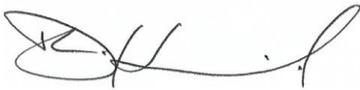


The Warehouse Group Limited

Interim Financial Statements

For the 26 weeks ended 1 February 2026

For and on behalf of the Board



Dean Hamilton
Chair of the Audit and Risk Committee

26 March 2026



John Journee
Chair

Consolidated Income Statement

	Note	Unaudited 26 Weeks Ended 1 February 2026 \$ 000	Unaudited 26 Weeks Ended 26 January 2025 \$ 000	Audited 53 Weeks Ended 3 August 2025 \$ 000
Continuing operations				
Retail sales	3	1,612,087	1,607,207	3,086,725
Cost of retail goods sold		(1,091,607)	(1,085,460)	(2,091,643)
Gross profit		520,480	521,747	995,082
Other income		8,716	7,744	14,314
Employee expense		(266,936)	(265,580)	(526,520)
Depreciation and amortisation expense		(74,267)	(77,041)	(156,524)
Other operating expense		(141,000)	(148,004)	(285,836)
Operating profit	3	46,993	38,866	40,516
Unusual items	4	(4,792)	-	-
Earnings before interest and tax		42,201	38,866	40,516
Interest on leases	12	(18,339)	(17,858)	(36,847)
Other net interest		(1,530)	(4,124)	(6,668)
Profit/(Loss) before tax		22,332	16,884	(2,999)
Income tax benefit/(expense)		(6,275)	(4,894)	572
Net profit/(loss) for the period		16,057	11,990	(2,427)
Attributable to:				
Shareholders of the parent		15,747	11,791	(2,764)
Minority interests		310	199	337
		16,057	11,990	(2,427)
Basic and diluted earnings per share attributable to shareholders of the parent:				
Basic and diluted earnings per share		4.6 cents	3.4 cents	(0.8) cents

Consolidated Statement of Comprehensive Income

	Note	Unaudited 26 Weeks Ended 1 February 2026 \$ 000	Unaudited 26 Weeks Ended 26 January 2025 \$ 000	Audited 53 Weeks Ended 3 August 2025 \$ 000
Net profit/(loss) for the period		16,057	11,990	(2,427)
Items that may be reclassified subsequently to the income statement				
Movement in foreign currency translation reserve		(162)	200	-
Movement in hedge reserves (net of tax)		(4,285)	176	(7,417)
Total comprehensive income/(loss) for the period		11,610	12,366	(9,844)
Attributable to:				
Shareholders of the parent		11,300	12,167	(10,181)
Minority interest		310	199	337
Total comprehensive income/(loss)		11,610	12,366	(9,844)

Consolidated Balance Sheet

	Note	Unaudited As at 1 February 2026 \$ 000	Unaudited As at 26 January 2025 \$ 000	Audited As at 3 August 2025 \$ 000
ASSETS				
Current assets				
Cash and cash equivalents	13	43,264	44,322	39,206
Trade and other receivables	6	89,637	94,001	69,871
Inventory	5	520,293	533,292	476,718
Derivative financial instruments	14	211	16,610	3,908
Taxation receivable		2,564	2,321	2,473
Total current assets		655,969	690,546	592,176
Non current assets				
Trade and other receivables	6	19,757	24,348	22,088
Property, plant and equipment	9	142,820	168,631	155,078
Intangible assets	10	129,835	150,225	140,090
Right of use assets	11	585,276	583,433	590,187
Deferred taxation		89,921	85,896	94,278
Total non current assets		967,609	1,012,533	1,001,721
Total assets		1,623,578	1,703,079	1,593,897
LIABILITIES				
Current liabilities				
Borrowings	13	136,570	25,350	135,300
Trade and other payables	7	392,060	577,005	376,758
Derivative financial instruments	14	10,436	1,133	3,768
Lease liabilities	12	89,505	94,470	92,522
Provisions	8	44,051	39,924	42,926
Total current liabilities		672,622	737,882	651,274
Non current liabilities				
Derivative financial instruments	14	37	-	-
Lease liabilities	12	619,356	622,166	621,317
Provisions	8	19,785	20,326	20,810
Total non current liabilities		639,178	642,492	642,127
Total liabilities		1,311,800	1,380,374	1,293,401
Net assets		311,778	322,705	300,496
EQUITY				
Contributed equity		360,235	360,235	360,235
Reserves		(5,283)	6,957	(836)
Retained earnings		(44,282)	(45,474)	(60,029)
Total equity attributable to shareholders		310,670	321,718	299,370
Minority interest		1,108	987	1,126
Total equity		311,778	322,705	300,496

