

Evolution of community



07:30
Morning
coffee
RESIDO



We're creating a new type of community — connected, sustainable, and built with Kiwis in mind.

These vibrant spaces bring everything you need within easy reach. Start your day with coffee on your apartment balcony before strolling 500 metres to the office or hopping on a nearby train. Meet up with friends after work for dinner, drinks, or some evening retail therapy.

Everything is within reach, delivering a new level of convenience and the sort of aspirational lifestyle that people are looking for.

Contents

Portfolio overview	Pg 2
Business highlights	Pg 4
Chair's report	Pg 6
Chief Executive Officer's report	Pg 10
Trends informing our strategy	Pg 14
Our value creation model	Pg 16
Case studies – Resido, Drury, Sylvia Park, ESG	Pg 18
Our Board	Pg 34
Our Executive Team	Pg 36
Financials	Pg 38
Other information	Pg 91
Corporate governance	Pg 92
Remuneration report	Pg 95
Other investor information	Pg 104
Directory	Pg 111



→ Resido apartment

A day in the life at Sylvia Park

As you explore this annual report, you'll get a glimpse into the life of two Resido residents, seeing how they move seamlessly through their day – living, working, shopping and playing – all without leaving the neighbourhood.



08:55
Daily commute
RESIDO
5 mins to work

Portfolio overview

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

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

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

Total portfolio



\$2.2b

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

\$237m

Hamilton – 1 mixed-use asset, 1 retail asset

\$112m

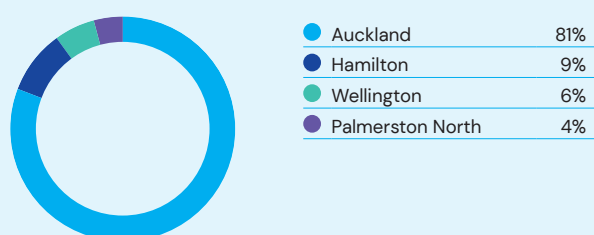
Palmerston North – 1 retail asset

\$146m

Wellington – 1 office asset

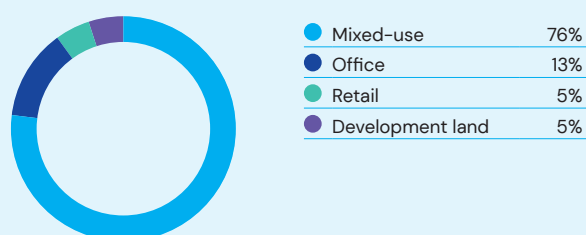
Geographic diversification

BY INVESTMENT PORTFOLIO VALUE



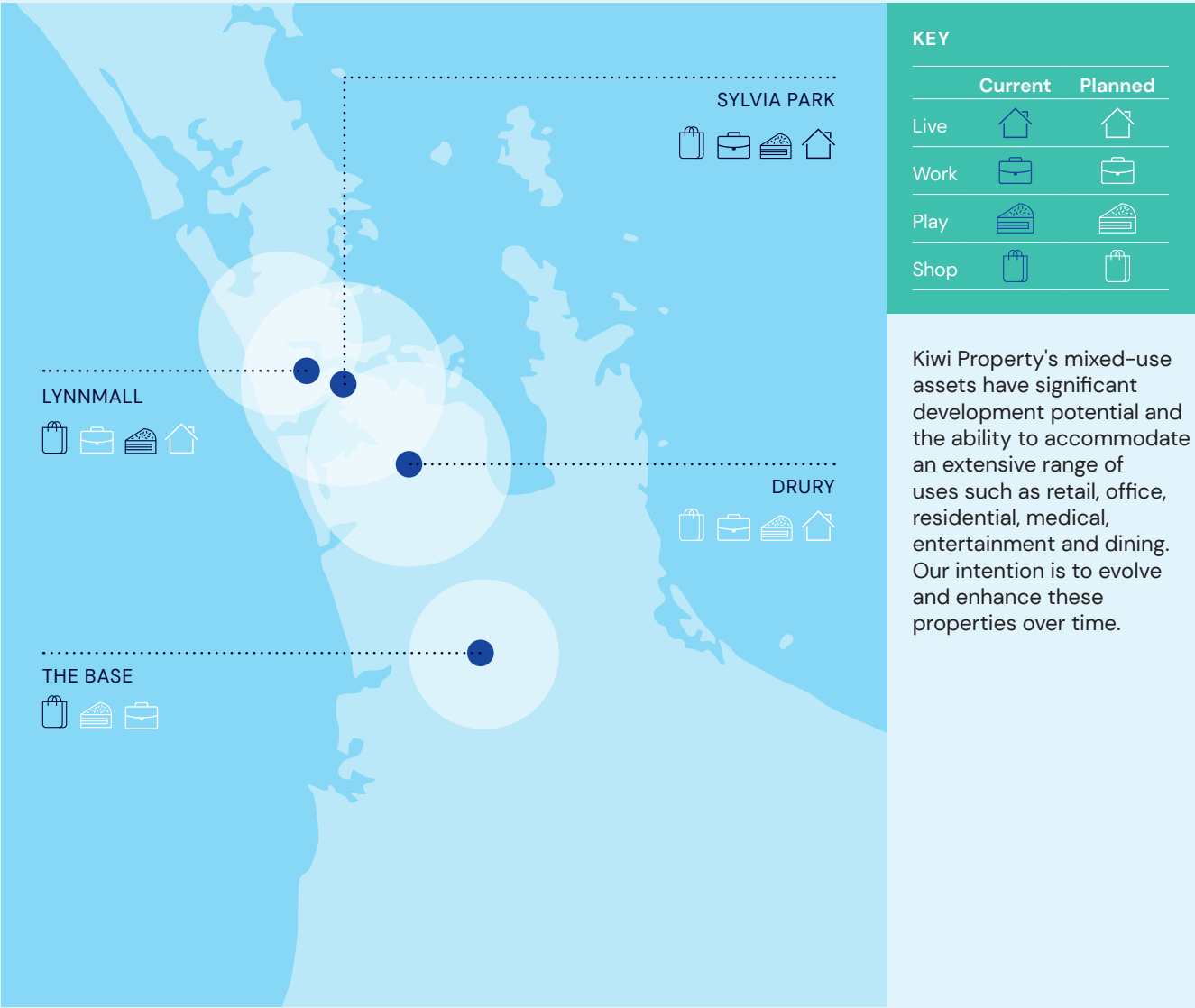
Sector diversification

BY PORTFOLIO VALUE



General note: The figures on this page exclude Vero Centre, which was held for sale at 31 March 2024.

A future-focussed property portfolio



The power of our retail-led mixed-use strategy

ANNUAL SALES FY24

\$2.1b¹

CUSTOMER VISITS FY24

37.0m

1. All sales include GST.

Business highlights

NET RENTAL INCOME (LIKE-FOR-LIKE²)

\$184.6m

↑ 5.8%

OPERATING PROFIT BEFORE TAX
(LIKE-FOR-LIKE²)

\$107.7m

↓ 4.4%

PORTFOLIO VALUE

\$3.2b³

↑ 0.1% (2H FY24)

ADJUSTED FUNDS FROM
OPERATIONS (LIKE-FOR-LIKE²)

\$99.3m

↓ 1.5%

2. Like-for-like results exclude the impact of asset sales and the prior year's release of COVID-19 abatement accruals.

3. Excluding the gross-up of lease liabilities required by NZ IFRS 16 Leases. Property portfolio valuation includes Drury Stage 1 land, valued at \$73.5 million, which has been transferred to inventories at 31 March 2024.

TOTAL RENTAL MOVEMENT

+4.4%⁴

FY23 4.8%

\$2.1m

NET LOSS AFTER TAX

12%

RESIDO APARTMENTS
RENTED PRIOR TO OPENING

TENANT SALES

\$2.12b

↑ 1.4%

96%

3 TE KEHU WAY LEASED

99.3%⁴

PORTFOLIO OCCUPANCY

4. Includes Vero Centre, which was held for sale at 31 March 2024.

Note: Refer to the Annual Results Presentation FY24 for the definition and determination of sales and the non-GAAP performance measures net rental income, adjusted funds from operations, portfolio value and operating profit before tax. Comparative figures relate to the FY23 period.



Simon Shakesheff
Chair

Navigating a challenging economy

“We have continued to deliver a robust underlying operational performance through FY24”

Introduction

Last year was challenging for many people and businesses in New Zealand. High inflation and interest rates weighed heavily on the cost of living, reducing expenditure and negatively impacting consumer and business confidence. Despite these headwinds, Kiwi Property Group delivered a robust underlying operational performance, in line with our guidance for the 2024 financial year (FY24), enabling us to pay a dividend to shareholders of 5.70 cents per share.



Asset values stabilising

The fair value of Kiwi Property’s asset portfolio increased by 0.1% or \$3.3 million in the second half of FY24, to finish the year 2.4% down overall. Our portfolio was worth \$3.2 billion on 31 March 2024⁵.

The Sylvia Park Precinct⁶ posted a fair value uplift of 1.5% in the second half of FY24, driven by rental growth and a marginal firming of capitalisation rates. The fair value of Kiwi Property’s CBD office portfolio declined 2.0% or \$16.4 million in the six months to 31 March 2024, underpinned by macroeconomic headwinds facing the asset class. The decrease in valuations contributed to a net loss after tax of \$2.1 million, an improvement of 99.1% on the prior year.

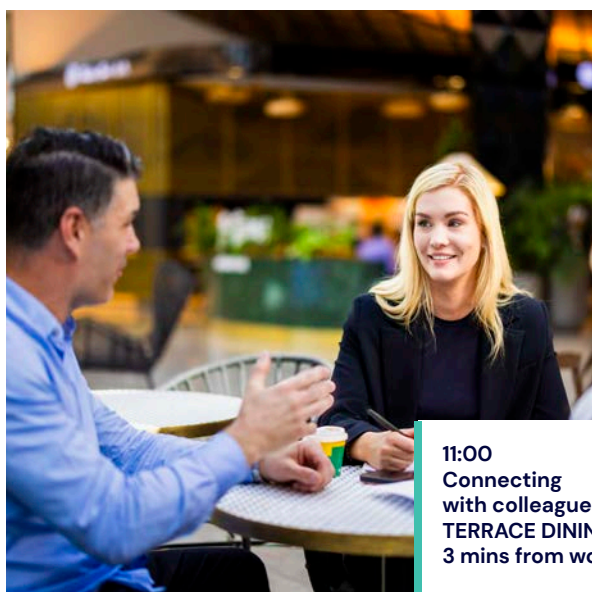
The relative resilience of our mixed-use assets highlights the strength of these flagship properties. By continuing to drive sales, grow rents and diversify our income streams, we will encourage valuation uplift as capitalisation rates firm.

- 5. Excluding the gross-up of lease liabilities required by NZ IFRS 16 Leases. Property portfolio valuation includes Drury Stage 1 land, valued at \$73.5 million, which has been transferred to inventories at 31 March 2024.
- 6. Sylvia Park Precinct includes Sylvia Park Shopping Centre, ANZ Raranga, Sylvia Park Lifestyle, 3 Te Kahu Way, adjoining properties and the residual value of Resido.

5.70cps

FY24 dividend

“New Zealand is currently experiencing a range of social and economic trends that we believe will benefit Kiwi Property over the short to medium term.”



11:00
Connecting
with colleagues
TERRACE DINING
3 mins from work

Delivering on strategy

Kiwi Property's capital management strategy aims to maximise the performance and returns of our core assets while divesting non-core assets over time and reinvesting the funds to create a more resilient, diversified and sustainable portfolio.

We believe this approach is positioning the company well for the future. We have large land holdings close to transport and population growth nodes, such as Sylvia Park – one of the country's leading mixed-use properties. The asset's extensive retail space is complemented by offices, residential accommodation, medical, dining and entertainment, helping to promote a cycle of economic and rental growth.

The anticipated completion of Resido will establish Kiwi Property among the first movers in New Zealand's emerging build-to-rent (BTR) sector, which is well-placed to benefit from rental demand and the increase in net migration post-COVID-19. More than half of Aucklanders over 15 years old currently live in rented accommodation, with this number expected to increase to 60% by 2043⁷.

3 Te Kahu Way is now 96% leased, with ASB recently signing an agreement to rent over 1,700 square metres of floor space in the building. The bank joins other blue-chip corporates such as ANZ and IAG, which also have a significant presence at Sylvia Park, reflecting the quality of tenants seeking commercial space in the precinct, attracted by its amenities, location, and sustainability credentials.

We will leverage our learnings from Sylvia Park as we develop the new town centre at Drury. We first acquired our landholding in 2015, with the ambition of up-zoning and transforming it into a master-planned community over time. Our extensive Drury site enjoys close proximity to public transport and a strategic location at the heart of significant projected population growth in the area.

7. JLL Research. Build-to-Rent-In New Zealand.

Board refreshment

Jane Freeman has signalled she will step down as a director of Kiwi Property at the upcoming annual shareholder meeting, bringing a close to her nine-year governance career with the company. Jane has made an important contribution over that time and leaves with our thanks and best wishes. The search for a new director is in its final stages and we hope to make an announcement on that front shortly.

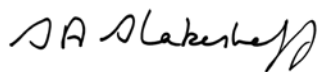
Continued focus on execution

New Zealand is currently experiencing a range of social and economic trends that we believe will benefit Kiwi Property over the short to medium term. A shortage of housing, fuelled by record migration and declining building consents, is driving demand for quality rental accommodation, creating opportunities for BTR. In parallel, limited online shopping penetration and a relatively small amount of new retail space look set to benefit established retail destinations such as LynnMall and The Base.

There are still challenges to overcome however, including the recent legislative change removing our ability to claim tax depreciation on commercial buildings. While we are not alone in being affected by this policy revision, it will reduce next year's adjusted funds from operations by around 5%. We have unfortunately been unable to offset this impost, leading the company to reduce the forecast dividend for the 2025 financial year to 5.4 cents per share⁸.

We remain committed to delivering dividend growth from FY26, fuelled by the additional earnings from Resido, a fully leased 3 Te Kahu Way and Drury land sales, amongst other things.

I want to thank our shareholders for your continued support. We look forward to continuing to earn your trust and investment in the coming financial year.



Simon Shakesheff

Chair



13:00
Home for lunch
RESIDO

8. Dividend guidance and payments are contingent on the company's financial performance through the financial year and barring material adverse effects or unforeseen circumstances.



