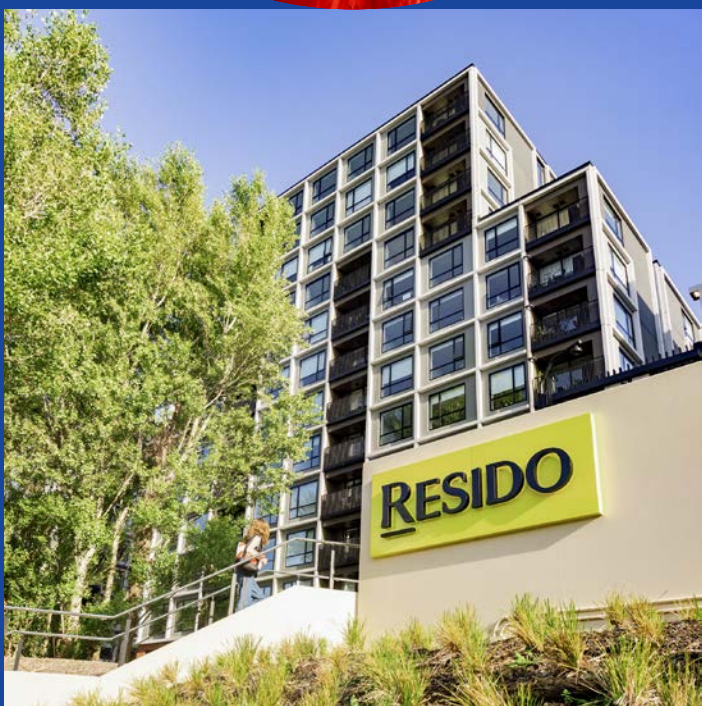
Kiwi Property

Connected communities



2025
Annual Report

From concept to reality

Over FY25, Kiwi Property's retail-led mixed-use strategy has moved from concept to reality, creating a more connected community at Sylvia Park with the opening of Resido (the first large-scale build-to-rent development of its kind in New Zealand).

Kiwi Property's long-term strategy is to create and curate mixed-use assets where each different use contributes to a halo effect, making the community more attractive, more sustainable, and ultimately stronger-performing.

It's a concept backed by population growth, changing community preferences, and excellent transport connectivity.

As population, residential, retail and office space trends continue to evolve, we expect that the benefits of a retail-led mixed-use strategy will become ever more apparent.

← Office and medical building 3 Te Kehu Way is now known as Geneva House.

Contents

Portfolio overview

Kiwi Property owns and manages a high-quality real estate portfolio, including some of the country's leading commercial properties. Our retail-led mixed-use assets feature large landholdings and are strategically positioned in areas marked for significant densification, close to transport nodes.

Sylvia Park, LynnMall, The Base and Drury are located in New Zealand's 'golden triangle' which spans Auckland, Hamilton and Tauranga. This region is the country's economic powerhouse and home to over 40% of the population, putting our centres at the heart of major catchment areas.

Over recent years we have divested non-strategic assets, with the aim of creating a portfolio that is higher performing, greener and we believe will deliver superior returns over time. While we're not done yet, we're moving ever closer to our ambition of becoming New Zealand's leading creator and curator of mixed-use communities.

Total portfolio

$2.77b

Auckland – 3 mixed-use assets, 2 office assets, 1 development landholding

$257m

Hamilton – 1 mixed-use asset, 1 retail asset

$126m

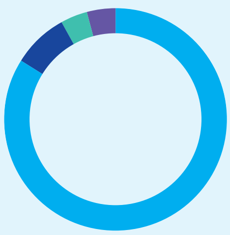
Palmerston North – 1 retail asset

$147m

Wellington – 1 office asset

Geographic diversification

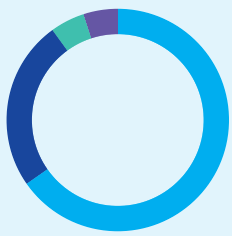
BY PORTFOLIO VALUE



Auckland	84%
Hamilton	8%
Wellington	4%
Palmerston North	4%

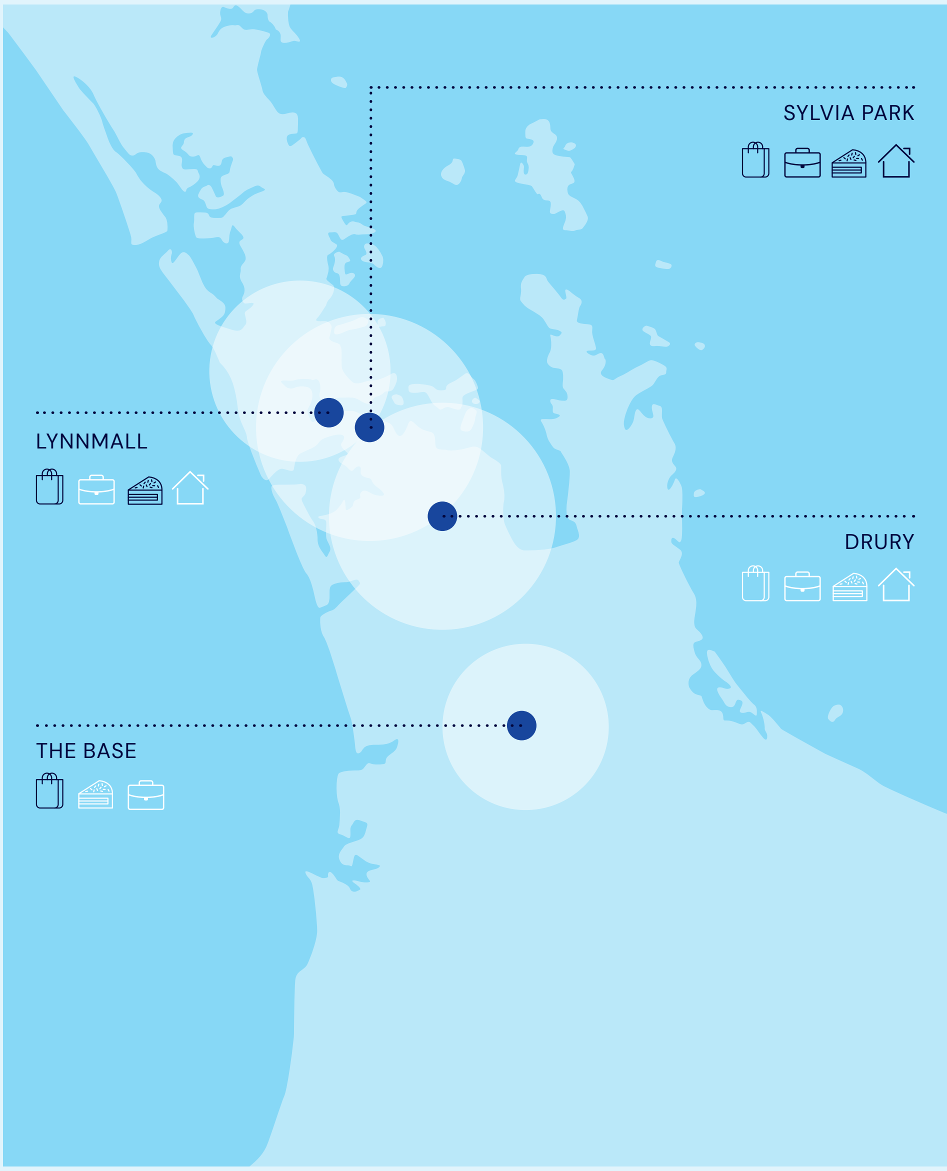
Sector diversification

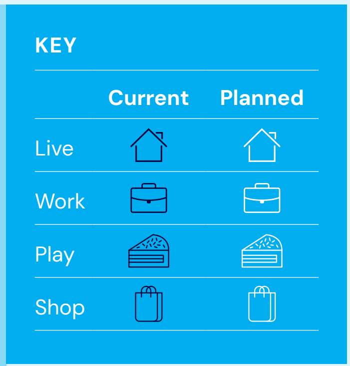
BY PORTFOLIO VALUE



Mixed-use	66%
Office	25%
Retail	5%
Development land	5%

A future-focused property portfolio





Kiwi Property's mixed-use assets have significant development potential and the ability to accommodate an extensive range of uses such as retail, office, residential, medical, entertainment and dining. Our intention is to evolve and enhance these properties over time.

The power of our retail-led mixed-use strategy

ANNUAL SALES FY25[1]

$2.1b

CUSTOMER VISITS FY25

37.2m

1. All sales include GST.

Business highlights

NET RENTAL INCOME

$194.1m

↑ 5.0%

PORTFOLIO VALUE[1]

$3.3b

↓ 0.3% FAIR VALUE MOVEMENT

OPERATING PROFIT BEFORE TAX

$116.2m

↑ 7.4%

ADJUSTED FUNDS FROM OPERATIONS

$92.8m

↓ 7.0%

TOTAL RENTAL GROWTH

+4.3%

FY24 4.4%

NET PROFIT AFTER TAX

$57.0m

FY24 –$2.1m

TENANT SALES

$2.10b

↓ 1.6%

PORTFOLIO OCCUPANCY

96.9%

RESIDO APARTMENTS LEASED AS AT 16 MAY 2025

85%

1. Excluding the gross-up of lease liabilities required by NZ IFRS 16 Leases. Property portfolio valuation includes Drury Stage 1 land, carried at $89.2m, which was transferred to inventories at 31 March 2024.

Note: Refer to the Annual Results Presentation FY25 for the definition and determination of sales and the non-GAAP performance measures net rental income, adjusted funds from operations, portfolio value and operating profit before tax. Comparative figures relate to the FY24 period.

Simon Shakesheff
Chair

Chair's report

"I am pleased with Kiwi Property's response to the challenges faced and the progress we have made."

Operational resilience

Reflecting on the financial year to 31 March 2025, Kiwi Property has weathered the country's economic downturn well, combining operational resilience with fiscal discipline, while steadily advancing its long-term retail-led mixed-use strategy.

Early optimism for a swift economic rebound last year has since been tempered by a longer-term view of a slower recovery, yet there are signals New Zealand is cautiously emerging from a difficult economic recession.

This recession has affected the wider property and construction sectors, with downward pressures on office tenancies, residential rentals, and consumer propensity to spend on retail goods. Recent geopolitical tensions and global trade uncertainty have also impacted capital market activity.

As economic pressures on consumers and businesses slowly ease, I believe Kiwi Property will be increasingly well-positioned, with our positive exposure to population, retail and rental trends continuing to underpin our strategy.

Update on strategic initiatives

At the beginning of the 2025 financial year, we highlighted four key strategic initiatives for the business, which were to: lease up Resido, focus on balance sheet management, execute the sell-down of Drury large format retail sites, and drive sustained operational excellence. Despite unfavourable operating conditions, I am pleased with Kiwi Property's response to the challenges faced and the progress we have made.

1. Lease up Resido

As part of our mixed-use development strategy, Kiwi Property officially opened Resido at Sylvia Park in mid-2024, New Zealand's largest build-to-rent development with 295 apartments. Since opening, we have faced a competitive Auckland rental market, with rental supply outpacing demand over the period.

However, the pace of leasing at Resido has been at the faster end of our expected 12 to 18 month range, at 85% leased in under 12 months. We have also achieved rentals around 26% higher than the median Auckland apartment rent, proving that high-quality residential living close to premium retail and good transport connectivity is an attractive proposition for tenants.

2. Balance sheet management

Recycling non-strategic assets is expected to provide further balance sheet capacity and assist Kiwi Property to deliver our retail-led mixed-use strategy.

The transaction environment, particularly for high value assets, was unfavourable during the year and we were disappointed the conditions to complete the proposed Vero Centre sale were not met in August 2024. A tactical decision was then made to wait for more transactional activity before proceeding with divestment, in order to maximise value for our shareholders. The sale of non-strategic assets to manage gearing levels and fund growth is still a key part of our strategy.

With reduced transaction activity and adverse capital market conditions, we sought additional capital sources as future avenues for growth. In November 2024, Kiwi Property invested in Mackersy Property, a New Zealand funds management business with more than $2 billion in assets under management. Mackersy potentially provides Kiwi Property with an additional capital source (either through direct investment or partnership on existing assets) as well as potential earnings growth as the property market recovers. This partnership brings together two organisations with similar values and complementary business practices and operations.

To best manage Kiwi Property's balance sheet, we have also reduced capital spend and turned on the dividend reinvestment plan (DRP). Participation in the DRP has been strong, retaining approximately $29 million in the business during the year. Although gearing is higher than we'd like at 38.4%, valuations now appear to be stabilising, and we will focus on the sale of non-strategic assets in FY26 before any further significant investment can occur.

"Our conviction in the Kiwi Property strategy has strengthened."

3. Execute sell-down of Drury large format retail sites

We are pleased to announce the first unconditional sale of large format retail land at Drury to New Zealand-owned supermarket operator Foodstuffs in April 2025.

The economic environment both locally and globally has meant transactions of this nature have taken longer than expected, but it is pleasing to see activity starting to return to the New Zealand property market. We are already gaining momentum from this sale, and a number of other parties are in advanced discussions to acquire Drury land. We expect to achieve further large format land sales over the coming year, and this will be a continued focus for FY26. Capital spend at Drury can be broadly matched to these land sales, allowing us to progress further land development as sales are achieved.

4. Drive sustained operational excellence

At the beginning of the 2025 financial year, we committed to reducing employment and administration expenses as a proportion of net property income to 14.3%. I am pleased to confirm that our focus on cost control and day-to-day operational excellence has resulted in savings which exceed this target, with the ratio at 12.7% for FY25.

Our focus on maximising the operational performance of our assets has also resulted in strong growth in contracted rental income of 4.3% across the portfolio. Given the soft general economic environment, this result is a testament to the quality of our assets.

Stable financial performance

With inflation easing and some economic green shoots visible, the value of Kiwi Property assets stabilised this year, down marginally from FY24 (-0.3%), with our overall property portfolio valued at $3.3 billion as at 31 March 2025.

The stabilisation of Kiwi Property's asset valuations, aligned with ongoing tight cost management, contributed to a net profit after tax of $57.0 million, up from a net loss of -$2.1 million in the prior year.

Portfolio review

Steady progress has been made across the Kiwi Property growth strategy. As of the end of the financial year, our assets are performing well, with strong rental demand and good occupancy rates.

Notably, Sylvia Park now attracts over 16 million visits a year and drives over $840 million in retail sales a year. Our ambition is to be an Australasian reference point for quality retail-led mixed-use development, blending everything one might possibly need into one location. The much-anticipated arrival of Swedish retail giant IKEA, which is scheduled to open in late 2025 adjacent to our centre, will only add to the attraction. A direct pedestrian link from IKEA to the Sylvia Park shopping centre will encourage visitors to extend their stay and explore more of the Sylvia Park precinct.

Combined with population growth and the rising cost of building new shopping malls, existing premium retail centres such as Sylvia Park are better positioned than ever.

Office use continues to stabilise post-Covid as businesses evolve their hybrid working models and as more and more people are returning to the workplace. Our office assets are well-leased, with the equivalent of two and a half floors at the Vero Centre the only material vacancy to note. Leasing conditions in the Auckland office market are currently tough, but we are confident in our ability to lease up these remaining floors.

Elsewhere, The Base and LynnMall have been performing well in core retail, and a new medical tenant at The Base is demonstrating the benefits of a refreshed mixed tenant strategy. We believe there is scope for additional mixed-use opportunities to be added in the future to both assets.

While some years away from development completion, Drury will follow the same mixed-use pathway as Sylvia Park, founded on the same core elements of population growth, excellent transport connections, sustainability principles, and carefully considered and curated community development.

Governance renewal

The Board of Directors continues to renew itself in line with best practice governance and in line with the skillsets needed to govern towards long-term value creation.

This year saw Jane Freeman stepping down at the annual shareholder meeting, as signalled in last year's annual shareholder report. Kevin Kenrick joined the Board of Directors in May 2024, bringing with him a wealth of experience in marketing, retail and consumer focused businesses across telecommunications, travel and media.

In January 2025, it was announced that Mary Jane Daly will not stand for re-election and will step down with effect from our 2025 annual shareholder meeting. Mary Jane has been a director of Kiwi Property since 2014 and has been chair of Kiwi Property's Audit and Risk Committee since 2017. Mary Jane has made an exceptional contribution to Kiwi Property and will leave with the best wishes and respect of her fellow Directors.

As announced late last month, Michele Embling has been appointed to the Kiwi Property Board, effective from 27 May 2025. Michele brings extensive leadership and governance experience across the public and private sectors, having worked in the insurance, energy, and financial industries in New Zealand and Australia. We are delighted to welcome Michele to the Board and she will be introduced to shareholders at the Annual General Meeting later in the year.

A positive future

As indicated earlier, our conviction in the Kiwi Property strategy has strengthened, and the company is well positioned for future growth as the economy recovers and as key macro-trends move in our favour.

In terms of dividend guidance for the FY26 financial year, we are pleased to be guiding shareholders for a full-year FY26 dividend of 5.60 cps, which represents growth of 3.7% on the FY25 dividend. This guidance remains subject to any unexpected changes in operating conditions, noting that there is ongoing macroeconomic and geopolitical volatility to navigate.

On behalf of the Board, I would like to extend thanks to our shareholders for their continued support, to the partners we work with, to the communities we serve, and to the management and the entire Kiwi Property team for their hard work.

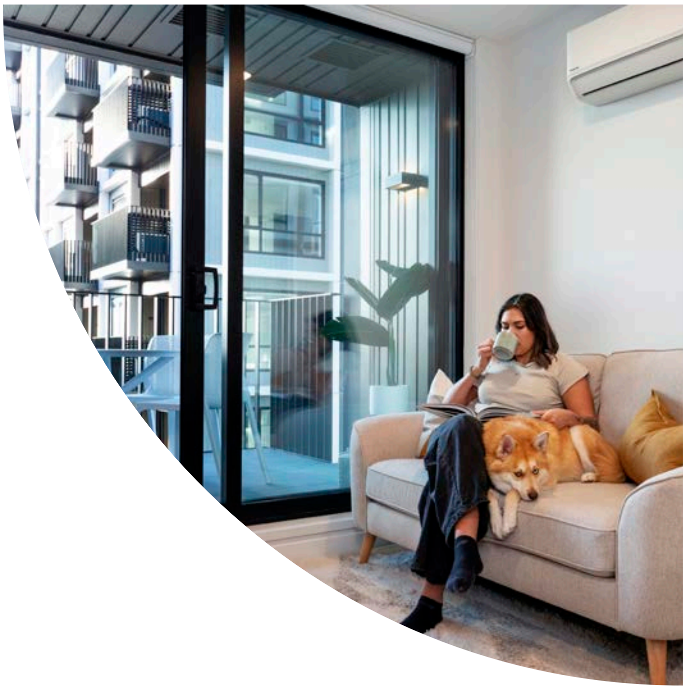
Simon Shakesheff
Chair

↑ Michele Embling joins our Board of Directors on 27 May.

Clive Mackenzie
Chief Executive Officer

Chief Executive Officer's report

"Our goal is to deliver a real community experience that can create more value than the sum of its parts."



Disciplined progress

The 2025 financial year was a year of disciplined progress. We have navigated the economic headwinds of the last few years well by focusing on our existing assets, tight cost and balance sheet control, and on operational excellence.

It's also been a financial year in which the merits of our retail-led mixed-use strategy have become even more apparent. Our goal is to deliver a real community experience that can create more value than the sum of its parts.

NET RENTAL INCOME

$194.1m

Creating mixed-use communities

The mid-2024 opening of Resido marked the first Kiwi Property move into residential as part of a mixed-use community. The largest development of its kind in New Zealand, Resido has demonstrated proof points of many assumptions of our theory, including the ability to attract residents with pets, with higher incomes, and from outside the Mount Wellington catchment.

We're also pleased to be achieving a high degree of satisfaction from Resido tenants as per resident surveys, and ahead of our initial target to be fully leased within 12-18 months. In addition, Resido has been able to achieve average rents significantly higher than the wider Auckland rental market, again demonstrating the attraction of well-located, quality rentals with great amenities.

While still early, initial research shows that the average Resido resident is spending three times more within the wider Sylvia Park precinct than before they moved into our build-to-rent (BTR) asset.

Later this year, New Zealand's very first IKEA is expected to open adjacent to our centre at Sylvia Park, with the long-awaited arrival of the global leader in home furnishings onto New Zealand shores creating a huge buzz amongst other retailers, shoppers, and residents alike. With the economic downturn easing, premium retail centres like Sylvia Park are poised to accelerate their growth. Sylvia Park achieved rental growth for FY25 of 4.7% and other retail precincts within our portfolio have also performed well, with total FY25 rental growth of 5.9% at The Base and 2.5% at LynnMall. Foot traffic at our mixed-use centres continued to increase with nearly 600,000 more visits to these centres than in the prior year.

"We are pleased to have signed an unconditional agreement with Foodstuffs for 1.2 hectares (at Drury)."

Drury remains early in its development, with foundational work continuing over the year. While negotiations for super-lot land sales have taken longer due to unfavourable market conditions, we are pleased to have signed an unconditional agreement with Foodstuffs for 1.2 hectares, and are in advanced discussions with three others, for a further 9.5 hectares. We will continue to progress the development and sale of land at Drury in a considered manner to maximise value for shareholders.

The success of Kiwi Property is also founded on the success of our partners and our customers. This is why we continually invest in upgrading amenities for tenants, in sustainability improvements, and in the built environment around our developments.

Operational discipline

Operational and fiscal discipline are critically important to Kiwi Property. Given currently volatile economic conditions, we have slowed our capital expenditure and focused on operational discipline and driving rental growth from our existing asset base. This has been combined with careful and selected investment in key assets such as Sylvia Park and The Base.

This operational discipline has resulted in a significant year-on-year reduction in employment and administration expenses of $7.5 million (-23%).

Net rental income from our assets was up 5.0% at $194.1 million, reflecting the rental growth during the year. However, due to the removal of building tax depreciation in FY25 and higher interest costs, adjusted funds from operations (AFFO) was down 7.0% at $92.8 million.

In December 2024, Kiwi Property also completed an offer of NZ$125 million (including NZ$25 million of oversubscriptions) of 5.5-year fixed-rate senior secured green bonds (Green Bonds) to institutional and New Zealand retail investors. This successful Green Bond bookbuild highlighted continued investor confidence in Kiwi Property and its green bond programme.

Getting future fit

A key pillar of our strategy is to become a future-fit business. With a focus on long-term cost reduction and efficiencies, we have driven operational improvements via disciplined prioritisation across the business. In particular, we seek to use technology to our advantage – having successfully embedded the multi-use Yardi system and exploring other technology products and AI applications.

A new Sustainability Strategy has been developed and launched this month that sees Kiwi Property continue its focus on being a sustainability leader in New Zealand's property sector and which will help to attract quality tenants.

Measurable success of sustainability credentials is becoming increasingly important – not just because of our own sustainability commitments but because our tenants increasingly expect it – and we are pleased to have raised the bar in NABERSNZ, Green Star, and Homestar measures across our portfolio. Our 9 Homestar Built rating for Resido is a particularly satisfying achievement; a 9-star certification denotes best practice and Resido is the first development of this scale in NZ to be awarded this rating.

A future-fit business requires strong investment in its people. I'm proud of the investment we have continued to make in our people over the year with a focus on both high-performance leadership development and inclusivity training. Focused efforts to foster a productive, supportive, and enjoyable culture at Kiwi Property have resulted in a pleasing uplift in employee engagement scores, which are at a five-year high of 75%.

Looking ahead

We are encouraged by the future possibilities for Kiwi Property.

In the near term, the coming year will see a focus on targeted small-scale development to enable the growth of mixed-use, including through a mixed tenancy strategy on the first floor of The Base, as well as further progress on key projects, including expected large land lot sales in Drury and the full leasing up of Resido.

