GOODMAN PROPERTY TRUST
ANNUAL REPORT 2024

GMT BOND ISSUER LIMITED
ANNUAL REPORT 2024

This document comprises the Annual Reports of Goodman Property Trust and GMT Bond Issuer Limited for the year ended 31 March 2024 and contains the information required to be disclosed pursuant to the NZX Listing Rules.

The report includes non-GAAP financial measures that may not be calculated in a manner consistent with other entities. Please see the Financial Results section of this report for more information on how these are calculated.

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FINANCIAL HIGHLIGHTS

Customer demand for greater productivity, supply chain resilience and more sustainable property solutions has supported strong operating results, while one-off costs associated with the Internalisation and fair value losses following independent valuations have impacted statutory profit.

NET PROPERTY INCOME

14.7% increase in rental revenue

$203.1m

OPERATING EARNINGS AFTER TAX

Corresponding 9.3% increase

$121.4m

LOSS AFTER TAX

Including a (9.5%) valuation movement

($564.9m)

UNDERLYING CASH EARNINGS

4.8% growth from 7.10 cpu

7.44 cpu

NET TANGIBLE ASSET BACKING

At 31 March 2024

201.4 cpu

CASH DISTRIBUTIONS

5.1% increase in distributions declared

6.2 cpu

LOAN TO VALUE RATIO

Debt covenant maximum of 50%

31.5%

CDP CLIMATE CHANGE SCORE

Leadership status maintained in 2023

A-

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GMT's $4.5 billion urban logistics portfolio features strategically located, sustainably designed, energy-efficient and actively managed properties that meet the business, health and wellbeing needs of our customers.

A sustainable business is resilient, agile, flexible, and innovative. That's why we're continuously refining everything we do.

FUTURE FOCUSED

CHAIR'S REPORT

John Dakin
Chair, Goodman Property Services (NZ) Limited

Customer demand for well-located warehouse and logistics space has continued to support strong operating results while changes to the corporate structure have positioned GMT for the next phase of its business growth.

With high barriers to entry limiting competition, the disciplined execution of an investment strategy exclusively focused on the Auckland industrial property market has contributed to the strong growth in underlying cash earnings.

While a slowing economy and wider macro risks have moderated business confidence and investor sentiment, the locational advantages and productivity benefits of GMT's urban logistics portfolio have contributed to significant revenue and earnings growth.

Internalisation, governance changes and new sustainability initiatives during the year have further enhanced GMT. These refinements demonstrate our commitment to building a responsible, long-term business that delivers positive outcomes for all our stakeholders. With a more contemporary corporate structure, the right investment strategy, and committed people, GMT is future focused.

Earnings and distribution growth

The additional revenue from new development completions and positive leasing results has outweighed the impact of higher interest costs, contributing to a 7.2% increase in operating earnings before tax, to $135.6 million.

Additional tax deductions relating to GMT's development activity, new leasing on the stabilised portfolio, and a change to diminishing value for building depreciation (ahead of the expected removal of these tax deductions from FY25) reduced the effective tax rate to 10.5%.

With less tax to pay, there has been a 9.3% increase in operating earnings after tax, to $121.4 million.

When assessing underlying operating performance, cash earnings is our preferred measure. The non-GAAP metric adjusts GMT's operating earnings for certain items including capital expenditure related to building maintenance. It is a proxy for free cashflow, with the full calculation set out on page 25.

Underlying cash earnings increased 4.8% to 7.44 cents per unit, consistent with our guidance for the year. Cash distributions relating to FY24 have increased by a similar percentage to 6.2 cents per unit.

Cash earnings guidance for FY25 is for further growth, to around 7.5 cents per unit, despite the headwinds created by the removal of tax deductions for building depreciation. Cash distributions of 6.5 cents per unit are expected to be paid, a 4.8% increase on FY24.

Statutory financial performance

While the underlying operating performance of the Trust has been extremely pleasing, the FY24 financial result includes the one-off cost of internalising and fair value losses following independent valuations of its property portfolio. These items contribute to a statutory loss after tax of $564.9 million, with a corresponding 17.9% reduction in net tangible assets, to 201.4 cents per unit.

Using the proceeds received in connection with the Internalisation to subscribe for new units in GMT, Goodman Group continues as a highly supportive business partner.

The 9.5% reduction in portfolio value over the last 12 months reflects moderating investor sentiment, with high interest rates impacting investment yields. Industrial property market fundamentals remain strong and the full value impact of the 80 bps softening in GMT's weighted average capitalisation rate (to 6.0%) has been partly offset by positive leasing results and continued growth in market rents.

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Greater flexibility creates new opportunities

Internalisation of GMT's management is a significant milestone in the evolution of our business. The change to GMT's corporate structure received overwhelming support from Unitholders, with 99.9% voting in favour at the Special Meeting on the 26 March 2024.

It's a positive change that will shape the future direction of our business.

Retaining all the benefits of the global Goodman brand, it builds on 20 years of achievements. It secures the knowledge and expertise of our team and creates a framework for sustainable long-term growth.

It will enable GMT to pursue wider business opportunities including the establishment of a funds management platform. The successful execution of this strategy is expected to support annualised cash earnings growth of between 5% and 7% over the medium term.

More immediate benefits of the Internalisation are lower operating expenses and greater alignment.

Enhanced sustainability reporting

GMT has a well-established sustainability reporting framework that has been a feature of its annual reports for more than five years. We are extending this framework this year to incorporate the additional disclosures required under the new Aotearoa New Zealand Climate Standards.

An enhanced Sustainability Report compliant with the new standards will be released as a standalone document in late July 2024. It will feature specific disclosures around climate-related risks and opportunities for both GMT and GMT Bond Issuer Limited under various climate scenarios and timeframes.

More extensive emissions reporting will be included, along with the targets we have set to reduce the environmental impacts of our business. An explanation of how these factors are reflected in our governance practices and integrated into the wider business strategy will also be a feature of the new report structure.

Once released, the report will be available online at https://nz.goodman.com/sustainability/reports

Internalisation is a positive change that will shape the future direction of our business. Retaining all the benefits of the global Goodman brand it builds on 20 years of achievements with a framework for sustainable long-term growth.

Recently completed Mainfreight Supersite facility at Favona Road Estate. The global logistics provider is one of the Trust's largest customers, leasing four properties and pre-committing to another under development at Savill Link in Ōtāhuhu.

Board and governance changes

Recent board changes complete a renewal programme that began with the appointment of Laurissa Cooney and David Gibson as Independent Directors in November 2020 and February 2021 respectively.

Key governance changes over the last 12 months have included:

+ Keith Smith stepping down as Board Chair on 29 May 2023, ahead of his planned retirement in 2025
+ John Dakin being appointed as the new Chair and David Gibson as Deputy Chair, with both appointments being unanimously approved by the Board
+ The retirement of Phil Pryke on 30 September 2023 reducing the number of directors from seven to six
+ Board and governance functions transferring to Goodman Property Services (NZ) Limited as a result of internalisation.

With Unitholders effectively controlling the new Manager entity, all directors are now subject to re-election every three years. The expiry schedule of current directorships is detailed in the corporate governance section of this report. The disclosures also reflect other governance changes resulting from the Internalisation.

Looking ahead

The strength and consistency of GMT's recent operating results demonstrate the resilience and agility of our business in more challenging market conditions. We have increased rental income, maintained high occupancy, and delivered cash earnings growth of almost 5%.

We have also refined our corporate structure, enhanced our governance practices, and progressed our sustainability programme, initiatives that help take our business forward.

While the economic outlook remains uncertain, we are confident that our disciplined financial management and focus on the Auckland industrial market will continue to support strong operating results.

John Dakin
Chair and Non-executive Director

LOOKING BEYOND TOMORROW

MANAGEMENT REPORT

James Spence Chief Executive Officer, Goodman Property Services (NZ) Limited, at Highbrook Business Park.

A long-term view has always guided our investment decision making. Understanding the key structural trends that are driving customer demand for warehouse and logistics space has positioned our business for sustainable growth.

Focusing our investment strategy on the Auckland industrial sector recognises that the way we live, work and consume is evolving. Our customers are adapting their businesses to accommodate the impacts of urbanisation, population growth and an expanding digital economy.

GMT's $4.5 billion urban logistics portfolio provides essential supply chain infrastructure for these companies, facilitating the efficient storage and distribution of goods and materials.

We have continued to refine the portfolio over the last 12 months, progressing development projects and investing in new building technologies to meet customer demand for greater productivity, increased supply chain resilience and more sustainable property solutions.

These refinements are further steps toward the creation of a successful and sustainable business, that provides the great spaces and dedicated service that helps our customers thrive.

OPERATING HIGHLIGHTS

THE PAST 12 MONTHS

14.7%
INCREASE IN NET PROPERTY INCOME TO $203.1 MILLION

21.5%
RENTAL GROWTH ON NEW LEASES AND LEASE RENEWALS

79,452 sqm
OF DEVELOPMENT COMPLETIONS

By remaining disciplined with investment decisions, staying focused on customer relationships, and being agile as we adapt to a more uncertain operating environment, we will continue to deliver strong operating results.

141,284 sqm
OF SPACE LEASED ON NEW OR REVISED TERMS

99.5%
PORTFOLIO OCCUPANCY

$209.7m
TOTAL PROJECT COST OF ACTIVE DEVELOPMENTS

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Customer demand

Historically low vacancy rates and a supply imbalance are contributing to a highly constrained Auckland industrial market. While the economy has slowed and customer demand is moderating, the positive leasing dynamic that exists has continued to support strong operating results.

New leasing and recent rent reviews have contributed to like-for-like net property income growth of 6.5%. Market rents have also continued to increase and the potential reversion to market within the portfolio remains substantial at around 23.0%.[1]

The significant under-renting within the portfolio is expected to drive GMT's cash earnings growth in future years, as rents are reviewed to market and new leases are secured at these higher rates.

With rent increases and inflation contributing to higher operating costs for customers we work with these businesses where necessary to optimise their property facilities. These efforts include maximising the capacity and efficiency of the warehouse spaces and sustainability initiatives that deliver greater resource efficiency and lower utility costs.

Delivering world class facilities

The rapid growth in customer demand for well-located and operationally efficient distribution facilities that occurred during the pandemic is returning to more typical levels. With earlier pre-commitments creating a large workbook, the level of development activity being undertaken by GMT remains significant. It includes:

+ The completion of four fully leased facilities, with a combined net lettable area of 79,452 sqm and current value of almost $370 million, during FY24
+ Three active projects at Savill Link in Ōtāhuhu and Roma Road Estate in Mt Roskill, will add a further 50,000 sqm of prime industrial space to the portfolio in FY25.

The award of a 6 Green Star Built[2] rating to the multi-warehouse Tāwharau Lane project at Highbrook Business Park in February 2024 reflects the sustainability attributes and high quality of our new developments.

Representing world leadership standard, it is the first New Zealand industrial building to achieve the certification.

With around 90% of the core investment portfolio built since 2004, development has always been an important driver of our business growth.

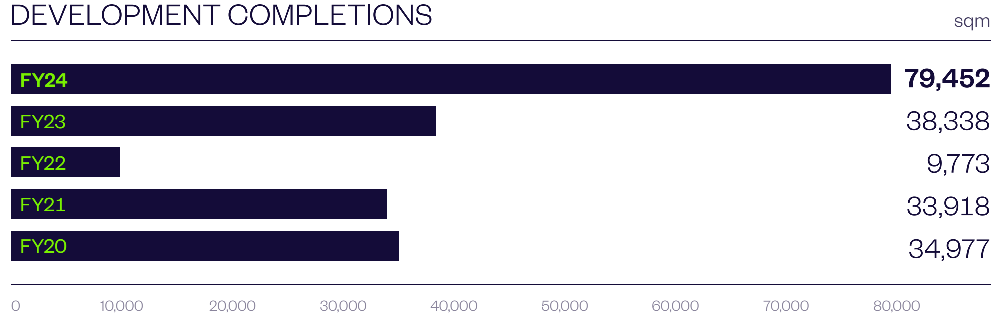
A pipeline of greenfield sites and value-add properties within the portfolio provide future opportunity. These sites are expected to support the development of almost 400,000 sqm of urban logistics space over the next 10 to 15 years.

[1] As assessed by independent valuers at 31 March 2024.
[2] 6 Green Star Design & As Built NZv1.0 Certified Built Rating

James Spence, Chief Executive Officer, with Andy Eakin, Chief Financial Officer

The recently completed North Point Warehouses are the final projects at Highbrook Business Park. The world class estate provides almost 500,000 sqm of urban logistics space.

DEVELOPMENT COMPLETIONS



Positioned for future opportunities

Earlier asset sales and prudent financial management have facilitated the acceleration in GMT's development programme over recent years.

At 31 March 2024, GMT had a loan to value ratio of 31.5% and committed gearing of 32.1%. Debt facilities were 65.8% drawn, had a weighted average term to expiry of 3.2 years, and were 70% hedged for the next 12 months.

Treasury initiatives over the last 12 months have extended GMT's bank facilities to $1.4 billion. The added liquidity provides additional funding capacity to cover upcoming bond maturities and the early repayment of GMT's US Private Placement notes following Internalisation.

Internalisation provides GMT with a more contemporary corporate structure that should allow it to grow in a more capital efficient manner.

The successful establishment of a funds management business and introduction of capital partners will limit the requirement for additional debt or equity. Recycling capital through this platform and co-investing in new opportunities as they arise is expected to generate significant value for Unitholders over time.

Toward a more sustainable future

Investing in sustainable property solutions and boosting the biodiversity around our estates is lowering the climate impact of our business activities and improving the overall quality of the portfolio.

By utilising lower emission materials and building systems, we have reduced the embodied carbon within our developments by around 15%. We are also installing submetering across the core investment portfolio to provide detailed energy monitoring. The insight it provides helps customers optimise building operations and maximise the environmental benefits of other building upgrades such as LED lighting and rooftop solar energy systems.

Customers benefit from these initiatives with lower emission, more resource efficient and resilient buildings. The high-quality workspaces they provide also contribute to greater productivity and reduced operating costs.

Comprehensive greenhouse gas monitoring and independent auditing provides a detailed emissions profile for our business. This knowledge, together with targets for a lower-carbon, more-climate-resilient future is essential for assessing the effectiveness of our sustainability initiatives.

With around 90% of the core investment portfolio built since 2004, development has always been an important driver of our business growth.

Our FY24 Sustainability Report, to be released in July 2024 will provide further information around our emissions reduction strategy, how this is integrated into our business activities and the progress we have made toward our climate goals.

A leadership rating from CDP, with a climate score of A- in its annual survey indicates we are making positive progress in this regard.

Future focused

In a highly constrained industrial property market, customers are focused on productivity and maximising the value of their warehouse and logistics facilities.

We've refined our investment strategy to meet this demand, focusing on well-located brownfield redevelopment opportunities, building new facilities to a minimum 5 Green Star rating and investing in our existing portfolio to improve the operational efficiency for our customers.

Internalisation adds even greater opportunity to grow our business.

By remaining disciplined with investment decisions, staying focused on customer relationships, and being agile as we adapt to a more uncertain operating environment, we will continue to benefit from the structural trends driving demand for well-located, sustainable urban logistics space.

James Spence
Chief Executive Officer

Andy Eakin
Chief Financial Officer

PROPERTY PORTFOLIO

INDUSTRY WEIGHTING

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THIRD PARTY LOGISTICS / PARCEL
42%

OTHER
11%

CONSUMER GOODS WAREHOUSING
14%

OTHER WAREHOUSING
3%

MANUFACTURING
13%

RETAIL
3%

BUILDING PRODUCTS WAREHOUSING
12%

COMMODITIES WAREHOUSING
2%

Property	Location	Classification	Market capitalisation rate %	Net lettable area sqm	Buildings	Key customer	Occupancy %	WALT years
Highbrook Business Park	East Tāmaki	Core	5.0 – 7.0	488,298	79	**DHL, Freightways, Mainfreight, NZ Post, OfficeMax**	99.9	5.4
Savill Link	Ōtāhuhu	Core	4.75 – 6.25	138,826	13	**Coda, Mainfreight, Steel and Tube**	100.0	5.2
M20 Business Park	Wiri	Core/Value Add	5.38 – 7.88	121,598	13	**Frucor, Mainfreight, NZ Post**	99.3	4.8
Westney Industry Park	Māngere	Core	6.75 – 7.50	114,995	11	**DHL, Linfox, Supply Chain Solutions**	100.0	5.7
The Gate Industry Park	Penrose	Core/Value Add	5.75 – 6.63	101,991	18	**Asaleo Care, Coda**	100.0	4.9
Favona Road Estate	Māngere	Core	5.75 – 6.0	39,658	3	**Mainfreight**	100.0	13.2
Penrose Industrial Estate	Penrose	Value Add	6.5	30,535	12	**Winstone Wallboards**	100.0	4.4
Tāmaki Estate	Panmure	Value Add	6.5	23,680	7	**Containerco, Camelspace**	100.0	2.4
Connect Industrial Estate	Penrose	Value Add	5.6	21,002	7	**Fletcher Building**	100.0	7.0
Mt Wellington Estate	Mt Wellington	Value Add	5.5 - 6.13	19,164	3	**Ford, Tesla**	95.8	4.8
Bush Road Distribution Centre	Rosedale	Core	5.4	18,007	1	**NZ Post**	100.0	20.0
Roma Road Estate	Mt Roskill	Core	5.1	17,706	1	**NZ Post**	100.0	19.1
Leonard Road Estate	Mt Wellington	Value Add	6.6	17,084	3	**Sky Network Television**	78.3	5.0
Great South Road Estate	Ōtāhuhu	Value Add	–	–	1	**Sleepyhead**	100.0	1.6
Total stabilised properties			**6.0**	**1,152,546**	**172**		**99.5**	**6.0**
Investment property under development	Māngere, Mt Roskill Ōtāhuhu		–	50,261	5	Cotton On, Mainfreight	89.3	9.6
Total portfolio			**–**	**1,202,807**	**177**		**99.0**	**6.2**

WORLD CLASS DEVELOPMENT

GMT is developing high-quality, sustainable warehouse and logistics facilities, and no two projects are the same. From site selection and planning, to the recovery and recycling of materials in the demolition and construction phase — each project is uniquely different.

Tāwharau Lane has earned Aotearoa's first-ever industrial 6 Green Star Built rating.

The multi-warehouse development at Highbrook Business Park in Auckland's East Tāmaki includes three stand-alone buildings providing 8,135 sqm of high-quality space.

Each highly sustainable and energy-efficient workspace was constructed from lower-carbon materials to reduce embodied emissions, with a carefully managed development process to minimise waste and other environmental impacts.

The orientation and profile of the buildings were carefully designed to make the best use of the prominent site and maximise views across the water to the city and Maungarei/ Mt Wellington. Green spaces and accessways further enhance connectivity with the Tāmaki River and esplanade walkway.

Tom Slade, Goodman Head of Environmental Sustainability and Andrew Eagles, Chief Executive NZ Green Building Council viewing Tāwharau Lane.

Key sustainability features of the project include:

- Rooftop 83 kWp solar energy systems forecast to cover over 50% of the buildings' baseload
- Electrical submetering to facilitate ongoing energy monitoring and benchmarking
- Rainwater harvesting, low-flow fittings and other water-saving technologies
- Low-E double glazing, improving thermal performance
- Efficient LED lighting to reduce operational energy consumption with intelligent light switching
- Built with 11.7% less upfront embodied carbon compared to an equivalent reference building
- Lower Global Warming Potential R32 HVAC systems regulating thermal comfort
- High-quality workspaces, utilising natural materials
- Extensive landscaping and easy access to the neighbouring reserves
- EV charging stations to promote more sustainable commuting and reduce carbon emissions

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TĀWHARAU LANE
HIGHBROOK BUSINESS PARK

"Goodman continues to lead the local market with innovative and sustainable property solutions. We're extremely proud that this is the first New Zealand industrial project to achieve the 6 Green Star rating standard."

James Spence, Chief Executive Officer

GOOD TO GREAT

GMT has grown and evolved over the last 25 years, adapting to changing market conditions while its development programme has extended and enhanced the portfolio. Internalisation provides the framework for even greater things.

FY00

- Listed on the NZX on 3 June 1999 as Colonial First State Property Trust after raising $145 million
- Diversified portfolio of 14 properties with a value of $194.3 million at 31 March 2000

FY04

- ASX-Listed Macquarie Goodman acquires management contract and 20% cornerstone, rebranding Trust as Macquarie Goodman Property Trust
- Unitholders approve pooling of assets

The portfolio is now 74% Auckland and 28% industrial

FY07

- Rebranded as Goodman Property Trust
- Profit before tax exceeds $100 million for the first time
- $1.2 billion total assets, including 50% acquisition of the Viaduct Corporate Centre

Portfolio Investment Entity tax regime came into effect 1 October 2007

FY08

- Total assets of $1.6 billion and a market capitalisation of $1.1 billion
- Acquisition of 50% of Highbrook Development Limited and Show Place Office Park
- 13 active development projects, providing over 97,500 sqm

GFC impacts capital markets. Access to bank debt is restricted and becomes more expensive

FY10

- GMT assigned investment grade credit rating of BBB from S&P Global Ratings
- First Goodman+Bond issue with a five year, $150 million retail bond paying 7.75%

GMT responds to 2011 Christchurch Earthquakes

FY13

- GMT acquires remaining 50% interest in Highbrook Business Park
- Capital raising with over $220 million of new equity issued to fund the $186.6 million acquisition
- Portfolio now valued at $2 billion, with GMT's market capitalisation $1.3 billion

GMT's portfolio repositioning completed with over $1.2 billion of asset sales since 2014

FY17

- Highbrook is now more than 75% completed and has a current value of more than $1.1 billion
- Millennium Centre sells for $210 million. Loan to value ratio reduces to 30.6%

FY19

- Sale of Viaduct Office Portfolio, with GMT's 51% share in the JV reflecting an asset price of $323.9 million

GMT now exclusively invested in the Auckland industrial market

Pandemic drives e-commerce growth and demand for well- located warehouse and logistics space

FY21

- Detailed response to the pandemic with support for vulnerable customers, our community partners and our own people
- Toitū net carbonzero certification
- Target 5 Green Star rating targeted for new developments

FY22

- Record profit before tax of $763.8 million, including a $660.4 million portfolio revaluation
- A heightened level of development activity, with $300.2 million of new projects
- Sustainable finance framework established with $150 million of 5-year green bonds

FY24

- Management of GMT is internalised
- Portfolio value of $4.5 billion and market capitalisation of $3.4 billion
- Development completions of 79,452 sqm including the final projects at Highbrook Business Park

EXECUTIVE TEAM

Internalisation brings management in house with the executive team part of a wider group of 65+ professionals committed to delivering the great spaces and dedicated service that helps our customers thrive.

1 **James Spence**
CHIEF EXECUTIVE OFFICER

James is Chief Executive Officer of Goodman Property Services (NZ) Limited, the manager of Goodman Property Trust. With a logistics and warehousing portfolio valued at $4.5 billion and a market capitalisation of around $3.4 billion (27 May 2024) the Trust is the NZX's largest listed property entity. James joined Goodman in 2006 and has almost 20 years of corporate, property and funds management experience in Europe and New Zealand. He spent the last five years in New Zealand as Director of Investment Management for GMT, responsible for overseeing the investment decisions of GMT and heading up the property team before being appointed Chief Executive Officer, effective 1 January 2023. James holds a Property degree from the University of Auckland as well as a Graduate Diploma in Applied Finance from Kaplan Education in Australia.