Clive Mackenzie
Chief Executive Officer

A resilient performance

“We advanced the delivery of our strategy over the past year, continuing our multi-year evolution into an owner, developer and manager of mixed-use communities.”

+5.3%

Introduction

The 2024 financial year (FY24) was significant for Kiwi Property. While we have not escaped the impact of the volatile economic environment, our assets performed well throughout the year, achieving consistent rental growth, stable sales and resilient valuations. In addition, we delivered key development initiatives, marking important steps on our strategic transformation journey.

Rental uplift: new leases.

Robust rental growth

Kiwi Property's active leasing programme drove a 4.4% increase in total leasing spreads in FY24, with new leasing up 5.3%, highlighting the sustained demand for tenancies in our diversified property portfolio, which was 99.3% occupied at 31 March 2024.

The Base Te Awa achieved a sales uplift of 13.1% in FY24, followed by LynnMall, where sales rose 1.8%. After several periods of significant growth, Sylvia Park's sales were flat for the year but remained well ahead of pre-COVID-19 levels. The company's specialty gross occupancy cost ratio was 13.0%, reflecting the high productivity and value of our tenancies.

Despite the company's strong underlying operational performance, net rental income declined 9.2% to \$184.9 million, following the divestment of assets, including Northlands and Westgate Lifestyle. Operating profit before tax was similarly affected, declining 16.5% to \$108.2 million, while adjusted funds from operations (AFFO) decreased 14.3% to \$99.8 million. When viewed on a like-for-like⁹ basis to enable an accurate comparison of our underlying performance, Kiwi Property's net rental income rose 5.8% in FY24, demonstrating our ability to grow revenue across our remaining assets.



15:00
Staying healthy
HAMLIN PARK
5 mins walk
from Sylvia Park

General note: All figures include Vero Centre, which was held for sale at 31 March 2024.

9. Like-for-like results exclude the impact of asset sales and the prior year's release of COVID-19 abatement accruals.

“We're focused on driving organisational effectiveness and being disciplined about the use of shareholder capital.”



Resido nears completion

We advanced the delivery of our strategy over the past year, continuing our multi-year evolution from being a shopping centre and office landlord to the owner, developer and manager of mixed-use communities.

Two of the three apartment towers at our Resido build-to-rent (BTR) development are now complete, with the final due to be finished by 4 June 2024. Located adjacent to Sylvia Park, the BTR project is currently the largest in New Zealand, offering 295 apartments purpose-built for long-term rental.

The launch of Resido will enable us to deliver a true 'live, work and play' experience at Sylvia Park by bringing residential to the precinct for the first time. Leasing of Resido is already underway, and we expect to move towards full occupancy within the next 12-18 months.

Leading Australian flexible accommodation provider, Urban Rest, has signed a deal to lease 12% or 34 of the Resido apartments for the next three years. The agreement delivers guaranteed income from day one, helping to de-risk the project while simultaneously enabling us to test the demand for short-stay accommodation at Sylvia Park.

In a further signal that BTR is gaining traction in New Zealand, the Government recently announced changes to the Overseas Investment Act, designed to support the growth of the asset class. This policy amendment will make it easier for international investors to deploy capital into local residential projects, helping address one of the sector's historic challenges.

Strict cost control

Strictly managing costs is a particular priority in the current financial climate. We're focused on driving organisational effectiveness and being disciplined about the use of shareholder capital. To this end, Kiwi Property undertook several initiatives to reduce costs, streamline the organisation and enhance business efficiency in FY24.

First among these was the implementation of the company's new Yardi enterprise IT system. The new technology platform has already unlocked a range of productivity gains, with more expected to be realised over time. Yardi's implementation has also assisted us in reducing employee headcount across our digital and finance teams, contributing to a 9% decrease in staff numbers in FY24.

The full financial benefit of these and other cost-saving initiatives is expected to be realised from FY25, including an anticipated \$2.9 million decrease in people-related costs¹⁰. Our aim is to reduce management expenses as a percentage of net rental income (including property management revenue) to FY22 levels.

10. People-related cost savings include a reduction in employee headcount and employee share scheme costs, and removal of life insurance costs.

In parallel, we remain focussed on reducing gearing, with asset recycling an important aspect of our capital management agenda. On 16 May 2024, we announced the conditional sale of the Vero Centre to a Hong Kong China-based institutional investor for \$458 million, subject to Overseas Investment Office approval. Presuming the transaction settles, the funds raised will be used to repay bank debt, reducing gearing to the lower end of our target range and providing headroom to pursue new opportunities.

Building a future-fit business

One of Kiwi Property's four strategic pillars is to build a future-fit business, including a commitment to environmental, social and governance (ESG). In FY24 the company increased Sylvia Park's on-site renewable energy capacity, with the addition of a new solar array that contributed to the generation of over 1,300,000 kWh of power across the precinct in FY24. 3 Te Kahu Way received New Zealand's first 6 Green Star Design & As Built¹¹ rating, exceeding Kiwi Property's target for new developments. The company also led a successful pilot of the NABERS shopping centre rating tool, with Sylvia Park obtaining an indicative 6-Star NABERS Energy rating.

This year, we launched new company values, designed to support our efforts to build a high-performance culture at Kiwi Property and better reflect our commitment to delivering for our shareholders. These new values – Win Together, Make it Happen, Lead the Way and Exceed Expectations – guide how we do business, underpinned by our focus on innovation, achieving results, driving efficiency and striving for success. In FY24, we also revised the calculation of our short-term incentive pool and employee incentive schemes to focus entirely on financial performance. In addition we increased the proportion of employee long term incentive schemes directly driven by shareholder returns, creating closer alignment between team members' remuneration and shareholder outcomes.

The year ahead

FY24 was a challenging and eventful, yet ultimately productive year for Kiwi Property. Looking ahead to FY25, we are focused on both strategic execution and operational delivery. The successful lease-up of Resido, the completion of the Vero Centre divestment, the sale of large format retail lots at Drury and the effective operation of our assets are our highest priorities. I look forward to working with the Board and the rest of the Kiwi Property team to deliver strong outcomes for our shareholders and the communities where we operate.

Thank you for your support.



Clive Mackenzie

Chief Executive Officer

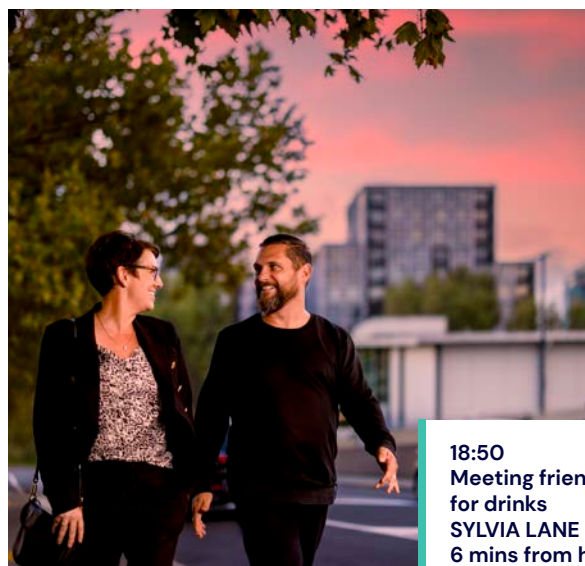
11. 6 Green Star Design & As Built NZ v1.0 Built rating.

12%

of Resido rented by Urban Rest.

5.5

NABERSNZ rating for ANZ Raranga.



18:50
Meeting friends
for drinks
SYLVIA LANE
6 mins from home

Trends informing our strategy



Urbanisation

Description

Population growth is forecast to be concentrated in New Zealand’s major cities, fuelling the need for investment in housing and infrastructure in Auckland and the golden triangle. This growth is expected to be greatest around major transport hubs, contributing to the intensification of these locations.

Implications for our business

90% of our investment portfolio (by value) is located in Auckland and Hamilton, at or near transport nodes, providing strong exposure to population growth. Our mixed-use properties are poised to benefit from increased demand for housing and commercial spaces, making them prime sites for investment and development.



Rental growth

Demand for rental accommodation is expected to increase significantly, driven by migration, demographic changes and a lack of new housing supply. Around 50% of Aucklanders live in rental accommodation today, with this figure expected to rise to around 60% by 2043¹².

We are well positioned to take advantage of the growth of renting in New Zealand with the launch of the country’s largest build-to-rent development. Resido has been created specifically with renters in mind, offering quality apartments, secure accommodation, and excellent amenities.



12. JLL Research. Build-to-rent in New Zealand.

The world around us is changing rapidly, driven by a range of macro trends that shape our operating environment, generating risks and opportunities for the business, and impacting how we create value for our stakeholders.

The diagram below outlines macro trends that have informed the development of our business strategy. Our insight led approach, aims to position our assets to benefit from the forces impacting the way people in New Zealand will live, work and play in the years ahead, supporting smarter capital investment and encouraging new areas of earnings growth.



Changing work patterns

The shift towards hybrid work patterns, enabled by digitisation and automation, is reshaping the concept of the workplace, requiring companies to rethink their office needs. This means more flexible and collaborative spaces, more satellite locations close to transport, and better IT infrastructure.

Our leading mixed-use office buildings such as ANZ Raranga and 3 Te Kahu Way offer easy accessibility, quality end of trip facilities, strong sustainability credentials and competitive rents – an appealing proposition for many leading commercial tenants.



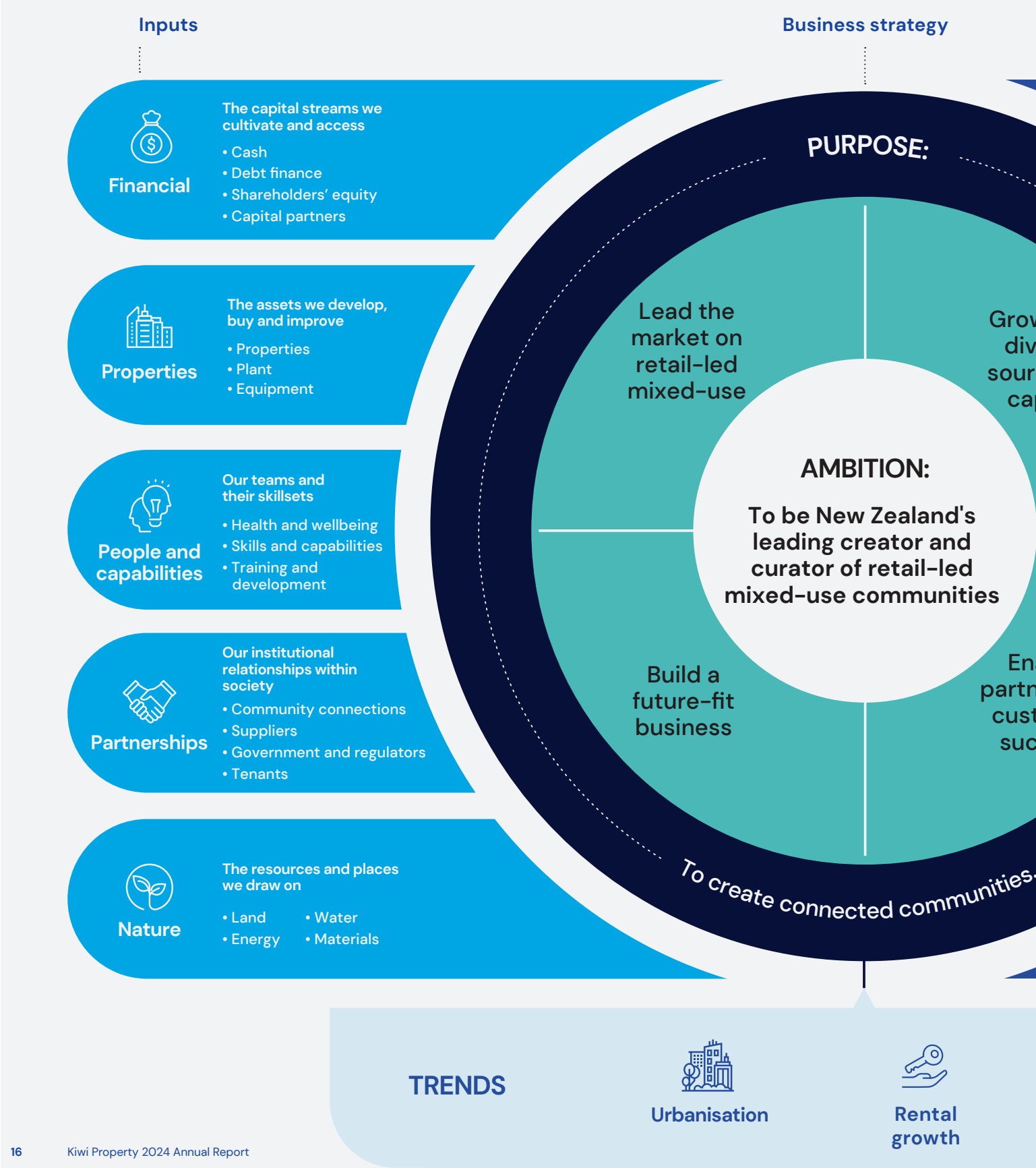
Omni-channel retail

The rise of omni-channel retail reflects a shift towards a seamless integration of in-store and online shopping experiences. This approach integrates in-store and online experiences into a cohesive and unified customer journey, ensuring consistency and convenience at every touchpoint.

In an omni-channel environment, leading retailers want fewer, better stores at the best locations, such as Sylvia Park and The Base. By blending digital platforms with physical spaces, we can create seamless shopping experiences, tailored services, and heightened consumer convenience.



Our value creation model



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

Key inputs into our activities are financial capital, properties, people and capabilities, partnerships and nature. Through the execution of our business strategy, we create value for our stakeholders: our people, investors, tenant partners and suppliers, customers, communities, and the environment.

