Stride Property Group
Annual Report 2025

This document comprises the Annual Report for each of Stride Investment Management Limited (SIML) and Stride Property Limited (SPL), which are members of Stride Property Group (Stride).

Each of SPL, SIML and Stride has been designated as "Non-Standard" (NS) by NZX. The implications of investing in stapled securities of Stride are set out at page 131 of this report.

A copy of the waivers granted by NZX in respect of SPL, SIML and Stride's "NS" designation can be found at **www.nzx.com/companies/SPG/documents**

Contents

Capitalised terms have the meaning given in the glossary on page 132.

Financial Overview

for 12 months ended 31 March 2025 (FY25)

> Stride has delivered resilient financial results in FY25 despite continued challenging market conditions.

$69.1m

net rental income, down $(3.3)m from FY24 ($72.3m)

$20.4m

management fee income[1], up $0.6m from FY24 ($19.9m)

$21.7m

profit after income tax, up $77.8m (FY24: $(56.1)m loss after income tax), largely due to a smaller net portfolio valuation reduction of $(29.5)m compared with FY24 ($(75.8)m net portfolio valuation reduction)

8.0cps

combined cash dividend for FY25, representing a combined payout ratio of 93% of Stride's distributable profit[2]

$48.3m

distributable profit[2] after current income tax, down $(10.8)m (FY24: $59.1m)

$1.72

net tangible assets (NTA) per share as at 31 March 2025, down $(0.06) from 31 March 2024

1. Net of management fees received from SPL.
2. See glossary on page 132.
3. Includes SPL's directly owned portfolio, plus SPL's proportionate ownership in the portfolios of the Stride Products. Excludes properties categorised as 'Development and Other' in the respective financial statements.
4. Excludes lease liabilities. In the case of SPL, includes: (1) the value of Stride's office at 34 Shortland Street, Auckland, which is shown in the consolidated financial statements as 'Property, plant and equipment'; and (2) the value of the rental guarantee receivable in relation to 110 Carlton Gore Road, Auckland. In the case of Investore, includes the value of the rental guarantee receivable in relation to Bunnings Westgate.
5. Occupancy has been calculated including casual licences with an initial term greater than three months, and excluding units held for committed redevelopment or remix works.

Portfolio Overview

as at 31 March 2025

> Stride's look-through[3] investment portfolio comprises directly held properties and its interests in the portfolios of the Stride Products[2], and continues to demonstrate strong investment metrics.

46 Sale Street, Auckland

$1.5bn value[4]

6.6 years WALT[2]

95% occupancy[5] by area

6.2% weighted average capitalisation rate

+3.8%

growth in look-through[3] rental on prior rentals from new lettings, renewals and rent reviews

Active Investment Management Business

$3.2bn assets under management as at 31 March 2025 including $2.2bn of external assets under management

Building upgrades to reposition SPL's office property at 34 Shortland Street, Auckland, now largely complete, with upgrades underway at 215 Lambton Quay, Wellington

SIML is delivering $58m of new industrial developments for Industre[1] at 14-20 Favona Road, Auckland, and 16A Wickham Street, Hamilton, both of which are targeting a 5 Green Star Design & As Built rating

SIML helped to advance Investore's[1] strategy of targeted growth through the divestment of three properties during FY25 for a combined sales price of $79.3m (3.4% above book value as at 31 March 2024), and the acquisition of Bunnings Westgate

SIML completed a restructure of Industre including streamlining the corporate and banking structures, with weighted average margin and line fees on bank debt reducing by ~40 basis points

Proactive Capital Management

38.7% bank LVR[1] as at 31 March 2025, with balance sheet LVR[2] (which includes the value of SPL's interests in each of Investore, Diversified and Industre[1]) of 29.0%

72% of SPL's drawn debt as at 31 March 2025 was hedged

4.9% weighted average cost of debt as at 31 March 2025

SPL's lenders have committed to refinance SPL's bank debt facilities, which, once complete, will result in the weighted average cost of debt reducing to 4.5% and extend the weighted average maturity of debt facilities from 2.1 years to 5.0 years on a pro forma 31 March 2025 basis

1. See glossary on page 132.
2. Balance sheet LVR includes SPL's directly held property as well as the value of SPL's interests in each of the Stride Products, and SPL's direct debt.

20 Customhouse Quay, Wellington

Chair and CEO's Report

Dear Shareholders,

Stride Property Group (Stride) is pleased to deliver its annual report for FY25. Stride has delivered another positive performance during FY25, with resilient underlying rental and growing management fees demonstrating the benefit of Stride's quality investment portfolios and its diverse real estate investment management business.

While we have seen the challenging macro-economic conditions of recent years continue through FY25, the last half of FY25 appears to have been the low point in the cycle for commercial property, with relatively high interest rates and a corresponding subdued commercial property market starting to demonstrate a more positive outlook. Recent activity suggests that the property investment market is stabilising following the cuts to the Official Cash Rate by the Reserve Bank of New Zealand, with 2.0% of cuts being made to April 2025, taking the rate to 3.5%, and further rate cuts signalled to come during the remainder of calendar year 2025.

These reductions in interest rates are supportive of increased investment activity in the New Zealand commercial property market, and we expect activity to improve following some subdued years when interest rates and inflation rates were high. However, we are conscious of continuing volatility and uncertainty in global markets, which has weighed on investor sentiment, and which could still impact economic activity generally, including in the commercial property sector.

Stride continues to be well positioned to manage this volatility, and to benefit from improved market conditions when they eventuate. Stride's quality commercial property investment portfolios and its real estate investment management business provides Stride with diversification of revenue and assets, providing a level of resilience in varying market conditions.

Financial performance

Stride's diversified revenue sources, comprising its real estate investment management business together with its direct and indirect commercial property investments, continued to deliver resilient financial performance during FY25. Stride's FY25 financial statements have been impacted by the restructure of Industre Property Joint Venture (Industre), as the joint operation component of Industre was previously reported as part of Stride's consolidated statement of comprehensive income and consolidated statement of financial position. The restructure has resulted in this component being removed from Stride's financial statements and the impact of Industre is now represented as part of the equity-accounted investments.

While Stride's FY25 combined net rental income and management fee income (excluding fees from SPL) of $89.5 million is $2.7 million lower than FY24, FY25 net rental income was impacted by $(3.0) million as a result of the Industre restructure, and therefore excluding the restructure, combined net rental income and management fee income is slightly higher than FY24.

Stride takes an active and prudent approach to managing costs, with FY25 corporate overhead expenses of $(15.9) million, down $2.5 million from FY24. This continues the trend of careful management of costs, with FY25 corporate overhead expenses 9% lower than for FY22. The difference would be materially greater on an inflation adjusted basis.

FY25 profit before net finance expense, other (expense)/income and income tax of $68.2 million, down $2.5 million from FY24, is a favourable result given the impact of the Industre restructure in FY25, as well as the fact that FY24 benefited from one-off guarantee income of $2.4 million related to the insolvency of a tenant.

Lower net finance expenses contributed to profit before other (expense)/income and income tax of $49.3 million, down $1.5 million from FY24. Overall, profit after income tax for FY25 was $21.7 million, up $77.8 million on FY24, with the FY25 result being impacted by a lower net reduction in fair value of investment properties, a positive share of profit in equity-accounted investments, and higher income tax expense (including as a result of the Government's policy decision to remove tax deductions for depreciation on commercial buildings).

Distributable profit[1] after current income tax for FY25 of $48.3 million was down from FY24 ($59.1 million), as a result of higher tax in FY25 due to the removal of a tax deduction for depreciation on commercial buildings, the timing impact of the restructure of Industre, and one-off items in FY24 that were not repeated in FY25. Excluding these factors, FY25 distributable profit would have been comparable to FY24.

Portfolio

SPL directly owns office and town centre properties and also has an indirect ownership interest in the properties owned by each of the Stride Products of Industre, Investore Property Limited (Investore), and Diversified NZ Property Trust (Diversified). This provides SPL with a diversified portfolio[2] on a look-through basis, with strong metrics – 95% occupancy, 6.6 years weighted average lease term, and a look-through portfolio value of $1.5 billion. During FY25 SIML delivered 3.8% growth in look-through rental on prior rentals, from new lettings, renewals and rent reviews.

Over the past two years Stride has undertaken a number of projects to reposition the office property at 34 Shortland Street, Auckland, owned by SPL, including redevelopment of the lobby, installation of end of trip facilities, electrical and mechanical upgrades designed to enable the building to achieve a 4 star NABERSNZ rating, installation of new lifts and escalators, refurbishment of on-floor lift lobbies and the creation of modern, high quality turnkey fitouts. This work continues with the last projects which are currently underway, being the improvement of the Shortland Street and Fort Street entrances, together with a number of improvements to the carparking spaces. The benefit of these improvements are being seen, with the average net effective market rentals for the property increasing by 9% over the period from the acquisition of this property in September 2020 to 31 March 2025, which compares favourably with Auckland B grade rentals which declined by approximately 9% over the same period[3]. We are starting to see improvements in leasing activity at this property, and expect this to continue as economic conditions improve.

Stride is implementing similar improvements at the SPL office property at 215 Lambton Quay, Wellington, with a recently-completed lobby upgrade, installation of new end of trip facilities and new lifts, and electrical and mechanical improvements in progress.

While some portfolio valuations have continued to be impacted by market conditions, capitalisation rates are stabilising across the portfolios managed by SIML.

1. See glossary on page 132.
2. Metrics relate to the stabilised investment portfolios and exclude properties categorised as 'Development and Other' in the respective financial statements.
3. CBRE Auckland Yield and Rent Update April 2025.
4. Up to a further $3.5 million of Investore shares may be issued to the vendor as part consideration, with shares equal to this value being issued on 1 December 2025 if the value of Investore's net tangible assets (NTA) per share as at 30 September 2025 increases by at least 44% from a base NTA per share of $1.57 as at 31 March 2024.
5. Net of management fees received from SPL and excluding staff cost recharges.

Real estate investment management business

SIML remains an active investment manager, and has undertaken a number of strategic transactions for the Stride Products during FY25, including:

- two new industrial developments for a total cost of $58 million underway on behalf of Industre: the development of a new facility at 16A Wickham Street, Hamilton, which will be leased to Wattyl New Zealand, an existing tenant of Industre, on completion (expected late 2025); and development of a new facility at 14-20 Favona Road, Auckland, expected to be completed in the first half of 2026;
- the sale of three supermarket properties for a total sales price of $79.3 million and the acquisition of Bunnings Westgate, Auckland, for $51 million cash[4] by Investore, with SIML managing these divestments and acquisition. Investore intends to recycle the remaining capital from the divestments into strategic investment opportunities to further enhance Investore's rental and underlying growth profile;
- the restructure of Industre into a more streamlined corporate shareholding structure which, together with a new banking structure, reduced the weighted average margin and line fees on Industre's bank debt by approximately 40 basis points; and
- a number of refinancing transactions completed by SIML on behalf of the Stride Products, including post balance date transactions which have sought to take advantage of favourable conditions to reduce overall debt costs.

This continued activity has driven higher overall management fees for SIML for FY25 when compared with FY24, demonstrating the resilience of SIML's real estate investment management business, even during the trough of the market cycle.

SIML's management business is profitable on FY25 recurring fees alone, and as recurring fees are largely based on valuations, these recurring fees have been impacted during recent years by reducing portfolio valuations across the Stride Products. With valuations stabilising, this is expected to support recurring asset management fees into FY26.

A core part of Stride's strategy is to grow an enduring management business. Currently, the core real estate investment management platform includes Investore and Industre, which both have enduring management arrangements. These two Products collectively contributed around 70% of SIML's management fee revenue[5] in FY25. Since establishment, this strategy has been very successful and profitable for Stride, providing exposure to activity fee income when markets were conducive, and underpinning Stride's revenue with consistent and predictable recurring fee revenue during recent years when market activity has been more subdued.

Chair and CEO's Report (cont.)

Diversified is not a perpetual Product, and may be subject to review during FY27. Around 30% of SIML's external management fee revenue[1] in FY25 was derived from Diversified. Stride estimates that if the Diversified assets were sold and Diversified wound up, this would reduce Stride's distributable profit[2] by around 5-6% on a normalised basis.

Capital management

Stride continues to take a prudent and active approach to capital management, with 72% of drawn debt hedged and a bank loan to value ratio (LVR) of 38.7%, both as at 31 March 2025. The Boards are comfortable with the current LVR, given the quality of the SPL portfolio and the current low point in the economic cycle with valuations stabilising recently. In addition, the Boards note that this LVR is based on SPL's direct property holdings only, and does not reflect the value of SPL's ownership interests in each of the Stride Products. When these assets are taken into account, the balance sheet LVR[3] is 29.0%.

SPL's weighted average cost of debt was 4.9% as at 31 March 2025, which is up around 70 basis points from 31 March 2024 due to a number of favourable swaps entered into during the period impacted by COVID-19 having matured. Post balance date SPL's lenders have committed to refinance SPL's bank debt facilities. Once the refinance is complete, the weighted average cost of debt will reduce to 4.5% and the weighted average tenor remaining on debt facilities will increase to 5.0 years (on a pro forma basis as if the refinance occurred as at 31 March 2025).

People

During FY25 the SIML Board was pleased to support its people further through the introduction of a number of new benefits, primarily related to parental leave, including full pay for primary carers for 14 weeks as a top up to the Government-provided parental leave financial contribution. These new benefits, together with existing benefits such as employer KiwiSaver contributions at 5% when an employee contributes at least 4% of their salary, means that Stride remains an attractive employer.

The benefits SIML provides to its employees are only one aspect of the way in which SIML seeks to ensure employee wellbeing, and during FY25 SIML continued its programme of wellbeing initiatives, including bringing in external speakers to present on wellbeing topics. These initiatives and the benefits enjoyed by SIML employees were reflected in the employee engagement survey undertaken by SIML during FY25. Overall, we were particularly pleased to see that 86% of our employees would recommend Stride as a great place to work.

In May 2025, Louise Hill, our General Manager Corporate Services and member of the SIML Executive Team, resigned from SIML. Louise has been with SIML for 7.5 years, and during that time has contributed to a number of key transactions for the company, including the establishment of the Industre joint venture and the development of Stride's sustainability strategy. On behalf of the Board and SIML management, we would like to thank Louise for her contributions and wish her the best for the future.

Governance

During FY25 Director Jacqueline Cheyne resigned from the Boards of SPL and SIML. The Boards are currently undertaking a process for the appointment of a new director and expect to make an announcement regarding a new appointment prior to the Annual Shareholders Meeting, currently planned for August 2025.

The Stride Boards are committed to high standards of corporate governance and continuous learning to ensure that the Boards retain the necessary skills to oversee the management and growth of Stride's business. During FY25 all Directors completed the Institute of Directors' Climate Governance Essentials course, providing Directors with appropriate skills and understanding in relation to the governance of climate-related risks so as to enable them to assess climate change governance issues currently facing Stride, and manage climate-related risks to ensure business resilience.

The Stride Boards support the development of the next generation of directors, and appointed Craig Hopkins as a future director under the Institute of Directors' Future Directors programme in April 2025. This programme provides aspiring directors the opportunity to participate on a board without having the obligations and responsibilities of a director, and also enables Stride to have the benefit of Craig's knowledge and experience.

Sustainability

Sustainability continues to be a strategic focus for the Boards. The Audit and Risk Committee has now assumed responsibility for the oversight of Stride's climate-related risks and climate disclosures, with the full Boards considering the impact of climate-related risks and sustainability matters on business strategy. This has resulted in sustainability becoming further integrated into Stride's approach to risk management, as well as its overall business strategy and objectives. Stride's approach differs by sector, and takes into account tenant and investor demand and the strategy of each of the Stride Products. By delivering on a portfolio by portfolio strategy aligned with sustainability objectives, this ensures that the properties owned and managed by Stride continue to have enduring demand, and that Stride's business and that of the Stride Products continue to be sustainable for the long term.

Stride has continued its progress against its sustainability targets, with a focus in particular on implementing the carbon reduction plan developed during FY24 which provides a roadmap for improvements to SPL's office and town centre properties intended to support Stride in the achievement of its target of reducing scope 1 and 2 greenhouse gas emissions by 42% by 2030 from the FY20 baseline year.

Further information, together with Stride's climate disclosures in accordance with the Aotearoa New Zealand Climate Standards, can be found in Stride's FY25 Sustainability Report and Climate-Related Disclosures, available on Stride's website: **www.strideproperty.co.nz/investor-centre/**.

110 Carlton Gore Road, Auckland

Outlook

While there are indicators that the commercial property sector has reached the low point in the economic cycle, with reductions in interest rates supportive of investment activity in the New Zealand commercial property market, the Boards are conscious of volatility and uncertainty in global markets, which could impact economic activity.

Stride will continue to focus on growing its core portfolios and its management business and will take opportunities to secure sites with future development potential where this supports growth in Stride's core portfolios and the development of one or more future Products when economic conditions are conducive.

The Boards confirm they currently intend to pay a combined cash dividend for SPL and SIML for FY26 of 8.00 cents per share, consistent with our policy of targeting a total cash dividend that is between 80% and 100% of SPL's distributable profit[2] and between 25% and 75% of SIML's distributable profit.

On behalf of the Boards and staff, thank you for your continued support of Stride Property Group.

Tim Storey
Chair,
SPL and SIML

Philip Littlewood
Chief Executive Officer,
SIML

1. Net of management fees received from SPL and excluding staff cost recharges.
2. See glossary on page 132.
3. Balance sheet LVR includes SPL's directly held property as well as the value of SPL's interests in each of the Stride Products, and SPL's direct debt.

Board of Directors

Tim Storey
LLB, BA

Independent Director, Chair of the Board and Chair of the Remuneration and Nomination Committee

Term of Office: Appointed to SPL on 1 April 2009 and to SIML on 16 February 2016; last elected 2022 annual meeting

Tim was appointed Chair of Stride in 2009. He has more than 30 years' experience across a range of sectors and has practiced as a lawyer in New Zealand and Australia, retiring from the Bell Gully partnership in 2006. Tim is a member of the Institute of Directors in New Zealand (Inc) and is a director of Investore Property Limited and of a number of private companies.

Ross Buckley
BBS, FCA, FCPA, CMInstD

Independent Director and Chair of the Audit and Risk Committee

Term of Office: Appointed to SPL and SIML on 9 August 2021; last elected 2024 annual meeting

Ross has a strong background in auditing and management, with 27 years as a partner at the global accounting and consulting firm KPMG, including nine years as Executive Chair of KPMG in New Zealand and a member of KPMG's Asia Pacific Board and KPMG's Global Council. During his career with KPMG he managed the firm's Audit, Risk and Tax practices, in addition to the firm's People, Performance and Culture function. Ross is a director of ASB Bank Limited, Investore Property Limited, and Chair of Service Foods NZ Limited. Ross also currently chairs the National Board and is an Auckland Council Member of the Institute of Directors of New Zealand. He is a Council Member and Chair of the Finance and Audit Committee of the Massey School of Business Advisory Board, and is the Chair of the Auditor Oversight Committee of the Financial Markets Authority.

Michelle Tierney
GAICD BA (Journalism & Comm) PgDip (Bus Admin) MBA

Independent Director

Term of Office: Appointed to SPL on 17 July 2014 and to SIML on 16 February 2016; last elected 2023 annual meeting

Michelle has more than 20 years' experience in the property industry, including as the Chief Operating Officer for SCA Property Group in Australia, General Manager of Business Development and Strategy for the National Australia Bank Global Institutional Bank, and Fund Manager of the $3.8 billion GPT Wholesale Shopping Centre Fund. Michelle is currently a director of ASX-listed Growthpoint Properties Australia, ASX-listed Peet Limited, Cotton Research & Development Corporation Australia, Uniting NSW.ACT, Message Stick Foundation Limited, CareerTrackers Indigenous Internship Program Limited, and director of Assemble HoldCo 1 Pty Ltd representing H.E.S.T. Australia Limited. Michelle is also a member of the Domestic and Family Violence and Sexual Assault Corporate Leadership Group for New South Wales, Australian Institute of Company Directors, Chief Executive Women, and Women on Boards.

Tracey Jones
BCom, CA, CMInstD

Independent Director

Term of Office: Appointed to SPL and SIML on 11 April 2023; last elected 2023 annual meeting

Tracey has considerable experience in accounting and finance, as well as funds management. Tracey worked for 15 years with Tappenden Holdings, including as COO and CFO, managing a large investment portfolio that included a number of property interests. Tracey moved into a governance career in 2016, and is currently an independent director of Partners Life and independent Chair of Nikko Asset Management NZ, as well as director of a number of private companies.

Nick Jacobson
LLB, BCom

Independent Director

Term of Office: Appointed to SPL and SIML on 18 July 2019; last elected 2024 annual meeting

Nick has over 30 years' experience with leading global investment banks and global financial services companies, specialising in real estate advisory and capital markets across Australia, Europe, and Asia. Nick is currently Managing Director at Wingate in Sydney, Australia, responsible for investing in significant CRE private credit transactions. Nick was previously Managing Director and Head of Investment Banking Services at Goldman Sachs Australia, and Chair of Goldman Sachs' Real Estate Investment Banking division.

Craig Hopkins
NZ Cert in Civil Engineering (Int)

Future Director

Craig is the CEO of Generation Homes New Zealand Limited, one of New Zealand's top 10 group home builders, and has been involved in the construction industry for over 10 years. Prior to that, Craig was group commercial manager for Precast New Zealand Limited and asset manager for Kiwi Income Property Trust. Craig is also the Northern Region Chair and National Board Member of the Building Institute Aotearoa. Craig has been appointed as a future director and as such he participates in Stride Board meetings but does not vote or have any role as a director.

People

During FY25 Stride conducted an employee engagement survey to understand how our people feel about working at Stride. We are pleased to report an increase in our engagement score, and are proud to see that 86% of our people would recommend Stride as a great place to work. While we are very pleased with the results of our engagement survey, Stride is focussed on continual improvement, and going forward will target improvements in learning and development, wellbeing, and further technology improvements.

Community involvement and support is important to Stride. Stride sponsors the Keystone Trust, the Tania Dalton Foundation and the Graeme Dingle Foundation. Stride's sponsorships are targeted towards maximising the positive impacts of Stride's business activities on the community through actively engaging in partnerships that address social issues at national and local levels.

The Graeme Dingle Foundation is a New Zealand charity dedicated to inspiring young people across New Zealand to realise their potential through school and community-based programmes that help build self-esteem, promote good values, improve attitudes and behaviour, and improve academic results. The Keystone Trust provides scholarships to young people facing hardship to support them in their studies in the fields of property or construction, while the Tania Dalton Foundation supports young people through sport, to unlock their talent and be their best selves.

Stride supports its chosen charities in more ways than simply providing financial sponsorship. During FY25, Stride people participated in activities to raise funds for the Graeme Dingle Foundation and the Keystone Trust, as well as provide other support to the Graeme Dingle Foundation.

Drop your boss

Every year one lucky Stride volunteer elects to be dropped from Auckland's Sky Tower to raise funds for the Graeme Dingle Foundation. In 2024, Stride's office manager, Laurianne English, boldly took the plunge, falling 192m and raising thousands of dollars to help the Graeme Dingle Foundation continue its valuable work.

Volunteer day at Te Hōnonga a Iwi restoration site at Rosedale Park, Auckland

For the second year in a row Stride staff participated in a volunteer day at Te Hōnonga a Iwi restoration site at Rosedale Park in Auckland, organised as part of our support for the Graeme Dingle Foundation. This year saw our team build and fill new planter boxes at the site to create a community garden. We lost count of the barrow loads of soil and mulch that was moved, but the achievement at the end made all the sweat and mud well worth it.

JLL Touch Rugby Tournament

For the second year in a row Stride was proud to participate in the Try for Charity touch rugby tournament organised by JLL and the Keystone Trust. This year the tournament raised an incredible $28,500 for the Keystone Trust's student hardship fund. The Stride team improved in many ways from their inaugural 2024 outing – improving their ranking on the leaderboard and suffering significantly fewer injuries.

Executive Team

Philip Littlewood
BProp, BCom, MBA

Chief Executive Officer

Philip celebrated his 10 year anniversary with Stride in 2024, and has led the Stride team since 2017, responsible for the overall strategy and management of Stride. Philip has extensive experience in property investment, funds management, development, asset management and financing.

Philip's prior experience includes roles in private equity and with Morgan Stanley and AMP Capital Investors.

Jennifer Whooley
CA

Chief Financial Officer

Jennifer has more than 25 years' experience in the property industry and is responsible for Stride's overall financial plans and policies, as well as capital management and portfolio reporting within Stride and its managed entities. Jennifer is also responsible for the people and culture function and the information technology team within Stride. Prior to joining Stride, Jennifer was Chief Accountant for Fletcher Property. Jennifer was named the EY CFO of the Year for 2018.

Mark Luker
Dip.Val.Prop

General Manager Development

Mark is responsible for Stride's development activities. He has over 25 years of experience in the property development and investment industry, acquired through complex large-scale retail and commercial development projects, both within New Zealand and Australia. Mark joined Stride from Kiwi Property Group, where he held the roles of General Manager Development and Project Director, Sylvia Park.

Jessica Rod
BProp, BA

General Manager Office

Jessica is responsible for growing and managing Stride's office portfolio. Jessica has been with Stride for over 20 years, and prior to her current role was an Investment Manager. Jessica has been responsible for transforming the office portfolio, including leading a number of acquisition transactions and building upgrade projects.

Adam Lilley
BCom, LLB, CA

General Manager Investment

Adam has over 10 years' experience in the property and finance industries, and was previously an Institutional Equities Research Analyst at Craigs Investment Partners, specialising in the New Zealand listed property sector. Adam was previously an Investment Manager at Stride and rejoined in 2021, and now leads the Investment, Industre and Investore teams.

Roy Stansfield
ACA

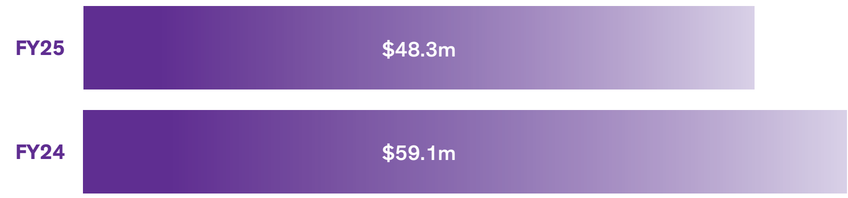
General Manager Shopping Centres

Roy is responsible for the shopping centre portfolios owned and managed by Stride. His role includes all aspects of asset management, retail leasing and planning. Roy has more than 30 years' experience in the retail shopping centre industry. Prior to joining Stride, he was employed by Challenge Properties, St Lukes Group and Kiwi Property Group.

Performance

Stride's FY25 distributable profit[1] is lower than FY24 as a result of higher tax in FY25 due to a Government policy change in removing a tax deduction for depreciation on commercial buildings, the timing impact of the restructure of Industre in FY25, and a number of one-off items in FY24 that were not repeated in FY25. Excluding these factors, FY25 distributable profit would have been comparable to FY24.

Distributable profit[1]



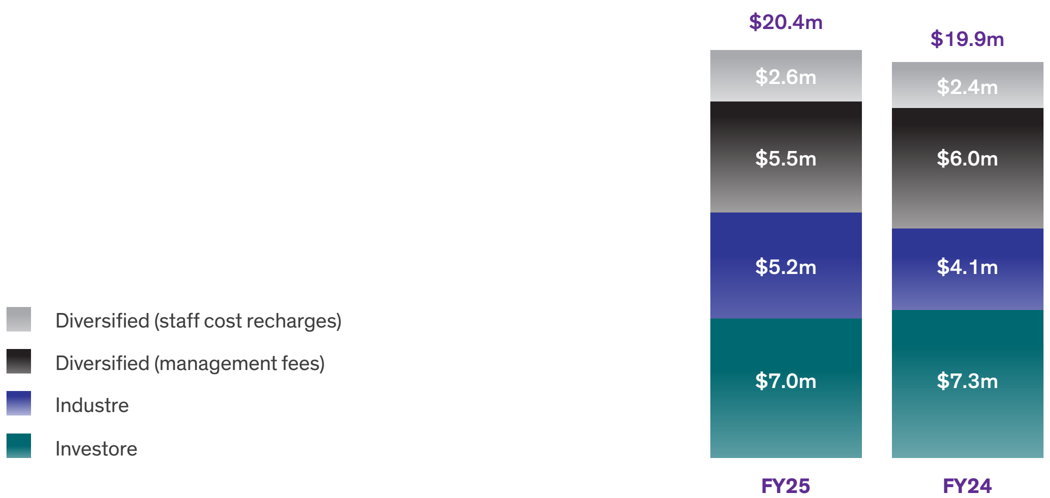
110 Carlton Gore Road, Auckland

SIML management fees[2]

SIML has delivered higher recurring fees and activity fees compared with FY24, demonstrating SIML's ability to generate resilient fee income in varying market conditions. We are seeing indications that the market is at the bottom of the cycle, with valuations stabilising and investment market activity increasing. SIML's management business is profitable on FY25 recurring fees alone, and as recurring fees are largely based on valuations, these recurring fees have been impacted during recent years by reducing portfolio valuations across the Stride Products. With valuations stabilising, this is expected to support recurring asset management fees into FY26.

Management fees by Product

Management fee income for FY25 grew by $0.6m or 2.8% when compared to FY24, primarily due to growth from our management arrangement with Industre, our industrial property focussed Product.

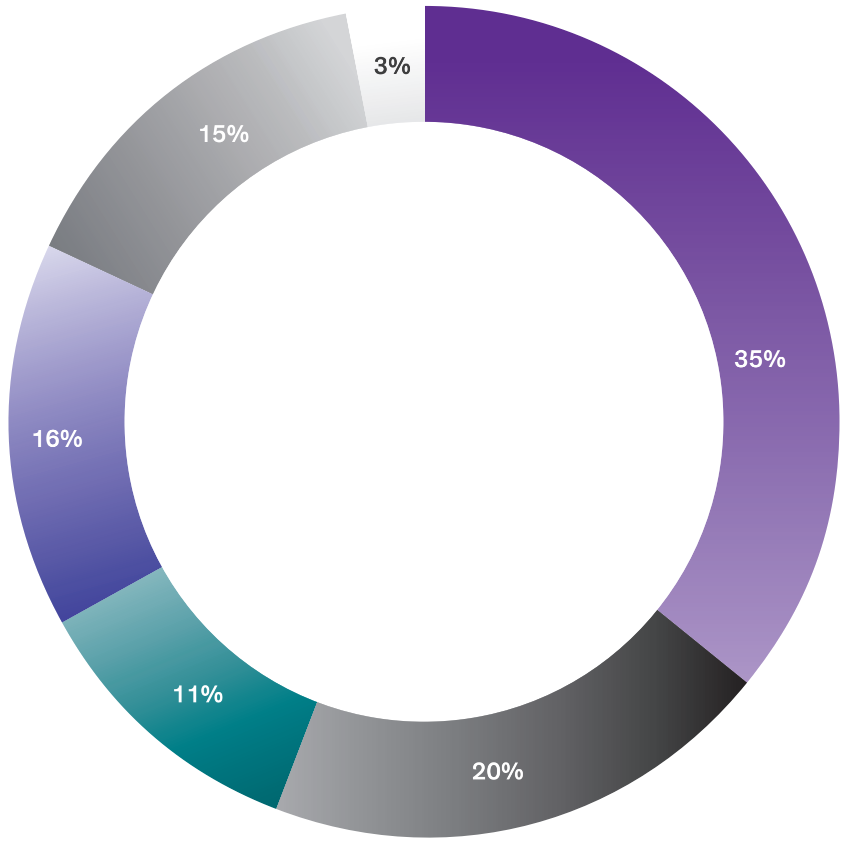


1. See glossary on page 132.
2. Net of management fees received from SPL.

Diversification in Assets and Revenue

Stride comprises SIML's real estate investment management business together with SPL's business of investing, directly and indirectly, in different classes of commercial property. This means that when shareholders invest in Stride, they are investing in a business that has exposure to a number of income streams across a range of commercial asset classes, providing a level of diversification and resilience in varying market conditions. These ownership interests also ensure alignment of interests between Stride and each of the Stride Products.

Diversified revenue sources[1]



- Office
- Retail Shopping Centres/Town Centres
- Large Format Retail
- Industrial
- Recurring management fees
- Activity and performance fees

1. Stride's revenue comprises SIML management fees and SPL revenue. SPL revenue comprises income derived from SPL's directly held property plus revenue derived from its interests in the Stride Products which is calculated based on net Contract Rental on a look-through basis as at 31 March 2025. Management fees comprise recurring management fees and activity and performance fees and exclude fees from SPL.
2. See glossary on page 132.
3. Excludes lease liabilities where applicable. In the case of SPL, includes: (1) the value of Stride's office at 34 Shortland Street, Auckland, which is shown in the consolidated financial statements as 'Property, plant and equipment'; and (2) the value of the rental guarantee receivable in relation to 110 Carlton Gore Road, Auckland. In the case of Investore, includes the value of the rental guarantee receivable in relation to Bunnings Westgate.
4. Includes development commitments at 16A Wickham Street, Hamilton, and 14-20 Favona Road, Auckland.

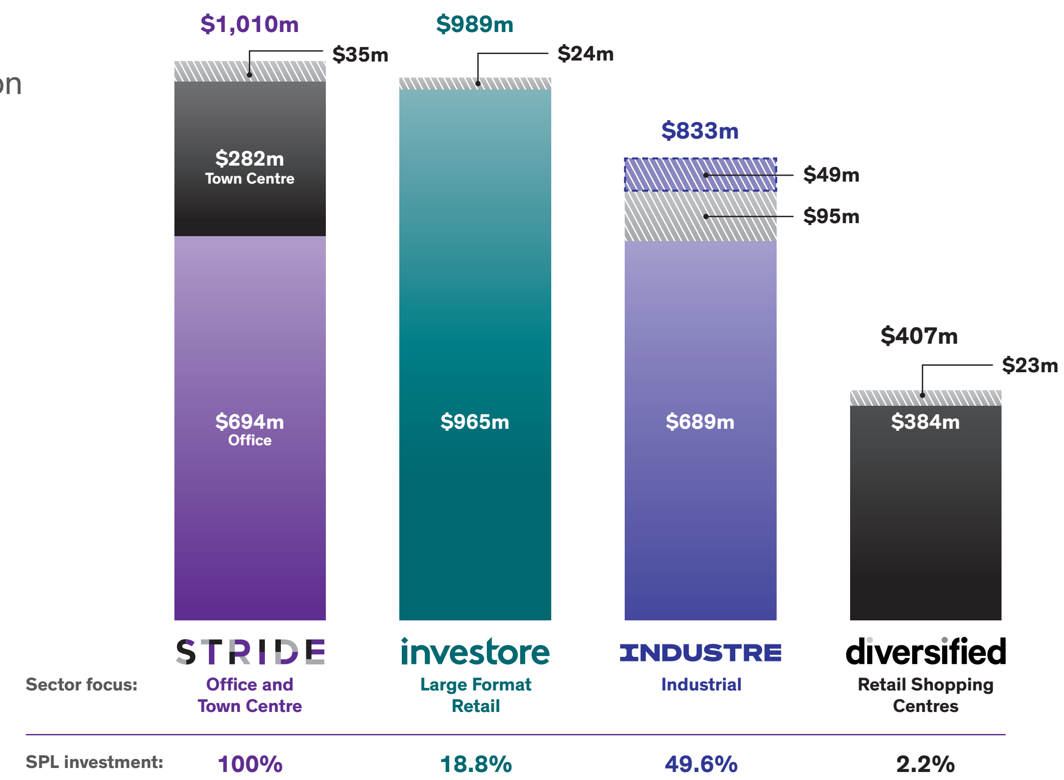
SIML manages a group of entities that invest in commercial property, which we call the Stride Products. These Products comprise both listed and unlisted entities, providing diversification of capital sources and opportunities in different market conditions.

Stride will continue to build portfolios of assets within SPL that could be used for the establishment of future Products, when market and economic conditions are conducive.

