Stride Property Group (NS)

NZX Announcement

IMMEDIATE — 28 May 2026

Stride Property Group
FY26 Annual Results

Stride Property Group (Stride) (Note 1) has released its Annual Report, Results Presentation, and Sustainability Report for the 12 months ended 31 March 2026 (FY26).

- Significant strategic progress over the last 12 months, enhancing resilience, operating strength and future growth optionality. $31.3 million profit after income tax, up $9.6 million on FY25 ($21.7 million)
- Distributable profit (Note 2) after current income tax for FY26 of $49.1 million, up 2% on FY25 ($48.3 million)
- Distributable profit (Note 2) per share of 8.78 cents, up 0.14 cents on FY25
- SIML management fee income of $22.9 million, up $2.5 million on FY25
- FY26 combined cash dividend of 8.0 cents per share (cps) represents a payout ratio of 91.1% of combined Distributable profit (Note 2)
- Stride's look-through investment portfolio (Note 3) demonstrates strong metrics with a value (Note 4) of $1.4 billion, 6.6 years weighted average lease term (WALT), 94% occupancy (Note 5) and 6.2% weighted average capitalisation rate
- Strong look-through investment portfolio (Note 3) rental growth of +2.3% on prior rentals from new lettings, renewals and rent reviews
- SPL continues to have a robust balance sheet with bank LVR (Note 6) of 34%, materially lower compared to 31 March 2025 of 39%, reflecting the sale of Silverdale Centre to Investore. When considering SPL's investments in the Stride Products (Note 7), SPL's gearing is 24% on a balance sheet basis (Note 8) or 35% on a look-through basis (Note 9)
- SIML continues to be an active investment manager and has undertaken a number of strategic transactions for the Stride Products (Note 7), including acquisitions and divestments for Investore along with key initiatives for Industre, including the completion of 16A Wickham Street, Hamilton, and 14-20 Favona Road, Auckland (post balance date), plus a new ~$70m development at 2-14 Patiki Road, Auckland
- SPL also entered into a conditional agreement with Auckland Council to acquire a 125-year pre-paid ground lease at North Wharf, Wynyard Quarter, Auckland. Post balance date, resource consent is being submitted

- 79/100 GRESB score during FY26, improving 10 points from the prior year. Progress continues towards meeting Stride's sustainability targets, with a carbon reduction plan underway
- Combined cash dividend guidance for FY27 of 8.0cps, in line with FY26

Stride's Chair Tim Storey noted "FY26 marked a year of meaningful strategic progress for Stride, enhancing resilience, operating strength and future growth optionality. Stride has successfully executed on the funds management business via the expansion of Investore's investment mandate to capture convenience-based retail, sale of Silverdale Centre to Investore for $114 million, completion of Industre developments at 16A Wickham Street, Hamilton, and 14-20 Favona Road, Auckland, together valued at $93.7 million and commitment to the ~$70 million 2-14 Patiki Road, Auckland, Industre development. Additionally, SPL has largely completed refurbishments and significant leasing progress at 34 Shortland Street, Auckland, and 215 Lambton Quay, Wellington."

SPL and SIML are pleased to announce fourth quarter (1 January 2026 to 31 March 2026) cash dividends to be paid by each company on 16 June 2026 to all shareholders on the register as at the close of business on 8 June 2026, as follows:

- SPL announces a cash dividend for the fourth quarter of FY26 of 1.5625cps
- SIML announces a cash dividend for the fourth quarter of FY26 of 0.4375cps

This brings the total combined cash dividend for Stride Property Group for FY26 to 8.0cps, in line with previous guidance. The combined cash dividend of 8.0cps for FY26 represents a payout ratio of 91.1% of Stride's Distributable profit (Note 2) and 105.3% of AFFO (Adjusted Funds from Operations).

The Board has resolved to suspend the dividend reinvestment plan for the FY26 fourth quarter dividends of both SPL and SIML.

FY26 Overview:

Financial Performance – Stride Property Group

- Net rental income for FY26 was $58.9 million (FY25: $69.1 million), impacted by $(3.9) million as a result of the Industre restructure, SPL's industrial property Product, in the prior year. In addition, the sale by SPL of Silverdale Centre to Investore during the year resulted in lower net rental income of $(2.7) million, a further $(1.8) million was due to IFRS movements over the periods, with the remaining $(1.7) million largely due to higher vacancy and associated leasing costs on assets Stride is repositioning
- $22.9 million management fee income (Note 10), up 12% from FY25 of $20.4 million, primarily due to growth from our management arrangements with Industre and Investore
- $31.3 million profit after income tax, up $9.6 million on FY25 ($21.7 million)
- Distributable profit (Note 2) after current income tax for FY26 of $49.1 million, up 2% on FY25 ($48.3 million) driven by higher dividends from Industre
- FY26 combined cash dividend of 8.0cps, in line with guidance

- Net tangible assets (NTA) per share of $1.69 as at 31 March 2026, down $(0.03) from 31 March 2025 ($1.72)

