





# Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2024

	Notes	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
Gross rental income		50,263	48,038
Direct property operating expenses		(14,257)	(13,237)
<b>Net rental income</b>	<b>3.1</b>	<b>36,006</b>	<b>34,801</b>
<b>Guarantee income</b>		<b>-</b>	<b>2,421</b>
<b>Management fee income</b>		<b>9,413</b>	<b>10,268</b>
<b>Less corporate expenses</b>			
Corporate overhead expenses	<b>7.2</b>	<b>(7,883)</b>	(9,081)
Administration expenses	<b>7.2</b>	<b>(2,447)</b>	(2,644)
<b>Total corporate expenses</b>		<b>(10,330)</b>	<b>(11,725)</b>
<b>Profit before net finance expense, other (expense)/income and income tax</b>		<b>35,089</b>	<b>35,765</b>
Net finance expense	<b>5.3</b>	<b>(9,717)</b>	(10,337)
<b>Profit before other (expense)/income and income tax</b>		<b>25,372</b>	<b>25,428</b>
<b>Other (expense)/income</b>			
Net change in fair value of investment properties	<b>3.2</b>	<b>(3,582)</b>	(55,263)
Share of profit/(loss) in equity-accounted investments	<b>6.2</b>	<b>2,864</b>	(16,712)
Gain/(loss) on disposal of investment properties		<b>27</b>	(2,341)
Hedge ineffectiveness of cash flow hedges		<b>-</b>	(391)
<b>Profit/(loss) before income tax</b>		<b>24,681</b>	<b>(49,279)</b>
Income tax expense	<b>7.1</b>	<b>(6,222)</b>	(1,245)
<b>Profit/(loss) after income tax attributable to shareholders</b>		<b>18,459</b>	<b>(50,524)</b>
<b>Other comprehensive (loss)/income:</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Deferred tax on share based payment expense		<b>247</b>	137
Movement in cash flow hedges, net of tax		<b>(7,120)</b>	857
Changes in cash flow hedge reserve in equity-accounted investments		<b>(2,050)</b>	763
<b>Total other comprehensive (loss)/income after tax</b>		<b>(8,923)</b>	<b>1,757</b>
<b>Total comprehensive income/(loss) after tax attributable to shareholders</b>		<b>9,536</b>	<b>(48,767)</b>
Stride Property Limited (SPL) total comprehensive income/(loss) after tax attributable to shareholders		<b>5,060</b>	(52,924)
Stride Investment Management Limited (SIML) total comprehensive income after tax attributable to shareholders	<b>5.5</b>	<b>4,476</b>	4,157
<b>Total comprehensive income/(loss) after tax attributable to shareholders</b>		<b>9,536</b>	<b>(48,767)</b>
<b>Earnings per share (EPS)</b>	<b>4.1</b>		
<b>Basic EPS (cents)</b>		<b>3.30</b>	(9.26)
<b>Diluted EPS (cents)</b>		<b>3.28</b>	(9.26)

The attached notes form part of and are to be read in conjunction with these consolidated interim financial statements.

# Consolidated Statement of Changes in Equity

For the six months ended 30 September 2024

	Notes	Number of shares 000	Share capital \$000	Retained earnings \$000	Other reserves \$000	Total \$000
<b>Balance at 31 Mar 24 (Audited)</b>		<b>558,408</b>	<b>884,022</b>	<b>93,653</b>	<b>14,758</b>	<b>992,433</b>
<b>Transactions with shareholders:</b>						
Dividends paid	4.3	-	-	(22,418)	-	(22,418)
Share based payment expense net of forfeited employee incentive rights	7.2	-	-	-	605	605
New shares issued in relation to employee incentive rights		631	-	-	-	-
<b>Total transactions with shareholders</b>		<b>631</b>	<b>-</b>	<b>(22,418)</b>	<b>605</b>	<b>(21,813)</b>
Total other comprehensive loss		-	-	-	(8,923)	(8,923)
Profit after income tax		-	-	18,459	-	18,459
<b>Total comprehensive income/(loss)</b>		<b>-</b>	<b>-</b>	<b>18,459</b>	<b>(8,923)</b>	<b>9,536</b>
<b>Balance at 30 Sep 24 (Unaudited)</b>		<b>559,039</b>	<b>884,022</b>	<b>89,694</b>	<b>6,440</b>	<b>980,156</b>
<b>Balance at 31 Mar 23 (Audited)</b>		<b>543,321</b>	<b>863,309</b>	<b>192,279</b>	<b>20,149</b>	<b>1,075,737</b>
<b>Transactions with shareholders:</b>						
Dividends reinvested/(paid)	4.3	6,740	8,921	(20,941)	-	(12,020)
Share based payment expense net of forfeited employee incentive rights	7.2	-	-	-	934	934
New shares issued in relation to employee incentive rights		199	-	-	-	-
<b>Total transactions with shareholders</b>		<b>6,939</b>	<b>8,921</b>	<b>(20,941)</b>	<b>934</b>	<b>(11,086)</b>
Total other comprehensive income		-	-	-	1,757	1,757
Loss after income tax		-	-	(50,524)	-	(50,524)
<b>Total comprehensive (loss)/income</b>		<b>-</b>	<b>-</b>	<b>(50,524)</b>	<b>1,757</b>	<b>(48,767)</b>
<b>Balance at 30 Sep 23 (Unaudited)</b>		<b>550,260</b>	<b>872,230</b>	<b>120,814</b>	<b>22,840</b>	<b>1,015,884</b>

The attached notes form part of and are to be read in conjunction with these consolidated interim financial statements.

# Consolidated Statement of Financial Position

As at 30 September 2024

	Notes	Unaudited 30 Sep 24 \$000	Audited 31 Mar 24 \$000
<b>Current assets</b>			
Cash at bank		11,844	14,762
Trade and other receivables	7.4	2,798	4,248
Prepayments		3,812	176
Derivative financial instruments	5.2	2,478	6,535
		20,932	25,721
Assets held for transfer to Industrie joint venture	6.3	142,087	-
		163,019	25,721
<b>Non-current assets</b>			
Investment properties	3.2	1,043,561	1,190,883
Equity-accounted investments	6.2	224,474	222,354
Loan to associate	7.3	3,398	3,398
Property, plant and equipment	7.6	9,001	9,058
Derivative financial instruments	5.2	3,218	6,879
Other non-current assets		2,126	250
		1,285,778	1,432,822
<b>Total assets</b>		<b>1,448,797</b>	<b>1,458,543</b>
<b>Current liabilities</b>			
Trade and other payables	7.5	10,329	16,096
Lease liability		7	7
Current tax liability		3,411	1,755
		13,747	17,858
Borrowings (Industre joint operation participating interest) held for transfer to Industrie joint venture	6.3	38,635	-
		52,382	17,858
<b>Non-current liabilities</b>			
Bank borrowings	5.1	382,367	374,598
Borrowings (Industre joint operation participating interest)	6.3	-	40,297
Lease liability		27,604	27,607
Deferred tax liability		3,925	5,686
Derivative financial instruments	5.2	2,363	64
		416,259	448,252
<b>Total liabilities</b>		<b>468,641</b>	<b>466,110</b>
<b>Net assets</b>			
		980,156	992,433
Share capital		884,022	884,022
Retained earnings		89,694	93,653
Reserves		6,440	14,758
<b>Equity</b>		<b>980,156</b>	<b>992,433</b>
SPL equity		957,210	971,730
SIML equity (non-controlling interest)	5.5	22,946	20,703
<b>Equity</b>		<b>980,156</b>	<b>992,433</b>

For and on behalf of the Boards of Directors of SPL and SIML, who authorised these consolidated interim financial statements for issue on 27 November 2024:



**Tim Storey**  
Chair of the Boards



**Ross Buckley**  
Chair of the Audit and Risk Committee

The attached notes form part of and are to be read in conjunction with these consolidated interim financial statements.