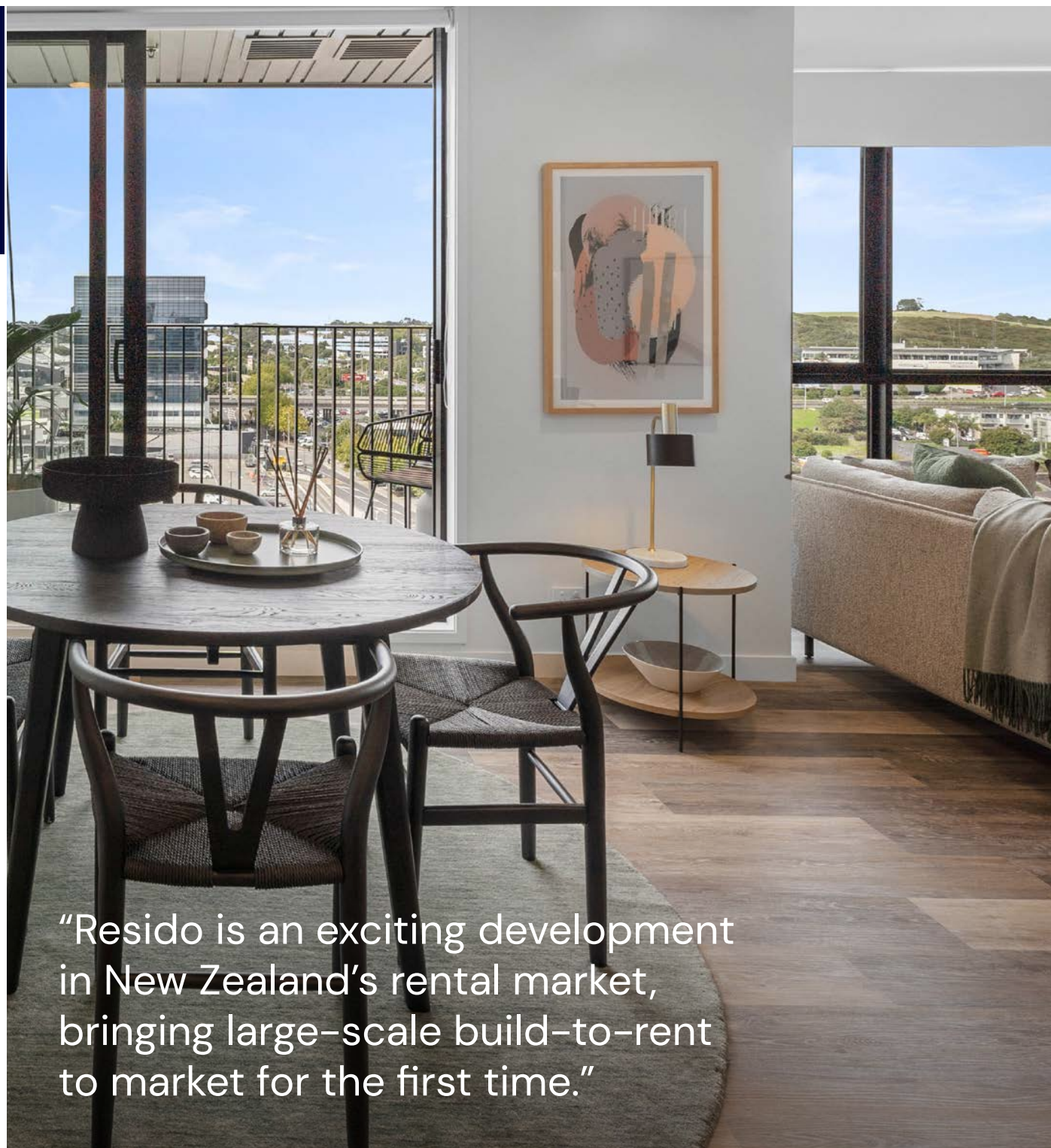
This process of value creation is illustrated in the diagram below.



Creating a new type of neighbourhood

01.

Case study



“Resido is an exciting development in New Zealand’s rental market, bringing large-scale build-to-rent to market for the first time.”

New Zealand's largest build-to-rent development (BTR) is opening at Sylvia Park on 11 June 2024, marking a major milestone for Kiwi Property and the delivery of its mixed-use strategy. BTR is purpose-built for long-term renting, offering tenants the security of home ownership coupled with an extensive range of on-site services and amenities.

Featuring 295 spacious residential apartments across three separate buildings, Resido's launch brings one of the country's first large-scale BTR projects to market and positions Kiwi Property at the forefront of the sector. Residents can choose from a studio, one, two or three-bedroom apartment to suit their needs.



So, what makes Resido different to other rental accommodation? Tenants can stay as long as they like, bring pets, move within the complex as their life circumstances change, and live in a community rich in amenities. Plus, there's on-site security, no body corporate fees and whiteware is included.

Resido is expected to appeal to a broad range of demographics, from new renters to young professionals, families and retirees looking to downsize. Located just a 2-minute walk from the extensive shopping and entertainment options at Sylvia Park, and just 500 metres to the train station and bus interchange, it's close to everything residents might need.

Every apartment has a balcony, many with expansive views. Some apartments are



295



High quality residential apartments in three separate buildings.

500m



To train station and bus interchange.

1,200



Apartments could potentially be built at Sylvia Park.

fully furnished, some not, giving people the flexibility to choose the approach that works for them. Resido boasts an 8 Homestar design rating, with features including EV charging stations.

Resido features a mix of amenities designed for work and play, ranging from common working spaces and private meeting pods, through to a media room and expansive rooftop deck and BBQ area, where residents can socialise with friends. A Resido mobile app will also enable residents to perform tasks like booking maintenance and signing up to community events. Unlike many traditional rental properties, Resido has been built specifically with the tenant in mind. This customer-first approach will differentiate the product from other offerings in the market and help drive demand among potential residents wanting the opportunity to rent their way.

Leading Australian flexible accommodation provider, Urban Rest, recently signed





“A Resido mobile app will also enable residents to perform tasks like booking maintenance and signing up to community events.”

an agreement to rent 12% of Resido – or 34 apartments – for the next three years. These apartments will be offered to corporate travellers, friends and family of existing residents, and ‘try before you buy’ tenants.

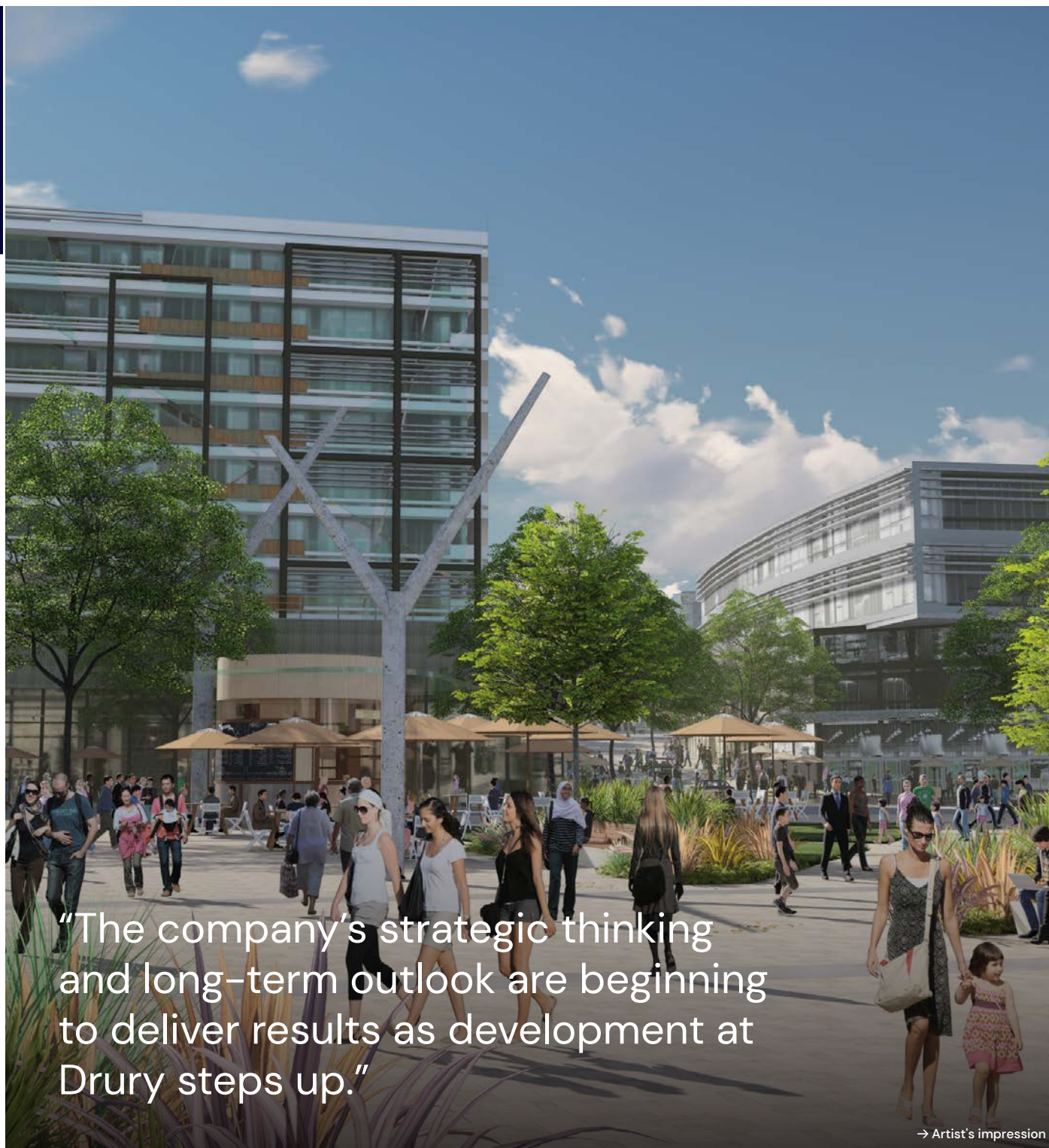
More than 1,200 apartments could potentially be built at Sylvia Park over the next decade, supporting the precinct's evolution into a significant and connected residential community. With the leasing of Resido now underway, the next few months will be critical to the success of the project. Early signs are looking good however, suggesting a bright future ahead for Resido and BTR in New Zealand.



Drury: The future of Kiwi town centres

02.

Case study



→ Artist's impression

"The company's strategic thinking and long-term outlook are beginning to deliver results as development at Drury steps up."

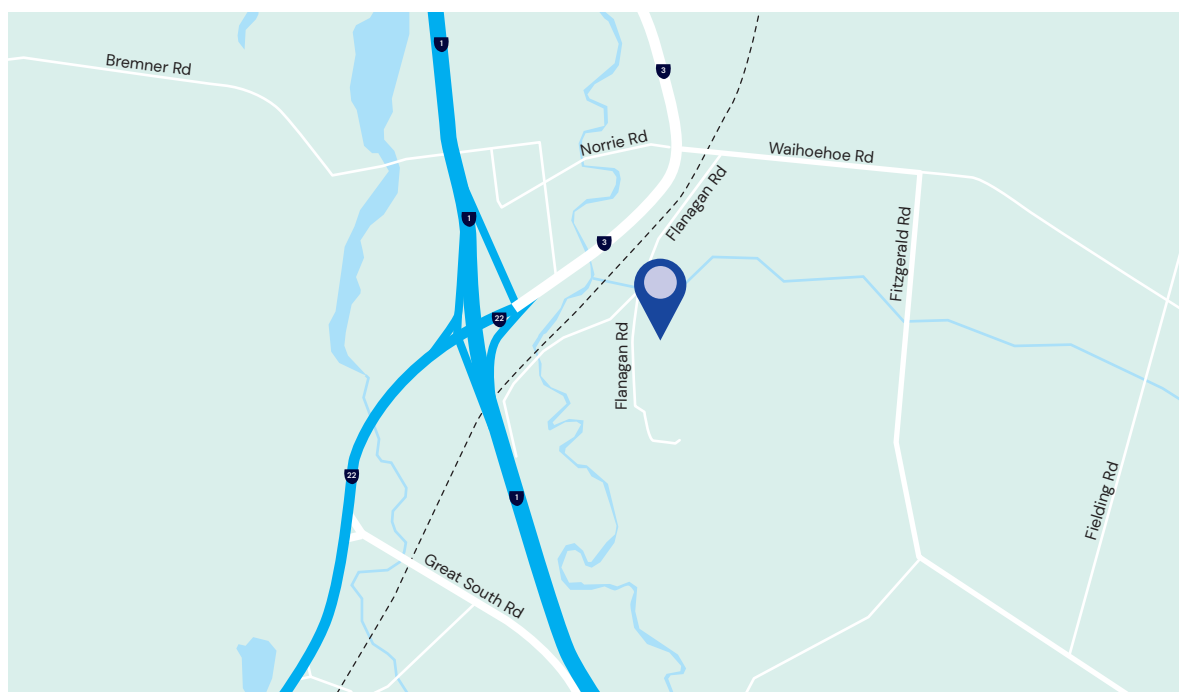
Kiwi Property began purchasing over 50 hectares of land at Drury almost 10 years ago. At the time, the site was occupied by dairy cows and grassy paddocks, but the region's classification as a future growth node pointed to a significant opportunity ahead. Today, the company's strategic thinking and long-term outlook are beginning to deliver results as development at Drury steps up and activation of Kiwi Property's landholding gets underway.

Stage 1 of the project is well progressed, with earthworks largely completed and the site upzoned, contributing to a valuation gain of over \$90 million since inception¹³. Over 100,000 square metres of land and 13 residential super-lots have been cleared and are at grade, enabling these sites to be sold to the large format retailers and group home builders keen to capitalise on Drury's anticipated growth.

Kiwi Property is already in advanced negotiations with several of these businesses, with the proceeds from potential land sales earmarked for the financing of ongoing development, in line with Kiwi Property's strategy of leveraging diverse sources of capital to drive growth and shareholder returns.



→ Drury development site



13. Excludes capital expenditure incurred to date.



53ha

Landholding.

13



Residential super-lots created.

2025



Drury Central Train Station scheduled opening.

Stage 2 of the Drury development is expected to start in the medium-term and will include the creation of a new mixed-use town centre, featuring a blend of retail, office, entertainment, medical and residential. The transit-oriented development will enable residents to leave their cars at home and take advantage of the public transport options on offer. A new Drury Central Train Station is scheduled to open in 2025, with 90% of Kiwi Property's site within an easy one-kilometre walk.

The company has proactively consulted with community stakeholders from the outset of the project and has already announced its ambition for Drury to become one of New Zealand's first Green Star communities, built with an extensive range of sustainability features in mind. Foremost among these efforts is the regeneration of the Hingaia Stream, including extensive planting of native trees and the restoration of local wetlands.