Consolidated Statement of Cash Flows

	Note	Unaudited 26 Weeks Ended 1 February 2026 \$ 000	Unaudited 26 Weeks Ended 26 January 2025 \$ 000	Audited 53 Weeks Ended 3 August 2025 \$ 000
Cash flows from operating activities				
Cash received from customers		1,610,970	1,600,303	3,099,203
Payments to suppliers and employees		(1,534,756)	(1,454,621)	(2,982,438)
Income tax paid		(353)	(576)	(692)
Interest paid (includes interest on lease liabilities)		(19,948)	(22,181)	(43,750)
Net cash flows from operating activities		55,913	122,925	72,323
Cash flows from investing activities				
Net proceeds from sale of property, plant and equipment		30	32	160
Purchase of property, plant, equipment and computer software		(6,596)	(5,088)	(12,604)
Net cash flows from investing activities		(6,566)	(5,056)	(12,444)
Cash flows from financing activities				
Net proceeds/(repayments) from borrowings		1,270	(57,550)	52,400
Lease principal repayments		(46,231)	(47,805)	(104,882)
Dividends paid to minority shareholders		(328)	(396)	(395)
Net cash flows from financing activities		(45,289)	(105,751)	(52,877)
Net cash flow		4,058	12,118	7,002
Opening cash position	13	39,206	32,204	32,204
Closing cash position		43,264	44,322	39,206
Reconciliation of Operating Cash Flows				
Profit/(loss) after tax		16,057	11,990	(2,427)
Non cash items				
Depreciation and amortisation expense		74,267	77,041	156,524
Movement in deferred tax		6,020	3,860	(1,570)
Total non cash items		80,287	80,901	154,954
Items classified as investing or financing activities				
Loss on disposal of property, plant and equipment		174	47	187
Gain on lease terminations		(12)	-	-
Total investing and financing adjustments		162	47	187
Changes in assets and liabilities				
Trade and other receivables		(17,435)	(19,127)	7,263
Inventory		(43,575)	(61,164)	(4,590)
Trade and other payables		20,408	112,465	(84,211)
Provisions		100	(2,645)	841
Income tax		(91)	458	306
Total changes in assets and liabilities		(40,593)	29,987	(80,391)
Net cash flows from operating activities		55,913	122,925	72,323

Consolidated Statement of Changes in Equity

(Unaudited)	Share Capital \$ 000	Treasury Stock \$ 000	Hedge Reserves \$ 000	Foreign Currency Translation Reserve \$ 000	Retained Earnings \$ 000	Minority Interest \$ 000	Total Equity \$ 000
For the 26 weeks ended 1 February 2026							
Balance at the beginning of the period	365,517	(5,282)	(1,056)	220	(60,029)	1,126	300,496
Profit for the half year	-	-	-	-	15,747	310	16,057
Movement in foreign currency translation reserve	-	-	-	(162)	-	-	(162)
Movement in derivative cash flow hedges	-	-	(5,951)	-	-	-	(5,951)
Tax related to movement in hedge reserve	-	-	1,666	-	-	-	1,666
Total comprehensive income	-	-	(4,285)	(162)	15,747	310	11,610
Dividends paid	-	-	-	-	-	(328)	(328)
Balance at the end of the period	365,517	(5,282)	(5,341)	58	(44,282)	1,108	311,778