# Consolidated Statement of Cash Flows

For the six months ended 30 September 2024

	Notes	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
<b>Cash flows from operating activities</b>			
Gross rental received		49,886	51,810
Management fee income		10,002	10,208
Bank interest received		389	307
Direct property operating and corporate expenses		(28,459)	(27,561)
Interest paid		(10,552)	(11,075)
Share based payment costs		(516)	-
Income tax paid		(3,277)	(5,111)
Guarantee income in relation to 46 Sale Street, Auckland		-	2,421
<b>Net cash provided by operating activities</b>		<b>17,473</b>	<b>20,999</b>
<b>Cash flows from investing activities</b>			
Dividend income from equity-accounted investments net of dividends reinvested	7.3	3,418	3,022
Capital expenditure on investment properties		(7,182)	(6,040)
Capital expenditure on other investing activities		(1,876)	-
Property, plant and equipment purchased		(30)	(18)
Interest received in relation to the loan advance on 110 Carlton Gore Road, Auckland		-	1,556
Acquisition of investment properties		-	(35,366)
Net proceeds from disposal of investment properties		-	29,005
<b>Net cash applied to investing activities</b>		<b>(5,670)</b>	<b>(7,841)</b>
<b>Cash flows from financing activities</b>			
Drawdown on bank borrowings		11,200	36,000
Repayment of bank borrowings		(3,500)	(39,000)
Lease liabilities payments		(3)	(8)
Dividends paid net of dividends reinvestment	4.3	(22,418)	(12,020)
<b>Net cash applied to financing activities</b>		<b>(14,721)</b>	<b>(15,028)</b>
<b>Net decrease in cash and cash equivalents held</b>		<b>(2,918)</b>	<b>(1,870)</b>
Opening cash and cash equivalents		14,762	16,833
<b>Closing cash and cash equivalents</b>		<b>11,844</b>	<b>14,963</b>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank		11,534	14,682
Cash held for retentions		310	281
<b>Cash and cash equivalents at balance date</b>		<b>11,844</b>	<b>14,963</b>

The attached notes form part of and are to be read in conjunction with these consolidated interim financial statements.

# Consolidated Statement of Cash Flows (continued)

For the six months ended 30 September 2024

## Reconciliation of profit/(loss) after income tax attributable to shareholders to net cash provided by operating activities

	Notes	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
<b>Profit/(loss) after income tax attributable to shareholders</b>		<b>18,459</b>	<b>(50,524)</b>
<b>Add/(less) non-cash items:</b>			
Movement in deferred tax	7.1	1,289	(3,302)
Net change in fair value of investment properties		3,582	55,263
Share of (profit)/loss in equity-accounted investments		(2,864)	16,712
(Gain)/loss on disposal of investment properties		(27)	2,341
Spreading of fixed rental increases		(936)	(900)
Capitalised lease incentives net of amortisation		(549)	500
Movement in loss allowance		380	(187)
Share based payment expense net of forfeited employee incentive rights	7.2	605	934
Non-cash movements in property, plant and equipment recognised in profit and loss		87	388
Borrowings establishment costs amortisation		69	154
Non-cash interest income received	7.3	(148)	(145)
Accrued interest movement in derivative financial instruments		92	(94)
Hedge ineffectiveness of cash flow hedges		-	391
		<b>20,039</b>	<b>21,531</b>
<b>Add activity reclassified to operating activities:</b>			
Movement in working capital items relating to investing activities		3,731	30,558
		<b>23,770</b>	<b>52,089</b>
<b>Movement in working capital:</b>			
Decrease in trade and other receivables		1,450	5,219
Increase in prepayments		(3,636)	(3,095)
Decrease in trade and other payables		(5,767)	(32,650)
Increase/(decrease) in current tax liability		1,656	(564)
<b>Net cash provided by operating activities</b>		<b>17,473</b>	<b>20,999</b>

The attached notes form part of and are to be read in conjunction with these consolidated interim financial statements.

# Notes to the Financial Statements

For the six months ended 30 September 2024

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# 1.0 General Information

This section sets out Stride Property Group's accounting policies that relate to the unaudited consolidated interim financial statements (financial statements) as a whole.

## 1.1 Reporting entity

The financial statements presented are those of Stride Property Limited and its subsidiaries, Fabric Property Limited (Fabric), Stride Holdings Limited, and Stride Industrial Property Limited (SIPL) (together referred to as SPL), and Stride Investment Management Limited (SIML), each of SPL and SIML being a "Stapled Entity", and together the Stride Property Group (Stride). For accounting purposes, stapling gives rise to the combination of the Stapled Entities into a consolidated group. For the purposes of financial reporting, one of the combining entities is required to be identified as the parent entity of the consolidated group. In the case of Stride, SPL has been identified as the parent for the purposes of preparing the financial statements and consequently SIML's equity is presented as the non-controlling interest in the financial statements.

SPL is principally involved in the ownership of investment properties in New Zealand and SIML is principally involved in the management of real estate investment entities in New Zealand. SPL and SIML are both domiciled in New Zealand, are both registered under the Companies Act 1993 and are both FMC reporting entities under Part 7 of the Financial Markets Conduct Act 2013.

Shares of SPL and SIML are stapled and quoted on the Main Board equity securities market of NZX under the ticker code SPG.

The financial statements were approved for issue by the Board of Directors of SPL (SPL Board) and the Board of Directors of SIML (SIML Board), together the "Boards", on 27 November 2024.

## 1.2 Basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (GAAP), New Zealand International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34) and International Accounting Standard 34 *Interim Financial Reporting* (IAS 34). Stride is a for-profit entity for the purposes of financial reporting.

The financial statements have been prepared under the historical cost basis except for assets and liabilities stated at fair value as disclosed. The financial statements have been presented in New Zealand dollars and have been rounded to the nearest thousand, unless stated otherwise.

The financial statements do not contain all the disclosures normally included in an annual financial report and should be read in conjunction with the audited 2024 annual consolidated financial statements.

## 1.3 New standards, amendments and interpretations

In May 2023, the New Zealand Accounting Standards Board released an amendment to NZ IAS 1 *Presentation of Financial Statements* (NZ IAS 1) that is effective for the accounting period that begins on or after 1 January 2024. The amendment applies to the reporting and classification of liabilities containing covenants. This amendment has been adopted, although it has not materially impacted Stride's financial statements.

In May 2024, the External Reporting Board introduced NZ IFRS 18 *Presentation and Disclosure in Financial Statements* (NZ IFRS 18) (effective for annual reporting periods beginning on or after 1 January 2027). This standard replaces NZ IAS 1 and primarily introduces a defined structure for the statement of comprehensive income, disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note, together with reconciliation requirements. Stride has not early adopted this standard and is yet to assess its impacts.

At the date of authorisation of these financial statements, Stride has not applied any new or revised NZ IFRS standards and amendments that have been issued but are not yet effective.

## 1.4 Significant judgements, estimates and assumptions

The accounting policies applied in these financial statements are the same as those applied in Stride's consolidated financial statements for the year ended 31 March 2024.

In applying Stride's accounting policies, the Boards and Management regularly evaluate judgements, estimates and assumptions that may have an impact on Stride Property Group. The significant judgements, estimates and assumptions made in the preparation of these financial statements were the same as those applied in respect of the consolidated financial statements as at and for the year ended 31 March 2024.

