

6 April 2026

Dear Shareholder,

The latest valuation for financial reporting purposes has just been released and it is pleasing to report an increase. The determined value as at 28 February 2026 \$128,000,000, last year it was \$126,500,000.

Retail trading conditions have been difficult Nationwide for the quarter under review and for the Mall there has been the impact of the opening of the new Pak N Save supermarket at Rolleston. This impact has been reflected in a reduction in the foot count and the Centre Turnover for the past three months. These decreases were anticipated and are of manageable proportions. Trading, apart from Fashion, has been positive with larger tenants recording good trading results.

The leasing team at Colliers continues to be innovative and proactive, lease renewals and reviews are up-to-date with timely completion rates. Vacancies are of concern, these being due to outside National corporate decisions rather than any negative aspects inherent within the complex. We are in negotiation with a successful nationwide leasing agency to complement our existing professional contract with Colliers. This has been mutually agreed to and we are confident that this multi-faceted approach will achieve positive results.

Our floating interest rates have continued to stabilise since the commencement of the substantial rate reductions from March 2025. For this three-month period there has been no change in the floating rate. Principal repayments have continued and our term loan balance has now reduced to below \$60 million. One of the swap facilities terminated during this quarter, a new transaction has been entered into for a two-year term maturing 28 February 2028. The total of all such swap facilities is \$30,000,000. Both the new valuation, the principal reductions, and the lower interest rates place us in a comfortable position in regard to the imposed Bank covenants.

The Board has recently authorised the commencement of physical improvements to the complex and these include new respite seating to the corridor leading to Farmers, new and improved signage, changes to carpark facilities, and improvements to the main entrance facing the Main South Road.

It is anticipated that this construction will become visible at the time of the Annual General Meeting. There have been attractive new fitouts completed by two of our banking tenants and a new Press release has been sent highlighting these events, this has been posted to the marketing website for the Hornby Hub. It identifies a commercial commitment by those Banks which is counter to the banking perception of closing branches and services.

The latest interim dividend (31 March 2026) continues with full imputation credits attached, this has a substantial positive impact upon the determined yield and I refer you to comments contained within the Computershare declaration emailed to you on the 22 December 2025.

The dividends declared for the twelve-month period ended 31 March 2026 total 4.125 cents per share, of the four payments, two are fully imputed.

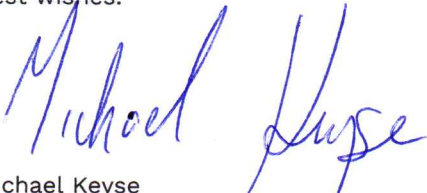
The construction of the Annual Audited Financial Statements for the year ended 28 February 2026 is well advanced.

At the immediate we are in troubling times and the worldwide rhetoric regarding the Iran conflict is of concern with the leaders of the major powers proving incompetent and divisive. The Board has followed a conservative path and the present cash balances and loan to value ratios place it in a positive position in the attempt to counter any short term threats.

The lack of share liquidity continues to be of concern and at the next Annual General Meeting there will be proposed resolutions and content of some significance and I urge you to attend and to register your opinion and submit your vote.

This Report will be attached to the SCIL website.

Best wishes.



Michael Keyse

Chair

Shopping Centre Investments Limited

SCIL.CO.NZ