(Unaudited)	Share Capital \$ 000	Treasury Stock \$ 000	Hedge Reserves \$ 000	Foreign Currency Translation Reserve \$ 000	Retained Earnings \$ 000	Minority Interest \$ 000	Total Equity \$ 000
For the 26 weeks ended 26 January 2025							
Balance at the beginning of the period	365,517	(5,282)	6,361	220	(57,265)	1,184	310,735
Profit for the half year	-	-	-	-	11,791	199	11,990
Movement in foreign currency translation reserve	-	-	-	200	-	-	200
Movement in derivative cash flow hedges	-	-	245	-	-	-	245
Tax related to movement in hedge reserve	-	-	(69)	-	-	-	(69)
Total comprehensive income	-	-	176	200	11,791	199	12,366
Dividends paid	-	-	-	-	-	(396)	(396)
Balance at the end of the period	365,517	(5,282)	6,537	420	(45,474)	987	322,705

(Audited)	Share Capital \$ 000	Treasury Stock \$ 000	Hedge Reserves \$ 000	Foreign Currency Translation Reserve \$ 000	Retained Earnings \$ 000	Minority Interest \$ 000	Total Equity \$ 000
For the 53 weeks ended 3 August 2025							
Balance at the beginning of the period	365,517	(5,282)	6,361	220	(57,265)	1,184	310,735
Profit/(loss) for the year	-	-	-	-	(2,764)	337	(2,427)
Movement in foreign currency translation reserve	-	-	-	-	-	-	-
Movement in derivative cash flow hedges	-	-	(10,301)	-	-	-	(10,301)
Tax related to movement in hedge reserve	-	-	2,884	-	-	-	2,884
Total comprehensive income	-	-	(7,417)	-	(2,764)	337	(9,844)
Dividends paid	-	-	-	-	-	(395)	(395)
Balance at the end of the period	365,517	(5,282)	(1,056)	220	(60,029)	1,126	300,496

Notes to the Interim Financial Statements

1. GENERAL INFORMATION

The Warehouse Group Limited (the Company) and its subsidiaries (together the Group) trade in the New Zealand retail sector. The Company is a limited liability company incorporated and domiciled in New Zealand. The Group is registered under the Companies Act 1993 and is an FMC Reporting Entity under Part 7 of the Financial Markets Conduct Act (FMCA) 2013. The address of its registered office is 26 The Warehouse Way, Northcote, Auckland. The Company is listed on the New Zealand Stock Exchange (NZX).

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The interim financial statements of the Group have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (GAAP). They comply with New Zealand Equivalent to the International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34) and International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and consequently, do not include all the information required for full financial statements. These Group interim financial statements should be read in conjunction with the annual report for the 53 weeks ended 3 August 2025.

These interim financial statements have been prepared under the historical cost convention except for the revaluation of certain financial instruments (including derivative instruments). The reporting currency used in the preparation of the interim financial statements is New Zealand dollars, rounded to the nearest thousands unless otherwise stated.

Accounting standards

The material accounting policy information and other explanatory information applied in the preparation of these interim financial statements have been applied on a consistent basis with those used in the audited financial statements for the 53 weeks ended 3 August 2025.

There were no new accounting standards, amended standards or interpretations that became effective during the reporting period that have had a material impact on the Group's interim financial statements.

Non-GAAP financial information

The Group uses operating profit, earnings before tax and interest, unusual items and adjusted net profit to describe financial performance as it considers these line items provide a better measure of underlying business performance. These non-GAAP measures are not prepared in accordance with New Zealand Equivalent to International Financial Reporting Standards (NZ IFRS) and may not be comparable to similarly titled amounts reported by other companies. The Group's policy regarding unusual items and adjusted net profit are detailed in note 4.

Critical accounting judgements, estimates and assumptions

The preparation of the interim financial statements requires the Group to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at balance date and the reported amounts of revenues and expenses during the half year. The same material judgements, estimates and assumptions that are summarised in the audited financial statements for the 53 weeks ended 3 August 2025 were again applied in the preparation of these interim financial statements.

Subsequent Events

Since 28 February 2026, when the US and Israel launched missile strikes on Iran, the resulting conflict has spread across the Middle East, creating economic uncertainty for New Zealanders and the Group. Rising fuel prices and congestion across key shipping routes impacted by the conflict are expected to push global freight costs higher. While the full impact on supply chain costs, consumer confidence and inflation remains uncertain, management is monitoring conditions and working with the Group's stakeholders to mitigate these pressures.

Given the evolving nature of the situation, the financial impact on the Group cannot be reliably estimated at this time. This event has been treated as a non-adjusting subsequent event and, accordingly, no amounts have been recognised in these financial statements.