	STRIDE	investore	INDUSTRE	diversified
Entity structure	NZX listed	NZX listed	Joint venture between SPL and JPMAM[2]	Unit trust owned primarily by two Australian superannuation entities
Assets and business	Directly owns office and town centre properties, and owns an interest in each of the Stride Products	Owns a portfolio of quality everyday needs large format retail property	Owns industrial properties primarily located in the Auckland region	Owns shopping centre properties
Value of investment properties[3]	$1,010m	$989m	$833m[4]	$407m
SPL ownership	100%	18.8%	49.6%	2.2%
SIML management arrangement	Perpetual	Perpetual	Perpetual	Subject to review in FY27

Portfolio composition by value as at 31 March 2025

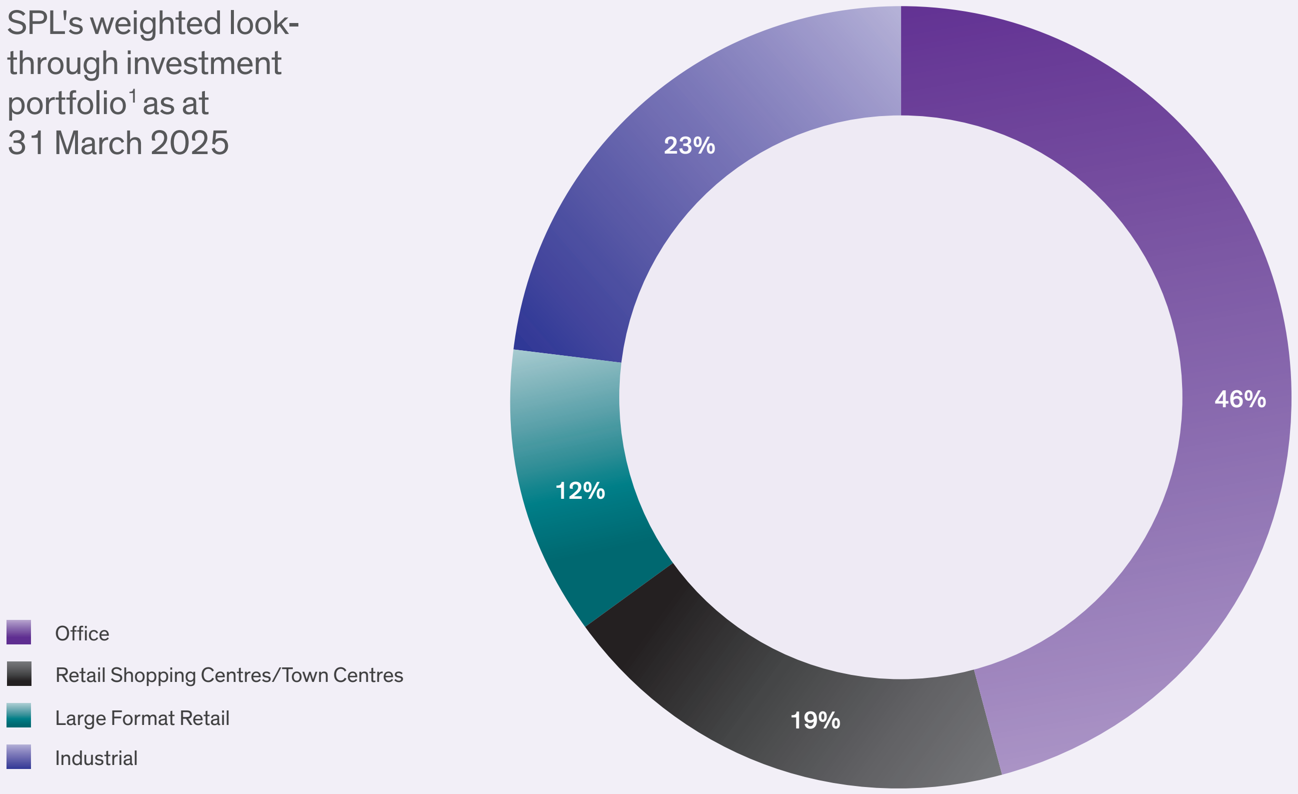
- Industre development commitments[4]
- Property categorised as 'Development and Other'



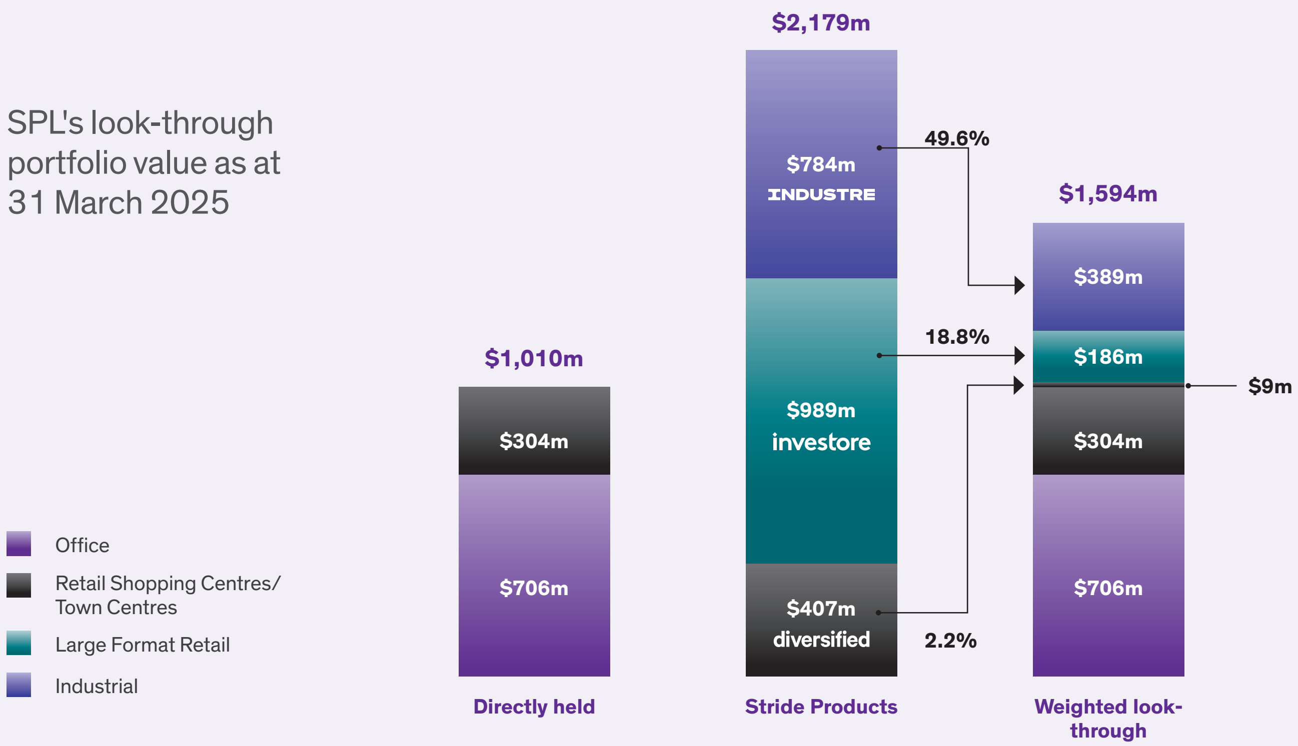
SPL Look-through Portfolio

SPL's directly held portfolio, together with its indirect commercial property interests in the portfolios of Investore, Industre and Diversified, provide SPL with a diversified portfolio that demonstrates strong investment metrics.

SPL's weighted look-through investment portfolio[1] as at 31 March 2025



SPL's look-through portfolio value as at 31 March 2025



Note: Values in the chart above represent total portfolio values for each Stride Product, including properties categorised as 'Development and Other' in the respective financial statements and excluding commitments.

110 Carlton Gore Road, Auckland

SPL look-through investment portfolio[1] demonstrates strong metrics

Look-through value[2] ($m)	1,508
Look-through WALT[3] (years)	6.6
Look-through occupancy[4] (%)	95

1. All metrics relate to the stabilised investment portfolios, and exclude properties categorised as 'Development and Other' in the respective financial statements. Excludes committed developments and lease liabilities.
2. Excludes lease liabilities. In the case of SPL, includes: (1) the value of Stride's office at 34 Shortland Street, Auckland, which is shown in the consolidated financial statements as 'Property, plant and equipment'; and (2) the value of the rental guarantee receivable in relation to 110 Carlton Gore Road, Auckland. In the case of Investore, includes the value of the rental guarantee receivable in relation to Bunnings Westgate.
3. See glossary on page 132.
4. Occupancy is based on area and has been calculated including casual licences with an initial term greater than three months, and excluding units held for committed redevelopment or remix works.

Active Investment Management

Stride takes an active approach to management of the Stride Products and seeks to enhance portfolios and optimise returns in all market conditions. Key investment management initiatives completed for the Stride Products during FY25 included:

New industrial developments totalling $58m for Industre underway at 14-20 Favona Road, Auckland, and 16A Wickham Street, Hamilton, both of which are targeting a 5 Green Star Design & As Built rating

Divestment of Woolworths Invercargill, Woolworths Mount Roskill and Pak'nSave New Plymouth on behalf of Investore for a combined sales price of $79.3m, 3.4% above the combined book value as at 31 March 2024

Acquisition of Bunnings Westgate, the largest Bunnings in New Zealand, for a cash purchase price[1] of $51m and a passing yield of 6.2%

Restructure of Industre to streamline the corporate and banking structures, reducing the weighted average margin and line fees on bank debt by ~40 basis points

Bank refinancing completed for Investore and, post balance date, two new banks have been introduced into the Investore banking syndicate, reducing Investore's overall debt costs

1. Up to a further $3.5m of Investore shares may be issued to the vendor as part consideration, with shares equal to this value being issued on 1 December 2025 if the value of Investore's net tangible assets (NTA) per share as at 30 September 2025 increases by at least 44% from a base NTA per share of $1.57 as at 31 March 2024.

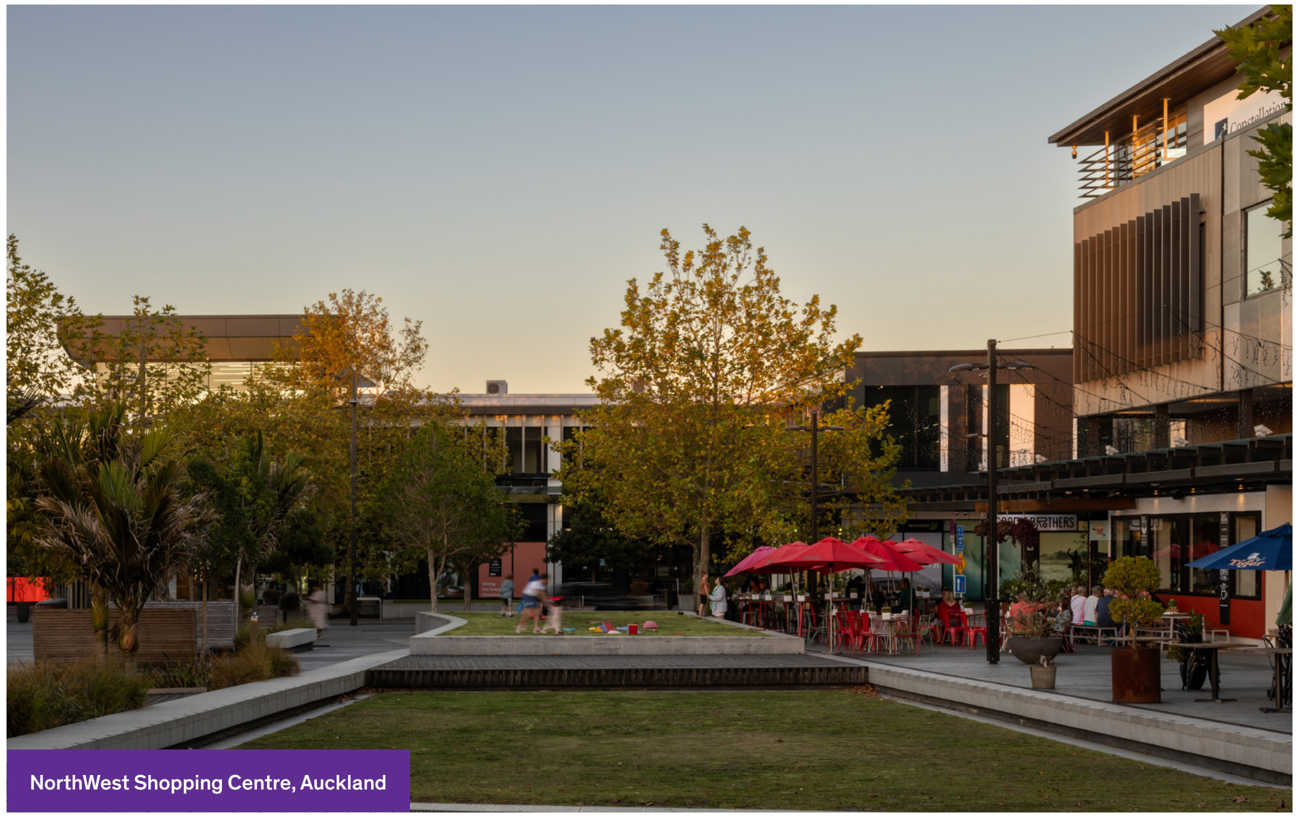
16A Wickham Street, Hamilton (Industre development)

20 Customhouse Quay, Wellington

SPL Portfolio

SPL's directly held portfolio[1] comprises office and town centre properties with enduring demand.

	31 March 2025	31 March 2024[2]
Properties (no.)	9	9
Net Lettable Area (sqm)	131,019	131,213
Net Contract Rental[3] ($m)	60.6	61.9
WALT[3] (years)	5.9	5.9
Occupancy Rate[4] (% by area)	91.2	96.0
Weighted Average Age (years)	11.8	11.1
Weighted Average Capitalisation Rate (%)	6.3	6.3
Portfolio Value[5] ($m)	976	988


NorthWest Shopping Centre, Auckland

1. All metrics refer to SPL's stabilised portfolio of investment assets and exclude properties categorised as 'Development and Other' in the consolidated financial statements.
2. Excludes SPL's 51.7% interest in the joint operation component of the Industre Property Joint Venture which is reported as part of the assets of SPL in the consolidated financial statements for FY24.
3. See glossary on page 132.
4. Occupancy has been calculated including casual licences with an initial term greater than three months, and excluding units held for committed redevelopment or remix works.
5. Excludes lease liabilities. Includes: (1) the value of Stride's office at 34 Shortland Street, Auckland, which is shown in the consolidated financial statements as 'Property, plant and equipment'; and (2) the value of the rental guarantee receivable in relation to 110 Carlton Gore Road, Auckland.

Office

Responding to the ongoing market trend of a "flight to quality", Stride continues to reposition its office portfolio to higher quality, well located, sustainable buildings that will continue to demonstrate enduring demand.

Stride has continued to progress the repositioning of its office building at 34 Shortland Street, Auckland, completing mechanical upgrades and high quality turnkey office suites, and commencing improvements to the front and rear entrances during FY25. With the transformation of this property now largely complete, Stride has commenced similar upgrades to its office building at 215 Lambton Quay in Wellington. These upgrades include a comprehensive refurbishment of the ground floor lobby, including introducing a new café, installing new modern end of trip facilities and secure bike storage, modernising the lifts, and completing mechanical upgrades targeting a 4 star NABERSNZ rating.

The repositioning of these assets is intended to ensure that the SPL office portfolio meets market demand for quality, well-located, green rated properties with high seismic resilience. The improvement works completed by Stride, together with ~$860m of acquisitions and divestments undertaken since March 2020, have significantly transformed the SPL office portfolio, improving its quality and positioning it to better meet market demand.

Office portfolio transformation

	31 March 2025[1]	31 March 2020
WALT has increased	7.0 years	4.6 years
Average age has decreased	12 years	31 years
Percentage of premium grade assets (prime or A grade) has increased	91%	21%
Percentage of assets by value rated 4 star NABERSNZ or 5 Green Star or better has increased	74%	21%

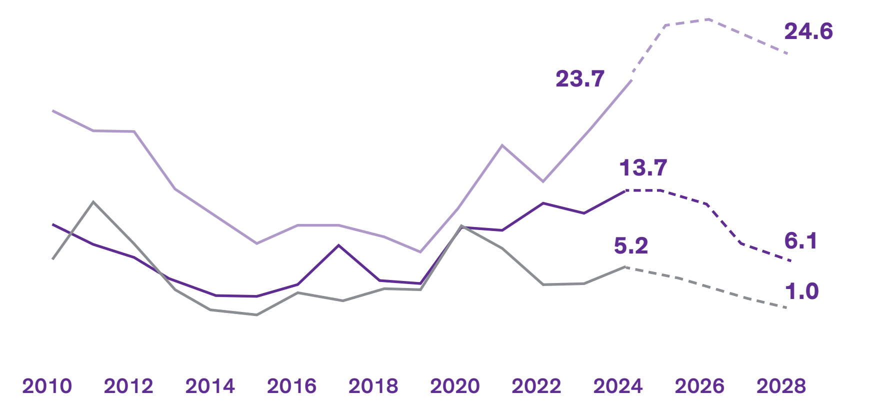
1. Excluding properties categorised as 'Development and Other'.
2. CBRE Research Report April 2025.
3. CBRE New Zealand Office Occupier Sentiment Survey August 2024.
4. CBRE Market Outlook Report December 2024.

Market dynamics

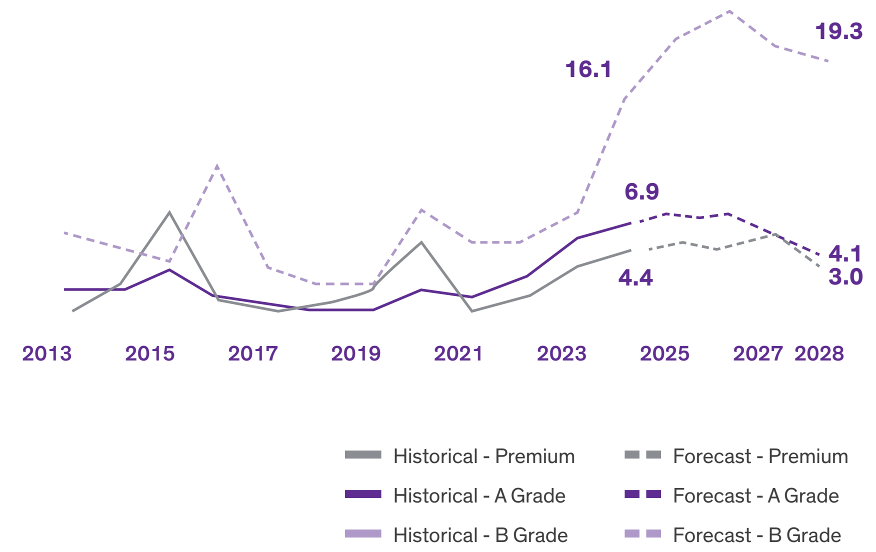
The flight to quality and demand for premium grade space in the office sector continues and this is evidenced by 100% occupancy across Stride's prime office portfolio in both Wellington and Auckland.

In the current economic environment occupiers have been focussed on rightsizing their spaces and achieving cost savings, and this, together with the Government retraction in the Wellington market, has resulted in challenging market conditions. Despite this, Auckland and Wellington CBD employment have grown strongly from March 2020 to 2024, with Auckland's CBD employment growing 11% between March 2020 and 2024 and Wellington's CBD employment growing 8% over the same period[2]. These growth rates exceeded the overall population growth rate of the respective city. Much of this growth has happened in office-related industries, with 45% of the Auckland CBD's total workforce comprising professional services and finance. This growth, together with an increasing presence of employees in the office (with most employees working at least 3 days a week in the office[3]), supports demand for CBD offices.

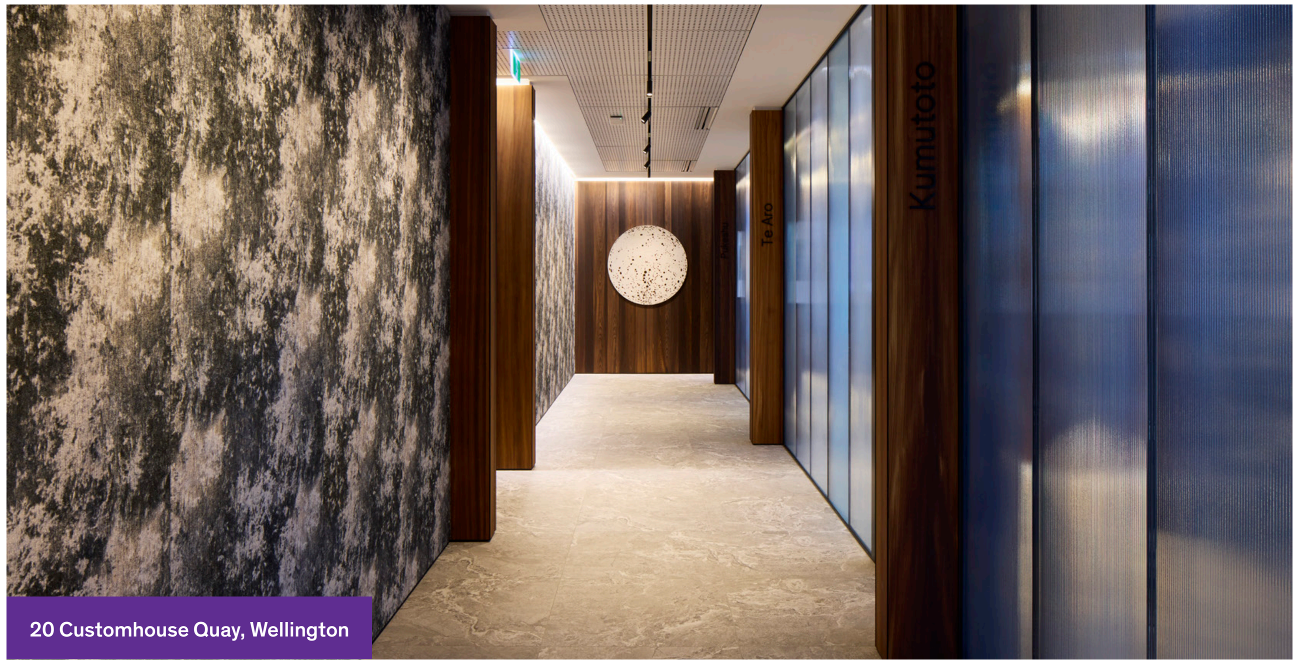
Auckland CBD office vacancy[4] (%)



Wellington CBD office vacancy[4] (%)



Office (cont.)



20 Customhouse Quay, Wellington

Leasing activity

SPL has started to see the benefits of its investment in improving the property at 34 Shortland Street, with the average net effective market rentals increasing by 9% over the period from the acquisition of this property in September 2020 to 31 March 2025. In contrast, Auckland B grade rentals declined by approximately 9% over this period[1]. CBRE forecast further outperformance of high quality office over lower grade office in both Auckland and Wellington in the coming five years, with respect to movements in rents, occupancy and capitalisation rates.

SPL has completed four new lettings at 34 Shortland Street since 31 March 2024 across 1,400 sqm. While this property has further vacancy, SPL takes confidence from the leasing activity completed to date as well as ongoing enquiries, and expects occupancy to improve over FY26. With upgrades largely completed, 34 Shortland Street offers high quality space in a desirable location and with great amenity, while still being affordable compared to prime grade space, further supporting its leasing proposition. SPL has commenced a similar project to refurbish its office property at 215 Lambton Quay, Wellington, to reposition it in a challenging leasing market.

A small number of properties in the office portfolio are experiencing some vacancy, primarily among those that are undergoing upgrades. Stride expects leasing activity to improve as the upgrades are completed and economic conditions improve.

During FY25 50 rent reviews and renewals were completed across 51,000 sqm, providing a 3.2% increase on prior rentals. 69% of these leasing transactions were fixed rental uplifts, generating an increase of 2.8% on prior rentals. New leases and renewals have resulted in WALT[2] being maintained across the office portfolio at 7.0 years as at 31 March 2025 (from 6.9 years as at 31 March 2024).

The weighted average portfolio capitalisation rate has remained constant during FY25, reflecting a stabilisation of office valuations on a gross basis. Overall, SPL's office portfolio net valuation[3] decreased $(24.6)m or (3.4)% from 31 March 2024.

Key investment portfolio[4] metrics

	31 March 2025	31 March 2024
Properties (no.)	6	6
Net Lettable Area (sqm)	72,344	72,538
Net Contract Rental[2] ($m)	39.6	41.1
WALT[2] (years)	7.0	6.9
Occupancy Rate[5] (% by area)	87.7	94.6
Weighted Average Capitalisation Rate (%)	5.9	5.9
Portfolio Value[6] ($m)	694	705

46 Sale Street, Auckland

1. CBRE Auckland Yield and Rent Update April 2025.
2. See glossary on page 132.
3. Valuation refers to the entire portfolio, including assets characterised as 'Development and Other' in the consolidated financial statements.
4. Unless otherwise stated, all metrics relate to the SPL office portfolio as set out in note 3.2 to the consolidated financial statements, and exclude properties categorised as 'Development and Other' in the consolidated financial statements.
5. Occupancy has been calculated including casual licences with an initial term greater than three months, and excluding units held for committed redevelopment or remix works.
6. Includes: (1) the value of Stride's office at 34 Shortland Street, Auckland, which is shown in the consolidated financial statements as 'Property, plant and equipment'; (2) the value of the rental guarantee receivable in relation to 110 Carlton Gore Road, Auckland.

Town Centre

> Stride's town centre portfolio[1] continues to demonstrate strong metrics, including positive rental growth with rent reviews completed during FY25 delivering a 6.0% increase on prior rentals.

Stride's town centre assets are located at NorthWest and Silverdale, and are well positioned to benefit from future economic cycles, with both assets relatively new and located in areas of strong population growth in Auckland.

The Stride town centres have continued to deliver strong rental performance, with 125 rent reviews and renewals completed across the portfolio during FY25 delivering a 5.7% increase on prior rentals.

While the increase in the cost of living and weaker consumer sentiment has impacted sales at the Stride town centres, with FY25 moving annual turnover[2] (MAT) down (1.8)% from FY24, MAT has increased at Stride's town centres by 3.2% per annum since FY19, demonstrating the benefits of the centres being located in fast growing regions of Auckland. The FY25 movement in MAT is consistent with overall spending trends across New Zealand, with total electronic transactions for core retail down (1.7)% over the 12 months to 31 March 2025[3].

While we have seen an increase in operating costs during FY25, Stride's careful cost management focus has resulted in specialty gross occupancy cost[4] across the portfolio remaining steady at ~11% of store sales for FY25.

Net market rents and capitalisation rates across the SPL town centre portfolio have remained constant from 31 March 2024, resulting in a small total portfolio[5] net valuation movement of $(4.4)m or (1.4)% over the 12 months to 31 March 2025.

Key investment portfolio[1] metrics

	31 March 2025	31 March 2024
Properties (no.)	3	3
Net Lettable Area (sqm)	58,675	58,675
Net Contract Rental[4] ($m)	21.0	20.7
WALT[4] (years)	3.6	3.8
Occupancy Rate[6] (% by area)	95.5	97.8
Weighted Average Capitalisation Rate (%)	7.4	7.3
Portfolio Value[7] ($m)	282	284

1. Unless otherwise stated, all metrics exclude SPL's 50% interest in Johnsonville Shopping Centre, which is classified as 'Development and Other' in the consolidated financial statements.
2. Sales data is not collected for all tenants at Silverdale Centre as not all tenants are obliged to provide this information under the terms of their lease.
3. Based on Statistics New Zealand's Electronic Card Transactions Data for March 2025.
4. See glossary on page 132.
5. Includes SPL's 50% share of Johnsonville Shopping Centre, which is owned 50:50 by SPL and Diversified.
6. Occupancy has been calculated including casual licences with an initial term greater than three months, and excluding units held for committed redevelopment or remix works.
7. Excludes lease liabilities.

NorthWest Shopping Centre, Auckland

Investore

Investore's investment property portfolio continued to deliver resilient operating earnings during FY25, with the value of Investore's portfolio remaining relatively constant over the period due to the average portfolio[1] capitalisation rate stabilising.

Investore has delivered on its strategies of targeted growth and portfolio optimisation through a number of transactions during FY25, intended to position the portfolio to capture future growth opportunities.

Acquisition of Bunnings Westgate for $51.0m cash[2], representing a passing yield on acquisition of 6.2%

Divestment of Woolworths Invercargill, Woolworths Mount Roskill and Pak'nSave New Plymouth for a combined sales price of $79.3m, being 3.4% above the combined book value as at 31 March 2024

These transactions provide Investore with exposure to properties with stronger long term growth potential, increasing the percentage of Bunnings leases within Investore's portfolio and reducing the Woolworths concentration. Investore intends to recycle the proceeds from the sale of Woolworths Mount Roskill into strategic investment opportunities to further enhance Investore's rental and underlying growth profile

Investore also continues to optimise its existing portfolio through partnering with tenants to undertake improvement projects and store refurbishments. This includes a number of expansions at Woolworths stores to support Woolworths in its focus on online sales fulfilled through the existing store network. These expansions have delivered benefits to Investore through additional rental income and increased lease tenure in some cases.

During FY25 SIML completed 59 rent reviews on behalf of Investore, resulting in an increase in rental of 4.2% on prior rentals. A further $0.7m of annualised turnover rent was crystallised into base rent across six Woolworths stores, resulting in a 13.3% uplift on prior rentals for these stores, providing Investore more certainty over this income.

The Investore portfolio[3] is valued at $1.0 billion as at 31 March 2025, representing a net gain in fair value of $12.2m or 1.3% over the 12 months to 31 March 2025. This stabilisation in valuation is primarily a result of resilient rental income and transactional market evidence supported by falling interest rates.

1. Unless otherwise stated, all metrics refer to Investore's stabilised portfolio of investment assets and exclude properties categorised as 'Development and Other' in note 2.2 to Investore's consolidated financial statements.
2. Up to a further $3.5m of Investore shares may be issued to the vendor as part consideration, with shares equal to this value being issued on 1 December 2025 if the value of Investore's net tangible assets (NTA) per share as at 30 September 2025 increases by at least 44% from a base NTA per share of $1.57 as at 31 March 2024.
3. Valuation refers to the entire portfolio, including assets characterised as 'Development and Other' in Investore's consolidated financial statements and excludes lease liabilities.
4. See glossary on page 132.
5. Excludes lease liabilities.
6. Includes the value of the rental guarantee receivable in relation to Bunnings Westgate.

Portfolio[1] overview

Investore's portfolio[1] comprises 43 large format retail properties, from standalone supermarkets to large format retail centres, with a high concentration of nationally recognised brands and tenants that provide 'everyday needs'.

	31 March 2025	31 March 2024
Properties (no.)	43	45
Net Lettable Area (sqm)	254,684	255,898
Net Contract Rental[4] ($m)	63.0	63.7
WALT[4] (years)	6.8	7.4
Occupancy Rate (% by area)	99.0	99.1
Weighted Average Capitalisation Rate (%)	6.3	6.4
Portfolio Value[5] ($m)	965[6]	972

Bunnings Westgate, Auckland

Investore (cont.)

Capital management

FY25 was another active year for capital management activities undertaken by SIML on behalf of Investore, with the implementation of several initiatives to proactively manage risk and optimise Investore's cost of debt.

$225 million of bank debt facilities refinanced, resulting in lower debt funding costs and two additional banks entering the syndicate post balance date

Adoption of a Green Finance Framework, with Investore's $225 million of bank debt facilities classified as green loan facilities

$100 million of new interest rate hedging

4.1% weighted average cost of debt as at 31 March 2025, down from 4.3% as at 31 March 2024

74% debt hedged or subject to a fixed rate of interest as at 31 March 2025

2.9 years weighted average maturity of debt facilities as at 31 March 2025, up from 2.1 years as at 31 March 2024

38.5% LVR[1] as at 31 March 2025, down from 40.8% as at 31 March 2024 primarily due to the divestment of Woolworths Mount Roskill

Operation of dividend reinvestment plan, resulting in $4.2 million of cash being retained by Investore and used to reduce leverage

1. LVR is calculated based on independent valuations, which exclude lease liabilities, and is calculated as bank debt as a percentage of the value of investment property for mortgage security purposes.

Woolworths Browns Bay, Auckland

Industre

Industre continues to grow its industrial portfolio through new developments and acquisitions, and while FY25 transactions continued to evidence strong rental growth in the industrial market, rentals have started to stabilise towards the end of the financial year.

Portfolio activity

Industre continues to grow and improve its portfolio through strategic acquisitions and developments:

- Industre acquired 7.9 hectares of land at Hamilton during FY25, which it leased back to the vendor for clean fill operations for a 5 year term. Industre paid 50% of the purchase price on settlement of the acquisition, with the remainder due in two equal annual instalments over FY26 and FY27. This property is intended to provide a future development opportunity for Industre, consistent with its strategy of targeted acquisitions providing future development opportunities.
- Development of a new industrial facility is underway at 16A Wickham Street, Hamilton. This facility will be leased to one of Industre's existing tenants, Wattyl New Zealand, who will take a 15 year lease on completion of the development. Completion of the new development is expected in late 2025 at a total cost of approximately $28m (excluding land), with $15m remaining as at 31 March 2025. The development will provide an expected yield on cost of 6.0% (including land), depending on final scope and metrics. Consistent with previous growth activity, the Industre joint venture partner JPMAM[1] has agreed to fund the equity required for this development. Wattyl is currently a tenant at Industre's property at 4-14 Patiki Road, Auckland. Industre is exploring options to redevelop this site, which comprises 4.6 hectares of available land. Patiki Road is part of Industre's ongoing development pipeline, consistent with its approach of identifying properties with under-utilised sites in preferred locations, and where the existing assets provide short term income until the site can be redeveloped.
- Industre commenced development of another new industrial facility at 14-20 Favona Road, Auckland. This property was acquired by Industre in March 2022 and has been held as a development opportunity since that date. Industre elected to commence development of this property during FY25 as the strong industrial rental market aligned with a subdued construction market in Auckland, resulting in attractive development yields. The project has an expected total cost of $30m (excluding land), with an expected yield on cost of 6%+ (including land). Construction is expected to be completed in the first half of 2026.

SIML has also concluded a number of leasing transactions on behalf of Industre, with new lettings and renewals delivering an increase of 20.3% on prior rentals, while rent reviews have delivered an increase of 3.9% on prior rentals.

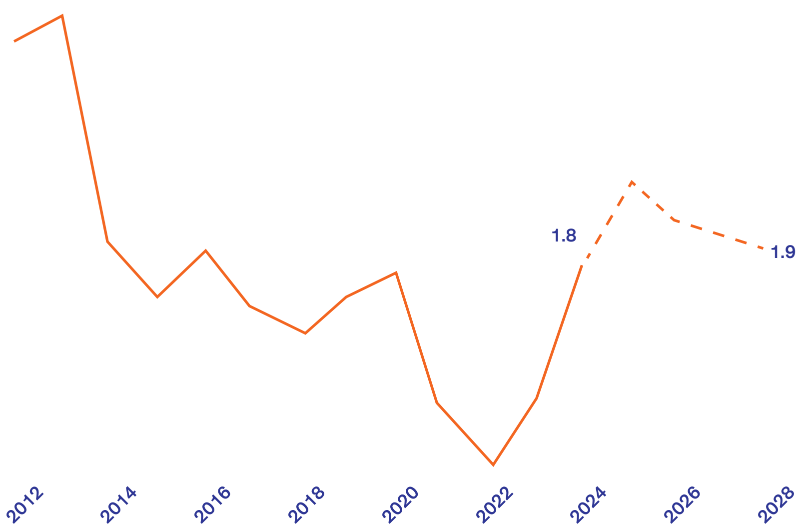
While we have seen market rents stabilising recently, the Industre portfolio[2] retains a potential reversion to market[3] of +7.6%. With around 23% of net Contract Rental[1] subject to market review or expiry over FY26 and FY27, this provides the potential for Industre to capture these higher market rents, as we have seen with new lettings and renewals completed during FY25.

Stabilising market rents, together with relatively constant capitalisation rates has resulted in a total portfolio[4] net valuation gain for the 12 months to 31 March 2025 of $16.9 m or 2.2%.

14-20 Favona Road, Auckland

Industrial market rents have started to stabilise towards the end of FY25, although vacancy rates are expected to remain low (around 2%), with industrial land in short supply, especially in core locations in Auckland, which is where Industre has focussed its investment activity. This is expected to support enduring demand for Industre's assets.