“Kiwi Property has already announced its ambition for Drury to become one of New Zealand’s first Green Star communities.”

Drury, like Sylvia Park before it, has the potential to become a leading example of a retail-led, mixed-use community. The development is poised to deliver significant opportunities for Kiwi Property and its shareholders, through a combination of valuation growth, land sales and the rental income the site is expected to deliver. While the project is still relatively early in its lifecycle, Drury’s potential is becoming increasingly clear.

Watch this space – we are confident the best is yet to come!



→ Drury retail precinct. Artist's impression

Sylvia Park: leading in mixed-use

03.

Case study



“Sylvia Park is a true retail-led development, with New Zealand’s favourite shopping centre at its core.”

From its humble beginnings almost two decades ago, Sylvia Park is now widely regarded as one of the most successful property assets in New Zealand, attracting over 15 million visits and recording over \$900 million in sales in FY24.

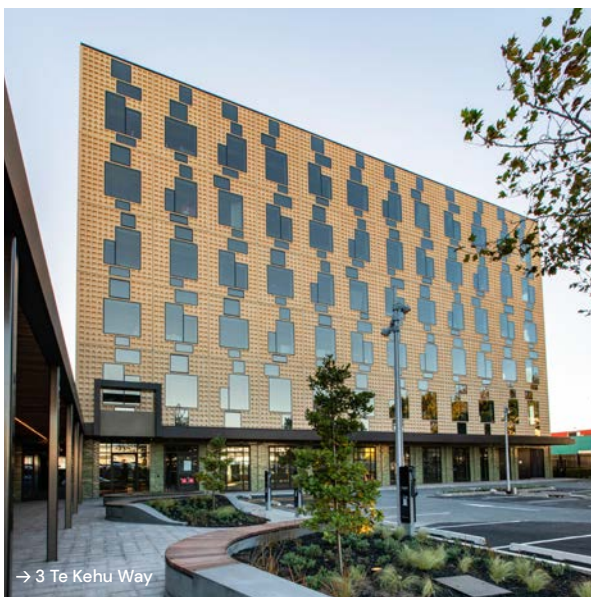
When Kiwi Property began construction of Sylvia Park, many commentators suggested that embarking on such a large suburban retail development was a risk. Today, it's seen as an industry reference point for retail-led mixed-use community creation, blending a range of property asset classes together on a single site.

That success is not by chance. Sylvia Park is an example of our long-term outlook and focus on creating high-quality spaces to live, work, shop and play. Integrating retail, offices and apartments in one location helps attract more people, stimulating sales, growing rents and promoting a more vibrant customer experience.

A true retail-led development with New Zealand's favourite shopping centre¹⁴ at its core, Sylvia Park has delivered robust returns over the last financial year, with almost 100% occupancy, strong competition for retail space, and a rental performance that has withstood the economic downturn, helping to support resilient valuations.



14. "The Heart of Kiwi Property 2022" Nielsen.



The opening of New Zealand's first IKEA store, scheduled for late 2025, will take Sylvia Park's retail offering to an even higher level. IKEA is expected to be a significant drawcard for consumers from across the country, attracting even more people to the precinct and encouraging cross-shopping with the centre's existing retailers. This is a prime example of the mixed-use halo benefit and gives brands even more reason to establish a presence at Sylvia Park.

The launch of Resido, on 11 June 2024, will bring residential apartments to the Sylvia Park precinct for the first time. The project is the first of several anticipated residential developments at Sylvia Park, with the potential for up to 1,200 apartments across the site over the next decade. Kiwi Property intends to prove-up build-to-rent (BTR) and build market confidence in the asset class by leasing up Resido over the next 12-18 months.

\$904m



Sylvia Park Precinct
sales FY24.

15.8m



Customer
visits FY24.

18,900sqm



Quality
office space.

35ha



Available land zoned for
mixed-use development.

“Resido has been built with sustainability in mind, in line with Kiwi Property’s ambitious ESG targets.”



Sylvia Park isn’t just a leader from a commercial standpoint, it’s also at the forefront of sustainability. The precinct’s new 7,300 square metre office building, 3 Te Kahu Way, was recently awarded New Zealand’s first 6 Green Star Design & As Built NZ v1.0 Built rating. Also this year, ANZ Raranga was awarded a 5.5-Star NABERSNZ energy rating. The environmental performance of these buildings is an important magnet for blue chip corporate clients such as ASB and IAG, which are drawn to Sylvia Park’s combination of amenities, location and ESG credentials.

The outlook for Sylvia Park’s next two decades appears just as promising as its first. With over 35 hectares of land zoned for mixed-use development and close proximity to trains, buses, and motorways, Kiwi Property has numerous options to evolve and progress the site over time, in line with tenant and customer demand. This could potentially see more office buildings, more large format retail, and more apartments. As connected communities evolve, so will Sylvia Park.

Creating sustainable communities

04.

Case study



"In FY24, Kiwi Property continued to make pleasing progress on its sustainability agenda, achieving a series of milestones."

Sustainability is an important element of Kiwi Property's overarching strategy, ensuring close alignment between the company's business and Environmental, Social and Governance (ESG) ambitions.

The sustainability strategy is based on three pillars: People, Places and Partnerships. It reflects Kiwi Property's belief that its long-term success is connected to the success of the communities where it operates. Each of the three pillars sets key actions, with delivery against strategy governed by our ESG Committee and ESG Leadership Team.



Kiwi Property continued to make significant progress on its sustainability agenda in FY24. The company's focus on continuous improvement helped raise the company's environmental performance, with operational carbon emissions (scopes 1, 2 and selected 3), operational waste and water consumption down across the portfolio.

A pilot of the NABERS shopping centre rating tool saw the Sylvia Park shopping centre obtain the country's first indicative 6-Star NABERS Energy Rating – the highest possible level. The project enabled the testing of the tool in the New Zealand context, helping provide a pathway for other shopping centres and in the process, encouraging the industry's sustainability efforts.



1.3m kwh



of solar power generated
at Sylvia Park.

25,000



Christmas books created in
collaboration with the
Mental Health Foundation.

40:40:20



FY24 gender balance for Board
and Executive Team.

Also at Sylvia Park, Kiwi Property increased its on-site renewable energy capacity, with the addition of a new solar array at 3 Te Kehu Way that contributed to the generation of over 1,300,000 kWh of power in FY24 – enough to power over 50% of the precinct's common areas.

We believe sustainability is a core component of successful connected communities and Resido is a testament to this view. The development incorporates a range of environmental initiatives designed to contribute to the lifestyles of residents, earning the building an 8 Homestar Design rating. In time, we also aspire to Drury becoming a model for sustainable development and one of the country's first Green Star Communities.

Wellbeing is a central concept across the three pillars of the company's sustainability strategy. Throughout this year, Kiwi Property has implemented various programmes designed to bring people together, including public art projects, cultural celebrations and mental health advocacy programmes. As part of its support for the Mental Health Foundation, Kiwi Property also created an inspiring children's book, *Where's Holly's Hat?*, to increase emotional literacy among New Zealand's tamariki.



“Sustainability is embedded into Kiwi Property’s mixed-use strategy and objective to create connected communities.”

Kiwi Property’s vision for sustainability at the company is informed by an awareness of its most material ESG issues, which were identified as part of a ‘double materiality’ assessment. For more information on this process and the priorities identified, see our Sustainability Report at: kp.co.nz/annual-result

Kiwi Property is a climate-reporting entity for the purposes of the Financial Markets Conduct Act 2013 (FMC Act). We will publish our Climate-related Disclosures on a group basis for the year ended 31 March 2024 in compliance with the Aotearoa New Zealand Climate Standards issued by the External Reporting Board (XRB), as required by the FMC Act. Kiwi Property’s Climate-related Disclosures for the year ended 31 March 2024 will be accessible on our website by 31 July 2024 at: kp.co.nz/investors



Our Board



Simon Shakesheff
Chair

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

Board membership

Non-executive member

Other committees

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

Date appointed

November 2019

Date last re-elected

June 2023



Chris Aiken
Independent Director

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

Board membership

Non-executive member

Other committees

Chair of the ESG Committee and Member of the Remuneration and Nominations Committee

Date appointed

June 2021

Date last re-elected

July 2021



Peter Alexander
Independent Director

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

Board membership

Non-executive member

Other committees

Member of the ESG Committee

Date appointed

May 2023

Date last re-elected

June 2023



Mary Jane Daly
Independent Director

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

Board membership

Non-executive member

Other committees

Chair of the Audit and Risk Committee

Date appointed

September 2014

Date last re-elected

June 2022



Carlie Eve
Independent Director

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

Board membership

Non-executive member

Other committees

Member of the Audit and Risk Committee

Date appointed

May 2023

Date last re-elected

June 2023



Jane Freeman
Independent Director

Jane is an Auckland-based professional director with extensive retail experience and expertise in customer-driven technology. She was previously a director of Foodstuffs North Island, ASB Bank, Delegat Group and Air New Zealand. Prior to her governance career, Jane held a number of senior general management roles in major New Zealand businesses including Telecom, ASB Bank and Bank Direct. Jane will step down from the Board at the company's upcoming annual meeting of shareholders on 27 June 2024.

Board membership

Non-executive member

Other committees

Chair of the Remuneration and Nominations Committee

Date appointed

August 2014

Date last re-elected

July 2021

Our Executive Team



Clive Mackenzie
Chief Executive Officer

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



Aubrey Cheng
GM Income and Leasing

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



Jo Harris
GM People

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



Ian Passau
GM Development

Ian leads our development team and is responsible for all development activities and major capital works programmes. He has 30 years' experience in property design, construction and development across a range of asset classes. Prior to joining Kiwi Property, Ian held senior positions at Foodstuffs North Island and Auckland Airport. He is a past president of the Property Council of New Zealand's Waikato Branch and past member of the Auckland Urban Design Panel.



Steve Penney
Chief Financial Officer

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



Linda Trainer
GM Asset Management

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



→ 3 Te Kahu Way

Financials



Five-year summary

Financial performance

FOR THE YEAR ENDED 31 MARCH

	2024 \$m	2023 \$m	2022 Restated ¹ \$m	2021 Restated ¹ \$m	2020 \$m
Property revenue and property management revenue	244.7	259.1	255.9	244.2	243.6
Total revenue	244.7	259.1	255.9	244.2	243.6
Direct property expenses	(55.6)	(52.8)	(75.4)	(78.3)	(54.5)
Employment and administration expenses	(32.7)	(32.7)	(25.8)	(23.1)	(22.6)
Total expenses	(88.4)	(85.5)	(101.2)	(101.4)	(77.1)
Profit before net finance expenses, other income/ (expenses) and tax	156.3	173.6	154.7	142.8	166.5
Interest income	0.7	0.2	0.2	0.3	0.2
Interest and finance charges	(48.8)	(44.2)	(38.4)	(36.0)	(37.0)
Net fair value (loss)/gain on interest rate derivatives	(4.1)	5.7	18.5	6.3	(9.9)
Net finance expenses	(52.2)	(38.3)	(19.7)	(29.4)	(46.7)
Profit before other income/(expenses) and income tax	104.1	135.3	135.0	113.4	119.8
Net fair value (loss)/gain on investment properties	(77.8)	(352.6)	128.8	109.0	(289.9)
Litigation settlement income	-	6.0	-	-	-
Loss on disposal of investment properties	(1.7)	(3.5)	(3.1)	-	-
Other (expenses)/income	(79.5)	(350.1)	125.7	109.0	(289.9)
Profit/(loss) before income tax	24.7	(214.8)	260.7	222.4	(170.1)
Income tax expense	(26.8)	(12.9)	(36.4)	(25.9)	(16.6)
(Loss)/profit after income tax²	(2.1)	(227.7)	224.3	196.5	(186.7)

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

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

Five-year summary (continued)

Reconciliation of profit/(loss) before income tax to operating profit before income tax FOR THE YEAR ENDED 31 MARCH

	2024 \$m	2023 \$m	2022 Restated ¹ \$m	2021 Restated ¹ \$m	2020 \$m
Profit/(loss) before income tax	24.7	(214.8)	260.7	222.4	(170.1)
Adjusted for:					
Net fair value loss/(gain) on investment properties	77.8	352.6	(128.8)	(109.0)	289.9
Loss on disposal of investment properties	1.7	3.5	3.1	-	-
Litigation settlement income	-	(6.0)	-	-	-
Net fair value loss/(gain) on interest rate derivatives	4.1	(5.7)	(18.5)	(6.3)	9.9
Operating profit before income tax²	108.2	129.6	116.5	107.1	129.7

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

² Operating profit before income tax is an alternative non-GAAP performance measure used by Kiwi Property to assist investors in assessing the Company's performance for the year by adjusting for a number of non-operating items. Operating profit before income tax does not have a standard meaning prescribed by GAAP and therefore may not be comparable to information presented by other entities. The reported operating profit before income tax has been extracted from the relevant annual consolidated financial statements which have been the subject of an audit pursuant to New Zealand Auditing Standards issued by the External Reporting Board.

Five-year summary (continued)

Adjusted funds from operations

FOR THE YEAR ENDED 31 MARCH

	2024 \$m	2023 \$m	2022 Restated ¹ \$m	2021 Restated ¹ \$m	2020 \$m
(Loss)/profit after income tax	(2.1)	(227.7)	224.3	196.5	(186.7)
Adjusted for:					
Net fair value loss/(gain) on investment properties	77.8	352.6	(128.8)	(109.0)	289.9
Loss on disposal of investment properties	1.7	3.5	3.1	-	-
Net fair value loss/(gain) on interest rate derivatives	4.1	(5.7)	(18.5)	(6.3)	9.9
Litigation settlement income	-	(6.0)	-	-	-
Reversal of lease liability movement in investment properties	-	(0.1)	(0.1)	(0.1)	(0.1)
Straight-lining of fixed rental increases	(1.5)	(1.2)	(3.0)	-	(1.2)
Amortisation of tenant incentives and leasing fees	6.5	7.7	8.3	7.1	7.1
Rent deferrals received/(rent deferrals) (COVID-19)	-	0.2	1.5	(1.7)	-
Depreciation recovered on disposal of investment properties	2.8	0.5	3.6	-	-
Share-based payment expense ²	1.9	1.4	1.2	-	-
Depreciation of property, plant and equipment ²	0.8	1.1	1.3	-	-
Deferred tax expense/(benefit)	10.6	(4.8)	13.9	11.3	(5.3)
Funds from operations³	102.6	121.5	106.8	97.8	113.6
Maintenance capital expenditure	(5.3)	(6.6)	(3.0)	(5.3)	(7.5)
Capitalised tenant incentives and leasing fees	(3.3)	(2.2)	(3.4)	(3.1)	(3.9)
One-off costs					
Software implementation projects	3.1	2.0	-	-	-
Bondholder consent fee	1.8	-	-	-	-
Other one-off costs	0.9	1.8	-	-	-
Adjusted funds from operations⁴	99.8	116.5	100.4	89.4	102.2

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

2 Represents non-cash expenses included in the determination of funds from operations with effect from 1 April 2021. No adjustment has been made in respect of prior years.

