of the Drury train station in August was a major milestone for the precinct, connecting our site directly to Auckland's rail network and making it significantly more accessible for future customers, workers and residents. Stage 1 civil works remain on track for completion by March 2027, with roads to open subsequently.

We expect proceeds from large format retail land sales between FY28 and FY29, and we are in discussions with major large format retailers on the potential sale of a further 2.6-hectare lot in Stage 1.

Strong balance sheet and disciplined capital management

We used the proceeds from the ASB North Wharf sale, which settled on 29 May 2026, to repay bank debt. Gearing has reduced to 34.4% at 30 September 2026, from 37.4% at 31 March 2026. During the half, we refinanced $900 million of bank debt at low margins, extending our weighted average term to maturity to 3.5 years, with 78% of drawn debt hedged. With very low margins also prevailing in the New Zealand bond market, we took the opportunity to issue a 7-year $200 million green bond, KPG080, in early November. We repaid bank debt with the proceeds of this green bond and increased our weighted average debt maturity with no material increase in our weighted average debt cost.

We continue to apply strong discipline around how we allocate capital. We will also continue to simplify the portfolio, recycling capital from non-core assets into future development or acquisition opportunities where it meets our investment decision-making hurdles.

Continued focus on sustainability

We're proud that Sylvia Park achieved a market-leading 6-star NABERSNZ rating and The Base Te Awa a 5-star rating under the new NABERSNZ Energy for Shopping Centres green rating tool, demonstrating the sustainability credentials of our flagship retail-led assets. This means that 73% of our portfolio by value is now green rated.

We've updated our Sustainable Debt Framework to include the new NABERSNZ Energy for Shopping Centres ratings. Inclusion of Sylvia Park and The Base Te Awa significantly increases our green asset pool and also allows us to access green bank loans at lower pricing.

Dividend guidance reconfirmed

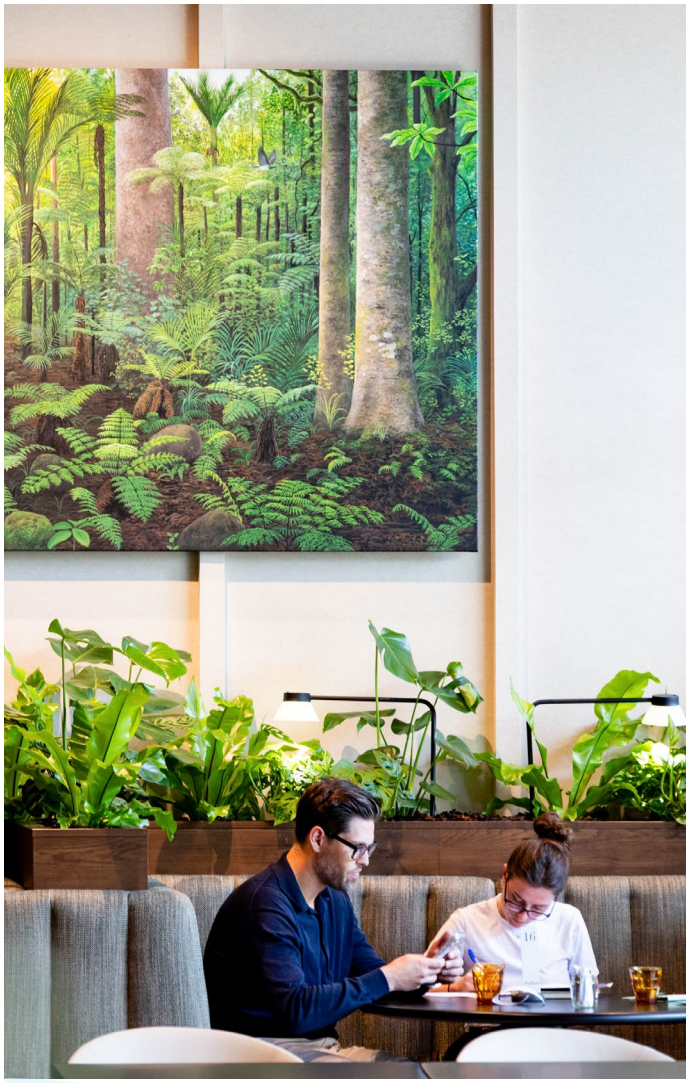
We're pleased to reconfirm our FY27 full-year dividend guidance of 5.75 cents per share,[3] up 2.7% on FY26. This is expected to be at the higher end of our 90% to 100% AFFO payout target range. We will pay a cash dividend of 1.4375 cents per share for the second quarter of FY27 on 18 December 2026, taking the interim cash dividend to 2.875 cents per share.

Well positioned for continued growth

Economic conditions remain mixed. Foot traffic and sales growth remain positive at our centres, but consumers remain cautious as cost pressures persist across the economy.

Against this backdrop, Kiwi Property is in a strong position. Our high-quality, retail-led portfolio is performing well, our balance sheet has capacity, and we're staying disciplined on costs and capital. We're pleased to have completed the Vero Centre refresh, Sylvia Green at Sylvia Park, and we're looking forward to completing the Vero Centre lift upgrade and progressing Drury towards its first land sale settlements, as we continue creating places where people connect and thrive.