We will continue to target strong rental growth through active lease management and through investment in quality amenities. The opening of IKEA next to our centre, scheduled for later in the calendar year, is expected to drive retail tourism and a significant boost in foot traffic for Sylvia Park, attracting new customers from across the country to visit.

Tight management of operational costs and capital expenditure will continue, with future recycling of non-strategic assets allowing for further investment, in line with our capital allocation framework.

We expect to see continued evidence of the success of our strategy as trends move in our favour and as the economy improves – noting with some caution that macroeconomic conditions are likely to remain volatile for some time.

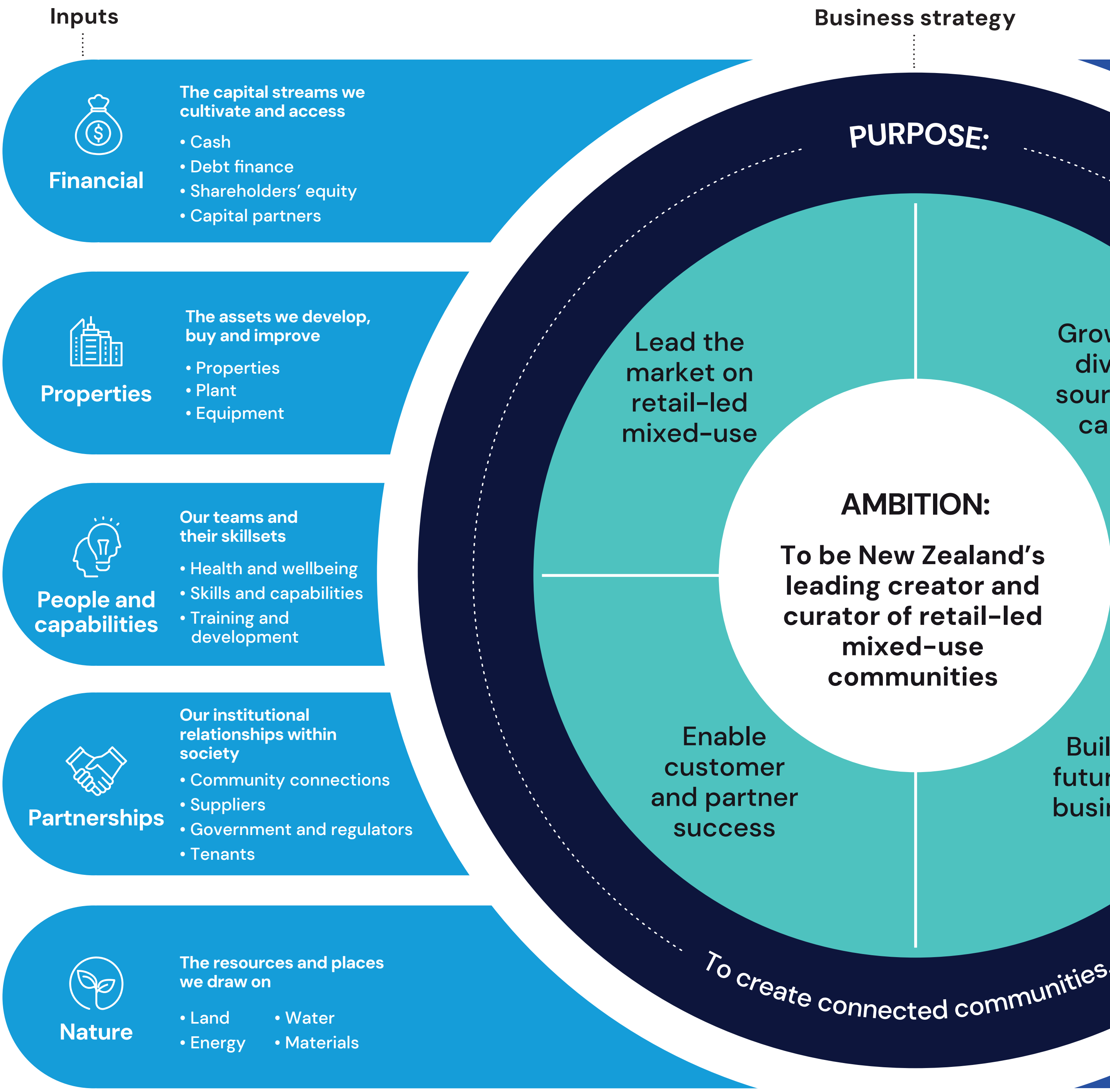
As always, thanks to our shareholders, our partners, our customers, and the wider Kiwi Property team for your support over the year.

Clive Mackenzie
Chief Executive Officer

"The opening of IKEA, scheduled for later in the year, is expected to drive retail tourism and a significant boost in foot traffic for Sylvia Park."

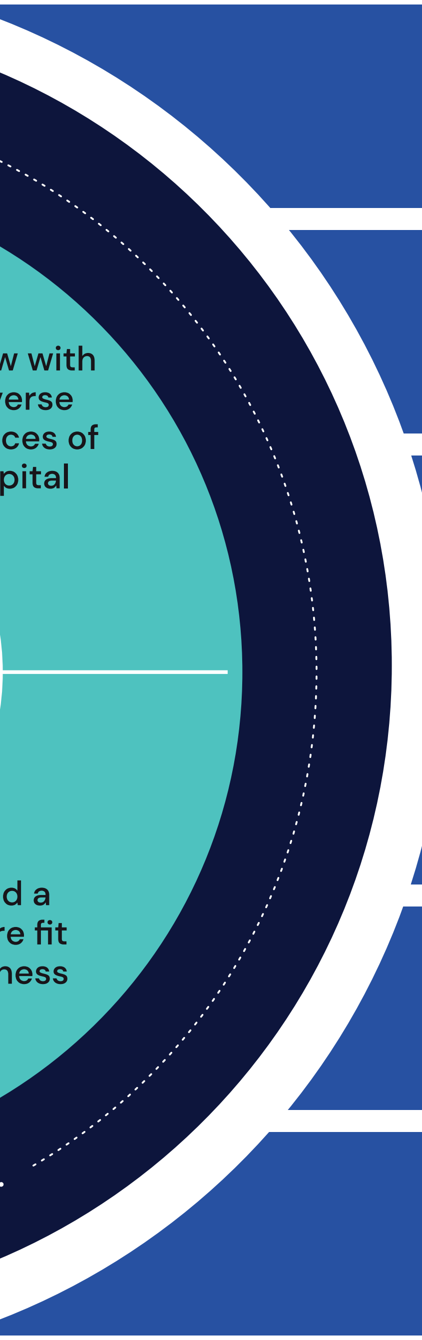
↓ Kiwi Property employee engagement scores are at a five-year high of 75%.

Our value creation model



Kiwi Property uses a range of resources and inputs to deliver our business strategy and create value for our stakeholders, guided by our ambition to be New Zealand's leading creator and curator of retail-led mixed-use communities.

The inputs into our business activities are financial capital, properties, people and capabilities, partnerships, and nature. Through the execution of our business strategy, we create value for our stakeholders: our people, investors and capital partners, tenants and partners, customers, communities, and the environment. This value creation process is illustrated in the diagram below.



Stakeholder groups		Success measures
People	We are committed to building a high-performing team that reflects our communities and enables our people to thrive.	• Employee experience • Health, safety and wellbeing • Diversity, equity and inclusion
Investors and capital partners	We strive to deliver superior, long-term risk adjusted returns by developing, managing and investing in high-quality New Zealand real estate.	• Adjusted funds from operations • Total shareholder return • Asset valuations
Tenants and partners	We work collaboratively with our tenant partners and suppliers to create shared value, enduring relationships and collective success.	• Sales growth • Occupancy levels • Tenant satisfaction • Resident satisfaction
Customers	We offer exceptional experiences and create the places where customers want to live, work, play and stay.	• Customer satisfaction • Pedestrian counts
Communities	We support and enhance the wellbeing of people in and around our communities.	• Community impact
Environment	We are committed to sustainability, with a focus on reducing our environmental footprint and creating enduring spaces for future generations.	• Emissions reduction • Global Real Estate Sustainability Benchmark (GRESB) • Building certifications

The mixed-use effect

Case study

Mixed-use development can be defined as integrated developments that combine multiple functions, such as residential, commercial, and recreational, within a single area, fostering vibrant and walkable communities.

The idea is that as each different use or function is introduced, greater demand is created for other uses, leading to enduring demand for our assets and ultimately drawing more customers into our retail precincts.

Creating retail-led mixed-use communities is fundamental to Kiwi Property's long-term ambitions and ability to create value for shareholders. It's an ambition that is fast becoming real, with a range of mixed-use developments at different stages of their maturity cycle. What each of these developments has in common is a strategic exposure to key trends; better transport connections, population growth, premium retail, and increasing residential demand.

→ Office, residential and dining support our retail business at Sylvia Park.

16.1m

annual visits to Sylvia Park have lifted by nearly 400 thousand in the last year

20%

of Resido tenants are employed at Sylvia Park or nearby

Sylvia Park

Sylvia Park is our most mature mixed-use development and is already seen as an Australasian exemplar for retail-led mixed-use. The retail precinct of Sylvia Park is now supplemented by high-quality residential (Resido), office space, and important life amenities with a new medical precinct providing GP, physiotherapy, and radiology services.

Resido is already leasing strongly, reflecting quality amenities and a great location. Around 20% of Resido tenants are employed at Sylvia Park or nearby, further proving BTR and residential as an important aspect of mixed-use.

With retail a key attractor for mixed-use communities, Sylvia Park has retained its status as New Zealand's premier retail shopping complex, continuing to refresh and innovate the common areas. New food offerings have arrived in Sylvia Lane including Goode Brothers and Master Kong. Foot traffic has defied most of the retail trends and challenging economic conditions and has increased by nearly 400 thousand to 16.1 million people visits over the year.

New Zealand's first IKEA, scheduled to open later this year adjacent to our centre, continues to attract attention and excitement from shoppers and other retailers. IKEA is yet another example of Sylvia Park being the shopping centre of choice for global or international brands looking to enter the New Zealand market for the first time. The benefit of our mixed-use approach means that Sylvia Park has low vacancy rates across its different uses, proving desirable for employers, retailers, residents, and shoppers alike.

The Base and LynnMall

Two other strategic mixed-use assets in our portfolio are LynnMall and The Base, both primed for further growth and the addition of more functional uses. Importantly, both of these assets are strategically located in the golden triangle between Auckland, Hamilton, and Tauranga, with higher-than-average population growth and good transport connectivity.

LynnMall was New Zealand's very first indoor shopping centre and retail remains at its heart. The Brickworks dining precinct has gone from strength to strength in the last 10 years, notably introducing New Zealand's first Taco Bell in 2019, and now containing a stable mix of entertainment and hospitality attractions. Located adjacent to the Western line of Auckland's train network and the New Lynn bus station, LynnMall is an opportune location for mixed-use growth, with optionality for additional retail, residential, and office uses in the future.

↑ The Brickworks at LynnMall brings together hospitality, entertainment, and retail.

↓ The Base adds medical to its level 1 tenant mix.

The Base has a net leasable area of 88,257 sqm and more than 4,000 sqm of potential retail tenancy space on the upper level 1 floor. This space was constructed at the building's inception in preparation for growth. It is ripe for unlocking and expanding the breadth of The Base's tenant mix, especially in specialty and services. In 2024, two additional major tenancies joined the top floor, Timezone, adding to the entertainment offering, and Habit Health, adding medical facilities to the site.

The Base also has 66,691 sqm of vacant greenfield development land, which is presently used for community activations such as The Base Basket Burn (in association with Balloons Over Waikato) and of course additional parking for the busiest days of the retail calendar.

Drury

While mixed-use at Sylvia Park is mature, our Drury development is at the first stage of its transformation into a mixed-use community. Large-format retailers will be one of the first wave of arrivals, acting as magnets for other retailers and associated industries. Drury and its neighbouring suburbs are projected to be home to up to 60,000 more residents in the next 30 years who will live, work, shop and play in this new metropolitan town centre to the south of Auckland.

Drury is a greenfields master planned development, providing a high degree of flexibility to strategically optimise the master plan and focus on those uses that will attract the greatest shareholder returns. The sheer size of our landholding enables us to fit many uses on this site. Beyond retail, residential, hospitality, and entertainment, we're working with Auckland Council to ensure public community amenities are fit for purpose and support community cohesion, safety, and liveability.

Drury, like our other assets, also has excellent transport connectivity. With excellent motorway access, it also sits on Auckland's southern train line, with the new Drury train station set to open in early 2026. The large park-and-ride facilities planned will also attract people from neighbouring areas.

→ Drury, like our other assets, also has excellent transport connectivity.

Creating community connections

Case study

Kiwi Property has developed and owned many high-quality property assets over the last three decades. Today, Kiwi Property's purpose is to create and curate connected communities.

Community is at the heart of everything we do – and while we primarily deal in property, the purpose of those properties is to serve communities. Connection is an essential part of this purpose – yes, location and transportation connections are important, but we also take great pride in creating moments of connection to nature, important causes, cultural events, and to one another.

It's about investing carefully in quality amenities and the built environment so people can feel safe and easily connected to others. It's about creating thriving and liveable neighbourhoods that offer everything needed for different lifestyles and needs. Our mixed-use strategy is the vehicle for creating connected communities, listening to the desires and needs of the community and bringing all of these elements to one location.

→ Community is the heart of the Kiwi Property strategy.

"It's about investing carefully in quality amenities and the built environment so people can feel safe and easily connected to others."

85%

leased, Resido is nearly fully tenanted within 12-18 months

4.6/5

average survey score shows that tenants rate the overall experience of living at Resido highly

Mixed-use communities often include residential living. Build-to-rent (BTR) is an emerging asset class that helps meet the growing demand for rental properties and has proven successful in overseas rental markets. Resido at Sylvia Park is the first large-scale BTR development of its kind in New Zealand with 295 apartments – 261 of those for long-term rental accommodation and 34 of those currently managed by Urban Rest, a leading short-stay accommodation provider. Resido enables Kiwi Property to get even closer to the desires of our community and what really matters to them – not only the services and shops they want and need when they're out and about, but the amenities they value at home too. Much of the focus in developing Resido has been on the 'spaces in between', with the built environment encouraging ease of access and safe walkability between home, Sylvia Park shops, and transport.

Opened in mid-2024 Resido is now 85% leased as at 16 May 2025, nearly fully tenanted within 12-18 months, demonstrating strong demand for the convenient location, quality living space, and the high level of included amenities. Importantly, as evidence that quality build-to-rent housing can command a higher median rent due to the quality of build, amenities, and location, Resido is achieving above the median rent for the Auckland apartment market by 26%.

Feedback is incredibly important to us at this early stage of our BTR journey. A resident survey completed in December 2024 showed that tenants rate the overall experience of living at Resido highly, averaging 4.6 out of 5, with the sense of community, the easy access to Sylvia Park, the gym and the other added-value amenities the key drivers of their ratings. Tenants are also in favour of the on-site Resident Services Team, with 98% of tenants rating the professionalism of the Resido team as either good or excellent.

Drury will be a very different community building experience to Sylvia Park. With the Drury civic infrastructure currently being laid and the area almost ready for construction, we have a vision of a modern, sustainable, and curated community created from scratch, where everything is carefully considered.

The community foundations for Drury were established years ago. We have, and continue to, extensively engage with mana whenua and the existing community, and have a Drury Community Engagement Specialist working closely with the existing Drury community and the Kiwi Property development team. Respect for the land and environment is important to the community, and work to restore waterways in the Drury development is included in plans from the initial stages.

The Drury area and this community development have been identified as nationally significant by the Government and listed as a fast-track project in the recent Fast-track Approval Act 2024. Identified as Auckland's 11th and newest metropolitan town centre, it will accommodate essential population growth for this area of Auckland and connect current and future residents with the amenities that are important to all, including excellent public transport and a much sought-after supermarket.

We envision the creation of a community that can cater to a diverse range of lifestyles – from rural roots to young urban families. A community in harmony with its environment and with iwi, where the land and landscaping are as important as the buildings.

Targeting a Green Star Community rating, Drury will be well-designed and sustainable, working closely with the local council to ensure amenities meet future community needs, including consideration of libraries, civic spaces, pools and community centres, plenty of green space, and excellent transport connectivity.

We anticipate that demand at Drury will be high from residents and retailers alike, attracted to a thriving neighbourhood with a sense of community, connection, and wellbeing, further establishing Kiwi Property's reputation as a community builder.

Efficient capital and cost control

Case study

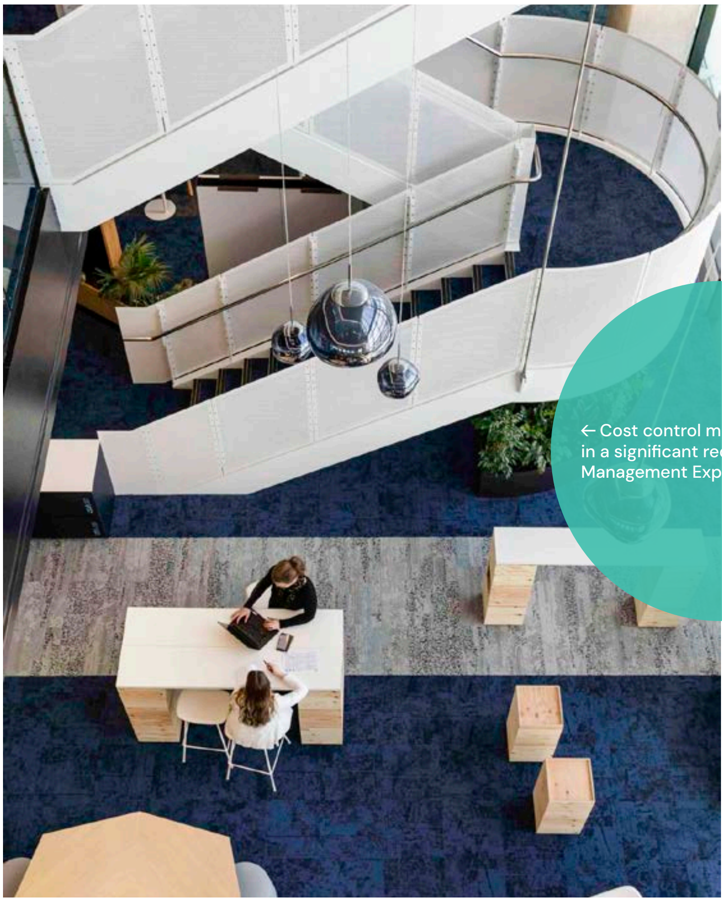
With local and global market conditions reducing transactional activity and making for a more difficult operating environment, Kiwi Property has focused on optimising corporate costs, readying the business for a return to improved operating and transaction conditions as the economy recovers.

Following a period of investment leading to the implementation of the Yardi ERP platform, this project wrapped up in March 2024. The departure of the Yardi project team, increased operational efficiencies from this implementation, and greater access to data have all assisted with reducing corporate expenditure in FY25.

To return the business to a sustainable cost base, the Management Expense Ratio (MER) target was 14.3% (calculated as employment and administration expenses to net property income). We exceeded expectations over FY25, reducing this below the target to 12.7%, without compromising staff engagement (which has improved over the year).

Kiwi Property has also consciously pulled back from committing to capital-intensive new development projects, other than the completion of Resido, with a reduction in gearing and more favourable market conditions needed before pressing play on future work in our development pipeline.

Our capital strategy focuses on these core principles; optimising the performance and returns of our retail-led, mixed-use assets, actively considering selective divestment of non-strategic assets over time, and recycling capital from any asset sales and reinvesting it into new opportunities to create a more resilient, diversified, and sustainable portfolio. Our capital allocation framework assists us in making smart decisions with our capital.



← Cost control measures resulted in a significant reduction in our Management Expense Ratio.

23%

reduction in employment and administration expenses

~$29m

retained through investor participation in the DRP in FY25

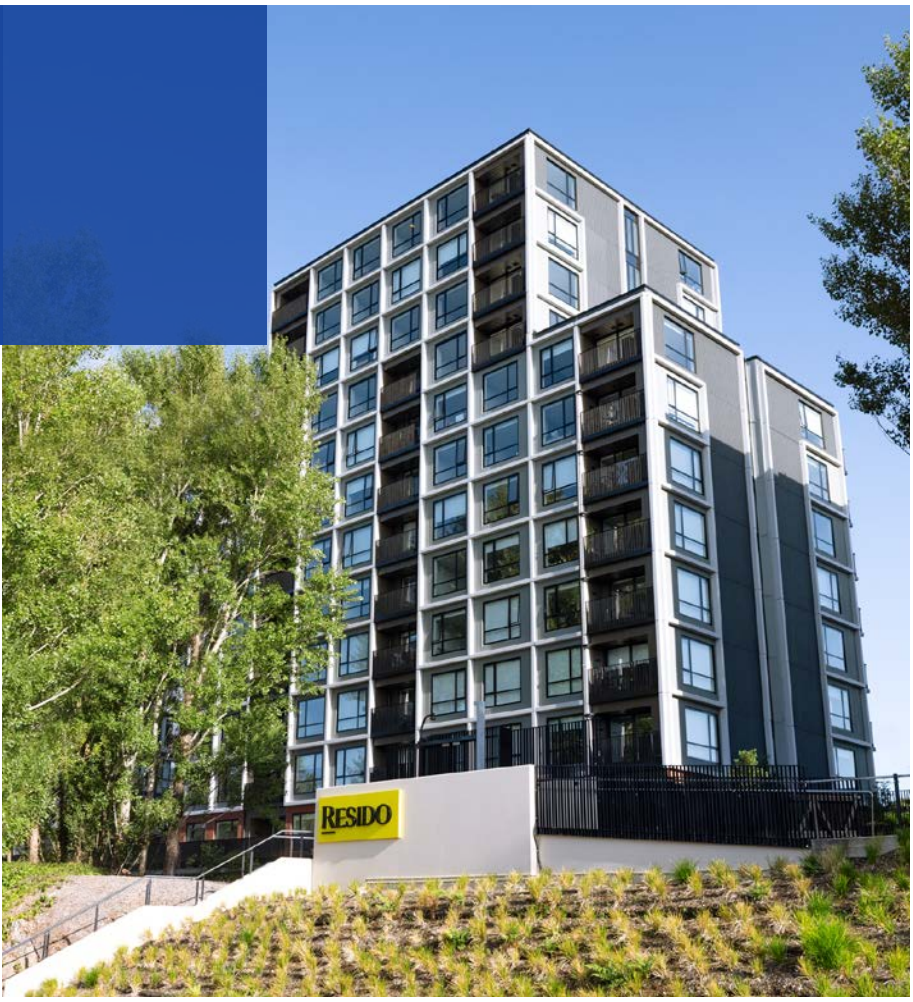
Access to diverse sources of capital is an important part of our capital strategy. In line with this, Kiwi Property remains open to working with capital partners to collaborate on future developments and grow assets under management, and our nascent partnership with Mackersy Property is expected to provide an additional source of capital over time.

Kiwi Property has a Dividend Reinvestment Plan (DRP) that allows shareholders to reinvest their dividends into new Kiwi Property shares without transaction costs. The participation in the DRP has been excellent, with over 42% of available shares participating for the most recent dividend round. This has retained around $10m per dividend in the business each quarter, keeping gearing to a more manageable level.

Our Sustainable Debt Framework outlines our approach to financing and/or refinancing energy efficient buildings within our property portfolio. Kiwi Property is an active participant in the sustainable debt capital markets and has four green bonds listed on the NZX. The most recent $125 million Green Bond, KPG070, was issued in December 2024. Investor participation and appetite in this issue were strong, highlighting continued investor support for Kiwi Property's green bond programme.