Active Real Estate Investment Management

- Assets under management of $3.3 billion, including $2.0 billion of open-ended external assets under management
- SIML has delivered $93.7 million of new industrial developments for Industre at 16A Wickham Street, Hamilton and 14-20 Favona Road, Auckland. Both developments are targeting a 5 Green Star rating
- SIML helped to advance Investore's strategy of targeted growth through the divestment of Woolworths Browns Bay, Auckland and Woolworths New Brighton, Christchurch for $31.8 million, 5.2% above the combined book value (Note 11). Post balance date, Investore entered into an unconditional agreement to divest Woolworths Greenlane, Auckland for $35.9m, up 4.1% on 31 March 2026 book value
- SPL sold Silverdale Centre to Investore, retaining management and creating balance sheet capacity for strategic growth initiatives
- Conditional agreement to acquire a 125-year pre-paid ground lease at North Wharf at Wynyard Quarter, Auckland, for future development. Post balance date, resource consent is being submitted
- SPL continued to reposition its office portfolio through targeted building upgrades and initiatives to support leasing activity at 34 Shortland Street, Auckland, and 215 Lambton Quay, Wellington. Test piling works at 55 Lady Elizabeth Lane, Wellington were completed in January 2026, supporting the next stage of design and programme development

SPL Office Portfolio (Note 12)

- LFL Rental Growth (Note 13) of +2.0% across 57,000 sqm, including +6.2% for repositioned assets
- Portfolio value (Note 14) of $670 million as at 31 March 2026
- Repositioning works at 34 Shortland Street largely complete and planning and feasibility at 1 Grey Street progressing
- Refurbishment works at 215 Lambton Quay to the lobby, café and end of trip now complete
- Test piling works at 55 Lady Elizabeth Lane completed in January 2026, supporting the next stage of design and programme development
- SPL's office portfolio WALT of 6.7 years, and occupancy (Note 5) of 86% as at 31 March 2026. A small number of properties in the office portfolio are experiencing some vacancy, primarily among those that are undergoing upgrades, and Stride expects leasing activity to improve as the upgrades are completed and economic conditions improve

SPL Town Centre Portfolio (Note 12)

- LFL Rental Growth (Note 13) of +0.9% across 21,000 sqm

- Portfolio value (Note 15) of $175 million as at 31 March 2026, down from 31 March 2025 reflecting the sale of Silverdale Centre to Investore
- LFL specialty MAT (Note 16) stabilised at +0.2% on FY25
- Specialty gross occupancy cost (Note 17) for the portfolio remains low at ~12% as at 31 March 2026
- SPL's town centre portfolio has WALT of 3.6 years and occupancy (Note 5) of 92% as at 31 March 2026

Investore Property Limited (Note 12)

- LFL Rental Growth (Note 13) of +4.7% across 110,000 sqm
- Portfolio value (Note 18) of $1.1 billion as at 31 March 2026
- Acquired Bunnings New Lynn for $43 million and Silverdale Centre for $114 million supported by $62.5 million subordinated convertible note capital raise
- Divestment of two supermarket properties for a combined sale price of $31.8 million, +5.2% on combined book value (Note 11). Post balance date, Investore entered into an unconditional agreement to divest Woolworths Greenlane for $35.9 million, +4.1% on 31 March 2026 book value

Industre Property Joint Venture (Note 12)

- LFL Rental Growth (Note 13) of +3.5% across 143,000 sqm
- Total portfolio valuation (Note 19) of $850 million as at 31 March 2026, reflecting a 4.7% net gain in fair value during FY26, due to development completions, along with stabilising market rents and a relatively constant capitalisation rate
- $27 million (excluding land) development at 16A Wickham Street, Hamilton, completed. The lease with Wattyl delivered a WALT of 15 years and a 6% yield on cost (including land)
- $30 million (excluding land) development at 14-20 Favona Road, Auckland, completed post balance date, leasing underway
- ~$70 million (excluding land) Patiki Road development approved for FY27/28, subject to final construction pricing
- 22% of net Contract Rental with market reviews or lease expiries in FY27 and FY28, with potential reversion to market of +15% (Note 20)

Diversified NZ Property Trust (Note 12)

- LFL Rental Growth (Note 13) of +2.1% across 54,000 sqm
- Total portfolio valuation (Note 21) of $446 million as at 31 March 2026, up from $407 million as at 31 March 2025, due to a combination of higher market rentals, lower operating expenses and firmed cap rates
- Specialty gross occupancy cost (Note 17) for the portfolio reduced to 12.5% at 31 March 2026

- The Diversified portfolio occupancy (Note 5) and WALT remain robust at 97% and 2.9 years respectively

Capital Management – SPL

- SPL continues to take a prudent and active approach to capital management, maintaining its bank LVR (Note 6) at 34%, down from 31 March 2025 at 39%
- When factoring in SPL's interests in its Products (Note 7), SPL's gearing is:
    - 23.8% on a balance sheet basis (Note 8)
    - 35.1% on a look-through basis (Note 9)
- $166 million headroom as at 31 March 2026 provides capacity for future growth opportunities