3 Funds from operations (FFO) is an alternative non-GAAP performance measure used by Kiwi Property to assist investors in assessing the Company's underlying operating performance. FFO is a measure commonly used by real estate entities to describe their underlying and recurring earnings from operations. FFO does not have a standard meaning prescribed by GAAP and therefore may not be comparable to information presented by other entities. FFO is calculated by Kiwi Property in accordance with the Voluntary Best Practice Guidelines issued by the Property Council of Australia (the Guidelines). The reported FFO information has been extracted from the Company's annual consolidated financial statements which have been the subject of an audit pursuant to New Zealand Auditing Standards issued by the External Reporting Board.

4 Adjusted funds from operations (AFFO) is an alternative non-GAAP performance measure used by Kiwi Property. AFFO is a measure commonly used by real estate entities to describe their underlying and recurring cash flows from operations. Broadly, AFFO adjusts FFO by deducting the cost of lease incentives, leasing fees, annual maintenance capital expenditure for sustaining and maintaining existing space and one-off costs. AFFO does not have a standard meaning prescribed by GAAP and therefore may not be comparable to information presented by other entities. AFFO is calculated by Kiwi Property in accordance with the Voluntary Best Practice Guidelines issued by the Property Council of Australia (the Guidelines). The reported AFFO information has been extracted from the relevant annual consolidated financial statements which have been the subject of an audit pursuant to New Zealand Auditing Standards issued by the External Reporting Board.

Five-year summary (continued)

Dividends

FOR THE YEAR ENDED 31 MARCH

	2024 \$m	2023 \$m	2022 Restated ¹ \$m	2021 Restated ¹ \$m	2020 \$m
Funds from operations	102.6	121.5	106.8	97.8	113.6
Adjusted funds from operations	99.8	116.5	100.4	89.4	N/A
Less amount retained	(9.3)	(27.0)	(12.5)	(8.6)	(58.3)
Dividend	90.5	89.5	87.9	80.8	55.3
Payout ratio ²	90%	77%	88%	90%	49%
	cps	cps	cps	cps	cps
Dividend	5.70	5.70	5.60	5.15	3.53
Imputation credits	1.01	1.13	1.43	1.36	0.79
Gross dividend	6.71	6.83	7.03	6.51	4.32

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

2 With effect from 1 April 2020, the Group revised its dividend policy to be based on adjusted funds from operations (previously funds from operations).

Financial position

AS AT 31 MARCH

	2024 \$m	2023 \$m	2022 \$m	2021 \$m	2020 \$m
Assets					
Investment properties ¹	3,121.8	3,194.0	3,567.6	3,331.5	3,114.7
Inventories	73.5	-	-	-	-
Cash and cash equivalents	18.2	17.9	11.6	16.0	21.3
Other assets	21.6	26.5	15.3	18.8	20.4
Total assets	3,235.1	3,238.4	3,594.5	3,366.3	3,156.4
Liabilities					
Interest bearing liabilities	1,195.2	1,131.1	1,135.9	1,049.9	1,009.9
Deferred tax liabilities	114.2	103.6	108.5	94.5	83.2
Other liabilities	65.7	70.2	78.5	87.1	91.8
Total liabilities	1,375.1	1,304.9	1,322.9	1,231.5	1,184.9
Equity					
Share capital	1,682.8	1,664.8	1,663.5	1,661.9	1,661.0
Share-based payments reserve	2.9	2.1	2.0	1.9	1.6
Retained earnings	174.3	266.6	606.1	471.0	308.9
Total equity	1,860.0	1,933.5	2,271.6	2,134.8	1,971.5
Total equity and liabilities	3,235.1	3,238.4	3,594.5	3,366.3	3,156.4
Gearing ratio (finance debt / total tangible assets)	37.0%	35.0%	31.6%	31.2%	32.0%
Net tangible assets per share	\$1.17	\$1.23	\$1.45	\$1.36	\$1.26

1 Includes investment properties classified as held for sale.

Five-year summary (continued)

Property metrics

AS AT 31 MARCH

	2024	2023	2022	2021	2020
Number of properties	9	10	12	12	12
Net lettable area (sqm)	392,588	410,183	465,746	459,661	438,402
Occupancy	99.2%	99.2%	99.6%	99.4%	99.4%
Weighted average lease expiry (years)	4.1	4.3	4.4	4.8	4.9
Weighted average capitalisation rate	6.46%	5.99%	5.48%	5.77%	6.12%

The property metrics above exclude 43 Langdons Road in Christchurch, adjoining properties located at Sylvia Park and development land. The weighted average capitalisation rate excludes assets which were held for sale and subsequently sold in the following year.

The property metrics for prior years have been updated on the same basis.

Interpretation

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

2024

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

2023

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

2022

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

2021

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

2020

- Raised \$193.7 million (net of issue costs) of new equity through a placement and retail entitlement offer.
- Acquired additional properties adjacent to Sylvia Park, Auckland, for \$25.5 million.
- COVID-19 declared a global pandemic by the World Health Organisation in March 2020, impacting investment property valuations at balance date and causing the Board to cancel the final dividend for the year ended 31 March 2020.

Consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2024

Consolidated statement of comprehensive income	Pg 46
Consolidated statement of changes in equity	Pg 47
Consolidated statement of financial position	Pg 48
Consolidated statement of cash flows	Pg 49
Notes to the consolidated financial statements	Pg 51
Independent auditor's report	Pg 88

Consolidated statement of comprehensive income

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 \$000	2023 \$000
Revenue			
Property revenue	2.1	240,541	256,539
Property management revenue		4,132	2,546
Total revenue		244,673	259,085
Expenses			
Direct property expenses		(55,632)	(52,838)
Employment and administration expenses	2.2	(32,737)	(32,688)
Total expenses		(88,369)	(85,526)
Profit before net finance expenses, other income/(expenses) and income tax		156,304	173,559
Interest income		710	268
Interest and finance charges	2.2	(48,766)	(44,231)
Net fair value (loss)/gain on interest rate derivatives	3.5.2	(4,102)	5,672
Net finance expenses		(52,158)	(38,291)
Profit before other income/(expenses) and income tax		104,146	135,268
Net fair value loss on investment properties	3.2	(77,800)	(352,626)
Litigation settlement income		-	6,038
Loss on disposal of investment properties		(1,651)	(3,494)
Other (expenses)/income		(79,451)	(350,082)
Profit/(loss) before income tax		24,695	(214,814)
Income tax expense	2.3	(26,814)	(12,888)
Loss and total comprehensive loss after income tax attributable to shareholders		(2,119)	(227,702)
Basic loss per share (cents)	3.7.3	(0.13)	(14.49)
Diluted loss per share (cents)	3.7.3	(0.13)	(14.46)

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

Consolidated statement of changes in equity

FOR THE YEAR ENDED 31 MARCH 2024

	Note	Share capital \$000	Share-based payments reserve \$000	Retained earnings \$000	Total equity \$000
Balance at 1 April 2022		1,663,499	1,987	606,127	2,271,613
Loss after income tax		-	-	(227,702)	(227,702)
Dividends paid	3.7.2	-	-	(111,876)	(111,876)
Long-term incentive plan	3.7.4	1,150	168	59	1,377
Employee share ownership plan		125	(52)	-	73
Balance at 31 March 2023		1,664,774	2,103	266,608	1,933,485
Balance at 1 April 2023		1,664,774	2,103	266,608	1,933,485
Loss after income tax		-	-	(2,119)	(2,119)
Dividends paid	3.7.2	-	-	(90,260)	(90,260)
Dividends reinvested		16,948	-	-	16,948
Long-term incentive plan	3.7.4	1,073	666	84	1,823
Employee share ownership plan		-	85	-	85
Balance at 31 March 2024		1,682,795	2,854	174,313	1,859,962

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

Consolidated statement of financial position

AS AT 31 MARCH 2024

	Note	2024 \$000	2023 \$000
Current assets			
Cash and cash equivalents		18,203	17,878
Trade and other receivables	3.1	13,701	14,662
Interest rate derivatives	3.5.2	2,619	5
Inventories	3.3	73,500	-
Investment properties held for sale	3.2	458,000	130,189
		566,023	162,734
Non-current assets			
Investment properties	3.2	2,663,789	3,063,832
Property, plant and equipment		1,787	2,261
Interest rate derivatives	3.5.2	3,503	9,595
		2,669,079	3,075,688
Total assets		3,235,102	3,238,422
Current liabilities			
Trade and other payables	3.6	60,501	61,218
Interest bearing liabilities	3.5.1	126,387	125,205
Income tax payable		2,585	3,832
Lease liabilities		49	3,113
Interest rate derivatives	3.5.2	2	-
		189,524	193,368
Non-current liabilities			
Interest bearing liabilities	3.5.1	1,068,772	1,005,916
Interest rate derivatives	3.5.2	2,197	1,575
Deferred tax liabilities	3.4	114,232	103,614
Lease liabilities		415	464
		1,185,616	1,111,569
Total liabilities		1,375,140	1,304,937
Equity			
Share capital	3.7.1	1,682,795	1,664,774
Share-based payments reserve		2,854	2,103
Retained earnings		174,313	266,608
Total equity		1,859,962	1,933,485
Total equity and liabilities		3,235,102	3,238,422

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

For and on behalf of the Board, who authorised these consolidated financial statements for issue on 24 May 2024.



Simon Shakesheff
Chair



Mary Jane Daly
Chair of the Audit and Risk Committee

Consolidated statement of cash flows

FOR THE YEAR ENDED 31 MARCH 2024

	2024 \$000	2023 \$000
Cash flows from operating activities		
Property revenue	247,866	263,254
Property management revenue	3,936	2,495
Interest and other income	710	268
Direct property expenses	(58,281)	(61,346)
Interest and finance charges	(44,959)	(39,974)
Interest costs paid on lease liabilities	(43)	(290)
Employment and administration expenses	(32,456)	(28,235)
Income tax expense	(17,443)	(23,206)
Net cash flows from operating activities	99,330	112,966
Cash flows from investing activities		
Proceeds from disposal of investment properties	122,980	193,540
Acquisition of investment properties	(24,096)	(13,811)
Capital expenditure on investment properties	(172,046)	(162,348)
Interest and finance charges capitalised to investment properties	(13,656)	(10,496)
Acquisition of property, plant and equipment	(364)	(88)
Litigation settlement income with respect to investment properties	-	6,038
Net cash flows (used in)/from investing activities	(87,182)	12,835
Cash flows from financing activities		
Payment of lease liabilities	(46)	(53)
Proceeds from bank loans	3,422,000	1,577,000
Repayment of bank loans	(3,234,000)	(1,706,000)
Proceeds from fixed-rate green bonds	-	123,688
Repayment of fixed-rate green bonds	(125,000)	-
Payment of bondholder consent fee	(1,465)	-
Settlement of interest rate derivatives	-	(2,282)
Dividends paid	(73,312)	(111,876)
Net cash flows used in financing activities	(11,823)	(119,523)
Net increase in cash and cash equivalents	325	6,278
Cash and cash equivalents at the beginning of the year	17,878	11,600
Cash and cash equivalents at the end of the year	18,203	17,878

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

Consolidated statement of cash flows (continued)

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

	2024 \$000	2023 \$000
Loss after income tax	(2,119)	(227,702)
Items classified as investing or financing activities:		
Movement in working capital items relating to investing and financing activities	4,897	6,266
Non-cash items:		
Net fair value loss/(gain) on interest rate derivatives	4,102	(5,672)
Net fair value loss on investment properties	77,800	352,626
Increase/(decrease) in deferred tax liabilities	10,618	(4,848)
Amortisation of lease incentives and fees	6,534	7,648
Straight-lining of fixed rental increases	(1,499)	(1,214)
Movements in working capital items:		
Decrease/(increase) in trade and other receivables	961	(6,932)
Decrease in income tax payable	(1,247)	(5,470)
Decrease in trade and other payables	(717)	(1,736)
Net cash flows from operating activities	99,330	112,966

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

Notes to the consolidated financial statements

FOR THE YEAR ENDED 31 MARCH 2024

1. General information

1.1	Reporting entity	Pg 52
1.2	Basis of preparation	Pg 52
1.3	Significant changes during the year	Pg 52
1.4	Group structure	Pg 53
1.5	New standards, amendments and interpretations	Pg 53
1.6	Key judgements and estimates	Pg 53
1.7	Material accounting policies	Pg 54

2. Profit and loss information

2.1	Property revenue	Pg 55
2.2	Expenses	Pg 56
2.3	Tax expense	Pg 58

3. Financial position information

3.1	Trade and other receivables	Pg 60
3.2	Investment properties	Pg 61
3.3	Inventories	Pg 71
3.4	Deferred tax	Pg 71
3.5	Funding	Pg 72
3.6	Trade and other payables	Pg 77
3.7	Equity	Pg 77

4. Financial risk management

4.1	Interest rate risk	Pg 81
4.2	Credit rate risk	Pg 82
4.3	Liquidity risk	Pg 83

5. Other information

5.1	Segment information	Pg 84
5.2	Related party transactions	Pg 86
5.3	Key management personnel	Pg 87
5.4	Commitments	Pg 87
5.5	Subsequent events	Pg 87

1. General information

FOR THE YEAR ENDED 31 MARCH 2024

1.1 Reporting entity

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

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

1.2 Basis of preparation

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

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

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

Certain comparative figures have been reclassified to align with the current year presentation.

1.3 Significant changes during the year

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

Investment property

During the year ended 31 March 2024, the Group acquired two properties adjoining Sylvia Park for \$26.6 million.

On 1 May 2023, the Group disposed of Westgate Lifestyle for \$85.7 million (before disposal costs).