# 1.0 General Information (continued)

## 1.5 Non-GAAP measures

The consolidated statement of comprehensive income includes two non-GAAP measures: Profit before net finance expense, other (expense)/income and income tax; and Profit before other (expense)/income and income tax. These non-GAAP measures have been presented to assist investors in understanding the different aspects of Stride's financial performance.

Note 4.2 sets out Stride's net tangible assets (NTA) per share which is a non-GAAP measure and is a common investment metric.

Note 4.4 sets out Stride's calculation of distributable profit and Adjusted Funds From Operations (AFFO) which are both non-GAAP measures. Distributable profit is presented to provide an earnings measure which more closely aligns to Stride's underlying and recurring earnings from its operations. AFFO is intended as a supplementary measure of operating performance. Cash spent during the period on capital expenditure as part of maintaining a building's grade/quality, but not expensed as part of distributable profit after current income tax, is adjusted to reflect cash earnings for the period.

These non-GAAP measures do not have a standard meaning prescribed by GAAP and therefore may not be comparable to information presented by other entities.

## 1.6 Significant events and transactions

The financial position and performance of Stride was affected by the following events and transactions that occurred during the current period:

### Change in participating interest of Industrie

On 30 April 2024, J.P. Morgan Asset Management (JPMAM) contributed \$20.0 million equity into the Industrie joint arrangement (Industrie) resulting in SPL's participating interest reducing from 51.7% to 49.6%.

### Revaluation of investment properties

SPL undertook independent valuations on some of the portfolio as at 30 September 2024. The overall net reduction in fair value of the total portfolio was \$(3.6) million (30 Sep 23: \$(55.3) million net reduction) (refer note 3.2).

## 2.0 Operating Segments

This section sets out how Stride's revenue streams are reported internally, reflecting the two operating segments, being SPL and SIML.

SPL's revenue streams are earned from investment properties owned in Auckland and Wellington in New Zealand. Given SPL's diverse client base, no one tenant represents greater than 10% of the portfolio contract rental. SPL also generates income from its share of profit/(loss) in equity associates and the joint venture being Investore Property Limited (Investore), Diversified NZ Property Trust (Diversified) and Industrie joint venture (refer note 6.2).

SIML's revenue streams are earned from the management of the real estate investments of Investore, Industrie (refer note 6.1), Diversified and SPL. For the revenue earned from Investore, Industrie and Diversified, refer note 7.3 on related party disclosures.

The following is an analysis of Stride's results, by reportable segments.

	SPL		SIML		Unaudited
	SPL eliminations		SIML eliminations		6 months
Segment profit	\$000	\$000	\$000	\$000	30 Sep 24
<b>Net rental income</b>	<b>34,067</b>	<b>1,939</b>	-	-	<b>36,006</b>
<b>Management fee income</b>	-	-	15,143	(5,730)	<b>9,413</b>
<b>Corporate and administration expenses</b>	<b>(4,605)</b>	<b>3,378</b>	<b>(9,794)</b>	<b>691</b>	<b>(10,330)</b>
<b>Profit before net finance expense, other (expense)/income and income tax</b>	<b>29,462</b>	<b>5,317</b>	<b>5,349</b>	<b>(5,039)</b>	<b>35,089</b>
Net finance expense	(10,462)	565	638	(458)	(9,717)
<b>Profit before other (expense)/income and income tax</b>	<b>19,000</b>	<b>5,882</b>	<b>5,987</b>	<b>(5,497)</b>	<b>25,372</b>
<b>Other (expense)/income</b>					
Net change in fair value of investment properties	(3,736)	154	-	-	(3,582)
Share of profit in equity-accounted investments	2,864	-	-	-	2,864
Gain on disposal of investment properties	27	-	-	-	27
<b>Profit before income tax</b>	<b>18,155</b>	<b>6,036</b>	<b>5,987</b>	<b>(5,497)</b>	<b>24,681</b>
Income tax expense	(4,464)	-	(1,758)	-	(6,222)
<b>Profit after income tax attributable to shareholders</b>	<b>13,691</b>	<b>6,036</b>	<b>4,229</b>	<b>(5,497)</b>	<b>18,459</b>
Total other comprehensive (loss)/income after tax	(9,170)	-	247	-	(8,923)
<b>Total comprehensive income after tax attributable to shareholders</b>	<b>4,521</b>	<b>6,036</b>	<b>4,476</b>	<b>(5,497)</b>	<b>9,536</b>

Transactions between SPL and SIML include management fees and interest charged on the loan from SIML to SPL and net rental income charged from SPL to SIML. These transactions are eliminated on consolidation (refer note 7.3 for details on the composition of the transactions).

## 2.0 Operating Segments (continued)

Segment profit	SPL		SIML		Unaudited
	SPL eliminations	SPL eliminations	SIML eliminations	SIML eliminations	6 months
	\$000	\$000	\$000	\$000	30 Sep 23
<b>Net rental income</b>	33,329	1,472	-	-	34,801
<b>Guarantee income</b>	2,421	-	-	-	2,421
<b>Management fee income</b>	-	-	15,878	(5,610)	10,268
<b>Total corporate expenses</b>	(4,807)	3,402	(10,622)	302	(11,725)
<b>Profit before net finance expense, other expense and income tax</b>	30,943	4,874	5,256	(5,308)	35,765
Net finance expense	(10,827)	370	450	(330)	(10,337)
<b>Profit before other expense and income tax</b>	20,116	5,244	5,706	(5,638)	25,428
<b>Other expense</b>					
Net change in fair value of investment properties	(55,512)	249	-	-	(55,263)
Share of profit in equity-accounted investments	(16,712)	-	-	-	(16,712)
Loss on disposal of investment properties	(2,493)	152	-	-	(2,341)
Hedge ineffectiveness of cash flow hedges	(391)	-	-	-	(391)
<b>(Loss)/profit before income tax</b>	(54,992)	5,645	5,706	(5,638)	(49,279)
Income tax expense	441	-	(1,686)	-	(1,245)
<b>(Loss)/profit after income tax attributable to shareholders</b>	(54,551)	5,645	4,020	(5,638)	(50,524)
Total other comprehensive income after tax	1,620	-	137	-	1,757
<b>Total comprehensive (loss)/income after tax attributable to shareholders</b>	(52,931)	5,645	4,157	(5,638)	(48,767)

Segment assets and liabilities	SPL	SPL	SIML	SIML	Total
	\$000	eliminations	\$000	eliminations	
	\$000	\$000	\$000	\$000	\$000
<b>Balance at 30 Sep 24 (Unaudited)</b>					
Total assets	1,439,932	475	28,241	(19,851)	1,448,797
Total liabilities	483,436	(16,858)	5,295	(3,232)	468,641
<b>Balance at 31 Mar 24 (Audited)</b>					
Total assets	1,447,261	-	26,287	(15,005)	1,458,543
Total liabilities	475,708	(13,897)	5,584	(1,285)	466,110

As at 30 September 2024, SPL had assets of \$227.8 million (31 Mar 24: \$225.8 million) relating to equity-accounted investments (refer note 6.2) and loan to associate (refer note 7.3).

## 3.0 Property

This section covers property assets which generate Stride's trading performance.