Sustainability

- GRESB score of 79/100 during FY26 was up 10 points from the prior year
- Climate-related targets progressed during FY26, including implementing a number of projects in accordance with our carbon reduction plan, such as energy efficiency software installed in Auckland office assets targeting efficiency improvement of HVAC systems

Outlook

- Recent offshore developments have reintroduced inflation pressures and market uncertainty, weighing on business and consumer confidence. Should Diversified investors seek liquidity in FY27, associated project fees offset lost management fee income in the near term, with a 5-6% impact to DPPS over longer term
- SPL's capital management position is well funded and provides headroom for initiatives
- Stride's near term focus is on growing income via asset positioning initiatives, realising Industre's development pipeline and continuing to grow our Products (Note 7)
- The Stride Boards confirm they intend to pay a combined cash dividend for SPL and SIML during FY27 of 8.0cps, subject to market conditions

Notes:

1. Stride Property Group (Stride) comprises Stride Investment Management Limited (SIML) and Stride Property Limited (SPL). A stapled security of the Stride Property Group comprises one share in SIML and one share in SPL. The stapled securities are quoted on the NZX Main Board under the ticker code 'SPG'. Information presented in this NZX announcement is on a combined basis unless otherwise specified.
2. Distributable profit is a non-GAAP measure and consists of profit/(loss) before income tax, adjusted for determined non-recurring and/or non-cash items, share of profit/(loss) in equity-accounted investments, dividends received from equity-accounted investments and current tax. Further information, including the calculation of Distributable profit and the adjustments to profit/(loss) before income tax, is set out in the consolidated financial statements for the year ended 31 March 2026.

3. Look-through portfolio includes SPL's directly owned portfolio, plus SPL's proportionate ownership in the portfolios of the Stride Products. Excludes properties categorised as 'Development and Other' in the respective financial statements.
4. Look-through portfolio value excludes lease liabilities. In the case of SPL, includes: (1) the value of Stride's office at 34 Shortland Street, Auckland, which is shown in the consolidated financial statements as 'Property, plant and equipment'; and (2) the value of rental guarantee receivable. In the case of Investore, includes the value of rental guarantee receivable.
5. Occupancy has been calculated including casual licences with an initial term greater than three months.
6. Bank Loan to Value Ratio (LVR) is calculated as bank debt as a percentage of the value of investment property for mortgage security purposes.
7. The Stride Products comprise Investore Property Limited (Investore), Industre Property Joint Venture (Industre) and Diversified NZ Property Trust (Diversified).
8. Balance sheet LVR includes SPL's directly held property as well as the value of SPL's interests in each of the Stride Products, and SPL's direct debt.
9. Look-through LVR includes SPL's directly held property and debts, as well as its proportionate share of the property and debt of each of the Stride Products.
10. Net of management fees received from SPL.
11. 31 March 2025 book value for Woolworths Browns Bay and 30 September 2025 book value for Woolworths New Brighton.
12. Unless otherwise stated, all metrics exclude properties categorised as 'Development and Other' in the respective financial statements.
13. The increase on prior rentals from new lettings, renewals and rent reviews completed during FY26 on a like-for-like basis.
14. Includes all investment properties in SPL's office portfolio, including investment properties classified as 'Development and Other' in the consolidated financial statements. Value includes: (1) the value of Stride's office at 34 Shortland Street, Auckland, which is shown in the consolidated financial statements as 'Property, plant and equipment'; (2) the value of rental guarantee receivable.
15. Value excludes lease liabilities.
16. Moving annual turnover (MAT) comprises annual sales on a rolling 12-month basis, including GST.
17. Gross occupancy costs (excluding GST) expressed as a percentage of MAT.
18. Includes all properties in Investore's portfolio, including properties classified as 'Development and Other' in Investore's consolidated financial statements. Value excludes lease liabilities and includes the value of rental guarantee receivable.
19. Includes all properties in Industre's portfolio, including properties classified as 'Development and Other' in Industre's consolidated financial statements.
20. Based on Industre's independent valuation reports as at 31 March 2026 and comparing passing rent to market rent on a face rental basis.
21. Includes all properties in Diversified's portfolio, including properties classified as 'Development and Other' in Diversified's financial statements.

Ends

Attachments provided to NZX:

- Stride Property Group – FY26 Annual Results Announcement – 280526
- Stride Property Group – FY26 Annual Report – 280526
- Stride Property Group – FY26 Annual Results Presentation – 280526
- Stride Property Group – FY26 Sustainability Report – 280526
- Stride Property Group – NZX Results Announcement – 280526
- Stride Property Limited – NZX Distribution Notice – 280526
- Stride Investment Management Limited – NZX Distribution Notice – 280526

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A Stapled Security of the Stride Property Group comprises one ordinary share in Stride Property Limited and one ordinary share in Stride Investment Management Limited. Under the terms of the constitution of each company, the shares in each can only be transferred if accompanied by a transfer of the same number of shares in the other.

Stapled Securities are quoted on the NZX Main Board under the ticker code SPG. Further information is available at www.strideproperty.co.nz or at www.nzx.com/companies/SPG.