2 **Andy Eakin**
CHIEF FINANCIAL OFFICER

Andy's role as Chief Financial Officer involves managing the finance and treasury activities of Goodman Property Trust. He is also the Chair of the Corporate Social Responsibility committee which encompasses ESG matters material to Goodman including providing sustainability leadership across the business.
Andy joined Goodman in March 2011, has more than 30 years' experience in finance roles in Ireland, Scotland and New Zealand, and is a Fellow of Chartered Accountants Ireland.

3 **Mike Gimblett**
GENERAL MANAGER – DEVELOPMENT

As General Manager Development, Mike is responsible for all development activity. Since joining Goodman in 2005, Mike has held a number of roles within acquisition, portfolio management and development management. With 25 years' experience in the property industry, Mike has a proven track record of driving success in a variety of areas and has also formed solid relationships both internally and externally.

4 **Kimberley Richards**
DIRECTOR – INVESTMENT MANAGEMENT AND CAPITAL TRANSACTIONS

Kimberley is the Director of Investment Management and Capital Transactions, responsible for the acquisitions and disposals of GMT and its Funds Management business. She has over 15 years' experience and previously worked in London for Europa Capital covering transactions across Northern Europe. Kimberley holds a Bachelor of Commerce and a Bachelor of Property from the University of Auckland as well as a Masters in Real Estate Finance from the University of Cambridge, UK.

5 **Evan Sanders**
GENERAL MANAGER – PROPERTY SERVICES

Evan is the General Manager of Property Services for Goodman. His key responsibilities include leading the property services team and overseeing the management of GMT's substantial property portfolio. Evan joined the business in 2009 and has over 14 years' experience in the property industry, including roles in property finance and investment. He has a Business Administration degree from the University of Bath, UK.

6 **Anton Shead**
GENERAL COUNSEL AND COMPANY SECRETARY

Anton is responsible for the provision of legal and compliance support to the business. Anton has over 25 years' legal experience. Prior to joining Goodman, Anton worked for Bell Gully. Anton has also worked for international law firm Herbert Smith LLP in its London office, Carey Olsen, a specialist corporate law firm in the Channel Islands and Buddle Findlay.

7 **Jonathan Simpson**
HEAD OF CORPORATE AFFAIRS

Jonathan has responsibility for Investor Relations, Corporate Communications, Sustainability Reporting and managing the Goodman Foundation. He has over 25 years of experience in the property and capital markets, with the last 20 at Goodman. Jonathan has previously held positions with the Property Council of New Zealand and the Investment Property Databank in the United Kingdom.

8 **Mandy Waldin**
MARKETING DIRECTOR

As Marketing Director, Mandy is responsible for branding and marketing. Mandy has over 25 years' experience in brand development and marketing, holding various senior management positions in electronics, publishing and office products sectors. She was co-owner and director of a marketing & graphic design company where she developed and implemented communication strategies for various NZX listed companies.

9 **Sophie Bowden**
HUMAN RESOURCES BUSINESS PARTNER

Sophie is the HR Business Partner for Goodman Property Services (NZ) Limited. She partners with the leadership team to implement strategic people and culture initiatives, with a focus on performance and development, diversity and inclusion, and employee experience. Sophie joined Goodman in August 2021 having held HR roles in FMCG and Retail. She has a Bachelor of Commerce from the University of Auckland.

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GMT is New Zealand's largest listed real estate entity, it is a high-quality business with a substantial portfolio, a wide customer base and a proven development capability.

FINANCIAL RESULTS

While the underlying operating performance of the Trust has been extremely pleasing, the FY24 financial result includes one-off costs associated with the Internalisation and fair value losses as a result of independent property valuations.

FY24 SUMMARY

Overview	FY24	FY23	% change
Loss before tax ($m)	**(626.5)**	(126.0)	**397.2**
Loss after tax ($m)	**(564.9)**	(135.4)	**317.2**
Operating earnings per unit before tax (cpu)[1]	**9.65**	9.01	**7.1**
Operating earnings per unit after tax (cpu)[1]	**8.64**	7.92	**9.1**
Underlying cash earnings per unit (cpu)[2]	**7.44**	7.10	**4.8**
Cash distribution per unit (cpu)	**6.20**	5.90	**5.1**
Loan to value ratio (%)[3]	**31.5**	25.9	**21.6**
Net tangible assets (cpu)	**201.4**	245.2	**(17.9)**
Management expense ratio (%)	**0.44**	0.43	**2.3**

Non-GAAP financial measures may not be calculated in a manner consistent with other entities.

1 Operating earnings is a non-GAAP financial measure included to provide an assessment of the performance of GMT's principal operating activities. The calculation is set out in GMT's Statement of Comprehensive Income and in note 3.1 of the financial statements.

2 Cash earnings is a non-GAAP measure that assesses free cash flow, on a per unit basis, after adjusting for certain items. Calculation of GMT's cash earnings and underlying cash earnings is set out on page 25.

3 Loan to value ratio is a non-GAAP financial measure used to assess the strength of GMT's balance sheet. The calculation is set out in note 2.6 of GMT's financial statements.

Statutory result

GMT has reported a statutory loss of $564.9 million after tax. The FY24 financial result includes the one-off cost of Internalisation and fair value losses as a result of the independent valuation of the Trust's property portfolio.

Unitholder approval of Internalisation included an agreed transaction price of $290.0 million paid to Goodman Group, with the requirement that this be used to subscribe for new units in GMT.

With some components of the Internalisation transaction being deductible for tax purposes there is tax benefit of $75.8 million.

Independent valuations resulted in fair value losses of $478.4 million, compared to fair value losses of $237.7 million in FY23. The 9.5% reduction in portfolio value over the last 12 months reflects further moderating in investor sentiment, with higher interest rates impacting investment yields.

Property values have reduced after a sustained period of strong growth. Over the last five years, a net $670 million of fair value gains from property valuations have been recognised in GMT's statutory results, and almost $1.3 billion of fair value gains over the last 10 years.

The cash and non-cash items described above, are the main contributors to a 17.9% reduction in net tangible asset backing over the last 12 months, to 201.4 cents per unit.

Operating performance

High occupancy levels, new development completions and sustained rental growth have all contributed to the 14.7% increase in net property income, to $203.1 million. The additional revenue has outweighed the impact of higher interest costs, contributing to a 7.2% increase in operating earnings before tax, to $135.6 million or 9.65 cents per unit.

Net interest costs are GMT's largest expense and have increased by 58.3% to $46.7 million. The 80 bps increase in the weighted average cost of debt (to 4.8%) and a higher average debt balance resulting from development expenditure have driven the increase.

Additional tax deductions relating to GMT's development activity, new leasing, and a change from straight line to diminishing value for building depreciation (ahead of the expected removal of these tax deductions from FY25) reduced the effective tax rate to 10.5% compared to 12.2% previously.

With less tax to pay, there has been a greater 9.3% increase in operating earnings after tax, to $121.4 million or 8.64 cents per unit on a weighted average unit basis.

High occupancy levels, new development completions and sustained rental growth have all contributed to the 14.7% increase in net property income, to $203.1 million.

Balance sheet

Prudent financial management has facilitated the acceleration in GMT's development programme over recent years and enabled the Trust to take advantage of new acquisition opportunities.

GMT had a loan to value ratio of 31.5% and committed gearing of 32.1% at 31 March 2024. It is a conservative setting (well below the 50% maximum allowed under GMT's Trust Deed and debt facility covenants) that provides operational flexibility and substantial balance sheet resilience should investment markets deteriorate.

Treasury initiatives over the last 12 months have extended GMT's bank facilities to $1.4 billion. The added liquidity provides additional funding capacity to cover upcoming bond maturities and the early repayment of GMT's US Private Placement notes following internalisation.

At 31 March 2024, debt facilities were 65.8% drawn, had a weighted average term to expiry of 3.2 years, and were 70% hedged for the next 12 months.

GMT Bond Issuer Limited

GMT Bond Issuer Limited received $25.6 million of interest income (FY23 $28.8 million) and incurred $25.6 million of interest expense (FY23 $28.8 million).

The decrease on the previous year reflects the impact of the GMB050 maturity in September 2023.

S&P Global Ratings has maintained the credit rating of all bonds issued by GMT Bond Issuer Limited at BBB+. This is one notch higher than the Trust's investment grade issuer rating of BBB due to the mortgage security held over GMT's property portfolio.

No dividends or distributions have been paid by GMT Bond Issuer Limited.

The redevelopment of Roma Road Estate is nearing completion, with two of the four warehouse facilities now operational. Cotton On, NZ Post and Signify are the customers that have chosen the central location alongside SH20 in Mt Roskill.

Cash earnings and distributions

Cash earnings is our preferred measure of operating performance. It is a non-GAAP measure that assesses GMT's free cash flow, on a per unit basis, after adjusting for borrowing costs and Manager's base fee capitalised to land, expenditure related to building maintenance, and to reverse straight line rental adjustments.

Underlying cash earnings of 7.44 cents per unit was consistent with market guidance and 4.8% higher than the 7.1 cents per unit achieved in FY23.

Cash distributions of 6.2 cents per unit reflect a payout ratio of 83.3% and represent a 5.1% increase on the 5.9 cents per unit paid previously.

Guidance for FY25 includes cash earnings of around 7.5 cents per unit, compared to restated FY24 cash earnings of 7.18 cents per unit[1]. Cash distributions of 6.5 cents per unit are expected to be paid, a 4.8% increase on FY24.

The table below presents the Trust's cash earnings calculation.

Cash earnings $m	FY24	FY23	% change
Operating earnings before tax	**135.6**	126.5	7.2
Current tax on operating earnings	**(14.2)**	(15.4)	(7.8)
Operating earnings after tax	**121.4**	**111.1**	**9.3**
Straight line rent adjustments	**(4.4)**	(2.8)	57.1
Capitalised borrowing costs – land	**(5.4)**	(4.1)	31.7
Capitalised management fees – land	**(0.5)**	(0.4)	25.0
Maintenance capex	**(4.3)**	(4.2)	2.4
Cash earnings	**106.8**	**99.6**	**7.2**
Tax adjustment – to normalise for change in building depreciation in FY24	**(2.3)**	–	–
Underlying cash earnings	**104.5**	**99.6**	**4.9**
Underlying cash earnings cpu	**7.44**	7.10	4.8
Distributions cpu	**6.2**	5.9	5.1
Distributions % underlying cash earnings	**83.3%**	83.1%	0.2

[1] Adjusted to normalise for the removal of tax deductions relating to building depreciation from FY25.

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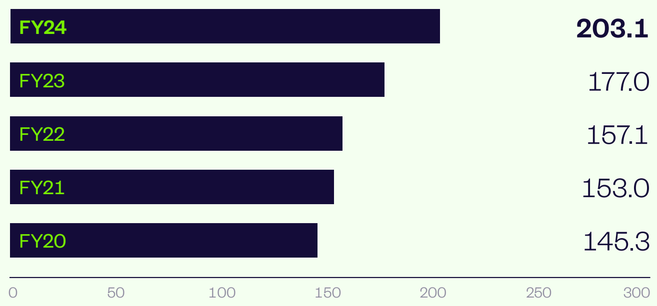
FIVE YEAR RESULTS

$ million	FY24	FY23	FY22	FY21	FY20
Net property income	203.1	177.0	157.1	153.0	145.3
Net interest costs	(46.7)	(29.5)	(19.7)	(22.3)	(21.9)
Administrative expenses	(3.6)	(3.4)	(3.2)	(3.0)	(2.6)
Manager's base fee	(17.2)	(17.6)	(15.9)	(12.8)	(11.1)
Operating earnings before other income/(expenses) and income tax	**135.6**	**126.5**	**118.3**	**114.9**	**109.7**
Movement in fair value of investment property	(478.4)	(237.7)	660.4	560.0	165.8
Movement in fair value of financial instruments	(8.2)	(14.8)	0.8	(12.3)	20.0
Internalisation transaction	(275.5)	–	–	–	–
Manager's performance fee expected to be reinvested in units	–	–	(15.7)	(13.7)	(11.4)
Disposal of investment property	–	–	–	–	0.3
(Loss)/profit before tax	**(626.5)**	**(126.0)**	**763.8**	**648.9**	**284.4**
Current tax	1.5	(15.4)	(14.6)	(13.7)	(15.1)
Deferred tax	60.1	6.0	(0.6)	(3.5)	(7.4)
(Loss)/profit after tax attributable to unitholders	**(564.9)**	**(135.4)**	**748.6**	**631.7**	**261.9**
Operating earnings before tax per unit (cpu)	9.65	9.01	8.47	8.26	8.16
Operating earnings after tax per unit (cpu)	8.64	7.92	7.11	6.86	6.73
Cash earnings per unit (cpu)	7.44[1]	7.10	6.66	6.28	6.22
Cash distribution per unit (cpu)	6.20	5.90	5.50	5.30	6.65
Balance sheet					
Investment property	4,533.9	4,791.2	4,773.2	3,789.3	3,074.0
Total assets	4,716.9	4,853.9	4,814.3	3,831.5	3,168.4
Borrowings for LVR calculation	1,407.0	1,221.5	1,001.2	716.0	569.9
Total liabilities	1,617.8	1,413.2	1,156.9	862.3	766.3
Total equity	3,099.1	3,440.7	3,657.4	2,969.2	2,402.1
Loan to value ratio (%)	31.5	25.9	21.3	19.2	18.9
NTA per unit (cpu)	201.4	245.2	260.6	212.5	172.7
Unit price at 31 March (cpu)	228.0	214.0	236.0	226.0	214.5
Property portfolio					
Net lettable area (sqm)	1,152,546	1,077,473	1,071,004	1,097,698	1,059,263
Weighted average capitalisation rate (%)	6.0	5.2	4.2	4.7	5.4
Investment portfolio occupancy (%)	99	99	99	98	99
Weighted average lease term (years)	6.2	6.4	6.3	5.5	5.5
Customers	209	235	226	213	206

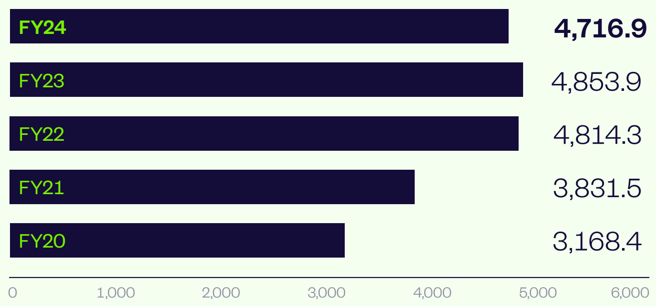
[1] Underlying cash earnings reported in FY24 adjusts for the change in approach from straight line to diminishing value building depreciation for tax purposes.

The strength and consistency of GMT's recent operating results is reflected in the earnings growth achieved over the last five years. Property revaluations affect the stability of profits, but have added $670.1 million of fair value gains to GMT's statutory results over the last five years.

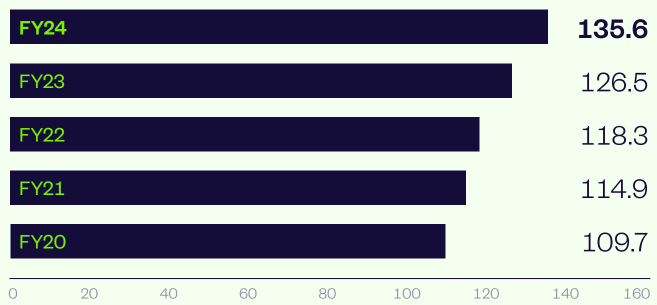
NET PROPERTY INCOME $ million



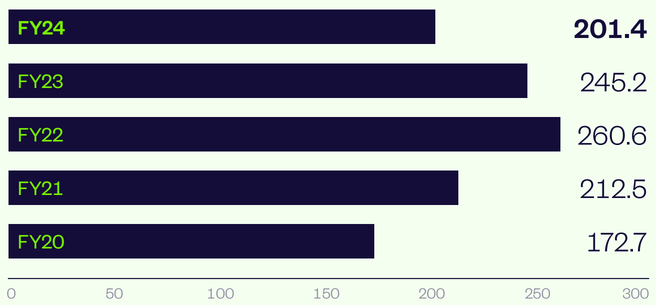
TOTAL ASSETS $ million



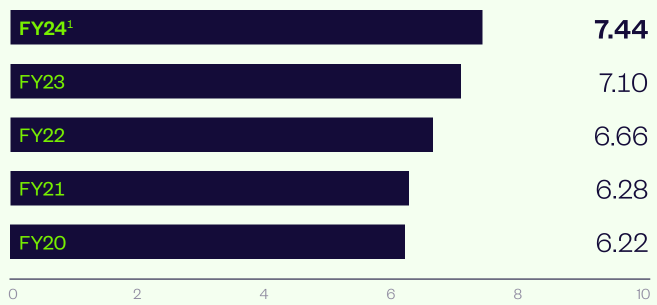
OPERATING EARNINGS BEFORE TAX $ million



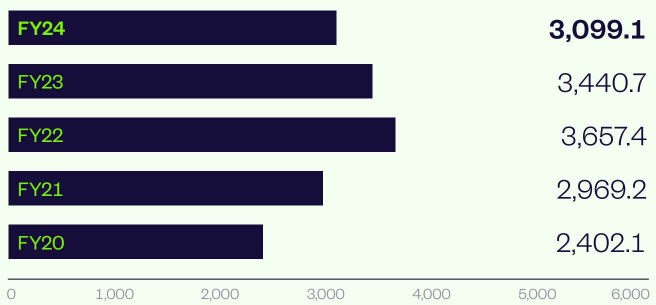
NTA PER UNIT cents per unit



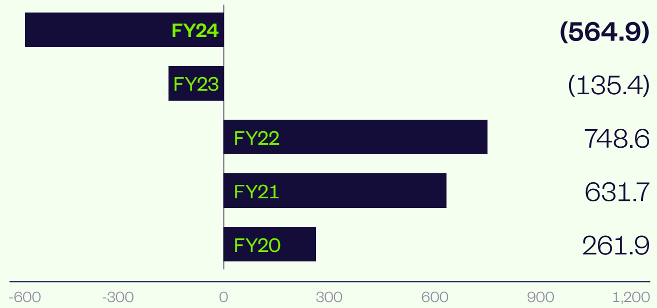
CASH EARNINGS cents per unit



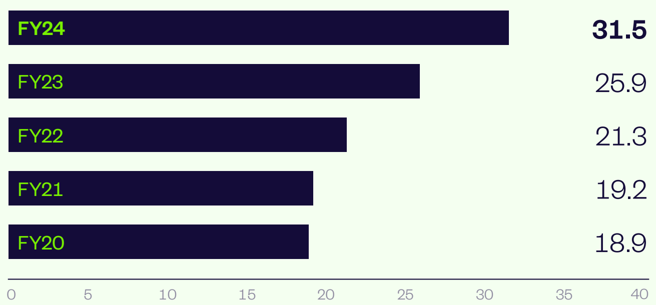
EQUITY $ million



(LOSS)/PROFIT AFTER TAX $ million



LOAN TO VALUE RATIO %



Boosting biodiversity at its estates is an important objective of GMT's sustainability programme.

GOODMAN PROPERTY TRUST FINANCIAL STATEMENTS

for the year ended 31 March 2024

The Board of Goodman Property Services (NZ) Limited, the Manager of Goodman Property Trust, authorised these financial statements for issue on 27 May 2024.

For and on behalf of the Board:

John Dakin
Chair

Laurissa Cooney
Chair, Audit Committee

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STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2024

$ million	Note	2024	2023
Property income	1.1	244.1	213.8
Property expenses		(41.0)	(36.8)
Net property income		**203.1**	**177.0**
Interest cost	2.1	(47.3)	(29.8)
Interest income	2.1	0.6	0.3
Net interest cost		**(46.7)**	**(29.5)**
Administrative expenses	6	(3.6)	(3.4)
Manager's base fee	12	(17.2)	(17.6)
Operating earnings before other income / (expenses) and tax		**135.6**	**126.5**
Other income / (expenses)			
Movement in fair value of investment property	1.5	(478.4)	(237.7)
Movement in fair value of financial instruments	5.1	(8.2)	(14.8)
Internalisation transaction	4	(275.5)	–
Loss before tax		**(626.5)**	**(126.0)**
Tax			
Current tax on operating earnings	11.1	(14.2)	(15.4)
Current tax on non-operating earnings	11.1	15.7	–
Deferred tax	11.1	60.1	6.0
Total tax		**61.6**	**(9.4)**
Loss after tax		**(564.9)**	**(135.4)**
Other comprehensive income		–	–
Total comprehensive loss for the year attributable to unitholders		**(564.9)**	**(135.4)**

Cents	Note	2024	2023
Basic and diluted earnings per unit after tax	3.1	(40.21)	(9.65)

BALANCE SHEET

As at 31 March 2024

$ million	Note	2024	2023
Non-current assets			
Investment property	1.3	4,533.9	4,791.2
Other assets		1.9	2.8
Investment property contracted for sale		1.4	–
Derivative financial instruments	5.2	38.4	42.9
Property, plant and equipment		3.8	–
Tax receivable		6.9	–
Deferred tax assets	11.2	30.1	–
Related party assets	7	56.5	–
Total non-current assets		**4,672.9**	**4,836.9**
Current assets			
Cash		9.4	6.6
Derivative financial instruments	5.2	3.8	–
Debtors and other assets	9	9.1	10.4
Tax receivable		2.3	–
Related party assets	7	19.4	–
Total current assets		**44.0**	**17.0**
Total assets		**4,716.9**	**4,853.9**
Non-current liabilities			
Borrowings	2.2	1,157.1	1,159.1
Lease liabilities	2.5	62.2	62.6
Derivative financial instruments	5.2	6.8	10.1
Deferred tax liabilities	11.2	–	30.0
Employee benefits liabilities	8	19.2	–
Total non-current liabilities		**1,245.3**	**1,261.8**
Current liabilities			
Borrowings	2.2	300.9	100.0
Creditors and other liabilities	10	48.2	45.1
Lease liabilities	2.5	4.0	3.3
Derivative financial instruments	5.2	2.1	0.5
Current tax payable		–	2.5
Employee benefits liabilities	8	17.3	–
Total current liabilities		**372.5**	**151.4**
Total liabilities		**1,617.8**	**1,413.2**
Net assets		**3,099.1**	**3,440.7**
Total equity		**3,099.1**	**3,440.7**

STATEMENT OF CASH FLOWS

For the year ended 31 March 2024

$ million	Note	2024	2023
Cash flows from operating activities			
Property income received		242.2	212.4
Property expenses paid		(48.7)	(40.7)
Interest income received		0.6	0.3
Interest costs paid on borrowings		(43.5)	(24.2)
Interest costs paid on lease liabilities		(3.4)	(3.3)
Administrative expenses paid		(3.6)	(3.3)
Manager's base fee paid		(18.8)	(17.6)
Manager's performance fee paid		–	(15.7)
Net GST received / (paid)		0.3	(1.2)
Tax paid		(10.0)	(15.5)
Internalisation transaction costs paid		(3.0)	–
Net cash flows from operating activities	14	**112.1**	**91.2**
Cash flows from investing activities			
Payments for the acquisition of investment properties		–	(59.1)
Capital expenditure payments for investment properties		(191.0)	(167.4)
Holding costs capitalised to investment properties		(22.5)	(20.1)
Cash acquired on acquisition of subsidiary	4	1.5	–
Net cash flows from investing activities		**(212.0)**	**(246.6)**
Cash flows from financing activities			
Proceeds from borrowings		1,742.0	1,114.0
Repayments of borrowings		(1,553.0)	(890.0)
Proceeds from the issue of units		–	15.7
Units issue costs incurred		(0.4)	–
Distributions paid to unitholders		(85.9)	(81.3)
Net cash flows from financing activities		**102.7**	**158.4**
Net movement in cash		**2.8**	**3.0**
Cash at the beginning of the year		6.6	3.6
Cash at the end of the year		**9.4**	**6.6**

SIGNIFICANT TRANSACTION

The internalisation transaction, as detailed in note 4, was settled via a non-cash payment direction with no cash movements required.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

	Note	Distribution per unit (cents)	Number of units (million)	Units ($ million)	Unit based payments reserve ($ million)	Retained earnings ($ million)	Total ($ million)
As at 1 April 2022			1,397.3	1,630.1	15.7	2,011.6	3,657.4
Total comprehensive loss for the year				–	–	(135.4)	(135.4)
Distributions paid to unitholders		5.800		–	–	(81.3)	(81.3)
Issue of units							
Manager's performance fee – settled	12		6.0	15.7	(15.7)	–	–
As at 31 March 2023			**1,403.3**	**1,645.8**	**–**	**1,794.9**	**3,440.7**
Total comprehensive loss for the year				–	–	(564.9)	(564.9)
Distributions paid to unitholders		6.125		–	–	(85.9)	(85.9)
Issue of units							
Internalisation transaction	4		135.5	309.6	–	–	309.6
Units issue costs incurred				(0.4)	–	–	(0.4)
As at 31 March 2024			**1,538.8**	**1,955.0**	**–**	**1,144.1**	**3,099.1**

SUBSEQUENT EVENT

On 27 May 2024, a cash distribution of 1.55 cents per unit was declared with no imputation credits attached. The record date for the distribution is 5 June 2024 and payment will be made on 19 June 2024.