Measuring sustainability success

Case study



Kiwi Property's new 2025 to 2030 sustainability strategy reflects our ambition to remain a sustainability leader in New Zealand's property sector. This refreshed strategy guides our environmental, social, and business activities, helping us deliver on our purpose of creating connected communities, and identifying and reducing business risks.

Sustainability leadership creates value. Managing our assets for sustainability performance increases the appeal to tenants and customers while optimising their efficiency and reducing their environmental impact. Sustainable performance has become increasingly important in demonstrating the assets' credentials and their value to our future tenants and partners.

During the year, we reduced our operational emissions by a further 14%[1], including a 16% reduction in gas use at the Vero Centre that contributed to the asset's NABERSNZ rating improving from 4-star to 4.5-star. ASB North Wharf also achieved a half-star increase in its NABERSNZ rating, which pleasingly means we have maintained or improved the NABERSNZ ratings at all of our wholly-owned office assets.

To add to our 8-star Homestar Design rating, we are proud to have been awarded a 9-star Homestar Built rating for Resido. The 9-star rating denotes best practice, and Resido is the first development of this scale in NZ to be awarded this rating. The Built rating measures the sustainability of design and construction, with notable highlights including a 92% diversion by weight of construction waste from landfill during development and a focus on energy and water efficiency in every apartment.

We must build a future-fit workforce as we continue to build a future-fit business, with great progress made in this area during the year. Importantly, employee engagement increased to 75%, which is a five-year high. We're excited to progress towards our new sustainability priorities and targets, creating and protecting value for our stakeholders.

For more details on the Kiwi Property Sustainability strategy and for our Climate-related Disclosures, go to kiwiproperty.com/investors/reporting-suite.

1. The Ministry for the Environment has released changes to the emissions factors used in calculating GHG emissions. The new factors have not been applied to the GHG emissions information in the report due to timing and impracticality to update and review data prior to the release of this report. See further detail on this on page 52 of Kiwi Property's Sustainability Report and Climate-related Disclosures.

Our new sustainability strategy

For further detail on our new strategy, see our FY25 Sustainability report.

Manage investments for sustainability performance

- Sustainable developments
- Energy efficiency
- Sustainable finance

Decarbonise and reduce our footprint

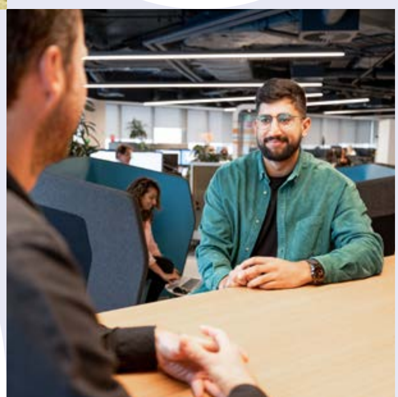
- Emissions reduction
- Environmental impact

Demonstrate resilience

- Climate risk
- Adaptation and mitigation

Build a future fit workforce

- People experience
- Health, safety and wellbeing
- Diversity, equity and inclusion



Live up to our role in communities

- Partnerships
- Community wellbeing

Kiwi Property is a climate-reporting entity for the purposes of the Financial Markets Conduct Act 2013 (FMC Act). We will publish our Climate-related Disclosures on a group basis for the year ended 31 March 2025 in compliance with the Aotearoa New Zealand Climate Standards issued by the External Reporting Board (XRB), as required by the FMC Act. Kiwi Property's Climate-related Disclosures for the year ended 31 March 2025 are accessible on our website at: kp.co.nz/investors/reporting-suite

Our Board

Simon ShakeshEFF

Chair

Simon is an Australian-based professional director, with significant property and finance experience covering strategy, mergers and acquisitions, and debt and equity finance. He is a director of Cbus Property, Assembly Funds Management, SGCH (formerly St George Community Housing), Ingenia Communities and Chair of the Daily Needs Real Estate Investment Trust. Simon previously held a number of executive roles at Stockland, Bank of America Merrill Lynch, UBS, J.P. Morgan and Macquarie Bank.

Board membership

Non-executive member

Other committees

Member of the Audit and Risk Committee and Remuneration and Nominations Committee

Date appointed

November 2019

Date last re-elected

June 2023

Chris Aiken

Independent Director

Chris is an Auckland-based professional director, with a wealth of property and technology experience. He is a member of the Kāinga Ora Construction Advisory Board and director of Adare Ltd. He was previously a director of Metlifecare, Piritahi, Apperv Ltd and Telecom Retail. Chris was chief executive of several IT and property companies including HLC Ltd, the Crown entity responsible for developing large urban communities, such as Hobsonville Point.

Board membership

Non-executive member

Other committees

Member of the ESG Committee and the Remuneration and Nominations Committee

Date appointed

June 2021

Date last re-elected

June 2024

Peter Alexander

Independent Director

Peter has extensive experience in New Zealand's property sector, having held a range of executive roles over more than 30 years. He was previously CEO of Stride Property Group where he led the growth of its investment management business and was head of property at Auckland International Airport. He has also held senior executive roles at Property for Industry, Goodman and Sky City Entertainment. Peter is a trustee of the Dilworth Trust Board.

Board membership

Non-executive member

Other committees

Member of the ESG Committee

Date appointed

May 2023

Date last re-elected

June 2023

Mary Jane Daly
Independent Director

Mary Jane is an Auckland-based professional director with significant banking, finance and risk experience. She is the Chair of the Fonterra Shareholders Fund, Partners Life and AIG Insurance NZ, and a director of Kiwibank. Mary Jane was also the former Chair of the Earthquake Commission, and a former director of Auckland Transport, Cigna Life Insurance New Zealand, Onepath Life, Airways Corporation and the NZ Green Building Council.

Board membership
Non-executive member

Other committees
Chair of the Audit and Risk Committee

Date appointed
September 2014

Date last re-elected
June 2022

Carlie Eve
Independent Director

Carlie has over 25 years' finance and governance experience, including executive roles at Goldman Sachs JBWere and Mint Asset Management, where she led the Australasian Property Fund. Carlie is a former director of the Hobsonville Land Company and currently sits on the board of the Fonterra Shareholders Fund, as well as being the Chair of the Diocesan School Heritage Foundation.

Board membership
Non-executive member

Other committees
Chair of the ESG Committee and Member of the Audit and Risk Committee

Date appointed
May 2023

Date last re-elected
June 2023

Kevin Kenrick
Independent Director

Kevin is an Auckland-based professional director with significant experience in leading the strategic transformation of retail focused businesses across the telecommunications, travel, and media industry sectors. He is currently a director of BNZ. Kevin previously held the role of CEO at TVNZ and House of Travel, and executive leadership roles at Telecom NZ and Lion.

Board membership
Non-executive member

Other committees
Chair of the Remuneration and Nominations Committee

Date appointed
May 2024

Date last re-elected
June 2024

Our Executive Team

Clive Mackenzie

Chief Executive Officer

Clive is responsible for the leadership, strategic direction and management of the company. He has been involved with property and finance for over 20 years and commenced as Kiwi Property's Chief Executive Officer in July 2018. Clive was previously Senior Vice President – Development, East Coast for Westfield USA, where he was involved in the creation and implementation of transformational strategies to evolve, strengthen and develop the company's real estate portfolio.

Aubrey Cheng

GM Income and Leasing

Aubrey leads our income and leasing team and is responsible for all property-related income, and new revenue initiatives at both our existing assets and development projects. He is charged with developing and maintaining our key client relationships, and driving leasing activity across our mixed-use, office, retail, activate and industrial portfolios. Aubrey has 20 years' property experience and prior to joining Kiwi Property was a founding Director of Match Realty.

Jo Harris

GM People

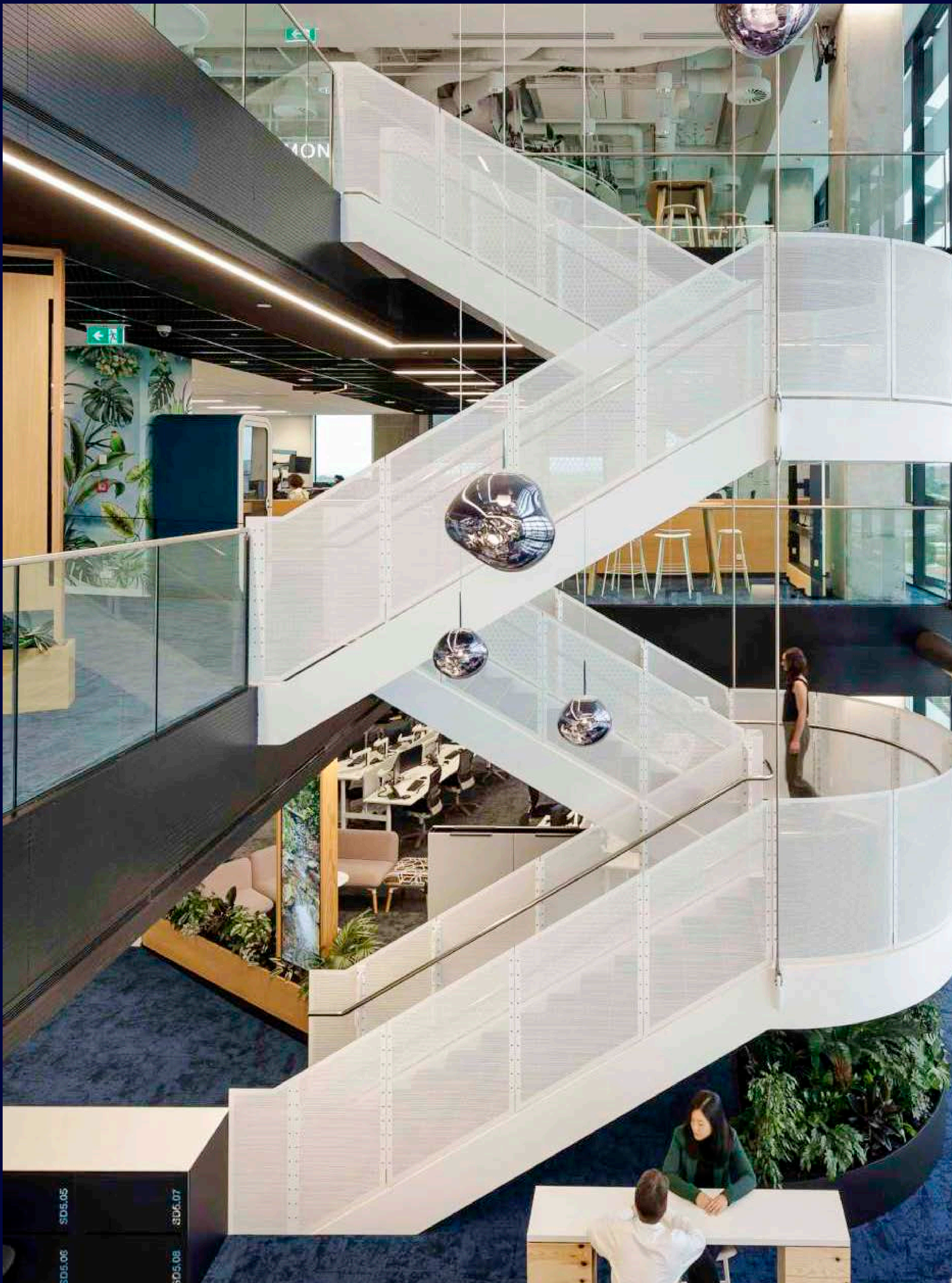
Jo oversees Kiwi Property's people and culture function, with a focus on building an engaged and high performing organisation. She joined the company from Waka Kotahi where she worked as Portfolio Change Lead, with responsibility for leading organisational wide culture and transformation initiatives. Prior to this, Jo held a variety of senior HR roles at organisations including Air New Zealand, Vodafone Australia and AAPT.

Steve Penney
Chief Financial Officer

Steve leads the company's finance, legal and digital functions and plays a key role in the development and execution of the company's corporate strategy. He has more than 20 years of investment and finance experience and prior to joining Kiwi Property was General Manager, Investment, at Stride Property Group as well as Investment Director and Partner at H.R.L Morrison & Co Limited, and an Associate Director at PwC.

Linda Trainer
GM Asset Management

Linda has overall responsibility for the strategic and operational performance of Kiwi Property's mixed-use, retail and office assets, and also oversees the company's comprehensive sustainability programme.
She has more than 20 years' experience in property, retail, management and marketing. Prior to joining Kiwi Property in April 2018, Linda was most recently the New Zealand Regional Manager at Scentre Group.



Financials

Contents

Five-year summary

Financial performance

FOR THE YEAR ENDED 31 MARCH

	2025 $m	2024 $m	2023 $m	2022 Restated[1] $m	2021 Restated[1] $m
Property revenue and property management revenue	**263.7**	**244.7**	**259.1**	**255.9**	**244.2**
Direct property expenses	(65.4)	(55.6)	(52.8)	(75.4)	(78.3)
Employment and administration expenses	(25.2)	(32.7)	(32.7)	(25.8)	(23.1)
Total expenses	**(90.6)**	**(88.4)**	**(85.5)**	**(101.2)**	**(101.4)**
Profit before net finance expenses, other (expenses)/ income and tax	**173.1**	**156.3**	**173.6**	**154.7**	**142.8**
Interest income	0.7	0.7	0.2	0.2	0.3
Interest and finance charges	(57.6)	(48.8)	(44.2)	(38.4)	(36.0)
Net finance expenses	**(56.9)**	**(48.1)**	**(44.0)**	**(38.2)**	**(35.7)**
Operating profit before tax	**116.2**	**108.2**	**129.6**	**116.5**	**107.1**
Net fair value (loss)/gain on investment properties	(11.6)	(77.8)	(352.6)	128.8	109.0
Net fair value (loss)/gain on interest rate derivatives	(10.1)	(4.1)	5.7	18.5	6.3
Litigation settlement income	–	–	6.0	–	–
Loss on disposal of investment properties	–	(1.7)	(3.5)	(3.1)	–
Other (expenses)/income	**(21.7)**	**(83.6)**	**(344.4)**	**144.2**	**115.3**
Profit/(loss) before income tax	**94.5**	**24.7**	**(214.8)**	**260.7**	**222.4**
Income tax expense	(37.5)	(26.8)	(12.9)	(36.4)	(25.9)
Profit/(loss) after income tax[2]	**57.0**	**(2.1)**	**(227.7)**	**224.3**	**196.5**

1 Restated to comply with guidance issued by the International Financial Reporting Interpretations Committee (IFRIC) on rental abatements. Refer to Note 1.5 of the 2023 consolidated financial statements for further information.

2 The reported profit/(loss) after income tax has been prepared in accordance with New Zealand Generally Accepted Accounting Practice (GAAP) and complies with New Zealand Equivalents to IFRS Accounting Standards. The reported profit/(loss) information has been extracted from the relevant annual consolidated financial statements which have been the subject of an audit pursuant to New Zealand Auditing Standards issued by the External Reporting Board.

Five-year summary (continued)

Adjusted funds from operations

FOR THE YEAR ENDED 31 MARCH

	2025 $m	2024 $m	2023 $m	2022 Restated[1] $m	2021 Restated[1] $m
Profit/(loss) after income tax	**57.0**	**(2.1)**	**(227.7)**	**224.3**	**196.5**
Adjusted for:					
Net fair value loss/(gain) on investment properties	11.6	77.8	352.6	(128.8)	(109.0)
Net fair value loss/(gain) on interest rate derivatives	10.1	4.1	(5.7)	(18.5)	(6.3)
Loss on disposal of investment properties	–	1.7	3.5	3.1	–
Litigation settlement income	–	–	(6.0)	–	–
Reversal of lease liability movement in investment properties	–	–	(0.1)	(0.1)	(0.1)
Straight-lining of fixed rental increases	(2.4)	(1.5)	(1.2)	(3.0)	–
Amortisation of tenant incentives and leasing fees	6.6	6.5	7.7	8.3	7.1
Rent deferrals received/(rent deferrals) (COVID-19)	–	–	0.2	1.5	(1.7)
Depreciation recovered on disposal of investment properties	–	2.8	0.5	3.6	–
Share-based payment expense[2]	1.0	1.9	1.4	1.2	–
Depreciation of property, plant and equipment[2]	0.7	0.8	1.1	1.3	–
Deferred tax expense/(benefit)	16.9	10.6	(4.8)	13.9	11.3
Funds from operations[3]	**101.5**	**102.6**	**121.5**	**106.8**	**97.8**
Maintenance capital expenditure	(5.1)	(5.3)	(6.6)	(3.0)	(5.3)
Capitalised tenant incentives and leasing fees	(4.1)	(3.3)	(2.2)	(3.4)	(3.1)
One-off costs					
Software implementation projects	–	3.1	2.0	–	–
Bondholder consent fee	–	1.8	–	–	–
Other one-off costs	0.5	0.9	1.8	–	–
Adjusted funds from operations[4]	**92.8**	**99.8**	**116.5**	**100.4**	**89.4**

1 Restated to comply with guidance issued by the International Financial Reporting Interpretations Committee (IFRIC) on rental abatements. Refer to Note 1.5 of the 2023 consolidated financial statements for further information.
2 Represents non-cash expenses included in the determination of funds from operations with effect from 1 April 2021.
3 Funds from operations (FFO) is an alternative non-GAAP performance measure used by Kiwi Property to assist investors in assessing the Company's underlying operating performance. FFO is a measure commonly used by real estate entities to describe their underlying and recurring earnings from operations. FFO does not have a standard meaning prescribed by GAAP and therefore may not be comparable to information presented by other entities. FFO is calculated by Kiwi Property in accordance with the Voluntary Best Practice Guidelines issued by the Property Council of Australia (the Guidelines). The reported FFO information has been extracted from the Company's annual consolidated financial statements which have been the subject of an audit pursuant to New Zealand Auditing Standards issued by the External Reporting Board.
4 Adjusted funds from operations (AFFO) is an alternative non-GAAP performance measure used by Kiwi Property. AFFO is a measure commonly used by real estate entities to describe their underlying and recurring cash flows from operations. Broadly, AFFO adjusts FFO by deducting the cost of lease incentives, leasing fees, annual maintenance capital expenditure for sustaining and maintaining existing space and one-off costs. AFFO does not have a standard meaning prescribed by GAAP and therefore may not be comparable to information presented by other entities. AFFO is calculated by Kiwi Property in accordance with the Voluntary Best Practice Guidelines issued by the Property Council of Australia (the Guidelines). The reported AFFO information has been extracted from the relevant annual consolidated financial statements which have been the subject of an audit pursuant to New Zealand Auditing Standards issued by the External Reporting Board.

Five-year summary (continued)

Dividends

FOR THE YEAR ENDED 31 MARCH

	2025 $m	2024 $m	2023 $m	2022 Restated[1] $m	2021 Restated[1] $m
Funds from operations	101.5	102.6	121.5	106.8	97.8
Adjusted funds from operations	92.8	99.8	116.5	100.4	89.4
Less amount retained	(5.9)	(9.3)	(27.0)	(12.5)	(8.6)
Dividend	**86.9**	**90.5**	**89.5**	**87.9**	**80.8**
Payout ratio	93%	90%	77%	88%	90%
	cps	**cps**	**cps**	**cps**	**cps**
Dividend	5.40	5.70	5.70	5.60	5.15
Imputation credits	1.30	1.01	1.13	1.43	1.36
Gross dividend	**6.70**	**6.71**	**6.83**	**7.03**	**6.51**

1 Restated to comply with guidance issued by the International Financial Reporting Interpretations Committee (IFRIC) on rental abatements. Refer to Note 1.5 of the 2023 consolidated financial statements for further information.

Financial position

AS AT 31 MARCH

	2025 $m	2024 $m	2023 $m	2022 $m	2021 $m
Assets					
Investment properties[1]	3,209.2	3,121.8	3,194.0	3,567.6	3,331.5
Inventories	89.2	73.5	–	–	–
Cash and cash equivalents	14.4	18.2	17.9	11.6	16.0
Other assets	26.5	21.6	26.5	15.3	18.8
Total assets	**3,339.3**	**3,235.1**	**3,238.4**	**3,594.5**	**3,366.3**
Liabilities					
Interest bearing liabilities	1,284.6	1,195.2	1,131.1	1,135.9	1,049.9
Deferred tax liabilities	132.9	114.2	103.6	108.5	94.5
Other liabilities	61.9	65.7	70.2	78.5	87.1
Total liabilities	**1,479.4**	**1,375.1**	**1,304.9**	**1,322.9**	**1,231.5**
Equity					
Share capital	1,713.5	1,682.8	1,664.8	1,663.5	1,661.9
Share-based payments reserve	2.6	2.9	2.1	2.0	1.9
Retained earnings	143.8	174.3	266.6	606.1	471.0
Total equity	**1,859.9**	**1,860.0**	**1,933.5**	**2,271.6**	**2,134.8**
Total equity and liabilities	**3,339.3**	**3,235.1**	**3,238.4**	**3,594.5**	**3,366.3**
Gearing ratio (finance debt / total tangible assets)	38.4%	37.0%	35.0%	31.6%	31.2%
Net tangible assets per share	$1.14	$1.17	$1.23	$1.45	$1.36

1 Includes investment properties classified as held for sale.

Five-year summary (continued)

Property metrics

AS AT 31 MARCH

	2025	2024	2023	2022	2021
Number of properties	9	9	10	12	12
Net lettable area (sqm)	411,045	392,588	410,183	465,746	459,661
Occupancy	97.5%	99.2%	99.2%	99.6%	99.4%
Weighted average lease expiry (years)	3.8	4.1	4.3	4.4	4.8
Weighted average capitalisation rate	6.38%	6.46%	5.99%	5.48%	5.77%

The property metrics above exclude 43 Langdons Road in Christchurch (sold in 2023), adjoining properties located at Sylvia Park and development land. Both lettable area and occupancy metrics above for 2025 include Resido.

The weighted average capitalisation rate excludes assets which were held for sale and subsequently sold in the following year. Vero Centre did not have a capitalisation rate in 2024, as it was being held at contract price.

Interpretation

The following commentary is provided to assist with the interpretation of the five-year summary:

2025

- A $125 million bond issue (KPG070) was completed (2030 expiry) to replace the $125 million bond (KPG030) which matured in December 2024.
- The Dividend Reinvestment Plan (DRP) applied to the Q1 to Q3 interim dividends. A total of $28.8 million of dividends were reinvested.
- Resido Lynton, Auckland, a build-to-rent development commenced operations from June 2024.
- Vero Centre, Auckland was reclassified from 'investment properties held for sale' to 'office'.
- In November 2024, the Group entered into a $6.5 million convertible loan agreement with Mackersy Property Limited (MPL). Subject to certain conditions being met, the loan will convert into a 50% shareholding in MPL. The loan is recognised as 'Loan Receivable' in the Consolidated Statement of Financial Position.

2024

- Acquired additional properties adjacent to Sylvia Park, Auckland, for $26.6 million.
- Westgate Lifestyle, Auckland, was sold.
- Land adjacent to Sylvia Park, Auckland was sold.
- Stage 1 of Drury, South Auckland, was transferred from investment properties to inventories.
- Increased the gearing ratio for the KPG030, KPG040, and KPG050 fixed-rate bonds from 45% to 50% to align with the gearing ratio of the KPG060 fixed-rate bond and bank debt facilities.
- Vero Centre, Auckland was reclassified from 'office' to 'investment properties held for sale'.
- The Plaza, Palmerston North, and Centre Place North, Hamilton, were reclassified from 'other properties' to 'retail'.

2023

- Acquired additional properties adjacent to Sylvia Park, Auckland for $13.8 million.
- Northlands Shopping Centre, Christchurch, was sold.
- 44 The Terrace, Wellington, was sold.
- A $125 million bond issue was completed (2029 expiry) to replace the $125 million bond maturing in September 2023.
- Concluded development of 3 Te Kehu Way at Sylvia Park, Auckland.
- Westgate Lifestyle, Auckland, was reclassified from 'other properties' to 'investment properties held for sale'.