On 31 August 2023, the Group disposed of land adjoining Sylvia Park to IKEA for \$41.4 million (before disposal costs).

On 31 March 2024, the Group transferred the Stage 1 land at Drury from investment properties to inventories. Refer to note 3.3 for further information.

Interest bearing liabilities

In May 2023, the Group decreased its overall bank debt facilities from \$1 billion to \$950 million.

On October 20, 2023, the Group increased the gearing ratio for the KPG030, KPG040, and KPG050 fixed-rate bonds from 45% to 50% to align with the gearing ratio of the KPG060 fixed-rate bond and bank debt facilities.

1.4 Group structure

Controlled entities

The Company has the following wholly owned subsidiaries:

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

The Company has control over the trust fund operated by Pacific Custodians (New Zealand) Limited as trustee for the Company's long-term incentive (LTI) plan (refer to note 3.7.4). The trust fund is consolidated as part of the Group.

Joint ventures

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

Principles of consolidation

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

1.5 New standards, amendments and interpretations

Climate-related Disclosures

On 14 December 2022, the External Reporting Board (XRB) published its Climate-related Disclosures standards. The Group is a Climate Reporting Entity for the purpose of the Financial Markets Conduct Act 2013. The Group's Climate-related Disclosures for the year ended 31 March 2024 will be accessible on Kiwi Property's website by 31 July 2024.

Standards issued but not yet effective

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

1.6 Key judgements and estimates

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

Note 2.3	Tax expense	Page 58
Note 3.2	Investment properties	Page 61
Note 3.5.2	Interest rate derivatives	Page 74
Note 3.7.4	Share-based payments	Page 79

1.7 Material accounting policies

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

Measurement of fair values

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

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

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

Goods and Services Tax

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

Property management revenue

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

Direct property expenses

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

Litigation settlement income

Litigation settlement income received in connection with investment properties is classified as cash flows from investing activities within the Consolidated Statement of Cash Flows as the proceeds are used to remediate the investment properties.

2. Profit and loss information

FOR THE YEAR ENDED 31 MARCH 2024

2.1 Property revenue

	2024 \$000	2023 \$000
Gross rental income ¹	244,917	262,006
Straight-lining of fixed rental increases	1,499	1,214
Amortisation of capitalised lease incentives	(5,875)	(6,681)
Property revenue	240,541	256,539

¹ Includes \$40.2 million of property operating expenses recovered from tenants (2023: \$42.8 million).

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

	2024 \$000	2023 \$000
Within one year	244,004	234,849
Between one and two years	192,256	197,134
Between two and three years	167,419	163,349
Between three and four years	138,118	139,028
Between four and five years	105,194	112,283
Later than five years	315,662	364,604
Property operating lease income	1,162,653	1,211,247



Recognition and measurement

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

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

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

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

2.2 Expenses

	2024 \$000	2023 \$000
Interest and finance charges on bank loans	35,830	34,759
Interest on fixed-rate green bonds	26,549	19,678
Interest on lease liabilities	43	290
Interest capitalised to investment properties being developed	(13,656)	(10,496)
Interest and finance charges	48,766	44,231
Auditor's remuneration:		
Statutory audit and review of the consolidated financial statements	260	267
Audit of joint venture financial statements	38	40
Assurance related services ¹	90	47
Agreed upon procedures in respect of a specified remuneration metric	-	6
Agreed upon procedures in respect of asset disposals	-	19
Directors' fees	768	752
Employee entitlements	31,061	29,583
Less: recognised in direct property expenses	(8,551)	(8,325)
Less: capitalised to investment properties being developed	(3,219)	(3,191)
Information technology	5,386	5,332
Investor related expenses	1,039	1,153
Occupancy costs	466	471
Professional fees	2,886	3,732
Trustees' fees	128	141
Other	2,385	2,661
Employment and administration expenses	32,737	32,688

¹ Assurance related services for 2024 includes the audits of special purpose financial information in accordance with tenancy agreements (\$50,000) and greenhouse gas inventory assurance services (\$40,000).

2.2 Expenses (continued)



Recognition and measurement

Interest and finance charges

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

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

To determine the amount of borrowing costs capitalised to investment properties that are being constructed or developed for future use, the Group uses the weighted average interest rate applicable to its outstanding borrowings during the year. For 2024 this was 5.47% (2023: 4.69%).

Finance charges also include interest on lease liabilities as outlined in note 3.2.

Employee entitlements

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

2.3 Tax expense

A reconciliation of profit/(loss) before income tax to income tax expense follows:

	2024 \$000	2023 \$000
Profit/(loss) before income tax	24,695	(214,814)
Prima facie income tax (expense)/benefit at 28%	(6,915)	60,148
Adjusted for:		
Net fair value (loss)/gain on interest rate derivatives	(1,149)	1,588
Net fair value loss on investment properties	(21,784)	(98,735)
Loss on disposal of investment properties	(462)	(978)
Litigation settlement income	-	1,691
Depreciation	13,710	13,539
Depreciation recovered on disposal of investment properties	(2,792)	(473)
Net deferred leasing costs	(339)	109
Deferred rent received	-	(52)
Deductible capitalised expenditure	3,825	2,985
Prior year adjustment	444	(212)
Other	(734)	2,654
Current tax expense	(16,196)	(17,736)
Depreciation recoverable	(12,605)	2,654
Net fair value loss/(gain) on interest rate derivatives	1,149	(1,588)
Deferred leasing costs and other temporary differences	838	3,782
Deferred tax (expense)/benefit	(10,618)	4,848
Income tax expense	(26,814)	(12,888)
Imputation credits available for use in subsequent periods	3,155	4,301

2.3 Tax expense (continued)



Recognition and measurement

Current tax

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

Deferred tax

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

Imputation credits

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



Key estimates and assumptions: income tax

Deferred tax on depreciation

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

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

In March 2024, the remedial tax legislation was enacted that included the removal of depreciation deductions for building structures with effect from 1 April 2024. This does not have an impact on the current year due to deferred tax being recognised on a held for sale basis.

3. Financial position information

FOR THE YEAR ENDED 31 MARCH 2024

3.1 Trade and other receivables

	2024 \$000	2023 \$000
Trade debtors	7,940	9,420
Provision for doubtful debts	(1,745)	(2,006)
	6,195	7,414
Prepayments	7,506	7,248
Trade and other receivables	13,701	14,662

The movement in the provision for doubtful debts is as follows:

	2024 \$000	2023 \$000
Opening provision for doubtful debts	2,006	3,374
Increase in doubtful debts allowance recognised in profit or loss during the year	613	439
Receivables written off during the year as uncollectible	(356)	(135)
Unused amounts reversed	(518)	(1,672)
Closing provision for doubtful debts	1,745	2,006



Recognition and measurement

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

3.2 Investment properties



Recognition and measurement

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

Initial recognition – acquired properties

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

Initial recognition – properties being developed

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

Subsequent measurement

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

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

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

Lease incentives

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

Ground leases

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

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

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

Disposals

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

3.2 Investment properties (continued)

Investment properties held by the Group are as follows:

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

¹ Sylvia Park Precinct was valued "as if complete" at \$1.7 billion based on a weighted capitalisation rate of 5.9% (including the as if complete capitalisation rate of Resido Lynton build-to-rent). The deduction of \$20.5 million outstanding development costs for the Resido Lynton build-to-rent development results in an "as is" value of \$1.680 billion net of seismic costs.

² Represents the Group's 50% ownership interest.

³ On 31 March 2024, the Group transferred the Stage 1 land at Drury from investment properties to inventories. Refer to note 3.3 for further information.

⁴ The fair value at 31 March 2023 includes Westgate Lifestyle and the IKEA land. During the current year, Westgate Lifestyle was sold for \$85.7 million and the IKEA land was sold for \$41.4 million. Refer to note 1.3 for further information. The fair value at March 2024 includes Vero Centre which is carried at the contract price.

⁵ The value at 31 March 2023 includes the gross up of lease liabilities associated with Westgate Lifestyle. Westgate Lifestyle was sold during the current year.

3.2 Investment properties (continued)

	Valuer	Capitalisation rate 2023 %	Fair value 31 March 2022 \$000	Capital movements 2023 \$000	Fair value gain/(loss) 2023 \$000	Fair value 31 March 2023 \$000
Mixed-use						
Sylvia Park Precinct ¹	Various	5.75	1,462,577	139,381	(91,634)	1,510,324
LynnMall	CBRE	7.25	251,000	15,130	(60,130)	206,000
The Base ²	JLL	7.00	198,000	953	(2,628)	196,325
			1,911,577	155,464	(154,392)	1,912,649
Office						
Vero Centre	JLL	5.13	545,000	(132)	(60,768)	484,100
ASB North Wharf	CBRE	5.63	258,000	102	(28,102)	230,000
The Aurora Centre	Colliers	5.75	183,900	(384)	(18,516)	165,000
44 The Terrace ³			55,400	(46,107)	(9,293)	-
			1,042,300	(46,521)	(116,679)	879,100
Retail						
The Plaza	JLL	8.50	150,000	3,840	(46,340)	107,500
Centre Place North ²	JLL	9.00	36,075	352	(5,352)	31,075
Westgate Lifestyle ⁴			94,600	(94,600)	-	-
			280,675	(90,408)	(51,692)	138,575
Other						
Development land			114,200	13,795	5,005	133,000
Other properties ⁵			6,500	(6,500)	-	-
			120,700	7,295	5,005	133,000
			3,355,252	25,830	(317,758)	3,063,324
Gross up of lease liabilities			3,620	(3,072)	(40)	508
Investment properties – non-current			3,358,872	22,758	(317,798)	3,063,832
Investment properties held for sale						
Properties held for sale ⁶			207,421	(45,487)	(34,814)	127,120
Gross up of lease liabilities ⁷			1,343	1,740	(14)	3,069
Investment properties held for sale – current			208,764	(43,747)	(34,828)	130,189
Total investment properties			3,567,636	(20,989)	(352,626)	3,194,021

1 Sylvia Park Precinct was valued "as if complete" at \$1.664 billion based on a weighted capitalisation rate of 5.7% (including the as if complete capitalisation rate of Resido Lynton build-to-rent). The deduction of \$153.3 million outstanding development costs for the Resido Lynton build-to-rent development results in an "as is" value of \$1.510 billion net of seismic costs.

2 Represents the Group's 50% ownership interest.

3 44 The Terrace was sold during the year ended 31 March 2023 for \$46.0 million (net of seismic costs).

4 Westgate Lifestyle was reclassified to properties held for sale during the year ended 31 March 2023.

5 The fair value at 31 March 2022 includes 43 Langdons Road located in Christchurch which was sold during the year ended 31 March 2023.

6 The fair value at 31 March 2022 includes Northlands and certain adjoining properties located at Sylvia Park in relation to the sale of land to IKEA. The fair value at 31 March 2023 includes Westgate Lifestyle and the IKEA land, which are carried at contract price. Northlands and 43 Langdons Road were sold during the year ended 31 March 2023 for \$151 million (net of seismic costs).

7 The value at 31 March 2023 includes the gross up of lease liabilities associated with Westgate Lifestyle.

3.2 Investment properties (continued)

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

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

3.2 Investment properties (continued)

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

	Mixed-use \$000	Office \$000	Retail \$000	Other \$000	Held for sale \$000	Total \$000
Balance at 31 March 2022 excluding gross up of lease liabilities	1,911,577	1,042,300	280,675	120,700	207,421	3,562,673
Capital movements:						
Transfers between asset classes	-	-	(94,600)	(6,500)	101,100	-
Acquisitions	13,811	-	-	-	-	13,811
Disposals	-	(46,399)	-	-	(151,299)	(197,698)
Capitalised costs (including lease incentives, fees and fixed rental income)	138,484	2,104	4,743	9,755	5,082	160,168
Capitalised interest and finance charges	6,456	-	-	4,040	-	10,496
Amortisation of lease incentives, fees and fixed rental income	(3,287)	(2,226)	(551)	-	(370)	(6,434)
	155,464	(46,521)	(90,408)	7,295	(45,487)	(19,657)
Net fair value loss on investment properties excluding gross up of lease liabilities	(154,392)	(116,679)	(51,692)	5,005	(34,814)	(352,572)
Balance at 31 March 2023 excluding gross up of lease liabilities	1,912,649	879,100	138,575	133,000	127,120	3,190,444
Gross up of lease liabilities:						
Balance at 31 March 2022	548	-	3,072	-	1,343	4,963
Capital movements	-	-	(3,072)	-	1,740	(1,332)
Fair value movements	(40)	-	-	-	(14)	(54)
Balance at 31 March 2023	508	-	-	-	3,069	3,577
Balance at 31 March 2023 including gross up of lease liabilities	1,913,157	879,100	138,575	133,000	130,189	3,194,021

3.2 Investment properties (continued)



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

Introduction

All of the Group's investment properties have been determined to be Level 3 (2023: Level 3) in the fair value hierarchy because all significant inputs that determine fair value are not based on observable market data. Refer to note 1.7 for further information on the fair value hierarchy.

Valuation process

As at March 2024, all properties were carried at external valuation or contract price as applicable. Except for a small number of non-core residential properties owned by the Group, which are addressed below, all investment properties were valued as at 31 March 2024 (and as at 31 March 2023). All valuations are prepared by independent valuers who are members of the Group's valuation panel and the New Zealand Institute of Valuers.

The non-core residential properties were subject to a kerbside assessment performed by an independent registered valuer that is a member of the New Zealand Institute of Valuers. The properties represent less than 1% of the value of the Group's investment properties.

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

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

Estimates are used in these valuation approaches to determine fair value. For the two most common approaches, these include the capitalisation rate in the income capitalisation approach and the discount rate in the discounted cash flow approach. Both approaches are also influenced by other estimates relating to market rental levels, vacancy rates, letting-up allowances and the cost of ongoing operating expenses, capital expenditure and other capital payments.

In relation to capital expenditure, the valuers for Sylvia Park, LynnMall, The Base, The Aurora Centre and The Plaza have made deductions for seismic strengthening works. The valuer of Centre Place North has assessed the seismic risk of the asset in the capitalisation rate of the valuation and made deductions for seismic strengthening works. The Group has provided the valuers with the estimated cost of works for each asset. In some instances the valuer has assessed additional costs and/or made additional adjustments such as for escalation and profit and risk for potential works to buildings which have not been subject to an up to date Detailed Seismic Assessment (DSA), or have only been subject to Initial Evaluation Procedure (IEP).