Thank you to our shareholders, tenants, partners and the wider Kiwi Property team for your continued support.



Simon Shakesheff
Chair

Clive Mackenzie
Chief Executive Officer

WHAT YOU NEED TO KNOW

At Vero Centre, the Shortland Street lobby refresh, Fort Street entrance refresh and end-of-trip upgrade were completed in mid-November.

General: Net rental income, net operating income, adjusted funds from operations (AFFO) and management expense ratio are non-GAAP performance measures. Refer to the Kiwi Property Interim Results Presentation for the six months ended 30 September 2026 for details.

1. Excludes assets divested since 30 September 2025 (The Plaza and ASB North Wharf).
2. Leasing statistics exclude divested assets.
3. Dividend guidance and payments are contingent on Kiwi Property's financial performance through the financial year and barring material adverse events or unforeseen circumstances.

Financials



Consolidated financial statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

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Consolidated statement of comprehensive income

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

	Note	Unaudited 6 months 30 Sep 2026 $000	Unaudited 6 months 30 Sep 2025 $000
Revenue			
Property revenue		119,737	134,724
Property management revenue		2,277	1,931
Total revenue		**122,014**	**136,655**
Expenses			
Direct property expenses		(28,781)	(32,796)
Employment and administration expenses		(12,128)	(12,886)
Total property and operating expenses		**(40,909)**	**(45,682)**
Profit before net finance costs, valuation movements and other items		**81,105**	**90,973**
Interest income		59	408
Interest and finance charges		(22,860)	(28,490)
Net finance expenses		**(22,801)**	**(28,082)**
Profit before valuation movements and other items		**58,304**	**62,891**
Fair value loss on investment properties	4.2	(8,418)	(29,150)
Impairment loss on inventories	4.3	(5,692)	(1,073)
Net fair value gain/(loss) on interest rate derivatives	4.5.2	5,454	(8,935)
Loss on disposal of investment properties		(1,015)	(14)
Share of profit in equity-accounted investment	4.4	788	-
Valuation movements and other items		**(8,883)**	**(39,172)**
Profit before income tax		**49,421**	**23,719**
Income tax expense	3.1	(13,124)	(13,898)
Profit and total comprehensive income after income tax attributable to shareholders		**36,297**	**9,821**
Basic earnings per share (cents)		2.20	0.60
Diluted earnings per share (cents)		2.19	0.60

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

	Share capital $000	Share-based payments reserve $000	Retained earnings $000	Total equity $000
Balance at 1 April 2025, audited	1,713,517	2,630	143,784	1,859,931
Profit and total comprehensive income after income tax attributable to shareholders	-	-	9,821	9,821
Dividends paid	-	-	(44,881)	(44,881)
Dividends reinvested	21,046	-	-	21,046
Long-term incentive plan	1,003	(866)	-	137
Employee share ownership plan	81	(51)	-	30
Balance at 30 September 2025, unaudited	**1,735,647**	**1,713**	**108,724**	**1,846,084**
Balance at 1 April 2026, audited	1,735,650	2,061	103,184	1,840,895
Profit and total comprehensive income after income tax attributable to shareholders	-	-	36,297	36,297
Dividends paid	-	-	(46,834)	(46,834)
Long-term incentive plan	995	(779)	-	216
Employee share ownership plan	197	(164)	-	33
Balance at 30 September 2026, unaudited	**1,736,842**	**1,118**	**92,647**	**1,830,607**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

AS AT 30 SEPTEMBER 2026

	Note	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Current assets			
Cash and cash equivalents		10,627	10,402
Trade and other receivables	4.1	9,028	12,797
Inventories	4.3	103,000	98,500
Investment properties held for sale	4.2	-	205,000
		122,655	**326,699**
Non-current assets			
Investment properties	4.2	2,935,224	2,911,048
Property, plant and equipment		907	1,113
Equity-accounted investment	4.4	8,562	7,841
Interest rate derivatives	4.5.2	4,973	2,475
Deferred tax assets	4.6	-	613
		2,949,666	**2,923,090**
Total assets		**3,072,321**	**3,249,789**
Current liabilities			
Trade and other payables		41,330	45,414
Income tax payable		10,364	3,991
Lease liabilities		61	61
Interest rate derivatives	4.5.2	118	675
		51,873	**50,141**
Non-current liabilities			
Interest bearing liabilities	4.5.1	1,056,051	1,216,736
Interest rate derivatives	4.5.2	1,588	3,987
Deferred tax liabilities	4.6	131,930	137,756
Lease liabilities		272	274
		1,189,841	**1,358,753**
Total liabilities		**1,241,714**	**1,408,894**
Equity			
Share capital		1,736,842	1,735,650
Share-based payments reserve		1,118	2,061
Retained earnings		92,647	103,184
Total equity		**1,830,607**	**1,840,895**
Total equity and liabilities		**3,072,321**	**3,249,789**

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

For and on behalf of the Board, who authorised these consolidated financial statements for issue on 20 November 2026.