GENERAL INFORMATION

For the year ended 31 March 2024

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Reporting entity

Goodman Property Trust ("GMT" or the "Trust") is a unit trust established on 23 April 1999 under the Unit Trusts Act 1960. GMT is domiciled in New Zealand. The Manager of the Trust is Goodman Property Services (NZ) Limited ("GPS") and the address of its registered office is Level 2, 18 Viaduct Harbour Avenue, Auckland. The Manager of the Trust was formerly Goodman (NZ) Limited ("GNZ"), with the change to the new Manager occurring on 28 March 2024 following settlement of the internalisation transaction as further detailed in note 4.

The financial statements presented are consolidated financial statements for Goodman Property Trust and its subsidiaries (the "Group"). The subsidiaries include GMT Bond Issuer Limited, Goodman Property Aggregated Limited, Goodman Nominee (NZ) Limited, Highbrook Development Limited, Highbrook Business Park Limited, Highbrook Management Limited, Goodman (Highbrook) Limited and GMT NewCo Limited. The Trust has control over GPS, a wholly owned subsidiary of GMT Shareholder Nominee Limited (itself a subsidiary of Public Trust). Pursuant to a shareholding deed between GMT Shareholder Nominee Limited and Covenant Trustee Services Limited as trustee for Goodman Property Trust the shares in GPS are controlled by Covenant Trustee Services (NZ) Limited on behalf of GMT unitholders.

GMT is listed on the New Zealand Stock Exchange ("NZX"), is an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013 ("FMCA") and the Financial Reporting Act 2013 and is an Equity Security for the purposes of the NZX Main Board Listing Rules.

The Group's principal activity is to invest in real estate in New Zealand.

Covenant Trustee Services Limited is the Trustee and Supervisor for GMT.

Basis of preparation and measurement

The financial statements of the Group have been prepared in accordance with the requirements of Part 7 of the FMCA and the NZX Main Board Listing Rules. The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"), 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 Group is a for-profit entity for the purposes of complying with NZ GAAP. The financial statements also comply with International Financial Reporting Standards Accounting Standards ("IFRS Accounting Standards").

The financial statements have been prepared on the historical cost basis except for assets and liabilities stated at fair value as disclosed.

The financial statements are in New Zealand dollars, the Group's functional currency, unless otherwise stated.

Basis of consolidation

The financial statements have eliminated in full all intercompany transactions, intercompany balances and gains or losses on transactions between Group entities.

Significant estimates and judgements

Management is required to make judgements, estimates, and apply assumptions that affect the amounts reported in the financial statements. These have been based on historical experience and other factors Management believes to be reasonable. Actual results may differ from these estimates and the difference may be material. 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 the future periods affected.

The significant judgements made in the preparation of these financial statements are detailed in the following notes:

+ Investment property (note 1.4)
+ Internalisation transaction (note 4)
+ Derivative financial instruments (note 5.1)
+ Employee benefits liabilities (note 8)
+ Deferred tax (note 11.2)

Material accounting policies

Units are classified as equity. If new units are issued in the year, any external costs directly attributable to the issue are deducted from the proceeds received.

Distributions are recognised in equity in the period in which they are paid.

Other material accounting policies are disclosed in the relevant notes.

Changes in accounting policy

The accounting policies and methods of computation used in the preparation of these financial statements are consistent with those used in the financial statements for the year ended 31 March 2023. For the year ended 31 March 2024, there are new accounting policies as a result of the internalisation transaction. These new policies are set out below.

+ Plant, property, and equipment is recognised at historical cost less depreciation.
+ Right of use assets are recognised at the lease commencement date. They are initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before commencement date, plus any direct costs incurred and an estimate of costs to restore the underlying asset or the site on which it is located, less any lease incentives received. The right of use assets in respect of office space and motor vehicles are depreciated using the straight-line method over the period of the lease.
+ Related party assets (refer note 7)
+ Employee benefits liabilities (refer note 8).

New accounting standards now adopted

The Group has adopted the following new accounting pronouncements that are applicable to these financial statements.

+ Amendments to NZ IAS 1 Presentation of Financial Statements. Disclosure of accounting policies – replacing the term 'significant' (not defined in NZ IFRS) with 'material'.
+ Amendments to NZ IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Definition of accounting estimates – clarifies the distinction between changes in accounting estimates and changes in accounting policies.
+ Amendment to NZ IAS 12 Income taxes. Deferred tax related to assets and liabilities arising from a single transaction – requires an entity to recognise deferred tax on certain transactions that give rise to equal amounts of taxable and deductible temporary differences on initial recognition.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

This standard becomes effective for reporting periods beginning on or after 1 January 2027. IFRS 18 introduces new requirements on presentation within the statement of comprehensive income, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for the aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

New Zealand climate-related disclosure framework

The Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021 (the Act) has established a climate-related disclosure framework for New Zealand and makes climate-related disclosures mandatory for climate reporting entities, which includes the Trust. The Act provided a mandate for the External Reporting Board (XRB) to issue a climate-related disclosure framework.

In December 2022, the XRB published the final climate-related disclosure (CRD) framework for New Zealand, which is effective for the Trust's financial year commencing 1 April 2023. The new standards are termed the Aotearoa New Zealand Climate Standards. The Trust will publish its first mandatory Climate Related Disclosures in accordance with the Aotearoa New Zealand Climate Standards at https://nz.goodman.com/sustainability/ by 31 July 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. Investment property

Property income is earned from investment property leased to customers.

1.1. Property income

$ million	2024	2023
Gross lease receipts	215.1	191.9
Service charge income	32.0	27.2
Straight-line rental adjustments	4.4	2.8
Amortisation of capitalised lease incentives	(7.4)	(8.1)
Property income	**244.1**	**213.8**

ACCOUNTING POLICIES

Property income from investment property leased to customers under operating leases is recognised on a straight-line basis over the term of the lease to the extent that future rental increases are known with certainty. Straight-line rental adjustments are accounted for to achieve straight-line income recognition. Where lease incentives are provided to customers, the cost of incentives is amortised over the lease term on a straight-line basis as a reduction to rental income.

Service charge income is recognised for the recoverable portion of customer's property operating expenses incurred in the year.

1.2. Future contracted gross lease receipts

Gross lease receipts that the Group has contracted to receive in future years are set out below. These leases cannot be cancelled by the customer.

$ million	2024	2023
Year 1	222.5	201.2
Year 2	210.6	200.0
Year 3	187.5	181.4
Year 4	167.5	158.3
Year 5	142.5	140.4
Year 6 and later	701.6	677.4
Total future contracted gross lease receipts	**1,632.2**	**1,558.7**

1. Investment property (continued)

1.3. Total investment property

This table details the total investment property value.

$ million	2024	2023
Core	3,669.8	3,803.2
Value-add	604.4	513.6
Total stabilised investment property	**4,274.2**	**4,316.8**
Investment property under development	259.7	474.4
Total investment property	**4,533.9**	**4,791.2**

Included within stabilised properties is a gross-up equivalent to lease liabilities of $63.6 million (31 March 2023: $65.9 million). Included within investment property under development is $86.7 million of land (31 March 2023: $87.1 million) and $173.0 million of developments (31 March 2023: $387.3 million).

GMT's estates are classified as either "core" or "value-add" estates.

Core
Those estates within the portfolio which largely consist of modern, high-quality logistics and industrial properties.

Value-add
Those estates which generally consist of older properties that are likely to have redevelopment potential. Redevelopment of the properties to realise their maximum future value may require a change in use.

SIGNIFICANT TRANSACTIONS

During the year ended 31 March 2024, four developments were completed and were independently valued at a total of $368.9 million.

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1. Investment property (continued)

1.4. Valuation of investment property

KEY JUDGEMENT

The carrying value of stabilised properties, substantially completed developments and land is the fair value of the property as determined by an expert independent valuer, from a panel of valuation companies comprising Bayleys Valuations Limited, CBRE Limited, Colliers International New Zealand Limited, Jones Lang LaSalle Limited & Savills (NZ) Limited, who are all members of the New Zealand Institute of Valuers.

Fair value reflects the Board's assessment of highest and best use of each property at the end of the reporting period. If the Board's view of highest and best use has changed any impact on value will be assessed by independent valuations. Management review the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between the Board, the Chief Executive Officer, the Chief Financial Officer, the Management Valuation Committee, and the independent valuers at least twice every year in line with the Group's reporting dates. Full independent valuations are completed for stabilised properties, developments held at fair value and land at least annually. Developments where fair value is not able to be reliably determined are carried at cost less any impairment. Additionally, at each financial year end all major inputs to the independent valuation reports are verified and an assessment undertaken of all property valuation movements by Management.

The fair values presented are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. If this information is not available, alternative valuation methods are used, such as; recent prices on less active markets; the capitalisation method, which determines fair value by capitalising a property's sustainable net income at a market derived capitalisation rate with capital adjustments made where appropriate; or discounted cash flow projections ("DCF"), which discount estimates of future cash flows by an appropriate discount rate to derive the fair value. The key assumptions used in the valuations are derived from recent comparable transactions to the greatest extent possible; however, all three of the valuation methods rely upon unobservable inputs in determining fair value for all investment property.

Valuations also reflect the following unobservable inputs, where appropriate: the quality of customers in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the customer; and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

The Group has considered the impact of climate change on the business and the valuation of investment property. To date, the panel of independent valuers used have made no explicit adjustments to valuations in respect of climate change matters. The Group acknowledges that climate change considerations will likely have a greater influence on valuations in the future as markets place a greater emphasis on these matters.

All investment property is categorised as level 3 in the fair value hierarchy. Refer to note 15.6 for details of the hierarchy and the Group's transfer policy. During the year, there were no transfers of properties between levels of the fair value hierarchy.

1. Investment property (continued)

1.4 Valuation of investment property (continued)

The key valuation inputs used to measure fair value of investment property and investment property under development held at fair value are disclosed below, along with the weighted average value for each input:

		Weighted average valuation input value		Measurement sensitivity	
Key valuation input	Description	2024	2023	Increase in the input	Decrease in the input
Market capitalisation rate	The capitalisation rate applied to the market rental to assess a property's value. Derived from similar transactional evidence considering location, weighted average lease term, customer covenant, size and quality of the property. Used in the capitalisation method.	6.0%	5.2%	Decrease	Increase
Market rental	The valuer's assessment of the annual net market income per square metre ("psm") attributable to the property; includes both leased and vacant areas. Used in both the capitalisation method and the DCF method.	$197 psm	$177 psm	Increase	Decrease
Discount rate	The rate applied to future cash flows; it reflects transactional evidence from similar types of property assets. Used in the DCF method.	8.0%	7.2%	Decrease	Increase
Rental growth rate	The rate applied to the market rental over the 10-year cash flow projection. Used in the DCF method.	2.9% p.a.	3.0% p.a.	Increase	Decrease
Terminal capitalisation rate	The rate used to assess the terminal value of the property. Used in the DCF method.	6.2%	5.5%	Decrease	Increase

The market capitalisation rate is the main determinant of value in the valuation of investment property. The impact of a 0.5% increase in the market capitalisation rate from 6.0% to 6.5%, assuming all other valuation inputs remain unchanged, would be equivalent to a decrease of $328.8 million / 7.3% in the fair value of investment property.

Land is valued based on recent comparable transactions, resulting in land values ranging between $194 psm and $650 psm (2023: between $212 psm and $650 psm).

1.5. Movement in fair value of investment property

Movement in fair value of investment property for the year is summarised below.

$ million	Note	2024	2023
Stabilised properties	1.6	(452.6)	(276.5)
Investment property under development	1.7	(25.8)	38.8
Total movement in fair value of investment property		**(478.4)**	**(237.7)**

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1. Investment property (continued)

1.6. Stabilised properties

2024	Valuation 2023 ($ million)	Right of use asset ($ million)	Acquisitions / transfers in ($ million)	Net expenditure ($ million)	Transfers out ($ million)	Fair value movement ($ million)	Valuation 2024 ($ million)	Valuers	Net lettable area sqm	Weighted market cap rate	Occupancy	WALT years
Core	**3,803.2**	(2.1)	369.2	32.8	(176.1)	(366.7)	**3,669.8**	Colliers, JLL, Savills, Bayleys	975,432	5.9%	100%	6.6
Value-add	**513.6**	–	176.1	10.1	–	(85.9)	**604.4**	Colliers, JLL, Savills, Bayleys, CBRE	177,114	6.3%	97%	4.2
Total stabilised properties	**4,316.8**	**(2.1)**	**545.3**	**42.9**	**(176.1)**	**(452.6)**	**4,274.2**		**1,152,546**	**6.0%**	**99%**	**6.0**

During the year three properties at The Gate Industry Park and one property at M20 Business Park were reclassified from Core to Value-add. The change reflects the future redevelopment potential of these properties.

Right of use asset reflects a gross-up equivalent to lease liability modifications.

Acquisitions reflects the purchase price and any associated transaction costs.

Transfers in represents the net book value transferred into a category during the year.

Net expenditure comprises capital expenditure, holding costs, straight line rental adjustments, leasing incentives and leasing costs paid, less any amortisation of leasing incentives and leasing costs.

Fair value movement reflects the difference between the independent valuation and the net book value immediately prior to the valuation.

Disposals comprises the net book value at the date of disposal for properties sold in the year.

Transfers out represents the net book value transferred out of a category during the year.

2023	Valuation 2022 ($ million)	Right of use asset ($ million)	Acquisitions / transfers in ($ million)	Net expenditure ($ million)	Transfers out ($ million)	Fair value movement ($ million)	Valuation 2023 ($ million)	Valuers	Net lettable area sqm	Weighted market cap rate	Occupancy	WALT years
Core	**3,934.4**	–	104.0	19.8	–	(255.0)	**3,803.2**	Colliers, JLL, Savills, Bayleys	959,103	5.2%	100%	6.9
Value-add	**556.2**	–	50.1	8.0	(79.2)	(21.5)	**513.6**	Colliers, JLL, Savills, Bayleys, CBRE	118,370	5.5%	98%	3.9
Total stabilised properties	**4,490.6**	**–**	**154.1**	**27.8**	**(79.2)**	**(276.5)**	**4,316.8**		**1,077,473**	**5.2%**	**99%**	**5.3**

ACCOUNTING POLICIES

Stabilised properties are investment properties which are held to earn rental income. They are recorded initially at cost, including related transaction costs. After initial recognition, stabilised properties are carried at fair value. A panel of expert independent valuers value the portfolio at least once each year, generally at 31 March. Fair values are based on estimated market values. If this information is not available, alternative valuation methods such as recent prices in less active markets, the capitalisation method, or discounted cash flow projections are used.

Stabilised property that is being redeveloped is carried at fair value and holding costs are capitalised to the property during redevelopment. Expenditure is capitalised to a property when it is probable that it will provide future economic benefits to the Group. All other repairs and maintenance costs are charged to the Statement of Comprehensive Income.

Any gain or loss arising from a change in fair value is recognised in the Statement of Comprehensive Income.

When sold, the net gain or loss on disposal of stabilised property is included in the Statement of Comprehensive Income in the period in which the sale occurred. The gain or loss on disposal is calculated as the difference between the carrying amount of the stabilised property on the Balance Sheet and the proceeds from sale net of any costs associated with the sale.

For leases where the Group is a lessee, the Group recognises a right of use asset at the commencement date of the lease, being the date that the underlying asset is available for use. Investment property is defined to include both owned investment property and investment property held by a lessee as a right of use asset. The Group therefore measures all investment property using the same measurement basis, being the fair value model. The value of the right of use assets represents the fair value of a freehold interest in the land subject to ground lease interests held by the Group. Investment property is adjusted for cash flows relating to lease liabilities already recognised separately on the Balance Sheet and also reflected in the investment property valuations.

1. Investment property (continued)

1.7. Investment property under development

Investment property under development comprises land held for future development and developments under construction, held at either fair value or held at cost.

	$ million					
	Carrying value at start	Acquisitions / Transfers in	Net expenditure	Fair value movement	Transfers out	Carrying value at end
31 March 2024	**474.4**	1.3	180.1	(25.8)	(370.3)	**259.7**
31 March 2023	**282.6**	89.3	167.7	38.8	(104.0)	**474.4**

Included within investment property under development is $86.7 million of land held at fair value (2023: $87.1 million) and $173.0 million of developments under construction recorded at fair value (2023: $304.5 million), with no commenced developments held at the land transfer value plus subsequent capital expenditure (2023: $82.8 million).

ACCOUNTING POLICIES

Investment property under development includes properties that are being constructed for future use as stabilised property and land to be developed as stabilised property in the future. On acquisition, investment property under development is recorded at cost, including related transaction costs. Stabilised property to be redeveloped is transferred at the carrying value prior to transfer. All subsequent costs and capital expenditure directly associated with investment property under development is capitalised.

Holding costs are capitalised if they are directly attributable to the development of a property. The most significant component of holding costs is borrowing costs. Capitalisation of borrowing costs commences when the activities to prepare the property for its intended use are in progress and expenditure and borrowing costs are being incurred. The amount capitalised is determined by applying the weighted average cost of debt to borrowings attributed to the investment property under development. Capitalisation of borrowing costs continues until the development of the property is completed.

If the fair value of a development can be reliably determined during the course of its construction, then the development will be recorded at fair value (adjusted for percentage of completion) in the same manner as stabilised properties.

Commenced developments held at the land transfer value plus subsequent capital expenditure are tested for impairment. An indication of impairment requires an assessment of the recoverable amount of the commenced development, with the full value of any applicable impairment immediately recognised.

Land is carried at fair value, independently valued at least annually, with any changes in valuation recognised in the Statement of Comprehensive Income.

2. Borrowings

2.1. Interest

$ million	2024	2023
Interest expense on borrowings	(56.9)	(39.8)
Interest expense on lease liabilities	(3.4)	(3.3)
Amortisation of borrowing costs	(6.0)	(4.7)
Borrowing costs capitalised [1]	19.0	18.0
Total interest cost	**(47.3)**	**(29.8)**
Interest income	0.6	0.3
Net interest cost	**(46.7)**	**(29.5)**

[1] Borrowing costs are capitalised at the weighted average cost of borrowing of 4.8% (2023: 4.0%). Borrowing costs of $5.4 million were capitalised to land (2023: $4.1 million).

ACCOUNTING POLICIES

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.

2.2. Borrowings

$ million	2024	2023
Current		
Retail bonds	100.0	100.0
US Private Placement notes	200.9	–
Total current borrowings	**300.9**	**100.0**
Non-current		
Syndicated bank facilities	135.0	–
Bilateral bank facilities	475.0	321.0
Green retail bonds	150.0	150.0
Retail bonds	–	100.0
Wholesale bonds	400.0	400.0
US Private Placement notes	–	191.7
Total non-current	**1,160.0**	**1,162.7**
Unamortised borrowings establishment costs	(2.9)	(3.6)
Total non-current borrowings	**1,157.1**	**1,159.1**
Total borrowings	**1,458.0**	**1,259.1**

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2. Borrowings (continued)

2.2. Borrowings (continued)

As at 31 March 2024, GMT has undrawn bank facilities of $760.0 million from which it expects to repay the $100.0 million retail bond expiring in May 2024 and the $200.9 million USPP Private Placement notes.

ACCOUNTING POLICIES

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are carried at amortised cost using the effective interest method.

SIGNIFICANT TRANSACTIONS

In November 2023, the bilateral bank facilities with Bank of New Zealand, Commonwealth Bank of Australia and Westpac New Zealand Limited were each extended by one year.

In March 2024, GMT increased its bilateral bank facilities with a $100 million facility expiring in June 2029 provided by the Bank of New Zealand. The bilateral facility with Commonwealth Bank of Australia was increased to $175 million and its expiry extended to March 2026.

In March 2024, the syndicated bank facilities were amended to increase and extend the facility maturities. Those facilities have increased to $795 million, comprising four facilities expiring in June 2025 ($205 million), June 2026 ($225 million), June 2027 ($230 million), and June 2028 ($135 million).

In March 2024, the syndicated bank facility was amended through the cancellation of the June 2024 ($130 million) tranche.

In March 2024, the change in Manager of GMT triggered an option in the US Private Placement noteholder agreements, giving the noteholders the right to request early repayment. This has resulted in the US Private Placement notes being classified as current borrowings. Confirmations have been received from all noteholders to accept full repayment, comprising the principal and accrued interest only, with this expected to occur by the end of June 2024.

2. Borrowings (continued)

2.3. Composition of borrowings

2024	Date issued	Expiry	Weighted average remaining term (years)	Interest rate	$ million Drawn amount	$ million Undrawn facility
Syndicated bank facilities	–	Jun 25 – Jun 28	2.6	Floating	135.0	660.0
Green bank facility – Bank of New Zealand	–	Dec 25	1.7	Floating	150.0	–
Bank facility – Commonwealth Bank of Australia	–	Mar 26	2.0	Floating	175.0	–
Green bank facility – Westpac New Zealand Limited	–	Dec 26	2.7	Floating	150.0	–
Bank Facility – Bank of New Zealand	–	Jun 29	5.3	Floating	–	100.0
Retail bonds – GMB040	May 17	May 24	0.2	4.540%	100.0	–
Green retail bonds – GMB060	Apr 22	Apr 27	3.0	4.740%	150.0	–
Wholesale bonds – 6 years	Dec 21	Dec 27	3.7	3.656%	200.0	–
Wholesale bonds – 8 years	Sep 20	Sep 28	4.4	2.262%	50.0	–
Wholesale bonds – 10 years	Sep 20	Sep 30	6.4	2.559%	150.0	–
US Private Placement notes [1]	Jun 15	Jun 25	1.2	3.460%	US$40.0	–
US Private Placement notes [1]	Jun 15	Jun 27	3.2	3.560%	US$40.0	–
US Private Placement notes [1]	Jun 15	Jun 30	6.2	3.710%	US$40.0	–

[1] The change in Manager of GMT triggered an option in the US Private Placement noteholder agreements, giving the noteholders the right to request early repayment. This has resulted in the US Private Placement notes being classified as current borrowings.