Approval of interim financial statements

These consolidated interim financial statements were approved for issue by the Board of Directors on 26 March 2026. Unless as otherwise stated, the interim financial statements have been reviewed by our Auditors, but are not audited.

Notes to the Interim Financial Statements - continued

3. SEGMENT INFORMATION

Operating performance	REVENUE			OPERATING PROFIT		
	(Unaudited) 26 Weeks Ended 1 February 2026 \$ 000	(Unaudited) 26 Weeks Ended 26 January 2025 \$ 000	(Audited) 53 Weeks Ended 3 August 2025 \$ 000	(Unaudited) 26 Weeks Ended 1 February 2026 \$ 000	(Unaudited) 26 Weeks Ended 26 January 2025 \$ 000	(Audited) 53 Weeks Ended 3 August 2025 \$ 000
The Warehouse	949,469	944,743	1,816,475	9,107	12,490	(12,247)
Warehouse Stationery	116,090	109,848	226,036	8,109	2,364	8,217
Warehouse	1,065,559	1,054,591	2,042,511	17,216	14,854	(4,030)
Noel Leeming	542,241	548,943	1,038,058	12,944	8,516	11,667
Other Group operations	6,952	6,565	11,578	(3,272)	(3,837)	(6,326)
Inter-segment eliminations	(2,665)	(2,892)	(5,422)			
Group	1,612,087	1,607,207	3,086,725	26,888	19,533	1,311
Adjustment for NZ IFRS 16 (Leases)				20,105	19,333	39,205
Operating profit				46,993	38,866	40,516
Unusual items	4			(4,792)	-	-
Earnings before interest and tax				42,201	38,866	40,516
Operating margin						
The Warehouse (%)				1.0	1.3	(0.7)
Warehouse Stationery (%)				7.0	2.2	3.6
Noel Leeming (%)				2.4	1.6	1.1
Total Retail Group (%)				1.7	1.2	0.0

Operating segments

The Group has three retail brands trading in the New Zealand retail sector. These brands form the basis of internal reporting used by senior management and the Board of Directors to monitor and assess performance and assist with strategy decisions. Brand trading performance is assessed using operating profit, which is a non-GAAP measure that excludes the impacts of NZ IFRS 16 *Leases*, and is considered a better measure of underlying brand performance. Assets are not allocated to operating segments and the balance sheet is managed and internally reported on a consolidated basis to the senior management and the Board of Directors.

Customers can purchase product from the three main retail chains either online or through the Group's physical retail store network. At period end the Group's physical store network consists of 84 The Warehouse stores, 67 Warehouse Stationery stores (including 42 stores trading within The Warehouse stores), and 66 Noel Leeming stores. The Warehouse predominantly sells general merchandise and apparel, Noel Leeming sells technology and appliance products and Warehouse Stationery sells stationery products.

Other Group operations include a property company, a chocolate factory and the residual cost of unallocated support office functions.

Adjustment for NZ IFRS 16 (Leases)	Note	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Pre NZ IFRS 16 rent expense		66,269	65,139	132,538
Right of use asset depreciation		(46,176)	(45,806)	(93,333)
Gain on lease terminations		12	-	-
Impact on operating profit		20,105	19,333	39,205
Lease liability interest	12	(18,339)	(17,858)	(36,847)
Impact on profit/(loss) before tax	4	1,766	1,475	2,358

Notes to the Interim Financial Statements - continued

4. ADJUSTED NET PROFIT

Adjusted net profit reconciliation	(Unaudited) 26 Weeks Ended 1 February 2026 \$ 000	(Unaudited) 26 Weeks Ended 26 January 2025 \$ 000	(Audited) 53 Weeks Ended 3 August 2025 \$ 000
Note			
Net profit/(loss) attributable to shareholders of the parent	15,747	11,791	(2,764)
Add back:			
Unusual item - Restructure costs	4,792	-	-
Adjustment for NZ IFRS 16 (Leases)	3 (1,766)	(1,475)	(2,358)
Income tax relating to above items	(847)	413	660
Adjusted net profit/(loss) attributable to shareholders of the parent	17,926	10,729	(4,462)

Certain transactions can make the comparison of profits between years difficult. The Group uses adjusted net profit as a key indicator of performance and considers it a better measure of underlying business performance. Adjusted net profit makes allowance for the after tax effect of unusual items which are not directly connected with the Group's normal trading activities. The Group defines unusual items as any gains or losses from property disposals, goodwill and brand impairment, costs relating to business acquisitions or disposals, ineffective hedge derivatives and costs connected with restructuring the Group. The non-cash impact relating to the NZ IFRS 16 lease accounting standard are also excluded from adjusted net profit.