2022

- Commenced development of build-to-rent scheme and 3 Te Kehu Way at Sylvia Park, Auckland.
- Acquired additional properties adjacent to Sylvia Park, Auckland and Drury, South Auckland, for $38.8 million.
- Entered into a 50:50 joint venture with Tainui Group Holdings in respect of Centre Place North and adjoining properties.
- Provided rental abatements of $17.4 million as a result of the COVID-19 pandemic.
- A $150 million bond issue was completed (2028 expiry) following the maturity of the $125 million bond in August 2021.
- The Plaza, Palmerston North, was reclassified from 'investment properties held for sale' to 'other properties'.

2021

- Concluded development of Sylvia Park Level 1.
- Acquired additional properties adjacent to Sylvia Park, Auckland and Drury, South Auckland, for $4.0 million.
- Provided rental abatements of $19.5 million as a result of the COVID-19 pandemic.
- The Plaza, Palmerston North, Northlands, Christchurch and 50% of Centre Place North, Hamilton, were reclassified as 'investment properties held for sale'. Westgate Lifestyle, Auckland and 50% of Centre Place North were reclassified as 'other properties'.

Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

Consolidated statement of comprehensive income

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 $000	2024 $000
Revenue			
Property revenue	2.1	259,503	240,541
Property management revenue		4,216	4,132
Total revenue		**263,719**	**244,673**
Expenses			
Direct property expenses		(65,364)	(55,632)
Employment and administration expenses	2.2	(25,225)	(32,737)
Total expenses		**(90,589)**	**(88,369)**
Profit before net finance expenses, other expenses and income tax		**173,130**	**156,304**
Interest income		686	710
Interest and finance charges	2.2	(57,557)	(48,766)
Net finance expenses		**(56,871)**	**(48,056)**
Profit before other expenses and income tax		**116,259**	**108,248**
Net fair value loss on investment properties	3.2	(11,622)	(77,800)
Net fair value loss on interest rate derivatives	3.5.2	(10,114)	(4,102)
Loss on disposal of investment properties		(16)	(1,651)
Other expenses		**(21,752)**	**(83,553)**
Profit before income tax		**94,507**	**24,695**
Income tax expense	2.3	(37,515)	(26,814)
Profit/(loss) and total comprehensive income/(loss) after income tax attributable to shareholders		**56,992**	**(2,119)**
Basic profit/(loss) per share (cents)	3.7.3	3.57	(0.13)
Diluted profit/(loss) per share (cents)	3.7.3	3.56	(0.13)

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

FOR THE YEAR ENDED 31 MARCH 2025

	Note	Share capital $000	Share-based payments reserve $000	Retained earnings $000	Total equity $000
Balance at 1 April 2023		1,664,774	2,103	266,608	1,933,485
Loss after income tax		–	–	(2,119)	(2,119)
Dividends paid	3.7.2	–	–	(90,260)	(90,260)
Dividends reinvested	3.7.2	16,948	–	–	16,948
Long-term incentive plan	3.7.4	1,073	666	84	1,823
Employee share ownership plan		–	85	–	85
Balance at 31 March 2024		**1,682,795**	**2,854**	**174,313**	**1,859,962**
Balance at 1 April 2024		1,682,795	2,854	174,313	1,859,962
Profit after income tax		–	–	56,992	56,992
Dividends paid	3.7.2	–	–	(87,649)	(87,649)
Dividends reinvested	3.7.2	28,845	–	–	28,845
Long-term incentive plan	3.7.4	994	(173)	128	949
Employee share ownership plan		96	(51)	–	45
Disposal of treasury shares		787	–	–	787
Balance at 31 March 2025		**1,713,517**	**2,630**	**143,784**	**1,859,931**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

AS AT 31 MARCH 2025

	Note	2025 $000	2024 $000
Current assets			
Cash and cash equivalents		14,391	18,203
Trade and other receivables	3.1	16,259	13,701
Interest rate derivatives	3.5.2	51	2,619
Inventories	3.3	89,171	73,500
Investment properties held for sale	3.2	–	458,000
		119,872	**566,023**
Non-current assets			
Investment properties	3.2	3,209,187	2,663,789
Property, plant and equipment		1,319	1,787
Loan receivable	1.3	6,500	–
Interest rate derivatives	3.5.2	706	3,503
Deferred tax assets	3.4	1,734	–
		3,219,446	**2,669,079**
Total assets		**3,339,318**	**3,235,102**
Current liabilities			
Trade and other payables	3.6	50,475	60,501
Interest bearing liabilities	3.5.1	101,457	126,387
Income tax payable		4,007	2,585
Lease liabilities		54	49
Interest rate derivatives	3.5.2	3	2
		155,996	**189,524**
Non-current liabilities			
Interest bearing liabilities	3.5.1	1,183,180	1,068,772
Interest rate derivatives	3.5.2	6,945	2,197
Deferred tax liabilities	3.4	132,905	114,232
Lease liabilities		361	415
		1,323,391	**1,185,616**
Total liabilities		**1,479,387**	**1,375,140**
Equity			
Share capital	3.7.1	1,713,517	1,682,795
Share-based payments reserve		2,630	2,854
Retained earnings		143,784	174,313
Total equity		**1,859,931**	**1,859,962**
Total equity and liabilities		**3,339,318**	**3,235,102**

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

For and on behalf of the Board, who authorised these consolidated financial statements for issue on 23 May 2025.

S A Shakesheff

Simon Shakesheff
Chair

Mary Jane Daly
Chair of the Audit and Risk Committee

Consolidated statement of cash flows

FOR THE YEAR ENDED 31 MARCH 2025

	2025 $000	2024 $000
Cash flows from operating activities		
Property revenue	261,177	247,866
Property management revenue	4,140	3,936
Interest and other income	686	710
Direct property expenses	(65,634)	(58,281)
Interest and finance charges	(57,533)	(44,959)
Interest costs paid on lease liabilities	(24)	(43)
Employment and administration expenses	(27,492)	(32,456)
Expenditure on inventories, including capitalised interest	(15,671)	–
Income tax paid	(19,158)	(17,443)
Net cash flows from operating activities	**80,491**	**99,330**
Cash flows from investing activities		
Proceeds from disposal of investment properties	–	122,980
Acquisition of investment properties	–	(24,096)
Capital expenditure on investment properties	(102,462)	(172,046)
Interest and finance charges capitalised to investment properties	(6,055)	(13,656)
Acquisition of property, plant and equipment	(221)	(364)
Net cash flows used in investing activities	**(108,738)**	**(87,182)**
Cash flows from financing activities		
Payment of lease liabilities	(48)	(46)
Proceeds from disposal of treasury shares	787	–
Proceeds from bank loans	783,000	694,000
Repayment of bank loans	(694,000)	(506,000)
Proceeds from fixed-rate green bonds	125,000	–
Repayment of fixed-rate green bonds	(125,000)	(125,000)
Payment of bondholder consent fee	–	(1,465)
Loan issued to third party	(6,500)	–
Dividends paid	(58,804)	(73,312)
Net cash flows from/(used in) financing activities	**24,435**	**(11,823)**
Net increase in cash and cash equivalents	**(3,812)**	**325**
Cash and cash equivalents at the beginning of the year	18,203	17,878
Cash and cash equivalents at the end of the year	**14,391**	**18,203**

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows (continued)

Reconciliation of profit/(loss) after income tax to net cash flows from operating activities

	2025 $000	2024 $000
Profit/(loss) after income tax	56,992	(2,119)
Items classified as investing or financing activities:		
Movement in working capital items relating to investing and financing activities	7,573	4,897
Non-cash items:		
Net fair value loss on investment properties	11,622	77,800
Net fair value loss on interest rate derivatives	10,114	4,102
Increase in net deferred tax liabilities	16,939	10,618
Amortisation of lease incentives and fees	6,525	6,534
Straight-lining of fixed rental increases	(2,441)	(1,499)
Movements in working capital items:		
(Increase)/decrease in trade and other receivables	(2,558)	961
Increase/(decrease) in income tax payable	1,422	(1,247)
Decrease in trade and other payables	(10,026)	(717)
Increase in inventories	(15,671)	-
Net cash flows from operating activities	**80,491**	**99,330**

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2025

1. General information

FOR THE YEAR ENDED 31 MARCH 2025

1.1 Reporting entity

The consolidated financial statements are for Kiwi Property Group Limited (Kiwi Property or the Company) and its controlled entities (the Group). The Company is incorporated and domiciled in New Zealand, is registered under the Companies Act 1993 and is an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013. The Company is listed with NZX Limited with its ordinary shares quoted on the NZX Main Board and fixed-rate green bonds quoted on the NZX Debt Market.

The principal activity of the Group is to invest in New Zealand real estate.

1.2 Basis of preparation

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice (GAAP) and the Financial Markets Conduct Act 2013. They comply with New Zealand Equivalents to IFRS Accounting Standards (NZ IFRS) as issued by the External Reporting Board, and with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board.

The consolidated financial statements have been prepared on the basis the Group is a going concern.

The consolidated financial statements are prepared on the basis of historical cost, except where otherwise identified. The functional and presentation currency used in the preparation of the consolidated financial statements is New Zealand dollars. All financial information has been presented in thousands, unless otherwise stated.

The Group updated the presentation of proceeds from bank and repayment of bank loans within the consolidated statement of cash flows in the 2025 financial year by netting drawdowns and repayments where turnover is quick. The 2024 comparative has been updated on the same basis.

Within the consolidated statement of comprehensive income, net fair value loss on interest rate derivatives of $10.1 million (2024: net fair value loss of $4.1 million) is now classified as other expenses, from net finance expenses. The re-classification improves the consistency of financial statements line items grouping, where all fair value movements are presented within the same sub-header of other expenses, and better reflects the impact of net finance expenses on the Group's operating performance. Additionally, the re-classification has no impact on key GAAP and non-GAAP performance measures and financial covenants of the Group. The 2024 comparative has been reclassified on the same basis.

1.3 Significant changes during the year

The financial position and performance of the Group was affected by the following events and transactions during the year:

Investment property

In August 2024, the Group terminated the conditional sale of Vero Centre after the potential purchaser failed to meet key terms of the agreement. As a result, Vero Centre has been reclassified from 'held for sale' to 'investment properties'. The revenue and expenses from Vero Centre are recognised within the Office segment (2024: Other segment) in note 5.1.

Interest bearing liabilities

In September 2024, the Group increased its overall bank debt facilities from $0.95 billion to $1.00 billion.

In December 2024, fixed-rate green bond KPG030 at $125 million matured and was repaid. On the same day, KPG070, a fixed-rate green bond with a coupon rate of 5.35% for an amount of $125 million was issued.

Loan to Mackersy Property Limited (MPL)

In November 2024, the Group entered into a $6.5 million convertible loan agreement with MPL. Subject to certain conditions being met, the loan will convert into a 50% shareholding in MPL. The convertible loan has a maturity date of 31 October 2026.

The loan is initially recognised as a non-current financial asset classified as fair value through profit or loss. Interest earned from the loan is recognised as interest income.

1.4 Group structure

Controlled entities

The Company has the following wholly owned subsidiaries:

- Kiwi Property Centre Place Limited
- Kiwi Property Holdings Limited
- Kiwi Property Holdings No. 2 Limited
- Kiwi Property Holdings No. 3 Limited
- Kiwi Property Holdings No. 4 Limited
- Kiwi Property Holdings No. 5 Limited
- Kiwi Property Holdings No. 6 Limited
- Kiwi Property Holdings No. 7 Limited
- Kiwi Property Holdings No. 8 Limited
- Kiwi Property Te Awa Limited
- Sylvia Park Business Centre Limited

Joint ventures

The Group holds a 50% interest in both The Base and The Centre Place unincorporated joint ventures. The Group has determined that its interests constitute a joint arrangement as the relevant decisions about the properties require the unanimous consent of both parties. The joint arrangements have been classified as joint operations on the basis that the parties have direct rights to the assets and obligations for the liabilities relating to their share of the properties in the normal course of business. The Group recognises its share of assets, liabilities, revenue and expenses of the joint ventures.

Principles of consolidation

The consolidated financial statements include the Company and the entities it controls up until the date control ceases. The balances and effects of transactions between controlled entities and the Company are eliminated in full.

1.5 New standards, amendments and interpretations

There have been no new accounting standards or amendments that have had a material impact on the consolidated financial statements.

Standards issued but not yet effective

In May 2024, the External Reporting Board issued NZ IFRS 18 *Presentation and Disclosure in Financial Statements* that is effective for the accounting period that begins on or after 1 January 2027. The impact of this standard is being assessed by the Group.

1.6 Key judgements and estimates

In the process of applying the Group's accounting policies, a number of judgements have been made and estimates of future events applied. Judgements and estimates are found in the following notes:

Note 2.3	Tax expense	Page 51
Note 3.2	Investment properties	Page 54
Note 3.5.2	Interest rate derivatives	Page 66
Note 3.7.4	Share-based payments	Page 71

1.7 Material accounting policies

Material accounting policies that summarise the measurement bases used and are relevant to an understanding of the consolidated financial statements are provided throughout the notes to the consolidated financial statements. Other relevant material policies are provided as follows:

Measurement of fair values

The Group classifies its fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amount of all financial assets and liabilities is equivalent to their fair values apart from the fixed-rate green bonds (refer to note 3.5.1 for further details on the fair value of the fixed-rate green bonds).

Goods and Services Tax

The consolidated financial statements have been prepared on a Goods and Services Tax exclusive basis, with the exception of receivables and payables which are inclusive of Goods and Services Tax where relevant.

Property management revenue

Property management revenue is recognised over time as performance obligations are satisfied in accordance with the management contracts.

Direct property expenses

Direct property expenses include council and water rates, insurance, utilities, repairs and maintenance and security costs. These expenses are recognised in the Consolidated Statement of Comprehensive Income on an accrual basis. If these items are recovered from a tenant by the Group, they are recorded as gross rental income from expense recoveries within property revenue.

2. Profit and loss information

FOR THE YEAR ENDED 31 MARCH 2025

2.1 Property revenue

	2025 $000	2024 $000
Gross rental income[1]	262,807	244,917
Straight-lining of fixed rental increases	2,441	1,499
Amortisation of capitalised lease incentives	(5,745)	(5,875)
Property revenue	**259,503**	**240,541**

1 Includes $44.3 million of property operating expenses recovered from tenants (2024: $40.2 million).

The contractual future minimum property operating lease income to be received on properties owned by the Group at balance date, including assets held for sale, is as follows:

	2025 $000	2024 $000
Within one year	256,380	244,004
Between one and two years	202,267	192,256
Between two and three years	169,286	167,419
Between three and four years	133,750	138,118
Between four and five years	107,538	105,194
Later than five years	252,127	315,662
Property operating lease income	**1,121,348**	**1,162,653**

Recognition and measurement

The Group enters into property leases with tenants on its investment properties. The Group has determined that it retains all significant risks and rewards of ownership of these properties and has therefore classified the leases as operating leases.

Rental income from those leases, including fixed rental increases, is recognised on a straight-line basis over the term of the lease.

Lease incentives offered to tenants as an inducement to enter into leases are capitalised to investment properties and then amortised over the term of the lease as a reduction of rental income.

The share of property operating expenses which are recoverable from tenants is recognised as gross rental income from expense recoveries. This is associated with the provision of services relating to the operations of the Group's properties (for example, council and water rates, insurance, utilities, repairs and maintenance, security costs). The Group recognises revenue in the accounting period the underlying expenses are incurred in accordance with the contractual terms.

2.2 Expenses

	2025 $000	2024 $000
Interest and finance charges on bank loans	44,705	35,830
Interest on fixed-rate green bonds	22,617	26,549
Interest on lease liabilities	24	43
Interest capitalised to investment properties and inventories being developed	(9,789)	(13,656)
Interest and finance charges	**57,557**	**48,766**
Auditor's remuneration:		
Audit and review of financial statements		
Statutory audit and review of the consolidated financial statements	321	260
Other services – Audit or review related services		
Audit of joint venture financial statements	41	38
Audits of special purpose financial information in accordance with tenancy agreements	55	50
Other services – Other assurance services and other agreed-upon procedures		
Limited assurance over selected Greenhouse Gases (GHG) information included in the climate-related disclosures	43	40
Total other services	139	128
Total fees paid to auditor	**460**	**388**
Directors' fees	774	768
Employee entitlements	26,553	31,061
Less: recognised in direct property expenses	(8,566)	(8,551)
Less: capitalised to investment properties being developed	(3,022)	(3,219)
Information technology	2,637	5,386
Investor related expenses	755	1,039
Occupancy costs	418	466
Professional fees	2,489	2,886
Trustees' fees	118	128
Other	2,609	2,385
Employment and administration expenses	**25,225**	**32,737**

2.2 Expenses (continued)

Recognition and measurement

Interest and finance charges

The interest and finance charges on bank loans are expensed in the period in which they occur, other than associated transaction costs which are capitalised and amortised over the term of the facility to which they relate.

The interest expense on fixed-rate green bonds is recognised using the effective interest rate method.

To determine the amount of borrowing costs capitalised to investment properties that are being constructed or developed for future use, the Group uses the weighted average interest rate applicable to its outstanding borrowings during the year. For 2025 this was 5.49% (2024: 5.47%).

Employee entitlements

Employee benefits are expensed as the related service is provided. Details of the employee entitlements expense in relation to share-based payments is outlined in note 3.7.4.

2.3 Tax expense

A reconciliation of profit before income tax to income tax expense follows:

	2025 $000	2024 $000
Profit before income tax	94,507	24,695
Prima facie income tax expense at 28%	(26,462)	(6,915)
Adjusted for:		
Net fair value loss on interest rate derivatives	(2,832)	(1,149)
Net fair value loss on investment properties	(3,254)	(21,784)
Loss on disposal of investment properties	(4)	(462)
Depreciation	8,506	13,710
Depreciation recovered on disposal of investment properties	–	(2,792)
Net deferred leasing costs	(232)	(339)
Deductible capitalised expenditure	2,741	3,825
Prior year adjustment	66	444
Other	895	(734)
Current tax expense	**(20,576)**	**(16,196)**
Depreciation recoverable	(18,335)	(12,605)
Net fair value loss on interest rate derivatives	2,832	1,149
Deferred leasing costs and other temporary differences	(1,436)	838
Deferred tax expense	**(16,939)**	**(10,618)**
Income tax expense	**(37,515)**	**(26,814)**
Imputation credits available for use in subsequent periods	**4,804**	**3,155**

2.3 Tax expense (continued)

Recognition and measurement

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at balance date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of all taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. For deferred tax liabilities or assets arising on investment property measured at fair value, it is assumed that the carrying amounts of investment property will be recovered through sale (refer to note 3.4).

Imputation credits

The imputation credits available represent the balance of the imputation credit account at the end of the reporting period, adjusted for imputation credits which will arise from the payment of the income tax liability.

Key estimates and assumptions: income tax

Deferred tax on depreciation

Deferred tax is provided in respect of depreciation expected to be recovered on the sale of investment properties at fair value. Investment properties are valued each year by independent valuers. These values include an allocation of the valuation between the land and building components. The calculation of deferred tax on depreciation recovered relies on this allocation provided by the valuers.

The calculation of deferred tax on depreciation recovered also requires an assessment to be made of market values attributable to fixtures and fittings. The market values of fixtures and fittings for significant properties have been assessed utilising independent valuation advice and the remaining properties have been assessed with reference to previous transactional evidence and their age and quality.

3. Financial position information

FOR THE YEAR ENDED 31 MARCH 2025

3.1 Trade and other receivables

	2025 $000	2024 $000
Trade debtors	9,756	7,940
Allowance for expected credit losses	(2,363)	(1,745)
Net trade receivables	**7,393**	**6,195**
Prepayments	8,866	7,506
Trade and other receivables	**16,259**	**13,701**

The movement in the allowance for credit losses is as follows:

	2025 $000	2024 $000
Opening allowance for expected credit losses	1,745	2,006
Increase in allowance for expected credit losses recognised in profit or loss during the year	1,113	613
Receivables written off during the year as uncollectible	(406)	(356)
Unused amounts reversed	(89)	(518)
Closing allowance for expected credit losses	**2,363**	**1,745**

Recognition and measurement

Trade debtors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment. Collectability of trade debtors is reviewed on an ongoing basis and an allowance for credit losses is made when there is evidence that the Group will not be able to collect the receivable. In determining the allowance, the Group applies the simplified approach to measuring expected credit losses prescribed by NZ IFRS 9, which permits the use of lifetime expected credit losses for all trade debtors. To measure the expected credit losses the Group uses a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to debtors and the economic environment. Debtors are written off when recovery is no longer anticipated. All overdue debtors considered to be impaired have been provided for at balance date.

3.2 Investment properties

Recognition and measurement

Investment properties are properties held for long-term capital appreciation and to earn rental income.

Initial recognition – acquired properties

Investment properties are initially measured at cost, plus related costs of acquisition. Subsequent expenditure is capitalised to the asset's carrying amount when it adds value to the asset and its cost can be measured.

Initial recognition – properties being developed

Investment properties also include properties that are being constructed or developed for future use as investment properties. All costs directly associated with the purchase and construction of a property, and all subsequent capital expenditure for the development qualifying as acquisition costs, are capitalised. Borrowing costs are capitalised if they are directly attributable to the development.

Subsequent measurement

After initial recognition, investment properties are measured at fair value as determined by independent registered valuers. Investment properties under construction are carried at cost until it is possible to reliably determine their fair value, from which point they are carried at fair value. Investment properties are valued at least annually and may not be valued by the same valuer for more than three consecutive years.

Any gains or losses arising from changes in fair value are recognised in profit or loss in the reporting period in which they arise.

Investment properties are classified as held for sale when they are actively marketed for sale and their carrying amount will be recoverable principally through a sale transaction rather than continuing use. Investment properties held for sale are carried at fair value. Where a contracted sale price is available, the investment property is carried at that value less associated costs for seismic remediation or rental guarantees, this being the best indicator of fair value. Where no contracted price is available, the fair value is determined by independent registered valuers.

Lease incentives

Lease incentives provided by the Group to lessees are included in the measurement of fair value of investment properties and are treated as separate assets. Such assets are amortised on a straight-line basis over the respective periods to which the lease incentives apply.

Ground leases

While the majority of the Group's investment portfolio is freehold, the Group has entered into certain occupational ground leases of properties or components of properties in its investment portfolio to which NZ IFRS 16 applies. Lease liabilities are initially measured as the present value of the remaining cash flows discounted at the 'incremental borrowing rate', being the property yield for the properties with the benefit of the occupational ground leases. Property yield is used given the long term nature of the leases. The cash flows relating to the ground leases are also included in the fair value of the investment properties and therefore a gross up for the lease liability is recognised in the investment property balance at the amount equal to the lease liability.

The Group is exposed to potential future increases in variable lease payments which are not included in lease liabilities until they take effect. When this occurs a corresponding adjustment is made to the gross up of the lease liability in the investment property balance.

Lease payments are allocated between principal and finance costs. The finance cost is included in profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Disposals

Investment properties are derecognised when they have been disposed of. The net gain or loss on disposal is calculated as the difference between the carrying amount of the investment property at the time of the disposal and the proceeds on disposal and is included in profit or loss in the reporting period in which the disposal settled.

