SCIL
Shopping Centre Investments Ltd

30 October 2026

Dear Shareholder,

Six Monthly Interim Unaudited Financial Statements to 31 August 2026

This report is in regard to the six monthly unaudited financial statements for the period ended 31 August 2026. The comparison comments are in regard to the corresponding six-month period last year.
These financial statements are attached to the email from Computershare.

Income
Rent received, compared with the rent received for the previous six-monthly period to 31 August 2025, resulted in a decrease of 2.07%.

Other Income remained broadly consistent with the previous period, with lower interest income being offset by higher power commissions and recoveries.

Overhead Expenses
Operating Contributions have increased being the Landlord's share of OPEX costs, this being due to the vacancy increase and the impact of the continuing rates costs.

The Group has continued to enjoy the benefits of lower interest rates on the floating portion of the term loan, and this is reflected in the reduction in interest costs from the same period last year. However, interest costs are expected to rise over the second half of the year with interest rates rising again. The Board has maintained its borrowing policy of 50% floating, 50% with swap arrangements in place. Full details are listed within Note 6 commencing page 10 of these financial statements.

A breakdown of the "Other Expenses" total of $623,907 is identified within Note 10, page 12. Compared with the last period this is a 10.9% increase.

Shopping Centre Investments Ltd. (SCIL) | info@scil.co.nz | 03 379 0829
123 Victoria Street (4th Floor Nexia New Zealand) Christchurch 8140

Net Operating Profit

Net Operating Profit has increased from $2,124,059 to $2,156,031, an improvement of $31,972 which is a modest 1.50% increase. The Board and Management continue efforts to ensure that rental income is maintained, the completion of timely rental reviews and renewals, the monitoring of expenses.

The financial statements also include several non-cash accounting adjustments, including movements in derivative financial instruments, deferred taxation, lease incentives, leasing fees and lease liabilities.

Shareholder Equity and Statement of Financial Position

Shareholder Equity has increased by a modest amount from $59.2 million at 28 February 2026 to $59.6 million at 31 August 2026.

Dividends

Dividends paid during the period increased from 1.75 cents per share to 2.00 cents per share, an increase of approximately 14.3%. Dividends paid since December 2025 have been fully imputed.

Valuation of the Property Asset

It must be noted that these financial statements include the valuation as at 28 February 2026, together with subsequent capital expenditure.
The properties have not been revalued for these interim accounts for the six months ended 31 August 2026.

Receivables and payables continue to be monitored and managed and are within satisfactory levels, Colliers have maintained an active program in regard to the collection of accounts receivables and this is reviewed by the Board on a regular basis.

On 1 July 2026, the Company entered into a Revolving Credit Facility with ASB. The facility enables the Company to use surplus cash to reduce interest costs while retaining access to funding for operations and projects. At 31 August 2026, $500,000 remained drawn under the facility.

Summary and Indicators

While interest rates reduced during the first half of the year, more recent inflationary pressures, including those arising from the conflict in Iran, have contributed to interest rates beginning to increase again.

The Board has implemented various improvement works around the Mall, with respite seating, new way finding signs and oversized vehicle parking works completed. Upgrades to the Pak n Save and bank precinct planter boxes and pedestrian links to Main South Road are still to be completed.

The Company has utilised its tax losses carried forward and is now completing provisional tax payments. Although dividends paid since December 2025 have been fully imputed, the extent to which future dividends can be fully imputed will depend on the Company's future tax position.

Shopping Centre Investments Ltd. (SCIL) | info@scil.co.nz | 03 379 0829
123 Victoria Street (4th Floor Nexia New Zealand) Christchurch 8140

Sales Process

Following the response to the advisory resolution put forward at the AGM, the Board has commenced assembling due diligence materials for prospective purchasers. Expressions of interest are also being sought from real estate agents regarding taking the property to market.

Final Remarks

With the general election approaching, there remains a degree of uncertainty regarding the economic outlook and the potential impact on business and consumer confidence. The retail sector may continue to experience cautious consumer spending while this uncertainty remains. Against this background, maintaining occupancy levels, supporting tenant performance and continuing the careful management of operating and financing costs will remain important to the Board and Management over the coming months.

Best wishes,



Michael Keyse
Chair

Shopping Centre Investments Ltd. (SCIL) | info@scil.co.nz | 03 379 0829
123 Victoria Street (4th Floor Nexia New Zealand) Christchurch 8140