### 3.1 Net rental income

SPL	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
<b>Gross rental income</b>		
Rental income	37,897	37,779
Service charge income recovered from tenants	10,881	9,809
Spreading of fixed rental increases	936	900
Capitalised lease incentives	1,064	132
Lease incentives amortisation	(515)	(582)
<b>Total gross rental income</b>	<b>50,263</b>	<b>48,038</b>
<b>Direct property operating expenses</b>		
Rates and insurance	(7,879)	(7,107)
Property maintenance costs	(3,131)	(3,010)
Utilities	(1,364)	(1,361)
Other property operating expenses	(1,503)	(1,896)
Lease incentives amortisation	-	(50)
Movement in loss allowance	(380)	187
<b>Total direct property operating expenses</b>	<b>(14,257)</b>	<b>(13,237)</b>
<b>Net rental income</b>	<b>36,006</b>	<b>34,801</b>

Other property operating expenses include operating expenses not recoverable from tenants and property leasing expenses. Salaries and wages expenses of \$0.8 million (30 Sep 23: \$0.8 million) (refer note 7.3) charged by SIML to SPL have been eliminated in the direct property operating expenses.

## 3.0 Property (continued)

### 3.2 Investment properties

The movement in SPL's investment properties during the six months to 30 September 2024 is as follows:

SPL	Office \$000	Town Centre \$000	Industrial \$000	Development and Other \$000	Total \$000
<b>Balance at 31 Mar 24 (Audited)</b>	<b>695,700</b>	<b>311,114</b>	<b>148,819</b>	<b>35,250</b>	<b>1,190,883</b>
Capital expenditure	2,503	296	108	192	3,099
Spreading of fixed rental increases	868	11	61	(4)	936
Capitalised lease incentives	1,018	44	-	2	1,064
Lease incentives amortisation	(160)	(317)	(22)	(16)	(515)
Assets held for transfer to Industre joint venture	-	-	(142,087)	-	(142,087)
Disposals	-	-	(6,237)	-	(6,237)
Net change in fair value	(4,229)	213	(642)	1,076	(3,582)
<b>Balance at 30 Sep 24 (Unaudited)</b>	<b>695,700</b>	<b>311,361</b>	<b>-</b>	<b>36,500</b>	<b>1,043,561</b>
Comprised of:					
Investment properties at valuation	695,700	283,750	-	36,500	1,015,950
Lease liability	-	27,611	-	-	27,611
<b>Balance at 30 Sep 24 (Unaudited)</b>	<b>695,700</b>	<b>311,361</b>	<b>-</b>	<b>36,500</b>	<b>1,043,561</b>

A revaluation movement of \$0.2 million (30 Sep 23: \$0.2 million) arising from the elimination of fees charged by SIML to SPL (refer note 2.0) has been reflected in the consolidated statement of comprehensive income.

The lease liability of \$27.6 million (31 Mar 24: \$27.6 million) is in respect of the ground lease at NorthWest Shopping Centre, Auckland.

Included in the 30 September 2024 balance of investment property at valuation is an implicit right-of-use asset of \$9.1 million (31 Mar 24: \$9.1 million) in relation to a peppercorn ground lease at 55 Lady Elizabeth Lane, Wellington, with an associated immaterial lease liability.

SIML has an office located in the SPL owned office building at 34 Shortland Street, Auckland. The value attributable to this floor area has been recognised as property, plant and equipment (refer note 7.6).

## 3.0 Property (continued)

### 3.2 Investment properties (continued)

#### Valuation basis

All investment properties were valued by independent valuers as at 31 March 2024. The SPL Board has reviewed the fair value of the investment properties as at 30 September 2024 on an asset by asset basis after considering recent comparable transactional evidence of market sales, leasing activity and capital expenditure and is satisfied there has been no significant change to the overall carrying value, other than the following investment properties, which were subject to an independent valuation due to capital expenditure works or leasing activity undertaken during the current period.

	Valuer	Unaudited 30 Sep 24 \$000
<b>Town Centre</b>		
61 Silverdale Street, Auckland	CVAS (NZ) Limited	107,000
NorthWest Shopping Centre, Auckland	Jones Lang LaSalle Limited	138,000
NorthWest Two, Auckland	Jones Lang LaSalle Limited	38,750
<b>Town Centre total</b>		<b>283,750</b>
<b>Development and Other</b>		
55 Lady Elizabeth Lane, Wellington	CVAS (WLG) Limited	13,000
Johnsonville Shopping Centre, Wellington (50%)	Jones Lang LaSalle Limited	23,500
<b>Development and Other total</b>		<b>36,500</b>

The above investment properties were valued using the same valuer (each being independent registered valuers who hold an annual practising certificate with the Valuers Registration Board and are members of the New Zealand Institute of Valuers) as valued the respective property for the 31 March 2024 independent valuations.

With regards to these investment properties, the valuers took into account the following:

- overall occupancy (leased area as a proportion of the total net lettable area) average was 96.9% at balance date;
- average lease term (weighted average lease term) was 3.7 years at balance date; and
- discount rates ranged from 8.25% to 8.63%.

Works are required to improve the seismic performance of the office property at 55 Lady Elizabeth Lane, Wellington. The cost to complete stated in the 30 September 2024 valuation was determined by Management using estimates of the 'on cost' elements (design, consultant, legal and contingency allowances) as well as relevant work costings for this property which were provided by a registered quantity surveyor and is the best available information at the date of valuation. The final cost could be higher or lower and this could impact on the fair value of the property.

Capitalisation rates ranged from 7.00% to 7.63% for the investment properties valued.

### 3.3 Capital expenditure commitments contracted for

As at 30 September 2024, SPL has committed to the following capital expenditure works:

- \$2.9 million (31 Mar 24: \$1.5 million) for further building upgrades at 34 Shortland Street, Auckland;
- \$6.0 million (31 Mar 24: \$ nil) for building upgrades at 215 Lambton Quay, Wellington; and
- \$0.5 million (31 Mar 24: \$1.2 million) for various other capital expenditure works to be undertaken.

Stride has no other material capital expenditure commitments as at 30 September 2024.

Subsequent to balance date, SPL has committed to a further \$1.5 million for capital expenditure works for 55 Lady Elizabeth Lane, Wellington, \$0.9 million for 215 Lambton Quay, Wellington, and \$0.8 million for 34 Shortland Street, Auckland.

## 4.0 Investor Returns

This section sets out Stride's earnings per share, NTA per share, dividends paid and how distributable profit is calculated. Distributable profit is a non-GAAP measure (refer note 1.5) and is used by Stride to calculate profit available for distribution to shareholders by way of dividends.

### 4.1 Basic and diluted earnings per share (EPS)

	Unaudited 6 months 30 Sep 24	Unaudited 6 months 30 Sep 23
<b>Profit/(loss) after income tax attributable to shareholders (\$000)</b>	<b>18,459</b>	(50,524)
Weighted average number of shares for purpose of basic EPS (000)	<b>558,984</b>	545,531
Basic EPS - SPL (cents)	<b>2.54</b>	(10.00)
Basic EPS - SIML (cents)	<b>0.76</b>	0.74
<b>Basic EPS - weighted (cents)</b>	<b>3.30</b>	<b>(9.26)</b>
Weighted average number of shares for purpose of diluted EPS (000)	<b>562,605</b>	549,202
Diluted EPS - SPL (cents)	<b>2.53</b>	(10.00)
Diluted EPS - SIML (cents)	<b>0.75</b>	0.74
<b>Diluted EPS - weighted (cents)</b>	<b>3.28</b>	(9.26)

Weighted average number of shares for the purpose of diluted EPS has been adjusted for 3,620,978 (30 Sep 23: 3,670,618) rights issued under SIML's long term share incentive schemes and short term incentive rights.