Auckland industrial vacancy[5]



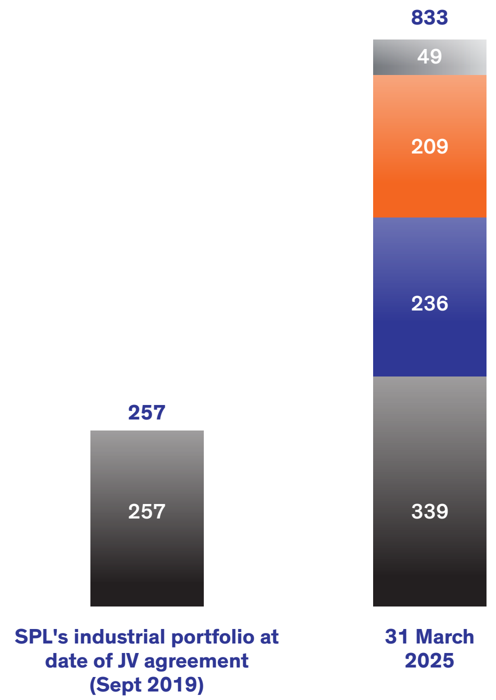
Key investment portfolio[2] metrics

	31 March 2025	31 March 2024
Properties (no.)	19	19
Net Lettable Area (sqm)	182,477	181,528
Net Contract Rental[1] ($m)	36.3	33.7
WALT[1] (years)	9.1	10.0
Occupancy Rate (% by area)	96.9	97.8
Weighted Average Capitalisation Rate (%)	5.8	5.8
Portfolio Value ($m)	689	676

1. See glossary on page 132.
2. Unless otherwise stated, all metrics refer to Industre's stabilised portfolio of investment assets and exclude properties categorised as 'Development and Other' in Industre's financial statements.
3. Based on Industre's valuation reports as at 31 March 2025 and comparing passing rent to market rent on a face rental basis.
4. Includes properties categorised as 'Development and Other' in Industre's financial statements.
5. CBRE Market Outlook Report December 2024.

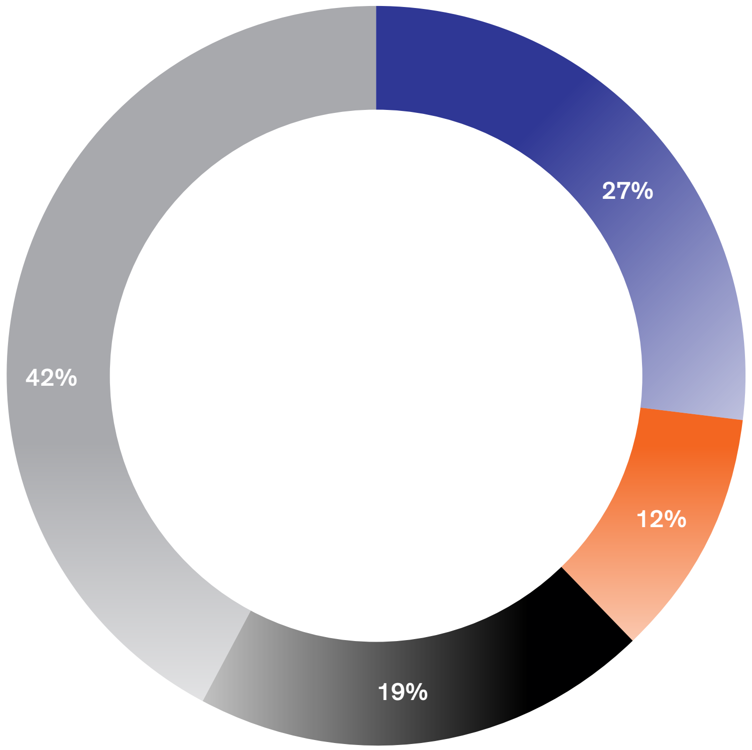
Industre (cont.)

Industre portfolio value growth ($ millions)



- Assets at commencement of joint venture
- Acquisitions
- Completed developments
- Committed developments

Industre portfolio tenant classification by net Contract Rental[1] as at 31 March 2025 (pro forma[2])



- Waste Management
- Other
- Manufacturing
- Logistics

1. See glossary on page 132.
2. As at 31 March 2025 as if the development at 16A Wickham Street, Hamilton, had been completed and the lease to Wattyl New Zealand had commenced as at that date and the lease of 4-14 Patiki Road, Auckland, to Wattyl New Zealand had ceased as at that date. Otherwise excludes properties categorised as 'Development and Other' in Industre's financial statements.

439 Rosebank Road, Auckland


Chartwell Shopping Centre, Hamilton

Diversified

> SIML continues to actively manage Diversified's shopping centre portfolio, optimising leasing transactions and maintaining the attractiveness of these centres to shoppers and tenants.

SIML continues to deliver strong leasing activity within the Diversified portfolio, with 115 rent reviews completed across the portfolio[1] during FY25 delivering an increase of 3.5% on prior rentals. New lettings and renewals completed during FY25 have a weighted average lease term of 4 years, supporting the portfolio's weighted average lease term of 2.7 years as at 31 March 2025. Lease renewals during FY25 included a number of key tenants, such as Whitcoulls, Hallensteins, Glassons, and ANZ.

SIML's focus on optimising the portfolio and managing costs has resulted in specialty gross occupancy cost[2] for the portfolio[1] remaining stable at ~13% as at 31 March 2025, despite rising rates and energy costs.

Net market rentals remained flat across the portfolio during FY25. An expansion in the weighted average capitalisation rate for the portfolio of 21 basis points has resulted in a total portfolio[3] net valuation movement of $(11.1)m or (2.7)% over the 12 months to 31 March 2025.

Key investment portfolio[1] metrics

	31 March 2025	31 March 2024
Properties (no.)	2	2
Net Lettable Area (sqm)	85,627	85,713
Net Contract Rental[2] ($m)	34.4	34.1
WALT[2] (years)	2.7	3.0
Occupancy Rate[4] (% by area)	97.0	96.6
Weighted Average Capitalisation Rate (%)	8.3	8.1
Portfolio Value ($m)	384	390

1. Unless otherwise stated, all metrics refer to Diversified's stabilised portfolio of investment assets and exclude properties categorised as 'Development and Other' in Diversified's financial statements.
2. See glossary on page 132.
3. Includes Diversified's 50% share of Johnsonville Shopping Centre, which is owned 50:50 by SPL and Diversified.
4. Occupancy has been calculated including casual licences with an initial term greater than three months, and excluding units held for committed redevelopment or remix works.

Capital Management

Stride continues to take a prudent and active approach to capital management.

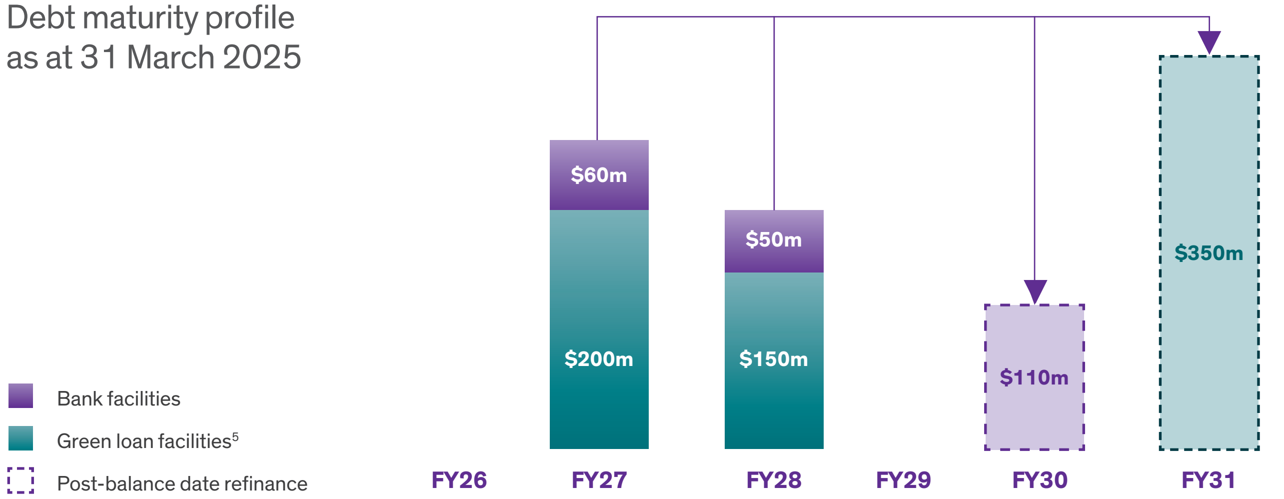
Stride's bank LVR[1] as at 31 March 2025 is 38.7%, slightly up on 31 March 2024 when the LVR was 36.7%. This LVR only reflects SPL's directly held office and town centre properties, and does not take into account SPL's interests in the Stride Products. Taking into account SPL's investments in the Stride Products, SPL's gearing is 29.0% on a balance sheet basis[2] or 38.1% on a look-through basis[3].

Post balance date, SPL's lenders have committed to refinance SPL's bank debt facilities. Once the refinance is complete, the weighted average tenor remaining on the bank facilities will increase from 2.1 years to 5.0 years and the weighted average cost of debt will reduce from 4.9% to 4.5% (both on a pro forma basis as if the refinance had occurred as at 31 March 2025).

	31 March 2025	31 March 2024
Banking Facility Limit ($m)	460	460
Debt Facilities Drawn ($m)	390	375
Weighted Average Debt Maturity (years)	2.1	3.1
Weighted Average Cost of Debt (%)	4.9	4.2
Percentage of Drawn Debt Hedged (%)	72	75
Bank LVR[1] (%) (Covenant: ≤ 50%)	38.7	36.7
Balance Sheet LVR[2] (%)	29.0	27.6
Look-Through LVR[3] (%)	38.1	37.4
Interest Cover Ratio (Covenant: ≥2.125×)	3.2x	3.4x
Weighted Average Lease Term[4] (years) (Covenant: >3.0 years)	4.8	5.5

NorthWest Shopping Centre, Auckland

Debt maturity profile as at 31 March 2025

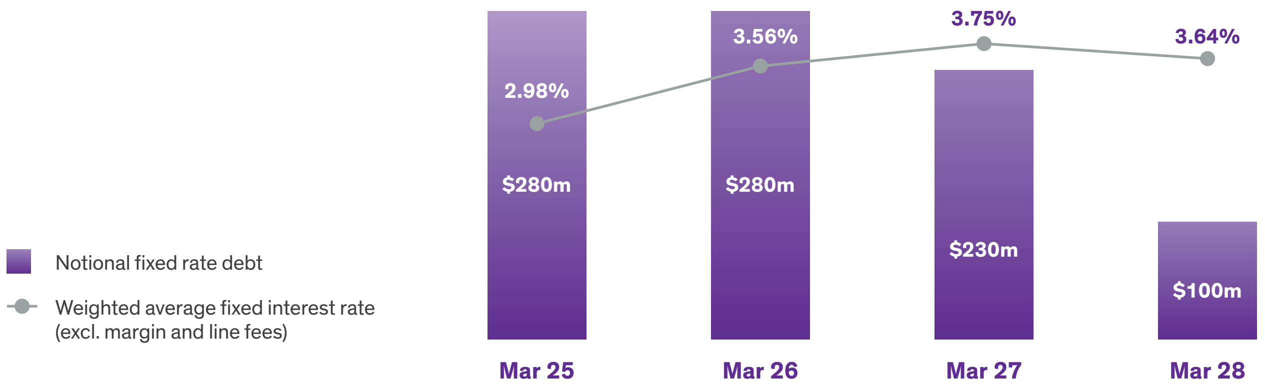


Interest rate management

Stride actively monitors the cost of debt and will enter into interest rate hedges when pricing is favourable. During FY25, Stride entered into $125m of new interest rate swaps, and as at 31 March 2025, Stride had $280m of active interest rate swaps, representing 72% of drawn debt.

SPL's weighted average cost of debt is 4.9% as at 31 March 2025, which is 70 basis points higher than the weighted average cost of debt as at 31 March 2024. This movement is primarily due to favourable interest rate swaps entered into during the period impacted by COVID-19 maturing. Post balance date, SPL's lenders have committed to refinance SPL's bank debt facilities, which will result in the weighted average cost of debt reducing to 4.5% on a pro forma 31 March 2025 basis, once the refinance is completed.

Fixed rate interest profile as at 31 March 2025



1. See glossary on page 132. Bank LVR is calculated as bank debt as a percentage of the value of investment property for mortgage security purposes.
2. Balance sheet LVR includes SPL's directly held property as well as the value of SPL's interests in each of the Stride Products, and SPL's direct debt.
3. Look-through LVR includes SPL's directly held property and debt, as well as its proportionate share of the property and debt of each of the Stride Products.
4. The unexpired lease term in a property or portfolio, assuming the property or portfolio is fully leased. This is weighted by the income applicable to each lease and a current market rental with nil term for vacant space.
5. Green loan facilities are made in accordance with the Green Finance Framework of Fabric Property Limited (Fabric, a wholly owned subsidiary of SPL), which requires that the value of Fabric's green assets (defined as properties rated at least 4 star NABERSNZ or 5 Green Star) exceeds the value of Fabric's drawn green loans. The Framework has been developed to be consistent with the Asia Pacific Loan Market Association Green Loan Principles (2025) and International Capital Market Association Green Bond Principles (2021 with June 2022 Appendix).

Five Year Financial Summary

The five year financial summary table reflects the numbers in the consolidated financial statements for each respective year

Five Year Financial Summary	2025 ($m)	2024 ($m)	2023 ($m)	2022 ($m)	2021 ($m)
Net rental income[1]	**69.1**	72.3	71.1	65.8	50.7
Guarantee income	**-**	2.4	-	-	-
Management fee income[1]	**20.4**	19.9	23.3	24.3	24.2
Profit before net finance expenses, other (expense)/income and income tax from continuing operations	**68.2**	70.6	70.7	62.7	53.9
Net finance expenses	**(18.8)**	(19.8)	(17.1)	(16.1)	(13.4)
Profit before other (expense)/income and income tax from continuing operations	**49.3**	50.8	53.5	45.6	40.4
Other (expense)/income	**(16.8)**	(102.8)	(163.3)	78.1	100.9
Profit/(loss) before income tax from continuing operations	**32.5**	(52.0)	(109.7)	124.7	141.3
Income tax expense	**(10.8)**	(4.1)	(7.0)	(12.4)	(9.4)
Profit/(loss) after income tax from continuing operations	**21.7**	(56.1)	(116.7)	112.3	132.0
Profit/(loss) from discontinued operations	**-**	-	-	-	(0.1)
Profit/(loss) attributable to shareholders	**21.7**	(56.1)	(116.7)	112.3	131.9
Basic earnings per share - weighted from continuing and discontinued operations	**3.87 cents**	(10.22) cents	(21.60) cents	22.70 cents	32.99 cents
Distributable profit[2] before current income tax	**57.6**	66.5	68.1	62.6	52.4
Distributable profit[2] after current income tax	**48.3**	59.1	57.6	54.2	46.3
Basic distributable profit after current income tax per share - weighted	**8.64 cents**	10.76 cents	10.66 cents	10.95 cents	11.58 cents
Property values[3]	**1,010.2**	1.171.8	1,254.1	1,244.6	1,050.5
Total assets	**1,397.7**	1,458.5	1,590.5	1,642.3	1,383.6
Bank debt drawn	**390.4**	375.0	402.4	305.5	261.0
Loan to value ratio[4]	**38.6%**	36.7%	36.4%	28.7%	29.3%
Total equity	**959.7**	992.4	1,075.7	1,231.1	1,017.8
NTA per share	**$1.72**	$1.78	$1.98	$2.28	$2.15
Adjusted NTA per share[5]	**$1.72**	$1.77	$1.95	$2.25	$2.15

Values in the table above are calculated based on the numbers in the consolidated financial statements for each respective financial year and may not sum accurately due to rounding.

The Five Year Financial Summary contains certain information which is contained in the audited consolidated financial statements of each respective year. Further information can be obtained by referring to those audited consolidated financial statements.

1. 2021 figure has been restated to eliminate the building management fees charged from SIML to SPL.
2. See glossary on page 132.
3. Excludes lease liabilities. For more information, refer note 3.2 in the consolidated financial statements. Includes the value of Stride's offices located at 34 Shortland Street, Auckland, which is recognised in the consolidated financial statements as property, plant and equipment (refer note 8.7).
4. Excludes lease liabilities. Includes Stride's offices located at 34 Shortland Street, Auckland, which is recognised as property, plant and equipment in the consolidated financial statements (refer note 8.7).
5. Excludes after tax fair value of interest rate derivatives.

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2025

	Notes	2025 $000	2024 $000
Gross rental income		97,711	98,857
Direct property operating expenses		(28,659)	(26,555)
Net rental income	3.1	69,052	72,302
Guarantee income		-	2,421
Management fee income		20,415	19,853
Less corporate expenses			
Corporate overhead expenses		(15,868)	(18,340)
Administration expenses	8.3	(5,447)	(5,634)
Total corporate expenses		(21,315)	(23,974)
Profit before net finance expense, other (expense)/income and income tax		68,152	70,602
Net finance expense	5.3	(18,835)	(19,771)
Profit before other (expense)/income and income tax		49,317	50,831
Other (expense)/income			
Net change in fair value of investment properties	3.2	(29,525)	(75,779)
Share of profit/(loss) in equity-accounted investments	7.2	20,471	(23,676)
Impairment of equity-accounted investment	7.2	(8,776)	-
Gain/(loss) on disposal of investment properties		974	(2,472)
Hedge ineffectiveness of cash flow hedges		10	(880)
Profit/(loss) before income tax		32,471	(51,976)
Income tax expense	8.1	(10,819)	(4,148)
Profit/(loss) after income tax attributable to shareholders		21,652	(56,124)
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss			
Deferred tax on share-based payment expense		163	144
Movement in cash flow hedges, net of tax	5.7	(8,982)	(6,608)
Movement in cash flow hedge reserve, net of tax, in equity-accounted investments	7.2	(1,807)	(1,148)
Items that will not be reclassified to profit or loss			
Revaluation (deficit)/surplus	8.7	(200)	2,800
Total other comprehensive loss after tax		(10,826)	(4,812)
Total comprehensive income/(loss) after tax attributable to shareholders		10,826	(60,936)
Stride Property Limited (SPL) total comprehensive income/(loss) after tax attributable to shareholders		2,078	(67,965)
Stride Investment Management Limited (SIML) total comprehensive income after tax attributable to shareholders	5.6	8,748	7,029
Total comprehensive income/(loss) after tax attributable to shareholders		10,826	(60,936)
Earnings per share (EPS)	4.1		
Basic EPS (cents)		3.87	(10.22)
Diluted EPS (cents)		3.85	(10.22)

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

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Notes	Number of shares 000	Share capital $000	Retained earnings $000	Other reserves $000	Total $000
Balance at 31 Mar 24		558,408	884,022	93,653	14,758	992,433
Transactions with shareholders:						
Dividends paid	4.2	-	-	(44,723)	-	(44,723)
Employee incentive scheme	5.7	631	569	387	177	1,133
Total transactions with shareholders		631	569	(44,336)	177	(43,590)
Profit after income tax		-	-	21,652	-	21,652
Total other comprehensive loss		-	-	-	(10,826)	(10,826)
Total comprehensive income/(loss)		-	-	21,652	(10,826)	10,826
Balance at 31 Mar 25		559,039	884,591	70,969	4,109	959,669
Balance at 31 Mar 23		543,321	863,309	192,279	20,149	1,075,737
Transactions with shareholders:						
Dividends reinvested/(paid)	4.2	14,888	19,509	(43,030)	-	(23,521)
Employee incentive scheme	5.7	199	1,204	528	(579)	1,153
Total transactions with shareholders		15,087	20,713	(42,502)	(579)	(22,368)
Loss after income tax		-	-	(56,124)	-	(56,124)
Total other comprehensive loss		-	-	-	(4,812)	(4,812)
Total comprehensive loss		-	-	(56,124)	(4,812)	(60,936)
Balance at 31 Mar 24		558,408	884,022	93,653	14,758	992,433

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

Consolidated Statement of Financial Position

As at 31 March 2025

	Notes	2025 $000	2024 $000
Current assets			
Cash		**15,569**	14,762
Debtors and other receivables	8.5	**3,066**	4,248
Prepayments		**218**	176
Derivative financial instruments	5.2	**1,022**	6,535
		19,875	25,721
Non-current assets			
Investment properties	3.2	**1,029,503**	1,190,883
Equity-accounted investments	7.2	**333,442**	222,354
Loan to associate	8.4	**3,398**	3,398
Property, plant and equipment	8.7	**8,777**	9,058
Derivative financial instruments	5.2	**788**	6,879
Other non-current assets		**1,874**	250
		1,377,782	1,432,822
Total assets		**1,397,657**	1,458,543
Current liabilities			
Trade and other payables	8.6	**14,587**	16,096
Lease liabilities	3.3	**7**	7
Current tax liability		**2,587**	1,755
		17,181	17,858
Non-current liabilities			
Borrowings	5.1	**390,129**	374,598
Borrowings (Industre joint operation participating interest)	7.3	**-**	40,297
Lease liabilities	3.3	**27,600**	27,607
Deferred tax liability	8.1	**1,579**	5,686
Derivative financial instruments	5.2	**1,499**	64
		420,807	448,252
Total liabilities		**437,988**	466,110
Net assets		**959,669**	992,433
Share capital		**884,591**	884,022
Retained earnings		**70,969**	93,653
Reserves	5.7	**4,109**	14,758
Equity		**959,669**	992,433
SPL equity		**936,758**	971,730
SIML equity (non-controlling interest)	5.6	**22,911**	20,703
Equity		**959,669**	992,433

For and on behalf of the Boards of Directors of SPL and SIML, who authorised these consolidated financial statements for issue on 28 May 2025:

Tim Storey
Chair of the Boards

Ross Buckley
Chair of the Audit and Risk Committee

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

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Notes	2025 $000	2024 $000
Cash flows from operating activities			
Gross rental received		**95,774**	100,722
Management fee income		**20,641**	19,459
Bank interest received		**659**	799
Direct property operating and corporate expenses		**(48,246)**	(47,384)
Interest paid		**(18,704)**	(20,165)
Share-based payment costs		**(516)**	(168)
Income tax paid		**(10,280)**	(7,939)
Guarantee income in relation to 46 Sale Street, Auckland		**-**	2,421
Borrowings establishment costs		**-**	(485)
Net cash provided by operating activities		**39,328**	47,260
Cash flows from investing activities			
Dividend income from equity-accounted investments net of dividends reinvested	8.4	**7,113**	5,830
Net proceeds from disposal of investment properties		**-**	28,966
Capital expenditure on investment properties		**(14,589)**	(13,693)
Capital expenditure on other non-current assets		**(1,624)**	-
Property, plant and equipment purchased		**(91)**	(1,071)
Distribution from equity-accounted investments		**-**	15,374
Interest received in relation to the loan advance on 110 Carlton Gore Road, Auckland		**-**	1,556
Acquisition of investment properties		**-**	(35,366)
Net cash (applied to)/provided by investing activities		**(9,191)**	1,596
Cash flows from financing activities			
Drawdown on borrowings		**18,900**	36,000
Repayment of borrowings		**(3,500)**	(63,400)
Lease liabilities payments		**(7)**	(6)
Dividends paid net of dividends reinvested	4.2	**(44,723)**	(23,521)
Net cash applied to financing activities		**(29,330)**	(50,927)
Net increase/(decrease) in cash held		**807**	(2,071)
Opening cash		**14,762**	16,833
Closing cash at balance date		**15,569**	14,762
Cash consists of:			
Cash		**14,925**	14,506
Cash held for retentions		**644**	256
Cash at balance date		**15,569**	14,762

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

Consolidated Statement of Cash Flows (continued)

For the year ended 31 March 2025

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

	Notes	2025 $000	2024 $000
Profit/(loss) after income tax attributable to shareholders		**21,652**	(56,124)
(Less)/add non-cash items:			
Movement in deferred tax	8.1	**(293)**	(3,666)
Net change in fair value of investment properties		**29,525**	75,779
Share of (profit)/loss in equity-accounted investments		**(20,471)**	23,676
Impairment of equity-accounted investment		**8,776**	-
(Gain)/loss on disposal of investment properties		**(974)**	2,472
Hedge ineffectiveness of cash flow hedges		**(10)**	880
Spreading of fixed rental increases		**(2,336)**	(1,967)
Capitalised lease incentives net of amortisation		**(1,023)**	711
Movement in loss allowance		**167**	(50)
Share-based payment expense net of forfeited employee incentive rights		**1,416**	1,866
Non-cash movements in property, plant and equipment recognised in profit and loss		**170**	489
Borrowings establishment costs amortisation		**131**	714
Non-cash interest income received	8.4	**(285)**	(294)
Accrued interest movement in derivative financial instruments		**405**	(138)
		36,850	44,348
Add/(less) activity reclassified to/(from) operating activities:			
Movement in working capital items relating to investing activities		**2,531**	26,609
Movement in borrowings establishment costs classified as operating activities		**-**	(485)
Movement in share-based payment costs classified as operating activities		**(516)**	(168)
		38,865	70,304
Movement in working capital:			
Decrease in debtors and other receivables		**1,182**	3,481
(Increase)/decrease in prepayments		**(42)**	134
Decrease in trade and other payables		**(1,509)**	(26,534)
Increase/(decrease) in current tax liability		**832**	(125)
Net cash provided by operating activities		**39,328**	47,260

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

Notes to the Financial Statements

For the year ended 31 March 2025

1.0 General Information

This section sets out Stride Property Group's accounting policies that relate to the consolidated financial statements (financial statements) as a whole. Where an accounting policy is material and specific to a note, the policy is described within the note to which it relates.

1.1 Reporting entity

The financial statements presented are those of Stride Property Limited and its 100% owned subsidiaries, Fabric Property Limited (Fabric), Stride Holdings Limited, and Stride Industrial Property Limited (SIPL) (together referred to as SPL), and Stride Investment Management Limited (SIML), each of SPL and SIML being a 'Stapled Entity' and together the Stride Property Group (Stride). For accounting purposes, stapling gives rise to the combination of the Stapled Entities into a consolidated group. For the purposes of financial reporting, one of the combining entities is required to be identified as the parent entity of the consolidated group. In the case of Stride, SPL has been identified as the parent for the purposes of preparing the financial statements and consequently SIML's equity is presented as the non-controlling interest in the financial statements (refer note 5.6).

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

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

The financial statements were approved for issue by the Board of Directors of SPL (SPL Board) and the Board of Directors of SIML (SIML Board) (together referred to as the Boards) on 28 May 2025.

1.2 Basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (GAAP). Stride is a for-profit entity for the purposes of financial reporting. The financial statements comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS), other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS. The financial statements also comply with International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards). The financial statements were prepared in accordance with the Financial Markets Conduct (Stride Property Group) Exemption Notice 2022 and waivers granted to Stride from certain NZX Listing Rules in May 2020, which each permit SPL and SIML, subject to the conditions of the exemption notice and waivers (respectively), to prepare financial statements in respect of Stride in place of separate financial statements of each Stapled Entity. The Financial Markets Conduct (Stride Property Group) Exemption Notice 2022 applies to accounting periods up to and including the accounting period ending 31 March 2026.

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

1.3 Basis of consolidation

The financial statements have eliminated in full all intra-group transactions and balances between group companies on consolidation.

1.4 New standards, amendments and interpretations

On 23 May 2024, the New Zealand Accounting Standards Board of the External Reporting Board issued NZ IFRS 18 *Presentation and Disclosure in Financial Statements* (effective for annual reporting periods beginning on or after 1 January 2027). This standard replaces NZ IAS 1 *Presentation of Financial Statements* and primarily introduces a defined structure for the statement of comprehensive income, disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note together with reconciliation requirements. Stride has not early adopted this standard and is yet to assess its impacts.

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

1.5 Changes to accounting policies and disclosure of material accounting policies

No changes to accounting policies have been made during the year and policies have been consistently applied to all years presented.

1.0 General Information (continued)

1.6 Significant judgements, estimates and assumptions

In the application of NZ IFRS, the Boards and management are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from the judgements, estimates and assumptions made by the Boards and management. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements made by the Boards and management in the application of NZ IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements as follows:

- Investment properties (note 3.2);
- Lease liabilities (note 3.3);
- Derivative financial instruments (note 5.2);
- Interests in associates - Investore Property Limited (Investore) (note 7.2);
- Interests in joint venture - Industre joint venture (note 7.2); and
- Deferred tax (note 8.1).

1.7 Fair value estimation

Stride classifies its fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making 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 (as prices) or indirectly (derived from prices); and
Level 3	inputs for the asset or liability that are not based on observable market data.

The Boards and management review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Boards and management assess the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of NZ IFRS, including the level of the fair value hierarchy in which such valuations should be classified.

1.8 Non-GAAP measures

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

Note 4.3 sets out Stride's calculation of distributable profit and Adjusted Funds From Operations (AFFO), which are both non-GAAP measures. Distributable profit is presented to provide an earnings measure which more closely aligns to Stride's underlying and recurring earnings from its operations. AFFO is intended as a supplementary measure of operating performance. Cash spent during the period on capital expenditure as part of maintaining a building's grade/quality, but not expensed as part of distributable profit after current income tax, is adjusted to reflect cash earnings for the period.

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

1.9 Significant events and transactions

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

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

On 31 October 2024, Industre was restructured (the Restructure) which resulted in the investment properties held by the Industre joint operation, totaling $142.1 million, being transferred to the Industre joint venture entities, which comprise of Industre Property Tahi Limited (Tahi), Industre Property Rua Limited (Rua) and Industre Property Holdings Limited (HoldCo). This was a non-cash transaction whereby the investment properties were transferred in exchange for $102.5 million worth of shares in HoldCo and the cancellation of $39.6 million of borrowings in relation to the Industre joint operation. Consequently, SPL's portion of the Industre joint operation's share of revenue and expenses up until 31 October 2024 has been recognised in the consolidated statement of comprehensive income (refer note 7.3) and, effective from 1 November 2024, all of SPL's investment in Industre has been equity-accounted (refer note 7.2). Following the Restructure, SIML continues to be the manager of Industre, the two parties, SPL and JPMAM, continue to require unanimous consent for all relevant activities, and SIPL, is no longer the guarantor under the Industre banking arrangements.

Revaluation of investment properties
SPL undertook independent valuations of the portfolio as at 31 March 2025 which resulted in a net reduction in fair value of $(29.5) million (2024: $(75.8) million net reduction) (refer note 3.2) and a revaluation deficit on property, plant and equipment of $(0.2) million (2024: $2.8 million surplus) (refer note 8.7).

2.0 Operating Segments

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

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, identified as the respective Board of each of SPL and SIML.

SPL's revenue streams are earned from investment properties owned in Auckland and Wellington in New Zealand. Given SPL's diverse client base, no one tenant represents greater than 10% of the portfolio contract rental. SPL also generates revenue from its share of profit/(loss) in equity associates and the joint venture, being Investore, Diversified NZ Property Trust (Diversified) and Industre joint venture (refer note 7.2).

SIML's revenue streams are earned from the management of the real estate investments of Investore, Industre, Diversified and SPL (refer note 8.4).

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

Segment profit	SPL $000	SPL eliminations $000	SIML $000	SIML eliminations $000	2025 $000
Net rental income	65,917	3,135	-	-	69,052
Management fee income	-	-	31,278	(10,863)	20,415
Corporate expenses					
Accounting and asset management fees	(6,493)	6,493	-	-	-
Salaries and other benefits	-	-	(14,331)	945	(13,386)
Share-based payment expense	-	-	(1,512)	-	(1,512)
Forfeited employee incentive rights	-	-	96	-	96
Technology expenses	-	-	(847)	-	(847)
Feasibility expenses	(581)	-	-	-	(581)
Other expenses	(2,032)	-	(3,633)	580	(5,085)
Total corporate expenses	(9,106)	6,493	(20,227)	1,525	(21,315)
Profit before net finance expense, other (expense)/income and income tax	56,811	9,628	11,051	(9,338)	68,152
Net finance expense	(20,306)	1,177	1,262	(968)	(18,835)
Profit before other (expense)/income and income tax	36,505	10,805	12,313	(10,306)	49,317
Other (expense)/income					
Net change in fair value of investment properties	(29,632)	107	-	-	(29,525)
Share of profit in equity-accounted investments	20,471	-	-	-	20,471
Impairment of equity-accounted investment	(8,776)	-	-	-	(8,776)
Gain on disposal of investment properties	974	-	-	-	974
Hedge ineffectiveness of cash flow hedges	10	-	-	-	10
Profit before income tax	19,552	10,912	12,313	(10,306)	32,471
Income tax expense	(7,091)	-	(3,728)	-	(10,819)
Profit after income tax attributable to shareholders	12,461	10,912	8,585	(10,306)	21,652
Total other comprehensive (loss)/income after tax	(10,989)	-	163	-	(10,826)
Total comprehensive income after tax attributable to shareholders	1,472	10,912	8,748	(10,306)	10,826

Transactions between SPL and SIML include management fees, salaries and wages recovery, interest charged on the loan from SIML to SPL and net rental income charged from SPL to SIML (refer note 8.4).

2.0 Operating Segments (continued)

Segment profit	SPL $000	SPL eliminations $000	SIML $000	SIML eliminations $000	2024 $000
Net rental income	69,535	2,767	-	-	72,302
Guarantee income	2,421	-	-	-	2,421
Management fee income	-	-	30,961	(11,108)	19,853
Corporate expenses					
Accounting and asset management fees	(6,808)	6,808	-	-	-
Salaries and other benefits	-	-	(15,984)	-	(15,984)
Share-based payment expense	-	-	(1,821)	-	(1,821)
Technology expenses	-	-	(861)	-	(861)
Feasibility expenses	(642)	-	-	-	(642)
Other expenses	(1,894)	-	(3,362)	590	(4,666)
Total corporate expenses	(9,344)	6,808	(22,028)	590	(23,974)
Profit before net finance expense, other expense and income tax	62,612	9,575	8,933	(10,518)	70,602
Net finance expense	(20,881)	778	1,029	(697)	(19,771)
Profit before other expense and income tax	41,731	10,353	9,962	(11,215)	50,831
Other expense					
Net change in fair value of investment properties	(76,499)	720	-	-	(75,779)
Share of loss in equity-accounted investments	(23,676)	-	-	-	(23,676)
Loss on disposal of investment properties	(2,624)	152	-	-	(2,472)
Hedge ineffectiveness of cash flow hedges	(880)	-	-	-	(880)
(Loss)/profit before income tax	(61,948)	11,225	9,962	(11,215)	(51,976)
Income tax expense	(1,071)	-	(3,077)	-	(4,148)
(Loss)/profit after income tax attributable to shareholders	(63,019)	11,225	6,885	(11,215)	(56,124)
Total other comprehensive (loss)/income after tax	(4,956)	-	144	-	(4,812)
Total comprehensive (loss)/income after tax attributable to shareholders	(67,975)	11,225	7,029	(11,215)	(60,936)

Segment assets and liabilities	SPL $000	SPL eliminations $000	SIML $000	SIML eliminations $000	Total $000
Balance at 31 Mar 25					
Total assets	1,386,688	496	30,054	(19,581)	1,397,657
Total liabilities	450,712	(16,861)	7,143	(3,006)	437,988
Balance at 31 Mar 24					
Total assets	1,447,261	-	26,287	(15,005)	1,458,543
Total liabilities	475,708	(13,897)	5,584	(1,285)	466,110

As at 31 March 2025, SPL had assets of $336.8 million (2024: $225.8 million) relating to equity-accounted investments (refer note 7.2) and loan to associate (refer note 8.4).

3.0 Property

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

3.1 Net rental income

Accounting policy

Investment property is leased by SPL to tenants under operating leases with rent payable monthly. Rental income from investment properties is recognised on a straight-line basis over the lease term. Lease incentives provided in relation to letting the investment properties are capitalised to the respective investment properties in the consolidated statement of financial position and amortised on a straight-line basis over the non-cancellable portion of the lease to which they relate, as a reduction of net rental income. Where a lease provides for fixed rental increases over the term of the lease, they are amortised on a straight-line basis over the non-cancellable portion of the lease to which they relate.

Income generated from service charges recovered from tenants are included in gross rental income with the service charge expenses to tenants shown in the direct property operating expenses. Such revenue is recognised in the accounting period the underlying expenses are incurred in accordance with the contractual terms. The recovery of employee related expenses from SIML managed entities are included in the gross rental income (as service charges recovered from tenants) with the employee related expenses included in corporate overhead expenses.

SPL	2025 $000	2024 $000
Gross rental income		
Rental income	**73,238**	77,097
Service charge income recovered from tenants	**21,114**	20,439
Spreading of fixed rental increases	**2,336**	1,967
Capitalised lease incentives	**2,152**	316
Lease incentives amortisation	**(1,129)**	(962)
Total gross rental income	**97,711**	98,857
Direct property operating expenses		
Rates and insurance	**(15,857)**	(14,302)
Property maintenance costs	**(6,324)**	(6,253)
Utilities	**(2,611)**	(2,434)
Other property operating expenses	**(3,700)**	(3,551)
Lease incentives capitalised	**-**	30
Lease incentives amortisation	**-**	(95)
Movement in loss allowance	**(167)**	50
Total direct property operating expenses	**(28,659)**	(26,555)
Net rental income	**69,052**	72,302

Other property operating expenses include operating expenses not recoverable from tenants and property leasing expenses. Salaries and wages expenses of $1.7 million (2024: $1.7 million) (refer note 8.4) charged by SIML to SPL have been eliminated in the direct property operating expenses.