3.2 Investment properties (continued)

Investment properties held by the Group are as follows:

	Valuer	Capitalisation rate 2025 %	Fair value 31 March 2024 $000	Capital movements 2025 $000	Fair value gain/(loss) 2025 $000	Fair value 31 March 2025 $000
Mixed-use						
Sylvia Park Precinct[1]	Various	5.92	1,679,500	47,117	9,131	1,735,748
LynnMall	CBRE	7.63	202,000	3,334	(334)	205,000
The Base[2]	Colliers	7.13	205,100	3,807	15,393	224,300
			2,086,600	**54,258**	**24,190**	**2,165,048**
Office						
Vero Centre	Colliers	5.88	–	477,348	(20,848)	456,500
ASB North Wharf	JLL	6.43	212,000	475	(475)	212,000
The Aurora Centre	Colliers	6.50	146,000	409	591	147,000
			358,000	**478,232**	**(20,732)**	**815,500**
Retail						
The Plaza	JLL	8.88	112,000	16,377	(2,377)	126,000
Centre Place North[2]	Colliers	8.70	32,225	919	(919)	32,225
			144,225	**17,296**	**(3,296)**	**158,225**
Other						
Development land			74,500	7,235	(11,735)	70,000
			2,663,325	**557,021**	**(11,573)**	**3,208,773**
Gross up of lease liabilities			464	(1)	(49)	414
Investment properties – non-current			**2,663,789**	**557,020**	**(11,622)**	**3,209,187**
Investment properties held for sale						
Properties held for sale[3]			458,000	(458,000)	–	–
Investment properties held for sale – current			**458,000**	**(458,000)**	**–**	**–**
Total investment properties			**3,121,789**	**99,020**	**(11,622)**	**3,209,187**

1 Sylvia Park Precinct was valued "as if complete" at $1.737 billion based on a weighted capitalisation rate of 5.92% (including the as if complete capitalisation rate of Resido Lynton build-to-rent). The deduction of $0.8 million outstanding development costs for the Resido Lynton build-to-rent development results in an "as is" value of $1.736 billion net of seismic costs.
2 Represents the Group's 50% ownership interest.
3 During the current financial year, Vero Centre was reclassified from investment properties held for sale to the office portfolio.

3.2 Investment properties (continued)

	Valuer	Capitalisation rate 2024 %	Fair value 31 March 2023 $000	Capital movements 2024 $000	Fair value gain/(loss) 2024 $000	Fair value 31 March 2024 $000
Mixed-use						
Sylvia Park Precinct[1]	Various	5.92	1,510,324	172,267	(3,091)	1,679,500
LynnMall	CBRE	7.50	206,000	5,471	(9,471)	202,000
The Base[2]	JLL	7.13	196,325	1,794	6,981	205,100
			1,912,649	**179,532**	**(5,581)**	**2,086,600**
Office						
Vero Centre			484,100	(484,100)	–	–
ASB North Wharf	CBRE	6.25	230,000	983	(18,983)	212,000
The Aurora Centre	Colliers	6.50	165,000	548	(19,548)	146,000
			879,100	**(482,569)**	**(38,531)**	**358,000**
Retail						
The Plaza	JLL	8.88	107,500	8,313	(3,813)	112,000
Centre Place North[2]	JLL	9.16	31,075	405	745	32,225
			138,575	**8,718**	**(3,068)**	**144,225**
Other						
Development land[3]			133,000	(58,201)	(299)	74,500
			3,063,324	**(352,520)**	**(47,479)**	**2,663,325**
Gross up of lease liabilities			508	2	(46)	464
Investment properties – non-current			**3,063,832**	**(352,518)**	**(47,525)**	**2,663,789**
Investment properties held for sale						
Properties held for sale[4]			127,120	361,155	(30,275)	458,000
Gross up of lease liabilities			3,069	(3,069)	–	–
Investment properties held for sale – current			**130,189**	**358,086**	**(30,275)**	**458,000**
Total investment properties			**3,194,021**	**5,568**	**(77,800)**	**3,121,789**

1 Sylvia Park Precinct was valued “as if complete” at $1.7 billion based on a weighted capitalisation rate of 5.9% (including the as if complete capitalisation rate of Resido Lynton build-to-rent). The deduction of $20.5 million outstanding development costs for the Resido Lynton build-to-rent development results in an “as is” value of $1.680 billion net of seismic costs.
2 Represents the Group's 50% ownership interest.
3 On 31 March 2024, the Group transferred the Stage 1 land at Drury from investment properties to inventories. Refer to note 3.3 for further information.
4 The fair value at 31 March 2023 included Westgate Lifestyle and the IKEA land. In the financial year ending 31 March 2024, Westgate Lifestyle was sold for $85.7 million and the IKEA land was sold for $41.4 million. The fair value at March 2024 included Vero Centre which was carried at the contract price.

3.2 Investment properties (continued)

The movement in the Group's investment properties during the year is as follows:

	Mixed-use $000	Office $000	Retail $000	Other $000	Held for sale $000	Total $000
Balance at 31 March 2024 excluding gross up of lease liabilities	2,086,600	358,000	144,225	74,500	458,000	**3,121,325**
Capital movements:						
Transfers between asset classes	–	458,000	–	–	(458,000)	**-**
Capitalised costs (including lease incentives, fees and fixed rental income)	54,953	21,030	16,580	4,487	–	**97,050**
Capitalised interest and finance charges	2,272	–	1,035	2,748	–	**6,055**
Amortisation of lease incentives, fees and fixed rental income	(2,967)	(798)	(319)	–	–	**(4,084)**
	54,258	**478,232**	**17,296**	**7,235**	**(458,000)**	**99,021**
Net fair value loss on investment properties excluding gross up of lease liabilities	24,190	(20,732)	(3,296)	(11,735)	–	**(11,573)**
Balance at 31 March 2025 excluding gross up of lease liabilities	**2,165,048**	**815,500**	**158,225**	**70,000**	**-**	**3,208,773**
Gross up of lease liabilities:						
Balance at 31 March 2024	464	–	–	–	–	**464**
Capital movements	(1)	–	–	–	–	**(1)**
Fair value movements	(49)	–	–	–	–	**(49)**
Balance at 31 March 2025	**414**	**-**	**-**	**-**	**-**	**414**
Balance at 31 March 2025 including gross up of lease liabilities	**2,165,462**	**815,500**	**158,225**	**70,000**	**-**	**3,209,187**

3.2 Investment properties (continued)

The movement in the Group's investment properties during the prior year is as follows:

	Mixed-use $000	Office $000	Retail $000	Other $000	Held for sale $000	Total $000
Balance at 31 March 2023 excluding gross up of lease liabilities	1,912,649	879,100	138,575	133,000	127,120	**3,190,444**
Capital movements:						
Transfers between asset classes	–	(484,100)	–	–	484,100	**–**
Transfer to inventories	–	–	–	(73,500)	–	**(73,500)**
Acquisitions	26,596	–	–	–	–	**26,596**
Disposals	–	–	–	–	(131,189)	**(131,189)**
Capitalised costs (including lease incentives, fees and fixed rental income)	147,628	2,147	8,718	10,314	9,300	**178,107**
Capitalised interest and finance charges	8,374	–	297	4,985	–	**13,656**
Amortisation of lease incentives, fees and fixed rental income	(3,066)	(616)	(297)	–	(1,056)	**(5,035)**
	179,532	**(482,569)**	**8,718**	**(58,201)**	**361,155**	**8,635**
Net fair value loss on investment properties excluding gross up of lease liabilities	(5,581)	(38,531)	(3,068)	(299)	(30,275)	**(77,754)**
Balance at 31 March 2024 excluding gross up of lease liabilities	**2,086,600**	**358,000**	**144,225**	**74,500**	**458,000**	**3,121,325**
Gross up of lease liabilities:						
Balance at 31 March 2023	508	–	–	–	3,069	**3,577**
Capital movements	2	–	–	–	(3,069)	**(3,067)**
Fair value movements	(46)	–	–	–	–	**(46)**
Balance at 31 March 2024	**464**	**–**	**–**	**–**	**–**	**464**
Balance at 31 March 2024 including gross up of lease liabilities	**2,087,064**	**358,000**	**144,225**	**74,500**	**458,000**	**3,121,789**

3.2 Investment properties (continued)

Key estimates and assumptions: valuation and fair value measurement of investment properties

Introduction

The Group's investment properties are determined to be Level 3 (2024: Level 3) in the fair value hierarchy because all significant inputs that determine fair value are not based on observable market data. Refer to note 1.7 for further information on the fair value hierarchy.

Valuation process

Apart from a small number of non-core residential properties, investment properties are carried at external valuations or contract price as applicable. External valuations are prepared by independent valuers who are members of the Group's valuation panel and the New Zealand Institute of Valuers. Non-core residential properties, representing less than 1% of the total Group investment properties value, were subject to kerbside assessment performed by an independent registered valuer.

Where a contracted sale price is available, the investment property held for sale is carried at that value less costs for seismic remediation or rental guarantees, this being the best indicator of fair value. Where no contracted price is available, the fair value is determined by independent registered valuers.

Investment property values are assessed within a range indicated by at least two valuation approaches; most commonly the income capitalisation approach and discounted cash flow approach. Other valuation approaches, including the sales comparison approach or deferred land value approach may be used depending on the nature of the property. In addition, the adopted valuation of an investment property undergoing development or a significantly advanced planned development may be assessed using the residual approach.

Estimates are used in the valuations of investment properties. Key estimates include capitalisation rates and discount rates. Valuations are also influenced by other estimates relating to market rental levels, vacancy rates, letting-up allowances and the cost of ongoing operating expenses, capital expenditure and other capital payments.

Where applicable, seismic strengthening costs are considered. This is further detailed in the 'seismic' section below.

Seismic

The Group is committed to upgrading the seismic resilience of its buildings to appropriate standards and continues to carry out Detailed Seismic Assessments (DSAs) of its buildings. A DSA verifies a building's seismic rating relative to the specified New Building Standard (NBS) and informs the design of remediation solutions where required.

The process and standards applied in seismic assessments evolve over time as the engineering profession's understanding of seismic risk and building performance develops and improves. Consequently, the outcomes of previous seismic assessments may also change over time. Changes to seismic standards, interpretations, and/or applications of existing standards may result in certain buildings no longer meeting the minimum seismic standards deemed appropriate by the Group, thereby necessitating additional seismic remediation works.

Depending on the valuer, seismic risks and the associated cost of strengthening may be reflected as either a capital deduction in the property valuation or within the capitalisation rate. Where required, the Group has provided the valuers with the estimated cost for remediating each asset. In some instances, the valuer has assessed additional costs and/or made additional adjustments to allow for aspects such as profit and risk.

The cost estimates for remediation works are typically based on external quantity surveyor assessments, with additional allowances for professional fees and other associated costs. These cost estimates frequently contain uncertainty because the exact scope of work required to increase the NBS rating of a building is often unclear. The uncertainty in these cost estimates reduces as the remediation design process progresses, and as the understanding of the as-built condition of the building improves through further intrusive investigations. Consequently, remediation cost estimates may fluctuate, as current cost estimates for remediation works are more accurate than those from earlier in the design and investigation process.

In some cases, the Group has become aware of potential remediation requirements from recent preliminary investigations. In these instances, the Group has provided additional provisions to the valuers for inclusion in the valuations, the present value of which is $42.8 million (2024: $40.6 million). These provisions are determined based on judgement, taking into account factors such as the nature of the remediation required, the type and use of the building, previous strengthening costs for similar building etc. The provisions are therefore best estimates based on current information at the time of valuation and are subject to change as more detailed information becomes available.

3.2 Investment properties (continued)

Climate change

The Group continues to identify potential impacts of climate change on its business and assets. The valuers made no explicit adjustments for climate related risks. However, climate related risks are implicitly accounted for via investment metrics such as capitalisation rates and discount rates, which are benchmarked against transaction evidence of similar profile assets that may also be subject to climate related risks. The valuers have considered risks such as flooding, short-term sea level rise and fire by checking national and local authority hazard registers for the properties valued and adjusting investment metrics for any risks identified that are considered material. The Group and valuers anticipate that climate change could have a greater influence on valuations in the future as investment markets place a greater emphasis on this risk and its impacts.

Valuation inputs

A valuation is determined based on a range of unobservable inputs. These are unobservable as they are not freely available or explicit in the marketplace but rather analysed from transactional data that has taken place in similar market circumstances to that prevailing at the date of valuation. Refer to note 1.7 for further information on the fair value hierarchy.

The Group's investment property values contain unobservable inputs in determining fair value, some of which can be described as 'key unobservable inputs' where significant judgement is applied in determining the input and a change to any one of these inputs could significantly alter the fair value of an investment property. Key unobservable inputs are the capitalisation rate, discount rate, terminal capitalisation rate, market rent and growth rates. The most significant key unobservable inputs are the capitalisation rate and discount rate.

The following table sets out these key unobservable inputs and the ranges adopted by the valuers across the various properties making up the Group's mixed-use, office and retail portfolios.

		Range of significant unobservable inputs	
Class of property	Inputs used to measure fair value	2025	2024
Mixed-use[1]	Core capitalisation rate[2]	5.9% - 7.6%	5.9% - 7.5%
	Other income capitalisation rate[2]	5.9% - 8.3%	5.9% - 8.1%
	Discount rate[2]	7.3% - 10.6%	7.8% - 10.8%
	Terminal capitalisation rate[2]	5.3% - 7.4%	6.1% - 7.4%
	Gross market rent (per sqm)[3,4]	$415 - $938	$405 - $891
	Rental growth rate (per annum)[4]	1.1% - 5.5%	0.6% - 5.0%
Office	Core capitalisation rate	5.9% - 6.5%	6.3% - 6.5%
	Discount rate	7.5% - 7.9%	7.5% - 7.8%
	Terminal capitalisation rate	6.0% - 6.7%	6.4% - 7.0%
	Gross market rent (per sqm)[3]	$602 - $802	$587 - $707
	Rental growth rate (per annum)	1.3% - 3.9%	1.0% - 4.2%
Retail	Core capitalisation rate	8.8% - 8.9%	8.9% - 9.2%
	Other income capitalisation rate	8.9% - 9.9%	8.9% - 10.3%
	Discount rate	9.4% - 10.0%	9.5% - 10.0%
	Terminal capitalisation rate	9.0% - 9.0%	9.0% - 9.4%
	Gross market rent (per sqm)[3]	$554 - $662	$485 - $656
	Rental growth rate (per annum)	1.0% - 2.5%	1.0% - 3.0%

1 Mixed-use excludes adjoining properties and Resido Lynton build-to-rent located at Sylvia Park.
2 The higher the capitalisation rates and discount rate, the lower the fair value.
3 Weighted average by property.
4 The higher the market rent and growth rate, the higher the fair value.

3.2 Investment properties (continued)

Valuation sensitivity

A sensitivity analysis that shows how a change to capitalisation and discount rates affects the value of the Group's portfolio is provided below. The metrics chosen are those single-value inputs where movements are likely to have the most significant impact on the fair value of investment properties.

The capitalisation rate relates to the income capitalisation approach and the discount rate relates to the discounted cash flow approach. Generally, a change in the capitalisation rate is accompanied by a directionally similar change in the discount rate. The table below assesses each of these inputs in isolation and assumes all other inputs are held constant.

31 March 2025	Adopted value	Capitalisation rate - 25bp	Capitalisation rate + 25bp	Discount rate - 25bp	Discount rate + 25bp
Mixed-use					
Actual valuation ($000)	2,165,048				
Impact of assumption change ($000)		81,700	(77,500)	35,000	(35,300)
Impact of assumption change (%)		3.8	(3.6)	1.6	(1.6)
Office					
Actual valuation ($000)	815,500				
Impact of assumption change ($000)		36,500	(32,500)	15,200	(14,600)
Impact of assumption change (%)		4.5	(4.0)	1.9	(1.8)
Retail					
Actual valuation ($000)	158,225				
Impact of assumption change ($000)		6,300	(5,800)	3,400	(3,100)
Impact of assumption change (%)		4.0	(3.7)	2.1	(2.0)

31 March 2024	Adopted value	Capitalisation rate - 25bp	Capitalisation rate + 25bp	Discount rate - 25bp	Discount rate + 25bp
Mixed-use					
Actual valuation ($000)	2,086,600				
Impact of assumption change ($000)		74,800	(69,500)	33,000	(33,200)
Impact of assumption change (%)		3.6	(3.3)	1.6	(1.6)
Office					
Actual valuation ($000)	358,000				
Impact of assumption change ($000)		15,500	(12,500)	10,200	(10,200)
Impact of assumption change (%)		4.3	(3.5)	2.8	(2.8)
Retail					
Actual valuation ($000)	144,225				
Impact of assumption change ($000)		6,100	(6,000)	3,200	(3,200)
Impact of assumption change (%)		4.2	(4.2)	2.2	(2.2)

3.2 Investment properties (continued)

The valuation of investment properties is complex with a number of interrelated key inputs and assumptions.

When calculating the income capitalisation value, the gross market rent has a strong interrelationship with the core capitalisation rate. An increase in the gross market rent and an increase in the core capitalisation rate could potentially offset the impact to fair value. The same can be said for a decrease in each input. A directionally opposite change in the two inputs could potentially magnify the impact to the fair value.

When calculating the discounted cash flow value, the discount rate has a strong interrelationship with the terminal capitalisation rate. An increase in the discount rate and a decrease in the terminal capitalisation rate could potentially offset the impact to fair value. The same can be said for an opposite movement in each input. A directionally similar change in the two inputs could potentially magnify the impact to the fair value.

The following table explains the key inputs used to measure fair value for investment properties.

Valuation techniques	
Income capitalisation approach	A valuation technique which determines fair value by capitalising a property's core net income at an appropriate, market derived rate of return with subsequent capital adjustments for near-term events, typically including letting up allowances, capital expenditure (including seismic expenditure) and the difference between contract and market rentals.
Discounted cash flow approach	A valuation technique which requires explicit assumptions to be made regarding the prospective income, expenses and capital expenditure (including seismic expenditure) of a property over an assumed holding period, typically 10 years. The assessed cash flows are discounted to present value at an appropriate, market-derived discount rate to determine fair value.
Residual approach	A valuation technique used primarily for property which is undergoing, or is expected to undergo, redevelopment. Fair value is determined through the estimation of a gross realisation on completion of the redevelopment with deductions made for all costs associated with converting the property to its end use including finance costs and a typical profit margin for risks assumed by the developer.

Unobservable inputs within the income capitalisation approach	
Gross market rent	The annual amount for which a tenancy within a property is expected to achieve under a new arm's length leasing transaction, including a fair share of property operating expenses.
Core capitalisation rate	The rate of return, determined through analysis of comparable market-related sales transactions, which is applied to a property's core net income to derive value.
Other income capitalisation rate	The rate of return which is applied to other, typically variable or uncontracted, sources of property income to derive value and that is assessed with consideration to the risks in achieving each income source.

Unobservable inputs within the discounted cash flow approach	
Discount rate	The rate, determined through analysis of comparable market-related sales transactions, that is applied to a property's future net cash flows to convert those cash flows into a present value.
Terminal capitalisation rate	The rate which is applied to a property's core net income at the end of an assumed holding period, typically 10 years, to derive an estimated future market value.
Rental growth rate	The annual growth rate applied to market rents over an assumed holding period, typically 10 years.

3.3 Inventories

	2025 $000	2024 $000
Opening balance	73,500	–
Additional expenditure	15,671	–
Transfer from investment properties	–	73,500
Closing balance	**89,171**	**73,500**

The Group classifies inventories as current assets as it intends to sell the assets within its normal operating cycle even when they are not expected to be realised within 12 months after the reporting period.

Recognition and measurement

Inventories are properties that are being redeveloped with a view to sell. When inventories arise from a change in use of investment properties such as by the commencement of development with a view to sell, the properties are reclassified as inventories at their deemed cost, which is the fair value at the date of reclassification.

They are subsequently carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less costs to complete redevelopment and selling expenses.

3.4 Deferred tax

	2025 $000	2024 $000
Deferred tax assets		
Interest rate derivatives	1,734	–
Deferred tax liabilities		
Interest rate derivatives	–	1,098
Depreciation recoverable	124,309	105,974
Deferred leasing costs and other temporary differences	8,596	7,160
Deferred tax liabilities	**132,905**	**114,232**

Recognition and measurement

Deferred tax is provided for all taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available to utilise them. For deferred tax assets or liabilities arising on investment property, it is assumed that the carrying amounts of investment property will be recovered through sale. Deferred tax is disclosed on a net basis, as the deferred tax assets and the deferred tax liabilities relate to the same taxation authority.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) applicable at balance date.

3.5 Funding

3.5.1 Interest bearing liabilities

The Group's secured interest bearing liabilities are as follows:

	2025 $000	2024 $000
Current interest bearing liabilities		
Fixed-rate green bonds	101,457	126,387
Non-current interest bearing liabilities		
Bank loans - total facilities	1,000,000	950,000
Bank loans - undrawn facilities	(217,000)	(256,000)
Bank loans - drawn facilities	783,000	694,000
Fixed-rate green bonds	400,180	374,772
	1,183,180	**1,068,772**
Interest bearing liabilities	**1,284,637**	**1,195,159**

	2025 $000	2024 $000
Face value of fixed-rate green bonds - current	100,000	125,000
Face value of fixed-rate green bonds - non-current	400,000	375,000
Face values	**500,000**	**500,000**

	2025	2024
Weighted average interest rate for drawn debt (inclusive of bonds, active interest rate derivatives, margins and line fees)	5.30%	5.61%
Weighted average term to maturity for the combined facilities	3.1 years	3.6 years

Recognition and measurement

All interest bearing liabilities are initially recognised at the fair value of the consideration received, less directly attributable transaction costs. After initial recognition, they are subsequently measured at amortised cost using the effective interest rate method whereby the transaction costs are spread over the expected life of the instrument.

3.5.1 Interest bearing liabilities (continued)

Bank loans

The Group's bank loans are provided by:

- ANZ Bank New Zealand Limited
- Bank of New Zealand
- China Construction Bank (New Zealand Branch)
- Commonwealth Bank of Australia
- The Hongkong and Shanghai Banking Corporation Limited (New Zealand Branch)
- Industrial and Commercial Bank of China Limited, Auckland Branch (ICBC)
- MUFG Bank, Ltd (Auckland Branch)
- Westpac New Zealand Limited.

In September 2024, the Group increased the overall bank facilities from $0.95 billion to $1.00 billion.

The Group is required to comply with certain financial covenants in respect of its interest bearing liabilities. During the 2025 financial year, the Group was in compliance with all of its financial covenants.

Fixed-rate green bonds

The following table provides details of the Group's fixed-rate green bonds:

NZX code	Value of issue $000	Date issued	Date of maturity	Interest rate	Interest payable	Fair value 2025 $000	Fair value 2024 $000
KPG030	125,000	19-Dec-17	19-Dec-24	4.33%	June, December	-	122,829
KPG040	100,000	12-Nov-18	12-Nov-25	4.06%	May, November	99,708	96,324
KPG050	150,000	19-Jul-21	19-Jul-28	2.85%	January, July	140,110	131,114
KPG060	125,000	27-Mar-23	27-Sep-29	6.24%	March, September	130,195	125,228
KPG070	125,000	19-Dec-24	19-Jun-30	5.35%	June, December	124,708	-
Fixed-rate green bonds						**494,721**	**475,495**

The fair value of the fixed-rate green bonds is based on their listed market prices at balance date and is classified as Level 1 in the fair value hierarchy (2024: Level 1). Refer to note 1.7 for further information on the fair value hierarchy.

Security

The bank loans and fixed-rate green bonds are secured by a Global Security Deed granted by the Charging Group over all of their assets, together with first ranking registered mortgages over substantially all of the real property (being land and buildings and other fixtures on that land) owned by the Charging Group. The Charging Group comprises Kiwi Property Group Limited and its subsidiaries that are party to the Global Security Deed as guarantors. At the date of these financial statements, the guaranteeing subsidiaries comprise Kiwi Property Holdings Limited, Kiwi Property Holdings No. 2 Limited, Kiwi Property Holdings No. 3 Limited, Kiwi Property Holdings No. 4 Limited, Kiwi Property Holdings No. 5 Limited, Kiwi Property Holdings No. 7 Limited, Sylvia Park Business Centre Limited, Kiwi Property Te Awa Limited and Kiwi Property Centre Place Limited. The guaranteeing subsidiaries may change from time to time.