### 4.2 Net tangible assets (NTA) per share

	Unaudited 30 Sep 24	Audited 31 Mar 24	Unaudited 30 Sep 23
Number of shares on issue (000)	<b>559,039</b>	558,408	550,260
Total assets (\$000)	<b>1,448,797</b>	1,458,543	1,503,248
Less total liabilities (\$000)	<b>(468,641)</b>	(466,110)	(487,364)
<b>NTA (\$000)</b>	<b>980,156</b>	992,433	1,015,884
<b>NTA per share (cents)</b>	<b>175</b>	178	185

### 4.3 Dividends paid

	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
<b>The following dividends were declared and paid by SPL during the period:</b>		
Q4 2024 final dividend 1.9400 cents (Q4 2023 1.7808 cents)	<b>10,845</b>	9,680
Q1 2025 interim dividend 1.5625 cents (Q1 2024 1.7375 cents)	<b>8,735</b>	9,500
<b>Total dividends paid - SPL</b>	<b>19,580</b>	19,180
<b>The following dividends were declared and paid by SIML during the period:</b>		
Q4 2024 final dividend 0.0600 cents (Q4 2023 0.0600 cents)	<b>342</b>	326
Q1 2025 interim dividend 0.4375 cents (Q1 2024 0.2625 cents)	<b>2,496</b>	1,435
<b>Total dividends paid - SIML</b>	<b>2,838</b>	1,761
<b>Total dividends paid - Stride</b>	<b>22,418</b>	20,941



## 4.0 Investor Returns (continued)

### 4.4 Distributable profit

	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
<b>Profit/(loss) before income tax</b>	<b>24,681</b>	(49,279)
<b>Non-recurring, non-cash, and other adjustments:</b>		
Net change in fair value of investment properties	3,582	55,263
(Gain)/loss on disposal of investment properties	(27)	2,341
Reversal of the lease liability movement in net change in fair value of investment properties	(3)	(3)
Share of (profit)/loss in equity-accounted investments	(2,864)	16,712
Project management and disposal fees eliminated in SIML	154	401
Rental guarantee income	124	439
Dividend income from equity-accounted investments	3,418	3,022
Spreading of fixed rental increases	(936)	(900)
Capitalised lease incentives net of amortisation	(549)	500
Incentive to anchor tenant for early lease renewal	728	-
Share based payment expense net of forfeited employee incentive rights	605	934
Non-cash movements in property, plant and equipment recognised in profit and loss	87	388
Borrowings establishment costs amortisation	69	154
Non-cash interest income	(148)	(145)
Hedge ineffectiveness of cash flow hedges	-	391
Rental surrender income received	-	3,750
Interest received in relation to loan advance on 110 Carlton Gore Road, Auckland	-	1,556
<b>Distributable profit before current income tax</b>	<b>28,921</b>	35,524
<b>Current tax expense</b>	<b>(4,933)</b>	(4,547)
Adjusted for:		
Tax expense on depreciation recovered on disposal of investment properties	79	437
<b>Distributable profit after current income tax</b>	<b>24,067</b>	31,414
<b>Adjustments to funds from operations:</b>		
Maintenance capital expenditure	(1,742)	(341)
Incentives and associated landlord works	(1,192)	(1,160)
<b>Adjusted Funds From Operations (AFFO)</b>	<b>21,133</b>	29,913
Weighted average number of shares for the purpose of basic distributable profit per share (000)	<b>558,984</b>	545,531
<b>Basic distributable profit after current income tax per share - weighted (cents)</b>	<b>4.31</b>	5.76
<b>AFFO basic distributable profit after current income tax per share - weighted (cents)</b>	<b>3.78</b>	5.48
Weighted average number of shares for the purpose of diluted distributable profit per share (000)	<b>562,605</b>	549,202
<b>Diluted distributable profit after current income tax per share - weighted (cents)</b>	<b>4.28</b>	5.72
<b>AFFO diluted distributable profit after current income tax per share - weighted (cents)</b>	<b>3.76</b>	5.45

## 5.0 Capital Structure and Funding

Stride's capital structure includes debt and equity, comprising shares and retained earnings, as shown in the consolidated statement of financial position. This section sets out Stride's funding exposure to interest rate risk and related financing costs.

### 5.1 Borrowings

	Unaudited 30 Sep 24 \$000	Audited 31 Mar 24 \$000
<b>Non-current</b>		
Bank facility drawn down	382,700	375,000
Unamortised borrowing establishment costs	(333)	(402)
<b>Total net borrowings</b>	<b>382,367</b>	<b>374,598</b>
Weighted average interest rate of debt (inclusive of current interest rate derivatives, margins and line fees) at balance date	4.08%	4.22%

30 Sep 24 (Unaudited)	Expiry date	Total \$000	Undrawn facility \$000	Drawn amount \$000
Facility A	30 Nov 2026	60,000	-	60,000
Facility B	30 Nov 2027	50,000	-	50,000
Facility F1	30 Nov 2026	100,000	-	100,000
Facility F2	30 Nov 2027	150,000	-	150,000
Facility F4	30 Nov 2026	100,000	77,300	22,700
		<b>460,000</b>	<b>77,300</b>	<b>382,700</b>

31 Mar 24 (Audited)	Expiry date	Total \$000	Undrawn facility \$000	Drawn amount \$000
Facility A	30 Nov 2026	60,000	-	60,000
Facility B	30 Nov 2027	50,000	10,000	40,000
Facility F1	30 Nov 2026	100,000	-	100,000
Facility F2	30 Nov 2027	150,000	-	150,000
Facility F4	30 Nov 2026	100,000	75,000	25,000
		<b>460,000</b>	<b>85,000</b>	<b>375,000</b>

SPL's bank borrowings are via syndicated senior secured facilities with ANZ Bank New Zealand Limited (ANZ), China Construction Bank Corporation (New Zealand Branch), Industrial and Commercial Bank of China Limited, Auckland Branch, and Westpac New Zealand Limited. The bank security on the facilities is managed through a security agent who holds a registered first mortgage on all the investment properties directly owned by SPL and a registered first ranking security interest under a General Security Deed over substantially all the assets of SPL.

The carrying amount of the bank borrowings is considered a reasonable approximation of fair value.

In accordance with the Green Finance Framework (Framework) of Fabric, \$350.0 million of the facilities are classified as green loan facilities. The Framework has been developed to be consistent with the Asia Pacific Loan Market Association (APLMA) Green Loan Principles (2023) and International Capital Market Association (ICMA) Green Bond Principles (2021 with June 2022 Appendix).

SIML does not have any bank borrowings (31 Mar 24: \$ nil) however it does have a \$3.0 million overdraft facility with ANZ, which has not been utilised during the current period.

## 5.0 Capital Structure and Funding (continued)

### 5.2 Derivative financial instruments

<b>SPL</b>	<b>Unaudited 30 Sep 24 \$000</b>	<b>Audited 31 Mar 24 \$000</b>
Active interest rate derivative contracts	280,000	280,000
Forward dated interest rate derivative contracts	205,000	130,000
<b>Total notional principal value of interest rate derivative contracts</b>	<b>485,000</b>	<b>410,000</b>
Interest rate derivative assets - current	2,478	6,535
Interest rate derivative assets - non-current	3,218	6,879
Interest rate derivative liabilities - non-current	(2,363)	(64)
<b>Fair values of interest rate derivative contracts</b>	<b>3,333</b>	<b>13,350</b>
Fixed interest rates ranges on active interest rate derivative contracts (excluding margins and line fees)	<b>0.53% - 1.80%</b>	0.53% - 1.80%
Weighted average fixed interest rate on active interest rate derivative contracts (excluding margins and line fees)	<b>1.35%</b>	1.35%
Percentage of drawn debt fixed	<b>73%</b>	75%

During the current period, SPL entered into the following forward-starting interest rate agreements:

- three year fixed agreements with a total notional value of \$50.0 million and an effective date of 31 December 2025; and
- three year fixed agreement with a notional value of \$25.0 million and an effective date of 31 January 2025.