As a lessor, SPL has determined that it retains substantially all the risks and rewards of ownership of properties and has therefore classified all leases as operating leases. The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2025 $000	Restated 2024 $000
Within one year	**63,748**	73,337
Between one and two years	**57,851**	65,664
Between two and three years	**52,007**	59,453
Between three and four years	**46,321**	53,746
Between four and five years	**41,375**	47,700
Later than five years	**155,562**	218,399
Future rentals receivable	**416,864**	518,299

The future rentals receivable for the year ended 31 March 2024 has been restated to reflect fixed contractual rental increases and has been calculated on gross rental income. This resulted in an increase to future rentals receivable of $58.1 million ($460.2 million to $518.3 million).

3.0 Property (continued)

3.2 Investment properties

Accounting policy

Investment properties are held either to earn rental income or for capital appreciation or both. Investment property is initially stated at cost, including related transaction costs, and then at fair value as determined at least every 12 months by an independent registered valuer. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to SPL and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed to the consolidated statement of comprehensive income during the period in which they are incurred.

The fair value of an investment property represents the estimated price for which a property could be sold for at the date of valuation in an orderly transaction between willing market participants. Any gain or loss arising from a change in the fair value of the investment property is recognised in the consolidated statement of comprehensive income within net change in fair value of investment properties.

Investment properties are de-recognised when they have been disposed of. The net gain or loss on disposal is calculated as the difference between the carrying amount at the time of the disposal and the net proceeds on the disposal and is included in the consolidated statement of comprehensive income in the reporting period in which the disposal occurs.

Right-of-use assets are measured on initial recognition as the initial lease liability, plus any initial indirect costs incurred, less any lease incentives received. Right-of-use assets that meet the definition of investment property are presented within investment properties at fair value.

Investment property is adjusted for cash flows relating to lease liabilities already recognised separately in the consolidated statement of financial position and also reflected in the investment property valuations.

SIML does not hold investment properties but provides management services in respect of SPL's investment property portfolio.

SIML has an office located in the SPL owned office building at 34 Shortland Street, Auckland. The value attributable to this floor area has been recognised as property, plant and equipment (refer note 8.7).

Valuations are performed by independent registered valuers who hold an annual practising certificate with the Valuers Registration Board and are members of the New Zealand Institute of Valuers. Valuers are engaged on terms ensuring that no valuer values the same investment property for more than three consecutive years. The investment properties were valued either by Jones Lang LaSalle Limited (JLL), CBRE Limited (CBRE), CVAS (NZ) Limited (CVAS (NZ)), Savills (NZ) Limited (Savills) or Bayleys Valuations Limited (Bayleys). In the prior year, an investment property was valued by CVAS (WLG) Limited (CVAS (WLG)). All valuations are dated effective 31 March 2025.

At each reporting date, SIML's managers verify all major inputs to the independent valuation reports and assess property valuation movements when compared to the prior year valuation reports. SIML's executive team review the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to SIML's Chief Executive Officer. Discussions of valuation processes and results are held between members of SIML's executive team and the independent valuers. Discussions of valuation processes and results are also held between SIML's Chief Executive Officer and the Audit and Risk Committee at least once every six months, in line with Stride's reporting dates. This review includes a review of specific independent valuations and discussions with the independent valuers as considered necessary. Ultimately, the SPL Board is responsible for reviewing and approving the investment property valuations.

Investment property measurements are categorised as Level 3 in the fair value hierarchy (refer note 1.7). There were no transfers of investment properties between levels of the fair value hierarchy (2024: nil transfers) during the year.

3.0 Property (continued)

3.2 Investment properties (continued)

SPL	Office $000	Town Centre $000	Industrial $000	Development and Other $000	Total $000
Balance at 31 Mar 23	547,400	309,410	150,010	226,947	1,233,767
Additions	-	-	-	4,483	4,483
Capital expenditure	14,144	1,243	59	-	15,446
Spreading of fixed rental increases	1,804	2	161	-	1,967
Capitalised lease incentives	91	255	-	-	346
Lease incentives amortisation	(211)	(799)	(47)	-	(1,057)
Reclassification	195,143	-	-	(195,143)	-
Re-measurement of lease liabilities	-	11,710	-	-	11,710
Net change in fair value	(62,671)	(10,707)	(1,364)	(1,037)	(75,779)
Balance at 31 Mar 24	**695,700**	**311,114**	**148,819**	**35,250**	**1,190,883**
Capital expenditure	**10,842**	**1,195**	**109**	**964**	**13,110**
Spreading of fixed rental increases	**2,145**	**123**	**71**	**(3)**	**2,336**
Capitalised lease incentives	**1,954**	**186**	**-**	**12**	**2,152**
Lease incentives amortisation	**(365)**	**(670)**	**(59)**	**(35)**	**(1,129)**
Transfer of properties to Industre joint venture (refer note 1.9)	**-**	**-**	**(142,087)**	**-**	**(142,087)**
Disposals	**-**	**-**	**(6,237)**	**-**	**(6,237)**
Net change in fair value	**(24,380)**	**(2,841)**	**(616)**	**(1,688)**	**(29,525)**
Balance at 31 Mar 25	**685,896**	**309,107**	**-**	**34,500**	**1,029,503**
Comprised of:					
Investment properties at valuation	695,700	283,500	148,819	35,250	1,163,269
Lease liabilities (refer note 3.3)	-	27,614	-	-	27,614
Balance at 31 Mar 24	695,700	311,114	148,819	35,250	1,190,883
Investment properties at valuation	**685,896**	**281,500**	**-**	**34,500**	**1,001,896**
Lease liabilities (refer note 3.3)	**-**	**27,607**	**-**	**-**	**27,607**
Balance at 31 Mar 25	**685,896**	**309,107**	**-**	**34,500**	**1,029,503**

Stride is conscious of the need to identify the impact of managing and responding to climate risk on its business and assets and has continued to place a high focus on sustainability and climate change initiatives, noting that it may face physical and transitional climate-related risks in the future. During the year, SPL committed to and invested in a number of sustainability initiatives across its portfolio. These works included: upgrades of heating and cooling equipment at 34 Shortland Street, Auckland, 215 Lambton Quay, Wellington, and 20 Customhouse Quay, Wellington; installation of equipment to improve the efficiency of building operations and the installation of end of trip facilities at 215 Lambton Quay, Wellington, to encourage more active forms of transport for workers at this office property, reducing usage of private vehicles. The cost of these sustainability initiatives, which are all related to the transition to a low carbon future, have been included in the capital expenditure for the year ended 31 March 2025.

No property owned by SPL suffered any material damage due to the physical impacts of climate change during the current year (2024: nil).

The independent valuers that valued SPL's investment properties have considered Environmental, Social and Governance (ESG) factors and the associated impact on the value of a property. The valuers are not ESG experts but consider market transactional data as part of their valuation assessment and that market values may be impacted by environmental and climate risk factors, building impacts on the health and wellbeing of tenants and local communities, and how a building is managed to encourage sustainable practices. For example, higher green rated properties, or properties with sustainable features, or which are less vulnerable to climate risk, potentially may have higher market values than an equivalent property without such features. Accordingly, valuations can take these factors into account as part of the overall assessment of a property's market value. Apart from the consideration of the factors above, the valuers have made no explicit adjustment in respect of ESG and climate risk factors.

A revaluation movement of $0.6 million (2024: $0.7 million) arising from the elimination of fees charged by SIML to SPL (refer note 8.4) has been reflected in the consolidated statement of comprehensive income.

3.0 Property (continued)

3.2 Investment properties (continued)

The following tables provide a summary of the valuation of the investment properties, their net lettable area (NLA), market capitalisation rate (cap rate), contract yield, occupancy and weighted average lease term (WALT) for the purpose of providing further detail of the assets which are considered to be the most relevant to the operations of SPL. Properties classified as 'Development and Other' relate to SPL's development initiatives. The NLA, cap rate %, contract yield %, occupancy %, and WALT years are not applicable for properties classified as 'Development and Other'. The cap rate %, contract yield %, occupancy % and WALT years for the total investment properties are weighted averages. The totals may not sum due to rounding.

As at 31 Mar 25	Valuer	NLA m^2	$000	Cap rate %	Contract yield %	Occupancy %	WALT years
Office							
34 Shortland Street, Auckland	Savills	8,100	46,200	7.25	5.03	66.0	2.5
46 Sale Street, Auckland	Bayleys	11,352	118,500	5.75	7.29	100.0	3.7
110 Carlton Gore Road, Auckland	Bayleys	14,174	182,746	5.50	5.98	100.0	9.2
1 Grey Street, Wellington	JLL	10,449	59,200	7.00	6.48	89.4	3.0
215 Lambton Quay, Wellington	CBRE	10,765	64,250	6.75	2.61	53.3	5.0
20 Customhouse Quay, Wellington	CBRE	17,505	215,000	5.50	5.49	100.0	10.1
Office total		**72,344**	**685,896**	**5.92**	**5.71**	**87.7**	**7.0**
Town Centre total		**58,675**	**281,500**	**7.35**	**7.45**	**95.5**	**3.6**
Development and Other total			**34,500**				
		131,019	**1,001,896**	**6.34**	**6.21**	**91.2**	**5.8**

As at 31 Mar 24	Valuer	NLA m^2	$000	Cap rate %	Contract yield %	Occupancy %	WALT years
Office							
34 Shortland Street, Auckland	Savills	8,124	49,500	6.75	3.54	57.3	2.3
46 Sale Street, Auckland	Bayleys	11,352	119,000	5.75	6.98	100.0	4.7
110 Carlton Gore Road, Auckland	Bayleys	14,174	180,700	5.50	5.77	100.0	10.2
1 Grey Street, Wellington	JLL	10,449	62,000	6.75	6.87	99.9	3.6
215 Lambton Quay, Wellington	CBRE	10,935	69,000	6.50	6.79	95.9	2.6
20 Customhouse Quay, Wellington	CBRE	17,505	215,500	5.50	5.28	100.0	9.5
Office total		**72,538**	**695,700**	**5.85**	**5.84**	**94.6**	**6.9**
Industrial total		**36,337**	**148,819**	**5.65**	**4.83**	**97.9**	**11.1**
Town Centre total		**58,675**	**283,500**	**7.35**	**7.31**	**97.8**	**3.8**
Development and Other total			**35,250**				
		167,550	**1,163,269**	**6.20**	**6.07**	**96.8**	**6.4**

Breakdown of valuations by valuer	2025 $000	2024 $000
JLL	**267,200**	280,089
CBRE	**279,250**	284,500
Savills	**46,200**	74,204
CVAS (NZ)	**108,000**	213,526
CVAS (WLG)	**-**	11,250
Bayleys	**301,246**	299,700
Total	**1,001,896**	1,163,269

3.0 Property (continued)

3.2 Investment properties (continued)

The estimated sensitivity of the fair value of the total investment property portfolio to changes in the cap rate or discount rate, assuming the cap rate or discount rate move equally on all the properties (excluding properties classified as 'Development and Other') is provided below. The metrics chosen are those where movements are likely to have the most significant impact on fair value.

	Cap rate %		Discount rate %	
Impact on fair value	**-0.25**	**+0.25**	**-0.25**	**+0.25**
As at 31 Mar 25				
Change $000	**40,550**	**(39,050)**	**17,393**	**(17,184)**
Change %	**4**	**(4)**	**2**	**(2)**
As at 31 Mar 24				
Change $000	49,260	(44,625)	21,221	(20,534)
Change %	4	(4)	2	(2)

Predominant valuation methods used:

- **Income Capitalisation approach** - is based on the current contract and market rental and an appropriate market yield or return for the particular investment property. Adjustments are then made to the value to reflect under or over renting, pending capital expenditure, and upcoming lease expiries, including allowance for lessee incentives and leasing expenses.
- **Discounted Cash Flow approach** - adopts a ten-year investment horizon and makes appropriate allowances for rental income growth and leasing expenses on expiries, with an estimated terminal value at the end of the investment period. The terminal yield is used to derive the terminal value. Terminal yield rate estimates are based on comparable transaction data and also consider matters such as building age and the market environment at the end of the investment period. The present value reflects the market based rental and expenditure projections, discounted at a rate of return referred to as a discount rate. In selecting the discount rate many factors are considered, including the degree of apparent risk, market attitudes toward future inflation, the prospective rates of return for alternative investments and the rates of return earned by comparable properties in the past.

The adopted market value is a combination of both the **Income Capitalisation** and the **Discounted Cash Flow approaches**, other than as follows.

Works are required to improve the seismic performance of the office property at 55 Lady Elizabeth Lane, Wellington. This property has been fair valued utilising the **Residual approach**, calculating what the property is expected to be worth on completion of the works and deducting all expected costs to complete the works, including a profit and risk allowance and holding costs. The cost to complete stated in the 31 March 2025 valuation was determined by management using estimates of the 'on cost' elements (design, consultant, legal and contingency allowances) as well as relevant work costings for this property which were provided by a registered quantity surveyor and was the best available information at the date of valuation. The final cost could be higher or lower and this could impact on the fair value of the property. SPL has discussed the seismic status of the building and the potential works required with tenants and all of the office tenants have surrendered or terminated their leases.

The valuation for Johnsonville Shopping Centre, Wellington, utilises the **Land Value approach,** which involves direct comparison with other property sales. This approach reflects the highest and best use for the property.

All properties were valued on a consistent approach to 31 March 2024.

3.0 Property (continued)

3.2 Investment properties (continued)

A valuation is determined based on a range of unobservable inputs, which are not freely available or explicit in the market and are developed by analysing transactional data. Key unobservable inputs are the cap rate, discount rate, gross market rental, rental growth rates and terminal yield. The following table details the key unobservable inputs and their ranges (excluding properties classified as 'Development and Other') along with their sensitivity to significant increase or decrease:

		Valuation input range		Fair value measurement sensitivity to significant:		
Significant input	**Description**	**2025**	**2024**	**Increase in input**	**Decrease in input**	**Valuation method**
Cap rate	The cap rate is applied to the market rental to assess an investment property's value. It is derived from detailed analysis of factors such as comparable sales evidence and leasing transactions in the open market taking into account location, tenant covenant - lease term and conditions, WALT, size and quality of the investment property.	**5.50-7.63 %**	5.38-7.63 %	Decrease	Increase	Income Capitalisation
Discount rate	The discount rate is applied to future cash flows of an investment property to provide a net present value equivalent. The discount rate adopted takes into account recent comparable market transactions, prospective rates of return for alternative investments and apparent risk.	**6.50-8.63 %**	6.75-8.63 %	Decrease	Increase	Discounted Cash Flow
Gross market rental	The valuer's assessment of gross market rental for both occupied and vacant areas of the investment property.	**406-996 $/m²**	182-1,003 $/m²	Increase	Decrease	Income Capitalisation and Discounted Cash Flow
Rental growth rate	The rental growth rate applied to the market rental in the 10-year cash flow projection.	**1.90-2.90 %**	2.08-3.00 %	Increase	Decrease	Discounted Cash Flow
Terminal yield	The rate used to assess the terminal value of the property.	**5.75-7.75 %**	5.75-7.75 %	Decrease	Increase	Discounted Cash Flow
Forecast development costs	All costs associated with the development of the property. This cost typically includes construction costs, consultancy costs and financing.			Decrease	Increase	Residual
Profit and risk allowance	This allowance reflects the risk and surety surrounding cost of remedial works, timing of works as well as assumed future occupancy arrangements following completion of all required works.			Decrease	Increase	Residual

When calculating fair value using the Income Capitalisation approach, the gross market rental has a strong interrelationship with the adopted cap rate, given the methodology involves assessing the total gross market rental receivable from the investment property, deducting total outgoings to achieve a net market rental and capitalising this in perpetuity to derive a capital value. An increase in the gross market rental and an increase (softening) in the adopted cap rate could potentially offset the impact to the fair value. A decrease in the gross market rental and a decrease (tightening) in the adopted cap rate could also potentially offset the impact to fair value. A directionally opposite change in the gross market rental and the adopted cap rate could potentially magnify the impact to the fair value.

When assessing a discounted cash flow, the adopted discount rate and adopted terminal yield have a strong interrelationship in deriving a fair value, given the discount rate will determine the rate at which the terminal value is discounted to the present value. An increase (softening) in the adopted discount rate and a decrease (tightening) in the adopted terminal yield could potentially offset the impact to the fair value. A decrease (tightening) in the adopted discount rate and an increase (softening) in the adopted terminal yield could also potentially offset the impact to fair value. A directionally similar change in the adopted discount rate and the adopted terminal yield could potentially magnify the impact to the fair value.

3.0 Property (continued)

3.3 Lease liabilities

Accounting policy

Lease liabilities are measured based on the present value of the fixed and variable lease payments, less any cash lease incentives receivable. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of comprehensive income over the lease period so as to produce a constant rate of interest on the remaining balance of the liability for each period.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

SIML has an operating lease for its offices at 34 Shortland Street, Auckland, where SIML is the lessee and SPL is the lessor. SIML has recognised a right-of-use asset within property, plant and equipment and corresponding lease liability within interest bearing liabilities in relation to this lease. The lease liability and right-of-use asset is eliminated in the financial statements.

SPL is committed under two operating leases where SPL is the lessee. The SPL leases relate to ground rent on leasehold properties and contain renewal and termination options exercisable only by SPL. There is one at each of the following properties:

- 55 Lady Elizabeth Lane, Wellington; and
- NorthWest Shopping Centre, Auckland.

Included in the investment property valuation of 55 Lady Elizabeth Lane, Wellington, is an implicit right-of-use asset of $9.5 million (2024: $9.1 million) in relation to a peppercorn ground lease with an associated immaterial lease liability.

The lease liability of $27.6 million (2024: $27.6 million) is in respect of the ground lease at NorthWest Shopping Centre, Auckland.

Lease liabilities	2025 $000	2024 $000
Opening balance	**27,614**	15,910
Re-measurement	**-**	11,710
Cash lease payments	**(1,724)**	(1,723)
Finance lease interest	**1,717**	1,717
Closing balance	**27,607**	27,614
Current liabilities	**7**	7
Non-current liabilities	**27,600**	27,607
Total lease liabilities	**27,607**	27,614

3.4 Capital expenditure commitments contracted for

As at 31 March 2025, SPL has committed to $0.8 million (2024: $1.5 million) and $3.0 million (2024: $ nil) for further building upgrades at 34 Shortland Street, Auckland, and 215 Lambton Quay, Wellington, respectively.

Stride has no other material capital commitments as at 31 March 2025.

Subsequent to balance date, SPL has committed to a further $2.2 million for capital expenditure works for various other capital works.

4.0 Investor Returns

This section sets out Stride's earnings per share, dividends paid and how distributable profit is calculated. Distributable profit is a non-GAAP measure (refer note 1.8) and is used by Stride to calculate profit available for distribution to shareholders by way of dividends.

4.1 Basic and diluted earnings per share (EPS)

	2025	2024
Profit/(loss) after income tax attributable to shareholders ($000)	**21,652**	(56,124)
Weighted average number of shares for the purpose of basic EPS (000)	**559,011**	549,184
Basic EPS - SPL (cents)	**2.33**	(11.47)
Basic EPS - SIML (cents)	**1.54**	1.25
Basic EPS - weighted (cents)	**3.87**	(10.22)
Weighted average number of shares for the purpose of diluted EPS (000)	**562,626**	552,835
Diluted EPS - SPL (cents)	**2.32**	(11.47)
Diluted EPS - SIML (cents)	**1.53**	1.25
Diluted EPS - weighted (cents)	**3.85**	(10.22)

Basic and diluted EPS amounts are calculated by dividing profit/(loss) after income tax attributable to shareholders by the weighted average number of shares on issue. Weighted average number of shares for the purpose of diluted EPS has been adjusted for 3.62 million (2024: 3.65 million) rights issued under SIML's employee incentive schemes.

4.2 Dividends paid

	2025 $000	2024 $000
The following dividends were declared and paid by SPL during the period:		
Q4 2024 final dividend 1.9400 cents (Q4 2023 1.7808 cents)	**10,845**	9,680
Q1 2025 interim dividend 1.5625 cents (Q1 2024 1.7375 cents)	**8,735**	9,500
Q2 2025 interim dividend 1.5625 cents (Q2 2024 1.7375 cents)	**8,735**	9,561
Q3 2025 interim dividend 1.5625 cents (Q3 2024 1.7375 cents)	**8,735**	9,629
Total dividends paid - SPL	**37,050**	38,370
The following dividends were declared and paid by SIML during the period:		
Q4 2024 final dividend 0.0600 cents (Q4 2023 0.0600 cents)	**335**	326
Q1 2025 interim dividend 0.4375 cents (Q1 2024 0.2625 cents)	**2,446**	1,435
Q2 2025 interim dividend 0.4375 cents (Q2 2024 0.2625 cents)	**2,446**	1,444
Q3 2025 interim dividend 0.4375 cents (Q3 2024 0.2625 cents)	**2,446**	1,455
Total dividends paid - SIML	**7,673**	4,660
Total dividends paid - Stride	**44,723**	43,030

Dividends are recognised as a liability in the financial statements in the period in which the dividends are approved.

Supplementary dividends of $0.42 million (2024: $0.32 million) were paid to SPL shareholders not resident in New Zealand for which SPL received a foreign investor tax credit entitlement.

Supplementary dividends of $0.15 million (2024: $0.10 million) were paid to SIML shareholders not resident in New Zealand for which SIML received a foreign investor tax credit entitlement.

4.0 Investor Returns (continued)

4.3 Distributable profit

Accounting policy

Stride's dividend policy is to target a total cash dividend to shareholders that is equivalent to the sum of 25% to 75% of SIML's distributable profit and 80% to100% of SPL's distributable profit. Distributable profit is presented to enable investors to see an earnings measure which more closely aligns with Stride's underlying and recurring earnings from its operations. Distributable profit is a non-GAAP measure and consists of profit/(loss) before income tax, adjusted for determined non-recurring and/or non-cash items, share of profit/(loss) in equity-accounted investments, dividends received from equity-accounted investments and current tax.

AFFO is also a non-GAAP measure and is intended as a supplementary measure of operating performance. Although there is no standard meaning or measure per GAAP, AFFO has been determined based on guidelines established by the Property Council of Australia. Cash spent during the period on capital expenditure as part of maintaining a building's grade/quality, but not expensed as part of distributable profit after current income tax, is adjusted to enable investors to see the cash generating ability of the business.

	2025 $000	2024 $000
Profit/(loss) before income tax	**32,471**	(51,976)
Non-recurring, non-cash, and other adjustments:		
Net change in fair value of investment properties	**29,525**	75,779
Share of (profit)/loss in equity-accounted investments	**(20,471)**	23,676
Impairment of equity-accounted investment	**8,776**	-
(Gain)/loss on disposal of investment properties	**(974)**	2,472
Project management and disposal fees eliminated in SIML	**556**	872
Rental surrender (non-cash)/cash received	**(375)**	3,750
Rental guarantee income	**180**	829
Dividend income from equity-accounted investments	**7,905**	7,135
Share-based payment expense net of forfeited employee incentive rights	**1,416**	1,866
Incentive to anchor tenant for early lease renewal	**1,506**	-
One-off project costs	**398**	-
Non-cash movements in property, plant and equipment recognised in profit and loss	**170**	489
Non-cash interest income	**(285)**	(294)
IFRS lease adjustments	**(3,359)**	(1,256)
Other IFRS adjustments	**124**	708
Hedge ineffectiveness of cash flow hedges	**(10)**	880
Interest received in relation to loan advance on 110 Carlton Gore Road, Auckland	**-**	1,556
Distributable profit before current income tax	**57,553**	66,486
Current tax expense excluding divestments (refer note 8.1)	**(9,246)**	(7,377)
Distributable profit after current income tax	**48,307**	59,109
Adjustments to funds from operations:		
Maintenance capital expenditure	**(4,080)**	(3,306)
Incentives and associated landlord works	**(2,137)**	(2,944)
AFFO	**42,090**	52,859
Weighted average number of shares for the purpose of basic distributable profit per share (000)	**559,011**	549,184
Basic distributable profit after current income tax per share - weighted (cents)	**8.64**	10.76
AFFO basic distributable profit after current income tax per share - weighted (cents)	**7.53**	9.62
Weighted average number of shares for the purpose of diluted distributable profit per share (000)	**562,626**	552,835
Diluted distributable profit after current income tax per share - weighted (cents)	**8.59**	10.69
AFFO diluted distributable profit after current income tax per share - weighted (cents)	**7.48**	9.56

Certain comparative amounts have been reclassified to conform with the current year's presentation.

5.0 Capital Structure and Funding

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

5.1 Borrowings

Accounting policy

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless SPL has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

	2025 $000	2024 $000
Bank facilities drawn down	**390,400**	375,000
Unamortised borrowing establishment costs	**(271)**	(402)
Total net borrowings	**390,129**	374,598
Weighted average cost of debt (inclusive of current interest rate derivatives, margins and line fees) at balance date	**4.92%**	4.22%

As at 31 Mar 25	**Expiry date**	**Total $000**	**Undrawn facility $000**	**Drawn amount $000**
Facility A	30 Nov 2026	**60,000**	**-**	**60,000**
Facility B	30 Nov 2027	**50,000**	**-**	**50,000**
Facility F1	30 Nov 2026	**100,000**	**-**	**100,000**
Facility F2	30 Nov 2027	**150,000**	**-**	**150,000**
Facility F4	30 Nov 2026	**100,000**	**69,600**	**30,400**
		460,000	**69,600**	**390,400**
As at 31 Mar 24				
Facility A	30 Nov 2026	60,000	-	60,000
Facility B	30 Nov 2027	50,000	10,000	40,000
Facility F1	30 Nov 2026	100,000	-	100,000
Facility F2	30 Nov 2027	150,000	-	150,000
Facility F4	30 Nov 2026	100,000	75,000	25,000
		460,000	85,000	375,000

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

In accordance with the Green Finance Framework (Framework) of Fabric, $350.0 million (2024: $350.0 million) of the facilities are classified as green loan facilities. The Framework has been developed to be consistent with the Asia Pacific Loan Market Association Green Loan Principles (2025) and International Capital Market Association Green Bond Principles (2021 with June 2022 Appendix).

SIML does not have any borrowings (2024: $ nil) however it does have a $3.0 million overdraft facility with ANZ which has not been utilised during the current year.

Summary of net debt	**2025 $000**	**2024 $000**
Cash	**15,569**	14,762
Borrowings - non-current	**(390,129)**	(374,598)
Lease liabilities	**(27,607)**	(27,614)
Net debt	**(402,167)**	(387,450)

5.0 Capital Structure and Funding (continued)

5.2 Derivative financial instruments

Accounting policy

Interest rate derivatives (derivative financial instruments) are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value at each reporting date. Fair value of over-the-counter derivatives, such as interest rate derivatives, is determined using valuation techniques which maximise the use of observable data and rely as little as possible on entity-specific estimates.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within the consolidated statement of comprehensive income.

When a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss.

SPL	2025 $000	2024 $000
Active interest rate derivative contracts	280,000	280,000
Forward dated interest rate derivative contracts	75,000	130,000
Total notional principal value of interest rate derivative contracts	**355,000**	410,000
Interest rate derivative assets - current	1,022	6,535
Interest rate derivative assets - non-current	788	6,879
Interest rate derivative liabilities - non-current	(1,499)	(64)
Fair values of interest rate derivative contracts	**311**	13,350
Fixed interest rates ranges on active interest rate derivative contracts (excluding margins and line fees)	1.47% - 4.25%	0.53% - 1.80%
Weighted average fixed interest rate on active interest rate derivative contracts (excluding margins and line fees)	2.98%	1.35%
Percentage of drawn debt fixed	72%	75%

During the year ended 31 March 2025, SPL entered into the following interest rate agreements:

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

SPL typically designates its interest rate derivatives as cash flow hedges of the interest flows on its variable rate borrowings. SPL enters into interest rate derivatives that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. SPL does not hold derivative financial instruments for trading purposes. SIML does not hold any interest rate derivatives (2024: $ nil).

The fair values of interest rate derivatives are determined from valuations prepared by independent treasury advisors using valuation techniques classified as Level 2 in the fair value hierarchy (2024: Level 2). Judgement is involved in determining the fair value by the independent treasury advisors. The fair values are based on the present value of estimated future cash flows based on the terms and maturities of each contract and the current market interest rates as at balance date. Fair values also reflect the current creditworthiness of the derivative counterparties. The valuations were based on market rates at 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). There were no changes to these valuation techniques during the reporting period.

The following sensitivity illustrates the impact on equity as a result of the change in fair value of the interest rate derivatives and shows the effect if the market interest rates had been 0.25% lower or higher, with other variables remaining constant. There is minimal impact to profit.

	2025		2024	
	Gain/(loss) on -0.25% $000	Gain/(loss) on +0.25% $000	Gain/(loss) on -0.25% $000	Gain/(loss) on +0.25% $000
Impact on equity	**(1,802)**	**1,787**	(1,434)	1,422

5.3 Net finance expense

Accounting policy

Interest income is recognised on a time-proportional basis using the effective interest rate.

Interest costs charged on borrowings are recognised as incurred. Costs associated with the establishment of borrowings are amortised over the term of the relevant borrowings.

	2025 $000	2024 $000
Finance income		
Bank interest income	659	799
Other finance income	285	294
Total finance income	**944**	1,093
Finance expense		
Borrowings interest	(18,062)	(19,147)
Lease liabilities interest	(1,717)	(1,717)
Total finance expense	**(19,779)**	(20,864)
Net finance expense	**(18,835)**	(19,771)

5.4 Capital risk management

Stride's objectives when managing capital are to safeguard Stride's ability to continue as a going concern in order to provide returns for shareholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, Stride may adjust the amount of dividends paid to shareholders, operate a dividend reinvestment plan, return capital to shareholders, buy back shares, issue new shares or sell assets to reduce borrowings. As part of its capital risk management, SPL is required to comply with covenants (interest cover ratio, loan to value ratio, WALT, green loan ratio and diversified asset test) imposed under its banking facilities. The SPL Board regularly monitors these covenants and provides six-monthly compliance certificates to the banking syndicate as part of this process. SPL has complied with these covenants during the relevant periods.

5.5 Share capital

Each of SPL and SIML have one class of shares. The shares of SPL rank equally with each other and the shares of SIML rank equally with each other. All issued shares are fully paid and have no par value. SPL and SIML shares are 'stapled' and jointly listed on the NZX (Stapled Securities).

Stapling of shares is a contractual and constitutional arrangement between the two Stapled Entities whereby each Stapled Entity's equity securities are combined with (or stapled to) the equity securities issued by the other Stapled Entity. The Stapled Entities have the same shareholders, and their shares cannot be traded or transferred independently of one another. The Stapled Securities are traded as a single economic unit with a single quoted price.

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

Each of SPL and SIML had 559,038,938 shares on issue as at 31 March 2025 (2024: 558,407,945).

5.0 Capital Structure and Funding (continued)

5.6 SIML equity (non-controlling interest)

	Notes	2025 $000	2024 $000
Opening balance		**20,703**	15,046
Transactions with shareholders:			
Dividends paid	**4.2**	**(7,673)**	(4,660)
Dividends reinvested net of costs		**-**	2,135
Transfer to share capital on vesting of employee incentive rights		**569**	1,204
Other movements in reserves		**564**	(51)
Total transactions with shareholders		**(6,540)**	(1,372)
Total other comprehensive income		**163**	144
Profit after income tax		**8,585**	6,885
Total comprehensive income		**8,748**	7,029
Closing balance		**22,911**	20,703

5.7 Reserves

Reserves consist of the following Stride reserves	2025 $000	2024 $000
Cash flow hedge reserve	**202**	9,184
Share option reserve	**1,309**	969
Associate reserve - cash flow hedge	**(2)**	1,805
Revaluation surplus	**2,600**	2,800
Closing balance	**4,109**	14,758
Cash flow hedge reserve - SPL		
Opening balance	**9,184**	15,792
Movement in fair value of interest rate derivatives	**(12,633)**	(9,124)
Deferred tax on fair value movements	**3,651**	2,516
Closing balance	**202**	9,184
Share option reserve - SIML		
Opening balance	**969**	1,404
Share-based payment expense	**1,512**	1,917
Deferred tax on share-based payment expense	**163**	144
Transfer to share capital on vesting of employee incentive rights	**(852)**	(1,917)
Lapsed employee incentive rights	**(387)**	(528)
Forfeited employee incentive rights	**(96)**	(51)
Closing balance	**1,309**	969
Associate reserve - cash flow hedge - SPL		
Opening balance	**1,805**	2,953
Changes in reserves of associate	**(1,807)**	(1,148)
Closing balance	**(2)**	1,805
Revaluation surplus - SPL		
Opening balance	**2,800**	-
Revaluation (deficit)/surplus	**(200)**	2,800
Closing balance	**2,600**	2,800

Gains and losses recognised in the cash flow hedge reserve on interest rate derivatives will be reclassified in the same period in which the hedged forecast cash flows affect profit or loss until the repayment of the borrowings.

6.0 Risk Management

This section sets out Stride's exposure to financial assets and liabilities that potentially subject Stride to financial risk and how Stride manages those risks.

6.1 Financial instruments

A financial instrument is recognised if Stride becomes a party to the contractual provisions of the instrument. Financial assets are de-recognised if Stride's contractual rights to the cash flows expire, or if Stride transfers them without retaining control or substantially all risks and rewards of the asset. Financial liabilities are de-recognised if Stride's obligations specified in the contract are extinguished.

Stride classifies its financial assets and financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortised cost.

Classification is determined at initial recognition and this designation is re-evaluated at every reporting date. The carrying values of all financial assets and liabilities in the consolidated statement of financial position approximate their estimated fair values.

The following financial assets and liabilities that potentially subject Stride to financial risk have been recognised in the financial statements:

Summary of financial instruments	2025 $000	2024 $000
Financial assets at amortised cost		
Cash	**15,569**	14,762
Debtors and other receivables	**3,066**	4,248
Total financial assets at amortised cost	**18,635**	19,010
Financial assets at fair value through profit or loss		
Loan to associate	**3,398**	3,398
Total non-derivative financial assets at fair value through profit or loss	**3,398**	3,398
Derivative financial instruments		
Used for hedging	**1,810**	13,414
Total financial assets	**23,843**	35,822
Financial liabilities at amortised cost		
Trade and other payables recognised as financial liabilities	**5,628**	6,544
Lease liabilities	**27,607**	27,614
Borrowings (joint operation participating interest)	**-**	40,297
Borrowings	**390,129**	374,598
Total financial liabilities at amortised cost	**423,364**	449,053
Derivative financial instruments		
Used for hedging	**1,499**	64
Total financial liabilities	**424,863**	449,117

6.0 Risk Management (continued)

6.2 Financial risk management

Stride's activities expose it to a variety of financial risks: credit risk, interest rate risk and liquidity risk. Stride's overall risk management strategy focuses on minimising the potential negative economic impact of unpredictable events on its financial performance.

Risk management is the responsibility of the Boards. The Boards identify and evaluate financial risks in close co-operation with management. The Boards provide written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity.

6.3 Credit risk

Stride incurs credit risk from debtors, accrued income receivable, loan to associate and transactions with financial institutions including cash balances and interest rate derivatives. Stride is not exposed to any concentrations of credit risk apart from the loan to associate.

The risk associated with debtors is managed with a credit policy which includes performing credit evaluations on customers requiring credit and ensures that only those customers with appropriate credit histories are provided with credit. In addition, debtor balances are monitored on an ongoing basis, with the result that Stride's exposure to bad debts is not significant.

As SPL has a wide spread of tenants over different industry sectors, it is not exposed to any significant concentration of credit risk.

The risk from financial institutions is managed by placing cash and deposits with high credit quality financial institutions only. Stride has placed its cash and deposits with ANZ and Westpac, both AA- rated (Standard & Poor's).

With respect to the credit risk arising from interest rate derivative agreements, there is limited risk as all counterparties are registered banks in New Zealand whose credit ratings are all AA- (Standard & Poor's).

The maximum exposure to credit risk is the carrying amount of each class of financial assets as reported in note 6.1.

6.4 Interest rate risk

As Stride has no significant interest bearing assets, its operating income is substantially independent of changes in market interest rates.

SPL's interest rate risk arises from borrowings (refer note 5.1) which are issued at variable rates and expose SPL to cash flow interest rate risk. SPL's long term interest rate hedging policy provides bands that are applied on a rolling basis, which provide for both a high level of fixed interest rate cover over the near term, as well as a lengthy period of known fixed interest rate cover for a portion of term debt. SPL manages its cash flow interest rate risk by using floating to fixed interest rate derivatives which have the economic effect of converting borrowings from floating to fixed rates.

As SPL holds interest rate derivatives, there is a risk that their economic value will fluctuate because of changes in market interest rates. The value of interest rate derivatives is disclosed in note 5.2. As at 31 March 2025, SPL had fixed 72% of its drawn debt (2024: 75% fixed).