2023	Date issued	Expiry	Weighted average remaining term (years)	Interest rate	$ million Drawn amount	$ million Undrawn facility
Syndicated bank facilities	–	Jun 24 – Jun 27	2.5	Floating	–	660.0
Green bank facility – Bank of New Zealand	–	Dec 24	1.7	Floating	150.0	–
Bank facility – Commonwealth Bank of Australia	–	Dec 24	1.7	Floating	100.0	–
Green bank facility – Westpac New Zealand Limited	–	Dec 25	2.7	Floating	71.0	79.0
Retail bonds – GMB040	May 17	May 24	1.2	4.540%	100.0	–
Retail bonds – GMB050	Mar 18	Sep 23	0.4	4.000%	100.0	–
Green retail bonds – GMB060	Apr 22	Apr 27	4.0	4.740%	150.0	–
Wholesale bonds – 6 years	Dec 21	Dec 27	4.7	3.656%	200.0	–
Wholesale bonds – 8 years	Sep 20	Sep 28	5.4	2.262%	50.0	–
Wholesale bonds – 10 years	Sep 20	Sep 30	7.4	2.559%	150.0	–
US Private Placement notes	Jun 15	Jun 25	2.2	3.460%	US$40.0	–
US Private Placement notes	Jun 15	Jun 27	4.2	3.560%	US$40.0	–
US Private Placement notes	Jun 15	Jun 30	7.2	3.710%	US$40.0	–

2. Borrowings (continued)

2.3. Composition of borrowings (continued)

As at 31 March 2024, $795.0 million of syndicated bank facilities were provided to the Group by Westpac New Zealand Limited ($175.0 million), Commonwealth Bank of Australia ($150.0 million), The Hongkong and Shanghai Banking Corporation Limited ($150.0 million), ANZ Bank New Zealand Limited ($150.0 million), Industrial and Commercial Bank of China Limited ($95.0 million) and Bank of New Zealand ($75.0 million). Additional bilateral facilities were provided to the Trust by Bank of New Zealand ($250.0 million), Commonwealth Bank of Australia ($175.0 million) and Westpac New Zealand Limited ($150.0 million).

As at 31 March 2023, $660.0 million of syndicated bank facilities were provided to the Trust by Bank of New Zealand ($125.0 million), Commonwealth Bank of Australia ($150.0 million), The Hongkong and Shanghai Banking Corporation Limited ($130.0 million), Westpac New Zealand Limited ($105.0 million), ANZ Bank New Zealand Limited ($75.0 million) and Industrial and Commercial Bank of China Limited ($75.0 million). Additional bilateral facilities were provided to the Trust by Bank of New Zealand ($150.0 million), Commonwealth Bank of Australia ($100.0 million) and Westpac New Zealand Limited ($150.0 million).

As at 31 March 2024, GMT's drawn borrowings had a weighted average remaining term of 3.2 years (2023: 3.6 years), with 57% being drawn from non-bank sources (2023: 74%). Calculation of the weighted average remaining term assumes syndicated bank facilities utilise the longest dated facilities.

2.4. Security and covenants

All borrowing facilities are secured on an equal ranking basis over the assets of the subsidiaries of Goodman Property Trust, excluding GPS. A loan to value ratio covenant restricts total borrowings incurred by the Group to 50% of the value of the secured property portfolio.

The Group has given a negative pledge to not create or permit any security interest over its assets. The principal financial ratios which must be met are the ratio of earnings before interest, tax, depreciation and amortisation to interest expense, and the ratio of financial indebtedness to the value of the property portfolio. Further negative and positive undertakings have been given as to the nature of the Group's business.

2.5. Lease liabilities

	Investment properties		Office leases	
$ million	2024	2023	2024	2023
Opening balance	65.9	66.0	–	–
Changes in liability as a result of ground rent reviews	(2.2)	–	–	–
Addition on acquisition of GPS	–	–	2.6	–
Interest expense on lease liabilities	3.4	3.3	–	–
Payments made	(3.7)	(3.6)	–	–
Amortisation of incentives received	0.2	0.2	–	–
Total lease liabilities	**63.6**	**65.9**	**2.6**	**–**

2. Borrowings (continued)

2.5. Lease liabilities (continued)

KEY JUDGEMENT

The lease liabilities are for perpetually renewable ground leases at Westney Industry Park for $63.5 million (2023: $65.7 million) and The Gate Industry Park for $0.1 million (2023: $0.2 million). The calculation of the lease liabilities assumes lease terms of between 62 and 65 years and utilises discount rates based on an assessment of GMT's long-term borrowing costs at the time of the renewal, which range from 3.5% to 7.8%.

The Group has an operating lease for its offices at 18 Viaduct Harbour Avenue, Auckland. The Group has recognised right of use assets ($2.2 million included within plant, property and equipment) and corresponding lease liabilities in relation to these leases. The 18 Viaduct Harbour Avenue lease assumes a lease term of 7 years with an incremental borrowing rate of 3.5%.

ACCOUNTING POLICIES

At the commencement date of a lease the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term, including expected lease renewals. The lease payments include fixed payments, less any lease incentives receivable.

2.6. Loan to value ratio calculation

The loan to value ratio ("LVR") is a non-GAAP metric used to measure the strength of the Group's Balance Sheet. This non-GAAP financial measure may not be consistent with its calculation by other similar entities. The LVR calculation is set out in the table below.

$ million	2024	2023
Total borrowings	1,458.0	1,259.1
US Private Placement notes – foreign exchange translation impact	(40.2)	(31.0)
Cash	(9.4)	(6.6)
Investment property contracted for sale	(1.4)	–
Borrowings for LVR calculation	**1,407.0**	**1,221.5**
Investment property	4,533.9	4,791.2
Lease liabilities	(66.2)	(65.9)
Assets for LVR calculation	**4,467.7**	**4,725.3**
Loan to value ratio %	**31.5%**	**25.9%**

2. Borrowings (continued)

2.7. Net debt reconciliation

The table below details the movements in net debt during the year.

$ million	Bank Facilities	Green retail bonds	Retail bonds	Wholesale bonds	US Private Placement notes	Unamortised costs	Total borrowings	Lease liabilities	Less: Cash	Net debt
As at 1 April 2023	321.0	150.0	200.0	400.0	191.7	(3.6)	**1,259.1**	65.9	**(6.6)**	**1,318.4**
Proceeds from borrowings	1,742.0	–	–	–	–	–	**1,742.0**	–	**–**	**1,742.0**
Repayments from borrowings	(1,453.0)	–	(100.0)	–	–	–	**(1,553.0)**	–	**–**	**(1,553.0)**
Changes in fair value – foreign exchange translation impact	–	–	–	–	9.2	–	**9.2**	–	**–**	**9.2**
Other	–	–	–	–	–	0.7	**0.7**	0.3	**(2.8)**	**(1.8)**
As at 31 March 2024	**610.0**	**150.0**	**100.0**	**400.0**	**200.9**	**(2.9)**	**1,458.0**	**66.2**	**(9.4)**	**1,514.8**

$ million	Bank Facilities	Green retail bonds	Retail bonds	Wholesale bonds	US Private Placement notes	Unamortised costs	Total borrowings	Lease liabilities	Less: Cash	Net debt
As at 1 April 2022	147.0	–	300.0	400.0	173.0	(2.9)	**1,017.1**	66.0	**(3.6)**	**1,079.5**
Proceeds from borrowings	964.0	150.0	–	–	–	–	**1,114.0**	–	**–**	**1,114.0**
Repayments from borrowings	(790.0)	–	(100.0)	–	–	–	**(890.0)**	–	**–**	**(890.0)**
Changes in fair value – foreign exchange translation impact	–	–	–	–	18.7	–	**18.7**	–	**–**	**18.7**
Other	–	–	–	–	–	(0.7)	**(0.7)**	(0.1)	**(3.0)**	**(3.8)**
As at 31 March 2023	**610.0**	**150.0**	**200.0**	**400.0**	**191.7**	**(3.6)**	**1,259.1**	**65.9**	**(6.6)**	**1,318.4**

3. Earnings per unit and net tangible assets

3.1. Earnings per unit

Earnings per unit measures are calculated as loss or operating earnings after tax divided by the weighted number of issued units for the year. Operating earnings is a non-GAAP financial measure included to provide an assessment of the performance of GMT's principal operating activities. This non-GAAP financial measure may not be consistent with its calculation by other similar entities.

The calculation of operating earnings before other income / (expenses) and tax is set out in the Statement of Comprehensive Income.

3. Earnings per unit and net tangible assets (continued)

3.1. Earnings per unit (continued)

$ million	2024	2023
Operating earnings before other income / (expenses) and tax	135.6	126.5
Current tax on operating earnings	(14.2)	(15.4)
Operating earnings after tax	**121.4**	**111.1**

	Weighted units	
Million	2024	2023
Weighted units	1,404.7	1,403.3

cents per unit	2024	2023
Operating earnings per unit before tax	9.65	9.01
Operating earnings per unit after tax	8.64	7.92
Basic and diluted loss per unit after tax	(40.21)	(9.65)

3. Earnings per unit and net tangible assets (continued)

3.2. Net tangible assets

Diluted units, comprising issued units plus deferred units not yet issued, are used to calculate net tangible assets (NTA) per unit.

	Diluted units	
Million	2024	2023
Issued units	1,538.8	1,403.3
Diluted units	**1,538.8**	**1,403.3**

	2024	2023
Net tangible assets ($ million)	3,099.1	3,440.7
Net tangible assets per unit (cents)	201.4	245.2

4. Internalisation transaction

On 28 March 2024 the Trust settled the termination of its management arrangement with Goodman Group. The Trust entered into contracts for $272.4 million with Goodman Group for GNZ agreeing to relinquish its rights under the existing management arrangements as well as for the shares in Goodman Property Services (NZ) Limited ("GPS") and the provision of co-operation and services arrangements following settlement of the internalisation. These contracts comprised of $250.0 million for the termination of the management arrangements between GMT and GNZ, $11.3 million for the termination of the current property and development management agreements between GMT and GPS and $11.2 million for co-operation services to be provided by Goodman Group to GMT.

The contract agreed that $17.6 million in aggregate was provided to Goodman Group in consideration for the sale to GMT of Goodman Group's interest in co-owned investment properties, the net tangible assets of GPS and in lieu of any performance fee that may be payable to GNZ for the period from 1 April 2023 until settlement of the internalisation under the terms of the Trust Deed. There will be no obligation for GMT to pay GNZ performance fees relating to historical out-performance that would be carried forward (see note 12). As part of their employment contracts, GPS employees are entitled to participate in certain long-term incentive plans. As part of the transaction, Goodman Group has indemnified GMT for any future LTIP costs in relation to LTIP schemes in existence on internalisation of GMT until such time as the awards vest.

To facilitate the settlement of the internalisation and related transactions, Goodman Industrial Trust subscribed for $290.0 million of Units at a fixed price of $2.14 per unit. The price was determined on the basis of the higher of the net tangible assets per Unit (taking account of preliminary 31 March 2024 valuations) or the 5-day volume-weighted average price up to 20 February 2024. The Unit subscription was approved at a meeting of Unitholders on 26 March 2024. This is the acquisition date as the Unitholder approval is the key determinant to the effecting of the internalisation transaction. The movement in unit price from 20 February 2024 to 26 March 2024 results in a total fair value of consideration to be equal to $2.285 per unit or $309.6 million. The transaction has been accounted for as an exchange of equity and for accounting the total consideration transferred has been reflected as the fair value of the equity instruments on the date of the transaction.

4. Internalisation transaction (continued)

The table below summarises the transaction as agreed against the reported position.

$ million	Transaction price as agreed[1]	Reported transaction price[2]	Transaction expense in profit or loss
Surrender and termination of GNZ's management rights of GMT	250.0	250.0	250.0
Payment to GNZ in lieu of Manager's performance fee	14.7	14.7	14.7
Co-operation Services Agreement	11.2	11.2	–
Company secretarial services provided by GMT to GMG	(0.1)	(0.1)	–
Licence to use Goodman brand	–	–	–
Acquisition of GPS management rights	11.3	2.4	2.4
Acquisition of GPS net assets	1.3	1.3	–
GMT acquisition of remaining co-owned property interests	1.6	1.6	–
Pre-existing employee benefits	–	28.5	–
Transaction costs	–	–	8.4
Total	**290.0**	**309.6**	**275.5**

1 As agreed on 20 February 2024

2 At fair value as of 26 March 2024

Acquisition of Goodman Property Services (NZ) Limited

Prior to the internalisation of GMT, GPS provided property management, development management and related services to GNZ as Manager of the Trust. As a result of the internalisation transactions, GMT acquired 100% control in the equity interests of GPS in exchange for GMT units subscribed by Goodman Group with settlement occurring on 28 March 2024. GPS is now the Manager of Goodman Property Trust and provide services directly to the Trust on a cost recovery basis.

Judgement was involved in determining whether some or all of these transactions met the definition of a business combination. It has been determined that the acquisition of GPS was a business combination.

The agreement for sale and purchase of shares in GPS between Goodman Limited and GMT included a clause in regard to an indemnity provided by Goodman Limited to GMT for the pre-existing LTIP schemes. This clause creates assets acquired at fair value being:

+ An indemnification asset relating to the past service component of these schemes, the value of which is equal to the LTIP liabilities recognised at acquisition date (see below).
+ A prepayment asset of $28.5 million for the years remaining on the LTIP schemes which is a component of the total consideration paid, being the future service element (see previous page).

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4. Internalisation transaction (continued)

The following table summarises the provisional amounts of the fair value of the assets acquired, and liabilities assumed at the date of acquisition:

$ million	2024
Cash	1.5
Other assets	0.1
Indemnification assets	35.6
Property, plant & equipment	1.6
Deferred tax assets	0.2
Right-of-use assets	2.7
Lease liabilities	(3.1)
Employee entitlements	(36.0)
Other liabilities	(1.3)
Net identifiable assets acquired	**1.3**
Purchase consideration transferred	**1.3**

5. Derivative financial instruments

Derivative financial instruments are used to manage exposure to interest rate risks and foreign exchange risks arising from GMT's borrowings.

5.1. Movement in fair value of financial instruments

$ million	2024	2023
Interest rate derivatives	(6.6)	(4.9)
Cross currency interest rate derivatives relating to US Private Placement notes	7.6	8.8
Total movement in fair value of derivative financial instruments	**1.0**	**3.9**
Foreign exchange rate movement on US Private Placement notes	(9.2)	(18.7)
Total movement in fair value of financial instruments	**(8.2)**	**(14.8)**

ACCOUNTING POLICIES

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at fair value at each reporting date. Derivative financial instruments are classified as current or non-current based on their date of maturity.

Movements in the fair value of derivative financial instruments are recognised through the Statement of Comprehensive Income. The Group does not apply hedge accounting.

KEY JUDGEMENT

The fair values of derivative financial instruments are determined from valuations using Level 2 valuation techniques. These are based on the present value of estimated future cash flows, taking account of the terms and maturity of each contract and the current market interest rates at the reporting date. Fair values also reflect the creditworthiness of the derivative counterparty and GMT at balance date. The valuations were based on market rates at 31 March 2024 of between 5.64% for the 90-day BKBM and 4.37% for the 10-year swap rate (2023: 5.23% for the 90-day BKBM and 4.30% 10-year swap rate). There were no changes to these valuation techniques during the year.

5. Derivative financial instruments (continued)

5.2. Derivative financial instruments

$ million	2024	2023
Cross currency interest rate derivatives		
Non-current assets	26.4	18.8
Interest rate derivatives		
Non-current assets	12.0	24.1
Current assets	3.8	–
Non-current liabilities	(6.8)	(10.1)
Current liabilities	(2.1)	(0.5)
Net derivative financial instruments	**33.3**	**32.3**

5.3. Additional derivative information

	2024	2023
Cross currency interest rate derivatives		
Notional contract value as fixed rate receiver ($ million)	160.7	160.7
Percentage of US Private Placement notes borrowings converted to floating rate NZD payments	100%	100%
Weighted average term to maturity (years)	3.5	4.5
Cross currency interest rate derivatives recorded at fair value are expected to be terminated upon repayment of the US Private Placement notes as detailed in note 2.2.		
Interest rate derivatives		
Notional contract value as fixed rate payer ($ million)	610.0	560.0
Interest rate range as fixed rate payer	0.4% – 5.0%	0.4% – 4.7%
Notional contract value as fixed rate receiver ($ million)[1]	200.0	250.0
Weighted average term to maturity of borrowings fixed, including retail and wholesale bonds (years)	4.1	4.8
Percentage of borrowings fixed, including retail and wholesale bonds	75%	86%

[1] The fixed rate receiver derivative expiries align with certain bonds, to convert a portion of bonds back to floating rate interest.

6. Administrative expenses

Administrative expenses are incurred to manage the operational activity of GMT.

$ million	2024	2023
Valuation fees	(1.1)	(0.8)
Trustee fees	(0.5)	(0.5)
Auditor's fees	(0.5)	(0.4)
Other costs	(1.5)	(1.7)
Total administrative expenses	**(3.6)**	**(3.4)**

Fees paid to auditor

$ million	2024	2023
Audit and review of financial statements[1]	(0.8)	(0.4)
Other assurance services and other agreed-upon procedures engagements	–	–
Other services	–	–
Total auditor's fees paid to auditor	**(0.8)**	**(0.4)**

1 Includes scope changes for costs relating to the internalisation transaction ($0.3 million) which have been classified within internalisation transaction costs.

Other assurance services and other agreed-upon procedures engagements

Fees for other assurance related services of $29,350 comprise scrutineering fees on the special meeting of unitholders, agreed upon procedures on the financial covenants of the bank facilities, agreed upon procedures on the NTA of GPS and reporting to the supervisor of GMT Bond Issuer Limited (2023: $18,700 comprise assurance services on the performance fee calculation, agreed upon procedures on the financial covenants of the bank facilities and reporting to the supervisor of GMT Bond Issuer Limited). PwC have been engaged to perform an operational emissions and sustainability gap analysis in relation to climate reporting and assurance in regard to the use of proceeds for the Group's green lending arrangements. These services had not commenced as of balance date.

7. Related party assets

Goodman Group has indemnified the Trust for the settlement of the existing long-term incentive plan that GPS staff are entitled to (the 'pre-existing GMG LTIP' and the 'pre-existing GMT LTIP'). All costs and liabilities owing to the employees relating to awards granted before settlement of the internalisation will be met by Goodman Group.

$ million	2024	2023
Current		
Co-operation Services Agreement	1.1	–
Indemnification assets	14.2	–
Prepayment assets	1.3	–
Other related party assets	2.8	–
Total current related party assets	**19.4**	**–**
Non-current		
Co-operation Services Agreement	10.0	–
Indemnification assets	19.3	–
Prepayment assets	27.2	–
Total non-current related party assets	**56.5**	**–**
Total related party assets	**75.9**	**–**

ACCOUNTING POLICIES

The Co-operation Services Agreement with Goodman Group is initially recognised at fair value and subsequently measured at amortised cost (over an initial 10-year amortisation period).

The indemnification assets are recognised as part of the business combination in relation to the past service component of the pre-existing LTIPs (see note 4). The value of the indemnification assets is therefore equal to the pre-existing LTIP liabilities recognised at acquisition date and is subsequently measured on the same basis as the corresponding LTIP liability (see note 8) with the movements recognised through the Statement of Comprehensive Income.

Prepayment assets are recognised for the years remaining on the pre-existing LTIP schemes in relation to the component of the total consideration paid, being the future service element. As part of the internalisation transaction, a prepayment has been recognised in return for Goodman Limited assuming the liability for the pre-existing LTIPs for which GPS receives the benefit of the future service from the employees. This asset is initially recognised at cost, being the fair value at the date of settlement and subsequently measured at cost less impairment over the term of the prepayment.

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8. Employee benefits liabilities

The pre-existing GMG LTIP employee benefit expense relates to performance rights previously awarded to employees under the Goodman Group ("GMG") long-term incentive plan ("LTIP"). All full-time and part-time permanent employees were eligible to participate. The performance rights entitle an employee to acquire GMG stapled securities for nil consideration, subject to the vesting conditions having been satisfied. At vesting, settlement will be made directly by GMG with no additional financial impact to the Group than the value attributed to the indemnification asset (see note 4). The future performance and settlement of this award is a responsibility of GMG until the vesting conditions around the service period cease.

The pre-existing GMT LTIP share based payments expense relates to performance rights previously awarded to employees under the GMT long-term incentive plan ("LTIP"). All full-time and part-time permanent employees were eligible to participate. The performance rights entitle an employee to acquire GMT units for nil consideration, subject to the vesting conditions having been satisfied. These rights are vested subject to meeting performance hurdles based on the achievement of operating earnings targets by GMT and the relevant total unitholder return from holding GMT units compared to other New Zealand Stock Exchange ("NZX") property vehicles. At vesting, settlement will be made by a cash payment equivalent to the value of units, with the financial impact to the Group to be reimbursed by GMG as per the terms of the sale of the GPS to GMT.

$ million	2024	2023
Current		
Employee entitlements	3.2	–
Employee benefits liabilities – pre-existing GMT LTIP	5.2	–
Employee benefits liabilities – pre-existing GMG LTIP	8.9	–
Total current employee benefits liabilities	**17.3**	**–**
Non-current		
Employee benefits liabilities – pre-existing GMT LTIP	8.1	–
Employee benefits liabilities – pre-existing GMG LTIP	11.1	–
Total non-current employee benefits liabilities	**19.2**	**–**
Total employee benefits liabilities	**36.5**	**–**

ACCOUNTING POLICIES

Employee entitlements are initially recognised at fair value and subsequently measured at amortised cost. Items recorded as current are expected to be settled within the next twelve months.

The Trust has recognised a cash-settled share-based payment in relation to the pre-existing GMT LTIP and an employee benefit expense in relation to the pre-existing GMG LTIP.

The pre-existing GMT LTIP performance rights is calculated over the period to the vesting date and is adjusted to reflect the actual number of rights for which the related service and non-market vesting conditions are expected to be met. The liability recognised is remeasured at each balance date using the GMT market price, with the movement in liability recorded through the Statement of Comprehensive Income.

The pre-existing GMG LTIP performance rights are settled directly between GMG and staff. This is calculated over the period to the vesting date and is adjusted to reflect the actual number of rights for which the related service and non-market vesting conditions are expected to be met. The liability recognised is remeasured at each balance date using the GMG market price and AUD/NZD exchange rate, with the movement in liability recorded through the Statement of Comprehensive Income.

8. Employee benefits liabilities (continued)

The fair value of services received in return for performance rights granted under the LTIP is measured by reference to the fair value of the performance rights granted. The fair value of these pre-existing LTIP performance rights was measured as follows:

+ Operating EPS hurdles: are assessed using Management's estimates of achieving these targets. These estimates are based on information regarding the expected performance for GMG as publicly reported and are consistent with the valuation approach taken by GMG for recognition of LTIPs in its financial statements or based on internal forecast information in the business plan for GMT as presented to the Board, both risk adjusted for the passage of time.
+ Relative TSR tranches: these rights were valued using a Monte Carlo model which simulated total returns for each of the ASX 100 stocks / NZX Property vehicle stocks and discounted the future value of any potential future vesting performance rights to arrive at a present value. The model uses statistical analysis to forecast total returns, based on expected parameters of variance and co-variance.