SPL typically designates its interest rate derivatives as cash flow hedges of the interest flows on its variable rate borrowings. SPL enters into interest rate derivatives that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount.

The fair values of interest rate derivatives are determined from valuations prepared by independent treasury advisors using valuation techniques classified as Level 2 in the fair value hierarchy (31 Mar 24: Level 2). Judgement is involved in determining the fair value by the independent treasury advisors. The fair values are based on the present value of estimated future cash flows based on the terms and maturities of each contract and the current market interest rates as at balance date. Fair values also reflect the current creditworthiness of the derivative counterparties. The valuations were based on market rates at 30 September 2024 of between 4.87%, for the 90-day BKBM, and 3.90%, for the 10-year swap rate (31 Mar 24: 5.64% and 4.37% respectively). There were no changes to these valuation techniques during the reporting period. As at 30 September 2024, the fair value of the interest rate derivatives includes an accrued interest asset of \$0.3 million (31 Mar 24: \$0.4 million asset).

### 5.3 Net finance expense

	<b>Unaudited 6 months 30 Sep 24 \$000</b>	<b>Unaudited 6 months 30 Sep 23 \$000</b>
<b>Finance income</b>		
Bank interest income	389	307
Other finance income	148	145
<b>Total finance income</b>	<b>537</b>	<b>452</b>
<b>Finance expense</b>		
Bank borrowings interest	(9,396)	(9,930)
Lease liabilities interest	(858)	(859)
<b>Total finance expense</b>	<b>(10,254)</b>	<b>(10,789)</b>
<b>Net finance expense</b>	<b>(9,717)</b>	<b>(10,337)</b>

## 5.0 Capital Structure and Funding (continued)

### 5.4 Share capital

There is only one class of shares, being ordinary shares, and they rank equally with each other. All issued shares are fully paid and have no par value. SPL and SIML shares are stapled and jointly listed on the NZX (Stapled Securities).

On 16 April 2024, the Boards of SPL and SIML issued 630,993 Stapled Securities pursuant to employee share incentive schemes operated by SIML.

Each of SPL and SIML has 559,038,938 shares on issue as at 30 September 2024 (31 Mar 24: 558,407,945).

### 5.5 SIML equity (non-controlling interest)

	Notes	Total \$000
<b>Balance 31 Mar 24 (Audited)</b>		<b>20,703</b>
<b>Transactions with shareholders:</b>		
Dividends paid	4.3	(2,838)
Other movements in reserves		605
<b>Total transactions with shareholders</b>		<b>(2,233)</b>
Total other comprehensive income		247
Profit after income tax		4,229
<b>Total comprehensive income</b>		<b>4,476</b>
<b>Balance 30 Sep 24 (Unaudited)</b>		<b>22,946</b>

## 6.0 Investments in Property Entities

This section sets out how the investments in property entities held by SPL are accounted for in Stride.

### 6.1 Industrie

Industrie is a joint arrangement between SPL and a group of international institutional investors through a special purpose vehicle advised by JPMAM. As at 30 September 2024, SPL held a 49.6% interest in Industrie (31 Mar 24: 51.7%). Over the long term, the strategy is for JPMAM to fund further portfolio growth until the respective economic contributions to the portfolio are 75%/25% (JPMAM/SPL).

The accounting for the arrangement by SPL is a combination of a joint venture (equity-accounted) (refer note 6.2) and a joint operation (proportionate share of assets, liabilities, revenue and expenses) (refer note 6.3). SIML is the manager of the joint arrangement.

### 6.2 Interests in associates and joint venture

	Unaudited 30 Sep 24	Audited 31 Mar 24
	\$000	\$000
<b>Equity-accounted investments</b>		
Investore <sup>1</sup>	92,404	93,023
Diversified <sup>2</sup>	1,700	1,657
Industrie joint venture <sup>2</sup>	130,370	127,674
	<b>224,474</b>	<b>222,354</b>

1 Fair value, based on Investore's quoted closing share price on the NZX Main Board on the last business day for the six months ended 30 September 2024, was \$81.7 million (31 Mar 24: \$81.7 million).

2 These equity-accounted investments do not have quoted market prices as they are not listed.

As at 30 September 2024, all of the investment properties held by Diversified were valued by independent valuers, whilst the investment properties held by the Industrie joint venture were subject to desktop reviews. The majority of investment properties held by Investore were not subject to independent valuations as at 30 September 2024 and have been held at their respective 31 March 2024 independent valuations. SPL's share of the valuation gains/(loss) are reflected in share of profit/(loss) in equity-accounted investments.

On 30 September 2024, the market value of the investment in Investore, based on the quoted closing market price of Investore's ordinary shares of \$1.16, was below the investment's carrying amount under the equity method of accounting which is considered an impairment indicator. SPL performed an impairment test using the fair value less costs of disposal (FVLCD) valuation approach (31 Mar 24: FVLCD).

The key inputs and assumptions in determining the recoverable amount of this investment through the FVLCD approach are a strategic investment premium of 17.5% (as determined by a third party), the quoted market price at 30 September 2024 and brokerage costs of 0.2%. The determination of the recoverable amount is considered to be Level 3 in the fair value hierarchy. The result of the impairment test was that the investment's recoverable amount was greater than the carrying amount as at 30 September 2024 but less than the recoverable amount as at 31 March 2022 (which included impairment losses). As a result, SPL has not recognised a reversal of previous impairment losses.

	Unaudited 6 months 30 Sep 24	Unaudited 6 months 30 Sep 23
	\$000	\$000
<b>Share of profit/(loss) in equity-accounted investments</b>		
Investore	1,819	(12,529)
Diversified	(82)	19
Industrie joint venture	1,127	(4,202)
	<b>2,864</b>	<b>(16,712)</b>

SPL's share in the Industrie joint venture reduced from 51.7% as at 31 March 2024 to 49.6% as at 30 September 2024. Consequently, the share of profit/(loss) has been calculated on the weighted average participating interest during the relevant period.

## 6.0 Investments in Property Entities (continued)

### 6.3 Industrie joint operation

SPL holds a 49.6% (31 Mar 24: 51.7%) interest in a joint arrangement with JPMAM relating to the investment properties listed below. As at 30 September 2024, the investment properties held by the Industrie joint operation were valued using the same valuer (each being independent registered valuers who hold an annual practising certificate with the Valuers Registration Board and are members of the New Zealand Institute of Valuers) as valued the respective investment property for the 31 March 2024 independent valuations.

	Valuer	Unaudited 30 Sep 24 participating interest \$000
30 Airpark Drive, Auckland	Savills (NZ) Limited	23,917
20 Rockridge Avenue, Auckland	Jones Lang LaSalle Limited	12,739
25 O'Rorke Road and 15 Rockridge Avenue, Auckland	CVAS (NZ) Limited	57,945
318 East Tamaki Road, Auckland	CVAS (NZ) Limited	47,486
<b>Total</b>		<b>142,087</b>

The Industrie joint operation holds the beneficial ownership of these investment properties. The agreement between SPL and JPMAM in relation to their co-ownership requires unanimous consent from both parties for all relevant activities. The two parties have direct rights to the assets and are jointly and severally liable for the liabilities incurred in relation to the co-owned investment properties. This arrangement is therefore classified as a joint operation and SPL recognises its direct right to the jointly held assets, liabilities, revenues and expenses as described below.