SPL's exposure to interest rate fluctuations is limited to the extent of all the non-hedged portions of borrowings which at balance date was $110.4 million (2024: $95.0 million). If floating interest rates were 0.25% higher or lower, with other variables remaining constant, the impact on total comprehensive income after tax attributable to shareholders would be $0.2 million (2024: $0.2 million) on an annualised basis. SPL's exposure to variable interest rate risk and the weighted average interest rate for interest bearing financial assets and liabilities is as follows:

Interest rates applicable at balance date:	2025	2024
Cash at bank	0.00% - 2.75%	0.00% - 4.50%
Loan to associate	7.25%	8.72%
Borrowings	3.18%	2.45%
Borrowings (joint operation participating interest)	-	3.89%
Weighted average cost of debt (inclusive of current interest rate derivatives, margins and line fees) of the borrowings	4.92%	4.22%

Debtors and other receivables and payables are interest free and have settlement dates within one year. All other assets and liabilities are non-interest bearing.

6.0 Risk Management (continued)

6.5 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Stride's liquidity position is monitored by management on a regular basis and is reviewed quarterly by the Boards to ensure compliance with internal policies and banking covenants as per SPL's banking facilities.

SPL generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has the bank facilities available to cover potential shortfalls (refer note 5.1).

The following table outlines Stride's liquidity profile, as at 31 March, based on contractual undiscounted cash flows.

	Total $000	0-6 mths $000	6-12 mths $000	1-2 yrs $000	2-5 yrs $000	>5 yrs $000
As at 31 Mar 25						
Trade and other payables recognised as financial liabilities	5,628	5,628	-	-	-	-
Borrowings	406,284	5,423	5,423	198,237	197,201	-
Lease liabilities	151,823	862	862	1,724	5,171	143,204
Derivative financial instruments	28,568	4,179	4,573	9,635	10,181	-
	592,303	16,092	10,858	209,596	212,553	143,204
As at 31 Mar 24						
Trade and other payables recognised as financial liabilities	6,544	6,544	-	-	-	-
Borrowings	424,571	6,025	6,334	17,032	395,180	-
Lease liabilities	153,403	862	862	1,724	5,171	144,784
Derivative financial instruments	18,223	1,887	2,489	5,645	8,202	-
	602,741	15,318	9,685	24,401	408,553	144,784

7.0 Investments in Property Entities

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

7.1 Industre

Accounting policy

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Industre is a joint arrangement between SPL and a group of international institutional investors through a special purpose vehicle advised by JPMAM. As at 31 March 2025, SPL held a 49.6% interest in Industre (2024: 51.7%). Up until 31 October 2024, the accounting for the arrangement by SPL had been a combination of a joint venture (equity-accounted) (refer note 7.2) and a joint operation (proportionate share of assets, liabilities, revenue and expenses) (refer note 7.3). Since the completion of the Restructure on 31 October 2024 (refer note 1.9), SPL's investment in Industre has been equity-accounted.

7.2 Interests in associates and joint venture

Accounting policy

Interests in associates and the joint venture are accounted for using the equity method and are initially recognised in the consolidated statement of financial position at cost, adjusted for the post-acquisition change in SPL's share of their net assets and liabilities. Under this method, SPL's share of profits and losses after tax of associates and profit and loss before tax of the joint venture are included in SPL's profit before taxation. Adjustments to the carrying amount are also made for SPL's share of changes in the associates' and the joint venture's other comprehensive income. SPL's accounting policy is not to take account of the effects of transactions recorded directly in equity outside profit or loss and other comprehensive income.

Under the equity method, gain or loss resulting from the transfer of investment properties to associates and the joint venture in exchange for cash or shares is recognised only to the extent of the other investors' interest in the associates or the joint venture, however when cash and shares are received, the portion of the gain or loss relating to cash is recognised in full.

At each reporting date, SPL assesses its equity-accounted investments to determine whether there is any indication of impairment. If any such indication exists, then the investments' recoverable amount is estimated as a single asset by comparing its recoverable amount with its carrying amount.

The recoverable amount is the greater of its value in use (VIU) and its fair value less costs of disposal (FVLCD). VIU is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit. FVLCD is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date, less the costs of disposal and includes a strategic premium that is associated with collectively owning more than the sum of the individual shares.

If the carrying amount of an equity-accounted investment exceeds its recoverable amount, an impairment loss is recognised in profit or loss and is applied to the carrying amount of equity-accounted investment. Such impairment loss is not allocated to the underlying assets that make up the carrying amount of the equity-accounted investment. Impairment loss is subsequently reversed only to the extent that the recoverable amount of the investment subsequently increases.

The associates and joint venture of SPL are principally involved in the ownership of investment properties in New Zealand. They are equity-accounted investments in SPL.

Entity	Country of incorporation	Ownership	Nature of relationship	Ownership interest 2025	Ownership interest 2024	Carrying amount 2025 $000	Carrying amount 2024 $000
Investore[1]	New Zealand	Shares	Associate	**18.8%**	18.8%	**87,553**	93,023
Diversified[2]	Australia	Units	Associate	**2.2%**	2.1%	**1,814**	1,657
Industre joint venture[2]	New Zealand	Shares	Joint venture	**49.6%**	51.7%	**244,075**	127,674
						333,442	222,354

1 Fair value, based on Investore's quoted closing share price on the NZX Main Board on the last business day for the year ended 31 March 2025, was $74.7 million (2024: $81.7 million).
2 These equity-accounted investments do not have quoted market prices as they are not listed.

7.0 Investments in Property Entities (continued)

7.2 Interests in associates and joint venture (continued)

Investore

Given the extent of SPL's equity investment as at balance date of 18.8% (2024: 18.8%), the appointment of SIML as manager, and that two of SIML's current directors are also directors of Investore, the SPL Board has concluded that SPL has 'significant influence' over Investore. As such, SPL's investment in Investore has been treated as an interest in an associate. SPL is not subject to any escrow arrangements that prevent it from selling or otherwise disposing of any shares that it holds.

As at 31 March 2025, the market value of the investment in Investore, based on the quoted closing market price of Investore's ordinary shares of $1.05, was below the investment's carrying amount under the equity method of accounting which is considered an impairment indicator. SPL performed an impairment test using the FVLCD approach (2024: FVLCD).

The key inputs and assumptions in determining the recoverable amount of this investment through the FVLCD approach are a strategic investment premium of 17.5% (2024: 17.5%) as determined by a third party in March 2024, the quoted closing share price on the NZX Main Board on the last business day for the year ended 31 March 2025, and brokerage costs of 0.2%. The determination of the recoverable amount is considered to be Level 3 in the fair value hierarchy (refer note 1.7). The result of the impairment test was that the investment's recoverable amount was lower than the carrying amount as at 31 March 2025. As a result, SPL determined an impairment loss of $(8.8) million (2024: $ nil) against the carrying amount of the investment.

The difference between the closing net assets and share at carrying percentage for Investore largely relates to the $(27.3) million cumulative impairment loss ($(8.8) million in 2025 and $(18.5) million in 2022).

The estimated sensitivity on the recoverable amount under the FVLCD approach, if the strategic investment premium and quoted closing market price of Investore's ordinary shares were to (decrease)/increase, is provided below:

	Strategic investment premium % -2.50	Strategic investment premium % +2.50	Market share price (% change) -2.50	Market share price (% change) +2.50
As at 31 Mar 2025				
Change $000	**(1,863)**	**1,863**	**(2,189)**	**2,189**
Change %	**(2)**	**2**	**(3)**	**3**
As at 31 Mar 2024				
Change $000	(2,041)	2,041	(2,399)	2,399
Change %	(2)	2	(3)	3

Diversified

Given the appointment of SIML as manager, and that one of SIML's current directors is also on Diversified's Investment Committee, the SPL Board has concluded that SPL retains 'significant influence' over Diversified. As such, SPL's investment in Diversified has been treated as an interest in an associate. As at 31 March 2025, SPL has an interest-bearing loan receivable of $3.4 million (2024: $3.4 million) with Diversified. The weighted average interest rate for the current year was 8.14% (2024: 8.67%) and the interest was payable quarterly. Interest earned on this loan was $0.3 million (2024: $0.3 million) (refer note 8.4). This loan is due for repayment on 12 August 2026.

Industre joint venture

Industre joint venture comprises Tahi, Rua and HoldCo. SPL has rights to its proportionate share of the net assets of these entities, based on its ownership interest in HoldCo. SPL's wholly owned subsidiary, SIPL, owns 49.6% of HoldCo as at 31 March 2025 (2024: participating interest 51.7%).

Tahi, Rua and HoldCo are eligible and have elected to be multi-rate Portfolio Investment Entities of which the income tax liability arises to the investors. Accordingly, SPL recognises current and deferred tax as part of its taxes in note 8.1 (rather than as part of the investment in the joint venture).

Summarised financial information for associates and joint venture

The following tables provide summarised financial information for the associates and the joint venture of SPL and reflect the amounts presented in the financial statements of the relevant associates, not SPL's share of those amounts.

All investment properties held by Investore, Industre joint venture and Diversified were valued by independent registered valuers as at 31 March 2025. SPL's share of the valuation gains/(loss) are reflected in share of profit/(loss) in equity-accounted investments.

SPL's ownership interest in the Industre joint venture reduced from 51.7% to 49.6% on 30 April 2024. Consequently, the net share of profit for 2025 has been calculated on the weighted average proportionate holding during the current year.

7.0 Investments in Property Entities (continued)

7.2 Interests in associates and joint venture (continued)

	Investore	Industre joint venture	Diversified
	2025	2025	2025
Summarised statement of comprehensive income	**$000**	**$000**	**$000**
Net rental income	62,250	26,053	35,590
Corporate expenses	(7,873)	(3,585)	(3,478)
Finance income	217	155	138
Finance expense	(19,422)	(13,520)	(24,010)
Other expense	13,357	17,823	(10,892)
Income tax expense	(10,179)	-	(2,176)
Profit/(loss)	38,350	26,926	(4,828)
Other comprehensive loss	(852)	(3,178)	(1,342)
Total comprehensive profit/(loss)	37,498	23,748	(6,170)
Summarised statement of financial position			
Assets			
Current assets	12,809	5,786	5,612
Investment properties	1,001,709	783,990	406,500
Other non-current assets	150	264	98
	1,014,668	790,040	412,210
Liabilities			
Current liabilities	(17,276)	(10,694)	(19,197)
Borrowings - non-current	(377,148)	(280,619)	(137,338)
Other non-current liabilities	(15,845)	(6,323)	(169,883)
	(410,269)	(297,636)	(326,418)
Net assets	604,399	492,404	85,792
Reconciliation to carrying amounts			
Opening net assets	587,051	248,450	79,200
Profit/(loss)	38,350	26,926	(4,828)
Other comprehensive loss	(852)	(3,178)	(1,342)
Reinvestment of unitholder funds	-	-	12,762
Dividends paid	(24,328)	(6,631)	-
Dividends reinvested	4,178	-	-
Issue of shares	-	206,837	-
Equity contribution	-	20,000	-
Closing net assets	604,399	492,404	85,792

	Total 2025			
	$000			
SPL's share in % as at 31 Mar 25		18.8%	49.6%	2.2%
SPL's share in investees' closing net assets	359,738	113,810	244,075	1,853
Opening carrying amount	222,354	93,023	127,674	1,657
Movement in cash flow hedges, net of tax	(1,807)	(127)	(1,654)	(26)
Profit/(loss)	20,471	7,222	13,356	(107)
Reinvestment of unitholder funds	290	-	-	290
Dividends paid	(7,905)	(4,581)	(3,324)	-
Dividends reinvested	792	792	-	-
Impairment of equity-accounted investment	(8,776)	(8,776)	-	-
Issue of shares (refer note 1.9)	102,525	-	102,525	-
Unwind of investment property establishment revaluation reserve	921	-	921	-
Deemed equity contribution with a corresponding reduction in SPL's interest	4,577	-	4,577	-
Closing carrying amount	333,442	87,553	244,075	1,814

7.0 Investments in Property Entities (continued)

7.2 Interests in associates and joint venture (continued)

	Investore	Industre joint venture	Diversified
	2024	2024	2024
Summarised statement of comprehensive income	**$000**	**$000**	**$000**
Net rental income	61,246	18,598	34,370
Corporate expenses	(8,135)	(3,129)	(4,393)
Finance income	194	84	267
Finance expense	(18,174)	(10,660)	(25,648)
Other expense	(98,757)	(26,375)	(1,788)
Income tax (expense)/benefit	(3,487)	-	732
(Loss)/profit	(67,113)	(21,482)	3,540
Other comprehensive income/(loss)	148	(2,221)	(1,871)
Total comprehensive (loss)/profit	(66,965)	(23,703)	1,669
Summarised statement of financial position			
Assets			
Current assets	10,526	7,759	5,879
Investment properties	1,002,646	438,315	414,000
Other non-current assets	1,244	81,005	2,560
	1,014,416	527,079	422,439
Liabilities			
Current liabilities	(12,709)	(3,906)	(20,638)
Borrowings - current	(99,989)	-	-
Borrowings - non-current	(301,012)	(273,496)	(152,718)
Other non-current liabilities	(13,655)	(1,227)	(169,883)
	(427,365)	(278,629)	(343,239)
Net assets	587,051	248,450	79,200
Reconciliation to carrying amounts			
Opening net assets	675,020	305,522	64,923
(Loss)/profit	(67,113)	(21,482)	3,540
Other comprehensive income	148	(2,221)	(1,871)
Reinvestment of unitholder funds	-	-	12,608
Dividends paid	(27,858)	(3,652)	-
Dividends reinvested	6,854	-	-
Distribution paid	-	(29,717)	-
Closing net assets	587,051	248,450	79,200

	Total 2024			
	$000			
SPL's share in % as at 31 Mar 24		18.8%	51.7%	2.1%
SPL's share in investees' closing net assets	240,775	110,544	128,539	1,692
Opening carrying amount	268,096	109,561	157,201	1,334
Movement in cash flow hedges, net of tax	(1,148)	41	(1,149)	(40)
(Loss)/profit	(23,676)	(12,639)	(11,114)	77
Reinvestment of unitholder funds	286	-	-	286
Dividends paid	(7,135)	(5,245)	(1,890)	-
Dividends reinvested	1,305	1,305	-	-
Distribution paid	(15,374)	-	(15,374)	-
Closing carrying amount	222,354	93,023	127,674	1,657

7.0 Investments in Property Entities (continued)

7.3 Joint operations

Industre joint operation

Due to the Restructure (refer note 1.9), the Industre joint operation ceased on 31 October 2024 with revenues and expenses related to this period recognised up to that date. The assets and liabilities of the Industre joint operation were transferred to the Industre joint venture entities on 31 October 2024, and consequently are no longer separately recognised. On 16 May 2025, the final distribution for the Industre joint operation, relating to cash balance held of $0.3 million, was distributed to SIPL.

	2025 100%	2025 participating interest	2024 100%	2024 participating interest
Summarised statement of comprehensive income	**$000**	**$000**	**$000**	**$000**
Income	**9,261**	**4,619**	15,760	8,154
Expenses	**(5,680)**	**(2,831)**	(8,669)	(4,485)
Net change in fair value of investment properties	**(1,255)**	**(622)**	(2,640)	(1,366)
Net profit	**2,326**	**1,166**	4,451	2,303
Summarised statement of financial position				
Assets				
Current assets	**-**	**-**	1,120	579
Investment properties	**-**	**-**	287,650	148,819
	-	**-**	288,770	149,398
Liabilities				
Current liabilities	**-**	**-**	(482)	(250)
Borrowings	**-**	**-**	(77,888)	(40,297)
	-	**-**	(78,370)	(40,547)
Net assets	**-**	**-**	210,400	108,851

Johnsonville joint operation

SPL holds a 50% interest in a joint arrangement with Diversified relating to the investment property at Johnsonville Shopping Centre, Wellington. The agreement between SPL and Equity Trustees Limited (as trustee of Diversified) in relation to their co-ownership requires unanimous consent from all parties for all relevant activities. The two parties have direct rights to the asset and are jointly and severally liable for the liabilities incurred in relation to the co-owned asset. This arrangement is therefore classified as a joint operation and SPL recognises its direct right to the jointly held assets, liabilities, revenues and expenses as described below. SIML is the manager of the joint arrangement.

	2025 50% interest	2024 50% interest
Summarised statement of comprehensive income	**$000**	**$000**
Share of rental income	**2,635**	2,866
Share of expenses	**(1,771)**	(1,883)
Net share of profit	**864**	983
Summarised statement of financial position		
Assets		
Current assets	**287**	81
	287	81
Liabilities		
Current liabilities	**(502)**	(349)
	(502)	(349)
Net liabilities	**(215)**	(268)

8.0 Other

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

8.1 Tax

Accounting policy

Income tax expense comprises current and deferred tax and is recognised in the consolidated statement of comprehensive income for the year. Current and deferred tax is calculated on the basis of the laws enacted or substantively enacted at the reporting date.

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

	2025	2024
Income tax	**$000**	**$000**
Current tax expense excluding divestments	**(9,246)**	(7,377)
Current tax expense on divestments	**(1,866)**	(437)
Deferred tax benefit	**293**	3,666
Income tax expense per the consolidated statement of comprehensive income	**(10,819)**	(4,148)
Profit/(loss) before income tax	**32,471**	(51,976)
Prima facie income tax using the company tax rate of 28%	**(9,092)**	14,553
(Increase)/decrease in income tax due to:		
Net change in fair value of investment properties	**(8,267)**	(21,217)
Share of profit/(loss) in equity-accounted investments	**5,732**	(6,631)
Impairment of equity-accounted investment	**(2,457)**	-
Gain/(loss) on disposal of investment properties	**273**	(692)
Assessable income	**(812)**	(1,106)
Depreciation	**4,414**	8,084
Non-deductible expenses	**(562)**	(903)
Expenditure deductible for tax	**374**	185
Temporary differences	**23**	(124)
Other adjustments	**901**	379
Over provision in prior period	**227**	95
Current tax expense excluding divestments	**(9,246)**	(7,377)
Current tax expense on divestments	**(1,866)**	(437)
Current tax expense total	**(11,112)**	(7,814)
Investment property depreciation	**521**	2,942
Other	**(228)**	724
Deferred tax credited to profit or loss	**293**	3,666
Income tax expense per the consolidated statement of comprehensive income	**(10,819)**	(4,148)
Imputation credits available for use in subsequent reporting periods	**7,979**	6,763

Income tax expense arising from the Industre joint venture (Tahi and Rua) is $0.6 million (2024: $0.7 million).

Current tax expense excluding divestments and current tax expense on divestments are non-GAAP measures and are included to provide an assessment of current tax for SPL's recurring earnings from operations. Current tax expense on divestments relates to depreciation recovered on the divestment of investment properties.

Imputation credits available for use in subsequent reporting periods are based on a rate of 28% (2024: 28%) and represent the balance of the imputation account as at the end of the reporting period, adjusted for imputation credits arising from provisional income tax paid.

8.0 Other (continued)

8.1 Tax (continued)

Accounting policy

Deferred tax is provided, using the liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Temporary differences include:

- tax liability arising from accumulated depreciation claimed on investment properties, where applicable;
- tax asset arising from the allowance for impairment;
- tax liability arising from certain prepayments and other assets; and
- tax asset/liability arising from the unrealised gains/losses on the revaluation of interest rate derivatives.

For deferred tax liabilities or assets arising on investment property measured at fair value, it is assumed that the carrying amounts of the investment property will be recovered through sale. Investment properties are independently valued each year and the valuation includes a split between the land and building components. Deferred tax is provided on the depreciation claimed to date on the building component of the investment properties and this places reliance on the valuation split provided by the valuers.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

	2024	Recognised in profit or loss	Recognised in other comprehensive income	2025
	$000	$000	$000	$000
Deferred tax assets				
Other temporary differences	**2,161**	**223**	**163**	**2,547**
	2,161	**223**	**163**	**2,547**
Deferred tax liabilities				
Derivative financial instruments	**(3,737)**	**-**	**3,651**	**(86)**
Depreciation on investment properties	**(3,800)**	**521**	**-**	**(3,279)**
Other	**(310)**	**(451)**	**-**	**(761)**
	(7,847)	**70**	**3,651**	**(4,126)**
Net deferred tax liability	**(5,686)**	**293**	**3,814**	**(1,579)**
	2023			**2024**
	$000	**$000**	**$000**	**$000**
Deferred tax assets				
Other temporary differences	1,659	358	144	2,161
	1,659	358	144	2,161
Deferred tax liabilities				
Derivative financial instruments	(6,501)	248	2,516	(3,737)
Depreciation on investment properties	(6,742)	2,942	-	(3,800)
Other	(428)	118	-	(310)
	(13,671)	3,308	2,516	(7,847)
Net deferred tax liability	(12,012)	3,666	2,660	(5,686)

8.0 Other (continued)

8.2 Remuneration

Long term incentive plan

SIML operates a long term incentive plan for its executive team that is intended to align the interests of key employees with the interests of shareholders and provide a continuing incentive to key employees over the long term horizon. SIML receives services from the employees in exchange for the employees receiving share-based payments only if specified hurdles, relating to the performance of Stride, are achieved. SIML has a number of schemes in place. The table below summarises the types of schemes and movement of the share performance rights during the year:

	Schemes for performance rights issued (000)				
	FY23 (3 year)	FY24 (3 year)	FY25 (3 year)	2025 Total	2024 Total
Opening balance	**705**	**1,063**	**-**	**1,768**	1,330
Rights granted	**-**	**-**	**1,027**	**1,027**	1,063
Rights exercised	**(275)**	**-**	**-**	**(275)**	(235)
Rights forfeited	**(66)**	**(99)**	**-**	**(165)**	-
Rights lapsed	**(364)**	**-**	**-**	**(364)**	(390)
Closing balance	**-**	**964**	**1,027**	**1,991**	1,768

The key features of the plan are as follows:

- the rights are granted for nil consideration and have a nil exercise price;
- rights do not carry any dividend or voting rights prior to vesting;
- each right that vests entitles the employee to receive one fully paid ordinary share in each of SPL and SIML. The shares issued on vesting carry full voting and dividend rights; and
- the individual must remain an employee of SIML as at the relevant vesting date for any rights to vest.

Under the schemes 50% of the rights are subject to a relative Total Shareholder Return (TSR) hurdle and 50% are subject to an achievement of strategic initiatives hurdle to be met before they will vest. Under the FY23 scheme 43% of the performance conditions were met as at 31 March 2025 and consequently 43% of the rights were exercised and vested and 57% lapsed.

The share performance rights are measured at fair value at grant date, which is in reference to the fair value of the instruments granted rather than the fair value of the services from the employees. The key features of the relative TSR performance conditions are as follows:

- the benchmark comparator is seven companies;
- the proportion of the rights subject to the relative TSR performance condition which vest is dependent on Stride's TSR performance relative to the TSR performance of the seven benchmarked companies making up the NZX Property Index; and
- the percentage of the TSR related rights which vest scales according to the relative ranking of Stride's TSR.

The fair value of rights granted in relation to the FY25 TSR performance proportion was independently determined using the Monte Carlo simulation model. The key assumptions adopted were:

- a risk free rate of 4.74%;
- a TSR testing start price of $1.29 (being the average 20 day share price up to 1 April 2024, the start of the performance period);
- volatility (standard deviation) for Stride and the comparator companies was based on the annualised volatility for the three years prior to grant date with the volatility for Stride being 21.3% and the average for the comparator group being 17.7%; and
- all data used to derive the valuation was pre-tax (to Stride and the employee).

The key features of achievement of the strategic initiatives component of the FY25 scheme are as follows:

- the proportion of rights which vest is dependent on certain Key Performance Indicators (KPI) being met over the performance period; and
- the percentage of the strategic initiatives related rights which vest scales according to the level of KPI's achieved. A 70% probability of achieving this component has been assumed.

Further share performance rights under the long term incentive plan may be issued on an annual basis. However, the terms of the plan, eligible participants and offers of further share performance rights may be modified by the SIML Board from time to time, subject to the requirements of the NZX Listing Rules and applicable laws.

8.0 Other (continued)

8.2 Remuneration (continued)

Short term incentive plan

During the year, the SIML Board granted 644,264 rights to executives and other employees of SIML as part of the FY24 short term incentive compensation for these employees in connection with their performance during FY24. Of those rights granted, 77,125 were forfeited due to ceased employment. These rights will vest after the 31 March 2026 balance date, if the relevant employee remains employed by SIML.

Special share award

During the year, a special share award was granted to executives and other employees of SIML as part of the FY24 short term incentive compensation for these employees in connection with their performance during FY24. Post 31 March 2026, 524,231 ordinary shares in each of SIML and SPL (i.e. 524,231 Stapled Securities) will be issued to those individuals who remain an employee of SIML as at 31 March 2026.

Key management personnel expenses	2025 $000	2024 $000
Salaries and other short-term benefits	3,349	4,056
Post-employment benefits	167	180
Share-based payment expense	1,226	1,675
Forfeited employee incentive rights	(82)	-
	4,660	5,911

Key management personnel includes the Chief Executive Officer and the members of the executive team. In the current year, key management personnel received dividends of $0.1 million (2024: $0.1 million).

8.3 Administration expenses

	2025 $000	2024 $000
Administration expenses include:		
Auditors' remuneration - PricewaterhouseCoopers		
- Audit and review of financial statements	474	446
- Other assurance and related services - tenancy marketing and operating expenditure audits	24	23
	498	469

8.0 Other (continued)

8.4 Related party disclosures

Accounting policy

SIML's revenue streams are earned from the management of the real estate investments of Investore, Industre, Diversified and SPL. Under the various management agreements, SIML is entitled to receive management fees for various services performed including: asset management, building management, project management, leasing fees, accounting services fees and performance fees. In addition, SIML is entitled to certain acquisition fees under the Industre management agreement. SIML recognises all fees except performance fees, acquisition fees and disposal fees on a monthly basis in accordance with the pattern of service and as performance obligations are met. Acquisition and disposal fees are recognised on the settlement of the property transactions. Performance fees are recognised when earned in accordance with the contractual agreements.

SIML recovers employee related expenses from the managed entities.

	Diversified 2025 $000	Investore 2025 $000	Industre joint venture 2025 $000	Diversified 2024 $000	Investore 2024 $000	Industre joint venture 2024 $000
The following transactions with a related party took place:						
Asset management fee income	2,535	5,151	2,637	2,926	5,376	2,069
Salaries and wages recovery	2,650	-	-	2,392	-	-
Project management fee income	154	272	1,131	208	776	730
Building management fee income	1,798	446	167	1,562	443	117
Leasing fee income	788	253	325	1,045	257	354
Accounting fee income	175	250	-	175	250	-
Disposal fee income	-	396	-	-	-	55
Acquisition fee income	-	-	190	-	-	-
Project fee income	-	-	100	-	-	-
Other fee income	70	183	65	95	224	34
Total fee income	8,170	6,951	4,615	8,403	7,326	3,359
Rent paid	(105)	-	-	(107)	-	-
Interest income received	285	-	-	294	-	-
Reinvestment of unit holder interest	(290)	-	-	(286)	-	-
Reinvestment of unit holder distributions	(143)	-	-	(159)	-	-
Dividend income	-	4,581	3,324	-	5,245	1,890
Dividend reinvested	-	(792)	-	-	(1,305)	-
Distribution received	-	-	-	-	-	15,374
Interest expense	-	-	(1,407)	-	-	(2,332)
The following balances were receivable from/ (payable to) a related party:						
Related party receivable	168	141	322	604	103	67
Interest-bearing loan	3,398	-	-	3,398	-	-
Borrowings	-	-	-	-	-	(40,297)

Other fee income includes licencing, maintenance, and sustainability fees (2024: licencing, maintenance, sustainability and share buyback fees).

Due to the Restructure (refer note 1.9), SPL transferred $142.1 million of investment properties to Tahi and Rua, in exchange for $102.5 million shares in HoldCo and the cancellation of $39.6 million borrowings in relation to the Industre joint operation.

The below fee income earned by SIML from the Industre joint operation represents the participating interest held by the participant AP SG 17 Pte. Limited and is for the period 1 April 2024 to 31 October 2024 due to the Restructure (refer note 1.9).

	2025 $000	2024 $000
Asset management fee income	382	612
Leasing fee income	186	80
Other fee income	43	63
	611	755

8.0 Other (continued)

8.4 Related party disclosures (continued)

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

	2025 $000	2024 $000
Charged from SIML to SPL:		
Asset management fee	**6,243**	6,558
Salaries and wages recovery	**1,748**	1,692
Project management fee	**556**	720
Building management fee	**1,085**	1,116
Leasing fee	**913**	547
Accounting fee	**250**	250
Maintenance fee	**68**	73
Disposal fee	**-**	152
Total fees charged	**10,863**	11,108
Interest on loan	**1,177**	778
Charged from SPL to SIML:		
Rental and service charges for head office	**679**	661
The following balances were receivable/(payable) between SPL and SIML:		
SPL - related party receivable (recognised in SIML)	**61**	97
SIML - related party payable (recognised in SPL)	**(61)**	(97)
SPL - related party loan receivable (recognised in SIML)	**16,800**	13,800
SIML - related party loan payable (recognised in SPL)	**(16,800)**	(13,800)

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

During the current year, $0.9 million (2024: $ nil) of personnel costs directly attributable to particular SPL projects were capitalised, of which $0.4 million has been reflected as a revaluation movement in the consolidated statement of comprehensive income.

A loan agreement, based on commercial terms, exists between SIML and SPL under which SIML can loan funds up to $20.0 million to SPL for general corporate purposes. As at 31 March 2025, SIML had loaned $16.8 million (2024: $13.8 million) to SPL. The average interest rate charged for the year ended 31 March 2025 was 7.73% (2024: 8.12%). On consolidation, the loan and interest earned/paid are eliminated.

Directors' benefits
Directors' fees recognised in administration expenses comprise the following:

	2025 $000	2024 $000
Directors' fees	**484**	517
Chair's fees	**176**	175
	660	692

In the current year, the Directors received dividends of $24,192 (2024: $21,453). No other benefits have been provided by Stride to a Director for services as a Director or in any other capacity (2024: nil).

Key management personnel benefits
Key management personnel compensation, which are related party transactions, are disclosed in note 8.2.

8.5 Debtors and other receivables

Accounting policy

Debtors and other receivables are recognised at their fair value and subsequently measured at amortised cost using the effective interest rate method. Stride has applied the simplified approach to measuring expected credit loss as prescribed by NZ IFRS 9 *Financial Instruments*, which uses a lifetime expected loss allowance. A loss allowance is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that Stride will not be able to collect all of the amounts due under the original terms of the invoice.

	2025 $000	2024 $000
Debtors	**3,001**	3,817
Less loss allowance	**(820)**	(653)
Debtors net of loss allowance	**2,181**	3,164
Rental guarantee receivable in relation to 110 Carlton Gore Road, Auckland	**254**	276
Related party receivable (refer note 8.4)	**631**	775
Interest receivable in relation to 110 Carlton Gore Road, Auckland	**-**	33
	3,066	4,248
Less than 30 days due	**2,623**	3,956
Over 30 days due	**443**	292
Carrying amount	**3,066**	4,248

8.6 Trade and other payables

Accounting policy

Trade and other payables represent unsecured liabilities for goods and services provided to Stride prior to the end of the financial year which are unpaid. Trade and other payables are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are assumed to be the same as their fair values due to their short-term nature.

	2025 $000	2024 $000
Trade payables	**1,659**	1,127
Development and capital expenditure payables and accruals	**2,867**	4,769
Seismic work accruals	**-**	151
Retentions held	**644**	256
Rent in advance	**1,191**	804
Operating expense recovery accruals	**458**	241
Tenant deposits held	**909**	821
Employee entitlements	**3,268**	3,605
Other accruals and payables	**3,591**	4,322
	14,587	16,096

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

8.0 Other (continued)

8.7 Property, plant and equipment

Accounting policy

Land and buildings are recognised at fair value as determined by an independent registered valuer. A revaluation surplus/(deficit) is credited/(debited) to other reserves in shareholders' equity. All other property, plant and equipment is recognised at historical cost less depreciation.

SIML has an office at 34 Shortland Street, Auckland, which is a property owned by SPL and therefore held as investment property (refer note 3.2). The value attributable to this premise of $8.3 million (2024: $8.5 million) has been recognised as property, plant and equipment with a revaluation deficit of $(0.2) million recognised within other comprehensive income (2024: $2.8 million revaluation surplus) in the consolidated statement of comprehensive income.

	2025 $000	2024 $000
Opening balance	**9,058**	6,238
Purchases	**91**	1,071
Depreciation	**(170)**	(180)
Revaluation (deficit)/surplus	**(200)**	2,800
Disposals	**(2)**	(871)
Closing balance	**8,777**	9,058

8.8 Contingent liabilities

Stride has no material contingent liabilities at balance date (2024: $ nil).

8.9 Subsequent events

On 16 April 2025, the Boards issued 423,098 Stapled Securities pursuant to the employee incentive schemes operated by SIML.

On 16 April 2025, the SIML Board granted 1,465,873 rights under the executive long term incentive scheme for FY26 (the period 1 April 2025 to 31 March 2028).

On 16 April 2025, the SIML Board granted 801,189 rights to executives and other employees of SIML as part of the FY25 short term incentive compensation for these employees in connection with their performance during FY25 and granted 472,999 rights to executives of SIML as part of their FY26 fixed remuneration compensation. These rights vest after 31 March 2027 if the relevant employee remains employed by SIML at that time.

On 28 April 2025, JPMAM contributed $5.7 million of equity into Industre resulting in SPL's proportionate holding reducing from 49.6% to 49.0%.

On 23 May 2025, SPL's lenders committed to the refinance of the $460.0 million syndicated senior secured bank facilities. This refinance is expected to be completed in June 2025. As part of the refinance, Bank of China, Auckland Branch, will join the syndicate.

On 28 May 2025, SPL declared a cash dividend for the period 1 January 2025 to 31 March 2025 of 1.5625 cents per share, to be paid on 17 June 2025 to all shareholders on SPL's register at the close of business on 6 June 2025. At 1.5625 cents per share, the total dividend payment will be $8,741,594. This dividend will carry imputation credits of 0.364295 cents per share. This dividend has not been recognised in the financial statements.

On 28 May 2025, SIML declared a cash dividend for the period 1 January 2025 to 31 March 2025 of 0.4375 cents per share, to be paid on 17 June 2025 to all shareholders on SIML's register at the close of business on 6 June 2025. At 0.4375 cents per share, the total dividend payment will be $2,447,646. This dividend will carry imputation credits of 0.170139 cents per share. This dividend has not been recognised in the financial statements. SIML's equity (non-controlling interest) consists largely of retained earnings and the declared dividend represents 10.7% of SIML's equity as at 31 March 2025.

Independent auditor's report

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

Our opinion

In our opinion, the accompanying consolidated financial statements (the financial statements) of Stride Property Group, which consists of Stride Property Limited and its controlled entities (SPL) and Stride Investment Management Limited (SIML) (together Stride), present fairly, in all material respects, the financial position of the Group as at 31 March 2025, its financial performance, and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

What we have audited

Stride's financial statements comprise:

- the consolidated statement of financial position as at 31 March 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

Independence

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

In our capacity as auditor and assurance practitioner, our firm provides other assurance services. In addition, certain partners and employees of our firm may deal with Stride on normal terms within the ordinary course of trading activities of the businesses. The firm has no other relationship with, or interests in, Stride.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

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Independent auditor's report (continued)

Description of the key audit matter

Valuation of investment property

As disclosed in Note 3.2 of the financial statements, SPL's investment property portfolio was valued at $1,002 million (excluding lease liabilities) as at 31 March 2025.

The valuation of SPL's investment property portfolio is inherently subjective due to, amongst other factors, the individual nature of each property, its location, and the expected future rental income for each property. A small percentage difference in any one of the key individual assumptions used in the property valuations, when aggregated, could result in a material misstatement of the overall valuation of investment properties and considering the significance of investment property to Stride, this is a key audit matter.

The valuations were performed by independent registered valuers (the Valuers) as engaged by SIML, the Manager. The Valuers engaged by SIML are experienced in the markets in which SPL operates and are rotated across the portfolio on a three-yearly cycle. In determining a property's valuation, the Valuers predominantly used two approaches to determine the fair value of an investment property: the Income Capitalisation approach and the Discounted Cash Flow approach to arrive at a range of valuation outcomes, from which the Valuers derive a point estimate. For properties reported as Development and Other, the Residual or Land Value approaches were also used.

For each property, the Valuers take into account property specific information such as the current tenancy agreements and rental income earned by the asset. They then apply assumptions in relation to capitalisation rate, discount rate, gross market rental, rental growth rate and terminal yield. The Residual approach also incorporates deductions for estimated development costs and a profit and risk allowance. The Land Value approach also involves direct comparison with other property sales.