The movement in the number of performance rights was as follows:

Number of rights	Pre-existing GMG LTIP 2024	Pre-existing GMT LTIP 2024
Outstanding at the beginning of the year	–	–
Performance rights acquired on acquisition of subsidiary	1,489,601	14,021,851
Outstanding at the end of the year	**1,489,601**	**14,021,851**

The model inputs for the remeasurement of the pre-existing GMG LTIPs at 31 March 2024 included the following:

	Rights issued in FY24	Rights issued in FY23	Rights issued in FY22	Rights issued in FY21	Rights issued in FY20
Fair value at measurement date ($)	28.38	28.51	16.84	36.85	36.85
Security price ($)	36.85	36.85	36.85	36.85	36.85
Exercise price ($)	–	–	–	–	–
Expected volatility (%)	29.32	24.07	27.17	–	–
Rights' expected weighted average life (years)	3.4	2.4	1.4	0.9	0.4
Dividend/distribution yield per annum (%)	–	–	–	–	–
NZD/AUD exchange rate	1.09	1.09	1.09	1.09	1.09
Average risk free rate of interest per annum (%)	4.28	3.88	4.22	–	–

The model inputs for the remeasurement of the pre-existing GMT LTIPs at 31 March 2024 included the following:

	Rights issued in FY24	Rights issued in FY23	Rights issued in FY22	Rights issued in FY21	Rights issued in FY20
Fair value at measurement date ($)	1.43	2.02	2.28	2.28	2.28
Security price ($)	2.28	2.28	2.28	2.28	2.28
Exercise price ($)	–	–	–	–	–
Expected volatility (%)	16.83	14.61	–	–	–
Rights' expected weighted average life (years)	3.2	2.2	1.2	0.7	0.2
Dividend/distribution yield per annum (%)	3.07	3.00	–	–	–
Average risk free rate of interest per annum (%)	4.55	5.17	–	–	–

9. Debtors and other assets

$ million	2024	2023
Debtors	1.5	1.5
Prepayments	1.9	1.3
Interest receivable	5.6	5.1
Other assets	0.1	2.5
Total debtors and other assets	**9.1**	**10.4**

ACCOUNTING POLICIES

Debtors and other assets are initially recognised at fair value and subsequently measured at amortised cost. They are adjusted for expected impairment losses. Discounting is not applied to receivables where collection is expected to occur within the next twelve months.

A provision for impairment is recognised when there is objective evidence that the Group will be unable to collect amounts due. The simplified approach to providing for expected credit losses has been applied, permitting the use of a lifetime expected loss provision for all trade receivables. The amount provided is the difference between the carrying amount and expected recoverable amount.

10. Creditors and other liabilities

$ million	2024	2023
Creditors	0.4	0.9
Interest payable	12.6	12.4
Related party payables	–	2.8
Accrued capital expenditure	20.0	21.5
Other liabilities	15.2	7.5
Total creditors and other liabilities	**48.2**	**45.1**

ACCOUNTING POLICIES

Creditors and other liabilities are initially recognised at fair value and subsequently measured at amortised cost. All payments are expected to be made within the next twelve months.

11. Tax

11.1. Tax expense

$ million	2024	2023
Loss before tax	(626.5)	(126.0)
Tax at 28%	175.4	35.3
Depreciation of investment property	12.7	10.1
Movement in fair value of investment property	(133.9)	(66.5)
Deductible net expenditure for investment property	9.3	8.2
Derivative financial instruments	(2.1)	(3.9)
Internalisation transaction	(77.0)	–
Change in tax depreciation method	1.1	–
Prior period adjustments	0.3	1.4
Current tax on operating earnings	**(14.2)**	**(15.4)**
Internalisation transaction	15.7	–
Current tax on non-operating earnings	**15.7**	**–**
Current tax	**1.5**	**(15.4)**
Depreciation of investment property	(12.7)	(10.1)
Reduction of liability in respect of depreciation recovery income	13.5	13.5
Deferred expenses	(3.0)	(1.4)
Derivative financial instruments	2.1	4.0
Borrowing issue costs	0.1	–
Tax losses	60.1	–
Deferred tax	**60.1**	**6.0**
Total tax	**61.6**	**(9.4)**

Current tax on operating earnings is a non-GAAP measure included to provide an assessment of current tax for GMT's principal operating activities. This non-GAAP financial measure may not be consistent with its calculation by other similar entities.

ACCOUNTING POLICIES

Tax expense for the year comprises current and deferred tax recognised in the Statement of Comprehensive Income.

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

Deferred tax is provided in full using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax is not accounted for if it arises from the initial recognition of assets or liabilities in a transaction, other than a business combination, that affects neither accounting nor taxable profit or loss and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

11. Tax (continued)

11.2. Deferred tax

$ million	2024	2023
Deferred tax assets		
Tax losses	60.1	–
Employee benefits liabilities	9.3	–
Total deferred tax assets	**69.4**	**–**
Deferred tax liabilities		
Investment properties – depreciation recoverable	(17.9)	(18.7)
Investment properties – deferred expenses	(14.3)	(11.3)
Derivative financial instruments	2.3	0.2
Borrowings issue costs	(0.1)	(0.2)
Indemnification asset	(9.3)	–
Total deferred tax liabilities	**(39.3)**	**(30.0)**
Net deferred tax assets / (liabilities)	**30.1**	**(30.0)**

KEY JUDGEMENT

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

For deferred tax liabilities potentially arising on investment property measured at fair value there is a rebuttable presumption that the carrying amount of the investment property asset will be recovered through sale. In estimating this deferred tax liability, the Group has made reference to the Manager's experience of tax depreciation recovered when properties of a similar nature have been sold.

12. Related party disclosures

As outlined in note 4, GMT internalised its management with settlement occurring on 28 March 2024. From this date no further fees were payable to the former Manager with the costs of managing GMT to be incurred directly. The information below relates to fees paid to related parties prior to internalisation.

Related party transactions with regard to the internalisation transaction are disclosed in note 4 and related party assets are disclosed in note 7. The Goodman Group entities continue to be related parties of GMT and its subsidiaries as GIH is a significant shareholder with GMT being equity accounted in the financial statements of Goodman Group.

12. Related party disclosures (continued)

Entity		Nature of relationship pre-internalisation (up to 28 March 2024)	Nature of relationship post-internalisation (from 28 March 2024)
Goodman (NZ) Limited	GNZ	Manager of the Trust	Subsidiary of GL
Goodman Property Services (NZ) Limited	GPS	Provider of property management, development management and related services to the Trust	Manager of the Trust and subsidiary
Goodman Investment Holdings (NZ) Limited	GIH	Unitholder in GMT	Unitholder in GMT
Goodman Limited	GL	Parent entity of GNZ & GIH. Parent entity of GPS	Parent entity of GNZ & GIH, and provider of support services
Goodman Industrial Trust	GIT	Unitholder in GMT and property co-owner with GMT	Unitholder in GMT

12.1. Transactions with related parties

$ million	Related party	Recorded 2024	Recorded 2023	Capitalised 2024	Capitalised 2023	Outstanding 2024	Outstanding 2023
Manager's base fee	GNZ	(18.9)	(19.7)	1.7	2.1	–	(1.6)
Property management fees [1]	GPS	(4.5)	(4.0)	–	–	–	(0.3)
Leasing fees	GPS	(2.8)	(3.2)	–	–	–	(0.1)
Acquisition and disposal fees	GPS	–	(1.0)	–	1.0	–	–
Minor project fees	GPS	(1.1)	(0.8)	1.1	0.8	–	(0.2)
Development management fees	GPS	(13.1)	(3.1)	13.1	3.1	–	(0.6)
Total fees		**(40.4)**	**(31.8)**	**15.9**	**7.0**	**–**	**(2.8)**
Reimbursement of expenses for services provided	GPS	(2.5)	(2.0)	0.8	0.3	–	–
Gross lease receipts received	GPS	0.2	0.2	–	–	–	–
Issue of units for Manager's performance fee reinvested	GIH	–	15.7	–	–	–	–
Distributions paid	GIT	(4.6)	(3.3)	–	–	–	–
Distributions paid	GIH	(17.0)	(17.1)	–	–	–	–

[1] Of the property management fees charged by GPS, $4.0 million was paid by customers and was not a cost borne by GMT (2023: $3.2 million).

12.2. Other related party transactions

Capital transactions
Capital transactions that occurred with former related parties could only be approved by the Independent Directors of GNZ, with non-Independent Directors excluded from the approval process.

No properties were acquired pursuant to the Co-ownership Agreement between GMT and Goodman Industrial Trust (2023: none).

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12. Related party disclosures (continued)

12.2. Other related party transactions (continued)

Key management personnel
Key management personnel are those people with the responsibility and authority for planning, directing and controlling the activities of an entity. Prior to internalisation, as the Trust did not have any employees or Directors, key management personnel was considered to be the former Manager (GNZ). All compensation paid to the Manager is disclosed within this note. Post internalisation the key management personnel are considered to be the Directors, the Chief Executive Officer, the Chief Financial Officer and the General Counsel. Total key management personnel expenses for the period between 26 March 2024 and 31 March 2024 are detailed in the table below.

$	26 March 2024 to 31 March 2024
Base salary	16,356
Short-term incentive	15,452
Long-term incentive	149,766
Total	**181,574**

No fees were paid to Directors of GPS for the period 26 March 2024 to 31 March 2024.

Related party investment in GMT
At 31 March 2024, Goodman Group, GNZ's ultimate parent, through its subsidiary Goodman Investment Holdings (NZ) Limited, held 278,063,312 units in GMT out of a total 1,538,768,535 units on issue (31 March 2023: 278,063,312 units in GMT out of a total 1,403,254,516 units).

At 31 March 2024, Goodman Group, GNZ's ultimate parent, through Goodman Industrial Trust, held 210,871,396 units in GMT out of a total 1,538,768,535 units on issue (31 March 2023: 75,357,377 units in GMT out of a total 1,403,254,516 units).

Licence to use Goodman brand
Goodman Group have granted GMT and GPS a non-exclusive, non-transferable licence to continue to use the "Goodman" brand for so long as Goodman Group holds at least 10% of the units in GMT. There will be no ongoing fee payable for use of the Goodman brand under the Brand Licence Agreement.

In using the Goodman brand, GMT and GPS will be required to follow Goodman Group brand guidelines and Goodman Group may terminate the licence in customary circumstances, including in the event of serious or unremedied breach. There will be a two-month transition period to cease using the brand once GMT is no longer entitled to do so.

12.3. Explanation of related party transactions

Manager's base fee
Up to the date of internalisation, the former Manager's base fee was calculated as 0.50% per annum of the book value of GMT's assets (other than cash, debtors and development land) up to $500 million, plus 0.40% per annum of the book value of GMT's assets (other than cash, debtors and development land) greater than $500 million.

Manager's performance fee
Up to the date of internalisation, the former Manager was entitled to be paid a performance fee equal to 10% of GMT's performance above a target return (which is calculated annually on 31 March), capped at 5% of annual out performance (except in a period in which GNZ ceases to hold office, or GMT terminates). The target return is equal to the annual return of a gross accumulation index created from NZX listed property entities having a principal focus on investment in real property, excluding GMT, (the "Peer Group") with the index being compiled by a suitably qualified and experienced person.

As part of the internalisation, a payment in lieu of the performance fee of $14.7 million was paid to GNZ to settle GMT's performance fee obligations. This was calculated to be equivalent to the maximum performance fee payable in the year to 31 March 2024.

12. Related party disclosures (continued)

12.3. Explanation of related party transactions (continued)

Property management fees
Up to the date of internalisation, property management fees were paid to GPS for day to day management of properties.

Leasing fees
Up to the date of internalisation, leasing fees were paid to GPS for executing leasing transactions.

Acquisition and disposal fees
Up to the date of internalisation, acquisition and disposal fees were paid to GPS for executing sale and purchase agreements.

Minor project fees
Up to the date of internalisation, minor project fees were paid for services provided to manage capital expenditure projects for stabilised properties.

Development management fees
Up to the date of internalisation, development management fees were paid for services provided to manage capital expenditure projects for developments.

Reimbursement of expenses for services provided
Up to the date of internalisation, certain services were provided by GPS instead of using external providers, with these amounts reimbursed on a cost recovery basis.

Gross lease receipts
Up to the date of internalisation, rent was received by GMT from GPS for the office leased by GPS at Highbrook Business Park.

12.4. Related party capital commitments

$ million	Related party	2024	2023
Development management fees for developments in progress	GPS	–	16.4
Total related party capital commitments		**–**	**16.4**

13. Commitments and contingencies

13.1. Non-related party capital commitments

These commitments are amounts payable for contractually agreed services for capital expenditure. For related party capital commitments refer to note 12.4.

$ million	2024	2023
Completion of developments	39.9	202.2
Total non-related party capital commitments	**39.9**	**202.2**

13.2. Contingent liabilities

The Group has no material contingent liabilities (2023: none).

14. Reconciliation of loss after tax to net cash flows from operating activities

$ million	2024	2023
Loss after tax	(564.9)	(135.4)
Non-cash items:		
Movement in fair value of investment property	478.4	237.7
Deferred lease incentives and leasing costs	(7.1)	(0.5)
Fixed rental income adjustments	(4.4)	(2.8)
Issue costs and subsequent amortisation for non-bank borrowings	0.7	(0.7)
Movement in fair value of derivative financial instruments	8.2	14.8
Manager's performance fee expected to be reinvested in units	–	(15.7)
Internalisation transaction	272.5	–
Deferred tax	–	(6.0)
Net cash flows from operating activities before changes in assets and liabilities	**183.4**	**91.4**
Movements in working capital from:		
Debtors and other assets	0.4	(4.8)
Creditors and other liabilities	(0.1)	4.6
Tax liabilities	(71.6)	–
Movements in working capital	**(71.3)**	**(0.2)**
Net cash flows from operating activities	**112.1**	**91.2**

SIGNIFICANT TRANSACTION

The internalisation transaction, as detailed in note 4, was settled via a non-cash payment direction with no cash movements required.

15. Financial risk management

In addition to business risk associated with the Group's principal activity of investing in real estate in New Zealand, the Group is also exposed to financial risk for the financial instruments that it holds. Financial risk can be classified in the following categories: interest rate risk, credit risk, liquidity risk and capital management risk.

15.1. Financial instruments

The following items in the Balance Sheet are classified as financial instruments: Cash, debtors and other assets (excluding prepayments), derivative financial instruments, creditors and other liabilities, lease liabilities and borrowings. All items are recorded at amortised cost with the exception of derivative financial instruments, which are recorded at fair value through the Statement of Comprehensive Income.

15. Financial risk management (continued)

15.1. Financial instruments (continued)

ACCOUNTING POLICIES

Financial instruments are classified dependent on the purpose for which the financial instrument was acquired or assumed. Management determines the classification of its financial instruments at initial recognition between two categories:

Amortised cost	Instruments recorded at amortised cost are those with fixed or determined receipts / payments that are recorded at their expected value at balance date.
Fair value through Statement of Comprehensive Income	Instruments recorded at fair value through the Statement of Comprehensive Income have their fair value measured via active market inputs, or by using valuation techniques if no active market exists.

15.2. Interest rate risk

The Group's interest rate risk arises from borrowings. The Group manages its interest rate risk in accordance with its Financial Risk Management policy. The principal objective of the Group's interest rate risk management process is to mitigate negative interest rate volatility adversely affecting financial performance.

The Group manages its interest rate risk by using floating-to-fixed interest rate swaps and interest rate caps. Interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Group borrowed directly at fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals (primarily quarterly), the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts. Where the Group raises long-term borrowings at fixed rates, it may enter into fixed-to-floating interest rate swaps to enable the cash flow interest rate risk to be managed in conjunction with its floating rate borrowings.

The table below considers the direct impact to interest costs of a 1% change to interest rates.

$ million	2024	2023
Impact to loss after tax of a 1% increase in interest rates	(3.6)	(1.7)
Impact to loss after tax of a 1% decrease in interest rates	3.6	1.7

15.3. Credit risk

Credit risk arises from cash, derivative financial instruments and credit exposures to customers. For banks and financial institutions only independently credit rated parties are accepted, and when derivative contracts are entered into their credit risk is assessed. For customers, the Group assesses the credit quality of the customer, considering its financial position, past experience and any other relevant factors. The overall credit risk is managed with a credit policy that monitors exposures and ensures that the Group does not bear unacceptable concentrations of credit risk.

The Group's maximum exposure to credit risk is best represented by the total of its debtors, derivative financial instrument assets and cash as shown in the Balance Sheet. To mitigate credit risk the Group holds security deposits, bank guarantees, parent company guarantees or personal guarantees as deemed appropriate.

15. Financial risk management (continued)

15.4. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations from its financial liabilities. The Group's approach to management of liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages this risk through active monitoring of the Group's liquidity position and availability of borrowings from committed facilities.

The following table outlines the Group's financial liabilities by their relevant contractual maturity date. Values are the contractual undiscounted cash flows and include both principal and interest where applicable.

$ million	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 and later	Total cash flows	Carrying value
2024								
Borrowings	169.8	444.8	192.7	426.4	195.4	212.4	1,641.5	1,420.7
Derivative financial instruments	–	–	–	–	–	–	–	8.9
Lease liabilities	3.3	2.0	1.0	0.8	0.2	–	7.3	66.2
Creditors and other liabilities	48.2	–	–	–	–	–	48.2	48.2
Total	**221.3**	**446.8**	**193.7**	**427.2**	**195.6**	**212.4**	**1,697.0**	**1,544.0**
2023								
Borrowings	154.9	395.3	157.8	27.0	417.4	270.6	1,423.0	1,231.7
Derivative financial instruments	–	–	–	–	–	–	–	10.6
Lease liabilities	3.5	3.5	3.2	1.9	1.0	0.9	14.0	65.9
Creditors and other liabilities	45.1	–	–	–	–	–	45.1	45.1
Total	**203.5**	**398.8**	**161.0**	**28.9**	**418.4**	**271.5**	**1,482.1**	**1,353.3**

15.5. Capital management risk

The Group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence, while maximising the return to investors through optimising the mix of debt and equity. The Group meets its objectives for managing capital through its investment decisions on the acquisition, development and disposal of assets, its distribution policy and raising new equity. The Group's policies in respect of capital management are reviewed regularly by the Board of Directors of the Manager.

The Group's capital structure includes bank debt, retail bonds, wholesale bonds, US Private Placement notes and unitholders' equity. GMT's Trust Deed requires the Group's ratio of borrowings to the aggregate value of its property assets to be less than 50%. The Group complied with this requirement during this year and the prior year.

The Group has issued retail bonds, wholesale bonds and US Private Placement notes, the terms of which require that the total borrowings of GMT and its subsidiaries do not exceed 50% of the value of the property portfolio on which these borrowings are secured. The Group complied with this requirement during this year and the prior year.

15. Financial risk management (continued)

15.6. Fair value of financial instruments

Except for the retail bonds, green retail bonds, wholesale bonds and US Private Placement notes; the carrying values of all Balance Sheet financial instruments approximate their estimated fair value. The fair values of retail bonds, green retail bonds, wholesale bonds and US Private Placement notes are as follows:

$ million	Fair value hierarchy	2024	2023
Retail bonds	Level 1	99.7	197.1
Green retail bonds	Level 1	144.5	143.4
Wholesale bonds	Level 2	350.5	341.7
US Private Placement notes	Level 2	US$106.7	US$109.4

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

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

The fair value of financial instruments classified as Level 2, being wholesale bonds and US Private Placement notes, is measured using a present value calculation of the future cash flows using the relevant term swap rate as the discount factor.

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest input to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, the measurement is a Level 3 measurement.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the date of the event or change in circumstances that caused the transfer. During the year, there were no transfers between levels of the fair value hierarchy.

16. Major customer disclosure

The Group is required to provide information about the extent of its reliance on its major customers (being 10 per cent or more of an entity's revenues). For the year ended 31 March 2024, the Group had one customer with total revenue of $24.4 million, which amounted to 10.0% of the Group's revenue (2023: none).

17. Operating segments

The Trust's activities are reported to the Board of Directors of the Manager as a single operating segment; therefore, these financial statements are presented in a consistent manner to that reporting.

INDEPENDENT AUDITOR'S REPORT

To the unitholders of Goodman Property Trust (the Trust)

Our opinion

In our opinion, the accompanying financial statements of the Trust, including its subsidiaries (the Group), present fairly, in all material respects, the financial position of the Trust as at 31 March 2024, 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

The Trust's financial statements comprise:

— the balance sheet as at 31 March 2024;

— the statement of comprehensive income for the year then ended;

— the statement of changes in equity for the year then ended;

— the 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 the Group 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.

Our firm carries out other services for the Group including agreed upon procedures engagements in relation to the following areas: financial covenants of the bank facilities, scrutineering services, net tangible asset reporting for Goodman Property Services Limited (the "Manager") and reporting to the supervisor of GMT Bond Issuer Limited. We have been engaged to perform an operational emissions and sustainability gap analysis in relation to climate reporting. We have also been engaged to provide assurance in regard to the use of proceeds for the Group's green lending arrangements. Prior to the acquisition of the Manager we provided benchmarking data in relation to executives of the Manager. The provision of these services has not impaired our independence as auditor of the Group.

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T: +64 9 355 8000, www.pwc.co.nz

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. These matters were 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 these matters.

Description of the key audit matter	How our audit addressed the key audit matter
Accounting for the internalisation transaction On 26 March 2024, the Group acquired Goodman Property Services (NZ) Limited ("GPS") and terminated Goodman (NZ) Limited's management rights (together, the "internalisation transaction') as disclosed in Note 4 *Internalisation transaction*. We consider this internalisation transaction to be a key audit matter due to the significance of this transaction to the Group, the importance of this matter to the understanding of the financial statements as a whole, and the extent of our audit effort in this area. It was concluded that the acquisition of GPS constitutes a business combination and that the Trust is the acquirer. Management has determined that the transfer date for this transaction was 26 March 2024. The purchase consideration was valued at $309.6m, which consisted of units in the Trust issued to Goodman Industrial Trust. As a result of this transaction, the Group acquired net assets at fair value of GPS of $1.3m (which included an indemnification asset of $35.6m for existing long term incentive plan obligations for past service held in GPS on acquisition) and the Group made a prepayment of $28.5m for future service obligations relating to these plans. Judgement was required to measure the fair value of all assets and liabilities acquired on transaction date, in particular, liabilities for existing long term incentive plans and recognition of an asset from Goodman Limited for the future settlement of these long term incentive plans once vested. As part of the internalisation transaction the Group has incurred total expenses of $275.5m, being a component of the total consideration of $309.6m, of which $250m has been allocated to the termination of management rights. The Group has received a binding ruling to confirm the deductibility of this $250m payment.	We read the relevant documents including the Agreement for Termination of Management Rights, Agreement for Sale, and Purchase of Shares and the Implementation Deed. We assessed management's conclusions on the following matters: — how the acquisition of GPS meets a business combination; — who the acquirer of GPS is and how they have been identified; — how the date of the internalisation transaction has been determined; — how the consideration for the internalisation transaction was determined and settled by a payment direction; and — the basis of recognising and measuring the fair value of the identifiable assets acquired, the liabilities assumed and prepayment made as part of the internalisation transaction. We challenged the assessments made by management, as noted above, and obtained appropriate supporting documentation where we determined it necessary. We also engaged our internal technical accounting team to support the conclusions reached. In validating the fair value assigned to the units issued to Goodman Industrial Trust as consideration, we compared the contractual price per unit to the market unit price on acquisition date and recalculated the total value of the units issued. We engaged our valuation experts to assess the fair values of the long term incentive liabilities and the value of the corresponding asset for future settlement of these long term incentives by Goodman Limited. We reviewed the binding ruling received by the Group from Inland Revenue confirming the deductibility of the $250m payment for termination of management rights. We also considered the appropriateness of the disclosures made in the financial statements.