	Unaudited 6 months 30 Sep 24 100% \$000	Unaudited 6 months 30 Sep 24 participating interest \$000	Unaudited 6 months 30 Sep 23 100% \$000	Unaudited 6 months 30 Sep 23 participating interest \$000
<b>Summarised statement of comprehensive income</b>				
Income	7,866	3,927	7,757	4,014
Expenses	(4,803)	(2,396)	(4,377)	(2,264)
Net change in fair value of investment properties	(1,310)	(649)	(248)	(128)
<b>Net profit</b>	<b>1,753</b>	<b>882</b>	<b>3,132</b>	<b>1,622</b>
	Unaudited 30 Sep 24 100% \$000	Unaudited 30 Sep 24 participating interest \$000	Audited 31 Mar 24 100% \$000	Audited 31 Mar 24 participating interest \$000
<b>Summarised statement of financial position</b>				
<b>Assets</b>				
Current assets	979	485	1,120	579
Assets held for transfer to Industrie joint venture	286,650	142,087	-	-
Investment properties	-	-	287,650	148,819
	<b>287,629</b>	<b>142,572</b>	<b>288,770</b>	<b>149,398</b>
<b>Liabilities</b>				
Current liabilities	(742)	(368)	(482)	(250)
Borrowings associated with assets held for transfer to Industrie joint venture	(77,943)	(38,635)	-	-
Borrowings	-	-	(77,888)	(40,297)
	<b>(78,685)</b>	<b>(39,003)</b>	<b>(78,370)</b>	<b>(40,547)</b>
<b>Net assets</b>	<b>208,944</b>	<b>103,569</b>	<b>210,400</b>	<b>108,851</b>

The net profit has been calculated on the weighted average participating interest during the relevant period. SPL's portion of the borrowings in the Industrie joint operation are with Industrie Property Finance Limited (FinCo), which is part of the Industrie joint venture. This loan is on the same terms as the banking facility with FinCo, however is payable on demand if called on by FinCo.

During the current period, SPL and JPMAM approved the restructure of Industrie (Restructure). The Restructure will result in the investment properties held within the Industrie joint operation being disposed of and sold to the Industrie joint venture subsequent to the reporting date (refer note 7.8). As at the reporting date, these assets were available for immediate sale in their present condition and the deemed sale through the Restructure was highly probable. As a result of the Restructure, SPL has reclassified the investment properties associated with the Industrie joint operation to assets held for transfer to Industrie joint venture and borrowings associated with the Industrie joint operation have been reclassified as borrowings held for transfer to Industrie joint venture in the consolidated statement of financial position as at 30 September 2024.

## 7.0 Other

This section contains additional information to assist in understanding the financial performance and position of Stride.

### 7.1 Income tax

SPL is a listed Portfolio Investment Entity (PIE) for the purposes of the Income Tax Act 2007 and is required to pay income tax to Inland Revenue in accordance with this legislation.

	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
<b>Income tax</b>		
Current tax expense	(4,933)	(4,547)
Deferred tax (expense)/benefit	(1,289)	3,302
<b>Income tax expense per the consolidated statement of comprehensive income</b>	<b>(6,222)</b>	<b>(1,245)</b>
<b>Profit/(loss) before income tax</b>	<b>24,681</b>	<b>(49,279)</b>
<b>Prima facie income tax using the company tax rate of 28%</b>	<b>(6,911)</b>	<b>13,798</b>
<b>(Increase)/decrease in income tax due to:</b>		
Net change in fair value of investment properties	(1,003)	(15,474)
Share of profit/(loss) in equity-accounted investments	802	(4,679)
Gain/(loss) on disposal of investment properties	8	(655)
Assessable income	(179)	(738)
Depreciation	2,085	3,958
Depreciation recovered on disposal of investment properties	(79)	(437)
Non-deductible expenses	(202)	(461)
Expenditure deductible for tax	375	175
Temporary differences	(229)	(61)
Other adjustments	400	27
<b>Current tax expense</b>	<b>(4,933)</b>	<b>(4,547)</b>
Investment property depreciation	(1,140)	2,803
Other	(149)	499
<b>Deferred tax (charged)/credited to profit or loss</b>	<b>(1,289)</b>	<b>3,302</b>
<b>Income tax expense per the consolidated statement of comprehensive income</b>	<b>(6,222)</b>	<b>(1,245)</b>

Income tax expense arising from the Industrie joint venture (Industrie Property Tahiti Limited and Industrie Property Rua Limited) is \$(0.2) million (30 Sep 23: \$(0.1) million).

### 7.2 Total corporate expenses

	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
<b>Corporate overhead expenses include:</b>		
Salaries and other short-term benefits	6,733	7,627
Revaluation deficit on property, plant and equipment recognised in profit and loss	-	300
<b>Administration expenses include:</b>		
Share based payment expense	701	959
Forfeited employee incentive rights	(96)	(25)

## 7.0 Other (continued)

### 7.3 Related party disclosures

	Diversified Unaudited 6 months 30 Sep 24	Investore Unaudited 6 months 30 Sep 24	Industre joint venture Unaudited 6 months 30 Sep 24	Diversified Unaudited 6 months 30 Sep 23	Investore Unaudited 6 months 30 Sep 23	Industre joint venture Unaudited 6 months 30 Sep 23
<b>The following transactions with a related party took place:</b>						
Asset management fee income	1,267	2,571	1,026	1,463	2,765	1,043
Salaries and wages recovery	1,165	-	-	1,152	-	-
Project management fee income	61	107	110	75	410	544
Building management fee income	888	225	72	767	220	63
Leasing fee income	475	189	147	545	64	251
Accounting fee income	87	125	-	87	125	-
Other fee income	35	79	208	35	139	73
<b>Total fee income</b>	<b>3,978</b>	<b>3,296</b>	<b>1,563</b>	<b>4,124</b>	<b>3,723</b>	<b>1,974</b>
Rent paid	(52)	-	-	(54)	-	-
Interest income received	148	-	-	145	-	-
Reinvestment of unit holder interest	(147)	-	-	(135)	-	-
Reinvestment of unit holder distributions	(63)	-	-	(93)	-	-
Dividends received	-	2,288	1,130	-	2,733	764
Dividends reinvested	-	-	-	-	(475)	-
Interest expense	-	-	(1,203)	-	-	(1,179)
	<b>Unaudited 30 Sep 24</b>	<b>Unaudited 30 Sep 24</b>	<b>Unaudited 30 Sep 24</b>	<b>Audited 31 Mar 24</b>	<b>Audited 31 Mar 24</b>	<b>Audited 31 Mar 24</b>
<b>The following balances were receivable from/ (payable to) a related party:</b>						
Related party receivable	251	34	106	604	103	67
Interest-bearing loan	3,398	-	-	3,398	-	-
Borrowings (Industre joint operation participating interest) held for transfer to Industre joint venture	-	-	(38,635)	-	-	-
Borrowings (Industre joint operation participating interest)	-	-	-	-	-	(40,297)

Other fee income includes licencing, disposal, maintenance and sustainability fees (30 Sep 23: licencing, disposal, maintenance, sustainability and share buyback fees).

The below fee income was earned by SIML from the Industre joint operation and it represents the participating interest held by JPMAM.

	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
Asset management fee income	327	298
Leasing fee income	186	80
Building management fee income	25	24
Other fee income	12	11
	<b>550</b>	<b>413</b>



## 7.0 Other (continued)

### 7.3 Related party disclosures (continued)

The following table details the transactions between SPL and SIML, which are eliminated on consolidation (refer note 2.0).