Restructure costs

In November 2025, the Group initiated a cost reset programme to restore profitability and reduce its cost of doing business. As part of the move towards a leaner corporate structure the Group partnered with Tata Consulting Services to co-source corporate and administrative functions, including technology, accounting, call centres, and payroll. The restructure results in redundancy costs (\$4.8 million) for the head office employees who leave the business.

5. INVENTORY

Inventory	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Finished goods	464,170	501,213	412,409
Inventory provisions	(16,438)	(15,985)	(15,210)
Retail stock	447,732	485,228	397,199
Goods in transit from overseas	72,561	48,064	79,519
Inventory	520,293	533,292	476,718

6. TRADE AND OTHER RECEIVABLES

Trade and other receivables	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Trade receivables	38,250	39,114	29,512
Prepayments	46,077	50,695	39,760
Rebate accruals and other debtors	25,067	28,540	22,687
Total trade and other receivables	109,394	118,349	91,959
Less non current prepayments	(19,757)	(24,348)	(22,088)
Current trade and other receivables	89,637	94,001	69,871

Notes to the Interim Financial Statements - continued

7. TRADE AND OTHER PAYABLES

Trade and other payables	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Local trade creditors and accruals	211,798	347,226	225,542
Foreign currency trade creditors	93,299	119,154	75,223
Goods in transit creditors	38,400	21,026	35,236
Goods and services tax	25,572	55,939	17,404
Reward schemes and gift vouchers	13,834	15,905	13,589
Payroll accruals	9,157	17,755	9,764
Total trade and other payables	392,060	577,005	376,758

The payment of local creditors and GST typically occur towards the end of a calendar month. In the previous half year the balance date was one week earlier relative to the calendar month end, which means the payment of local creditors and GST which occurred in this period had not yet happened. This contributed to why total trade and other payables were significantly lower than the previous half year.

8. PROVISIONS

Provisions	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Current liabilities	44,051	39,924	42,926
Non current liabilities	19,785	20,326	20,810
Total provisions	63,836	60,250	63,736
Provisions consist of:			
Employee entitlements	52,263	48,688	52,526
Make good provision	7,417	7,600	7,495
Sales returns provision	4,156	3,962	3,715
Total provisions	63,836	60,250	63,736

9. PROPERTY, PLANT, EQUIPMENT AND COMPUTER SOFTWARE

Property, plant, equipment and computer software	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Property, plant and equipment	142,820	168,631	155,078
Computer software	56,879	77,269	67,134
Carrying amount	199,699	245,900	222,212
Movement in property, plant, equipment and computer software			
Carrying amount at the beginning of the period	222,212	273,364	273,364
Capital expenditure	5,784	3,851	12,387
Depreciation and amortisation	(28,091)	(31,235)	(63,191)
Disposals	(206)	(80)	(348)
Carrying amount at the end of the period	199,699	245,900	222,212

10. INTANGIBLE ASSETS

Intangible assets	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Computer software	56,879	77,269	67,134
Brands	15,500	15,500	15,500
Goodwill	57,456	57,456	57,456
Net book value	129,835	150,225	140,090

The Group performs a detailed impairment assessment of intangible assets prior to the end of each financial year and at each interim reporting date considers if there are any indicators of impairment which could have a bearing on the impairment assessments. The Group's review did not identify any impairment in respect of the cash generating units connected with the Group's material intangible assets.