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Description of the key audit matter	How our audit addressed the key audit matter
Valuation of investment property As disclosed in note 1, the portfolio of investment properties comprising stabilised properties and investment property under development held by the Group was valued at $4,533.9m as at 31 March 2024. The valuation of investment properties is inherently subjective. A small difference in any one of the key market input assumptions, when aggregated, could result in a material misstatement of the valuation of investment properties. The existence of significant estimation uncertainty coupled with the size and value of the investment property portfolio, is why we have given specific audit focus and attention to this area and therefore why this is a key audit matter. Valuations were carried out by independent registered valuers. The valuers performed their work in accordance with the International Valuation Standards and the Australia and New Zealand Valuation and Property Standards. The valuers engaged are well-established and experienced in the market in which the Group operates. In determining a property's valuation, the valuers consider property specific information such as current tenancy agreements and rental income earned by the asset. They then apply assumptions in relation to market capitalisation rates, discount rates, market rental, rental growth rates and terminal capitalisation rates, based on available market data and transactions, to arrive at a range of valuation outcomes, from which they derive a point estimate. Due to the unique nature of each property, the assumptions applied take into consideration the individual property characteristics, as well as the qualities of the property as a whole. Prior to finalising the valuations, the Manager verifies all key inputs to the valuations, assess property valuation movements against prior periods, hold discussions with the directors of the Manager on the process and results of the valuation.	The valuation of investment properties is inherently subjective given that there are alternative assumptions and valuation methods that may result in a range of values. In assessing the individual valuations, we performed the procedures outlined below. We held discussions with management and the valuers to understand: — movements in the Group's investment property portfolio; — changes in the conditions of properties within the portfolio; — the impact of climate change and related risks on the portfolio; and — the controls in place over the valuation process. On a sample basis, we: — obtained an understanding of the key valuation inputs; — agreed forecast contractual rental and lease terms to lease agreements with tenants; and — considered whether seismic assessments and/or capital maintenance requirements had been taken into account in the valuations, with reference to supporting documentation. We held separate discussions with each of the independent registered valuers to gain an understanding of the assumptions and estimates used and the valuation methodology applied. We also assessed the valuers' qualifications, expertise and objectivity and found no evidence to suggest that their objectivity in performing the valuations was compromised. We also engaged our own valuation expert to critique and independently assess the valuation, based on their market and valuation knowledge, the work performed, and assumptions and estimates made by the valuers, on a sample basis. We considered the appropriateness of disclosures made in the financial statements.

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Our audit approach

Overview

Materiality	Our materiality for the Group is $6.78m. This is based on 5% of Profit before tax excluding internalisation transaction and movements in fair value of investment property and financial instruments for the Group. We chose Profit before tax excluding performance fee, management rights termination costs and movements in fair value of investment property and financial instruments as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users of the financial statements.
Key audit matters	As reported above, we have two key audit matters, being: — Accounting for the internalisation transaction — 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 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 materiality for the financial statements of the Trust 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 aggregate, on the financial statements of the Trust as a whole.

How we tailored our 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 of the Group as a whole, taking into account the structure of the Group, the Group's investments and the accounting and registry processes and controls.

The Directors of the Manager are responsible for the governance and control activities of the Group.

In completing our audit, we performed relevant audit procedures over the control environment of and the Directors of the Manager to support our audit conclusions.

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Other information

The Directors of the Manager 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), and the sustainability report to be published at a later date. Other than the sustainability report which we will receive at a later date, we have received all the other information expected to be included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not and will 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.

When we read the sustainability report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Manager and use our professional judgement to determine the appropriate action to take.

Responsibilities of the Directors of the Manager for the financial statements

The Directors of the Manager are responsible 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 of the Manager 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 the Manager are responsible for assessing the Trust'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 of the Manager either intend to liquidate the Trust or to cease operations, or has 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.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

— identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

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INDEPENDENT AUDITOR'S REPORT – CONTINUED
To the unitholders of Goodman Property Trust (the Trust)

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— obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

— evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

— conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

— evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

— obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Who we report to

This report is made solely to the Trust's unitholders, 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 the Trust's unitholders, 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 Lisa Crooke.

For and on behalf of:

PricewaterhouseCoopers

Chartered Accountants — Auckland
27 May 2024

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GMT's urban logistics portfolio is exclusively invested in the Auckland industrial market and provides its 200+ customers with essential supply chain infrastructure.

GMT BOND ISSUER LIMITED

FINANCIAL STATEMENTS

for the year ended 31 March 2024

The Board of GMT Bond Issuer Limited, authorised these financial statements for issue on 27 May 2024. For and on behalf of the Board:

John Dakin
Chair

Laurissa Cooney
Chair, Audit Committee

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STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2024

$ million	2024	2023
Interest income	25.6	28.8
Interest cost	(25.6)	(28.8)
Profit before tax	**–**	**–**
Tax	–	–
Profit after tax attributable to shareholder	**–**	**–**
Other comprehensive income	–	–
Total comprehensive loss for the year attributable to shareholder	**–**	**–**

BALANCE SHEET

As at 31 March 2024

$ million	Note	2024	2023
Non-current assets			
Advances to related parties	2	550.0	650.0
Current assets			
Advances to related parties	2	100.0	100.0
Interest receivable from related parties		7.1	7.5
Cash		0.1	0.1
Total assets		**657.2**	**757.6**
Non-current liabilities			
Borrowings	1	550.0	650.0
Current liabilities			
Borrowings	1	100.0	100.0
Interest payable		7.2	7.6
Total liabilities		**657.2**	**757.6**
Net assets		**–**	**–**
Equity			
Contributed equity	7	–	–
Retained earnings		–	–
Total equity		**–**	**–**

STATEMENT OF CASH FLOWS

For the year ended 31 March 2024

$ million	Note	2024	2023
Cash flows from operating activities			
Interest income received		26.0	26.9
Interest costs paid		(26.0)	(26.9)
Net cash flows from operating activities	**5**	**–**	**–**
Cash flows from investing activities			
Repayment of related party advances		100.0	100.0
Related party advances made		–	(150.0)
Net cash flows from investing activities		**100.0**	**(50.0)**
Cash flows from financing activities			
Proceeds received from issue of green retail bonds		–	150.0
Repayment of retail bonds		(100.0)	(100.0)
Net cash flows from financing activities		**100.0**	**50.0**
Net movement in cash		**–**	**–**
Cash at the beginning of the year		0.1	0.1
Cash at the end of the year		**0.1**	**0.1**

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2024

$ million	Contributed equity	Retained earnings	Total
As at 1 April 2022	–	–	–
Profit after tax	–	–	–
As at 31 March 2023	**–**	**–**	**–**
Profit after tax	–	–	–
As at 31 March 2024	**–**	**–**	**–**

There are no items of other comprehensive income to include within changes in equity, therefore profit after tax equals total comprehensive income.

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GENERAL INFORMATION

For the year ended 31 March 2024

Reporting entity

GMT Bond Issuer Limited ("the Company") was incorporated on 5 November 2009. The address of its registered office is Level 2, 18 Viaduct Harbour Avenue, Auckland. GMT Bond Issuer Limited is an issuer for the purposes of the Financial Reporting Act 2013 as its issued retail bonds and green retail bonds are listed on the New Zealand Debt Exchange ("NZDX"). GMT Bond Issuer Limited is a registered company under the Companies Act 1993.

GMT Bond Issuer Limited is a profit-oriented company incorporated and domiciled in New Zealand. The Company was incorporated to undertake issues of debt securities with the purpose of on lending the proceeds to Goodman Property Trust ("GMT") by way of interest bearing advances.

Basis of preparation and measurement

The principal accounting policies applied in the preparation of the financial report are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

The financial statements of the Company have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013. The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"), 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 Company is a for-profit entity for the purposes of complying with NZ GAAP. The financial statements also comply with International Financial Reporting Standards Accounting Standards ("IFRS Accounting Standards").

The financial statements have been prepared on the historical cost basis.

The financial statements are in New Zealand dollars, the Company's functional currency.

Significant estimates and judgements

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 the future periods affected.

Material accounting policies

Interest income
Interest income from advances to related parties is recognised using the effective interest method.

Interest cost
Interest expense charged on borrowings is recognised as incurred using the effective interest method.

Advances to related parties
Advances to related parties are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method.

Interest receivable from related parties
These amounts represent the fair value of interest income recognised but not yet due for payment. Due to the short term nature of the receivables the recoverable value represents the fair value.

Borrowings
Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are carried at amortised cost using the effective interest method.

Interest payable
Interest payable represents interest costs recognised as an expense but not yet due for payment.

Financial risk management
Financial instruments are classified dependent on the purpose for which the financial instrument was acquired or assumed. Management determines the classification of its financial instruments at initial recognition between two categories:

Amortised cost	Instruments recorded at amortised cost are those with fixed or determined receipts / payments that are recorded at their expected value at balance date.
Fair value through Statement of comprehensive income	Instruments recorded at fair value through Statement of comprehensive income have their fair value measured via active market inputs, or by using valuation techniques if no active market exists.

Changes in accounting policy

There have been no changes in accounting policies made during the financial year.

New accounting standards now adopted

There have been no new accounting standards that are applicable to these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

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1. Borrowings

1.1. Composition of borrowings

	Carried at	Date issued	Maturity	Interest rate	2024 $ million	2023 $ million
Retail bonds – GMB040	Amortised cost	May 17	May 24	4.540%	100.0	100.0
Retail bonds – GMB050	Amortised cost	Mar 18	Sep 23	4.000%	–	100.0
Green retail bonds – GMB060	Amortised cost	Apr 22	Apr 27	4.740%	150.0	150.0
Wholesale bonds – 8 years	Amortised cost	Sep 20	Sep 28	2.262%	50.0	50.0
Wholesale bonds – 10 years	Amortised cost	Sep 20	Sep 30	2.559%	150.0	150.0
Wholesale bonds – 6 years	Amortised cost	Dec 21	Dec 27	3.656%	200.0	200.0
Total					**650.0**	**750.0**

1.2. Security and covenants

All borrowing facilities are secured on an equal ranking basis over the assets of the wholly-owned subsidiaries of the Company's parent entity, Goodman Property Trust. A loan to value covenant restricts total borrowings incurred by the Goodman Property Trust Group to 50% of the value of the secured property portfolio.

The Goodman Property Trust Group has given a negative pledge which provides that it will not create or permit any security interest over its assets. The principal financial ratio which must be met is the ratio of financial indebtedness to the value of the property portfolio. Further negative and positive undertakings have been given as to the nature of the Goodman Property Trust Group's business.

2. Advances to related parties

GMT Bond Issuer Limited is a wholly-owned subsidiary of Goodman Property Trust. All members of the Goodman Property Trust Group are considered to be related parties of the Company.

2.1. Composition of advances to related parties

	Carried at	Date issued	Maturity	Interest rate	2024 $ million	2023 $ million
Advance made to Goodman Property Trust in May 2017	Amortised cost	May 17	May 24	4.540%	100.0	100.0
Advance made to Goodman Property Trust in March 2018	Amortised cost	Mar 18	Sep 23	4.000%	–	100.0
Advance made to Goodman Property Trust in April 2022	Amortised cost	Apr 22	Apr 27	4.740%	150.0	150.0
Advance made to Goodman Property Trust in September 2020	Amortised cost	Sep 20	Sep 28	2.262%	50.0	50.0
Advance made to Goodman Property Trust in September 2020	Amortised cost	Sep 20	Sep 30	2.559%	150.0	150.0
Advance made to Goodman Property Trust in December 2021	Amortised cost	Dec 21	Dec 27	3.656%	200.0	200.0
Total					**650.0**	**750.0**

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2. Advances to related parties (continued)

2.2. Guarantee

Covenant Trustee Services Limited (as Trustee for Goodman Property Trust) has entered into a guarantee under which Goodman Property Trust unconditionally and irrevocably guarantees all of the obligations of GMT Bond Issuer Limited under its Bond Trust Documents.

3. Administrative expenses

Goodman Property Trust, the Company's parent, paid all fees for audit services provided to the Company (2024: $18,300, 2023: $17,000) and audit related services of reporting to the Supervisor (2024: $3,600, 2023: $3,300).

4. Commitments and contingencies

4.1. Capital commitments payable

GMT Bond Issuer Limited has no capital commitments.

4.2. Contingent liabilities

GMT Bond Issuer Limited has no material contingent liabilities.

5. Reconciliation of profit after tax to net cash flows from operating activities

$ million	2024	2023
Profit after tax	–	–
Movements in working capital from:		
Interest receivable from related parties	0.4	(1.9)
Interest payable	(0.4)	1.9
Movements in working capital	**–**	**–**
Net cash flows from operating activities	**–**	**–**

6. Financial risk management

The Company is exposed to financial risk for the financial instruments that it holds. Financial risk can be classified in the following categories; interest rate risk, credit risk, liquidity risk and capital management risk.

The Board has delegated to the Audit Committee of the Manager of GMT the responsibility to review the effectiveness and efficiency of management processes, risk management and internal financial controls and systems as part of their duties. Effective from 28 March 2024, the Manager of GMT is Goodman Property Services (NZ) Limited. Prior to this date the Manager of GMT was Goodman (NZ) Limited.

6.1. Financial instruments

The following items in the Balance Sheet are classified as financial instruments: Advances to related parties, cash, interest receivable from related parties, borrowings and interest payable. All items are recorded at amortised cost.

6.2. Interest rate risk

Interest rate risk is the risk that the value or future value of cash flows of a financial instrument will fluctuate because of changes in interest rates. The Board is responsible for the management of the interest rate risk arising from the external borrowings.

To mitigate interest rate risk all advances to related parties have fixed interest rates receivable that match the fixed interest rates payable on borrowings.

6.3. Credit risk

Credit risk is the risk of loss that arises from a counterparty failing to meet their contractual commitment in full and on time, or from losses arising from the change in value of a trading financial instrument as a result of changes in credit risk of that instrument.

The Company's exposure to credit risk is limited to cash and deposits held with banks and credit exposure for the advances to related parties.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if applicable) or to historical information about counterparty default rates. All financial assets are with Goodman Property Trust. Goodman Property Trust has a rating of BBB with S&P Global Ratings.

6.4. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. The Company's approach to management of liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

6. Financial risk management (continued)

6.4. Liquidity risk (continued)

The following table outlines the Company's financial assets and liabilities by their relevant contractual maturity date. Values are the contractual undiscounted cash flows and include both principal and interest where applicable.

$ million	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 and later	Total cash flows	Carrying value
2024								
Cash	0.1	–	–	–	–	–	0.1	0.1
Financial assets – Advances to related parties	120.1	19.4	19.4	360.5	54.3	155.5	729.2	657.1
Financial liabilities – Borrowings	(120.2)	(19.4)	(19.4)	(360.5)	(54.3)	(155.5)	(729.3)	(657.2)
Total	–	–	–	–	–	–	–	–
2023								
Cash	0.1	–	–	–	–	–	0.1	0.1
Financial assets – Advances to related parties	125.5	120.2	19.4	19.4	360.5	209.8	854.8	757.5
Financial liabilities – Borrowings	(125.6)	(120.2)	(19.4)	(19.4)	(360.5)	(209.8)	(854.9)	(757.6)
Total	–	–	–	–	–	–	–	–

6.5. Capital management risk

The Company's policy is to match the value, term and maturity of external borrowings to the value, term and maturity of advances made to related parties. This minimises capital management risk for the Company.

6.6. Fair value of financial instruments

The fair value of financial instruments has been estimated as follows:

$ million	Fair value hierarchy	2024	2023
Related party receivables	Level 2	592.8	682.2
Retail bonds	Level 1	(99.7)	(197.1)
Green retail bonds	Level 1	(144.5)	(143.4)
Wholesale bonds	Level 2	(350.5)	(341.7)

For instruments where there is no active market, the Company may use internally developed models which are usually based on valuation methods and techniques generally recognised as standard within the industry. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

6. Financial risk management (continued)

6.6. Fair value of financial instruments (continued)

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

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

The fair value of wholesale bonds, classified as Level 2, is measured using a present value calculation of the future cash flows using the relevant term swap rate as the discount factor. The fair value of related party receivables, classified as Level 2, is measured using the quoted prices of the retail bonds liability, the green retail bonds liability and the fair value of the wholesale bonds.

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest input to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, the measurement is a Level 3 measurement.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. During the year, there were no transfers between levels of the fair value hierarchy.

7. Equity

As at 31 March 2024, 100 ordinary shares had been issued for nil consideration (2023: 100 ordinary shares for nil consideration). All shares rank equally with one vote attached to each share.

The Company has tangible assets of $0.1 million, and its net assets are nil. Consequently, the net tangible assets per bond at 31 March 2024 are nil (2023: nil).

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of GMT Bond Issuer Limited

Our opinion

In our opinion, the accompanying financial statements of GMT Bond Issuer Limited (the Company), present fairly, in all material respects, the financial position of the Company as at 31 March 2024, 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

The financial statements comprise:

- the balance sheet as at 31 March 2024;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the 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 the Company 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.

Our firm carries out an agreed upon procedures engagement for the Company in relation to supervisor reporting. The provision of this service has not impaired our independence as auditor of the Company.

PricewaterhouseCoopers, PwC Tower, 15 Customs Street West, Private Bag 92162, Auckland, 1142, New Zealand
T: +64 9 355 8000, www.pwc.co.nz

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. The entity obtains funds from the issue of debt securities and then lends the proceeds to Goodman Property Trust at the same cost. Given the nature of the Company's operations, we determined that there were no key audit matters to communicate in our report.

Our audit approach

Overview

Materiality	Overall materiality: $256,000, which represents 1% of interest expense. We chose interest expense as the benchmark because, in our view, it is the benchmark against which the performance of the Company is most commonly measured by users.
Key audit matters	As reported above, we have not identified any key audit matters from our audit given the nature of the Company. Refer to the Key Audit Matters section of our report.

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.

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 the Company, the accounting processes and controls, and the industry in which the Company operates.

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 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 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 aggregate, on the financial statements as a whole.

PwC

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report (but does not include the consolidated financial statements and our auditor's report thereon), and the sustainability report to be published at a later date. Other than the sustainability report which we will receive at a later date, we have received all the other information expected to be included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not and will 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.

When we read the sustainability report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the Directors for the financial statements

The Directors are responsible, on behalf of the Company, 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 are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company 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.

As part of an audit in accordance with ISAs (NZ), the auditor exercises professional judgement and maintains professional scepticism throughout the audit. We also.

— identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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— obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

— evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

— conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

— evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Who we report to

This report is made solely to the Company's Shareholder. 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 the Company and the Shareholder 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 Lisa Crooke.

For and on behalf of:

PricewaterhouseCoopers

Chartered Accountants Auckland
27 May 2024

NZ Post is GMT's largest customer, with both businesses focused on meeting the demands of a growing digital economy in a sustainable way.

OTHER INFORMATION

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CORPORATE GOVERNANCE

Introduction

Corporate governance is the system by which organisations are directed and managed. It influences how an organisation's objectives are achieved, how its risks are monitored and assessed, and how its performance is optimised.

The Board has adopted an overall corporate governance framework that is designed to meet best practice standards and recognises that an effective corporate governance culture is critical to success.

At all times, the Board strives to achieve governance outcomes which effectively balance the needs of GMT and GMT Bond Issuer Limited investors, regulators and the wider market.

The governance section of the Goodman Property Trust website contains all the relevant policies, charters and other documents described in this report.

GMT and GMT Bond Issuer Limited

GMT is an NZX listed unit trust created by the Trust Deed and administered under the Financial Markets Conduct Act 2013 ("FMCA"). Covenant Trustee Services Limited is the Trustee and Supervisor of GMT and is appointed to hold the assets of GMT on trust for Unitholders. The Trustee has the rights and powers in respect of the assets of GMT it could exercise as if it was the absolute owner of such assets, but subject to the FMCA and the rights given to the Manager by the FMCA and the Trust Deed.

GMT Bond Issuer Limited is a wholly owned subsidiary of GMT and issuer of Goodman+Bonds, Green Bonds and Wholesale Bonds. The Goodman+Bonds and Green Bonds are debt securities listed on the NZDX. All the bonds issued by GMT Bond Issuer Limited are direct, secured, unsubordinated, obligations of the issuer, ranking equally with debt owed to GMT's main banking syndicate. Public Trust is the Bond Trustee.

GMT Bond Issuer Limited has no activities other than those necessary or incidental to the issuing of Bonds and complying with its obligations at law.

Relationship with Goodman Group

Goodman Group is the Trust's largest investor, owning approximately 31.8% of Units on issue at 31 March 2024.

GMT, through GPS and Goodman Group are also parties to the following long-term agreements which were put in place on completion of the Internalisation:

+ a co-operation and services agreement for the provision of certain investment management, information technology, insurance, human resources, marketing, treasury and risk services by Goodman Group to GPS and GMT; and
+ a brand licence agreement, granting GPS a non-exclusive, non-transferable licence to use the "Goodman" brand.

Goodman Group's cornerstone investment and long-term contractual arrangements with GMT support close alignment of interests between Goodman Group and other Unitholders.

Goodman Group holds no Bonds issued by GMT Bond Issuer Limited.

NZX Corporate Governance Code

The following section assesses GMT's corporate governance framework against the principles and recommendations of the NZX Corporate Governance Code as at 31 March 2024.

A more detailed analysis against the NZX Code is set out in the Corporate Governance Statement which can be found in the governance section of the Goodman Property Trust website https://nz.goodman.com/about-goodman/corporate-governance

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PRINCIPLE 1

Code of Ethical Behaviour

The highest standards of behaviour are expected from the Directors and employees of the Manager. These expectations are formalised in the following policies, practices and processes.

Code of Conduct

This policy establishes the standards of ethical and personal conduct expected of Directors and employees. It is consistent with the wider corporate values of the Manager and compliance with the policy is a condition of employment. Induction training and regular refresher sessions are provided.

The policy specifically requires Directors and employees to act with honesty and integrity in a professional and respectful manner, respecting confidentiality and in accordance with the law. All stakeholders are to be treated fairly and individuals are expected to be transparent, declaring and managing any conflicts of interest.

All Directors and employees are responsible for reporting unethical or corrupt behaviour and the Manager will take whatever disciplinary action it considers appropriate in the circumstances, including dismissal.

Political Donations Policy

This policy sets out the procedure for the giving of gifts and political donations. All Directors and employees are required to comply with this policy.

Financial Products Trading Policy

This policy reflects the insider trading provisions of the FMCA and strengthens those requirements with additional compliance standards and procedures which Directors and employees who wish to trade in GMT Units or Bonds must comply with.

The Manager imposes trading windows through this policy as well as requiring written approval of the CEO or Chair prior to any trade.

PRINCIPLE 2

Board Composition & Performance

The Board works with Management to formulate and implement its strategy for the Trust, monitoring its performance against set objectives. The Board also has the responsibility to ensure business risks are appropriately identified and managed and that the statutory, financial and social responsibilities of the Manager are complied with.

The performance of the Board is reviewed regularly with such process being managed by the Chair. As part of the review, the Board assesses if appropriate training has been received by the Board.

Board Charter

The Board Charter sets out the roles and responsibilities of the Board, while a statement of investment policies and objectives provides the strategic framework.

To facilitate the effective execution of its responsibilities, the Board has developed a statement of delegated authority for Management. This statement clarifies which matters are dealt with by the Board and which matters are the responsibility of Management and includes areas such as finance, corporate matters and property transactions.

A copy of the Board's approved mandate and Board Charter can be found on the website within the corporate governance section.

Board composition

The Board of the Manager comprises six Directors, with a majority being independent (as defined in the Listing Rules). John Dakin and Gregory Goodman are not considered independent due to their relationship with Goodman Group. The biographies of the Directors can be found online at: https://nz.goodman.com/about-goodman/board-of-directors.

Directors have an average tenure of 11.8 years at 31 March 2024. They are encouraged to undertake training to ensure they have the market knowledge and governance expertise to perform their roles and duties. Any new Director receives a comprehensive induction that includes a tour of the Trust's assets.

All Directors are appointed for three-year terms (with the exception that shorter terms were provided for Gregory Goodman and John Dakin at the time of the Internalisation as more particularly described in the table below), after which they are eligible for reappointment. Following completion of the Internalisation, all Directors are appointed by Unitholders in the manner described in the Trust Deed.