	Unaudited 6 months 30 Sep 24 \$000	Unaudited 6 months 30 Sep 23 \$000
<b>Charged from SIML to SPL:</b>		
Building management fee	625	580
Asset management fee	3,253	3,277
Salaries and wages recovery	838	828
Project management fee	154	249
Leasing fee	702	361
Accounting fee	125	125
Maintenance fee	33	38
Disposal fee	-	152
<b>Total fees charged</b>	<b>5,730</b>	<b>5,610</b>
Interest on loan	565	370
<b>Charged from SPL to SIML:</b>		
Rental and service charges for offices	259	335
	Unaudited 30 Sep 24 \$000	Audited 31 Mar 24 \$000
<b>The following balances were receivable/(payable) between SPL and SIML:</b>		
SPL - related party receivable (recognised in SIML)	58	97
SIML - related party payable (recognised in SPL)	(58)	(97)
SPL - related party loan receivable (recognised in SIML)	16,800	13,800
SIML - related party loan payable (recognised in SPL)	(16,800)	(13,800)

SIML provides ancillary services in accordance with the management agreement between SPL and SIML to ensure proper management of SPL. Payment for these services by SPL to SIML is included in the total asset management fee paid.

During the current period, \$0.5 million (31 Mar 24: \$ nil) of personnel costs directly attributable to particular SPL projects were capitalised.

A loan agreement, based on commercial terms, exists between SIML and SPL under which SIML can loan funds up to \$20.0 million to SPL for general corporate purposes. As at 30 September 2024, SIML had loaned \$16.8 million (31 Mar 24: \$13.8 million) to SPL. The average interest rate charged for the six month period ended 30 September 2024 was 8.17% (31 Mar 24: 8.12%). On consolidation, the loan and interest earned/paid are eliminated.

## 7.0 Other (continued)

### 7.4 Trade and other receivables

	Unaudited 30 Sep 24	Audited 31 Mar 24
	\$000	\$000
Trade and other receivables	3,255	3,817
Less loss allowance	(1,033)	(653)
Trade and other receivables net of loss allowance	2,222	3,164
Rental guarantee receivable in relation to 110 Carlton Gore Road, Auckland	185	276
Related party receivable (refer note 7.3)	391	775
Interest receivable in relation to 110 Carlton Gore Road, Auckland	-	33
	<b>2,798</b>	<b>4,248</b>

### 7.5 Trade and other payables

	Unaudited 30 Sep 24	Audited 31 Mar 24
	\$000	\$000
Trade payables	915	1,127
Development and capital expenditure payables and accruals	756	4,769
Seismic work accruals	-	151
Retention accruals	310	256
Rent in advance	1,214	804
Operating expense recovery accruals	105	241
Tenant deposits held	894	821
Employee entitlements	2,560	3,605
Other accruals and payables	3,575	4,322
	<b>10,329</b>	<b>16,096</b>

Other accruals and payables include Goods and Services Tax, direct property operating expense accruals and other corporate expense accruals.

### 7.6 Property, plant and equipment

	Unaudited 30 Sep 24	Audited 31 Mar 24
	\$000	\$000
Property, plant and equipment	<b>9,001</b>	<b>9,058</b>

SIML has an office at 34 Shortland Street, Auckland, which is a property owned by SPL and therefore held as investment property. The value attributable to this premise of \$8.5 million (31 Mar 24: \$8.5 million) has been recognised as property, plant and equipment.

## 7.0 Other (continued)

### 7.7 Contingent liabilities

SPL's wholly owned subsidiary, SIPL, is a guarantor under the Industrie banking arrangements as SIPL is a beneficial owner of property owned through the Industrie joint venture (refer note 6.2). The total facility under the Industrie banking arrangement is \$355.0 million (31 Mar 24: \$355.0 million) and as at 30 September 2024, \$266.4 million (31 Mar 24: \$273.9 million) of bank debt had been drawn down.

Subsequent to balance date, following the Restructure of Industrie, (refer note 7.8) SIPL will no longer be the guarantor under the Industrie banking arrangements.

Stride has no other contingent liabilities at balance date (31 Mar 24: \$ nil).

### 7.8 Subsequent events

On 31 October 2024, Industrie was restructured. This Restructure resulted in the investment properties held by the Industrie joint operation being transferred to the Industrie joint venture entities, which are accounted for as a joint venture (equity-accounted) by SPL. As a result of this, SPL's portion of the Industrie joint operation will cease to exist in SPL's financial statements. Following the Restructure, the two parties, SPL and JPMAM, continue to have unanimous consent for all relevant activities.

On 27 November 2024, SPL declared a cash dividend for the period 1 July 2024 to 30 September 2024 of 1.5625 cents per share, to be paid on 17 December 2024 to all shareholders on SPL's register at the close of business on 5 December 2024. At 1.5625 cents per share, the total dividend payment will be \$8,734,983. This dividend will carry imputation credits of 0.498652 cents per share. This dividend has not been recognised in the financial statements.

On 27 November 2024, SIML declared a cash dividend for the period 1 July 2024 to 30 September 2024 of 0.4375 cents per share, to be paid on 17 December 2024 to all shareholders on SIML's register at the close of business on 5 December 2024. At 0.4375 cents per share, the total dividend payment will be \$2,445,795. This dividend will carry imputation credits of 0.170139 cents per share. This dividend has not been recognised in the financial statements. SIML's equity (non-controlling interest) consists largely of retained earnings and the declared dividend represents 11% of SIML's equity as at 30 September 2024.

On 27 November 2024, the Boards of SIML and SPL resolved that the dividend reinvestment plan will not operate for the dividends for the period 1 July 2024 to 30 September 2024.

# Independent auditor's review report

To the shareholders of Stride Property Limited and Stride Investment Management Limited



## Report on the consolidated interim financial statements

### Our conclusion

We have reviewed the consolidated interim financial statements of Stride Property Group, which consists of Stride Property Limited and its controlled entities (SPL) and Stride Investment Management Limited (SIML) (together Stride or the Group), which comprise the consolidated statement of financial position as at 30 September 2024, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six months ended on that date, and notes, comprising material accounting policy information and other explanatory information.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 30 September 2024, and its financial performance and cash flows for the six months then ended, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).

### Basis for conclusion

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (NZ SRE 2410 (Revised)). Our responsibilities are further described in the *Auditor's responsibilities for the review of the consolidated interim financial statements* section of our report.

We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. In addition to our role as auditor, our firm carries out other services for the Group in the areas of tenancy marketing and operating expenditure audits for Stride. The provision of these services has not impaired our independence.

### Responsibilities of Directors for the consolidated interim financial statements

The Directors of SPL and SIML respectively are responsible, on behalf of Stride, for the preparation and fair presentation of these consolidated interim financial statements in accordance with IAS 34 and NZ IAS 34 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibility is to express a conclusion on the consolidated interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated interim financial statements, taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.

A review of consolidated interim financial statements in accordance with NZ SRE 2410 (Revised) 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 and International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these consolidated interim financial statements.

### Who we report to

This report is made solely to the shareholders of SPL and SIML, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our 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 shareholders of SPL and SIML, as a body, for our review procedures, for this report, or for the conclusion we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Samuel Shuttleworth.

For and on behalf of:

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive style.

PricewaterhouseCoopers  
27 November 2024

Auckland

# Corporate Directory

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Ross Buckley  
Jacqueline Cheyne  
Michelle Tierney  
Nick Jacobson  
Tracey Jones

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## Bankers

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China Construction Bank Corporation  
(New Zealand Branch)  
Industrial and Commercial Bank of China Limited,  
Auckland Branch  
Westpac New Zealand Limited