How our audit addressed the key audit matter

The valuation of investment properties is inherently subjective given that there are assumptions, estimates and methodologies that may result in a range of values.

We held discussions with the Manager to understand the movements in SPL's investment property portfolio, changes in the condition of each property, the controls in place over the valuation process, and occupancy risk arising from changes in tenancies on lease renewal.

We also held separate discussions with each of the Valuers to gain an understanding of the assumptions and estimates used and the valuation methodologies applied, as well as the impact of climate-related risks on the investment property portfolio.

In assessing the individual valuations, we read the valuation reports for all properties. On a sample basis, we obtained an understanding of the key inputs in the valuations, agreed contractual rental and lease terms to lease agreements with tenants, considered whether seismic assessments and/or capital maintenance requirements had been taken into account in the valuations with reference to supporting documentation, and that changes in tenant occupancy risks were also incorporated. In addition, where the Residual approach was used, we obtained evidence to support the estimated cost to complete and assessed the reasonableness of profit and risk allowance deducted from the 'as if complete' valuation.

On a sample basis, we also engaged our own in-house valuation expert to critique and independently assess the work performed and assumptions used by the Valuers.

We considered whether or not there was a bias in determining significant assumptions in individual valuations and found no evidence of bias.

We also assessed the Valuers' qualifications, expertise and objectivity and we found no evidence to suggest that the objectivity of any Valuer, in their performance of the valuations, was compromised.

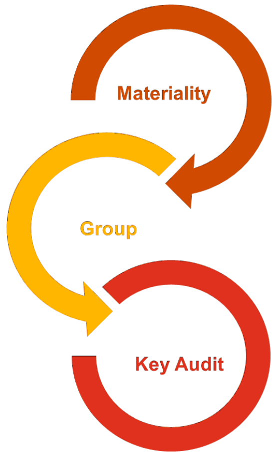
We confirmed that the valuation approach for each property was in accordance with relevant accounting standards and suitable for use in determining the fair value of investment properties at 31 March 2025.

We also considered the appropriateness of disclosures made in the financial statements.

Independent auditor's report (continued)

Our audit approach

Overview



Overall group materiality: $2.94 million, which represents approximately 5% of profit before tax excluding the net change in fair value of investment properties (including Stride's share of profit/(loss) in equity-accounted investments arising from valuation movements of investment properties).

We chose this benchmark because, in our view, it is reflective of the metric against which the performance of Stride is most commonly measured by users.

We selected transactions and balances to audit based on the overall group materiality to Stride rather than determining the scope of procedures to perform by auditing only specific subsidiaries or entities.

As reported above, we have one key audit matter, being valuation of investment property.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They 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 the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the financial statements as a whole as set out above. These, together with qualitative considerations, helped us to determine the scope of our audit, the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of Stride, the accounting processes and controls, and the industry in which Stride operates.

Independent auditor's report (continued)

pwc

Other information

The Directors of SPL and SIML are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

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

In preparing the financial statements, the Directors of SPL and SIML are responsible for assessing Stride'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 SPL or SIML or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 (NZ) and ISAs 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 financial statements.

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

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

This description forms part of our auditor's report.

Who we report to

This report is made solely to the shareholders of SPL and SIML, as a body. Our audit work has been undertaken so that we might state those matters which 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 Stride and the shareholders of SPL and SIML, as a body, for our audit work, for this report or for the opinions we have formed.

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

For and on behalf of:

PricewaterhouseCoopers

PricewaterhouseCoopers
28 May 2025

Auckland

Corporate Governance

Corporate Governance

The Boards of SIML and SPL are committed to maintaining high standards of corporate governance. The Boards regularly review and assess Stride's governance structures and processes to ensure compliance with best practice standards.

This section of the Annual Report provides an overview of the corporate governance policies and practices adopted and followed by the Boards of Directors of SPL and SIML. This statement is current as at 1 May 2025.

Overview of Stride and its Governance Framework

SPL and SIML are both companies incorporated in New Zealand under the Companies Act. SPL and SIML are 'Stapled Entities', with the ordinary shares of SPL and SIML stapled together and quoted on the Main Board equity securities market of NZX under a single ticker code 'SPG'. This means that one share of SIML and one share of SPL must be traded together as a single parcel. SPL and SIML are together referred to as "Stride Property Group" or "Stride".

Stride has a 'non-standard' (NS) designation due to its stapled structure. The waivers from the Listing Rules that have been granted by NZX to give effect to that stapled structure are described on pages 126 and 127. The implications of investing in the stapled securities of SPL and SIML are described on page 131.

This section of the Annual Report provides an overview of Stride's corporate governance framework and includes commentary on how Stride complies with each of the eight corporate governance principles and recommendations of the NZX Corporate Governance Code (NZX Code) for the year ended 31 March 2025, together with other statutory disclosures. For the reporting period, Stride considers that its corporate governance practices are materially consistent with the NZX Code. Set out on page 128 and following is a table outlining compliance and indicating where the relevant requirements and recommendations of the NZX Code can be found in this section of the Annual Report.

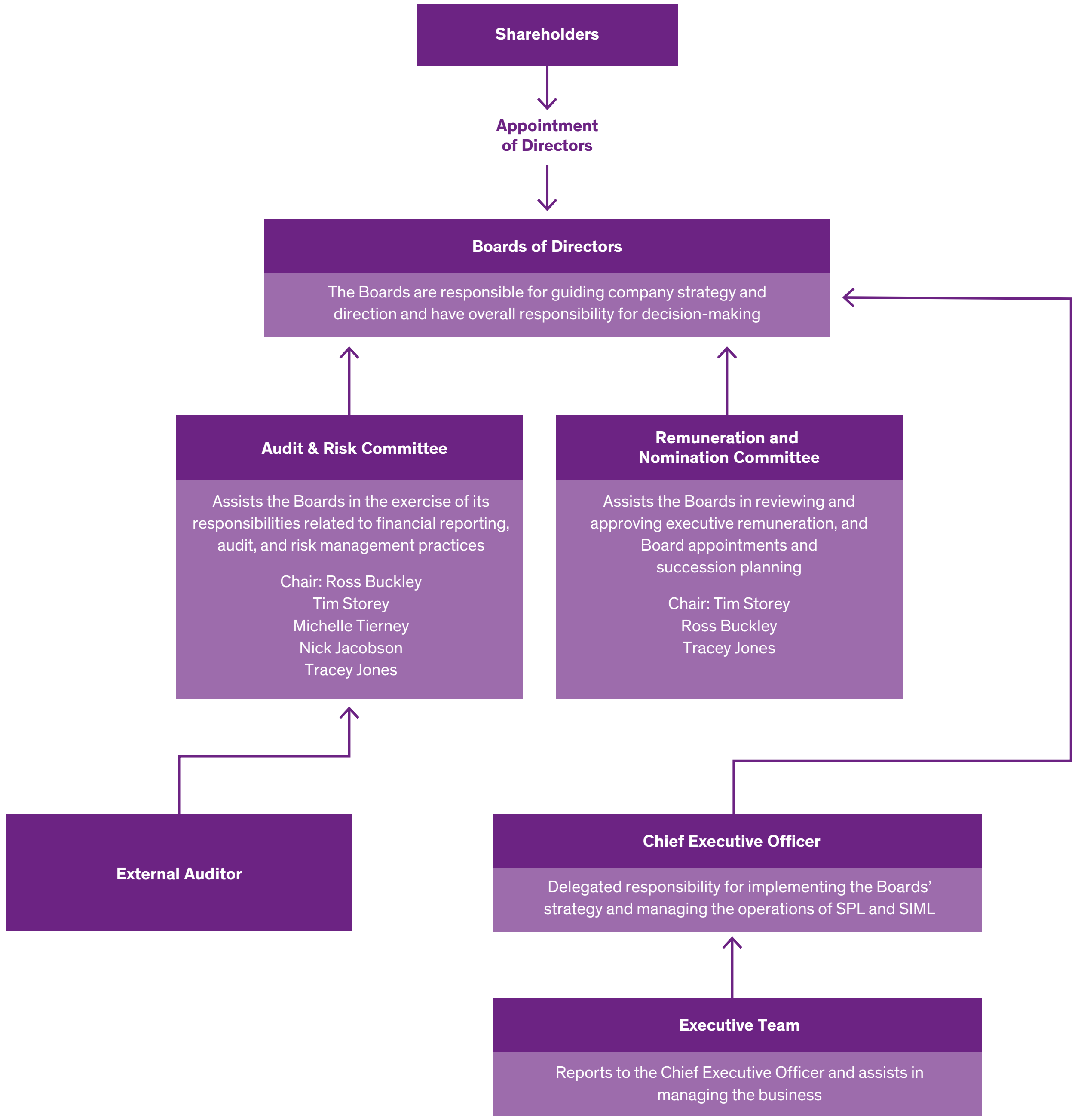
Shareholders are encouraged to refer to Stride's website, www.strideproperty.co.nz, for further information on Stride, including corporate governance charters and policies, information regarding Stride's strategy and its business, along with copies of all announcements, presentations and reports released by Stride. Stride's annual reports and interim reports are available electronically on Stride's website and investors can request hard copies (where available) by contacting Stride's Share Registrar (whose contact details can be found in the Corporate Directory at the back of this Annual Report).

Stride provides options for shareholders to receive and send communications electronically to and from both Stride and Stride's Share Registrar. Stride encourages investors to receive investor communications by electronic means where possible as this saves money for Stride and supports Stride's sustainability initiatives by avoiding the use of resources for printed documents.

Structure and Governance

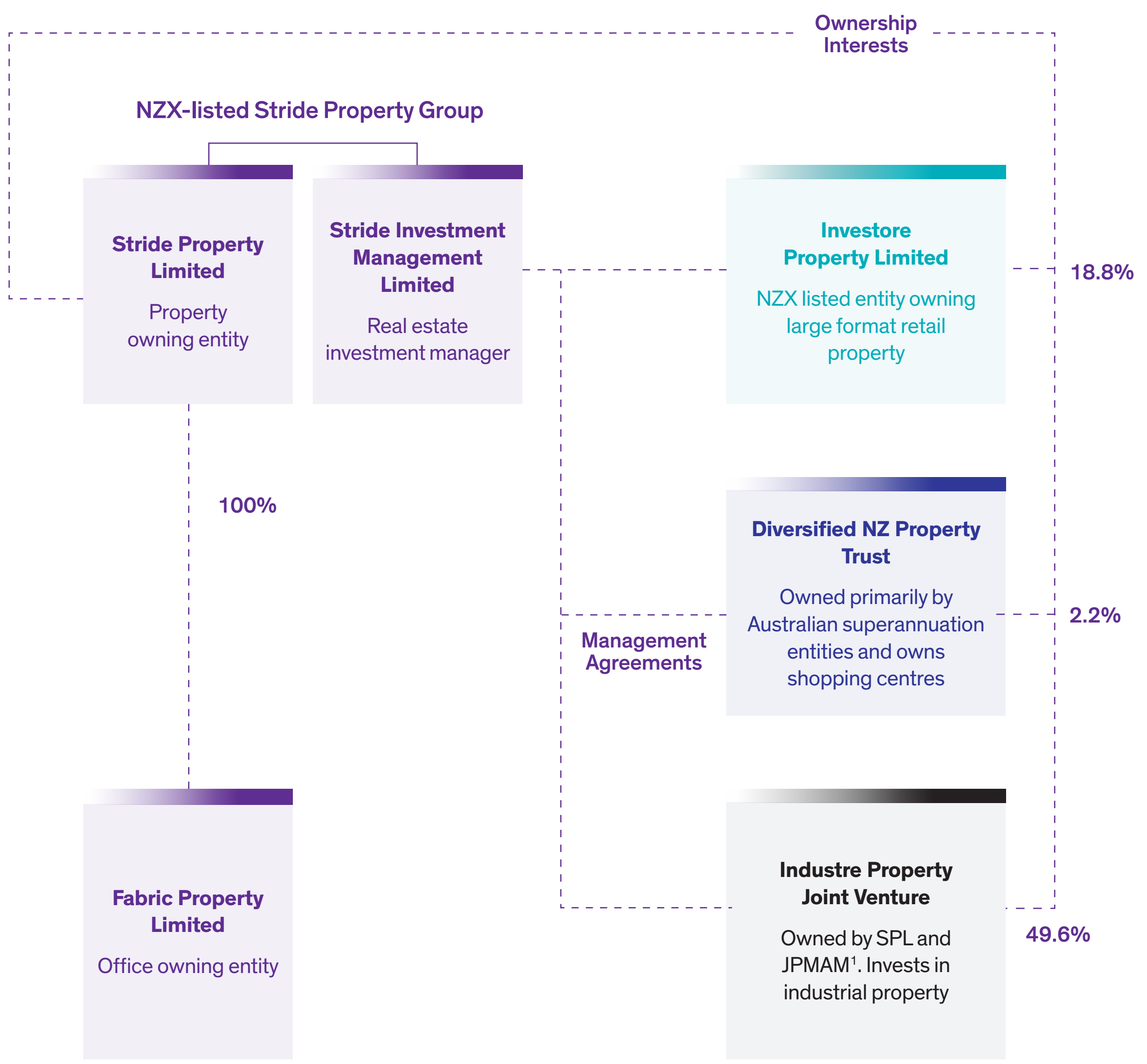
Stride's governance framework is set out in Diagram 1.

Diagram 1 – Governance Framework



As shareholders will be aware, and as outlined in this Annual Report, Stride is both a property owner and investor (through SPL) and a real estate investment manager (through SIML). Set out in Diagram 2 is an overview of the Stride corporate structure, including an outline of the entities managed by SIML and in which SPL holds an ownership interest.

Diagram 2 – Corporate Structure



1. See glossary on page 132.

Board and Committee Structure

Roles and Responsibilities of the Stride Boards

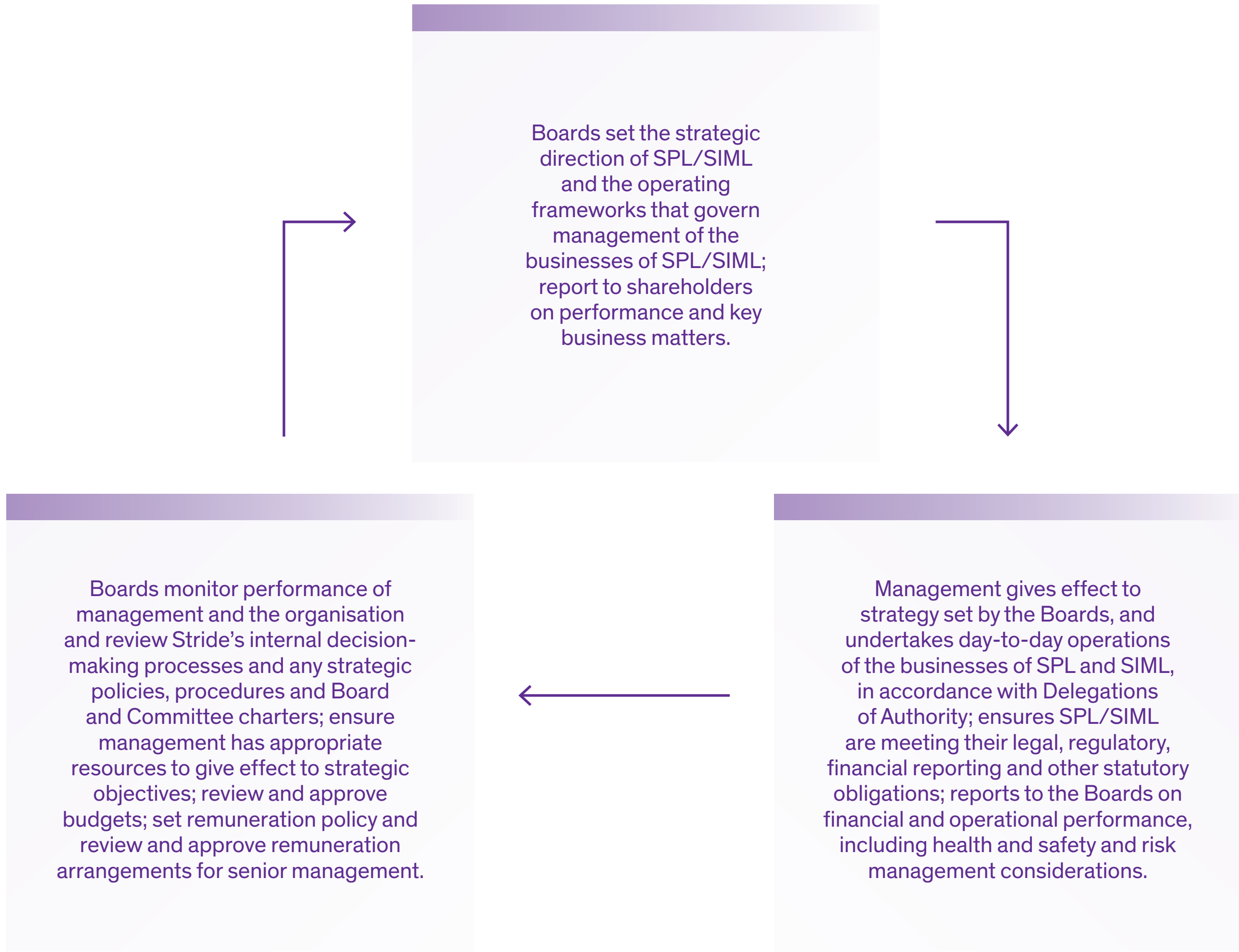
The Stride Boards have adopted a charter which sets out the Boards' roles and responsibilities. This charter is available on Stride's website. As part of the charter, each of the Stride Boards commit to maintaining the highest standards of governance, operational quality and accountability in order to promote investor confidence.

The SPL Board and the SIML Board are each responsible for overseeing the effective management and operation of SPL and SIML respectively. The Boards' role is to represent the interests of Stride's shareholders and ensure that the operations of Stride are managed so as to achieve Stride's strategic and business objectives, within a framework of regulatory and ethical compliance.

The Boards' charter notes that the Board of SPL has appointed SIML as its manager, and the Board of SIML has delegated authority to the Chief Executive Officer of SIML for the operations and administration of Stride, in accordance with the Delegations of Authority. Directors review the Boards' charter annually, to ensure it remains consistent with the Boards' objectives and responsibilities.

A summary of the principal responsibilities of the Boards and management and how they interact is set out in Diagram 3.

Diagram 3 – Stride Boards and Management Roles and Responsibilities



Independence of Directors

Due to the stapled structure of SPL and SIML, the Boards of both companies comprise the same people. Director profiles can be found on the Stride website at **www.strideproperty.co.nz/#board** and on pages 10 and 11 of this Annual Report.

All of the SPL and SIML Directors are considered to be 'Independent Directors' under the Listing Rules, which in summary means that they are free of any direct or indirect interest, position, association or relationship that could reasonably influence, or could reasonably be perceived to influence, in a material way, the Director's capacity to bring an independent view to decisions in relation to Stride, act in the best interests of Stride, and represent the interests of Stride's shareholders generally, including having regard to the factors described in the NZX Code.

The Boards have reviewed the status of each of the Directors and, taking into account the waiver granted by NZX Regulation in relation to the independence of Directors that is summarised on page 126, confirm that, as at the date of the release of this Annual Report and after considering the relevant factors set out in the NZX Code (including table 2.4), all Directors are 'Independent Directors'.

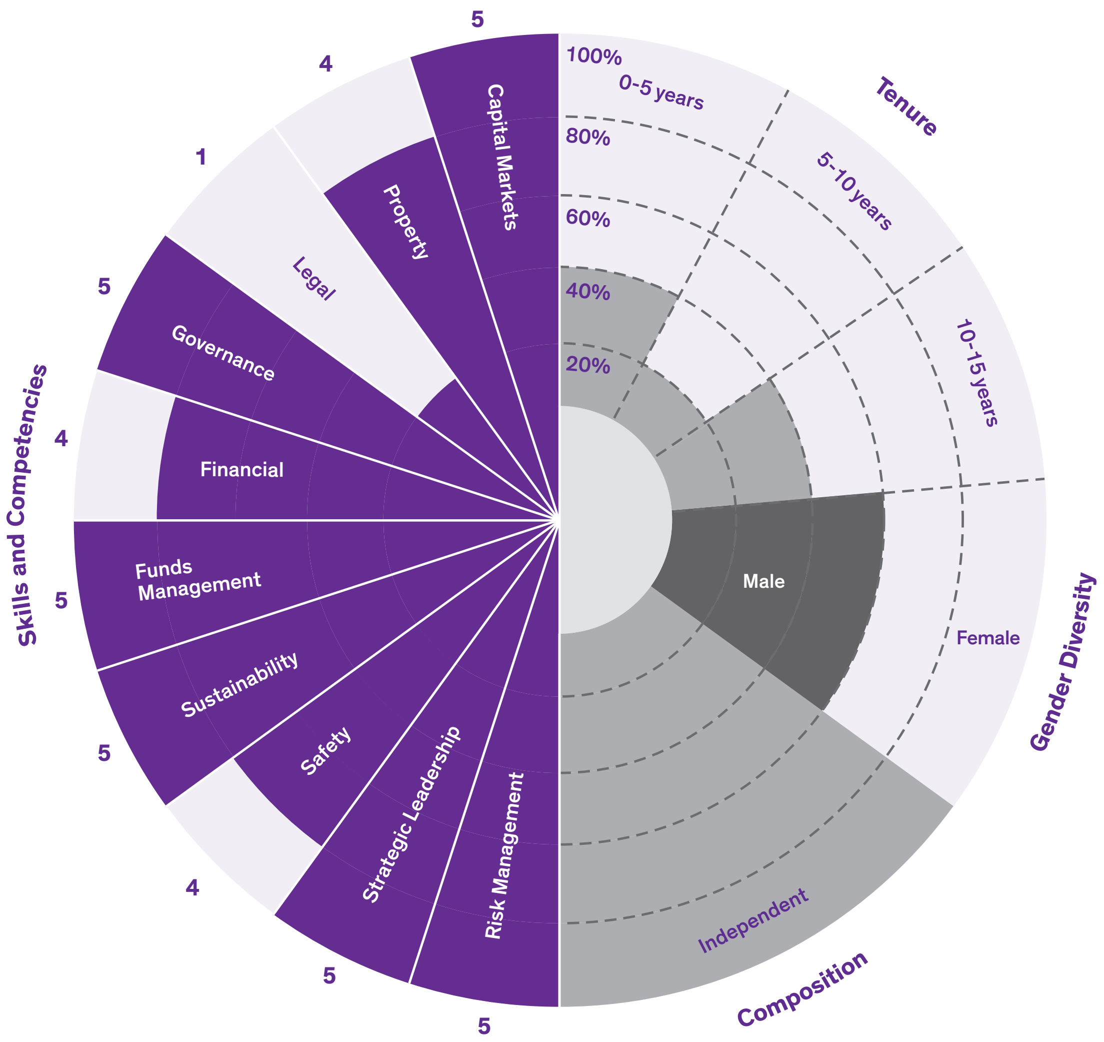
Director Tim Storey, the Chair of the Boards, has been a Director of SPL since 2009. The Boards have considered this length of tenure and do not consider that it prejudices the independence of Director Tim Storey given his governance experience, approach to Board duties, and the fact that none of the other factors that may influence independence apply. The Boards consider that Stride benefits from Tim's experience and history with Stride, given the changes to the business over this time, including its listing on the NZX and the establishment of the current stapled structure.

Director Skills

The Boards include Directors who collectively have a mix of skills, knowledge, experience, and diversity that enhance the Boards' operations and assist the Boards to meet their responsibilities and objectives. A balance is maintained between long serving Directors with experience and knowledge of the property sector and Stride's history, and new Directors who bring fresh perspective and insight. The Boards consider that the current Directors collectively have the depth of expertise, understanding and experience necessary to govern Stride.

Set out in Diagram 4 is a summary of the skills and experience among Directors of the Boards.

Diagram 4 – Boards' Skills Matrix



Director Development and Training

The Boards understand the importance of ensuring they remain current in the knowledge and skills required to be a Director of SPL and SIML, and are particularly focussed on knowledge specific to the property industry, funds management business, climate change, macroeconomic factors and regulatory and governance practices, all of which may impact Stride's business and operations.

Director development and education is primarily focussed on briefings from senior SIML managers and industry experts as appropriate and site visits to properties owned by SPL, Industre, Diversified or Investore. Directors also have access to external education and professional development training at Stride's expense.

During FY25 all Stride Directors completed the Institute of Directors' Climate Change Governance Essentials course as a group, at the expense of Stride. The purpose of the course was to provide Directors with appropriate skills and understanding in relation to the governance of climate risks so as to enable them to assess climate change governance issues currently facing Stride, understand the significance of appraising and managing climate-related risks to ensure business resiliency and continuity, assess tools and frameworks to identify and scope climate-related risks, and to identify and monitor climate-related regulations and emerging standards.

This course comprised three online modules together with a two hour final workshop. As Stride (together with the Investore directors) completed this course as a group, the workshop component of the course was tailored to focus on climate risks specific to Stride and Investore and ensure that our climate disclosures remain appropriate given the learning undertaken during the course. The Directors committed to completing this course in order to ensure that they continue to exercise appropriate oversight of climate risk within Stride and the Stapled Entities.

In addition to training and development opportunities specifically provided by Stride, Directors are entitled to access such information and to seek such independent advice as they individually or collectively consider necessary to fulfil their responsibilities and permit independent judgement in decision-making.

Board Evaluation

The Boards undertake an annual evaluation of their performance, utilising a range of approaches, both internal and external. During FY25, the Boards completed an internal review of their skills.

Appointment of Future Director

During FY25 the Boards of SPL and SIML considered the appointment of a Future Director and undertook a candidate search process. The Boards were pleased to appoint Craig Hopkins in April 2025 as a Future Director of SPL and SIML. The appointment of a Future Director illustrates the Boards' commitment to supporting the development of the next generation of directors within New Zealand. The Boards look forward to working with Craig, who will attend SPL and SIML Board Meetings and contribute to discussion, but will have no voting rights and will not form part of the quorum for a Board Meeting.

Appointment of New Directors

Potential candidates for appointment as a Director are nominated by the SIML Board, the Stride Remuneration and Nomination Committee, or a SIML shareholder, and are voted on by the shareholders of SIML. Under SPL's Constitution, persons who are appointed as Directors of SIML are automatically appointed as Directors of SPL.

The Boards have an established process for selecting suitable candidates for appointment and reappointment to the Boards. The process commences with an evaluation of the current composition of the Boards and Director skills and ensures that:

- proper background checks are undertaken, including background checks on education, employment experience, criminal history, and bankruptcy; and
- shareholders are provided with key information about a candidate to help in their decision-making on whether to elect or re-elect them (this includes any material adverse information the checks have revealed).

To be eligible for selection, candidates must demonstrate the appropriate qualities and experience for the role of Director and will be selected on a range of factors, including property industry knowledge, business acumen, financial markets, and governance experience. Other factors include background, professional expertise and qualifications, measured against the Boards' assessment of its overall skills and needs at the time and having regard to the strategy of Stride and Director succession planning.

The Boards may appoint Directors to fill a casual vacancy, but where a Director is appointed to fill a casual vacancy, the Director is required to retire and stand for election at the first Annual Shareholder Meeting after his or her appointment.

All new Directors are appointed by way of a formal letter of appointment setting out the key terms and conditions of their appointment, including expectations of the Director in the role, expected time commitment, remuneration entitlements, and indemnity and insurance arrangements. The letter of appointment also requires Directors to comply with all corporate policies and charters, including the Boards' and Committee charters, Code of Ethics, Securities Trading Policy, and Market Disclosure Policy, advises Directors of their right to access corporate information, notes the term of appointment, and sets out confidentiality obligations.

As part of their appointment process, new Directors are asked to advise of their interests to be entered into the interests register, and are advised of Stride's approach to conflicts of interest. New Directors are provided with an induction pack containing key governance information, policies and charters, and relevant information necessary to prepare new Directors for their role. New Directors also meet key members of management of SIML as part of an induction programme, designed to provide new Directors with an overview of Stride, its strategy and operations, and the markets in which it operates.

Board Committees

Committees play an important role in Stride's governance framework, allowing a subset of the Boards to focus on a particular area of importance for the Stride Boards, while still ensuring the Boards as a whole remain responsible for decision-making. The Stride Boards have established two permanent committees to assist with the exercise of their duties - the Audit and Risk Committee and the Remuneration and Nomination Committee, as outlined in Diagram 5.

The Stride Boards previously established a Sustainability Committee to assist with implementing the Boards' goals regarding sustainability, as well as overseeing the development and reporting of climate risks and our greenhouse gas inventory. During FY25, with the resignation of Director Jacqueline Cheyne, who was the Chair of the Sustainability Committee, it was determined to disestablish the Sustainability Committee, and the Audit and Risk Committee has assumed the responsibilities of the Sustainability Committee. While the Sustainability Committee played an important role in the establishment of Stride's sustainability commitment, objectives and practices, the Boards consider that sustainability and climate risk are now an integrated part of Stride's business operations, and a separate committee is no longer required. In addition, the Boards consider that climate risk should be considered using the same framework as business risks, and that climate risk reporting should be given the same level of scrutiny as applies to financial reporting, and accordingly it is appropriate for climate risk and sustainability reporting to be overseen by the Audit and Risk Committee.

Diagram 5 – Board and Committee Structure

Boards of Directors

Chair: Tim Storey
Independent Directors: Ross Buckley, Michelle Tierney, Nick Jacobson, Tracey Jones

Audit and Risk Committee	**Remuneration and Nomination Committee**
Chair: Ross Buckley **Members:** Tim Storey, Michelle Tierney, Nick Jacobson, Tracey Jones	**Chair:** Tim Storey **Members:** Ross Buckley, Tracey Jones
The Audit and Risk Committee assists in the exercise of the Boards' financial oversight and risk functions	The Committee assists with overseeing executive and Board remuneration, as well as Board composition and succession

Audit and Risk Committee

The Audit and Risk Committee provides assistance to the Boards in fulfilling their responsibility to investors in relation to the reporting practices of Stride, ensuring the quality, integrity and transparency of the financial reports and climate reporting of Stride, and overseeing the risk management framework implemented by SIML management to effectively identify, manage and monitor key business and climate-related risks. The role and responsibilities of the Audit and Risk Committee are outlined below.

Financial Management, Financial Reporting and Climate Disclosures	Audit Functions	Risk Management
Review the financial statements of Stride with management and the external auditor to determine that the external auditor is satisfied with the accuracy, disclosure and content of the financial statements and to ensure that the financial reporting is balanced, clear and objective	Meet with the external auditor and SIML financial management to review the proposed scope of the audit and half year review and the procedures to be utilised	Ensure that management has established a risk management framework to effectively identify, monitor, manage and report key business risks
Review with management and the external auditor the results of analysis of significant financial reporting issues and practices, including changes of accounting principles	Review any internal audit functions undertaken by SIML and receive a summary of findings from completed internal audits	Review the procedures for identifying key business risks and controlling their financial impact
Review judgements about the quality of accounting principles and clarity of financial disclosure used in Stride's financial reporting	Report the results of the annual audit and assurance processes to the Boards, including whether the financial statements and climate disclosures comply with legal and regulatory requirements	Review management's reports on the effectiveness of systems for internal control, financial reporting and risk management
Review and recommend financial and climate reports to the Boards, including the sustainability elements of annual and interim reporting	Assess and confirm to the Boards the independence of the external auditor, including reviewing the nature and scope of other professional services provided by the external auditor to consider the risk of these services to the auditor's independence	Oversee the adoption and implementation of a climate change risk assessment process in accordance with Stride's Climate Risk Management Framework
Monitor Stride's tax position and areas of potential tax risk	Recommend the appointment or discharge of the external auditor and establish the external auditor's fees, subject to shareholder approval	Review key business risks and controls, and monitor and assess the interaction of climate risks with business risks
Ensure Stride has an appropriate reporting framework to ensure accurate and fair reporting of relevant sustainability performance measures	Consider and recommend to the Boards for approval any assurance or review processes for Stride's climate disclosures and sustainability reporting	Review insurance policy terms and cover adequacy and recommend the adoption of cover to the Boards

Stride's Audit and Risk Committee operates under a written charter, which is regularly reviewed to ensure that it remains appropriate and current. The Audit and Risk Committee charter is available on Stride's website: **www.strideproperty.co.nz/investor-centre/**.

The charter requires that the Audit and Risk Committee is comprised solely of non-executive Directors, and has at least three members, with the majority of members being Independent Directors. The Chair of the Audit and Risk Committee is to be an Independent Director and may not be the Chair of the Boards. All Committee members must be financially literate and at least one member must have adequate accounting or related financial management expertise. All Directors are members of the Audit and Risk Committee, with Director Ross Buckley the Chair of the Committee.

The Boards consider that the Audit and Risk Committee has the appropriate level of financial acumen and risk management experience necessary for the Committee to fulfil its responsibilities. The Chair of the Committee, Director Ross Buckley, is an independent Director and has considerable audit experience and financial acumen suitable for this role, given his background as an audit partner with KPMG for 27 years. Ross has no prior relationship with PwC, Stride's auditor.

Meetings of the Audit and Risk Committee are held at least twice a year, and are generally held four times per year, having regard to Stride's reporting and audit cycle. Additional meetings are held at the discretion of the Chair of the Committee, or if requested by any Audit and Risk Committee member, the Chief Executive Officer of SIML, the Chief Financial Officer of SIML, or the external auditor.

The Chief Executive Officer and senior management of SIML, and the external auditor, have a standing invitation to attend Audit and Risk Committee meetings. The Audit and Risk Committee are free to, and do, meeting separately with the external auditor, without senior management of SIML present, to discuss audit matters.

Remuneration and Nomination Committee

Stride's Remuneration and Nomination Committee has been established to assist the Boards with the determination, implementation and oversight of appropriate executive remuneration practices to enable the recruitment, motivation and retention of top talent at all levels, to assist the Boards in planning the Boards' composition and succession, and to identify and nominate for approval of the Boards external candidates to fill Board vacancies as they arise.

The role and responsibilities of the Remuneration and Nomination Committee, its composition, and the procedures that govern the operation of the Committee, are set out in a written charter, which is available on the Stride website: **www.strideproperty.co.nz/investor-centre/**.

The Remuneration and Nomination Committee comprises three Directors, all of whom are Independent Directors. SIML employees are only entitled to attend meetings at the invitation of the Committee.

Meetings of the Remuneration and Nomination Committee are held at least two times per year. Any member of the Committee may request a meeting if they consider it appropriate. The Chief Executive Officer is invited to attend Committee meetings as the Committee considers necessary.

The role and responsibilities of the Remuneration and Nomination Committee are outlined in Table 1.

Table 1 – Role and Responsibilities of Remuneration and Nomination Committee

Remuneration	Nomination
Set and review the remuneration policies and practices of SIML and the Boards	Evaluate the balance of skills, knowledge and experience of the Boards and determine the skill set and capabilities required for a new Board appointment
Set and review all components of the remuneration of the Chief Executive Officer and such other senior executives as the SIML Board may determine, including base salary, short and long term incentive plans, and all other entitlements and benefits	Identify and nominate potential candidates to fill Board vacancies
Set and review the short and long term incentive plans for employees, including share schemes	Ensure proper checks are made in relation to prospective candidates for the role of Director, and that appropriate information about a candidate is provided to shareholders to assist in deciding whether or not to elect or re-elect a Director
Make recommendations to the Boards on setting and reviewing all components of the remuneration of non-executive Directors	Formulate succession plans for non-executive Directors
	Regularly review the structure, size and composition of the Boards and make recommendations to the Boards regarding any changes

Boards and Committee Meetings and Attendance

The Boards' charter sets out the meeting requirements and process for each of SPL and SIML. Due to the nature of the business of each Board, different meeting frequencies are scheduled. The Board of SIML meets a minimum of 8 times per year and the Board of SPL a minimum of 5 times per year, with additional meetings and conference calls scheduled as deemed necessary throughout the year for Directors to undertake their duties.

Directors attend briefings with senior management of SIML on an ad-hoc basis and attend investor briefings in connection with their role as a Director of SPL and SIML. These attendances are not included in the disclosure in Table 2, but comprise an important element of Stride Director responsibilities.

At each Board meeting, the Boards receive written reports and presentations from SIML's Chief Executive Officer and senior management covering a review of operations and financial results for the period in review, an overview of matters for Board approval, an outline of key health, safety and sustainability matters and, as appropriate, risk and governance reports. The Boards regularly consider performance against strategy, set strategic plans, and approve initiatives to meet each of SPL's and SIML's strategic objectives.

The number of board and committee meetings held during FY25 and details of Directors' attendance at those meetings are disclosed in Table 2.