The Board during the year included:

BOARD COMPOSITION AT 31 MARCH 2024

Name	Classification	Original appointment	Expiry of current term
Keith Smith	Independent Director	13 May 2004	The date of the annual meeting of unitholders in 2025[1]
Laurissa Cooney	Independent Director	4 November 2020	The date of the annual meeting of unitholders in 2024
David Gibson	Independent Director	2 February 2021	The date of the annual meeting of unitholders in 2024
Leonie Freeman	Independent Director	11 October 2011	The date of the annual meeting of unitholders in 2024
Gregory Goodman	Non-executive Director	23 December 2003	The date of the annual meeting of unitholders in 2025
John Dakin	Non-executive Director	1 July 2012	The date of the annual meeting of unitholders in 2025

1 As previously communicated to the market, Keith Smith intends to retire from his position as Director prior to the expiry of his term in 2025.

PRINCIPLE 2 — continued

The Board of GMT Bond Issuer Limited replicates the Board of the Manager. A separate Board, including separate Board meetings, is maintained to ensure the obligations of GMT Bond Issuer Limited as the issuer of the Bonds are met.

Both entities have written agreements with each Director setting out the terms and conditions of their appointment.

Inclusion and Diversity

As a Unit Trust, GMT does not have any employees. The Directors and staff are instead employed / engaged by the Manager.

An Inclusion and Diversity policy was originally adopted in 2018 and was refreshed in 2023 and again on completion of the Internalisation. It recognises that an inclusive and diverse culture provides a greater variety of views and ideas that lead to better business outcomes. Under this policy, the Manager undertakes to measure gender, ethnicity, and age on a regular basis and to report progress against future targets.

Strategies to broaden representation across the business have delivered positive results, although with a stable team it has been a graduated change.

The table below shows the gender split between the various business segments and compares this against the 2030 targets, included in the Inclusion and Diversity policy.

Of the six Directors that comprise the Board, two identify as female, four identify as male. In 2023 the Board comprised 7 Directors, two of whom identified as female and five as male.

Of the executives, three identify as female and six identify as male. The executive group includes the three officers who all identify as male, this is unchanged from last year.

Of the 67 staff that make up the business, 49.2% identify as female and 41.8% identify as male, 9.0% identified as 'other identity' or chose not to answer. Around 6% of our people identify as being part of the LGBTTQIA+ community.

On average, a Goodman team member has been with the business for 8.7 years and is approximately 40 years old. It's a team that includes 13 different ethnicities, with speakers of 15 different languages.

The Chair and the Chief Executive Officer

As recommended by the NZX Code, the roles of Chair and Chief Executive Officer are separated. This separation avoids concentrations of influence and increases accountability. John Dakin is the Chair and James Spence is the Chief Executive Officer of the Manager.

The NZX Code further recommends that an issuer has an independent chair of the board. GMT does not adopt this recommendation, as John Dakin, who has been the chair of the Board since 29 May 2023, is an employee of Goodman Group, and therefore not an Independent Director.

This decision was made on the basis that John Dakin was considered the best candidate for the role, due to his tenure and expertise in the property sector and that the objectives of the NZX Code are achieved by the Board maintaining a majority of independent directors, as required under the Trust Deed, and by the appointment of David Gibson, independent director, as Deputy Chair.

Board Meetings

The Board typically meets in person five times a year, with one of those meetings focused on business planning and strategy.

During the 2024 financial year, all Directors attended each Board meeting they were entitled to attend, with the exception of Laurissa Cooney who was an apology for the 26 May 2023 meeting. The Board had a 100% attendance record in the 2023 financial year.

The Independent Directors are encouraged to meet separately when necessary and, in any event, not less than once a year. They are also entitled to take independent legal advice at the Manager's expense should they believe it necessary to adequately perform their role.

Company Secretary

The company secretarial function is performed by Anton Shead, the Manager's General Counsel and Company Secretary.

Refer to page 21 for Anton's biography.

DIVERSITY AND INCLUSION

		Survey Results				Representation Targets
		Male		Female		Female
Gender diversity	Total persons	2024	2023	2024	2023	2030
Board	6	66.7%	71.4%	33.3%	28.6%	>40%
Executive	9	66.7%	66.7%	33.3%	33.3%	>45%
Managerial	12	50.0%	50.0%	33.3%	41.7%	>45%

Note: The proportion of male and female team members, may not sum to 100% as individuals may identify as 'other identity' or choose not to answer.

PRINCIPLE 3

Board Committees

The Board establishes committees to assist in the exercise of its functions and duties and to ensure that all risks are effectively monitored and managed.

Audit Committee

The Audit Committee is a permanent committee which meets at least three times a year. As at the date of this Report, the Audit Committee has a majority of Independent, and solely non-executive Directors and comprises Laurissa Cooney (Chair), Keith Smith, Leonie Freeman, David Gibson.

The Audit Committee operates under the terms of a formal charter, a copy of which is available on the website within the corporate governance section. The duties and responsibilities of the Audit Committee include the following:

+ monitoring the independence, ability and objectivity of the external auditor
+ ensuring the Key Audit Partner (as defined in the Listing Rules) is changed at least every five years
+ reviewing the financial statements of GMT, GMT Bond Issuer Limited and GPS and overseeing the auditing of those financial statements
+ reviewing and reporting to the Board on the appropriateness of GMT's Financial Risk Management policy
+ setting the parameters for the internal audit programme, overseeing its implementation and reviewing its outputs and recommendations
+ overseeing and advising on the Manager's internal risk management programme.

Management and other employees may only attend an Audit Committee meeting at the invitation of the Audit Committee.

Remuneration Committee

The Board has established a Remuneration Committee, which meets at least twice a year. As at the date of this Report, the Remuneration Committee has a majority of Independent Directors, and comprises David Gibson (Chair), Keith Smith and Gregory Goodman.

The Remuneration Committee operates under the terms of a formal charter, a copy of which is available on GMT's website within the corporate governance section.

The duties and responsibilities of the Remuneration Committee include the following:

+ overseeing and reviewing the implementation of, and making recommendation of any changes to, the Manager's remuneration policy and practices, including for remuneration of directors
+ overseeing disclosure obligations in relation to remuneration.

Management and other employees may only attend a Remuneration Committee meeting at the invitation of the Remuneration Committee.

Nomination Committee

The Manager is a wholly owned subsidiary of GMT Shareholder Nominee Limited (itself a wholly owned subsidiary of Public Trust, rather than being owned by Unitholders). Public Trust has granted rights to the Unitholders to nominate and appoint Directors.

Nomination and appointment of Directors is managed by the Board rather than a committee. Should the Board decide to add a Director (whether as the result of a retirement or otherwise), then the Board may constitute a committee to consider that appointment.

Other committees

The Board may from time to time establish other committees for a specific purpose. These committees are ad-hoc committees and the terms of reference for each committee is agreed by the Board as part of the establishment process.

Examples include:

a) Due Diligence Committee
The Board will establish a Due Diligence Committee to oversee and report to the Board on the due diligence process for any transaction of a significant size and/or complexity.

A Due Diligence Committee will usually include at least one Independent Director, relevant external consultants and members of Management considered appropriate for the transaction in question.

b) Appointments Committee
The Board will, when it considers appropriate, constitute an Appointments Committee to consider senior executive and Director appointments and performance. An Appointments Committee will usually include at least one Independent Director and other persons considered appropriate. Nomination and appointment of Directors is managed by the Board rather than a committee.

c) Independent Board Committee
An Independent Board Committee comprising the Independent Directors was established to consider and negotiate with Goodman Group the potential internalisation of GMT on behalf of Unitholders.

Takeover protocol

The Board has approved a Takeover Response Manual, which establishes the procedure to be followed if there is a takeover offer, including the establishment of an independent committee to manage the response obligations.

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PRINCIPLE 4

Reporting & Disclosure

A fully informed and efficient market builds investor confidence which ultimately contributes to the investment performance of the Trust and its ability to raise capital.

The Manager is committed to keeping Unitholders, regulators and other stakeholders fully and promptly informed of all material information. The Manager has policies and procedures that govern the behaviour of the Directors and employees, ensuring balanced and timely information is provided to the market.

Continuous Disclosure Policy

The Manager has a Continuous Disclosure Policy, which details the relevant legal requirements and sets out the procedures put in place to ensure compliance with them.

Related Party Policy

The Manager believes that having a Board with a majority of experienced and strong Independent Directors, effectively manages any related party issues or conflicts that could arise.

A comprehensive Related Party Policy summarises the relevant restrictions contained in the Listing Rules, the law and relevant contractual commitments, and how these issues are managed.

The Manager uses this policy as a tool to ensure that:

+ Management and the Board are properly briefed and educated on the relevant restrictions and the processes put in place to ensure compliance with these restrictions
+ Unitholders and the investment market recognise that the Manager deals with related party issues in an appropriate, transparent and robust manner.

Other reporting

The Manager has extended GMT's corporate reporting in recent years to provide a broader overview of the business, explaining how the Trust creates long-term value for all its stakeholders.

It includes additional information about the Manager's investment strategy and how its sustainability objectives are integrated into the business.

We are extending this framework this year to incorporate the additional disclosures required under the new Aotearoa New Zealand Climate Standards. An enhanced Sustainability Report compliant with the new standards will be released in late July 2024 to complement the FY24 Annual Report.

The FY24 Sustainability Report will include further information around our emissions reduction strategy, how this is integrated into our business activities and the progress we have made toward our climate goals.

Once released, the report will be available online at https://nz.goodman.com/sustainability/reports

Access to key governance documents

The governance section of the website, https://nz.goodman.com/about-goodman/corporate-governance contains all the relevant policies, charters and other documents described in this report including;

+ The Trust Deed of Goodman Property Trust
+ The Statement of Investment Policies and Objectives for Goodman Property Trust
+ Goodman Property Services (NZ) Limited Audit Committee Charter
+ Goodman Property Services (NZ) Limited Remuneration Committee Charter
+ Goodman Property Services (NZ) Limited Board Charter
+ Goodman Property Services (NZ) Limited Board Mandate
+ Code of Conduct
+ Corporate Governance Statement
+ Financial Products Trading Policy
+ Inclusion and Diversity Policy
+ Continuous Disclosure Policy
+ Related Party Policy
+ Health and Safety Statement

Together with the Trust Deed of GMT Bond Issuer Limited (including the Supplemental Trust Deeds).

PRINCIPLE 5

Remuneration

From 1 April 2023 to 27 March 2024, GMT was externally managed and therefore did not have any Directors or employees of its own for that period.

On 28 March 2024 GMT became internalised. The internalisation transaction included GMT effectively acquiring Goodman Property Services (NZ) Limited which employs the people who provide the services required to manage GMT. On that date the Directors of Goodman (NZ) Limited (the previous Manager of GMT) becoming Directors of Goodman Property Services (NZ) Limited. From 28 March 2024 both Directors and employees are engaged by Goodman Property Services (NZ) Limited.

For the period prior to internalisation on 28 March 2024, GMT's externally managed structure meant that it was not possible to comply with the NZX Code recommendations that issuers have a remuneration policy and that Director remuneration be approved by unitholders.

PRINCIPLE 5 — continued

Post internalisation, employees remain employed by Goodman Property Services (NZ) Limited, rather than GMT. Goodman Property Services (NZ) Limited has effectively been acquired by and appointed as the Manager of GMT, accordingly remuneration disclosures will be made for Goodman Property Services (NZ) Limited.

As part of the internalisation of GMT, NZX provided a waiver of the requirement for unitholders to approve Directors' fees payable by Goodman Property Services (NZ) Limited. The Directors' fees set by Goodman Property Services (NZ) Limited on internalisation were the same annual fees as paid by Goodman (NZ) Limited in its capacity as Manager of GMT prior to internalisation. Any increase in Directors' fees will now require approval of GMT's unitholders.

A breakdown of the fees paid by GMT during FY24 prior to internalisation on 28 March 2024 is provided in Note 12 of the Financial Statements, page 60.

In the interests of transparency and good governance, the former Manager has disclosed the basis upon which Goodman Group's Remuneration Committee determined the packages payable to Directors and employees involved with its New Zealand operations for the period prior to internalisation. This detail is provided with the consent of the Directors, the Chief Executive Officer, and the former Chief Executive Officer.

Following internalisation, Goodman Property Services (NZ) Limited has established its own Remuneration Committee, chaired by David Gibson, Deputy Chair of the Board and Independent director.

Directors' remuneration

Remuneration paid to Directors during FY24 was in their role as Directors of Goodman (NZ) Limited, the previous Manager of GMT. No fees were paid to Directors by Goodman Property Services (NZ) Limited in respect of the period 28 March 2024 to 31 March 2024 following internalisation.

GMT was internalised during FY24, and significant additional work was completed by the Independent Directors in connection with the internalisation. An Independent Board Committee was established, chaired by David Gibson. Fees detailed below include fees paid in connection with that committees work on the internalisation. All fees were paid by Goodman (NZ) Limited and were not a cost of GMT.

Directors were entitled to fees, including fees for ad-hoc committees, as set out below. None of the Directors were paid performance related fees relating to their directorships.

With effect from June 2023, the Chair is entitled to receive $165,000 per annum, the Deputy Chair, $150,000 per annum, the Chair of the Audit Committee $125,000 per annum and each other Director $100,000 per annum. In addition, Directors are paid $500 per hour ($300 per hour prior to 31 August 2023) for time spent in relation to any ad-hoc committees, such as the Independent Board Committee established to negotiate the internalisation of GMT.

Greg Goodman and John Dakin are remunerated by way of salary paid by Goodman Group for their executive roles and whilst entitled to fees do not claim any additional remuneration for their positions as Directors on the Board. Following his appointment as Chair, John Dakin did not receive any additional remuneration for this position. John Dakin was an employee of Goodman Property Services (NZ) Limited until 27 March 2024 and remains an employee of a subsidiary of Goodman Group from that date.

Chief Executive Officer and employee remuneration

The remuneration of the CEO and other employees is designed to attract and retain the most talented and experienced individuals. Packages include a base salary, together with short-term and long-term incentive components.

For the period from 1 April 2023 to 27 March 2024, all the cost associated with employees was borne by GPS under its ownership by Goodman Group, with none borne by GMT. With effect from 28 March 2024, the remuneration of employees is a GMT cost through its subsidiary, GPS.

DIRECTORS REMUNERATION

Director	Role	2024 $	2023 $
Laurissa Cooney	Independent Director, Chair Audit Committee	141,582	120,000
Leonie Freeman	Independent Director	133,250	100,000
David Gibson	Deputy Chair from 29 May 2023, Independent Director	280,020	100,000
Keith Smith	Independent Director, Chair until 29 May 2023	183,584	165,000
Phil Pryke	Non-executive Director (retired 30 September 2023)	50,000	100,000
John Dakin	Chair from 29 May 2023 Non-executive director from 1 January 2023 (Executive director until 31 December 2022 prior to retirement as CEO)	–	–
Greg Goodman	Non-executive Director	–	–

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PRINCIPLE 5 — continued

A summary of key remuneration principles, as determined by Goodman Group as previous owner of GPS, applying for FY24 is set out below:

+ The basis of remuneration is local market referenced base salary, reviewed annually;
+ employees were awarded short term incentives in the form of discretionary cash bonuses. These were subject to the performance of GMT, Goodman Group and the individual against specific financial and operational targets;
+ all permanent employees participated equally in two long term incentive plans designed to maximise long-term alignment with unitholders of GMT ("NZ LTIP") and securityholders of Goodman Group ("Goodman 5-year LTIP");
+ for the NZ LTIP, performance rights are awarded which give employees the right to acquire, for nil consideration, Goodman Property Trust units subject to the satisfaction of hurdles assessed over specific three-year testing period timeframes. GMT units awarded are sourced from units held by Goodman Group or purchased on-market by Goodman Group. GMT does not issue any new units in relation to the NZ LTIP;
+ under the Goodman 5-year LTIP, performance rights are awarded which give employees the right to acquire, for nil consideration, stapled securities of Goodman Group subject to the satisfaction of hurdles assessed over specific three-year testing period timeframes;
+ for both LTI schemes, an employee is required to remain employed for the full five-year period from the initial grant to be eligible to receive all the awards that meet performance hurdles and for both schemes Goodman Group has the right to "cash -out" any Performance Rights which have met the required hurdles for vesting; and,

Following Internalisation, Goodman Property Services (NZ) Limited has established its own Remuneration Committee. This committee will set the approach to remuneration for all employees.

The two long term incentive schemes that Goodman Property Services (NZ) Limited's employees have previously participated in will have no further awards made to the employees and settlement to employees for any vesting that occurs from these schemes is the responsibility of Goodman Group. The Remuneration Committee expects to establish a new long-term incentive scheme which will provide alignment between the performance of GMT and the remuneration of its employees.

The terms of the internalisation of GMT provide that Goodman Group will meet the obligations to settle these pre-existing LTIP schemes to the employees of Goodman Property Services (NZ) Limited. No further grants in these schemes will be made to Goodman Property Services (NZ) Limited's employees.

Employees automatically receive life insurance cover and salary continuance insurance and for those that are participating, KiwiSaver contributions of 3% are made in addition to salary payments where employees contribute at least 3% to KiwiSaver themselves.

CHIEF EXECUTIVE OFFICER'S SHORT-TERM REMUNERATION

	Salary $	Bonus[1] $	KiwiSaver $	Total $
31 March 2024				
James Spence	437,500	450,000	27,069	914,569
31 March 2023				
John Dakin (9 months to 31 December 2022)	337,500	800,000	34,125	1,171,625
James Spence (3 months from 1 January 2023)	100,000	–	3,000	103,000

CHIEF EXECUTIVE OFFICER'S LONG-TERM REMUNERATION[2]

	Goodman 5-year LTIP		NZ LTIP		Goodman 10-year LTIP	
Number of Performance Rights	Granted	Vesting	Granted	Vesting	Granted	Vesting
31 March 2024						
James Spence	112,500	32,660	1,091,959	247,236	–	–
31 March 2023						
John Dakin	–	115,333	–	908,338	325,000	–

1 All Bonus paid in the year ended 31 March 2024 related to GPS's year ended 30 June 2023. Bonus paid in the year ended 31 March 2023 related to GPS's year ended 30 June 2022.

2 All Long-Term Incentive performance rights were granted or vested during the period between 1 April and 31 December each year. Consequently, long-term remuneration disclosure for the year to 31 March 2024 is all in respect of James Spence. Disclosure for the year to 31 March 2023 is for John Dakin who retired as CEO on 31 December 2022. James Spence did not receive any long-term incentive plan grant in respect of his CEO role during the year ended 31 March 2023.

PRINCIPLE 5 — continued

Dependent on role, employees may receive the use of a company vehicle and may have a workplace carpark provided.

The remuneration of the CEO, including the nature and amount of each major element, is shown on the previous page, set out separately for James Spence, CEO since 1 January 2023, and John Dakin who was CEO until 31 December 2022. The disclosures below reflect only the period employed as CEO and do not include remuneration relating to employment whilst employed in any other roles. All amounts are in New Zealand dollars.

More than 80% of James Spence's remuneration received during the year to 31 March 2024 was performance based and therefore at risk.

For the year ended 31 March 2024 the ratio between the median of the base salaries paid to full time employees and the total base salary paid in respect of the Chief Executive Officer role was 1 to 3.7.

PRINCIPLE 6

Risk Management

The Manager maintains a risk management framework for GMT that includes regular reporting to both the Audit Committee and the Board and the undertaking of an annual risk assessment for GMT.

The Board has the overall responsibility for ensuring that risk is managed effectively. This includes consideration of all climate, compliance, financial, operational and strategic risks. The Audit Committee reviews the effectiveness of the risk management process.

Risk register

The register identifies the material risks to the business, assessing the impact and likelihood of each risk along with the steps taken to mitigate possible adverse impacts. Customer, environmental, financial, human, health and safety, regulatory and reputational impacts are all considered.

The Manager's business risk function facilitates the annual review of the risk register in conjunction with senior management. Existing risks are reassessed, and new risks considered during the review.

Financial Risk Management policy

The policy reflects the Board's approach to managing financial risks. It includes policies, controls relating to:

+ Liquidity risk
+ Interest rate risk
+ Foreign exchange risk
+ Counterparty credit risk
+ Operational risk

This policy is reviewed by the Board annually.

PRINCIPLE 6 — continued

Health and Safety

The health, safety and wellbeing of employees, customers, contractors and the wider community is a business priority.

Since the introduction of the Health and Safety at Work Act 2015 the Manager has worked closely with staff and contractors to develop a culture of greater safety awareness. The emphasis on proper processes, vigilance and personal responsibility is consistent with the aim of being free of serious harm accidents.

The Manager's health and safety programme includes regular training for all relevant staff.

Detailed reporting, including trend analysis, is provided to Management and the Board on a regular basis and used to identify and mitigate future health and safety risks.

There has been one serious harm accident recorded in the last financial year, with a contractor injured by a falling gate sustaining a fracture to their spine. The incident was reported to WorkSafe and prompted a full review into the operation and maintenance of all gates.

PRINCIPLE 7

Auditor

The Audit Committee ensures the quality and independence of the external audit process. The Committee ensures the annual audit is carried out independently and without impairment maintaining the credibility and reliability of the Trust's financial reporting.

PricewaterhouseCoopers have been auditor of the Trust since FY04. Lisa Crooke has been lead audit partner since FY23.

Annual meeting attendance

The Manager also requires the auditor to attend the annual meeting to answer Unitholders' questions about the conduct of the audit, as well as the preparation and content of the independent auditor's report.

Internal audit

An annual internal audit programme for GMT is agreed between the internal auditor and Management each year and then presented to the Audit Committee for approval. The Audit Committee approves the annual internal audit programme. The content of the internal audit programme varies from year to year depending on the outcome of the risk assessment process described in Principle 6.

PRINCIPLE 8

Unitholder Rights & Relations

The Board and Manager encourage investor engagement and facilitate this through regular communication and meeting opportunities. The Manager's investor relations resource is responsible for delivering this programme. It typically includes:

+ An annual meeting
+ Investor open days
+ Periodic newsletters
+ Annual reports
+ Live webcasts of the interim and annual result presentations
+ Regular institutional investor and analyst meeting
+ Investor briefings

The investor relations section of the website is the repository of important information about GMT and GMT Bond Issuer Limited. It includes NZX releases, financial result and meeting presentations, reports and newsletters, and distribution histories. It also allows investors to view current prices and link to the Registrar to check their holding, update details and download forms.

Investors have the option of receiving communication in printed or electronic format and live webcasting is provided for the annual meeting and financial result presentations.

A dedicated toll-free investor line is also available for any investment related queries, 0800 000 656 (+64 9 375 6073 from outside New Zealand).

Transactions

Under the terms of GMT's Trust Deed, the Manager must obtain the approval of Unitholders before entering into any transaction which would change the essential nature of its business.

No capital raising transactions were conducted by GMT during the year ended 31 March 2024.

GMT did issue units to Goodman Funds Management Limited, as responsible entity of Goodman Industrial Trust, on 28 March 2024 pursuant to a placement, however, those units were issued in connection with the Internalisation, and not for the primary purpose of raising capital.

Annual meeting of Unitholders

The Trust Deed requires an annual meeting of Unitholders every year. The Board encourages the participation of Unitholders at these meetings to ensure accountability and familiarity with the objectives of its investment strategy.

The next annual meeting is to be held on 27 August 2024.

Further details will be contained in the Notice of Meeting, which is expected to be distributed on or around 30 July 2024, consistent with the NZX recommendation of being at least 20 working days ahead of the meeting.

When required, voting on resolutions is done by poll and online proxy voting is provided for investors unable to attend. Unitholders have one vote per unit they hold.

OTHER STATUTORY AND LISTING RULE DISCLOSURES

NZX Waivers

NZX has granted waivers to GMT and GMT Bond Issuer Limited at various times, some of which have been relied upon by GMT and GMT Bond Issuer Limited during the year ended 31 March 2024.