Simon Shakesheff
Chair

Michele Embling
Chair of the Audit and Risk Committee

Consolidated statement of cash flows

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

	Unaudited 6 months 30 Sep 2026 $000	Unaudited 6 months 30 Sep 2025 $000
Cash flows from operating activities		
Property revenue	121,845	135,218
Property management revenue	2,395	2,412
Interest income	57	408
Direct property expenses	(26,813)	(33,454)
Interest paid and finance charges	(23,161)	(28,082)
Interest costs paid on lease liabilities	(9)	(11)
Employment and administration expenses	(13,166)	(13,963)
Expenditure on inventories, including capitalised interest	(10,192)	(4,072)
Income tax paid	(11,963)	(10,555)
Net cash flows from operating activities	**38,993**	**47,901**
Cash flows from investing activities		
Net proceeds from disposal of investment properties	203,985	-
Capital expenditure on investment properties	(33,086)	(28,700)
Interest and finance charges capitalised to investment properties	(1,747)	(1,804)
Acquisition of property, plant and equipment	(57)	(261)
Net cash flows from/(used in) investing activities	**169,095**	**(30,765)**
Cash flows from financing activities		
Payment of lease liabilities	(29)	(26)
Proceeds from bank loans	655,000	787,000
Repayment of bank loans	(816,000)	(783,000)
Loan repayment from third party	-	2,340
Dividends paid	(46,834)	(23,835)
Net cash flows used in financing activities	**(207,863)**	**(17,521)**
Net increase/(decrease) in cash and cash equivalents	**225**	**(385)**
Cash and cash equivalents at the beginning of the period	10,402	14,391
Cash and cash equivalents at the end of the period	**10,627**	**14,006**

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows (continued)

Reconciliation of profit after income tax to net cash flows from operating activities	6 months 30 Sep 2026 $000	6 months 30 Sep 2025 $000
Profit after income tax	36,297	9,821
Movement in working capital items relating to investing and financing activities	(3,239)	3,929
Non-cash items:		
Fair value (gain)/loss on interest rate derivatives	(5,454)	8,935
Fair value loss on investment properties	8,418	29,150
Impairment loss on inventories	5,692	1,073
Share of profit in equity-accounted investment	(788)	-
(Decrease)/Increase in net deferred tax liabilities	(5,213)	2,478
Amortisation of lease incentives and fees	2,725	3,276
Straight-lining of fixed rental increases	(1,003)	(2,047)
Movements in working capital items:		
Decrease in trade and other receivables	3,769	3,327
Increase in income tax payable	6,373	864
Decrease in trade and other payables	(4,084)	(4,076)
Increase in inventories	(4,500)	(8,829)
Net cash flows from operating activities	**38,993**	**47,901**

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

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1. General information

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

1.1 Reporting entity

The consolidated financial statements for the 6 months ended 30 September 2026 (interim financial statements) are for Kiwi Property Group Limited (Kiwi Property or the Company) and its controlled entities (the Group). The Company is incorporated and domiciled in New Zealand, is registered under the Companies Act 1993 and is an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013. The Company is listed with NZX Limited with its ordinary shares quoted on the NZX Main Board and fixed-rate green bonds quoted on the NZX Debt Market.

The principal activity of the Group is to invest in New Zealand real estate.

1.2 Basis of preparation

The interim consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), the Financial Markets Conduct Act 2013, New Zealand Equivalent to International Accounting Standards 34 *Interim Financial Reporting* (NZ IAS 34) and International Accounting Standards 34 *Interim Financial Reporting* (IAS 34). Kiwi Property is a for-profit entity for financial reporting purposes.

The interim financial statements have been prepared on the basis that the Group is a going concern.

The interim consolidated financial statements are prepared on the basis of historical cost, except for investment properties and interest rate derivatives, which are measured at fair value. The functional and presentation currency used in the preparation of the interim consolidated financial statements is New Zealand dollars. All financial information has been presented in thousands, unless otherwise stated.

These interim financial statements do not contain all disclosures normally included in an annual financial report and should be read in conjunction with the consolidated financial statements for the year ended 31 March 2026 (2026 financial statements).

1.3 Significant changes during the period

The Group's financial performance and financial position for the 6 months ended 30 September 2026 were materially affected by the following transactions and events:

Investment properties

The sale of ASB North Wharf for $205.0 million settled on 29 May 2026. The property and associated capital expenditure commitments were transferred to the purchaser on settlement. Transaction costs of $1.0 million were incurred as part of the disposal.

Funding

In August 2026, the Group reduced its committed bank facilities from $1,100 million to $900 million.

1.4 Group structure

Controlled entities. The interim financial statements include the Company and the entities it controls up until the date control ceases. The balances and effects of transactions between controlled entities and the Company are eliminated in full.

Interests in joint operations. The Group holds a 50% interest in both The Base and The Centre Place unincorporated joint ventures. The Group recognises its share of the assets, liabilities, revenue and expenses of these joint operations.