Table 2 – Directors' Meeting Attendance for FY25

	SPL Board	SIML Board	Audit and Risk Committee	Remuneration and Nomination Committee	Sustainability Committee (Note 1)	Strategy Day
Number of Meetings FY25	**6**	**8**	**4**	**3**	**1**	**1**
Tim Storey	6	8	4	3	1	1
Ross Buckley	6	8	4	3	N/A	1
Michelle Tierney	6	8	4	N/A	1	1
Nick Jacobson	6	8	4	N/A	N/A	1
Tracey Jones	6	8	4	3	N/A	1
Jacqueline Cheyne (Note 2)	4	5	2	N/A	1	N/A

Notes:
1. The Sustainability Committee was disestablished during FY25 and its functions assumed by the Audit and Risk Committee.
2. Director Jacqueline Cheyne resigned as a Director of SPL and SIML with effect from 30 November 2024.

Interests of Directors in Stride Securities

A table outlining the interests of each Director in Stride securities is at page 123. Stride does not have a policy which requires Directors to own stapled securities in Stride, but notes that each Director does own stapled securities, helping to ensure alignment of interests between the Directors and shareholders of Stride.

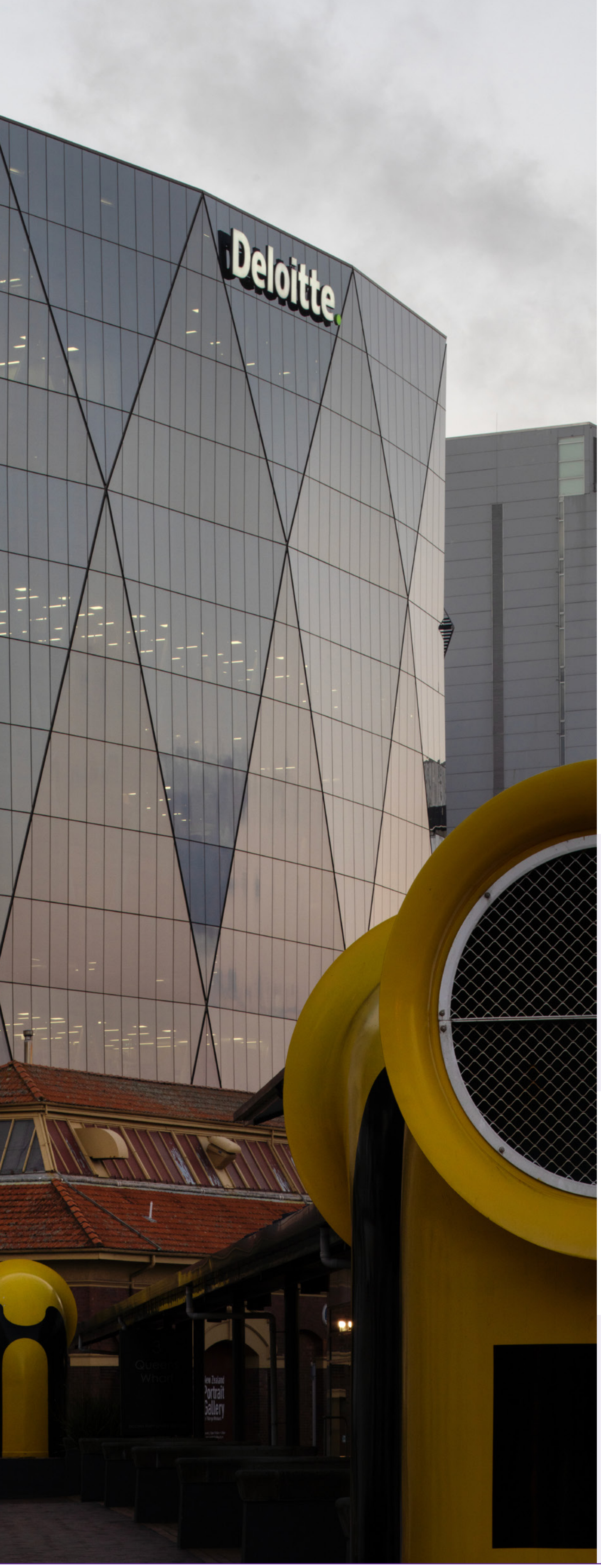
Chief Executive Officer

The Chief Executive Officer is Philip Littlewood, separate from the Chair of the Boards. Philip Littlewood's profile can be found on the Stride website at **www.strideproperty.co.nz/#executives** and on page 14 of this Annual Report.

Company Secretary

The Stride Company Secretary is an employee of SIML and a member of the Executive Team reporting directly to the Chief Executive Officer of SIML. As a member of the Executive Team, the Company Secretary participates in the SIML executive long term incentive scheme. The Company Secretary understands the need to apply impartiality in the role, including the need to ensure appropriate Board oversight of the business of SPL and SIML. The Company Secretary has direct access to the Boards' Chair and the Chair of the Audit and Risk Committee where needed.

Policies and Procedures



Code of Ethics

The Stride Boards set high standards of ethical behaviour which inform the overall corporate governance and business practices of SPL and SIML. Stride has adopted a Code of Ethics which sets the standard expected by the Stride Boards and the employees of SIML when conducting Stride's business. The Code of Ethics sets the following standards for Directors and employees:

- Act with honesty, integrity, respect and fairness and act in the best interests of Stride at all times
- Comply with all laws, regulations and rules, including Stride policies
- Protect Stride's assets and resources, including its confidential or sensitive information
- Make every effort to protect the reputation and brand of SPL and SIML and avoid a conflict between an individual's private activities and the business activities of Stride
- Make health and safety a priority

The Code of Ethics contains the four key behaviours that guide Stride's business operations and inform Stride's culture:

People centred

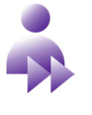
The success of every place we are involved with ultimately depends on satisfying the wants and needs of people. At Stride we imagine ourselves in our tenant's shoes and create the environment they will enjoy and prosper in.

Discipline driven

Stride people go to great lengths to do the basics of our business incredibly well. That means getting all the details right and having a rigorous process to evaluate every opportunity. We astutely navigate risk, managing downside and seizing opportunities.

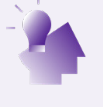
Nimble performers

Our flat, tight structure and our size allow Stride and our people to be highly responsive to changing conditions and make fast decisions.



Fresh thinkers

Stride people are at the forefront of new thinking on capturing the optimum value for people from properties. Our feet are firmly on the ground while our heads continuously scan new horizons for better ways of doing things.



Stride celebrates employees who demonstrate these behaviours through regular "In Stride" awards at company-wide meetings. All employees are able to nominate their colleagues for an "In Stride" award, with the awards decided by the SIML Executive Team. This encourages employees to think about how these behaviours guide them and their colleagues in their work practices.

The Stride Boards review the Code of Ethics regularly to ensure it remains appropriate and continues to set the standard of ethical behaviour expected by Stride of its Directors and employees. The Code of Ethics was last reviewed by the Stride Boards in March 2025.

The Code of Ethics is supported by a number of other policies, including the Stride Conflicts Policy, Protected Disclosures Policy, Securities Trading Policy, Stride's Market Disclosure Policy, and Human Rights Policy. The key content of these policies are outlined below.

Securities Trading Policy

- Governs trading in SPL and SIML stapled securities by Stride Directors and SIML employees.
- Raises awareness about the insider trading provisions within the FMCA and reinforces those requirements with additional internal compliance requirements.
- Stride Directors and employees of SIML who wish to trade in stapled securities of SPL and SIML must only trade during limited trading windows and must obtain approval prior to trading.
- Speculative trading is not permitted, and Directors and employees are required to hold stapled securities for a minimum of six months, except in exceptional circumstances and with the prior approval of the Company Secretary.
- Investore, a Stride Product, has also adopted a Securities Trading Policy, and Stride Directors and employees of SIML are bound by this policy.

Conflicts Policy

- Guides Directors and SIML employees when a conflict of interest may arise and sets out procedures for managing conflicts of interest.
- Protects the integrity of decision-making within SPL and SIML, as well as the Stride Products, the reputation of each of those entities, those who work within them, and those who own them.
- As part of the Conflicts Policy, SIML has adopted an Acquisition and Leasing Protocol which assists SIML management and employees in making decisions in the event of any conflict between the interests of the portfolios managed by SIML, being SPL, Investore, Diversified and Industre.
- SIML's conflicts manager, who is the Company Secretary of SIML, oversees the application of the Conflicts Policy and reports to the SIML Board to ensure that all conflicts are managed in an appropriate manner.

Market Disclosure Policy

- Ensures that Stride meets its obligations to ensure that shareholders and the market are provided with full and timely information about their activities, comply with continuous disclosure obligations, and ensure all market participants have equal opportunities to receive information issued by Stride.
- Obliges all Directors and Executive Team members to inform the Chief Executive Officer of SIML or the SIML General Manager Corporate Services of any potentially material information or proposal immediately upon becoming aware of that information.
- No one is permitted to communicate any material information concerning Stride to a third party, except in accordance with the Market Disclosure Policy.
- A Disclosure Committee, comprising the Stride Chair and SIML's Chief Executive Officer, Chief Financial Officer and General Manager Corporate Services, is responsible for making decisions about what information is material information and ensuring that appropriate disclosures are made in a timely manner.

Protected Disclosures Policy

- Provides a safe process for employees to make an allegation of serious wrongdoing within Stride.
- Under the policy, employees should report any wrongdoing to the Disclosure Officer (the Company Secretary), or where appropriate, the information may be reported to the Chief Executive Officer or Chief Financial Officer of SIML, a Director of SPL or SIML, or to an appropriate authority such as the Police or Serious Fraud Office.
- The employee should specify that they believe on reasonable grounds that the information is true, that they wish to disclose the information so that the wrongdoing can be investigated, and that they wish the disclosure to be protected in terms of the policy.
- All reports of wrongdoing will be investigated within 20 working days of the disclosure being made (where practicable) and the findings of the report will be communicated to the disclosing employee. The Disclosure Officer will use best endeavours to keep the identity of the disclosing employee confidential, subject to limited exceptions, such as where the disclosing employee consents to their identity being disclosed or where required for the investigation.
- An employee who makes a disclosure of information in accordance with the policy will be protected from civil or criminal liability, disciplinary proceedings, or unfavourable treatment in respect of the disclosure, provided the disclosing employee acts in good faith and reasonably believes the information disclosed to be true.

Stride has a number of other policies which sets standards that all employees, contractors and Stride Directors are expected to meet. These include a Gifts and Hospitality Policy, Health and Safety Policy, Modern Slavery Policy, and Human Rights Policy.

Stride has also established a Supplier Code of Conduct that sets the standards of behaviour expected of contractors, including compliance with ethical obligations, minimum standards of employment, compliance with human rights obligations, demonstrating best practice in health and safety, support for the community, and environmental expectations. All suppliers are provided with a copy of the Supplier Code of Conduct as part of contracting arrangements.

Stride also has a Remuneration Policy which is described in the Remuneration Report beginning on page 107.

Control Transaction Protocol

The Boards have adopted a Takeover Protocol, available on Stride's website, which sets out the procedure to be followed in the event of a control transaction involving Stride. The Protocol provides for an independent takeover committee to be formed, comprising Independent Directors of Stride, to oversee the process and ensure compliance with Stride's obligations under the Listing Rules and all legislative requirements. The Protocol also governs the procedure for communications with the bidder, the market, and investors. At present the Protocol relates to takeovers under the Takeovers Code, but its procedures would be adapted in the event of any control transaction.

Where to find Stride's Policies and Procedures

Key governance documents are available on Stride's website: **www.strideproperty.co.nz/investor-centre/**.

Employees can access Stride's Code of Ethics, together with other supporting policies, on the company intranet, and are regularly provided with training in relation to the Code of Ethics, Conflicts Policy, Securities Trading Policy, Market Disclosure Policy, Protected Disclosures Policy, and other relevant policies.

Diversity and Inclusion

The Stride Boards recognise that different perspectives, which often arise due to diverse experiences and backgrounds, contribute to a more successful business. Stride is committed to promoting diversity on the SPL and SIML Boards and SIML, which is the employing entity of Stride, is committed to promoting diversity within the workplace by attracting, recruiting, developing, promoting and retaining the best employees from a diverse pool of individuals.

Stride has adopted a Diversity Policy which sets out its commitment to diversity within the organisation. The Diversity Policy is available on Stride's website, at **www.strideproperty.co.nz/investor-centre/**.

Stride considers that diversity and inclusion embodies a wide range of individual attributes, including gender, experiences, capabilities, ethnicity, age, national origin, sexual orientation, disability, race, family and cultural heritage, and religious belief. Stride's Diversity Policy embraces four key principles:

Merit

Individuals are evaluated based on their individual skills, performance and capabilities

Fairness & Equity

Stride does not tolerate any discrimination or harassment in the workplace of any kind, including, but not limited to, in recruitment, promotion and remuneration

Promotion of Diverse Ideas

Stride values diversity in skills, backgrounds, and ideas which come from a diverse workforce

Culture

Stride believes that diversity is a strong contributor to a rich workplace culture, where individuals are free to be themselves and thrive within Stride

Employees and contractors are required to act in a manner that supports diversity, equity and inclusion within the workplace and promote the objectives set out in Stride's Diversity Policy.

Stride has conducted its annual assessment of its diversity objectives for FY25 and its progress towards achieving these objectives. Stride believes that a focus on diversity and inclusion is an ongoing endeavour and will be a constant consideration and focus for the Stride Boards.

Table 3 – Diversity Objectives and FY25 Performance

Policy	Objective	FY25 Performance
Stride is committed to promoting diversity on its Boards by attracting, developing and retaining the highest calibre of Directors from a diverse pool of individuals	Improve representation of women and other ethnicities on the Boards	**Gender split:** FY25: 60% Male 40% Female FY24: 50% Male 50% Female In FY24, the Boards' gender composition was evenly balanced, with 50% female and 50% male Directors. Following the resignation of Director Jacqueline Cheyne, the Boards comprise 3 male Directors and 2 female Directors, or 60% male and 40% female.
Stride is committed to promoting diversity within the workplace by attracting, recruiting, developing, promoting and retaining the highest calibre of employees from a diverse pool of individuals	Improve representation of women and other ethnicities in the Executive and Leadership Teams (being those managers that report directly to the Executive Team)	**Executive Team:** FY25: 57% Male 43% Female FY24: 63% Male 37% Female The Executive Team gender split has improved during FY25 due to one male executive team member leaving Stride and not being replaced. **Leadership Team:** FY25: 73% Male 27% Female FY24: 67% Male 33% Female The leadership team has a higher male component in FY25 than in FY24 due to one female leader leaving SIML and a male leader being recruited. Due to the relatively small nature of the SIML leadership team, one or two changes in people leaders can have a material impact. **Staff:** FY25: 39% Male 61% Female FY24: 38% Male 62% Female SIML comprises a head office and a number of staff based at shopping centres managed by SIML. The shopping centre teams have a higher proportion of female staff, with 16% male and 84% female, with the centre managers comprising 20% male and 80% female. For employees at head office, the gender composition is 58% male and 42% female, which reflects the gender composition of the Executive Team. The SIML Board is focussed on ensuring appropriate development opportunities exist to develop our people internally with a view to improving the gender split at the Leadership Team level.
Stride believes that diversity is an essential component of a successful business and acknowledges and values the role that diversity plays in strengthening Stride and its performance	Establish a diversity and inclusion programme to improve understanding of diversity in the workplace	Stride has an employee Diversity, Equity and Inclusion Committee. The Committee implemented a number of initiatives during FY25, including ongoing diversity training and unconscious bias training, as well as establishing a programme for assessing diversity metrics among Stride employees. For FY25, metrics related to average age and gender composition have been monitored and reported to the Stride Boards. The Diversity, Equity and Inclusion Committee implemented an initiative during FY25 to commence gathering additional diversity metrics, with employees being requested to voluntarily provide information related to ethnicity, sexual preference, education and languages spoken. This is a new initiative with the gathering of data having recently commenced, and accordingly it is too soon to formulate any meaningful insights regarding diversity at Stride outside of gender and age.

SIML is committed to a fair and balanced approach when deciding reward and remuneration outcomes for employees. Methodologies adopted to enable a robustly tested and balanced outcome include:

- External benchmarking of salaries
- Completion of an internal equal pay assessment of selected comparative roles and levels
- SIML's performance management framework includes an objective review of KPIs and performance measures for individuals and teams, resulting in an overall performance rating for each employee

Gender composition of the Boards and Officers of SPL and SIML

	As at 31 March 2025		As at 31 March 2024	
	Directors	**Officers (1)**	**Directors**	**Officers (1)**
Male	3 (60%)	4 (57%)	3 (50%)	5 (63%)
Female	2 (40%)	3 (43%)	3 (50%)	3 (37%)
Gender Diverse	Nil	Nil	Nil	Nil

1. Officer is defined in Listing Rule 3.8.1(c) to mean a person, however designated, who is concerned or takes part in the management of the issuer's business and reports directly to the Board or a person who reports to the Board. Stride considers the Executive Team of SIML, which consists of the Chief Executive Officer (who reports directly to the Board) plus his direct reports to comprise the Officers of SIML.

Remuneration Report

Attracting, retaining and motivating talented people and rewarding them for delivering business objectives is important to the Stride Boards. This section of the Annual Report sets out Stride's approach to remuneration of the Boards and its Executive Team, and also includes statutorily-required remuneration information.

Remuneration Governance

Stride has a Remuneration and Nomination Committee to assist the Boards with the determination, implementation and oversight of appropriate executive remuneration practices to enable the recruitment, motivation and retention of top talent at all levels, and to consider and recommend Directors' remuneration to shareholders. Further information on the role and responsibilities of the Remuneration and Nomination Committee, its composition and meeting procedures can be found at page 98.

The Remuneration and Nomination Committee considers the remuneration of the Chief Executive Officer and, on recommendation from the Chief Executive Officer, the Executive Team that reports directly to the Chief Executive Officer. The Remuneration and Nomination Committee do not have the power of decision-making but have the power only to recommend remuneration to the SIML Board.

Remuneration Policy

Stride has established a Remuneration Policy which covers remuneration for Directors, the SIML Chief Executive Officer and the other members of the Executive Team, and all SIML employees.

The Remuneration Policy supports SIML to attract, retain and motivate high calibre people with remuneration programmes that are market-competitive, flexible and affordable to achieve the company's business objectives. SIML's remuneration policy is guided by the principles that remuneration should:

- Be aligned with the company's values, culture and corporate strategy
- Support the attraction, retention and engagement of employees
- Be equitable and flexible
- Appropriately reflect market conditions and organisational context
- Recognise individual performance and competency, rewarding individuals for achieving high performance

The Remuneration Policy is available on Stride's website, at www.strideproperty.co.nz/investor-centre/.

Director Remuneration

Directors are remunerated in the form of Directors' fees, approved by shareholders, including a higher level of fees for the Chair of the Boards, and Chair of the Audit and Risk Committee (and formerly the Chair of the Sustainability Committee), to reflect the additional time and responsibilities that these positions involve.

Directors are paid through a contribution from both SIML and SPL. However, under waivers granted by NZX, there is no requirement that Directors' remuneration be authorised by separate resolutions of SPL and SIML.

The Boards are conscious of their obligation to ensure Directors' fees are set and managed in a manner which is fair, flexible and transparent. At the same time, the Boards seek to ensure that Directors' fees are set at an appropriate level to assist Stride to secure and maintain the skills and experience at Board level necessary to govern the business and enhance the long term value of Stride for shareholders.

The Stride Boards have a policy of reviewing Director remuneration every two years, with shareholders last approving an increase in Directors' remuneration at the shareholder meeting held in 2023. Whenever Director remuneration is reviewed, the Boards obtain independent advice as to the remuneration of directors of comparable listed companies in New Zealand, and a copy of the summary remuneration report is provided to shareholders whenever changes to Director remuneration are proposed to shareholders.

The Boards have an allowance for additional work and attendance, which remains at the level that has applied for the past six years of $144,500. The Boards may determine the allocation of all or part of this allowance to remunerate Directors for significant extra attendances and work. For the year in review this allowance was not utilised.

No Director of SPL or SIML is entitled to any remuneration from Stride other than by way of Directors' fees and the reasonable reimbursement of travelling, accommodation and other expenses incurred in the course of performing their duties or exercising their role as a Director.

Directors do not participate in any Stride share or option plan. Directors have no retirement benefit and do not receive any share options or rights or other form of remuneration, except as set out in Table 4.

No director of a subsidiary company of Stride (a list of subsidiary companies and directors is set out in the Statutory Disclosures on page 122) received any remuneration or other benefits during the period in relation to their duties as directors of a subsidiary company.

All Directors of SPL and SIML and their subsidiary companies are entitled to the benefit of an indemnity from each of SPL and SIML and the benefit of insurance cover in respect of all liabilities (to the extent permitted by law) which arise out of the performance of their normal duties as Directors, subject to certain exceptions such as deliberate breach of duty.

Table 4 – Director Remuneration FY25

Director	Remuneration	Remuneration for Committee Roles or Additional Attendances	Total FY25 Fees (Note 1)
Tim Storey (Chair of Boards)	$176,000	Nil	$176,000
Ross Buckley (Chair of Audit and Risk Committee)	$99,000	$15,000	$114,000
Michelle Tierney	$99,000	Nil	$99,000
Nick Jacobson	$99,000	Nil	$99,000
Tracey Jones	$99,000	Nil	$99,000
Jacqueline Cheyne (Note 2)	$66,000	$6,667	$72,667
Total			**$659,667**

Notes:
(1) Total Directors' fees exclude GST and reimbursed costs directly associated with carrying out Director duties. Total Directors' fees include fees paid by SPL and SIML.
(2) Director Jacqueline Cheyne resigned as a Director with effect from 30 November 2024, and was, prior to her resignation, Chair of the Sustainability Committee.

Executive Remuneration

SIML is committed to a fair and reasonable remuneration framework for its Executive Team, being those persons described on pages 14 and 15 of this Annual Report. In determining an executive's total remuneration, external benchmarking is undertaken by independent remuneration advisors every two years to ensure comparability and competitiveness, along with consideration of the individual's performance, skills, expertise and experience.

Total executive remuneration can be made up of three components: fixed remuneration, a short term incentive scheme, and an executive long term share incentive scheme.

It is SIML's policy to pay fixed remuneration at the market median, and for short and long term incentives to be set at or above the upper quartile, such that total potential remuneration is at the upper quartile. This enables SIML to attract and retain talented people, while also rewarding high performance when appropriate.

Fixed remuneration	Fixed remuneration consists of base salary, KiwiSaver and other benefits. Fixed remuneration is externally benchmarked against NZX-listed property entities on a biannual basis by independent advisers. For FY26, fixed remuneration comprises a combination of cash and share performance rights.
Short term incentive scheme	SIML operates a short term incentive scheme under which selected permanent, full time employees may be eligible to receive an incentive on an annual basis in addition to their base salary. Entitlement to the incentive is subject to pre-agreed hurdles being met, which are aligned with Stride's performance targets and sustainability objectives for the year.
Executive long term share incentive scheme	SIML operates a long term share incentive scheme for the Executive Team, intended to align the interests of key employees with the interests of shareholders and provide a continuing incentive to key employees over the long term, while also seeking to retain executive employees. The long term share incentive scheme drives longer term decision-making and encourages the creation of sustainable value for Stride's shareholders. In addition, ownership of Stride shares by executives over time helps to ensure alignment of interests between executives and shareholders.

Short Term Incentive

SIML operates a short term incentive scheme under which selected permanent, full time employees may be eligible to receive an incentive on an annual basis in addition to their base salary. The purpose is to provide incentives to achieve certain annual objectives which are aligned with achieving Stride's strategic goals, including sustainability objectives and targets.

Key performance indicators are set on an annual basis at the start of the financial year for each individual who has been invited to participate in the short term incentive scheme. Achievement of these key performance indicators is considered at the end of each financial year, with individual short term incentive awards dependent on the level of achievement of the key performance indicators.

Performance measures include:

- Earnings measures
- Key portfolio metrics such as occupancy and WALT
- Advancing key strategic objectives and projects, including ESG objectives and treasury and capital management projects
- Delivery of major leasing and development projects

Short term incentive awards are entirely discretionary. Short term incentive awards for the Executive Team are reviewed by the Remuneration and Nomination Committee, which then makes a recommendation to the Board of SIML for approval.

Short term incentives comprise a combination of cash and share performance rights. Short term incentives are paid in cash up to 60% of the total entitlement, with the balance being share performance rights. Where share performance rights are granted, one share will be issued by each of SIML and SPL in respect of each share performance right two years after the grant of the right, provided that the recipient remains employed at the vesting date.

Long Term Incentive

Share performance rights under the SIML long term share incentive scheme may be issued on an annual basis at the discretion of the Board. The scheme provides for selected employees to be granted rights to be issued shares for nil consideration if certain performance hurdles are met. The key features of the plan for rights awarded in FY25 are as follows:

- The rights are granted for nil consideration and have a nil exercise price
- Rights do not carry any dividend or voting rights prior to vesting
- Each right that vests entitles the employee to receive one fully paid ordinary share in each of SPL and SIML. The shares issued on vesting carry full voting and dividend rights
- The individual must remain an employee of SIML at the relevant vesting date for any rights to vest

Performance is determined over a three year vesting period, and the vesting of rights depends on certain hurdles being met. For the rights granted during FY25, those hurdles comprised a relative total shareholder return metric and a condition related to achievement of strategic initiatives, as more particularly described in Table 5 below.

If an employee is made redundant due to a change of control event occurring in relation to SIML or the employee's role is restructured following such an event, all unvested rights at the relevant date will vest.

Further details of the SIML long term share incentive scheme can be found in note 8.2 to the consolidated financial statements.

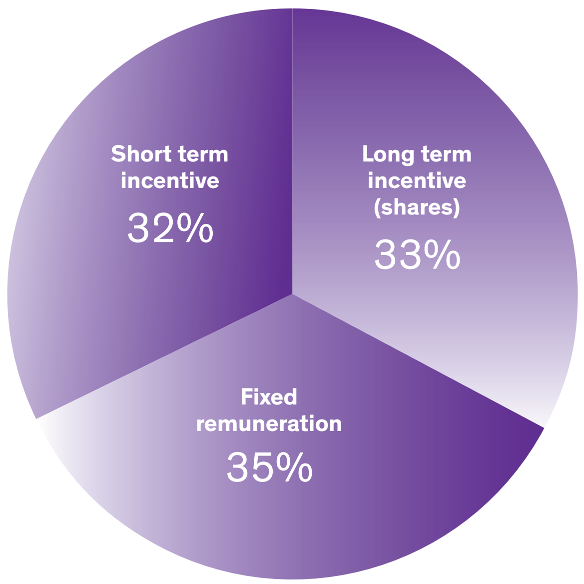
Table 5 – FY25 Long Term Incentive Hurdles

Hurdle	Description	Requirement for Vesting
Relative Total Shareholder Return (TSR)	50% of rights are subject to Stride's TSR growth performance, relative to constituents of the NZX Property Index	No rights for this component vest if Stride's TSR is negative at the end of the performance period. For vesting of rights to occur, Stride's TSR over the three year performance period would need to outperform the TSR of the bottom two constituents of the comparator group, at which point 20% of the rights to which the condition relates (i.e. 20% of 50% of the total rights) would vest. For 100% of the rights to which this condition relates to vest, Stride would need to have a TSR over the three year performance period equal to or greater than the TSR of the second best performer in the comparator group over the period
Achievement of Strategic Initiatives Condition	50% of rights are subject to Stride achieving certain strategic initiatives during FY25	50% of the rights to which this condition relates will vest if Stride achieves certain specified performance targets as set by the Board, with 100% vesting for outperformance. The strategic initiatives include growth targets for the Stride Products (acquisitions and developments), strategically identified disposals, capital management initiatives, investment fund metrics, financial targets, and sustainability objectives

Chief Executive Officer Remuneration

Philip Littlewood is the Chief Executive Officer of SIML. The Chief Executive Officer's remuneration, like all Executive Team members, comprises a combination of fixed remuneration, discretionary short term incentive and participation in the long term incentive scheme. The following sets out the mix of these components, assuming achievement of all hurdles for all performance based pay:

Performance based remuneration



The Chief Executive Officer is not entitled to any redundancy, retirement or termination payments, except as may be provided to other staff. As noted in relation to the terms of the executive long term share incentive scheme, if the Chief Executive Officer is made redundant or his role is restructured as a result of a change of control event of SIML, all unvested rights will vest. This term applies to all rights issued in accordance with the executive long term share incentive scheme and accordingly is not specific to the Chief Executive Officer.

The Chief Executive Officer remuneration detail provided in Table 6 relates to salary and other benefits paid, incentive payments accrued, KiwiSaver, and the value of share rights vesting in favour of Philip Littlewood in relation to the period ended 31 March 2025.

Table 6 – Chief Executive Officer Remuneration

Year	Fixed remuneration		Short term incentive (cash) (STI)			Short term incentive (rights) (STI) (1)		Long term incentive (LTI)			Total
	Base salary	Other benefits	Earned	Amount earned as % of maximum award	Total cash based remuneration earned	Awarded	Amount earned as % of maximum award	Number of shares vested	% of maximum awarded	Market price at vesting date ($)	(Fixed rem + STI earned + LTI vested)
FY25	$615,000	$54,296	$295,200	60%	$964,496	59,773	60%	153,749	50%	$1.11	$1,201,507
FY24	$615,000	$57,992	$295,200	60%	$968,192	332,931	83%	105,947	37.5%	$1.28	$1,529,956

(1) Short term incentive share performance rights reflect the value of rights vesting in relation to the relevant period. Short term incentive performance rights vest two years after being granted, subject to continued employment.

Table 7 – Chief Executive Officer Pay for Performance Outcomes

	Description	Performance measures		
Short term incentive	Set at between 80% (for target) and 120% (for maximum) of at-risk pay, with payout based on a combination of financial and non-financial performance measures	**Performance hurdle**	**Short term incentive weighting**	**Weighted outcome (of maximum)**
		Advancing key strategic objectives	40%	24%
		Earnings measures (distributable profit, free cash flow targets)	40%	24%
		Delivery of development projects	10%	7%
		Delivery of key sustainability objectives	10%	5%
		Total	100%	60%
Long term incentive	Vesting of rights granted under the long term incentive scheme for FY22, should the performance hurdles be met	**Performance hurdle**	**Long term incentive weighting**	**Weighted outcome**
		Relative TSR: 50% of rights vest subject to Stride's TSR growth performance, relative to constituents of the NZX Property Index. 20% of the rights to which this condition relates will vest if Stride's TSR outperforms the bottom two constituents of the comparator group, with straight line increases of 20% increments, and 100% of the rights to which this condition relates vesting when Stride's TSR equals or exceeds the second ranked comparator company.	50%	0%
		Strategic Initiatives: 50% of the rights to which this condition relates will vest if Stride achieves certain specified performance targets as set by the Board, with 100% vesting for outperformance. The strategic initiatives include growth targets (acquisitions and developments), strategically identified disposals, capital management initiatives, investment fund metrics, financial targets, and sustainability objectives.	50%	50%

Table 8 – Chief Executive Officer Remuneration Summary

	Total Remuneration	Percentage STI against maximum	Percentage vested LTIs against maximum	LTI performance period
FY25	$1,201,507	60%	50%	1 April 2022 – 31 March 2025
FY24	$1,529,956	83%	37.5%	1 April 2021 – 31 March 2024
FY23	$1,096,113	51%	10%	1 April 2020 – 31 March 2023
FY22	$1,044,985	67%	0%	1 April 2019 – 31 March 2022

Table 9 – Chief Executive Officer Share Rights

				Rights awarded during FY25		Shares vesting and lapsed during FY25			
Scheme	**Grant date**	**Vesting date**	**Opening balance 2023**	**Number**	**Market price at grant date**	**Number vested**	**Market price at vesting date**	**Lapsed**	**Closing balance**
FY23 LTI Rights	14 April 2022	31 March 2025	307,500		$1.96	153,749	$1.11	153,751	-
FY23 STI Rights	12 April 2023	31 March 2025	59,773	-	$1.32	59,773	$1.11	-	-
FY24 LTI Rights	12 April 2023	31 March 2026	460,082	-	$1.32				460,082
FY24 STI Rights	16 April 2024	31 March 2026	114,295	-	$1.28				114,295
FY25 LTI Rights	16 April 2024	31 March 2027	476,223	-	$1.28				476,223
FY26 LTI Rights	16 April 2025	31 March 2028	-	701,051	$1.11				701,051
FY25 STI Rights	16 April 2025	31 March 2027	-	124,669	$1.11				124,669
FY26 Fixed Remuneration Rights	16 April 2025	31 March 2027	-	181,598	$1.11				181,598
Total									**2,057,918**

Remuneration of Employees

There were 49 SIML employees who received remuneration and benefits in excess of $100,000 (not including Directors) in their capacity as employees during the year ended 31 March 2025, as set out in Table 10.

KiwiSaver

All employees are eligible to contribute to KiwiSaver and receive SIML contributions. SIML contributes 5% of gross taxable earnings (including short-term incentives) provided employees are contributing at a rate of 4% or higher (which will increase to 5% should this be an option for employee contributions in the future). This increased benefit (well in excess of the statutory minimum of 3%) is intended to attract and retain the highest calibre of employees. As at 31 March 2025, 91% of eligible employees are contributing at or above 4% of their gross taxable earnings and therefore qualify for SIML to contribute 5% of gross taxable earnings.

Table 10 – Remuneration Range (Note 1)

	Number of employees		Number of employees		Number of employees
$100,000–$109,999	2	$210,000–$219,999	2	$330,000–$339,999	1
$110,000–$119,999	6	$220,000–$229,999	3	$380,000–$389,999	2
$120,000–$129,999	5	$230,000–$239,999	1	$440,000–$449,999	1
$130,000–$139,999	5	$250,000–$259,999	1	$460,000–$469,999	1
$140,000–$149,999	2	$260,000–$269,999	1	$480,000–$489,999	1
$150,000–$159,999	2	$270,000–$279,999	1	$500,000–$509,999	1
$160,000–$169,999	4	$290,000–$299,999	2	$590,000–$599,999	1
$170,000–$179,999	2	$310,000–$319,999	1	$1,200,000–$1,209,999	1

Note 1: This includes salary and benefits paid, short term incentive earned for FY25, the value of short term incentive share rights vesting in relation to the period ended 31 March 2025, employer KiwiSaver contributions, and the value of share rights vesting in relation to the period ended 31 March 2025 under the executive long term incentive scheme.

Risk Management

The Stride Boards consider effective management of risks to the operations and business of Stride to be an essential part of their responsibilities. The Boards are responsible for overseeing and approving the Stride risk management strategy and policies, as well as ensuring effective risk management and compliance systems are in place. The Audit and Risk Committee assists the Boards in fulfilling their business and climate risk management and financial reporting responsibilities.

Stride has a business risk management framework in place, supported by a set of risk-based policies appropriate for the business, including a Treasury Policy, Conflicts Policy, Investment Mandates across each Stride Product where relevant, and Delegations of Authority. The principal purpose of this framework is to integrate risk management into Stride's operations, and to formalise risk management as part of Stride's internal control and corporate governance arrangements.

Stride adopts a managed approach to risk that sets tolerances for appropriate risk taking, depending on the consequences and likelihood of the risk occurring, and the potential associated benefits or opportunities. When assessing risk, Stride considers the potential impact on its business across a number of categories:

People

Includes physical and mental impacts on all people impacted by Stride's activities, as well as demands on Stride's employees

Environmental

Includes environmental damage and associated impacts

Financial

Includes impacts on capital expenditure, portfolio value, loss of revenue, share price, and loan to value ratio

Operational

Includes impacts on properties owned and/or managed by Stride, damage to infrastructure impacting the portfolio, and loss of data or ability to access systems

Governance

Includes threats of litigation, reputational impact, and shareholder confidence

As part of the risk management framework, SIML management maintains a comprehensive business risk register for the Stride business and for each of the Stride Products, recording the key risks to the relevant business and operations, as well as mitigation strategies and the risk rating after implementation of the mitigation strategies. All identified risks have specific mitigation strategies where appropriate, and the effectiveness of these strategies are regularly reviewed.

The Stride Boards receive a business risk update from SIML management twice annually, describing changing risk trends, emerging or critical risks, and comparing current risk ratings against the Boards' stated risk appetite for key risks, enabling the Boards to monitor where risks may be diverging from the appetite of the Boards for that particular risk, such that additional focus or mitigatory measures should be considered.

The consideration of climate risks has been integrated into the overall risk management framework adopted by Stride, with climate risks assessed against the same criteria used to assess business risks. A description of the material climate risks faced by Stride, together with an overview of their risk rating, is set out in Stride's Sustainability Report, which can be found at www.strideproperty.co.nz/investor-centre/.