The timing of the cash outflow for these costs has typically been spread over the next two to three years and the overall value deduction reflects the present value of costs over the adopted time horizon. Refer also to the section titled 'seismic' below for further information.

One asset within the Sylvia Park Precinct was valued using the residual approach as at 31 March 2024, being the Resido Lynton build-to-rent (Resido Lynton) property, as the development of this property has commenced with construction underway. Under the residual approach, valuers estimate the 'as if complete' value of an asset using the discounted cash flow approach described above. They then deduct remaining project costs to determine the asset's 'as is' or residual value.

The valuations are reviewed by the Group and adopted as the carrying value in the financial statements. As part of this process, the Group's management verifies all major inputs to the valuations, assesses valuation movements since the previous period and holds discussions with the independent valuers to assess the reasonableness of the valuations.

3.2 Investment properties (continued)

Seismic

The Group is committed to upgrading the seismic resilience of its buildings to appropriate New Building Standards (NBS). Detailed Seismic Assessments (DSA) continue to be undertaken for the Group's buildings. A DSA verifies a building's NBS rating and assists in the design of remediation solutions, where required.

The cost assessments for seismic works required to increase NBS ratings contain uncertainty. The level of accuracy of design solutions and cost estimates can vary as the design and remediation process progresses. Initially, estimates may be based on the structural plans of a building, and can sometimes change significantly once more intrusive building investigations are carried out. Therefore, costs for remediation works may fluctuate, and the costs associated with current or imminent remediation works will be more accurate than those for a project in the early phases of investigation or planning.

The process undertaken and standards which are applied in seismic assessments evolve over time as the engineering profession's understanding of seismic events develops. This means that the outcome of seismic assessments may be subject to change over time. Changes to seismic standards (or the interpretation and application of existing seismic standards) could result in buildings no longer meeting the minimum seismic standards deemed appropriate by the Group, and may require the Group to undertake further seismic remediation works.

Valuations for some of the Group's buildings contain deductions for costs associated with identified seismic remediation works. The cost deductions are typically based on external quantity surveyor assessments with additional allowances for professional fees and other associated costs. In some instances the valuer has assessed additional costs for potential works to buildings which have not been subject to a DSA and/or made additional adjustments such as for escalation and profit and risk.

In some cases the Group has become aware of potential remediation requirements from recent preliminary investigations. In these instances the Group has provided additional provisions to the valuers for inclusion in the valuations, the present value of which is \$40.6 million (31 March 2023: \$48.2 million). These provisions are estimated allowances pending the outcome of further investigations.

When estimating such allowances, the Group considers several factors and applies judgement on how those factors may impact future costs. Factors requiring judgement include the function of the impacted area, impact on existing tenants and complexity of remediation works. Costing is assessed based on internal and external evidence of seismic remediation, with consideration given to the nature and relevance of similar properties. Management applies a probability and risk weighting assessment across these inputs to derive a value for estimated allowances. While a change in risk weighting on one factor may not on its own result in a material change in the seismic estimate, it is possible that the risk weighting could change in a combination of factors which could potentially result in a material change in the seismic estimate.

These allowances are based on the best information available at the time of valuation but may be subject to change as circumstances and standards continue to evolve.

Climate change

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

Impact on values at 31 March 2024

For the year ended 31 March 2024, the Group reported a fair value loss of \$77.8 million (2023: loss of \$352.6 million). The loss reflects expanding capitalisation rates and discount rates consistent with higher risk-free-rates and heightened investment uncertainty relative to the prior year.

3.2 Investment properties (continued)

Valuation inputs

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

The Group's investment property values contain unobservable inputs in determining fair value, some of which can be described as 'key unobservable inputs' where significant judgement is applied in determining the input and a change to any one of these inputs could significantly alter the fair value of an investment property.

Key unobservable inputs are the capitalisation rate, discount rate, terminal capitalisation rate, market rent and growth rates. The most significant key unobservable inputs are the capitalisation rate and discount rate.

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

Class of property	Inputs used to measure fair value	Range of significant unobservable inputs		Sensitivity
		2024	2023	
Mixed-use ¹	Core capitalisation rate	5.9% – 7.5%	5.5% – 7.3%	The higher the capitalisation rates and discount rate, the lower the fair value.
	Other income capitalisation rate	5.9% – 8.1%	5.8% – 8.0%	
	Discount rate	7.8% – 10.8%	7.3% – 9.3%	
	Terminal capitalisation rate	6.1% – 7.4%	5.8% – 7.3%	The higher the market rent and growth rate, the higher the fair value.
	Gross market rent (per sqm) ²	\$405 – \$891	\$385 – \$852	
	Rental growth rate (per annum)	0.6% – 5.0%	–0.9% – 3.0%	
Office	Core capitalisation rate	6.3% – 6.5%	5.1% – 5.8%	The higher the capitalisation rates and discount rate, the lower the fair value.
	Discount rate	7.5% – 7.8%	6.5% – 7.5%	
	Terminal capitalisation rate	6.4% – 7.0%	5.4% – 6.3%	
	Gross market rent (per sqm) ²	\$587 – \$707	\$572 – \$761	The higher the market rent and growth rate, the higher the fair value.
	Rental growth rate (per annum)	1.0% – 4.2%	1.5% – 4.2%	
Retail	Core capitalisation rate	8.9% – 9.2%	8.5% – 9.0%	The higher the capitalisation rates and discount rate, the lower the fair value.
	Other income capitalisation rate	8.9% – 10.3%	8.5% – 10.0%	
	Discount rate	9.5% – 10.0%	9.0% – 9.5%	
	Terminal capitalisation rate	9.0% – 9.4%	8.8% – 9.3%	The higher the market rent and growth rate, the higher the fair value.
	Gross market rent (per sqm) ²	\$485 – \$656	\$466 – \$637	
	Rental growth rate (per annum)	1.0% – 3.0%	0.5% – 2.3%	

¹ Mixed-use excludes adjoining properties and Resido Lynton build-to-rent located at Sylvia Park.

² Weighted average by property.

3.2 Investment properties (continued)

Valuation sensitivity

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

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

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

31 March 2023	Adopted value	Capitalisation rate – 25bp	Capitalisation rate + 25bp	Discount rate – 25bp	Discount rate + 25bp
Mixed-use					
Actual valuation (\$000)	1,912,649				
Impact of assumption change (\$000)		76,000	(69,300)	31,400	(33,000)
Impact of assumption change (%)		4.0	(3.6)	1.6	(1.7)
Office					
Actual valuation (\$000)	879,100				
Impact of assumption change (\$000)		44,700	(41,700)	16,400	(16,900)
Impact of assumption change (%)		5.1	(4.7)	1.9	(1.9)
Retail					
Actual valuation (\$000)	138,575				
Impact of assumption change (\$000)		6,100	(6,500)	2,400	(2,300)
Impact of assumption change (%)		4.4	(4.7)	1.7	(1.7)

3.2 Investment properties (continued)

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

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

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

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

Valuation techniques

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

Unobservable inputs within the income capitalisation approach

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

Unobservable inputs within the discounted cash flow approach

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

3.3 Inventories

	2024 \$000	2023 \$000
Opening balance	-	-
Transfer from investment properties	73,500	-
Closing balance	73,500	-

On 31 March 2024, the Group transferred the Stage 1 land at Drury from investment properties to inventories on the basis that it will be developed with the intention to sell.

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



Recognition and measurement

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

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

3.4 Deferred tax

	2024 \$000	2023 \$000
Interest rate derivatives	1,098	2,247
Depreciation recoverable	105,974	93,369
Deferred leasing costs and other temporary differences	7,160	7,998
Deferred tax liabilities	114,232	103,614



Recognition and measurement

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

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

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

3.5 Funding

3.5.1 Interest bearing liabilities

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

	2024 \$000	2023 \$000
Current interest bearing liabilities		
Fixed-rate green bonds	126,387	125,205
Non-current interest bearing liabilities		
Bank loans – total facilities	950,000	1,000,000
Bank loans – undrawn facilities	(256,000)	(494,000)
Bank loans – drawn facilities	694,000	506,000
Fixed-rate green bonds	374,772	499,916
	1,068,772	1,005,916
Interest bearing liabilities	1,195,159	1,131,121

	2024 \$000	2023 \$000
Face value of fixed-rate green bonds – current	125,000	125,000
Face value of fixed-rate green bonds – non-current	375,000	500,000
Face values	500,000	625,000

	2024	2023
Weighted average interest rate for drawn debt (inclusive of bonds, active interest rate derivatives, margins and line fees)	5.61%	5.18%
Weighted average term to maturity for the combined facilities	3.6 years	3.8 years



Recognition and measurement

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

3.5.1 Interest bearing liabilities (continued)

Bank loans

The bank loans are provided by:

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

In May 2023, the Group decreased the overall bank facilities from \$1 billion to \$950 million.

The Group is required to comply with certain financial covenants in respect of its interest bearing liabilities. During the 2024 and 2023 financial years, the Group was in compliance with all of its financial covenants.

Fixed-rate green bonds

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

NZX code	Value of issue \$000	Date issued	Date of maturity	Interest rate	Interest payable	Fair value 2024 \$000	Fair value 2023 \$000
KPG020	125,000	7-Sep-16	7-Sep-23	4.00%	March, September	–	123,754
KPG030	125,000	19-Dec-17	19-Dec-24	4.33%	June, December	122,829	120,936
KPG040	100,000	12-Nov-18	12-Nov-25	4.06%	May, November	96,324	94,738
KPG050	150,000	19-Jul-21	19-Jul-28	2.85%	January, July	131,114	127,571
KPG060	125,000	27-Mar-23	27-Sep-29	6.24%	March, September	125,228	125,593
Fixed-rate green bonds						475,495	592,592

The fair value of the fixed-rate green bonds is based on their listed market prices at balance date and is classified as Level 1 in the fair value hierarchy (2023: Level 1). Refer to note 1.7 for further information on the fair value hierarchy.

Security

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

3.5.2 Interest rate derivatives

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

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

	2024 \$000	2023 \$000
Interest rate derivative assets – current	2,619	5
Interest rate derivative assets – non-current	3,503	9,595
Interest rate derivative liabilities – current	(2)	-
Interest rate derivative liabilities – non-current	(2,197)	(1,575)
Net fair values of interest rate derivatives	3,923	8,025
Notional value of interest rate derivatives – fixed-rate payer – active	560,000	320,000
Notional value of interest rate derivatives – fixed-rate payer – forward starting	285,000	225,000
Notional values	845,000	545,000
Fixed-rate payer swaps:		
Weighted average term to maturity – active	1.0 years	1.5 years
Weighted average term to maturity – forward starting	3.5 years	4.7 years
Weighted average term to maturity	1.8 years	2.8 years
Fixed-rate payer swaps:		
Weighted average interest rate – active ¹	4.32%	3.25%
Weighted average interest rate – forward starting ¹	4.08%	4.07%
Weighted average interest rate	4.24%	3.59%

¹ Excluding fees and margins.

3.5.2 Interest rate derivatives (continued)



Recognition and measurement

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

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



Key estimate: fair value of interest rate derivatives

The fair values of interest rate derivatives are determined from valuations prepared by an independent treasury advisor using valuation techniques classified as Level 2 in the fair value hierarchy (2023: Level 2). Refer to note 1.7 for further information on the fair value hierarchy. These are based on the present value of estimated future cash flows based on the terms and maturities of each contract and the current market interest rates at balance date. Fair values also reflect the current creditworthiness of the derivative counterparties. These values are verified against valuations prepared by the respective counterparties. The valuations were based on market rates at 31 March 2024 of between 5.64% for the 90-day BKBM and 4.37% for the 10-year swap rate (2023: 5.23% and 4.30%, respectively).

3.5.3 Capital management

The Group's capital includes equity and interest bearing liabilities. The Group maintains a strong capital base to ensure investor, creditor and market confidence and to sustain the Group's ongoing activities. The impact of the level of capital on shareholder returns and the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position is managed by the Group. The Group is subject to the capital requirement imposed by the Group's Senior Facilities Agreement governing its interest bearing liabilities which requires that total finance debt be maintained at no more than 50% of the total tangible assets of the Group. Gearing for the Group's fixed-rate bonds is maintained at no more than 50% (amended from 45% in October 2023), as governed by the Master Trust Deed between the Group and the Supervisor (Public Trust). However, the Group actively manages its debt to its internal treasury policy which sets a target gearing range of 25% to 35%. In certain market conditions, the Group may temporarily operate outside the internal target gearing range. The Group has complied with its Senior Facilities Agreement capital requirement at all times throughout the year.

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

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

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

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

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

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

3.6 Trade and other payables

	2024 \$000	2023 \$000
Trade creditors	32,369	33,018
Interest and finance charges payable	3,621	2,362
Development costs payable	14,979	14,916
Employment liabilities	5,210	5,129
Rent received in advance	3,813	3,442
Goods and Services Tax payable	509	2,351
Trade and other payables	60,501	61,218



Recognition and measurement

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

3.7 Equity

3.7.1 Share capital

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

	2024 Number 000	2024 Amount \$000	2023 Number 000	2023 Amount \$000
Balance at the beginning of the year	1,571,171	1,664,774	1,570,094	1,663,499
Issue of shares:				
Dividend reinvestment	19,701	16,948	-	-
Long-term incentive plan – shares issued	1,100	-	997	-
Long-term incentive plan – shares vested	-	1,073	-	1,150
Employee share ownership plan – shares issued	-	-	80	-
Employee share ownership plan – shares vested	-	-	-	125
Balance at the end of the year	1,591,972	1,682,795	1,571,171	1,664,774



Recognition and measurement

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

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

3.7.2 Dividends

Dividends paid during the year comprised:

	Payment date	2024 cps	2024 \$000	Payment date	2023 cps	2023 \$000
Dividends paid		1.425	22,392		2.850	44,748
Imputation credits		0.274	4,307		0.677	10,632
Q4 final dividend	21-Jun-23	1.699	26,699	22-Jun-22	3.527	55,380
Dividends paid		1.425	22,524		1.425	22,376
Imputation credits		0.267	4,226		0.271	4,256
Q1 interim dividend	20-Sep-23	1.692	26,750	21-Sep-22	1.696	26,632
Dividends paid		1.425	22,672		1.425	22,376
Imputation credits		0.227	3,610		0.294	4,613
Q2 interim dividend	20-Dec-23	1.652	26,282	21-Dec-22	1.719	26,989
Dividends paid		1.425	22,672		1.425	22,376
Imputation credits		0.327	5,198		0.291	4,566
Q3 interim dividend	22-Mar-24	1.752	27,870	23-Mar-23	1.716	26,942
Total dividends paid		5.700	90,260		7.125	111,876
Total imputation credits		1.095	17,341		1.533	24,067
Total dividends		6.795	107,601		8.658	135,943

During the year ended 31 March 2023, the Group amended its dividend policy to pay dividends on a quarterly basis (previously semi-annual basis).