3.5.2 Interest rate derivatives

The Group is exposed to changes in interest rates and uses interest rate derivatives to mitigate these risks (commonly referred to as interest rate swaps).

The following table provides details of the fair values, notional values, terms and interest rates of the Group's interest rate derivatives.

	2025 $000	2024 $000
Interest rate derivative assets – current	51	2,619
Interest rate derivative assets – non-current	706	3,503
Interest rate derivative liabilities – current	(3)	(2)
Interest rate derivative liabilities – non-current	(6,945)	(2,197)
Net fair values of interest rate derivatives	**(6,191)**	**3,923**
Notional value of interest rate derivatives – fixed-rate payer – active	625,000	560,000
Notional value of interest rate derivatives – fixed-rate payer – forward starting	215,000	285,000
Notional values	**840,000**	**845,000**
Fixed-rate payer swaps:		
Weighted average term to maturity – active	1.9 years	1.0 years
Weighted average term to maturity – forward starting	5.5 years	3.5 years
Weighted average term to maturity	**2.8 years**	**1.8 years**
Fixed-rate payer swaps:		
Weighted average interest rate – active[1]	2.98%	4.32%
Weighted average interest rate – forward starting[1]	4.12%	4.08%
Weighted average interest rate	**3.27%**	**4.24%**

1 Excluding fees and margins.

3.5.2 Interest rate derivatives (continued)

Recognition and measurement

Interest rate derivative instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured to fair value each balance date exclusive of accrued interest. Fair values at balance date are calculated to be the present value of the estimated future cash flows of these instruments. Transaction costs are expensed on initial recognition and recognised in profit or loss. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

The Group does not designate any derivatives into hedging relationships. Gains or losses arising from changes in fair value of interest rate derivatives are recognised in profit or loss.

Key estimate: fair value of interest rate derivatives

The fair values of interest rate derivatives are determined from valuations prepared by an independent treasury advisor using valuation techniques classified as Level 2 in the fair value hierarchy (2024: Level 2). Refer to note 1.7 for further information on the fair value hierarchy. These 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 at balance date. Fair values also reflect the current creditworthiness of the derivative counterparties. These values are verified against valuations prepared by the respective counterparties. The valuations were based on market rates at 31 March 2025 of between 3.61% for the 90-day BKBM and 4.11% for the 10-year swap rate (2024: 5.64% and 4.37%, respectively).

3.5.3 Capital management

The Group is subject to the capital requirement imposed by the Group's Senior Facilities Agreement governing its interest bearing liabilities which requires that total finance debt be maintained at no more than 50% of the total tangible assets of the Group. Gearing for the Group's fixed-rate bonds is maintained at no more than 50%, as governed by the Master Trust Deed between the Group and the Supervisor (Public Trust). The Group has complied with its Senior Facilities Agreement capital requirement at all times throughout the year.

The Group actively manages liquidity risk to ensure that it is able to access sufficient funds on a timely basis to meet operational expenses, capital and debt expiry commitments as and when they fall due. To enhance its access to a range of funding sources, the Group has secured credit ratings from S&P Global Ratings. To minimise liquidity risk, the Group ensures that it maintains sufficient capacity in its overall debt facilities to cover projected debt (current debt plus Board approved capital commitments), has ready access to sufficient cash reserves or available debt drawdowns, and reliably forecasts its expected cash requirements. Further detail on liquidity risk is provided in note 4.3.

At balance date, the market capitalisation of the Group (being the 31 March 2025 closing share price, as quoted on the NZX Main Board, multiplied by the number of shares on issue) was below the carrying amount of the Group's net assets and shareholders' funds. In considering the difference, the Group notes that at 31 March 2025 96% of total assets (2024: 96%) are investment properties which are carried at fair value as detailed in note 3.2.

Factors that may influence market capitalisation include, amongst other things:

- Broader market and investor sentiment
- Property market segment sentiment, particularly with regard to retail assets
- Effect of leverage of debt funding and including corporate overheads
- The impact of changes in interest rates, inflation, supply chain issues and other market factors

In the review of valuations and the considerations around fair value determined by the independent valuers (as disclosed in note 3.2), and having considered the influencing factors above, the Group considers the carrying amount of net assets is appropriate.

3.6 Trade and other payables

	2025 $000	2024 $000
Trade creditors	28,376	32,369
Interest and finance charges payable	3,144	3,621
Development costs payable	8,485	14,979
Employment liabilities	4,481	5,210
Rent received in advance	4,771	3,813
Goods and Services Tax payable	1,218	509
Trade and other payables	**50,475**	**60,501**

Recognition and measurement

Trade and other payables are carried at amortised cost and due to their short-term nature are not discounted. Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that a future outflow of cash or other benefit will be required and a reliable estimate can be made of the amount of the obligation.

3.7 Equity

3.7.1 Share capital

The following table provides details of movements in the Group's issued shares:

	2025 Number 000	2025 Amount $000	2024 Number 000	2024 Amount $000
Balance at the beginning of the year	1,591,972	1,682,795	1,571,171	1,664,774
Issue of shares:				
Dividend reinvestment	32,121	28,845	19,701	16,948
Long-term incentive plan – shares issued	1,043	–	1,100	–
Long-term incentive plan – shares vested	–	994	–	1,073
Employee share ownership plan – shares issued	80	–	–	–
Employee share ownership plan – shares vested	–	96	–	–
Disposal of treasury shares	–	787	–	–
Balance at the end of the year	**1,625,216**	**1,713,517**	**1,591,972**	**1,682,795**

Recognition and measurement

Share capital is recognised at the fair value of the consideration received by the Company. Costs relating to the issue of new shares have been deducted from proceeds received.

All shares carry equal weight in respect of voting rights, dividend rights and rights on winding up of the Company and have no par value.

3.7.2 Dividends

Dividends paid during the year comprised:

	Payment date	2025 cps	2025 $000	Payment date	2024 cps	2024 $000
Dividends paid		1.425	22,688		1.425	22,392
Imputation credits		0.190	3,020		0.274	4,307
Q4 final dividend	**21-Jun-24**	**1.615**	**25,708**	21-Jun-23	**1.699**	**26,699**
Dividends paid		1.350	21,507		1.425	22,524
Imputation credits		0.293	4,666		0.267	4,226
Q1 interim dividend	**20-Sep-24**	**1.643**	**26,173**	20-Sep-23	**1.692**	**26,750**
Dividends paid		1.350	21,655		1.425	22,672
Imputation credits		0.374	5,999		0.227	3,610
Q2 interim dividend	**20-Dec-24**	**1.724**	**27,654**	20-Dec-23	**1.652**	**26,282**
Dividends paid		1.350	21,799		1.425	22,672
Imputation credits		0.333	5,372		0.327	5,198
Q3 interim dividend	**24-Mar-25**	**1.683**	**27,171**	22-Mar-24	**1.752**	**27,870**
Total dividends paid		**5.475**	**87,649**		**5.700**	**90,260**
Total imputation credits		**1.189**	**19,057**		**1.095**	**17,341**
Total dividends		**6.664**	**106,706**		**6.795**	**107,601**

Dividend payments are based on a range of factors, including with particular reference to the Group's adjusted funds from operations (AFFO), which is the primary basis on which dividend amounts are determined. AFFO is a non-GAAP performance measure used by the Group to determine underlying and recurring cash flows from operations. AFFO is calculated with reference to the guidelines established by the Property Council of Australia. In determining a dividend payment, the Group will have regard to, amongst other things, the solvency requirements under the Companies Act 1993, its banking and green bond covenants and internal financing targets, its future investment plans, current and forecast earnings, operating cash flows, and the economic climate and competitive environment. Having regard to these matters, the Group will target a dividend payout ratio of approximately 90% to 100% of AFFO.

The Group operates a Dividend Reinvestment Plan (DRP) which allows eligible shareholders to elect to reinvest dividends in shares. The Board, at its sole discretion, may suspend the DRP at any time and/or apply a discount to which shares are issued under the DRP. The DRP applied to the dividend payments shown above, with the exception of the Q4 final dividend. In total, $28.8 million of dividends were reinvested.

3.7.3 Earnings per share

	2025	2024
Profit/(loss) and total comprehensive profit/(loss) after income tax attributable to shareholders ($000)	56,992	(2,119)
Weighted average number of shares for the purpose of basic profit/(loss) per share (000)	1,594,613	1,584,750
Weighted average number of shares for the purpose of diluted profit/(loss) per share (000)	1,600,132	1,589,968
Basic profit/(loss) per share (cents)	**3.57**	**(0.13)**
Diluted profit/(loss) per share (cents)	**3.56**	**(0.13)**

3.7.4 Share-based payments

Long-term incentive (LTI) plans

Performance Share Rights LTI Plan

Participants of the LTI plan are issued Performance Share Rights (PSRs) for service periods of three years. The number of PSRs that can be exercised and converted into shares in the Company depends on a mix of the Company's shareholder return relative to comparator entities and a return on capital employed metric over a three year performance period. On vesting, the participant is entitled to receive one share upon the valid exercise of each vested PSR they hold.

On 1 April 2022, the LTI plan was changed from an annual tranche vesting approach to a single-point, three-year vesting approach. The previous plan was progressively phased out (referred to as 'grandfathering') over the 31 March 2023 and 31 March 2024 financial years.

Recognition and measurement

The fair value of the LTI plans at grant date is recognised over the vesting period of the plan as an employee entitlements expense, with a corresponding increase in the share-based payments reserve. The fair value is independently measured using an appropriate option pricing model.

			Number of performance share rights				
Start of performance period	Measurement date	Performance share right price at grant date	Balance at the beginning of the year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year
2025							
1 April 2024	31 March 2027	$0.835	–	2,219,208	–	(270,330)	1,948,878
1 April 2023	31 March 2026	$0.874	2,373,248	–	–	(413,014)	1,960,234
1 April 2022	31 March 2025	$1.071	1,872,591	–	–	(297,485)	1,575,106
Previous plans	Various	Various	1,170,480	–	(1,043,072)	(127,408)	–
Total			**5,416,319**	**2,219,208**	**(1,043,072)**	**(1,108,237)**	**5,484,218**

3.7.4 Share-based payments (continued)

			Number of performance share rights				
Start of performance period	**Measurement date**	**Performance share right price at grant date**	**Balance at the beginning of the year**	**Granted during the year**	**Exercised during the year**	**Forfeited during the year**	**Balance at the end of the year**
2024							
1 April 2023	31 March 2026	$0.874	–	2,373,248	–	–	2,373,248
1 April 2023 (grandfathered plan)	31 March 2024	$0.874	–	509,595	–	–	509,595
1 April 2022	31 March 2025	$1.071	1,872,591	–	–	–	1,872,591
1 April 2022 (grandfathered plan)	31 March 2023	$1.071	886,849	–	(388,002)	(110,853)	387,994
1 April 2021	31 March 2022	$1.238	582,047	–	(309,156)	–	272,891
1 April 2020	31 March 2021	$0.888	402,357	–	(402,357)	–	–
Total			**3,743,844**	**2,882,843**	**(1,099,515)**	**(110,853)**	**5,416,319**

Key estimates and assumptions: fair value measurement of LTI plan

The fair value of the LTI plans have been determined using a Monte Carlo simulation to model a range of future share price outcomes for the Company and comparator entities. The fair value at grant date and the measurement inputs used were as follows:

Performance Share Rights LTI Plan

Measurement date	**31 March 2027**	**31 March 2026**	**31 March 2025**
Weighted average performance share right price at grant date	$0.835	$0.874	$1.071
Risk-free rate	4.50%	4.49%	3.59%
Standard deviation of the comparator entities	14.1% – 21.2%	15.5% – 22.7%	12.1% – 17.8%
Correlation between Company share price and comparator entities	14.7% – 54.4%	30.5% – 57.5%	27.8% – 65.4%
Estimated fair value per share	$0.558	$0.612	$0.830

The volatility and correlation measures were derived from measuring the standard deviation and correlation of returns for listed entities in the S&P/NZX All Real Estate Index over a three-year period. The risk free rate was based on government bond yields over the same period.

It has been assumed that participants will remain employed with the Company on the vesting date. Dividend assumptions are based on projected dividend payments over the vesting period.

The employee entitlements expense relating to the LTI plan for the year ended 31 March 2025 is $1.32 million (2024: $1.82 million) with a corresponding movement in the share-based payments reserve. The unamortised fair value of the remaining performance share rights at 31 March 2025 is $1.00 million (2024: $1.37 million).

4. Financial risk management

FOR THE YEAR ENDED 31 MARCH 2025

In the normal course of business, the Group is exposed to a variety of financial risks. This section explains the Group's exposure to financial risks, how these risks could affect the Group's financial performance and how they are managed.

The Group is exposed to the following financial risks through its use of financial instruments:

- Interest rate risk
- Credit risk
- Liquidity risk

Financial instruments

The following items in the Consolidated Statement of Financial Position are classified as financial instruments: cash and cash equivalents, trade and other receivables, trade and other payables, interest bearing liabilities and interest rate derivatives. All financial instruments are recorded at amortised cost with the exception of interest rate derivatives, which are recorded at fair value through profit or loss.

Risk management

The Board has overall responsibility for establishing and overseeing the Group's risk management framework. The Board has an Audit and Risk Committee with responsibilities that include risk management, compliance and financial management and control.

The Group has developed a risk management framework which guides management and the Board in the identification, assessment and monitoring of new and existing risks. Management report to the Audit and Risk Committee and the Board on relevant risks and the controls and treatments of those risks.

4.1 Interest rate risk

Nature of the risk

Interest rate risk is the risk that fluctuations in interest rates impact the Group's financial performance or the fair value of its holdings of financial instruments.

Risk management

The Group adopts a policy of reducing its exposure to changes in interest rates by utilising interest rate derivatives to limit future interest cost volatility by exchanging floating rate interest obligations for fixed rate interest obligations or by exchanging fixed rate interest obligations for floating rate interest obligations. The Group has established a treasury management group consisting of senior management and external treasury advisors to review and set treasury strategy within the guidelines of its treasury policy.

Exposure

The Group's exposure to interest rate risk arises primarily from bank loans which are subject to floating interest rates. The weighted average interest rate, term to maturity of interest bearing liabilities and details of the interest rate derivatives utilised are set out in note 3.5. The fair value of interest rate derivatives is impacted by changes in market interest rates.

4.1 Interest rate risk (continued)

Sensitivity to interest rate movements

The following sensitivity analysis shows the effect on profit or loss and equity if market interest rates at balance date had been 100 basis points higher or lower with all other variables held constant.

An increase in market interest rates gives rise to a favourable impact on profit or loss and equity due to the fair value of the interest rate derivatives increasing by more than the additional interest costs as at the balance date, and does not impact the operating profitability of the business.

	2025		2024	
	100 bps increase ($000)	**100 bps decrease ($000)**	100 bps increase ($000)	100 bps decrease ($000)
Impact on interest and finance charges	(1,580)	1,580	(1,340)	1,340
Impact on fair value of interest rate derivatives	15,839	(16,639)	10,553	(10,969)
Net impact on profit/(loss)	**14,259**	**(15,059)**	**9,213**	**(9,629)**
Net impact on equity	**10,266**	**(10,842)**	**6,633**	**(6,933)**

4.2 Credit rate risk

Nature of the risk

Credit rate risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group incurs credit risk in the normal course of business from trade receivables and transactions with financial institutions.

Risk management

The risk associated with trade receivables is managed with a credit policy which includes performing credit evaluations on tenants and imposing standard payment terms and the monitoring of aged debtors. Collateral is obtained where possible. The risk from financial institutions is managed by only placing cash and deposits with high credit quality financial institutions.

Exposure

The carrying amounts of financial assets recognised in the Consolidated Statement of Financial Position best represent the Group's maximum exposure to credit risk and are recognised net of any provision for losses on these financial instruments.

The Group is not exposed to any concentrations of credit risk.

4.3 Liquidity risk

Nature of the risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

Risk management

The Group evaluates its liquidity requirements on an ongoing basis by continuously forecasting cash flows. The Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has bank facilities available to cover potential shortfalls. The Group's approach to managing liquidity risk is to ensure it will always have sufficient liquidity to meet its obligations when they fall due under both normal and stress conditions. The Group manages liquidity by maintaining adequate committed credit facilities and spreading maturities in accordance with its treasury policy.

Exposure

The following table analyses the Group's financial liabilities into relevant maturity groupings based on the earliest contractual maturity date at balance date. The amounts are contractual undiscounted cash flows, which includes interest through to maturity and assumes all other variables remain constant.

		Contractual cash flows (principal and interest)					
	Consolidated Statement of Financial Position $000	Total $000	0-6 months $000	6-12 months $000	1-2 years $000	2-5 years $000	>5 years $000
2025							
Trade and other payables recognised as financial liabilities	36,861	36,861	36,861	–	–	–	–
Interest bearing liabilities	1,284,637	1,478,486	32,306	130,760	275,082	913,854	126,484
Net interest rate derivatives	6,191	7,027	1,017	1,692	3,096	2,014	(792)
Total financial liabilities	**1,327,689**	**1,522,374**	**70,184**	**132,452**	**278,178**	**915,868**	**125,692**

		Contractual cash flows (principal and interest)					
	Consolidated Statement of Financial Position $000	**Total $000**	**0-6 months $000**	**6-12 months $000**	**1-2 years $000**	**2-5 years $000**	**>5 years $000**
2024							
Trade and other payables recognised as financial liabilities	47,348	47,348	47,348	–	–	–	–
Interest bearing liabilities	1,195,159	1,458,550	36,446	159,934	165,934	967,368	128,868
Net interest rate derivatives	(3,923)	(4,455)	(3,507)	(2,455)	(809)	2,192	124
Total financial liabilities	**1,238,584**	**1,501,443**	**80,287**	**157,479**	**165,125**	**969,560**	**128,992**

5. Other information

FOR THE YEAR ENDED 31 MARCH 2025

5.1 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is the Chief Executive Officer (CEO). The CEO is responsible for allocating resources and assessing performance of the operating segments.

Operating segments have been determined based on the reports reviewed by the CEO to assess performance, allocate resources and make strategic decisions.

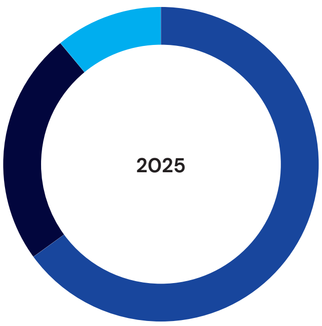
The Group's primary assets are investment properties. Segment information for investment properties is provided in note 3.2. Investment properties held for sale are included in the other segment. The Group operates in New Zealand only.

Vero Centre was recognised as investment properties held for sale in the 2024 financial year and was included in the 'Other' segment. In the 2025 financial year, the property was no longer considered 'held for sale' and was reclassified to investment properties and included within the 'Office' segment.

The following table is an analysis of the Group's profit by reportable segments used during the year:

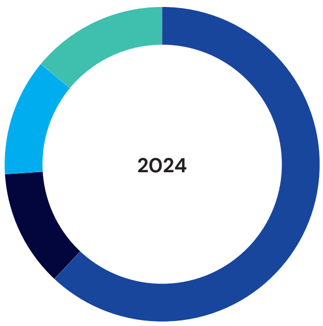
	Mixed-use $000	Office $000	Retail $000	Other $000	Total $000
2025					
Property revenue	166,193	64,937	27,641	732	259,503
Less: straight-lining of fixed rental increases	(898)	(2,904)	1,361	–	(2,441)
Less: direct property expenses	(40,385)	(16,183)	(8,173)	(623)	(65,364)
Segment profit	**124,910**	**45,850**	**20,829**	**109**	**191,698**

	Mixed-use $000	Office $000	Retail $000	Other $000	Total $000
2024					
Property revenue	149,063	31,059	27,031	33,388	240,541
Less: straight-lining of fixed rental increases	(808)	(1,489)	1,558	(760)	(1,499)
Less: direct property expenses	(34,132)	(7,862)	(6,789)	(6,849)	(55,632)
Segment profit	**114,123**	**21,708**	**21,800**	**25,779**	**183,410**



Segment profit

Mixed-use	65%
Office	24%
Retail	11%
Other	0%



Segment profit

Mixed-use	62%
Office	12%
Retail	12%
Other	14%

5.1 Segment information (continued)

A reconciliation of the segment profit to the profit before income tax reported in the Consolidated Statement of Comprehensive Income is provided as follows:

	2025 $000	2024 $000
Segment profit	191,698	183,410
Property management revenue	4,216	4,132
Employment and administration expenses	(25,225)	(32,737)
Interest income	686	710
Interest and finance charges	(57,557)	(48,766)
Net fair value loss on investment properties	(11,622)	(77,800)
Net fair value loss on interest rate derivatives	(10,114)	(4,102)
Loss on disposal of investment properties	(16)	(1,651)
Increase in rental income resulting from straight-lining of fixed rental increases	2,441	1,499
Profit before income tax	**94,507**	**24,695**

The following table is an analysis of the Group's assets and liabilities by reportable segments used during the year:

	Mixed-use $000	Office $000	Retail $000	Other $000	All other segments $000	Total $000
2025						
Segment assets	2,178,032	817,732	163,168	159,822	20,564	**3,339,318**
Segment liabilities	30,719	6,125	13,125	2,038	1,427,380	**1,479,387**

	Mixed-use $000	Office $000	Retail $000	Other $000	All other segments $000	Total $000
2024						
Segment assets	2,096,093	359,729	150,148	607,169	21,963	**3,235,102**
Segment liabilities	32,301	3,180	13,254	5,430	1,320,975	**1,375,140**

All assets are allocated to reportable segments other than cash and cash equivalents, loan receivable, deferred tax assets, interest rate derivatives and property, plant and equipment.

All liabilities are allocated to reportable segments other than interest bearing liabilities, deferred tax liabilities, income tax payable and interest rate derivatives.

5.2 Related party transactions

The Group holds its 50% interests in The Base and Centre Place North through unincorporated joint ventures. The principal activity of the joint ventures is to own and manage the joint venture properties. Kiwi Property manages the joint venture properties on behalf of the joint ventures and receives management fees in accordance with the Property Management Agreements.

The transactions with the joint ventures and the balances outstanding at 31 March 2025, are outlined in the tables below.

During the year, the following income or expense reimbursements were received or receivable from the joint ventures:

	2025 $000	2024 $000
Property management revenue	2,288	1,935
Expenditure reimbursement	3,173	2,619
Leasing fees	540	939
Development management fees	114	90
Legal fees	110	125
Retail design management fees	33	43
Total related party transactions	**6,258**	**5,751**

The following balances were (payable)/receivable from the joint ventures at balance date:

	2025 $000	2024 $000
The Base	(19)	17
Centre Place North	7	66
Total related party balances	**(12)**	**83**

The following distributions were received from the joint ventures during the year:

	2025 $000	2024 $000
The Base	14,492	12,509
Centre Place North	2,666	2,405
Total related party distributions	**17,158**	**14,914**

The following contributions were made to the joint venture during the year:

	2025 $000	2024 $000
The Base	2,949	–
Total related party contributions	**2,949**	**–**

5.3 Key management personnel

	2025 $000	2024 $000
Directors' fees	774	768
Short-term employee benefits	3,514	4,704
Other long-term benefits	(7)	12
Share-based payments	984	1,299
Key management personnel costs	**5,265**	**6,783**

Additional disclosures relating to key management personnel are set out in the remuneration report. Further details regarding share-based payments can be found in note 3.7.4.