Set out in Table 11 is a high level summary of key business risks faced by Stride that are reported to, and monitored by, the Audit and Risk Committee and the Stride Boards as part of Stride's risk management framework. This table does not include climate risks, which are disclosed separately as part of Stride's climate risk reporting in its Sustainability Report: www.strideproperty.co.nz/investor-centre/. Table 11 does not contain all of the risks faced by Stride. Some risks may be unknown and other risks, currently believed to be immaterial, could turn out to be material.

For FY25 the key risk continues to be the impact of the current challenging and uncertain macroeconomic conditions, which are impacting consumer and business sentiment, and resulting in a subdued economy. This impacts Stride through interest rate risk, as well as the risk of vacancies, and reduced activity among the Stride Products, impacting revenue and performance.

Table 11 – Key Risks to Stride's Business

Key Risk	Description	Control
Economic conditions	Challenging economic conditions impact Stride through loss of revenue (both rental income and management fees) and impact on share price.	Seek to ensure that the portfolios Stride owns and manages demonstrate "enduring demand" and meet tenant expectations, in order to maximise the value of the portfolios and performance of the businesses, to the extent possible. Stride actively monitors market conditions, and looks to manage risk where practicable.
Interest rate fluctuations	The impact of interest rates affects not only Stride's debt funding costs, but also results in higher capitalisation rates, which can reduce the value of properties owned and managed by Stride if rents are not rising at the same rate to offset the higher capitalisation rates. The reduced value of properties owned by Stride impacts the loan to value ratio and impacts Stride's net profit after tax. In addition, if the value of properties managed by Stride reduces, then this results in reduced asset management fees, which are based on the value of the managed portfolios.	Stride is conscious of the impact of interest rates and has taken a proactive approach to interest rate hedging, to manage the impact of this risk. While interest rates are reducing, we continue to monitor the ongoing risks to inflation, particularly from geopolitical impacts.
Rising operational costs	Rising operational costs, such as insurance and local council rates, impacts Stride's operating costs, and also impacts tenants' total cost of occupancy, resulting in potentially lower rents, impacting valuations of properties.	Stride seeks to manage the impact of rising costs where possible, particularly the cost of rates and insurance, which materially impact operating expenses for tenants.
Market growth	The inability to continue to execute transactions may impact on Stride's growth aspirations, SIML's reputation and transaction fees. A competitive market means it may become difficult to secure transactions at reasonable values, impacting SIML's growth strategy. Lower share price, trading below net tangible assets, is affecting this risk, making it difficult to execute a transaction that requires capital to fund growth.	SIML Management and the Boards continue to maintain a high level of focus on the market and execution of transactions. Stride's strategy of having a range of listed and unlisted managed entities provides some level of resilience in different market conditions.
Financing availability and cost	An inability to refinance debt funding could require Stride to sell assets or may inhibit Stride's ability to grow. Both of these will impact Stride's profitability and growth strategy.	Stride has a policy of renewing its financing facilities at least 12 months before they are due to mature. There has been no issue with refinancing facilities to date.
Risk of portfolio requiring seismic strengthening due to changing assessment guidelines	As the guidelines and regulations regarding seismic risk and how this is determined change, this could result in the seismic rating of buildings reducing over time. Tenants may then require seismic strengthening upgrades to occupy a property, which may have a material cost to Stride.	Stride monitors changes in seismic regulations and standards, and the approach of engineers to seismic assessments, and seeks to ensure that its properties remain seismically resilient.
Cyber attack	Cyber attack can result in the risk of loss of data or inability to operate if critical systems are subject to a ransom attack.	Over the last five years Stride has implemented a strategy of moving to cloud-based services which results in less risk of server failure, and reliance on cloud-provider security. Stride continually monitors its cyber security performance and takes a conservative approach to cyber risk. Stride regularly conducts penetration testing and has recently undertaken a cyber audit across the business. Stride has also incepted cyber insurance.

Table 11 – Key Risks to Stride's Business (cont.)

Key Risk	Description	Control
Health and safety risk	Stride is aware of the ongoing risk of identified or unidentified critical health and safety risks eventuating. Stride's critical health and safety risks include violence / abuse at shopping centres owned and managed by Stride and working at height (including contractors working at height).	Stride takes a conservative approach to this risk. SIML has a health and safety team which implements processes to manage health and safety risk, and monitors the implementation of these processes to ensure documented procedures are being undertaken to manage risk. SIML monitors all health and safety incidents, as well as near misses, and investigates the root causes of the serious incidents and near misses to identify learnings, which should lead to prevention of future incidents.
Risk of termination of SIML's management agreements with Stride Products	If SIML performs poorly and breaches the management agreements related to the Stride Products, this could ultimately result in termination, impacting Stride's management fee income and its reputation.	Stride has a governance and legal team that monitor compliance with its legal obligations, including the management agreements. There are limited grounds for termination contained in the agreements.

Health and Safety

The Boards acknowledge that effective governance of health and safety is essential for the continued success of Stride and its operations, and the wellbeing of our people and others who occupy or visit properties that are owned or managed by Stride. Stride's Health and Safety Policy (which is available on the Stride website: www.strideproperty.co.nz/investor-centre/) defines our approach to health and safety and underpins our health and safety strategy.

Health and safety risks at all sites, whether owned or managed, are assessed and reported to the Boards using the same risk assessment methodology used to assess and report on other risks. Health and safety risks are identified and considered in terms of their impact, likelihood and overall risk rating, with specific mitigating plans in place for each risk. SIML works closely with tenants and contractors to minimise and, where practicable, eliminate all property related risks.

Health and safety is considered by the Boards at every Board meeting. Metrics reported to the Boards cover both lead and lag indicators, including training, property assessments and risk reviews completed, the number and type of incidents occurring since the last report, and the hazards linked to the incidents. The Boards consider and address any systemic issues indicated by incidents and hazards, to ensure continual improvement in health and safety performance.

Contractor management remains a key health and safety risk faced by Stride. During FY25 Stride refreshed its contractor management framework and undertook comprehensive training across the members of the Stride team that work regularly with contractors. SIML continues to work with contractors to ensure that appropriate health and safety practices are employed, and that contractors are minimising risks to staff, public and tenants in undertaking their activities. For major developments, SIML will engage an external firm to audit health and safety practices on site on a monthly basis, with the results of that review reported to the Board.

As an owner and manager of properties, Stride strives to ensure that its properties do not cause a health and safety risk to those persons occupying or visiting them. To support this objective, Stride has a policy of regularly undertaking external risk assessments of its properties, with any recommendations promptly closed out, starting with the highest priority recommendations.

Further information on Stride's health and safety performance during FY25 can be found in Stride's FY25 Sustainability Report on its website, www.strideproperty.co.nz/investor-centre/.

Shareholder Relations and Reporting

The Boards believe transparent and open communication with shareholders is important to ensure effective participation by shareholders in the business of Stride. Shareholders deserve to be provided with all relevant information about the performance of their investment and to be informed on any significant matters relating to their investment in Stride.

Stride is committed to maintaining appropriate financial and non-financial reporting, and adopts processes and procedures to ensure that reporting is clear, balanced and objective.

Stride publishes interim and audited full year financial statements that are prepared in accordance with relevant financial standards, with the Audit and Risk Committee overseeing preparation of these financial statements, consistent with its responsibilities. Stride's annual report contains both financial and non-financial reporting, including an outline of progress in each of our strategic pillars of Performance, People, Portfolio and Products. Alongside the annual and interim financial reporting, we also prepare an investor presentation which outlines activity and key metrics for the period in review, as well as providing forward looking information on strategic initiatives.

In addition to our annual and interim reporting, Stride prepares an annual Sustainability Report which outlines progress against our sustainability strategic objectives and targets, and includes reporting on climate-related risks, which, for FY25, complies with the Aotearoa New Zealand Climate Standards. Stride's Sustainability Report, which is available on its website, www.strideproperty.co.nz/investor-centre/, also includes its greenhouse gas inventory report.

Shareholder Meetings

SPL and SIML hold their Annual Shareholder Meetings at the same time, with separate votes held in relation to shareholder resolutions of SIML and shareholder resolutions of SPL. SIML and SPL shareholders have one vote per share they hold in SIML and SPL respectively, and have the right to vote on major transactions in accordance with the Companies Act and the Listing Rules.

SPL and SIML have recently held physical-only meetings in Auckland. SPL and SIML's experience was that virtual meetings held during the period impacted by COVID-19 resulted in very low shareholder attendance. For this reason, SPL and SIML have not held hybrid meetings to date, but will continue to consider this option and to balance the likely benefits to shareholders from the additional cost of holding hybrid meetings. SPL and SIML welcome shareholder feedback on the form of the meeting and whether there is demand for a hybrid meeting. Shareholders may, at any time, direct questions or requests for information through Stride's website (www.strideproperty.co.nz), or by directly contacting Stride by emailing admin@strideproperty.co.nz.

To enable shareholders to fully participate in shareholder meetings, the Boards will endeavour where possible to distribute the Notice of Meetings at least 20 working days prior to any shareholder meetings. Each Notice of Meeting for shareholder meetings and transcripts of those meetings are made available on Stride's website and on the NZX. During FY25, shareholders were given at least 20 working days' notice of the Annual Shareholder Meetings of SPL and SIML held on 3 July 2024.

Stride is committed to ensuring that stapled security holders have the right to vote on major decisions and follows the mandatory requirements of the Listing Rules relating to changes in the essential nature of the business, including major transactions under the Companies Act. No major decisions were put to shareholders for approval during FY25.

Stride has not sought additional equity capital during FY25, but offers a Dividend Reinvestment Plan to all eligible shareholders, unless the Boards resolve that the Dividend Reinvestment Plan should not operate for one or more dividends.

External and Internal Auditors

PwC is the independent auditor of Stride. The key framework for the relationship between the issuer and its external auditor is comprised in the Audit and Risk Committee charter, which includes the audit independence guidelines. The Audit and Risk Committee charter can be found on the Stride website: www.strideproperty.co.nz/investor-centre/.

The external auditor is invited to every meeting of the Audit and Risk Committee, which ensures regular communication between the Audit and Risk Committee and the external auditor, in addition to regular contact between management and the external auditor. Directors are also free to make direct contact with the external auditor as necessary to obtain independent advice and information.

Stride's audit independence guidelines contain a description of the non-audit services that may be provided by the external auditor without compromising the external auditor's independence. All non-audit services provided by the external auditor must be approved in advance by the Chair of the Audit and Risk Committee and SIML's Chief Financial Officer. The Audit and Risk Committee regularly monitors non-audit services provided by the external auditor and confirms whether these services prejudice the maintenance of independence of the auditor. The purpose of the audit independence framework is to ensure that audit independence is maintained, both in fact and appearance, so that Stride's external financial reporting is reliable and credible. For FY25, PwC, as auditor, did not provide any services other than audit and review of financial statements and other assurance services.

The audit independence guidelines that form part of the charter require compliance with the Listing Rules, which require rotation of the lead audit partner at least every five years. The current lead audit partner has been in this role since the audit of the Stride financial statements for FY22. The Audit and Risk Committee has decided against implementing a policy of rotating Stride's audit firm, on the basis that there is a limited pool of external audit firms within New Zealand and Stride engages most of the other major firms for non-audit services, meaning they would be conflicted if approached to act as auditor.

In the interests of encouraging active participation by shareholders at the Annual Shareholder Meetings, Stride's external auditor is in attendance to answer any questions shareholders may have in relation to the audit of the annual financial statements.

Stride does not employ internal auditors. Instead, Stride adopts a process of project-specific internal audits, through engaging consultants to undertake internal reviews or assessments on a project-by-project basis. Selected consultants are engaged to assess, amongst other things, Stride's internal control systems, financial reporting system, risk management and the integrity of the financial information reported to the Boards. Project based reviews or assessments can operate both with and independently from management, with all findings reported to the relevant Board or Committee.

Statutory Disclosures

Statutory Disclosures

The general disclosures of interest made by Directors of the Boards during the period 1 April 2024 to 31 March 2025 pursuant to section 140 of the Companies Act are shown in Table 12. Directors' interests in shares are shown on page 123.

Disclosures of Interest

Table 12 – Interests Register Entries

Director	Company	Position
Tim Storey	Investore Property Limited	Director
	Prolex Limited	Director
	Prolex Investments Limited	Director
	Prolex Management Limited	Director
	LawFinance Limited (2)	Chair
Ross Buckley	Investore Property Limited	Director
	ASB Bank Limited	Director
	Service Foods NZ Limited	Chair
	Institute of Directors	Chair of National Board, Auckland Branch Committee Member
	Massey University	Council Member and Chair of Finance and Audit Committee
	Auditor Oversight Committee of the Financial Markets Authority	Chair
Michelle Tierney	Growthpoint Properties Australia	Director
	Peet Limited	Director
	Cotton Research & Development Corporation Australia	Director
	Uniting NSW.ACT	Director
	Domestic and Family Violence and Sexual Assault Corporate Leadership Group (NSW) (1)	Member
	CareerTrackers Indigenous Internship Program Limited (not for profit) (1)	Director
	Assemble Holdco 1 Pty Limited (1)	Director
	Message Stick Foundation Limited (1)	Director
Nick Jacobson	Atmos Capital Partners Pty Limited	Director
	Capstra Pty Limited	Director
	Wingate Group and related entities	Director
	Saxonwold Pty Limited	Director
Tracey Jones	Partners Life Limited and related companies	Director
	Nikko Asset Management NZ Limited	Chair
	Punakaiki Fund Limited (2)	Director
	LamCam Limited	Director
	RC Custodian Limited	Director
	N'Godwi Trust	Trustee
	Welcome Limited	Chair
	Daffodil Trust and Andrews Family Trust (1)	Trustee
Jacqueline Cheyne*	Auditor Oversight Committee of the Financial Markets Authority (2)	Member
	Risk and Assurance Committee MBIE (2)	Member
	Broader Perspectives Limited (2)	Director
	External Reporting Board (2)	Member
	Sustainability Reporting Board (2)	Member
	New Zealand Green Investment Finance Limited (2)	Director
	Snow Sports NZ (2)	Chair
	Pioneer Energy Limited (2)	Director
	Queenstown Airport Corporation (2)	Director

(1) Entries added by notices given by Directors during the year ended 31 March 2025.
(2) Entries removed by notices given by Directors during the year ended 31 March 2025.
Note* Jacqueline Cheyne ceased as a director with effect from 30 November 2024.

Directors of Subsidiary Companies

The subsidiaries of SPL and their directors as at 31 March 2025 are as set out in Table 13. All subsidiaries are wholly owned direct subsidiaries of SPL.

No additional fees were paid to any director of a subsidiary in respect of that directorship.

SIML had no subsidiaries as at 31 March 2025.

Table 13 – Stride Property Limited Subsidiaries and their Directors as at 31 March 2025

Subsidiary	Directors
Stride Holdings Limited	Tim Storey, Michelle Tierney, Nick Jacobson, Ross Buckley, Tracey Jones
Stride Industrial Property Limited	Tim Storey, Philip Littlewood
Fabric Property Limited	Tim Storey, Philip Littlewood

Indemnity and Insurance

In accordance with section 162 of the Companies Act and the Constitutions of each of SIML and SPL, each of SIML and SPL has entered into a deed of access, indemnity and insurance to indemnify its Directors and the Directors of its subsidiaries for liabilities or costs they may incur for acts or omissions in their capacity as a Director to the extent permitted under the Companies Act. The indemnity does not cover wilful default or fraud, criminal liability, liability for failure to act in good faith and in the best interests of the relevant company, or liabilities that cannot be legally indemnified.

SIML and SPL also have a Directors' and Officers' Liability Insurance Policy in place. Among other things, the Directors' and Officers' Liability Insurance Policy excludes cover for deliberate dishonesty, insider trading, fines and penalties (except for legally indemnifiable civil fines or civil penalties), liability arising out of a breach of professional duty other than as a professional director, and liability for which the insured is legally indemnified.

In authorising any insurance to be effected, each Director signs a certificate stating that, in their opinion, the cost of the insurance is fair to SIML and SPL.

Use of Group Information

No notices have been received by the SIML Board or SPL Board under section 145 of the Companies Act with regard to the use of Stride information received by Directors in their capacities as Directors of Stride or any subsidiary company of SPL.

Loans to Directors

There are no loans to Directors.

Directors' Interests in Shares and Share Transactions

Set out in the table below are the interests of each Stride Director in shares in each of SIML and SPL as at 31 March 2025:

Director	Number of shares as at 31 March 2024	Change in shareholding in SIML and SPL during FY25	Number of shares as at 31 March 2025
Tim Storey	159,916	Nil	159,916
Ross Buckley	25,000	+40,000	65,000
Michelle Tierney	10,000	Nil	10,000
Nick Jacobson	65,000	Nil	65,000
Tracey Jones	7,235	Nil	7,235

Set out in the table below are disclosures made by Stride Directors in respect of changes in shareholdings in SPL and SIML during the period 1 April 2024 to 31 March 2025 for the purposes of section 148(2) of the Companies Act:

Director	Date of Transaction	Nature of Transaction	Number and Class of Shares	Nature of Interest	Consideration Paid or Received
Ross Buckley	12 June 2024	On-market share acquisition	40,000 stapled securities	Beneficial owner	$1.25 per share

Directors are not required to hold shares in Stride, but may choose to do so in order to demonstrate alignment of interests in the performance of Stride with shareholders.

Twenty Largest Registered Shareholders as at 31 March 2025

Name	Number of ordinary shares	% of ordinary shares
Accident Compensation Corporation – NZCSD	71,283,834	12.75
ANZ Wholesale Trans-Tasman Property Securities Fund - NZCSD	47,897,140	8.57
HSBC Nominees (New Zealand) Limited – NZCSD	41,983,596	7.51
BNP Paribas Nominees (NZ) Limited – NZCSD	33,547,677	6.00
Generate KiwiSaver Public Trust Nominees Limited – NZCSD	28,645,555	5.12
Forsyth Barr Custodians Limited	26,841,375	4.80
JBWere (NZ) Nominees Limited	22,265,123	3.98
TEA Custodians Limited Client Property Trust Account – NZCSD	20,907,631	3.74
New Zealand Depository Nominee Limited	20,252,823	3.62
JPMorgan Chase Bank NA NZ Branch – NZCSD	16,804,954	3.01
HSBC Nominees (New Zealand) Limited A/C State Street – NZCSD	14,872,617	2.66
Citibank Nominees (New Zealand) Limited – NZCSD	14,536,420	2.60
FNZ Custodians Limited	14,401,848	2.58
Custodial Services Limited	12,796,942	2.29
MFL Mutual Fund Limited – NZCSD	9,343,961	1.67
Adminis Custodial Nominees Limited	8,907,413	1.59
ANZ Wholesale Property Securities - NZCSD	6,788,183	1.21
PT (Booster Investments) Nominees Limited	6,518,902	1.17
HSBC Nominees A/C NZ Superannuation Fund Nominees Limited – NZCSD	6,099,205	1.09
Mint Nominees Limited – NZCSD	4,417,382	0.79
TOTAL	**429,112,581**	**76.76**

Numbers may not sum due to rounding.

Substantial Product Holders as at 31 March 2025

As at 31 March 2025, the names of all persons who are substantial product holders in SIML and SPL pursuant to sub-part 5 of part 5 of the FMCA are noted below:

Name	Date of substantial product holder notice	Number of shares held at date of notice	% of ordinary shares held at date of notice
Accident Compensation Corporation (ACC)	21 June 2024	71,190,741	12.73
ANZ New Zealand Investments Limited and related bodies corporate	21 October 2024	69,262,303	12.39
FirstCape Group Limited	1 May 2024	29,782,730	5.33
Generate Investment Management Limited	22 October 2024	28,110,767	5.03

The number of ordinary shares listed in the table are as per the last substantial product holder notice filed by the relevant shareholder on or prior to 31 March 2025. As substantial product holder notices are required to be filed only if the total holding of a shareholder changes by 1% or more since the notice filed, the number noted on this table may differ from that shown in the list of 20 largest shareholdings.

Distribution of Ordinary Shares and Shareholdings as at 31 March 2025

Range	Total holders	% of holders	Shares	% of shares
1-499	64	1.42	12,240	0.00
500 - 999	56	1.25	39,521	0.01
1,000 - 1,999	157	3.49	231,078	0.04
2,000 - 4,999	611	13.59	2,086,250	0.37
5,000 - 9,999	1,042	23.17	7,380,984	1.32
10,000 - 49,999	2,050	45.59	44,330,547	7.93
50,000 - 99,999	298	6.63	20,259,578	3.62
100,000 - 499,999	173	3.85	29,612,765	5.30
500,000 - 999,999	17	0.38	11,144,361	1.99
1,000,000 Over	29	0.64	443,941,614	79.41
Total	**4,497**	**100.00**	**559,038,938**	**100.00**

Numbers may not sum due to rounding.

Donations

During FY25 neither SPL nor SIML made any donations, including any political donations or lobbying activities.

SPL is a sponsor of the Graeme Dingle Foundation and SIML is a sponsor of the Keystone New Zealand Property Education Trust and the Tania Dalton Foundation.

During the year SPL paid $35,000 in sponsorship to the Graeme Dingle Foundation. SIML paid $10,500 to Keystone New Zealand Property Education Trust, $6,500 to the Tania Dalton Foundation by way of sponsorship, and $7,698 for sponsorship of a HESTA Awards Program Silver Package.

Credit Rating

As at the date of this Annual Report, Stride does not have a credit rating.

Exercise of NZX Disciplinary Powers

The NZX did not exercise any of its powers under Listing Rule 9.9.3 in relation to Stride during FY25.

Auditor's Fees

PwC has continued to act as auditor for Stride and the amounts payable by Stride and its subsidiaries to PwC for audit fees and non-audit work fees undertaken in respect of FY25, are set out in note 8.3 to the consolidated financial statements.

NZX Waivers

During FY25 Stride was granted or relied on certain waivers from the Listing Rules, which are described below. A copy of these waivers is available at: www.nzx.com/companies/SPG/documents.

NZX Regulation Decision dated 28 May 2020 – Non-Standard Designation Waiver

Ruling on the Definition of "Associated Person"

A ruling that, for the purposes of the definition of "Associated Person" in the Listing Rules, Investore is not an "Associated Person" of SIML and accordingly, Investore is not a "Related Party" of SIML.

Ruling on definition of "Disqualifying Relationship"

A ruling that, for the purposes of the definition of "Disqualifying Relationship" in the Listing Rules, any reference to "Issuer" shall be a reference to the "Stapled Group" (Stride).

Listing Rules 2.2 to 2.5 and 2.7 to 2.8

This waiver permits:

- the SPL Board and the SIML Board to be made up of the same people;
- an SPL Board member to be deemed to be appointed (or removed) to the SPL Board if appointed to (or removed from) the SIML Board; and
- the SPL Board members to retire from the SPL Board by rotation at the same time as they retire from the SIML Board.

Listing Rule 2.10.1

This waiver permits the Directors of one Stride company to vote on matters in which they are "interested" due to being a Director of the other Stride company. Directors will not be permitted to vote on matters in which they are "interested" by virtue of a relationship or interest other than their directorship of the Stapled Entities.

Listing Rule 2.11

This waiver permits the pooling of Director remuneration for Stride, and the approval of Director remuneration by way of a single resolution of SIML shareholders.

Listing Rules 2.14.1, 2.14.2, 7.8 and 7.9

This waiver permits Stride to provide consolidated notices, reports and communications (including notices of meetings) to shareholders. This will not affect the obligation for each of SPL and SIML to hold separate meetings (albeit that they will occur one after the other).

Listing Rule 4.6.1

This waiver permits SPL to issue shares to SIML employees under a SIML employee share plan (if any), in order to ensure that the number of SPL shares on issue is the same as the number of SIML shares on issue at all times.

Listing Rules 3.13.1, 3.14.2 and 3.15

This waiver permits the Stride companies to announce, via NZX, issues, acquisitions, conversions or redemptions of securities on a consolidated basis. Dividends will be separately announced by each of SPL and SIML.

Listing Rule 5.2.1

This waiver permits:

- each of SPL and SIML to enter into one or more Material Transactions (as defined in the Listing Rules) for the purposes of enabling SPL and/or SIML to establish or acquire new property investment vehicles without shareholder approval; and
- SPL and SIML to enter into one or more "Material Transactions" for the purposes of enabling SIML to establish or acquire new property management opportunities without shareholder approval.

Ruling on definition of "Average Market Capitalisation" and "Average Market Price"

A ruling that the term "Issuer" in the definition of "Average Market Price" refers to the "Stapled Group" (Stride) and the term "Quoted Equity Securities" in the definition of "Average Market Capitalisation" refers to the stapled securities of SPL and SIML.

Ruling on the definition of "Material Information"

A ruling that the reference to "price of quoted financial products of the listed issuer" in the definition of "Material Information" should be read as applying to the price of the stapled securities of SPL and SIML. This ruling requires that any announcement must explain whether the information is material to SPL or SIML.

Listing Rules 3.5, 3.6.1(a), 3.7 and 3.8

This waiver permits the Stride companies to provide certain information required in annual and half year reports on a consolidated basis, rather than by and in respect of each Stride company individually. This waiver is subject to the additional condition that each of the Stride companies release individual financial statements to the extent required by applicable financial reporting legislation.

Listing Rule 8.3

This waiver permits the Stride companies to provide consolidated statements of shareholdings to shareholders which shows their overall Stride holding, rather than their shareholding in each Stride company separately.

Financial Reporting Exemptions

The financial statements for each Stride company were prepared in accordance with the Financial Markets Conduct (Stride Property Group) Exemption Notice 2022. This exemption allows SPL and SIML, subject to conditions set out in the exemption notice, to prepare financial statements in respect of Stride, while they remain stapled (in place of separate financial statements for each company).

The climate statement for each Stride company was prepared in accordance with the Financial Markets Conduct (Climate Statements – Stride Property Group) Exemption Notice 2023, which permits SPL and SIML, subject to conditions set out in the exemption notice, to prepare climate statements in respect of Stride, while they remain stapled (in place of separate climate statements for each company).

NZX Corporate Governance Code Disclosures

For the reporting period, Stride considers that its corporate governance practices are materially consistent with the NZX Code. Set out below is a table confirming compliance and indicating where the relevant requirements and recommendations of the NZX Code can be found.

Code Provision	Recommendation	Compliance	Location
Principle 1 – Ethical Standards			
1.1	The Board should document minimum standards of ethical behaviour to which the issuer's directors and employees are expected to adhere (a code of ethics).	Yes	Page 100
1.2	An issuer should have a financial product dealing policy which applies to employees and directors.	Yes	Page 101
Principle 2 – Board Composition & Performance			
2.1	The board of an issuer should operate under a written charter which sets out the roles and responsibilities of the board. The board charter should clearly distinguish and disclose the respective roles and responsibilities of the board and management.	Yes	Page 93
2.2	Every issuer should have a procedure for the nomination and appointment of directors to the board.	Yes	Page 95
2.3	An issuer should enter into written agreements with each newly appointed director establishing the terms of their appointment.	Yes	Page 95
2.4	Every issuer should disclose information about each director in its annual report or on its website, including: • profile of experience, length of service, and ownership interests; • the director's attendance at board meetings; and • the board's assessment of the director's independence, including a description as to why the board has determined the director to be independent if one of the factors listed in table 2.4 of the NZX Code applies to the director, along with a description of the interest, relationship or position that triggers the application of the relevant factor.	Yes	Pages 10, 11, 94, 99, 123
2.5	An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them… An issuer should disclose its diversity policy or a summary of it.	Yes	Pages 104 and 105
2.6	Directors should undertake appropriate training to remain current on how to best perform their duties as directors of an issuer.	Yes	Page 95
2.7	The board should have a procedure to regularly assess director, board and committee performance.	Yes	Page 95
2.8	A majority of the board should be independent directors.	Yes	Page 94
2.9	An issuer should have an independent chair of the board.	Yes	Page 94
2.10	The chair and the CEO should be different people.	Yes	Page 99

Code Provision	Recommendation	Compliance	Location
Principle 3 – Board Committees			
3.1	An issuer's audit committee should operate under a written charter. An audit committee should only comprise non-executive directors of the issuer. One member of the committee should be both independent and have an adequate accounting or financial background. The chair of the audit committee should be an independent director and not the chair of the board.	Yes	Pages 97 and 98
3.2	Employees should only attend audit committee meetings at the invitation of the audit committee.	Yes	Page 98
3.3	An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole board). At least a majority of the remuneration committee should be independent directors. Management should only attend remuneration committee meetings at the invitation of the remuneration committee.	Yes	Page 98
3.4	An issuer should establish a nomination committee to recommend director appointments to the board (unless this is carried out by the whole board), which should operate under a written charter. At least a majority of the nomination committee should be independent directors.	Yes	Page 98
3.5	An issuer should consider whether it is appropriate to have any other board committees as standing board committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance.	No other committee has been established by Stride	N/A
3.6	The board should establish appropriate protocols that set out the procedure to be followed if there is a 'control transaction' for the issuer including the procedure for any communication between the issuer's board and management and the bidder. The board should disclose the scope of independent advisory reports to shareholders. These protocols should include the option of establishing an independent control transaction committee, and the likely composition and implementation of an independent control transaction committee.	Yes	Page 102
Principle 4 – Reporting & Disclosure			
4.1	An issuer's board should have a written continuous disclosure policy.	Yes	Page 101
4.2	An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX Code, together with any other key governance documents, available on its website.	Yes	Page 102
4.3	Financial reporting should be balanced, clear and objective.	Yes	Financial statements
4.4	An issuer should provide non-financial disclosure at least annually, including considering environmental, social sustainability and governance factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the board.	Yes	Page 118
Principle 5 – Remuneration			
5.1	An issuer should have a remuneration policy for the remuneration of directors. An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer's annual report.	Yes	Pages 107 and 108

Code Provision	Recommendation	Compliance	Location
Principle 5 – Remuneration (cont.)			
5.2	An issuer should have a remuneration policy for remuneration of executives which outlines the relative weightings of remuneration components and relevant performance criteria.	Partially – the remuneration policy describes the components of executive remuneration, but the performance criteria and relative weightings are set out in letters and plan rules, as these may change over time	Page 107
5.3	An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of the base salary, short term incentives and long term incentives and the performance criteria used to determine performance based payments.	Yes	Pages 110-112
Principle 6 – Risk Management			
6.1	An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed.	Yes	Pages 114-116
6.2	An issuer should disclose how it manages its health and safety risks and should report on its health and safety risks, performance and management.	Yes	Page 116
Principle 7 – Auditors			
7.1	The board should establish a framework for the issuer's relationship with its external auditors. This should include procedures: • for sustaining communication with the issuer's external auditors; • to ensure that the ability of the external auditors to carry out their statutory audit role is not impaired, or could reasonably be perceived to be impaired; • to address what, if any, services (whether by type or level) other than their statutory audit roles may be provided by the auditors to the issuer; and • to provide for the monitoring and approval by the issuer's audit committee of any service provided by the external auditors to the issuer other than in their statutory audit role.	Yes	Page 119
7.2	The external auditor should attend the issuer's Annual Meeting to answer questions from shareholders in relation to the audit.	Yes	Page 119
7.3	Internal audit functions should be disclosed.	Yes	Page 119
Principle 8 – Shareholder Rights & Relations			
8.1	An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer.	Yes	Page 90
8.2	An issuer should allow investors the ability to easily communicate with the issuer, including by designing its shareholder meeting arrangements to encourage shareholder participation and by providing shareholders the option to receive communications from the issuer electronically.	Yes	Page 118
Principle 8 – Shareholder Rights & Relations (cont.)			
8.3	Quoted equity security holders should have the right to vote on major decisions which may change the nature of the issuer in which they are invested.	Yes	Page 118
8.4	If seeking additional equity capital, issuers of quoted equity securities should offer further equity securities to existing equity security holders of the same class on a pro rata basis, and on no less favourable terms, before further equity securities are offered to other investors.	Yes	Page 118
8.5	The board should ensure that the notice of annual or special meeting of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting.	Yes	Page 118

Implications of Investing in Stapled Securities

The practical implications of a shareholder holding a stapled security include that:

- The shareholder is a shareholder of both SPL and SIML
- In order to sell a SPL share or a SIML share, the corresponding SIML share or SPL share, as applicable, also needs to be sold to the same purchaser
- Market disclosures via NZX may be made in respect of the Stride companies as a whole, but each of SPL and SIML will continue to be obliged to make announcements under the Listing Rules according to the nature of the disclosure (for example, announcements about the declaration of a dividend or the passing of a resolution at a meeting of shareholders would be made by the relevant company)
- The only quoted price of a SPL share and/or a SIML share on the NZX Main Board will be the quoted price for the stapled security
- The materiality of "Material Information" for continuous disclosure purposes under the Listing Rules will be assessed against the potential effect on the price of stapled securities as there will not be a separate quoted price available for each of SPL and SIML. Any disclosure of "Material Information" made by Stride will explain whether the information is material to SPL and/or SIML
- New stapled security issues will result in equal numbers of SPL shares and SIML shares being issued
- Shareholders are entitled to attend, or vote by proxy, at separate meetings of shareholders of each of SPL and SIML. For some transactions involving both Stride companies (for example, an issuance of stapled securities being made with shareholder approval under the Listing Rules), resolutions might be required from shareholders in respect of the same matter. In that case, the relevant transaction will only be able to proceed if the respective resolutions are approved at shareholder meetings of both SPL and SIML
- Distributions will be received, to the extent declared, from each of SPL and SIML

Directors' Statement

This Annual Report is dated 28 May 2025 and is signed for and on behalf of the Boards of Directors of Stride Property Limited and Stride Investment Management Limited by:

Tim Storey
Chair of
the Boards

Ross Buckley
Chair of the Audit and
Risk Committee

Glossary

Companies Act	Companies Act 1993
Contract Rental	Contract Rental is the amount of rent payable by each tenant, plus other amounts payable to SPL (or the relevant landlord) by that tenant under the terms of the relevant lease as at the relevant date, annualised for the 12-month period on the basis of the occupancy level for the relevant property as at the relevant date, and assuming no default by the tenant
Distributable profit	Distributable profit is a non-GAAP measure and consists of profit/(loss) before income tax, adjusted for determined non-recurring and/or non-cash items, share of profit/(loss) in equity accounted investments, dividends received from equity accounted investments and current tax. Further information including the calculation of distributable profit and the adjustments to profit/(loss) before income tax, is set out in note 4.3 to the consolidated financial statements
Diversified	Diversified NZ Property Trust, a Stride Product
Fabric	Fabric Property Limited, a wholly owned subsidiary of SPL, formerly Stride Office Property Limited
FMCA	Financial Markets Conduct Act 2013
FY	The financial year ended on 31 March of the relevant year
Gross occupancy cost	Total gross occupancy costs (excluding GST) expressed as a percentage of MAT
Industre or Industre Property Joint Venture	The joint arrangement between SPL (through its wholly owned subsidiary, Stride Industrial Property Limited) and JPMAM (through its special purpose vehicle, SP (NZ) 1 Limited). Industre is a Stride Product
Investore	Investore Property Limited, a Stride Product
JPMAM	A group of international institutional investors, through a special purpose vehicle, and advised by J.P. Morgan Asset Management
Lease Expiry Profile	Represents the scheduled expiry for each lease, excluding any rights of renewal that may be granted under each lease, for the portfolio as at 31 March 2025, as a percentage of Contract Rental
Listing Rules	The main board listing rules of NZX
LVR	Loan to value ratio
MAT or moving annual turnover	Moving annual turnover, which is annual sales on a rolling 12 month basis, including GST
NLA	Net Lettable Area
NZX	NZX Limited
NZX Code	NZX Corporate Governance Code
SIML	Stride Investment Management Limited
SIML Board	The Board of Directors of SIML
SPL	Stride Property Limited
SPL Board	The Board of Directors of SPL
Stride	Stride Property Group, comprising the stapled entities of SPL and SIML
Stride Boards or Boards	The Boards of SPL and SIML together
Stride Product	Any or all, as the context may require, of Diversified, Investore, and Industre, being entities or funds managed by SIML
WALT	Weighted Average Lease Term, which is the lease term remaining to expiry across a property or portfolio and weighted by rental income

Corporate Directory

Board of Directors

Tim Storey (Chair)
Ross Buckley
Michelle Tierney
Nick Jacobson
Tracey Jones
Jacqueline Cheyne (resigned 30 November 2024)

Registered Office

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PO Box 6320, Victoria Street West
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T +64 9 912 2690
W strideproperty.co.nz

Auditor

PwC
PwC Tower
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Private Bag 92162, Auckland 1142

Share Registrar

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road, Takapuna
Private Bag 92119, Victoria Street West
Auckland 1142
T +64 9 488 8777
F +64 9 488 8787
E enquiry@computershare.co.nz

Legal Adviser

Bell Gully
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PO Box 4199, Auckland 1140

Bankers

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

Stride Property Group

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