Interest in joint venture. The Group holds a 50% equity interest in Mackersy Property Limited (MPL). The Group accounts for its interest in MPL using the equity method because the arrangement provides the investors with rights to the net assets of MPL rather than direct rights to underlying assets and obligations for liabilities. Refer to note 4.4.

1.5 New standards, amendments and interpretations

There have been no new accounting standards or amendments that have had a material impact on the interim financial statements.

Standards issued but not yet effective
In May 2024, the External Reporting Board issued NZ IFRS 18 Presentation and Disclosure in Financial Statements, which is effective for accounting periods beginning on or after 1 January 2027. NZ IFRS 18 will introduce changes to the structure and presentation of the statement of profit or loss and new requirements for management-defined performance measures and aggregation and disaggregation. The Group is assessing the impact, including the presentation of operating profit, required subtotals, the classification of income and expenses, and related note disclosures.

1.6 Key estimates and judgements

In preparing the interim financial statements, management has made judgments in applying the Group's accounting policies and has used estimates and assumptions about the future.

The judgements and estimates applied are consistent with those described in the 2026 financial statements and are outlined throughout these interim financial statements.

1.7 Material accounting policies

Material accounting policies that summarise the measurement bases used and are relevant to the understanding of the interim financial statements are consistent with those used in the 2026 financial statements.

2. Segment Information

2.1 Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is the Chief Executive Officer (CEO). The CEO is responsible for assessing the performance of operating segments and allocating resources across the Group.

The Group's operating segments are based on the nature and use of its property portfolio and reflect how performance is assessed internally. The Group operates in New Zealand only. The Group's reportable segments are described below:

- **Retail-led** assets comprise large-scale properties anchored by retail tenancies, which may have complementary uses such as office, residential, or other non-retail components that support the asset's overall performance. These assets typically have significant development potential and flexibility to accommodate a range of uses.
- **Office** comprises properties primarily leased to commercial office tenants, generating rental income from office accommodation.
- **Other** comprises standalone retail assets, properties held for sale, and other investments that do not form part of the Group's retail-led or office portfolios.
- **Development land** comprises land holdings where value is primarily realised through development activity. The land may be developed and sold, or held for future capital appreciation and rental income.

Following a review of the Group's strategy, the terminology used to describe operating segments was refined during the 2026 financial year to better reflect the nature of the portfolio. Comparative information has been restated to present the segments on a consistent basis.

The following table analyses the Group's profit by reportable segment for the 6 months ending 30 September. Segment profit represents property revenue less straight-lining of fixed rental increases and direct property expenses, and is the primary measure reviewed by the CEO.

	Retail-led $000	Development land $000	Office $000	Other $000	Total $000
30 September 2026					
Property revenue	88,320	-	25,891	5,526	119,737
Less: straight-lining of fixed rental increases	(276)	-	(585)	(142)	(1,003)
Less: direct property expenses	(20,871)	-	(6,496)	(1,414)	(28,781)
Segment profit	**67,173**	**-**	**18,810**	**3,970**	**89,953**

	Retail-led $000	Development land $000	Office $000	Other $000	Total $000
30 September 2025					
Property revenue	81,750	-	33,781	19,193	134,724
Less: straight-lining of fixed rental increases	(362)	-	(1,512)	(173)	(2,047)
Less: direct property expenses	(19,809)	-	(8,354)	(4,633)	(32,796)
Segment profit	**61,579**	**-**	**23,915**	**14,387**	**99,881**

A reconciliation of the segment profit to the profit before income tax reported in the Consolidated Statement of Comprehensive Income is provided as follows:

Reconciliation of segment profit to profit before income tax

	Unaudited 6 months 30 Sep 2026 $000	Unaudited 6 months 30 Sep 2025 $000
Segment profit	89,953	99,881
Property management fees	2,277	1,931
Straight-lining of fixed rental increases	1,003	2,047
Employment and administration expenses	(12,128)	(12,886)
Interest income	59	408
Interest and finance charges	(22,860)	(28,490)
Fair value loss on investment properties	(8,418)	(29,150)
Impairment loss on inventories	(5,692)	(1,073)
Fair value gain/(loss) on interest rate derivatives	5,454	(8,935)
Share of profit in equity-accounted investment	788	-
Loss on disposal of investment properties	(1,015)	(14)
Profit before income tax	**49,421**	**23,719**

The following table is an analysis of the Group's assets and liabilities by reportable segments:

Segment assets and liabilities

	Retail-led $000	Development land $000	Office $000	Other $000	All other segments $000	Total $000
30 September 2026						
Segment assets	2,261,766	148,519	610,712	32,650	18,674	**3,072,321**
Segment liabilities	31,880	863	7,448	7,723	1,193,800	**1,241,714**

	Retail-led $000	Development land $000	Office $000	Other $000	All other segments $000	Total $000
31 March 2026						
Segment assets	2,249,404	146,510	598,312	237,816	17,747	**3,249,789**
Segment liabilities	28,190	2,842	6,056	11,205	1,360,601	**1,408,894**

All assets are allocated to reportable segments other than cash and cash equivalents, equity-accounted investment, deferred tax assets, interest rate derivatives and property, plant and equipment.