5.4 Commitments

The following costs have been committed to but not recognised in the consolidated financial statements as they will be incurred in future reporting periods:

	2025 $000	2024 $000
Development costs at Sylvia Park	9,266	13,470
Development costs at LynnMall	–	352
Development costs at The Plaza	–	10,395
Drury infrastructure	1,530	2,111
Capital commitments	**10,796**	**26,328**

Ground leases

Ground leases exist over ASB North Wharf, The Base, Centre Place North and certain adjoining properties. In addition, ground leases also exist over parts of the land at Sylvia Park. The amount paid in respect of ground leases during the year was $0.1 million (2024: $0.1 million). The leases terminate between June 2031 and May 2136.

The ground leases are accounted for in line with NZ IFRS 16 as outlined in note 3.2.

5.5 Subsequent events

In April 2025, a sale and purchase agreement under which the Group agreed to sell 1.2 hectares of large-format retail land at Drury, Auckland to Foodstuffs North Island Limited, became unconditional.

On 23 May 2025 the Board declared a final dividend for the quarter ended 31 March 2025 of 1.350 cents per share (cps) (equivalent to $21.9 million), together with imputation credits of 0.301 cps. The dividend record date is 6 June 2025 and payment will occur on 19 June 2025.

Deloitte.

Independent auditor's report

TO THE SHAREHOLDERS OF KIWI PROPERTY GROUP LIMITED

Opinion

We have audited the consolidated financial statements of Kiwi Property Group Limited and its controlled entities (the 'Group'), which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements, on pages 39 to 79, present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2025, and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor and other assurance services (review of the consolidated interim financial statements, audits of joint venture financial statements, audits of special purpose financial information in accordance with tenancy agreements, and limited assurance over selected greenhouse gas information included in the climate related disclosures), we have no relationship with or interests in the Company or any of its controlled entities. These services have not impaired our independence as auditor of the Company and Group.

Audit materiality

We consider materiality primarily in terms of the magnitude of misstatement in the financial statements of the Group that in our judgement would make it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced (the 'quantitative' materiality). In addition, we also assess whether other matters that come to our attention during the audit would in our judgement change or influence the decisions of such a person (the 'qualitative' materiality). We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Group financial statements as a whole to be $5.5 million.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of Investment Properties As disclosed in note 3.2 of the consolidated financial statements, as at 31 March 2025 the Group holds $3.2 billion of investment properties, across the mixed use, office, retail and other sectors. These assets are held at fair value. The valuation of investment properties requires estimates and key assumptions to be made. Further the inputs used to determine the fair value of the properties are not based on observable market data. Small percentage changes in any of the key inputs or assumptions used in the property valuations could result in a material misstatement of the overall valuation of investment properties. Except for a small number of non-core residential properties owned by the Group which were subject to a kerbside valuation assessment, all investment properties were valued as at 31 March 2025. All valuations are prepared by independent registered valuers, and the Group has adopted the assessed values as determined by the valuers. Investment Properties are valued using the income capitalisation approach or discounted cashflow approach, or a combination of both. The calculation includes assumptions in respect of capitalisation rates, discount rates, contract rent, market rent, vacancy rates and capex requirements, including allowances for seismic strengthening works. The valuation of investment properties is a key audit matter due to the materiality of revaluation gains/losses and the carrying amounts in the financial statements, as well as the judgement involved in determining the fair values.	Our audit procedures focussed on the appropriateness of the valuation methodologies and key inputs applied in the models. We assessed the valuers' experience and professional accreditations. This included having each of the valuers confirm their independence, qualifications and that the scope of work undertaken was in line with professional valuation standards and financial reporting standards. In addition, we considered the Group's process for reviewing and challenging the valuation reports to ensure that they accurately reflect the individual characteristics of each property. We have read the valuation reports for all properties that are subject to valuation at year end. We checked for any limitations of scope in the valuation reports that would impact the reliability of the valuations. For all properties, we agreed the carrying amount to the external valuation reports. Where considered appropriate, discussions were held with the valuers to confirm the valuation approach used. These discussions related to the general market, as well as specific properties identified by us. The major inputs to the valuation process were tested across a sample of properties. For the sample selected, key changes in rental assumptions, occupancy, discount rates, capitalisation rates and terms were agreed to underlying lease agreements and to market comparatives where relevant. Yields were compared to property industry publications and other observable market data where available. Where relevant, we obtained and tested support for management's estimate of costs on properties with significant development or seismic works. Our internal valuation specialists were used in assessing the appropriateness of the valuation methodology.

Other information

The directors are responsible on behalf of the Group for the other information. The other information comprises the information in the Annual Report that accompanies the consolidated financial statements and the audit report, and the Sustainability Report and Climate-related Disclosures.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and consider whether it is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibilities for the consolidated financial statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at:

https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's 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 Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Andrew Boivin, Partner
for Deloitte Limited
Auckland, New Zealand
23 May 2025

Other information

Contents

Corporate governance

We are committed to the highest standards of corporate governance.

Our corporate governance framework draws on guidelines, principles, recommendations, and requirements from a variety of sources including the NZX Listing Rules and NZX Corporate Governance Code (the NZX Code). In addition, the Board has approved policies and practices that aim to reflect best practice corporate governance.

The overarching purpose of the NZX Code is to promote good corporate governance. The NZX Code contains corporate governance principles. For each principle, the NZX Code sets out good practice recommendations.

NZX Code compliance

Kiwi Property has followed the recommendations set out in the NZX Code for the year ended 31 March 2025, except to the extent set out in the Kiwi Property FY25 Corporate Governance Statement, which is available on our website kp.co.nz/about-us/corporate-governance.

This statement is current as at 31 March 2025 and has been approved by the Board.

The corporate governance policies, practices and processes that Kiwi Property adopted or followed for the year ended 31 March 2025 are summarised, or referred to, in the Kiwi Property FY25 Corporate Governance Statement.

The following disclosures are required to be made in this Annual Report by the NZX Listing Rules, the Companies Act 1993 and other legislation, rules or disclosure regimes.

Director independence

Director independence is determined in accordance with the requirements of the NZX Listing Rules. The Board has determined that, as at 31 March 2025, all directors of the Company were independent: Chris Aiken, Peter Alexander, Mary Jane Daly, Carlie Eve, Kevin Kenrick and Simon Shakesheff. This assessment is based on the fact that:

- No director is currently, or was within the last three years, employed in an executive role by the Company, or any of its subsidiaries.
- One director is currently deriving, or has within the last 12 months derived, a substantial portion of their annual revenue from the Company. The Board is satisfied that the director is financially secure and would be able to meet their financial obligations in the absence of the revenue that they derive from the Company, and the relevant director is an independent director.
- No director is currently, or was within the last 12 months, in a senior role in a provider of material professional services (other than an external auditor) to the Company or any of its subsidiaries.
- No director is currently, or was within the last three years, employed by the external auditor to the Company or any of its subsidiaries.
- No director currently has, or did have within the last three years, a material business relationship (e.g. as a supplier or customer) with the Company or any of its subsidiaries.
- No director is a substantial product holder of the Company or a senior manager of, or person otherwise associated with, a substantial product holder of the Company.
- No director is currently, or was within the last three years, in a material contractual relationship with the Company or any of its subsidiaries, other than as a director.
- No director has close family ties or personal relationships (including close social or business connections) with anyone in the categories listed above.
- No director has been a director with the Company for a period of 12 years or more.

Corporate governance (continued)

Board committees

The members of the Audit and Risk Committee are Mary Jane Daly (Chair), Carlie Eve and Simon Shakesheff.

The members of the Remuneration and Nominations Committee are Kevin Kenrick (Chair), Chris Aiken and Simon Shakesheff.

The members of the Environmental, Social and Governance Committee are Carlie Eve (Chair), Peter Alexander, and Chris Aiken.

Diversity, equity and inclusion policy

The Board has evaluated the performance of the Company against its Diversity, Equity and Inclusion Policy and considers that the Company has complied with the policy.

More information concerning the Company's Diversity, Equity and Inclusion Policy can be found in the Company's FY25 Corporate Governance Statement, which is available on our website kp.co.nz/about-us/corporate-governance.

Gender diversity

The following table provides a breakdown of the gender composition of the directors and officers of the Company, together with all employees as at the current and prior balance dates:

	2025			
	Number		Proportion %	
	Female	Male	Female	Male
Directors	2	4	33	67
Officers	2	3	40	60
All employees	106	55	66	34

	2024			
	Number		Proportion %	
	Female	Male	Female	Male
Directors	3	3	50	50
Officers	3	4	43	57
All employees	105	52	67	33

Age diversity

The following table provides a breakdown of the age composition of the directors and officers of the Company, together with all employees as at the current balance date:

	2025		
	Number		
	Under 30	30 - 50	50 and over
Directors	–	–	6
Officers	–	2	3
All employees	27	91	43

Corporate governance (continued)

Board Skill Matrix and Experience

Each year, we review the Board's skills and capabilities with the help of a third-party governance advisory firm. Our Director succession planning ensures alignment with the organisation's needs, demonstrating strong coverage in property, financial, and commercial areas, as well as people, culture, and sustainability. The Board also invests in targeted learning throughout the year to minimise potential gaps.

Capability	Key element	Simon Shakesheff	Carlie Eve	Chris Aiken	Kevin Kenrick	Mary Jane Daly	Peter Alexander
Industry	Property investment	●	●	◐	◐	◐	●
	Property development	◐	◐	●			●
	Broad investment and funds management	●	●		◐	●	●
	Financial expertise – prior CFO and / or CA, ability to Chair audit committees	●	●		◐	●	◐
Governance	Listed governance experience	●	◐	●	◐	●	◐
	Scale commercial governance experience – regulatory and / or private	●	◐	◐	●	●	◐
	ESG, sustainability, social license to operate	◐	◐	●	●	●	●
Commercial	Senior leadership (preferably as sector-aligned CEO)	◐	◐	●	●	◐	●
	Experience leading commercial and cultural innovation	◐	◐	●	●	●	●
	M&A, growth transformation, entrepreneurial leadership	●	◐	●	●	●	●
	Capital markets experience	●	●	◐		●	●
Customer connection	Experience implementing retail market strategies			◐	●	◐	◐
	Branding and marketing			◐	●	◐	◐
Stakeholder	Stakeholder and shareholder focus and networks	●	●	●	●	●	●
Technology	Oversight of technology infrastructure and cybersecurity			◐	◐	◐	
	'Front end' technology and digital engagement			●	●	◐	
People and culture	Executive succession planning and remuneration	●	◐	●	●	●	●
	People and talent management, DEI	◐	◐	●	●	●	●
	Demographic diversity		Gender			Gender	

Key:

● This individual is an expert in these areas on the basis of extensive practical experience / senior oversight relevant to Kiwi Property

◐ Good general awareness and understanding of these areas as relevant to Kiwi Property

Remuneration report

Message from the Remuneration and Nominations Committee Chair

Dear Shareholders,

I am pleased to present this Remuneration Report for the year ended 31 March 2025 (FY25) as Chair of the Remuneration and Nominations Committee (RNC). This Report sets out Kiwi Property's remuneration strategy and framework, as well as the performance and remuneration outcomes for the Chief Executive Officer (CEO) for FY25.

Kiwi Property's Board is supported by the RNC to ensure appropriate remuneration governance through policies and practices that enable the Company to attract and retain top talent at all levels. Kiwi Property's approach to remuneration is designed to reward performance and delivery, ensuring strong alignment between performance, remuneration and the interests of shareholders. The RNC's role and responsibilities are detailed in the Remuneration and Nominations Committee Charter that can be found on the Company's website at kp.co.nz/about-us/corporate-governance.

Year in review

Kiwi Property delivered a solid financial and operating performance in FY25, with results reflecting a focus on business fundamentals and management of capital in a challenging economic environment, and progress on key programmes like build-to-rent (BTR) and the foundations for future growth at Drury. Resilient sales, strong occupancy, stabilising valuations, and encouraging progress on leasing the Company's first BTR development at Sylvia Park were particular highlights.

Our FY25 operating earnings before interest and tax (Operating EBIT), a key internal measure used for determining short-term incentive outcomes, exceeded the budget target. In addition, the Company exceeded the FY23-FY25 return on contributed equity (ROCE) target that forms part of the measures that determine the vesting outcome for long-term incentives.

While our share price still trades at a discount to net tangible assets, relative to the peer group of New Zealand property companies, Kiwi Property's total shareholder return over the performance period exceeded the 75th percentile, which is reflected in the outcome of the long-term incentive that was eligible for vesting in FY25. Both performance hurdle measures for the long-term incentive granted in FY23 achieved or exceeded targets, resulting in 81 percent of the performance share rights granted being eligible to vest.

CEO remuneration outcomes

The CEO's remuneration outcomes for FY25 reflect Kiwi Property's performance against its strategic financial and operational performance goals. The CEO's remuneration was reviewed in FY25 and the Board has approved an increase in the CEO's short-term incentive target remuneration from 1 April 2025 as outlined in this Report.

The Board assessed the CEO's performance for FY25, considering both financial performance and the delivery of strategic priorities, and determined a short-term incentive pay-out of $324,635 for the CEO for FY25. This outcome is 75% of the CEO's total on-target STI opportunity. The CEO's long-term incentive granted in FY23 vested as noted above.

I would like to take this opportunity to thank all the employees at Kiwi Property for their commitment and contribution to business performance throughout the year.

On behalf of the Board and RNC, I invite you to read the Remuneration report and welcome your feedback on our approach to and disclosure of Kiwi Property's remuneration arrangements.[1]

Kevin Kenrick,

Chair of the Remuneration and Nominations Committee

1 The information provided in the Remuneration Report is for information purposes only and should not be relied on as (and is not) an indication (including guidance of any kind whatsoever) or guarantee of the future performance of Kiwi Property. Except as required by law, Kiwi Property undertakes no obligation to provide additional or updated information or revise or reaffirm the information in the Remuneration Report whether as a result of new information, future events, results or otherwise.

Remuneration report (continued)

Our remuneration approach

Our remuneration strategy is designed to ensure remuneration practices support Kiwi Property to attract, motivate, retain and reward employees equitably to deliver sustainable, superior shareholder returns.

Our aspiration

To be New Zealand's leading creator and curator of connected communities.

Our remuneration principles

- We reward performance through pay.
- We align expectations to our strategic priorities and values.
- We are committed to fair and equitable remuneration outcomes.
- We pay relative to competitive market benchmarks.
- We consider affordability and sustainable shareholder returns in remuneration outcomes.

Our remuneration structure

Fixed remuneration	Short-term incentive (STI)	Long-term incentive (LTI)
• Consists of base salary and employer contributions to KiwiSaver. • Reflects the scope of the role and individual's skills, experience and performance. • Benchmarked against the median of the market with flexibility to reference the upper quartile where appropriate.	• Annual, cash-based discretionary, at-risk incentive for eligible employees by invitation. • The Company's financial performance determines the funding available for payments. • Individual performance against agreed goals and our values determines individual outcomes.	• Discretionary, equity-based incentive for executives and select senior employees by invitation. • Operates over a 3-year time horizon subject to financial and shareholder measures. • Aligns the interests of participants with those of shareholders. • Rewards the delivery of sustained results over the long-term.

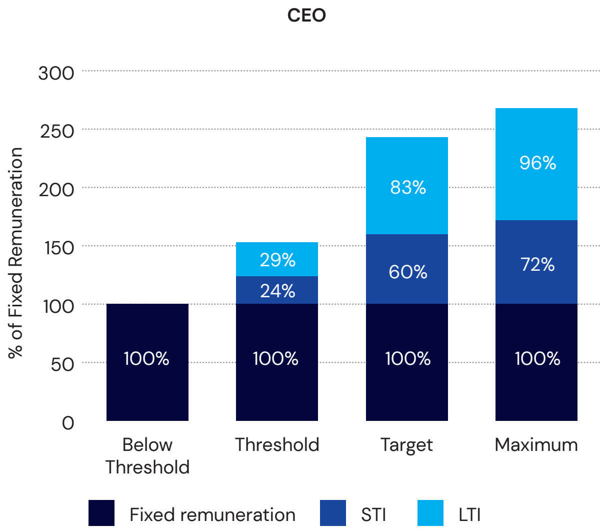
Remuneration mix and time horizons

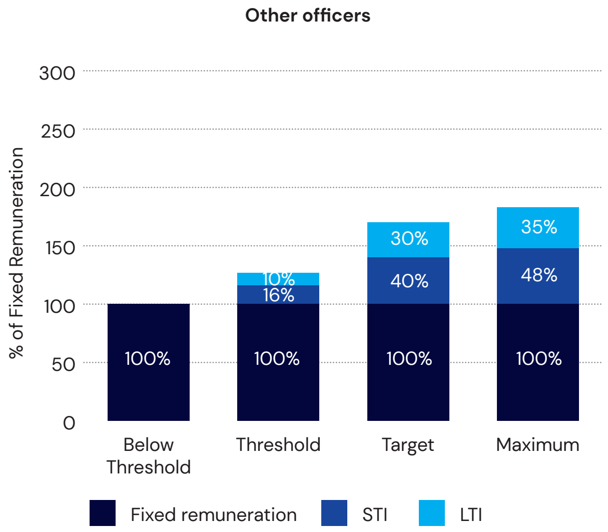
Our executive remuneration packages are geared towards performance-based pay to align performance with the interests of shareholders.

	Fixed remuneration	Short-term incentive (target)		Long-term incentive (target)	
	% of Total	% of Fixed	% of Total	% of Fixed	% of Total
CEO	41	60	25	82.5	34
Executives	59	40	23	30	18

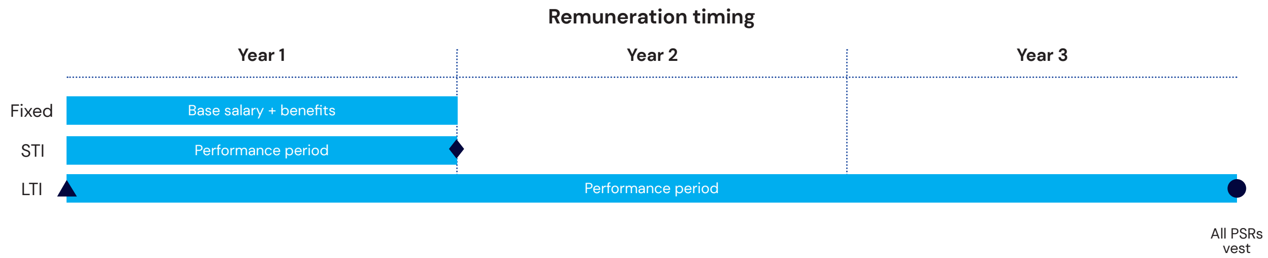
Remuneration report (continued)

For FY25, potential total earnings relative to fixed remuneration range from 100% to 268% for the CEO and to 183% for other executives.





Remuneration outcomes for executives are delivered over a time horizon of up to three years.



Short term incentive (STI)

Our STI Scheme provides eligible employees with the opportunity to be rewarded for their performance and contribution to our annual financial and operational performance. The STI Scheme is funded based on the Company's financial performance, measured by Operating EBIT, with a minimum level of performance required to be met for any payments to be made.

The target for the Operating EBIT measure is set each year based on the Board approved strategic and financial plan. The level of Operating EBIT achieved relative to the target determines the level of funding available for payments under the Scheme, decreasing or increasing in line with actual performance such that the Scheme is fully funded by financial performance.

Incentive targets for employees are set with the potential for participants to earn more for above target performance. For the CEO, the target incentive is set at 60% of fixed remuneration, and for other executives at 40% of fixed remuneration. Other eligible employees have targets in the range of 5% to 30% of fixed remuneration as is appropriate for their role.

Individual outcomes under the Scheme are determined with reference to each participant's performance against specific individual goals and their demonstration of our Values. For the CEO and executives, these goals are aligned to our strategic priorities, financial plan, and key operational performance measures.

Remuneration report (continued)

Long term incentive (LTI) scheme

Our LTI Scheme provides executives and select senior employees, at the invitation of the Board, with the opportunity to receive shares in the Company if long-term performance goals are met. The LTI is delivered in the form of Performance Share Rights (PSR) under the Company's PSR Scheme, with the intent of aligning the remuneration of executives and senior employees with the interests of and value delivered to shareholders over the longer term.

Grants made under the PSR Scheme are subject to a three-year performance and vesting period, at the end of which eligible PSRs will vest and become exercisable by participants, subject to the satisfaction of the performance measures set for the grant. Grants are typically made annually to eligible employees at the approval of the Board, and participants are required to remain employed by the Company through the performance and vesting period of the grant.

FY25 target incentive for the CEO is set at 82.5% of fixed annual remuneration, and for other executives at 30% of fixed annual remuneration. Other participating senior employees have targets in the range of 20% to 25% of fixed annual remuneration.

The grants made under the PSR Scheme in FY25 were subject to the following performance measures:

Measure	Weighting	Description
Return on contributed equity (ROCE)	40%	• The Company's ROCE over the performance period must be within a target range set by the Board as part of the budget approval process. • ROCE is calculated as Adjusted Funds from Operations divided by the weighted average share capital over the performance period. • If the ROCE outcome meets a minimum of 95% of the target, 50% of this component is eligible to vest. If 100% of the target is met, 100% of this component is eligible to vest. If the ROCE outcome meets or exceeds 105% of the target, the maximum 140% of this component is eligible to vest. • Vesting between the minimum and target, and between the target and maximum, will occur on a straight-line progression basis.
Relative total shareholder return (rTSR)	30%	• The Company's total shareholder return (TSR) must achieve the 50th percentile of the TSRs of a peer group of the entities that make up the S&P/NZX All Real Estate Index (excluding Kiwi Property and CDL Investments New Zealand Limited). • If Kiwi Property's TSR over the performance period is at the 50th percentile of the peer group, 50% of this component will be eligible to vest, increasing on a straight-line basis to 100% if Kiwi Property's TSR is at or exceeds the 75th percentile of the peer group.
Absolute total shareholder return (aTSR)	30%	• The Company's TSR must exceed the Company's cost of equity (COE) over the performance period. • COE is calculated and compounded annually. • If the Company's TSR meets or exceeds the Company's COE, 100% of this component is eligible to vest.

Remuneration report (continued)

Remuneration outcomes

CEO remuneration outcomes

The CEO's remuneration for the year ended 31 March 2025 comprised base salary, employer contributions to KiwiSaver, short-term incentive payments relating to performance in FY25, and vesting of LTI grants made in prior reporting periods. The CEO's remuneration package is reviewed annually by the Board and was last increased on 1 April 2022.

The following table outlines the remuneration earned by the CEO in FY25:

Remuneration	Base salary	STI	LTI	KiwiSaver	Total
Amount	$700,400	$324,635[1]	$502,947[2]	$30,751	$1,558,733

1 STI for the performance period 1 April 2024 - 31 March 2025, which will be paid subsequent to the date of these financial statements.
2 Represents value of rights eligible for vesting on 31 March 2025 (estimate based on the share price at 31 March 2025). The final value will be determined on the actual date the rights are converted to shares, subsequent to the date of these financial statements.

The total CEO remuneration in the table above is based on remuneration **earned** during the financial year. The CEO's remuneration as included in the Employee remuneration table on page 93 is based on remuneration **paid** or **received** during the financial year.

The Board approved changes to the CEO's remuneration package from 1 April 2025, with the CEO's STI target increasing to 65% of fixed remuneration and LTI target set on base salary. The CEO's current and new remuneration packages are shown in the following table:

	Base salary	KiwiSaver	Fixed remuneration	STI target	LTI target	KiwiSaver on STI	Total
FY26	$700,400	$21,012	$721,412	$468,918	$577,830	$14,068	$1,782,228
FY25	$700,400	$21,012	$721,412	$432,847	$595,165	$12,985	$1,762,409

Short-term incentive outcome

The CEO's outcome under the Company's STI Scheme for FY25 was $324,635 as summarised in the following table.