Notes to the Interim Financial Statements - continued

11. RIGHT OF USE ASSETS

Right of use assets	Note	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Movement in right of use assets				
Carrying amount at the beginning of the period		590,187	601,610	601,610
Foreign exchange movement		56	14	22
Additions	12	29,863	19,613	54,621
Depreciation	3	(46,176)	(45,806)	(93,333)
Reassessment of lease terms	12	11,602	8,002	27,267
Lease surrenders and terminations		(256)	-	-
Carrying amount at the end of the period		585,276	583,433	590,187

12. LEASE LIABILITIES

Lease liabilities	Note	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Movement in lease liabilities				
Carrying amount at the beginning of the period		713,839	736,812	736,812
Foreign exchange movement		56	14	21
Additions	11	29,863	19,613	54,621
Interest for the period	3	18,339	17,858	36,847
Reassessment of lease terms	11	11,602	8,002	27,267
Lease repayments		(64,570)	(65,663)	(141,729)
Lease surrenders and terminations		(268)	-	-
Balance at the end of the period		708,861	716,636	713,839
Lease liability maturity analysis				
Within one year		89,505	94,470	92,522
One to two years		95,278	91,072	92,244
Two to five years		274,544	247,150	258,716
Beyond five years		249,534	283,944	270,357
Total lease liabilities		708,861	716,636	713,839
Current liabilities		89,505	94,470	92,522
Non current liabilities		619,356	622,166	621,317
Total lease liabilities		708,861	716,636	713,839

13. BORROWINGS

Net cash/(debt)	Note	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Cash and cash equivalents		43,264	44,322	39,206
Borrowings		(136,570)	(25,350)	(135,300)
Net cash/(debt)		(93,306)	18,972	(96,094)
Committed bank credit facilities at balance date are:				
Committed bank debt facilities		300,000	450,000	450,000
Liquidity buffer		206,694	468,972	353,906

Borrowings for the current half year are significantly higher than the previous half year because of the timing of the balance date relative to the calendar month end. The payment of local creditors and GST typically occur towards the end of a calendar month (refer note 7). In the previous half year the balance date was one week earlier relative to the calendar month end, which means the payment of local creditors and GST which occurred in this period had not yet happened. Average daily borrowings for the current half year period were \$79.5 million compared to \$131.5 million for the previous half year period.

The Group complied with the debt ratios and covenants stipulated in the Group's negative pledge arrangement with its banks throughout the half year. Details regarding these covenants and the Group's liquidity policy, can be found in the 2025 Annual Report.

Notes to the Interim Financial Statements - continued

14. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Foreign exchange contracts			
Current assets	211	16,610	3,908
Current liabilities	(10,436)	(1,133)	(3,768)
Non current liabilities	(37)	-	-
Total derivative financial instruments	(10,262)	15,477	140
Classified as:			
Cash flow hedges	(7,418)	9,079	(1,467)
Fair value hedges	(2,844)	6,398	1,607
Total derivative financial instruments	(10,262)	15,477	140

The Group continues to manage its foreign exchange risks in accordance with the policies and parameters detailed in the 2025 Annual Report. The following table lists the key inputs used to determine the fair value of the Group's foreign exchange contracts and hedge levels at balance date.

US Dollar forward contracts

Notional amount (NZ\$000) 0 to 12 months	360,390	351,761	320,354
Notional amount (NZ\$000) 13 to 18 months	24,675	-	-
Average contract rate (\$)	0.5903	0.5988	0.5921
Spot rate used to determine fair value (\$)	0.6033	0.5715	0.5894
Forecast next twelve month USD hedge level (percentage)	72.2	65.8	63.2

Fair value

The Group's derivatives are not traded in an active market which means quoted prices are not available to determine the fair value. To determine the fair value the Group uses valuation techniques which rely on observable market data. The fair value of forward exchange contracts are determined using the forward exchange market rates at the balance date. For accounting purposes (NZ IFRS 13) these valuations are deemed to be Level 2 fair value measurements as they are not derived from a quoted price in an active market but rather, a valuation technique that relies on other observable market data.

15. COMMITMENTS

Commitments	(Unaudited) As at 1 February 2026 \$ 000	(Unaudited) As at 26 January 2025 \$ 000	(Audited) As at 3 August 2025 \$ 000
Capital commitments			
Capital expenditure contracted for at balance date but not recognised as liabilities is set out below:			
Within one year	1,922	412	1,957

16. RELATED PARTIES

Except for directors' fees and key executive remuneration, there have been no other related party transactions during the period.