All liabilities are allocated to reportable segments other than interest-bearing liabilities, deferred tax liabilities, income tax payable and interest rate derivatives.

During the 2026 financial year, ASB North Wharf was reclassified from the Office segment to investment properties held for sale, included in the Other segment.

3. Profit and loss information

3.1 Tax expense

A reconciliation of profit before income tax to income tax expense follows:

	Unaudited 6 months 30 Sep 2026 $000	Unaudited 6 months 30 Sep 2025 $000
Profit before income tax	49,421	23,719
Prima facie income tax expense at 28%	(13,838)	(6,641)
Adjusted for:		
Fair value gain/(loss) on interest rate derivatives	1,527	(2,502)
Fair value loss on investment properties	(2,357)	(8,162)
Impairment loss on inventories	(1,594)	(300)
Share of profit in equity-accounted investment	221	-
Loss on disposal of investment properties	(472)	-
Depreciation	3,802	3,779
Depreciation recovered on disposal of investment properties	(7,579)	-
Net deferred leasing costs	(309)	(73)
Deductible capitalised expenditure	1,298	1,290
Other	964	1,189
Current tax expense	**(18,337)**	**(11,420)**
Depreciation recoverable	6,000	(3,786)
Fair value (gain)/loss on interest rate derivatives	(1,527)	2,502
Deferred leasing costs and other temporary differences	740	(1,194)
Deferred tax expense	**5,213**	**(2,478)**
Income tax expense reported in consolidated statement of comprehensive income	**(13,124)**	**(13,898)**

Key estimates and assumptions: income tax

Deferred tax on depreciation

Deferred tax is provided in respect of depreciation expected to be recovered on the sale of investment properties at fair value. Investment properties are valued each year by independent valuers. These values include an allocation of the valuation between the land and building components. The calculation of deferred tax on depreciation recovered relies on this allocation provided by the valuers.

The calculation of deferred tax on depreciation recovered also requires an assessment to be made of market values attributable to fixtures and fittings. The market values of fixtures and fittings for significant properties have been assessed utilising independent valuation advice and the remaining properties have been assessed by reference to previous transactional evidence and their age and quality.

4. Financial position information

4.1 Trade and other receivables

	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Trade debtors	7,487	8,242
Allowance for expected credit losses	(2,323)	(2,439)
Net trade receivables	**5,164**	**5,803**
Prepayments	3,864	6,994
Trade and other receivables	**9,028**	**12,797**

4.2 Investment properties

Investment properties held by the Group are as follows:

	Audited Opening fair value 31 March 2026 $000	Capital movements 30 Sep 2026 $000	Fair value gain/(loss) 30 Sep 2026 $000	Unaudited Fair value 30 Sep 2026 $000
Retail-led				
Sylvia Park Precinct	1,784,490	18,255	(3,315)	1,799,430
LynnMall	218,500	882	-	219,382
The Base[1]	234,900	386	-	235,286
	2,237,890	**19,523**	**(3,315)**	**2,254,098**
Office				
Vero Centre	450,000	10,580	-	460,580
The Aurora Centre	147,000	(268)	-	146,732
	597,000	**10,312**	**-**	**607,312**
Other				
Centre Place North[1]	27,800	182	-	27,982
	27,800	**182**	**-**	**27,982**
Development land				
Drury development (Stage 2)	48,000	2,710	(5,210)	45,500
	2,910,690	**32,727**	**(8,525)**	**2,934,892**
Gross up of lease liabilities	358	3	(29)	332
Investment properties - non-current	**2,911,048**	**32,730**	**(8,554)**	**2,935,224**
Investment properties held for sale				
Properties held for sale[2]	205,000	(205,136)	136	-
Investment properties held for sale - current	**205,000**	**(205,136)**	**136**	**-**
Total investment properties	**3,116,048**	**(172,406)**	**(8,418)**	**2,935,224**

1 Represents the Group's 50% ownership interest.
2 During the 2026 financial year, ASB North Wharf was reclassified from the office portfolio to investment properties held for sale. The disposal settled on 29 May 2026.