Short-term incentive target	Outcome	Outcome as % of target
$432,847	$324,635	75%

This outcome reflects the CEO's performance in the delivery of the strategic goals set by the Board, in the context of the Company's Operating EBIT performance, which sets the funding available for STI payments, exceeding the target approved by the Board for FY25. The following table summarises performance against the Company's strategic priorities in FY25 as relevant to the CEO's STI outcome:

Strategic priority	Performance context
Build a future fit business	• Delivered initiatives to reduce costs and increase revenues that will drive future AFFO and EBIT growth and shareholder returns, including implementing new or extended management and financing agreements. • Lifted employee engagement to sit within the upper quartile benchmark of relevant comparator companies through continued people and leadership investment.
Grow with diverse sources of capital	• Significant capital growth was challenging to achieve due to the subdued market environment and evidenced by the cancelled sale of the Vero Centre. • Additional capital was raised through activation of the dividend reinvestment plan for shareholders and the investment in Mackersey creates potential options for future growth.
Lead the market on mixed use	• Successful opening and leasing of Resido. Forecast NOI was not achieved due to a softer rental market however tenant satisfaction is high, and lease churn is low.

Remuneration report (continued)

Long-term incentive outcome

The long-term incentive granted to the CEO under the PSR Scheme in FY23 was eligible for vesting on 31 March 2025. As summarised in the following table, 81% of the performance share rights vested.

Performance measure	Weighting	Actual outcome	Commentary
ROCE	60.0%		ROCE performance achieved target but was below the maximum.
TSR	40.0%		Relative TSR was above the 75th percentile of the peer group.
Total	**100.0%**	**81.0%**	

Key:

Achieved Partially achieved Not achieved

Performance Share Rights that have been granted, vested or forfeited by the CEO for the year ended 31 March 2025 are detailed in the following table:

Grant date	Vesting date	Grant value	Number of rights granted	Number of rights forfeited	Number of rights vested	Number due to vest in FY26
1 April 2021	31 March 2022	$514,666	454,841	(113,710)	(341,131)	–
1 April 2022	31 March 2023	$350,355	353,319	(44,165)	(309,154)	–
1 April 2023	31 March 2024	$175,035	200,360	(50,090)	(150,270)	–
1 April 2022	31 March 2025	$768,028	716,844	–	Not yet applicable	(716,844)
1 April 2023	31 March 2026	$721,745	826,172	–	Not yet applicable	Not yet applicable
1 April 2024	31 March 2027	$690,391	826,816	–	Not yet applicable	Not yet applicable

Restricted Share Rights that have been granted, vested or forfeited by the CEO for the year ended 31 March 2025 are detailed in the following table:

Grant date	Vesting date	Grant value	Number of rights granted	Number of rights forfeited	Number of rights vested	Number due to vest in FY26
1 April 2021	31 March 2024	$1,164	1,076	–	(1,076)	–
1 April 2022	31 March 2025	$1,164	1,086	–	Not yet applicable	(1,086)
1 April 2023	31 March 2026	$1,164	1,332	–	Not yet applicable	Not yet applicable

Historical remuneration outcomes

The following table shows the remuneration earned by the CEO over the past five years.

Financial year	Base salary	STI	LTI	KiwiSaver	Other	Total[1]
FY25	**$700,400**	**$324,635**	**$502,947**	**$30,751**	**–**	**$1,558,733**
FY24	$700,400	$409,977	$356,492	$33,311	$39,027	$1,539,207
FY23	$700,400	$425,354	$368,756	$33,773	$32,762	$1,561,045
FY22	$680,000	$378,739	$395,345	$31,762	$29,348	$1,515,194
FY21	$680,000	$393,720	$293,734	$32,212	$26,277	$1,425,943

1 The remuneration presented in this table for prior reporting periods has been restated to include the value of KiwiSaver employer contributions paid on STI to be consistent with the reporting approach adopted for FY25.

Remuneration report (continued)

Employee remuneration

During FY25, 98 employees, including 13 former employees, received remuneration totalling $100,000 or more[1].

Amount of remuneration (from $ to $)	Number of employees
100,000 – 109,999	5
110,000 – 119,999	9
120,000 – 129,999	7
130,000 – 139,999	10
140,000 – 149,999	4
150,000 – 159,999	9
160,000 – 169,999	4
170,000 – 179,999	1
180,000 – 189,999	2
190,000 – 199,999	4
200,000 – 209,999	2
210,000 – 219,999	3
220,000 – 229,999	6
230,000 – 239,999	2
240,000 – 249,999	2
250,000 – 259,999	5
260,000 – 269,999	2
270,000 – 279,999	2
280,000 – 289,999	2
290,000 – 299,999	1
300,000 – 309,999	1
310,000 – 319,999	2
320,000 – 329,999	1
340,000 – 349,999	1
370,000 – 379,999	1
390,000 – 399,999	2
410,000 – 419,999	1
450,000 – 459,999	1
470,000 – 479,999	1
670,000 – 679,999	1
680,000 – 689,999	1
690,000 – 699,999	1
700,000 – 709,999	1
1,480,000 – 1,489,999	1
Total employees earning $100,000+	**98**

1 Includes salary payments, allowances and employer contributions to KiwiSaver, and the value of short-term incentives paid and long-term incentives vested during the financial year.

Remuneration report (continued)

Long-term incentives - executives and other employees

Performance Share Rights that have been granted, vested or forfeited by participants (being the Executives and other invited employees, but excluding the CEO) are detailed in the following table:

Grant date	Vesting date	Total participants	Grant value	Number of rights granted	Number of rights forfeited	Number of rights vested	Number due to vest in FY26
1 April 2021	31 March 2022	14	$1,077,033	951,840	(390,323)	(561,517)	–
1 April 2022	31 March 2023	12	$637,559	642,938	(176,098)	(466,840)	–
1 April 2023	31 March 2024	11	$270,153	309,235	(77,310)	(231,925)	–
1 April 2022	31 March 2025	13	$1,458,411	1,361,213	(502,951)	Not yet applicable	(858,262)
1 April 2023	31 March 2026	14	$1,351,533	1,547,076	(413,014)	Not yet applicable	Not yet applicable
1 April 2024	31 March 2027	13	$1,162,647	1,392,392	(270,330)	Not yet applicable	Not yet applicable

Note 3.7.4 of the consolidated financial statements provides further details of the number of shares granted, forfeited and vested.

Performance and development

All our permanent employees participate in performance and development conversations on a quarterly basis. The outcomes of the end-of-year conversations inform decisions regarding remuneration adjustments in accordance with the Company's policy.

Annual remuneration review

The Board is responsible for the overall remuneration strategy and for reviewing and setting the remuneration of the CEO. The Remuneration and Nominations Committee is responsible for reviewing and setting the remuneration of the direct reports of the CEO and advising the Board on the remuneration of the CEO. The Board sets the total pool available for remuneration of our employees at the time the annual budget is approved.

We benchmark remuneration using market data from external remuneration consultancies to underpin our remuneration decision making and ensure our employees are paid appropriately.

Equal pay

We follow the principles outlined in our Diversity and Inclusion Policy in undertaking an annual equal pay review to assess the impact of gender on the pay and participation of women in the workforce, and to ensure remuneration decisions are free from bias.

Remuneration report (continued)

Director remuneration

The directors' remuneration is paid in the form of directors' fees. At the Company's 2022 annual meeting, shareholders approved a total directors' fee pool of $854,000 per annum.

As at 31 March 2025, the pool was allocated by the Board as follows:

	Fee	Number of persons holding office	Total fee pool
Chair (including membership of all committees)	$177,500	1	$177,500
Director (excluding the Chair)	$97,000	5	$485,000
Chair of the Audit and Risk Committee (ARC)	$20,000	1	$20,000
ARC member	$11,500	1	$11,500
Chair of the Remuneration and Nominations Committee (RNC)	$20,000	1	$20,000
RNC member	$11,500	1	$11,500
Chair of Environmental, Social and Governance Committee (ESGC) member	$20,000	1	$20,000
ESGC member	$11,500	1	$11,500
Discretionary pool			$97,000
Total			**$854,000**

The fees paid to our directors during the year ended 31 March 2025 are outlined below.

Director	Duties	Base fees	Committee chair fees	Committee member fees	Fees
Simon Shakesheff	Chair	$177,500	–	–	$177,500
	Member of the ARC				
Christopher Aiken	Director	$97,000	$4,835	$20,220	$122,055
	Member of the ESGC				
	Member of the RNC				
Peter Alexander	Director	$97,000	–	$11,500	$108,500
	Member of the ESGC				
Mary Jane Daly	Director	$97,000	$20,000	–	$117,000
	Chair of the ARC				
Carlie Eve	Director	$97,000	$15,165	$11,500	$123,665
	Chair of the ESGC				
	Member of the ARC				
Kevin Kenrick[1]	Director	$81,810	$15,165	–	$96,975
	Chair of the RNC				
Jane Freeman[2]	Director	$23,451	$4,835	–	$28,286
	Chair of the RNC				
Total		**$670,761**	**$60,000**	**$43,220**	**$773,981**

1 Kevin Kenrick joined the Board on 28 May 2024.
2 Jane Freeman retired from the Board on 27 June 2024.

Other investor information

Reporting entity

Kiwi Property Group Limited (the Company) was incorporated under the Companies Act 1993 on 16 October 2014. In December 2014, investors approved a move from a unit trust to a company structure. Prior to this approval, the entity (known as Kiwi Income Property Trust) was a unit trust established under the Unit Trusts Act 1960 by a Trust Deed dated 21 August 1992.

Stock exchange listing

The Company's shares are quoted on the NZX under the ticker code KPG and the Company's green bonds are quoted on the NZDX under the ticker codes KPG040, KPG050, KPG060 and KPG070.

Credit rating

S&P Global Ratings has assigned a corporate credit rating of BBB (negative) to the Company and an issue credit rating of BBB+ to each of the Company's fixed-rate senior secured green bonds (KPG040, KPG050, KPG060 and KPG070).

Further information about S&P Global Ratings' credit rating scale is available at www.spglobal.com. A rating is not a recommendation by any rating organisation to buy, sell or hold the Company's securities. The credit ratings referred to in this annual report are current as at the date of this annual report and may be subject to suspension, revision or withdrawal at any time by S&P Global Ratings.

Changes in the nature of the business

There were no changes to the nature of the Company's business or that of its subsidiaries during the year.

NZX waiver

During the year ended 31 March 2025, NZX did not grant and publish any waivers following an application by the Company and the Company did not rely on any NZX waivers.

NZX disciplinary action

There has been no public exercise by NZX of any of its powers set out in Listing Rule 9.9.3 in relation to the Company.

Auditor

Deloitte Limited has undertaken the audit of the consolidated financial statements for the 31 March 2025 financial year.

Donations

During the year to 31 March 2025 the Company donated $5,000 to Mental Health Foundation (Coffee Campaign), $3,010 to Leukaemia & Blood Cancer New Zealand (Firefighter Sky Tower Challenge), $2,609 to the Auckland City Mission (Auckland Angels Campaign), $1,000 to the Breast Cancer Foundation (Pedal for A Purpose) and $159 to the Auckland City Mission (Groceries).

Directors of the Company and its subsidiaries

As at 31 March 2025, the directors of the Company were Chris Aiken, Peter Alexander, Mary Jane Daly, Carlie Eve, Kevin Kenrick, and Simon Shakesheff.

As at 31 March 2025, the directors of the subsidiary companies Kiwi Property Holdings Limited, Kiwi Property Holdings No. 2 Limited, Kiwi Property Holdings No. 3 Limited, Kiwi Property Holdings No. 4 Limited, Kiwi Property Holdings No. 5 Limited, Kiwi Property Holdings No. 6 Limited, Kiwi Property Holdings No. 7 Limited, Kiwi Property Holdings No. 8 Limited, Kiwi Property Centre Place Limited, Kiwi Property Te Awa Limited and Sylvia Park Business Centre Limited, were Clive Mackenzie and Steve Penney. Trevor Wairepo ceased to be a director of the Company's subsidiaries from 20 December 2024. Directors of the Company's subsidiaries do not receive any remuneration or other benefits in their capacity as a director of those companies, except the indemnity and insurance referred to below.

Directors' indemnity and insurance

In accordance with the constitution of the Company and section 162 of the Companies Act 1993, the directors of the Company continue to receive an indemnity from the Company and insurance to cover liabilities that may arise out of the normal performance of their duties.

The directors of the subsidiary companies also continue to receive an indemnity from each subsidiary company and insurance to cover liabilities that may arise out of the normal performance of their duties.

Annual meeting of shareholders

The Company's annual meeting of shareholders will be held on Tuesday, 1 July 2025.

Interest register entries

In accordance with section 211(1)(e) of the Companies Act 1993, listed below are details of the entries made in the Interests Register of the Company during the year, together with the existing entries as at 31 March 2025.

Other investor information (continued)

Name	Name of company/entity	Nature of interest
Chris Aiken	Aiken Equities Limited[1]	Director and shareholder
	Broad Construction NZ Limited[1]	Director and shareholder
	Broad Homes NZ Limited	Director and shareholder
	Broad Living NZ Limited[1]	Director and shareholder
	Catalina Advisory Limited[1]	Director and shareholder
	Kāinga Ora Construction Programme Assurance Panel[2]	Chair
	Jianji Distribution NZ Limited[1]	Director and shareholder
	The Adare Company Limited	Director
	Weston Lea Limited[1]	Director
Peter Alexander	AREA Limited	Principal
	Dilworth Trust Board	Trustee
	Kāinga Ora Construction Programme Assurance Panel	Member
	Smith & Caughey Limited	Director
	Sargasso Holdings Limited	Director
Mary Jane Daly	AIG Insurance New Zealand Limited	Chair
	Partners Life[1]	Chair
	Fonterra Shareholders' Fund	Chair
	Kiwibank Limited	Director
	Ministry of Business, Innovation and Employment - Risk and Advisory committee	Member
Carlie Eve	Diocesan Heritage Foundation	Chair
	Fonterra Shareholders' Fund	Director
Kevin Kenrick	Bank of New Zealand[1]	Director
Simon Shakesheff	Assembly Funds Management	Director
	CBUS Property	Director
	HomeCo Daily Needs Real Estate Investment Trust	Chair
	Unlisted Investment Review Forum of NSW Tcorp	Member
	SGCH	Director
	SS & AR Pty Limited	Director
	Ingenia Communities Group Limited[1]	Director

1 Entry added by notice given by the director during the year.
2 Entry removed by notice given by the director during the year.

Directors' holdings of quoted financial products

In accordance with NZX Listing Rule 3.7.1(d), listed below are the directors of the Company who had a relevant interest in quoted financial products of the Company as at 31 March 2025.

Other investor information (continued)

Director	Number and type of quoted financial products
Chris Aiken	110,000 ordinary shares in the Company
Peter Alexander	29,715 ordinary shares in the Company
Mary Jane Daly	9,412 ordinary shares in the Company
Kevin Kenrick	28,758 ordinary shares in the Company
Simon Shakesheff	26,000 ordinary shares in the Company

Shareholder statistics

AS AT 31 MARCH 2025

Twenty largest shareholders

Shareholder	Number of shares	% of total issued shares
HSBC Nominees (New Zealand) Limited <040-016842-230>	226,233,234	13.92%
Accident Compensation Corporation	166,215,762	10.23%
BNP Paribas Nominees NZ Limited <BPSS40>	140,621,795	8.65%
Citibank Nominees (NZ) Ltd	82,758,562	5.09%
HSBC Nominees (New Zealand) Limited <HKBN45>	79,214,238	4.87%
JPMorgan Chase Bank	74,735,769	4.60%
New Zealand Depository Nominee	65,618,404	4.04%
TEA Custodians Limited	59,236,195	3.64%
Premier Nominees Limited	50,426,148	3.10%
FNZ Custodians Limited	42,584,178	2.62%
New Zealand Permanent Trustees Limited	39,434,006	2.43%
Custodial Services Limited	33,234,906	2.04%
JBWere (NZ) Nominees Limited	32,116,334	1.98%
Forsyth Barr Custodians Limited	28,989,819	1.78%
New Zealand Superannuation Fund Nominees Limited	27,026,721	1.66%
Adminis Custodial Nominees Limited	22,561,954	1.39%
Public Trust	18,559,252	1.14%
PT Booster Investments Nominees Limited	17,885,766	1.10%
Fountain Trustee Limited	16,750,000	1.03%
NZX WT Nominees Limited	16,127,047	0.99%
Total	**1,240,330,090**	**76.32%**
Total shares on issue	**1,625,215,793**	

Spread of shareholders

Size of holding	Number of holders	% of total holders	Number of shares	% of total issued shares
1-1,000	854	9.08%	393,348	0.02%
1,001-5,000	1,740	18.50%	5,189,691	0.32%
5,001-10,000	1,628	17.31%	12,356,218	0.76%
10,001-50,000	3,897	41.43%	90,643,526	5.58%
50,001-100,000	725	7.71%	50,952,866	3.14%
100,001 and over	562	5.97%	1,465,680,144	90.18%
Total	9,406	100.00%	1,625,215,793	100.00%

Bondholder statistics

AS AT 31 MARCH 2025

Twenty largest bondholders

Bondholder	Number of bonds	% of total issued bonds
Custodial Services Limited <4>	165,613,000	33.12%
Forsyth Barr Custodians Limited <1 Custody>	62,163,000	12.43%
FNZ Custodians Limited	48,341,000	9.67%
BNP Paribas Nominees NZ Limited <BPSS40>	36,074,000	7.21%
HSBC Nominees (New Zealand) Limited <040-016842-230>	25,780,000	5.16%
TEA Custodians Limited	18,624,000	3.72%
Citibank Nominees (NZ) Limited <CNOM90>	13,471,000	2.69%
Forsyth Barr Custodians Limited <1 E>	11,617,000	2.32%
PT (Booster Investments) Nominees Limited	11,430,000	2.29%
HSBC Nominees (New Zealand) Limited <HKBN45>	11,160,000	2.23%
Investment Custodial Services Limited <C>	5,803,000	1.16%
JBWere (NZ) Nominees Limited	5,201,000	1.04%
New Zealand Permanent Trustees Limited	5,193,000	1.04%
FNZ Custodians Limited	4,843,000	0.97%
PT (Booster Investments) Nominees Limited - Retail	4,590,000	0.92%
Public Trust	4,522,000	0.90%
Forsyth Barr Custodians Limited <1 Nrl Ail>	3,263,000	0.65%
NZX WT Nominees Limited	3,034,000	0.61%
Commonwealth Bank of Australia	3,008,000	0.60%
Custodial Services Limited	2,743,000	0.55%
Total	**446,473,000**	**89.29%**
Total bonds on issue	**500,000,000**	

Bondholder statistics (continued)

Spread of KPG040 bondholders (November 2025 maturity)

Size of holding	Number of holders	% of total holders	Number of bonds	% of total issued bonds
1–1,000	–	0.00%	–	0.00%
1,001–5,000	17	7.33%	85,000	0.09%
5,001–10,000	46	19.83%	453,000	0.45%
10,001–50,000	129	55.60%	3,240,000	3.24%
50,001–100,000	18	7.76%	1,444,000	1.44%
100,001 and over	22	9.48%	94,778,000	94.78%
Total	**232**	**100.00%**	**100,000,000**	**100.00%**

Spread of KPG050 bondholders (July 2028 maturity)

Size of holding	Number of holders	% of total holders	Number of bonds	% of total issued bonds
1–1,000	–	0.00%	–	0.00%
1,001–5,000	57	17.22%	285,000	0.19%
5,001–10,000	97	29.31%	884,000	0.59%
10,001–50,000	135	40.79%	3,273,000	2.18%
50,001–100,000	16	4.83%	1,263,000	0.84%
100,001 and over	26	7.85%	144,295,000	96.20%
Total	**331**	**100.00%**	**150,000,000**	**100.00%**

Spread of KPG060 bondholders (September 2029 maturity)

Size of holding	Number of holders	% of total holders	Number of bonds	% of total issued bonds
1–1,000	–	0.00%	–	0.00%
1,001–5,000	29	6.95%	143,000	0.11%
5,001–10,000	94	22.54%	902,000	0.72%
10,001–50,000	235	56.35%	6,482,000	5.19%
50,001–100,000	31	7.43%	2,456,000	1.96%
100,001 and over	28	6.73%	115,017,000	92.02%
Total	**417**	**100.00%**	**125,000,000**	**100.00%**

Bondholder statistics (continued)

Spread of KPG070 bondholders (June 2030 maturity)

Size of holding	Number of holders	% of total holders	Number of bonds	% of total issued bonds
1-1,000	-	0.00%	-	0.00%
1,001-5,000	28	8.38%	140,000	0.11%
5,001-10,000	75	22.46%	716,000	0.57%
10,001-50,000	188	56.29%	4,860,000	3.89%
50,001-100,000	18	5.39%	1,294,000	1.04%
100,001 and over	25	7.48%	117,990,000	94.39%
Total	**334**	**100.00%**	**125,000,000**	**100.00%**

Substantial product holders

In accordance with section 293 of the Financial Markets Conduct Act 2013, listed below are the names and details of all persons who, according to the Company's records and disclosures made, are substantial product holders of the Company as at 31 March 2025. The total number of ordinary shares on issue at 31 March 2025 was 1,625,215,793.

Name	Number of shares held at date of notice	Date of notice
Accident Compensation Corporation	167,341,514	24-Jan-24
Milford Asset Management Limited	107,350,490	11-Feb-25
ANZ New Zealand Investments Limited[1]	84,992,579	28-Feb-25

1 ANZ New Zealand Investments Limited (ANZ Investments) acts as a manager or investment manager for certain managed investment schemes under investment management contracts. ANZ Investments has a relevant interest in the financial products arising only from the powers of investment contained in the investment management contracts as it has a qualified power to control the exercise of the rights to vote attached to the financial products and a qualified power to acquire or dispose of the financial products. ANZ Investments also has a relevant interest in the holdings of ANZ Bank New Zealand Limited and ANZ Custodial Services New Zealand Limited, because all of these companies are related bodies corporate. Including relevant interests held by ANZ Bank New Zealand Limited (ANZ Bank) and ANZ Custodial Services New Zealand Limited (ANZCS). ANZ Bank acts as a discretionary investment management service (DIMS) provider in respect of investment portfolios under a DIMS client agreement. ANZ Bank has a relevant interest in the financial products arising only from the powers of investment contained in the DIMS client agreements as it has a qualified power to control the exercise of the right to vote attached to the financial products and a qualified power to acquire or dispose of the financial products. ANZ Bank also provides a trading and custody service in respect of individual client investment portfolios under a trading service client agreement. ANZ Bank has a relevant interest in the financial products arising only from the powers of investment contained in the trading service client agreement as it has a qualified power to control the exercise of the right to vote attached to the financial products and a conditional power to dispose of the financial products. ANZ Bank also has a relevant interest in the holdings of ANZ Investments and ANZCS, because all of these companies are related bodies corporate. ANZCS is the custodian for ANZ Investments' wholesale discretionary investment management service under a custody agreement and ANZ Bank's discretionary investment management service and trading and custody service under a custody agreement. ANZCS has a relevant interest in the financial product as it is the registered holder of the financial products. ANZCS also has a relevant interest in the holdings of ANZ Investments and ANZ Bank, because all of these companies are related bodies corporate.

This annual report is dated 23 May 2025 and is signed on behalf of the Board by:

Simon Shakesheff
Chair

Mary Jane Daly
Chair of the Audit and Risk Committee

Directory

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E: cts.enquiry@publictrust.co.nz

Security trustee

New Zealand Permanent Trustees Limited

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Registrar

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Bankers

ANZ Bank New Zealand Limited

Bank of New Zealand

China Construction Bank
(New Zealand Branch)

Commonwealth Bank of Australia

The Hongkong and Shanghai
Banking Corporation Limited
(New Zealand Branch)

Industrial and Commercial Bank of China
Limited, Auckland Branch (ICBC)

MUFG Bank, Ltd (Auckland Branch)

Westpac New Zealand Limited

Kiwi Property