GMT

Internalisation waivers

On 23 February 2024, NZX granted GMT waivers from Listing Rules 2.10.1 and 2.11.1, which were required in relation to the proposal for Internalisation ("Internalisation Proposal").

1. NZX granted a waiver from Listing Rule 2.10.1 so that the board of the then Manager, GNZ, could pass resolutions in connection with the Internalisation Proposal, on the following conditions:
   (a) the independent directors of the Manager were only permitted to vote on such resolutions as were necessary to:
      (i) put the Internalisation Proposal before a meeting of Unitholders; and
      (ii) give effect to the Internalisation if the Internalisation Proposal was approved by Unitholders;
   (b) the waiver would only apply to any director of the Manager who was considered to be "interested" within the meaning assigned to that term in section 139 of the Companies Act 1993, where that person was "interested" in the Internalisation Proposal solely because that person was a director of the Manager and/or a related company of the Manager, but for no other reason; and
   (c) the Notice of Meeting ("NoM") seeking Unitholder approval of the Internalisation proposal disclosed GMT's reliance on the waiver.
2. NZX granted a waiver from Listing Rule 2.11.1 so that the directors of the new Manager, GPS could be paid remuneration out of the assets of GMT at the same level as was then paid by the Manager, without seeking separate Unitholder approval under Listing Rule 2.11.1, on the following conditions:
   (a) Unitholders approved the Internalisation Proposal;
   (b) the NoM seeking Unitholder approval of the Internalisation Proposal disclosed the quantum of the directors' current remuneration; the fact that GMT would bear the costs of directors' remuneration for the Manager going forward if the Internalisation Proposal was approved; and that any increase to the existing level of directors' remuneration following completion of the Internalisation would need to be approved by Unitholders in accordance with Listing Rule 2.11.1;
   (c) the existence and effect of the waiver decision was disclosed in the NoM;
   (d) any increase to the existing level of directors' remuneration was approved by Unitholders in accordance with Listing Rule 2.11.1; and
   (e) NZX had an opportunity to review and approve the NoM.

OTHER STATUTORY AND LISTING RULE DISCLOSURES — continued

Post-Internalisation waivers

On 28 March 2024, being the date of completion of the Internalisation, NZX granted GMT a waiver from Listing Rule 2.10 to the extent that Directors of the new Manager, GPS are "interested" in transactions that the Manager is entering for the purposes of the day-to-day management of GMT, solely due to those Directors being a Director of the Manager. Without this waiver, the Directors of the Manager could be deemed to be "interested" in every decision relating to the investments by GMT due to the relationship between the Manager, GMT and Unitholders, with the Directors therefore unable to vote on these decisions. The waiver from Listing Rule 2.10 has been granted on the following conditions:

(a) any Director abstain from voting on any transactions entered into by the Manager on behalf of GMT with another entity in respect of which the Director would be otherwise "interested"; and

(b) GMT has a Non-Standard (NS) designation in accordance with Listing Rule 1.18.1.

Pre-Internalisation waivers

On 6 May 2019, NZX granted GMT waivers from various Listing Rules, set out below. GMT was granted waivers by the NZX from the equivalent provisions of the Listing Rules, which applied before 1 January 2020, in decisions dated 21 April 2005 and 18 October 2010. Other than as set out above under "Post-Internalisation waivers", these waivers are no longer required by GMT and the Manager following completion of the Internalisation.

1. NZX granted GMT waivers from various governance requirements in Listing Rules 2.2, 2.3, 2.4, 2.7 and 2.8 to the extent that these rules would apply to GMT's non- Independent Directors. As GMT is a managed investment scheme, the governance requirements and processes to be followed by issuers of Equity Securities (in receiving nominations and the appointment and duration of that appointment of a Director), are not readily applicable to GMT's governance structure. The effect of the waivers from Listing Rules 2.2, 2.3, 2.4, 2.7 and 2.8 is that the governance processes of the Board of the Manager remain consistent with how it was governed before the waivers were granted. The waivers from Listing Rules 2.2, 2.3, 2.4, 2.7 and 2.8 were granted on the condition that GMT complied with those Listing Rules in respect of the Manager's Independent Directors, and GMT having an NS designation in accordance with Listing Rule 1.18.1.
2. NZX granted GMT a waiver from Listing Rule 2.10 to the extent that Directors of the Manager were "interested" in transactions that the Manager was entering for the purposes of the day-to-day management of GMT, solely due to those Directors being a Director of the Manager. Without this waiver, the Directors of the Manager could have been deemed to have been "interested" in every decision relating to the investments by GMT due to the relationship between the Manager, GMT and Unitholders, with the Directors therefore unable to vote on those decisions. The waiver from Listing Rule 2.10 was granted on the condition that any Director abstain from voting on any transactions entered into by the Manager on behalf of GMT with another entity in respect of which the Director would be otherwise "interested".
3. NZX granted GMT a waiver from Listing Rules 2.11 and 2.12. The effect of the waivers from Listing Rules 2.11 and 2.12 was that the remuneration of the Directors of the Manager was not required to be approved by Unitholders, as the remuneration was paid out of the fees the Manager was entitled to in relation to its role as manager of GMT under the Trust Deed, and which had been approved by Unitholders. The waivers from Listing Rules 2.11 and 2.12 were granted on the following conditions:
   (a) all of the Manager's Directors' remuneration was paid directly from the income of the Manager
   (b) the income of GMT could not directly be applied in satisfaction of Directors' remuneration
   (c) the Manager disclose in its annual report the income it has earned in respect of its management of GMT for the prior financial year.
4. NZX granted GMT a waiver from Listing Rule 2.20.1(a)(i) to the extent that this rule requires Rules 2.2.1 and 2.8.1 to be incorporated by reference into the Trust Deed of GMT, which GMT had been granted waivers from, discussed above. The effect of this waiver was to ensure there was consistency between the waivers granted and the contents of the Trust Deed.
5. NZX granted GMT a waiver from Listing Rule 4.2.2 permitting the issue of Units (on a perpetual basis) to the Manager as consideration for the Manager's performance fee ("Performance Fee Units") under the terms of the Trust Deed, without the annual approval of Unitholders. The waiver from Listing Rule 4.2.2 was granted on the following conditions:
   (a) that any Performance Fee Units would be issued to the Manager in accordance with the terms of the Trust Deed, as approved by Unitholders at GMT's annual meeting on 2 August 2011

(b) the terms and effect of this waiver were disclosed in any Offering Document distributed or registered in respect of an offer of Units during the period in which this waiver was relied upon

(c) the number and price of Performance Fee Units issued to the Manager was disclosed in each annual report during the period in which those Units were issued.

GMT Bond Issuer Limited

No waivers were relied upon during the period.

A complete copy of the waivers provided by NZX can be found at www.nzx.com under the GMT code.

Register of Directors' holdings as at the Balance Date (to 31 March 2024)

The table below shows all relevant interests of Directors in Units and Bonds under the FMCA, which include legal and beneficial interests in Units.

REGISTER OF DIRECTORS HOLDINGS

Director	Units	Bonds
John Dakin (Chair)[1]	2,703,458.00	Nil
Laurissa Cooney[2]	52,427.93	Nil
Leonie Freeman[3]	408,750.00	Nil
David Gibson[4]	127,579.54	Nil
Keith Smith[5]	467,733.00	Nil
Greg Goodman	Nil	Nil

[1] John holds his units through the SGH Investment Trust of which he is a trustee and beneficiary.

[2] Laurissa has a beneficial interest in 52,427.93 GMT units through Craigs KiwiSaver Scheme on behalf of the New Zealand Guardian Trust Company Ltd of which she is a beneficiary.

[3] Leonie holds a beneficial interest in 173,750 GMT units through the Wave Trust. She is a trustee of that trust. Leonie has an interest in a further 235,000 units held in her own name.

[4] David has an interest in GMT units held in a custodial account by New Zealand Guardian Trust Ltd as trustee for Craigs Investment Partners KiwiSaver Scheme.

[5] Keith holds a beneficial interest in 378,460 GMT units through The Selwyn Trust. He is also a trustee of that trust. Keith has an interest as a trustee only (i.e. no beneficial interest) in a further 89,273 units, through being trustee of The Gwendoline Trust.

Summary of recent Trust Deed amendments

During the period from 1 April 2023 to 31 March 2024, the following amendments were made to GMT's Trust Deed to reflect the changes arising from the Internalisation:

+ deletion of the provisions relating to the remuneration of the previous Manager and the insertion of provisions whereby the new Manager shall not be entitled, in respect of its services, to any fee in the nature of remuneration but shall be entitled to reimbursement and indemnification in accordance with the provisions of the Trust Deed;
+ deletion of the provisions under which the manager of the Trust is entitled to receive a payment on cessation of office;
+ clarification of the reimbursement of expenses provisions contained in the Trust Deed to provide that all costs, charges, disbursements and expenses incurred by the Manager in performing its functions of and incidental to the management of the Trust are reimbursable out of the assets of the Trust;
+ Unitholders are given the right, by means of an Ordinary Resolution, to direct the shareholder of the Manager as to the individuals in respect of whom the shareholder of the Manager shall exercise its right to appoint and remove as directors under the constitution of the Manager;
+ Unitholders are given the right, by means of an Extraordinary Resolution, to direct the shareholder of the Manager (including as to terms) to dispose of all or any of the shares in the Manager or to vote its shares in the Manager;
+ express provisions to confirm that the payment of directors' fees to the directors of the Manager would be reimbursable out of the assets of the Trust;
+ inclusion of an express provision entitling the Manager to act as a property manager for the Trust, and receive and retain fees and other remuneration for acting in that capacity; and
+ other minor variations of a inconsequential nature, including updating clause cross-references and removing obsolete provisions.

GMT's Trust Deed is available on the Corporate Governance section of the Goodman Property Trust Website at https://nz.goodman.com. It is also available on the Disclose Register accessible on the Companies Office website (https://www.companiesoffice.govt.nz/disclose).

Other Disclosures for GMT Bond Issuer Limited

Interests register

GMT Bond Issuer Limited is required to maintain an interests register in which the particulars of certain transactions and matters involving the Directors must be recorded. The interests register is available for inspection on request.

Specific disclosures of interests

During the financial year, GMT Bond Issuer Limited did not enter into any transactions in which its Directors had an interest. Accordingly, no disclosures of interest were made.

Indemnity and insurance

In accordance with section 162 of the Companies Act 1993 and its constitution, GMT Bond Issuer Limited has provided insurance for, and indemnities to, Directors for losses from actions undertaken in the course of their duties. The insurance includes indemnity costs and expenses incurred to defend an action that falls outside the scope of the indemnity. The cost of such insurance has been certified as fair by the Directors of GMT Bond Issuer Limited. Particulars have been entered in the interests register pursuant to section 162 of the Companies Act 1993.

Use of company information by Directors

No member of the Board issued a notice requesting to use information received in his or her capacity as a Director which would not have otherwise been available to that Director.

Donations

GMT Bond Issuer Limited did not make any donations during the financial year.

Audit fees

All audit fees and fees for other services provided by PricewaterhouseCoopers are paid by GMT.

Directors' disclosure

During the year ended 31 March 2024, Directors disclosed interests or cessation of interests (indicated by (C)), in the following entities pursuant to section 140 of the Companies Act 1993.

Laurissa Cooney
Goodman Property Services (NZ) Limited
Goodman (NZ) Limited (C)

David Gibson
Contact Energy Limited
Goodman Property Services (NZ) Limited
Goodman (NZ) Limited (C)

Leonie Freeman
Goodman Property Services (NZ) Limited
Goodman (NZ) Limited (C)

Keith Smith
Goodman Property Services (NZ) Limited
Goodman (NZ) Limited (C)

BOARD OF DIRECTORS

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John Dakin
CHAIR
AND NON-EXECUTIVE DIRECTOR

Laurissa Cooney
CHAIR, AUDIT COMMITTEE
AND INDEPENDENT DIRECTOR

Leonie Freeman
INDEPENDENT DIRECTOR

David Gibson
DEPUTY CHAIR
AND INDEPENDENT DIRECTOR

Keith Smith
INDEPENDENT DIRECTOR

Gregory Goodman
NON-EXECUTIVE DIRECTOR

Phillip Pryke
NON-EXECUTIVE DIRECTOR
(RETIRED 30 SEPTEMBER 2023)

For profiles please visit:
https://nz.goodman.com/about-goodman/board-of-directors

INVESTOR RELATIONS

Introduction

Ensuring Unitholders and Bondholders are well informed and easily able to manage their investment is a key priority of the investor relations team. Regular meetings and communications, its website and a dedicated toll-free contact number provide investors with the means to make informed decisions.

Investor centre

The website, https://nz.goodman.com enables Unitholders and Bondholders to view information about their investment, check current prices and view publications and announcements.

Helpline

A dedicated toll-free number, 0800 000 656 (+64 9 375 6073 from outside New Zealand), will connect Unitholders and Bondholders directly with the investor relations team who will assist with any queries.

Registrar

Computershare Investor Services Limited is the registrar with responsibility for administering and maintaining the Trust's Unit and Bond Registers.

If you have a question about the administration of your investment, Computershare can be contacted directly:

+ by phone, on their toll-free number 0800 359 999 (+64 9 488 8777 from outside New Zealand)
+ by email, to enquiry@computershare.co.nz
+ by mail, to Computershare Investor Services Limited, Private Bag 92119, Auckland 1142.

Complaints procedure

As a financial service provider registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008, the Manager is a member of an approved dispute resolution scheme (registration number FSP36542).

Complaints may be made to the Manager or through the financial dispute resolution scheme.

Contact details of both are included in the corporate directory at the end of this document.

TOP 20 UNITHOLDERS

As at 30 April 2024

Rank	Registered name	Holding balance	Percentage
1	**Goodman Investment Holdings (NZ) Limited**	**278,063,312**	**18.07**
2	**Goodman Funds Management Limited**	**210,871,396**	**13.70**
3	HSBC Nominees (New Zealand) Limited	99,207,949	6.45
4	Accident Compensation Corporation	83,486,763	5.43
5	HSBC Nominees (New Zealand) Limited A/C State Street	76,922,867	5.00
6	BNP Paribas Nominees (NZ) Limited	60,306,623	3.92
7	FNZ Custodians Limited	59,315,911	3.85
8	JPMorgan Chase Bank NA NZ Branch -Segregated Clients Acct	55,296,689	3.59
9	Custodial Services Limited	50,422,205	3.28
10	Tea Custodians Limited Client Property Trust Account	50,242,792	3.27
11	Citibank Nominees (New Zealand) Limited	48,447,033	3.15
12	ANZ Wholesale Trans-Tasman Property Securities Fund	30,264,581	1.97
13	Forsyth Barr Custodians Limited	30,263,321	1.97
14	New Zealand Depository Nominee Limited	27,415,954	1.78
15	Generate Kiwisaver Public Trust Nominees Limited	26,423,269	1.72
16	HSBC Nominees A/C NZ Superannuation Fund Nominees Limited	17,679,976	1.15
17	Investment Custodial Services Limited	15,239,089	0.99
18	JBWere (NZ) Nominees Limited	14,153,811	0.92
19	PT (Boster Investments) Nominees Limited	13,810,919	0.90
20	BNP Paribas Nominees (NZ) Limited	10,268,817	0.67
Units held by top 20 Unitholders		**1,258,103,277**	**81.76**
Balance of Units held		**280,665,258**	**18.24**
Total of issued Units		**1,538,768,535**	**100.00**

UNITHOLDER DISTRIBUTION

As at 30 April 2024

Unitholding Range	Number of Unitholders	Number of Units
1 to 9,999	2,905	13,470,284
10,000 to 49,999	3,405	74,098,386
50,000 to 99,999	441	29,073,391
100,000 to 499,999	298	54,978,384
500,000 to 999,999	23	14,824,548
1,000,000 and above	39	1,352,323,542
Total	**7,111**	**1,538,768,535**

SUBSTANTIAL UNITHOLDERS

As at 31 March 2024

It is a requirement of the Financial Markets Conduct Act 2013[1] that each listed issuer makes available the following information in its Annual Report.

Unitholder	Number of Units Held[2]
Goodman Investment Holdings (NZ) Limited	278,063,312[3]
Goodman Funds Management Limited	210,871,396[3]
Accident Compensation Corporation	84,378,208

1 The numbers of Units listed above are as at 31 March 2024 according to disclosures made under section 280(1)(b) of the Financial Markets Conduct Act 2013. As these disclosures and notices are required to be filed only if the total holding of a Unitholder changes by 1% or more since the last notice filed, the numbers noted in this table may differ from those shown in the list of top 20 Unitholders. The list of top 20 Unitholders is shown as at 30 April 2024, rather than 31 March 2024.

2 The total number of Units on issue as at 31 March 2024 was 1,538,768,535.

3 Due to the breadth of the definition of 'Substantial Product Holder' in the Financial Markets Conduct Act 2013 and the nature of Goodman Group's corporate structure, the list above requires Goodman Group's holding in GMT to be shown through multiple entities each holding differing (i.e. legal or beneficial) interests. The total holding of Goodman Group as at 31 March 2024 was 488,934,708 Units.

BONDHOLDER DISTRIBUTION

As at 30 April 2024

GMB040	Number of Bondholders	Number of Bonds
1 to 9,999	12	77,000
10,000 to 49,999	130	2,632,000
50,000 to 99,999	22	1,281,000
100,000 to 499,999	24	4,001,000
500,000 to 999,999	6	4,050,000
1,000,000 and above	15	87,959,000
Total	**209**	**100,000,000**

GMB060	Number of Bondholders	Number of Bonds
1 to 9,999	52	287,000
10,000 to 49,999	285	5,768,000
50,000 to 99,999	32	1,947,000
100,000 to 499,999	23	4,721,000
500,000 to 999,999	1	645,000
1,000,000 and above	12	136,632,000
Total	**405**	**150,000,000**

GLOSSARY

$ and cents
New Zealand currency.

Balance date
31 March 2024.

Board
the Board of Directors of the Manager and GMT Bond Issuer Limited.

Bondholder
a person whose name is recorded in the register as a holder of a Goodman+Bond or Green Bond.

Cash earnings
Cash earnings is a non-GAAP measure that assesses free cash flow, on a per unit basis, after adjusting for certain items. Calculation of GMT's cash earnings and underlying cash earnings is set out on page 25.

CEO
the Chief Executive Officer of the Manager.

Chair
the Chair of the Board of the Manager.

CPU or cpu
cents per unit.

Disclose Register
the Disclose Register is a register for offers of financial products and managed investment schemes under the Financial Markets Conduct Act 2013.

Director
a director of the Manager and GMT Bond Issuer Limited.

GIT
Goodman Industrial Trust and its controlled entities, as the context requires.

GL
Goodman Limited and its controlled entities, as the context requires.

GMB
GMT Bond Issuer Limited, a wholly owned subsidiary of Goodman Property Trust.

Goodman or GPS
means Goodman Property Services (NZ) Limited as the Manager of the Trust.

Goodman Group or GMG
means Goodman Limited, Goodman Funds Management Limited as responsible entity for GIT, Goodman Logistics (HK) Limited and each of their respective related entities, operating together as a stapled group.

Goodman (NZ) Limited or GNZ
the former Manager of GMT prior to Internalisation.

Goodman+Bond, Green Bond or Bond
a bond issued by GMB.

Independent Director
has the meaning given to that term in the Listing Rules which, for the Manager are those persons listed on the following page.

Internalisation
means the internalisation of the rights to manage GMT approved by Unitholders at the Special Meeting held on 26 March 2024.

Internalisation Proposal
means the proposal for Internalisation to occur.

Listing Rules
This Annual Report has been prepared in accordance with the Listing Rules dated 17 June 2022 and 'LR' is a reference to any of those rules.

Loan to value ratio or LVR
Loan to value ratio is a non-GAAP financial measure used to assess the strength of GMT's balance sheet. The calculation is set out in note 2.6 of GMT's financial statements.

Executives or Management
the senior executives of the Manager.

Manager or GPS
the Manager of the Trust, Goodman Property Services (NZ) Limited.

NTA
net tangible assets.

NZ IFRS
New Zealand equivalents to International Financial Reporting Standards.

NZDX
the New Zealand debt market operated by NZX.

NZX
means NZX Limited.

NZX Code
means the NZX Corporate Governance Code 17 June 2022.

Operating earnings
Operating earnings is a non-GAAP financial measure included to provide an assessment of the performance of GMT's principal operating activities. Calculation of operating earnings is as set out in GMT's Statement of Comprehensive Income and in note 3.1 of the financial statements.

Registrar
the unit registrar for GMT and Goodman+Bond registrar for GMB which, at the date of this Annual Report, is Computershare Investor Services Limited.

sqm
square metres.

Trust Deed
the GMT trust deed dated 23 April 1999, as amended from time to time.

Trust or GMT
Goodman Property Trust and its controlled entities, including GMB, as the context requires.

Trustee
the trustee of the Trust, Covenant Trustee Services Limited.

Unitholder or unitholder
any holder of a Unit whose name is recorded in the register.

Unit or unit
a unit in GMT.

BUSINESS DIRECTORY

Directors of Goodman Property Services (NZ) Limited and GMT Bond Issuer Limited

Chair and Non-executive Director
John Dakin

Independent Directors
Laurissa Cooney
Leonie Freeman
David Gibson
Keith Smith

Non-executive Directors
Gregory Goodman
Phillip Pryke (retired 30 Sept 23)

Executives of Goodman Property Services (NZ) Limited and GMT Bond Issuer Limited

Chief Executive Officer
James Spence

Chief Financial Officer
Andy Eakin

General Counsel and Company Secretary
Anton Shead

General Manager – Property Services
Evan Sanders

General Manager Development
Mike Gimblett

Director Investment Management and Capital Transactions
Kimberley Richards

Head of Corporate Affairs
Jonathan Simpson

Marketing Director
Mandy Waldin

Human Resources Business Partner
Sophie Bowden

MANAGER OF GOODMAN PROPERTY TRUST

Goodman Property Services (NZ) Limited
Level 2, 18 Viaduct Harbour Avenue
Auckland 1010
PO Box 90940
Victoria Street West
Auckland 1142
Toll free: 0800 000 656
Telephone: +64 9 375 6060
Email: info-nz@goodman.com
Website: https://nz.goodman.com

ISSUER OF BONDS

GMT Bond Issuer Limited
Level 2, 18 Viaduct Harbour Avenue
Auckland 1010
PO Box 90940
Victoria Street West
Auckland 1142
Toll free: 0800 000 656
Telephone: +64 9 375 6060
Email: info-nz@goodman.com
Website: https://nz.goodman.com

COMPLAINT PROCEDURE

Financial Dispute Resolution Service
Freepost 231075
PO Box 2272
Wellington 6140
Toll free: 0508 337 337
Telephone: +64 4 910 9952
Email: enquiries@fdr.org.nz

AUDITOR

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PwC Tower
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Private Bag 92162
Auckland
Telephone: +64 9 355 8000
Facsimile: +64 9 355 8001

REGISTRAR

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Facsimile: +64 9 488 8787
Email: enquiry@computershare.co.nz

LEGAL ADVISORS

Russell McVeagh
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Auckland 1140
Telephone: +64 9 367 8000
Facsimile: +64 9 367 8163

TRUSTEE AND SUPERVISOR FOR GOODMAN PROPERTY TRUST

Covenant Trustee Services Limited
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Telephone: +64 9 302 0638

BOND TRUSTEE

Public Trust
Level 9
34 Shortland Street
PO Box 1598
Shortland Street
Auckland 1140
Toll free: 0800 371 471
Telephone: +64 9 985 5300

TOITŪ
NET CARBON ZERO
ISO 14064-1 ORGANISATION

goodmanproperty.co.nz