4.2 Investment properties (continued)

The movement in the Group's investment properties during the six months to 30 September 2026 is as follows:

	Retail-led $000	Office $000	Other $000	Development land $000	Held for sale $000	Total $000
Balance at 31 March 2026 excluding gross up of lease liabilities	2,237,890	597,000	27,800	48,000	205,000	**3,115,690**
Capital movements:						
Transfers between asset classes	–	–	–	–	–	**–**
Transfer to inventories	–	–	–	–	–	**–**
Acquisitions	–	–	–	–	–	**–**
Disposals	–	–	–	–	(205,136)	**(205,136)**
Capitalised costs (including lease incentives, fees and fixed rental income)	20,667	10,501	251	1,283	–	**32,702**
Capitalised interest and finance charges	201	119	–	1,427	–	**1,747**
Amortisation of lease incentives, fees and fixed rental income	(1,345)	(308)	(69)	–	–	**(1,722)**
	19,523	**10,312**	**182**	**2,710**	**(205,136)**	**(172,409)**
Fair value (gain)/loss on investment properties excluding gross up of lease liabilities	(3,315)	–	–	(5,210)	136	**(8,389)**
Balance at 30 September 2026 excluding gross up of lease liabilities	**2,254,098**	**607,312**	**27,982**	**45,500**	**–**	**2,934,892**
Gross up of lease liabilities:						
Balance at 31 March 2026	358	–	–	–	–	**358**
Capital movements	3	–	–	–	–	**3**
Fair value movements	(29)					**(29)**
Balance at 30 September 2026 including gross up of lease liabilities	**332**	**–**	**–**	**–**	**–**	**332**
Balance at 30 September 2026 including gross up of lease liabilities	**2,254,430**	**607,312**	**27,982**	**45,500**	**–**	**2,935,224**

4.2 Investment properties (continued)

Key judgement and estimate: Valuation assumptions

All investment properties are classified as Level 3 in the fair value hierarchy because their valuation depends on significant unobservable inputs. The determination of fair value involves the use of unobservable inputs and requires the application of significant estimations. The most significant assumptions are capitalisation rates, discount rates and market rental growth rates. Small changes in key assumptions may result in material changes to the carrying value of investment properties.

The valuation of investment properties represents a key source of estimation uncertainty.

The valuations and underlying assumptions are reviewed for reasonableness at each reporting date, with reference to external market evidence and the specific characteristics of each property.

The valuation of Stage 2 development land at Drury involves significant estimation uncertainty, including development-related assumptions. A key estimate relates to future development costs required to complete the development, including infrastructure, construction, and other development expenditure. The estimation uncertainty disclosed in note 4.3 in relation to Stage 1 development land at Drury is also relevant to Stage 2 development land at Drury, as both stages are exposed to common development-related assumptions, although they are measured under different accounting bases.

Interim valuation process

For 30 September 2026 interim financial reporting purposes, the Board and management reviewed the fair value of the investment property portfolio on an asset-by-asset basis, having regard to available market evidence and asset-specific information, including recent comparable transactions, leasing and occupancy activity, capital expenditure and other relevant valuation indicators.

External valuations were obtained and recognised for selected investment properties where the scale, complexity, valuation uncertainty or level of development, leasing or other activity warranted a full valuation. Independent desktop valuations were obtained for selected other properties where additional external market evidence was considered appropriate. Desktop valuations were used as supporting evidence in management's reporting-date fair value assessment and were not adopted as standalone fair values. Where a desktop valuation or other reporting-date evidence indicated a potentially material fair value movement, individually or in aggregate, or where qualitative factors warranted further valuation work, a full external valuation was obtained.

For the remaining investment properties, the Board and management were satisfied, based on the reporting-date assessment, that there had been no material change in fair value requiring adjustment to their carrying values.

External valuations and desktop valuations were undertaken by independent registered valuers and determined using recognised valuation methodologies appropriate to each property, including but not limited to income capitalisation and discounted cash-flow approaches.

Other valuation considerations

Seismic considerations are reflected in property valuations where relevant, based on the best available information regarding potential remediation requirements and associated costs at the reporting date. These considerations are incorporated into valuations through adjustments to forecast cash flows and/or valuation inputs such as capitalisation rates.

In September 2026, legislation was passed amending New Zealand's earthquake-prone building regime. The reforms replace the previous broadly applied framework with a more targeted, risk-based approach focused on specified higher-risk building types in medium and high seismic zones. Auckland and other low seismic zones are excluded from the revised framework, and percentage based ratings are no longer the statutory basis for identifying earthquake-prone buildings. The Auckland exclusion was effective from 24 September 2026, with the remaining reforms commencing on 1 July 2027.

Management has considered the impact of the legislative changes as part of the valuation process. While the reforms may reduce future statutory seismic remediation requirements for certain properties, there remains uncertainty as to whether market expectations regarding seismic resilience will change. Accordingly, no adjustments have been made to property valuations as a result of the legislative changes at the reporting date. The Group will continue to monitor market evidence and industry practice and will reflect any changes in valuation assumptions as appropriate.

Climate-related risks are also considered as part of the valuation process and are reflected in valuation inputs where appropriate, including discount rates and capitalisation rates.

4.3 Inventories

	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Opening balance	98,500	89,171
Transfer from investment properties	-	5,830
Additional expenditure	10,192	16,642
Impairment loss	(5,692)	(13,143)
Closing balance	**103,000**	**98,500**

The Group classifies inventories as current assets where they are expected to be realised in the normal operating cycle, even when that cycle exceeds 12 months.

The Group's inventories relate to Stage 1 land held for development and sale at Drury.

Key judgement and estimate: Inventories

Judgement is required in determining when the intended use of a property changes from long-term investment to development for sale. A change in intention alone does not result in reclassification; the Group considers all relevant facts and circumstances, including the stage of development, level of development works required and progress of sale negotiations.

The determination of net realisable value (NRV) involves significant estimation. The most significant estimate relates to the future development costs required to complete the inventory. These costs include infrastructure, construction and other development expenditures necessary to bring the land to a saleable condition.

Future development cost estimates are based on current project budgets, contracted rates where available, and management's assessment of forecast costs to complete. These estimates are inherently uncertain and may change as projects progress, particularly in response to:

- changes in construction cost inflation
- revisions to development scope
- updated infrastructure requirements
- changes in procurement strategies or contractor pricing

Changes in these assumptions have a direct and proportionate impact on valuation outcomes.

4.4 Equity-accounted investment

Reconciliation to carrying amounts	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Opening carrying amount	7,841	-
Additions: Conversion from loan to equity	-	6,500
Transaction costs	-	1,381
Estimated performance-based earn-out	3,000	2,700
Liability for contingent consideration	(3,000)	(2,700)
Profit/(loss) and total comprehensive income/(loss)	721	(40)
Closing carrying amount	**8,562**	**7,841**

The Group's equity-accounted investment comprises a 50% interest in Mackersy Property Limited (MPL). The investment includes performance-based earn-out and origination adjustment mechanisms between shareholders. At 30 September 2026, the estimated fair value of the earn-out was $3.0 million. This amount has been presented net within the carrying amount of the equity-accounted investment as it is not material to the Group's financial position. The gross investment balance before the earn-out is $11.6 million. The Group has not recognised any assets or liabilities relating to the origination adjustment as they cannot be reliably estimated.

Key judgement: Equity-accounted investment

The Group has determined that its interest in MPL is a joint venture. This assessment is based on the terms of the shareholder and governance arrangements, under which decisions about the relevant activities of MPL require the unanimous consent of the investing parties. The Group therefore has joint control of the arrangement.

Management has also assessed that the arrangement gives the investing parties rights to the net assets of MPL, rather than direct rights to the underlying assets and obligations for the liabilities of MPL. Accordingly, the investment is accounted for as a joint venture using the equity method.

4.5 Funding

4.5.1 Interest bearing liabilities

The Group's secured interest bearing liabilities are as follows:

	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Bank loans - total facilities	900,000	1,100,000
Bank loans - undrawn facilities	(245,000)	(284,000)
Bank loans - drawn facilities	655,000	816,000
Fixed-rate green bonds	401,051	400,736
Interest bearing liabilities	**1,056,051**	**1,216,736**

	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Face value of fixed-rate green bonds	400,000	400,000
Weighted average interest rate for drawn debt (inclusive of bonds, active interest rate derivatives, margins and line fees)	5.00%	4.81%
Weighted average term to maturity for bank loans and bonds	3.5 years	2.9 years

Bank loans

The Group's bank loans are provided by a group of domestic and international banks, comprising ANZ Bank New Zealand Limited, Bank of New Zealand, China Construction Bank (New Zealand Branch), Commonwealth Bank of Australia and Industrial and Commercial Bank of China Limited (Auckland Branch).

In August 2026, total committed facilities decreased from $1,100 million to $900 million. Certain interest-bearing liabilities are subject to financial covenants. The Group complied with all covenant requirements during the 6 months ended 30 September 2026 and year ended 31 March 2026.

Security

The Group's interest-bearing liabilities are secured by a Global Security Deed granted by Kiwi Property Group Limited and certain of its subsidiaries (the Charging Group) in favour of the lenders and bondholders.

At 30 September 2026, the Charging Group is comprised of Kiwi Property Group Limited, Kiwi Property Holdings Limited, Kiwi Property Holdings No. 2 Limited, Kiwi Property Holdings No. 3 Limited, Kiwi Property Holdings No. 4 Limited, Kiwi Property Holdings No. 5 Limited, Kiwi Property Holdings No. 7 Limited, Sylvia Park Business Centre Limited, Kiwi Property Te Awa Limited and Kiwi Property Centre Place Limited.

Under the Global Security Deed, the Charging Group grants security over all of its present and after-acquired property. This includes first-ranking mortgages over substantially all of the Group's investment properties, together with security over other assets of the Charging Group.

The interest-bearing liabilities are also supported by guarantees from the Charging Group entities. The composition of the Charging Group may change from time to time in accordance with the terms of the funding arrangements.

The security arrangements apply to both bank interest-bearing liabilities and fixed-rate green bonds, which rank equally with each other under the Group's secured funding structure.

4.5.2 Interest rate derivatives

The Group is exposed to changes in interest rates and uses interest rate derivatives to mitigate these risks.

The following table provides details of the fair values, notional values, terms and interest rates of the Group's interest rate derivatives.

	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Interest rate derivative assets - non-current	4,973	2,475
Interest rate derivative liabilities - current	(118)	(675)
Interest rate derivative liabilities - non-current	(1,588)	(3,987)
Total fair values of interest rate derivatives	**3,267**	**(2,187)**
Notional value of interest rate derivatives - fixed-rate payer - active	425,000	500,000
Notional value of interest rate derivatives - fixed-rate payer - forward starting	185,000	235,000
Total notional values	**610,000**	**735,000**
Fixed-rate payer swaps:		
Weighted average term to maturity - active	1.8 years	1.6 years
Weighted average term to maturity - forward starting	5.4 years	5.1 years
Weighted average term to maturity	**2.9 years**	**2.7 years**
Fixed-rate payer swaps:		
Weighted average interest rate - active[1]	4.04%	3.94%
Weighted average interest rate - forward starting[1]	4.14%	4.02%
Weighted average interest rate	**4.07%**	**3.97%**

1 Excluding fees and margins.

The fair values of interest rate derivatives are determined from valuations prepared by an independent treasury advisor using valuation techniques, classified as Level 2 in the fair value hierarchy.

4.6 Deferred tax

	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Deferred tax assets		
Interest rate derivatives	–	613
Deferred tax liabilities		
Interest rate derivatives	914	–
Depreciation recoverable	121,986	127,986
Deferred leasing costs and other temporary differences	9,030	9,770
Deferred tax liabilities	**131,930**	**137,756**

Key judgement: Deferred tax on depreciation

Deferred tax is provided in respect of depreciation expected to be recovered on the sale of investment properties at fair value. In determining this liability, management is required to estimate the portion of each property's fair value attributable to depreciable building components and, where relevant, fixtures and fittings.

This allocation is based on information obtained from independent valuers and other specialist valuation inputs.

This is inherently judgemental because market evidence does not ordinarily identify, on a directly observable basis, the amount a market participant would attribute to land, building and fixtures and fittings separately. As a result, changes in the allocation of fair value between these components could materially affect the deferred tax liability recognised at balance date.

The allocation is most sensitive for assets with higher relative building or fit-out value and for properties where the allocation between land and depreciable components is less directly observable. Management reviews the reasonableness of these allocations annually having regard to external valuation evidence, recent transaction data where available, and the specific characteristics of each property.

5. Other information

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

5.1 Commitments

The following costs have been committed to but not recognised in the consolidated financial statements as they will be incurred in future reporting periods:

	Unaudited 30 Sep 2026 $000	Audited 31 Mar 2026 $000
Sylvia Park Precinct	4,709	16,246
Vero Centre	4,967	12,929
LynnMall	2,063	-
ASB North Wharf	-	18,988
Drury - Development Land and Inventories	25,373	26,048
Capital commitments	**37,112**	**74,211**

5.2 Subsequent events

On 20 November 2026, the Board declared a dividend for the period of 1 July 2026 to 30 September 2026 of 1.4375 cents per share (cps) (equivalent to $23.7 million), together with imputation credits of 0.43 cps. The dividend record date is 3 December 2026 and payment will occur on 18 December 2026.

On 2 November 2026, the Group issued KPG080, a fixed-rate green bond with a coupon rate of 5.62% for an amount of $200.0 million. Subsequently, the Group reduced its bank debt facilities from $900 million to $700 million.

Other than the subsequent events described above, there were no material events after the reporting date that require adjustment to, or disclosure in, these interim financial statements.

Independent auditor's review report

Deloitte.

TO THE SHAREHOLDERS OF KIWI PROPERTY GROUP LIMITED

Conclusion

We have reviewed the consolidated interim financial statements ('interim financial statements') of Kiwi Property Group Limited ('the Company') and its controlled entities ('the Group') on pages 8 to 28 which comprise the consolidated statement of financial position as at 30 September 2026, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the six months ended on that date, and notes to the interim financial statements, including material accounting policy information.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 30 September 2026 and its financial performance and cash flows for the six months ended on that date in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

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* ('NZ SRE 2410'). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Interim Financial Statements* section of our report.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* ('PES 1') as applicable to audits and reviews of public interest entities. We also have fulfilled our other ethical responsibilities in accordance with PES 1.

Our firm carries out other assignments for the Group in relation to other assurance-related services (such as audits of joint venture financial statements, audits of special purpose financial information in accordance with tenancy agreements, agreed upon procedures in respect of a specified remuneration metric and limited assurance over selected greenhouse gas information included in the climate related disclosures). These services have not impaired our independence as auditor of the Company and Group. The firm has no other relationship with, or interest in, the Company or any of its controlled entities.

Directors' responsibility for the interim consolidated financial statements

The directors are responsible on behalf of the Company for the preparation and fair presentation of the interim financial statements in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* 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.

Auditor's responsibilities for the review of the interim consolidated financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 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 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

A review of the interim financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. We perform procedures, primarily 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 might identify in an audit. Accordingly we do not express an audit opinion on the interim financial statements.

Restriction on use

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's shareholders as a body, for our engagement, for this report, or for the conclusions we have formed.

Deloitte Limited

Andrew Boivin, Partner
for Deloitte Limited
Auckland, New Zealand
20 November 2026

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- Commonwealth Bank of Australia
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Kiwi Property

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