The Group operates a Dividend Reinvestment Plan (DRP) which allows eligible shareholders to elect to reinvest dividends in shares. The Board, at its sole discretion, may suspend the DRP at any time and/or apply a discount to which shares are issued under the DRP. With the exception of the Q4 final dividend and Q1 interim dividend paid in the current year, the DRP did not apply to the dividend payments shown above. During the current year, \$16.9 million of dividends were reinvested in the Group as part of the DRP.

3.7.3 Earnings per share

	2024	2023
Loss and total comprehensive loss after income tax attributable to shareholders (\$000)	(2,119)	(227,702)
Weighted average number of shares for the purpose of basic loss per share (000)	1,584,750	1,570,985
Basic loss per share (cents)	(0.13)	(14.49)

	2024	2023
Loss and total comprehensive loss after income tax attributable to shareholders (\$000)	(2,119)	(227,702)
Weighted average number of shares for the purpose of diluted loss per share (000)	1,589,968	1,574,480
Diluted loss per share (cents)	(0.13)	(14.46)

3.7.4 Share-based payments

Long-term incentive (LTI) plans

Performance Share Rights LTI Plan

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

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



Recognition and measurement

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

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

3.7.4 Share-based payments (continued)

				Number of performance share rights			
Start of performance period	Measurement date	Performance share right price at grant date	Balance at the beginning of the year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year
2023							
1 April 2022	31 March 2025	\$1.071	-	2,078,057	-	(205,466)	1,872,591
1 April 2022 (grandfathered plan)	31 March 2023	\$1.071	-	996,257	-	(109,408)	886,849
1 April 2021	31 March 2022	\$1.238	1,282,409	-	(320,601)	(379,761)	582,047
1 April 2020	31 March 2021	\$0.888	842,181	-	(421,092)	(18,732)	402,357
1 April 2019	31 March 2020	\$1.455	255,265	-	(255,265)	-	-
Total			2,379,855	3,074,314	(996,958)	(713,367)	3,743,844



Key estimates and assumptions: fair value measurement of LTI plan

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

Performance Share Rights LTI Plan

Measurement date	31 March 2026 New plan	31 March 2024 Grandfathered plan	31 March 2025 New plan	31 March 2023 Grandfathered plan	31 March 2022
Weighted average performance share right price at grant date	\$0.874	\$0.874	\$1.071	\$1.071	\$1.238
Risk-free rate	4.49%	5.37%	3.59%	3.32%	0.22%
Standard deviation of the comparator entities	15.5% – 22.7%	15.5% – 22.7%	12.1% – 17.8%	12.1% – 17.8%	14.0% – 22.3%
Correlation between Company share price and comparator entities	30.5% – 57.5%	30.5% – 57.5%	27.8% – 65.4%	27.8% – 65.4%	36.4% – 67.8%
Estimated fair value per share	\$0.612	\$0.774	\$0.830	\$0.852	\$1.032

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

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

The employee entitlements expense relating to the LTI plan for the year ended 31 March 2024 is \$1,822,067 (2023: \$1,376,986) with a corresponding increase in the share-based payments reserve. The unamortised fair value of the remaining performance share rights at 31 March 2024 is \$1,365,697 (2023: \$1,098,731).

4. Financial risk management

FOR THE YEAR ENDED 31 MARCH 2024

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

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

- Interest rate risk
- Credit risk
- Liquidity risk

Financial instruments

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

Risk management

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

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

4.1 Interest rate risk

Nature of the risk

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

Risk management

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

Exposure

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

4.1 Interest rate risk (continued)

Sensitivity to interest rate movements

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

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

	2024		2023	
	100 bps increase (\$000)	100 bps decrease (\$000)	100 bps increase (\$000)	100 bps decrease (\$000)
Impact on interest and finance charges	(1,340)	1,340	(1,860)	1,860
Impact on fair value of interest rate derivatives	10,553	(10,969)	10,916	(11,406)
Net impact on profit/(loss)	9,213	(9,629)	9,056	(9,546)
Net impact on equity	6,633	(6,933)	6,520	(6,873)

4.2 Credit rate risk

Nature of the risk

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

Risk management

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

Exposure

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

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

4.3 Liquidity risk

Nature of the risk

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

Risk management

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

Exposure

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

	Consolidated Statement of Financial Position \$000	Contractual cash flows (principal and interest)					
		Total \$000	0-6 months \$000	6-12 months \$000	1-2 years \$000	2-5 years \$000	>5 years \$000
2024							
Trade and other payables recognised as financial liabilities	47,348	47,348	47,348	-	-	-	-
Interest bearing liabilities	1,195,159	1,458,550	36,446	159,934	165,934	967,368	128,868
Net interest rate derivatives	(3,923)	(4,455)	(3,507)	(2,455)	(809)	2,192	124
Total financial liabilities	1,238,584	1,501,443	80,287	157,479	165,125	969,560	128,992
2023							
Trade and other payables recognised as financial liabilities	47,934	47,934	47,934	-	-	-	-
Interest bearing liabilities	1,131,121	1,369,261	155,804	28,613	180,728	716,115	288,001
Net interest rate derivatives	(8,025)	(8,696)	(2,889)	(3,095)	(3,659)	711	236
Total financial liabilities	1,171,030	1,408,499	200,849	25,518	177,069	716,826	288,237

5. Other information

FOR THE YEAR ENDED 31 MARCH 2024

5.1 Segment information

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

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

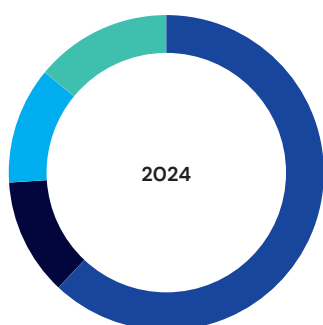
The Group's primary assets are investment properties. Segment information for investment properties is provided in note 3.2. During the year ended 31 March 2024, the retail segment has been added in alignment with the Group's strategy. The comparative figures have been reclassified on the same basis. Investment properties held for sale are included in the other segment. The Group operates in New Zealand only.

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

	Mixed-use \$000	Office \$000	Retail \$000	Other \$000	Total \$000
2024					
Property revenue	149,063	31,059	27,031	33,388	240,541
Less: straight-lining of fixed rental increases	(808)	(1,489)	1,558	(760)	(1,499)
Less: direct property expenses	(34,132)	(7,862)	(6,789)	(6,849)	(55,632)
Less: ground lease expenses	(71)	-	-	(18)	(89)
Segment profit	114,052	21,708	21,800	25,761	183,321

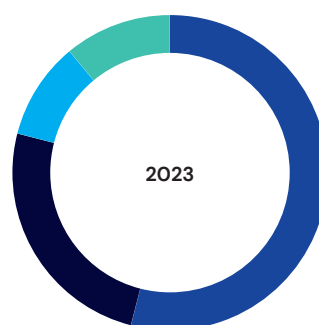
	Mixed-use \$000	Office \$000	Retail \$000	Other \$000 ¹	Total \$000
2023					
Property revenue	138,280	64,121	26,533	27,605	256,539
Less: straight-lining of fixed rental increases	(1,009)	(191)	29	(43)	(1,214)
Less: direct property expenses	(28,523)	(12,610)	(6,499)	(5,206)	(52,838)
Less: ground lease expenses	(68)	-	-	(275)	(343)
Segment profit	108,680	51,320	20,063	22,081	202,144

¹ The segment profit for the 'other' segment has reduced by \$20.1 million from the 2023 consolidated financial statements as The Plaza and Centre Place North assets are now classified in the 'retail' segment.



Segment profit

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



Segment profit

Mixed-use	54%
Office	25%
Retail	10%
Other	11%

5.1 Segment information (continued)

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

	2024 \$000	2023 \$000
Segment profit	183,321	202,144
Property management revenue	4,132	2,546
Increase in rental income resulting from straight-lining of fixed rental increases	1,499	1,214
Interest income	710	268
Net fair value loss on investment properties	(77,800)	(352,626)
Interest and finance charges	(48,766)	(44,231)
Employment and administration expenses	(32,737)	(32,688)
Net fair value (loss)/gain on interest rate derivatives	(4,102)	5,672
Litigation settlement income	-	6,038
Loss on disposal of investment properties	(1,651)	(3,494)
Ground lease expenses classified as interest and fair value loss on investment properties	89	343
Profit/(loss) before income tax	24,695	(214,814)

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

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

	Mixed-use \$000	Office \$000	Retail \$000	Other \$000 ¹	All other segments \$000	Total \$000
2023						
Segment assets	1,907,673	881,935	140,201	276,242	32,371	3,238,422
Segment liabilities	32,913	4,896	8,079	4,394	1,254,655	1,304,937

¹ The segment assets and liabilities have reduced by \$140.2 million and \$8.1 million respectively from the 2023 consolidated financial statements as The Plaza and Centre Place North assets are now classified in the 'retail' segment.

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

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

5.2 Related party transactions

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

The transactions with the joint ventures and the balances outstanding at 31 March 2024, are outlined in the tables below.

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

	2024 \$000	2023 \$000
Property management revenue	1,935	1,904
Expenditure reimbursement	2,619	1,793
Leasing fees	939	959
Development management fees	90	3
Legal fees	125	99
Retail design management fees	43	42
Total related party transactions	5,751	4,800

The following balances were receivable from the joint ventures at balance date:

	2024 \$000	2023 \$000
The Base	17	-
Centre Place North	66	-
Total related party balances	83	-

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

	2024 \$000	2023 \$000
The Base	12,509	19,160
Centre Place North	2,405	2,973
Total related party distributions	14,914	22,133

There were no contributions made to the joint ventures during the year (2023: no contributions).

5.3 Key management personnel

	2024 \$000	2023 \$000
Directors' fees	768	752
Short-term employee benefits	4,704	4,892
Other long-term benefits	12	29
Share-based payments	1,299	1,080
Key management personnel costs	6,783	6,753

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

5.4 Commitments

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

	2024 \$000	2023 \$000
Development costs at Sylvia Park	13,470	113,951
Development costs at LynnMall	352	2,937
Development costs at The Plaza	10,395	-
Drury infrastructure	2,111	6,071
Capital commitments	26,328	122,959

Ground leases

Ground leases exist over ASB North Wharf, The Base, Centre Place North and certain adjoining properties. In addition, ground leases also exist over parts of the land at Sylvia Park. The amount paid in respect of ground leases during the year was \$0.1 million (2023: \$0.3 million). The leases terminate between June 2031 and May 2136.

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

5.5 Subsequent events

On 10 May 2024, the Group entered into an interest rate derivative with a notional value of \$150 million, an effective date of 1 July 2024 and termination date of 1 April 2025.

On 16 May 2024, the Group agreed terms for a conditional sale of the Vero Centre in Auckland to a Hong Kong China-based conglomerate for \$458 million.

On 24 May 2024 the Board declared a final dividend for the quarter ended 31 March 2024 of 1.425 cents per share (cps) (equivalent to \$22.7 million), together with imputation credits of 0.190 cps. The dividend record date is 7 June 2024 and payment will occur on 21 June 2024.

Independent auditor's report

TO THE SHAREHOLDERS OF KIWI PROPERTY GROUP LIMITED

Opinion

We have audited the consolidated financial statements of Kiwi Property Group Limited and its controlled entities (the 'Group'), which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements, on pages 46 to 87, present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

Basis for opinion

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

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

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

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

Audit materiality

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

We determined materiality for the Group financial statements as a whole to be \$5.0 million.

Key audit matters

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

Key audit matter

Valuation of Investment Properties

As disclosed in note 3.2 of the consolidated financial statements, as at 31 March 2024 the Group holds \$3.1 billion of investment properties, including investment properties classified as held for sale, across the mixed-use, office, retail and other sectors. These assets are held at fair value.

The valuation of investment properties requires estimates and key assumptions to be made. Further the inputs used to determine the fair value of the properties are not based on observable market data. Small percentage changes in any of the key inputs or assumptions used in the property valuations could result in a material misstatement of the overall valuation of investment properties.

Except for a small number of non-core residential properties owned by the Group, which were subject to a kerbside valuation assessment, all investment properties were valued as at 31 March 2024. All valuations are prepared by independent registered valuers, and the Group has adopted the assessed values as determined by the valuers.

Investment Properties are valued using the income capitalisation approach or discounted cashflow approach, or a combination of both. The calculation includes assumptions in respect of contract rent, market rent, vacancy rates and capex requirements, including allowances for seismic strengthening works.

The valuation of investment properties is a key audit matter due to the materiality of revaluation gains/losses and the carrying amounts in the financial statements, and the judgement involved in determining the fair values.

How our audit addressed the key audit matter

Our audit procedures focussed on the appropriateness of the valuation methodologies and key inputs applied in the models.

We assessed the valuers' experience and professional accreditations. This included having each of the valuers confirm their independence, qualifications and that the scope of work undertaken was in line with professional valuation standards and financial reporting standards. In addition, we considered the Group's process for reviewing and challenging the valuation reports to ensure that they accurately reflect the individual characteristics of each property.

We have read the valuation reports for all properties that are subject to valuation at year end. We checked for any limitations of scope in the valuation reports that would impact the reliability of the valuations. For all properties, we agreed the carrying amount to the external valuation reports. Where considered appropriate, discussions were held with the valuers to confirm the valuation approach used. These discussions related to the general market, as well as specific properties identified by us.

The major inputs to the valuation process were tested across a sample of properties. For the sample selected, key changes in rental assumptions, occupancy, capitalisation rates and terms were agreed to underlying lease agreements and to market comparatives where relevant. Yields were compared to property industry publications and other observable market data where available. Where relevant, we obtained and tested support for management's estimate of costs on properties with significant development or seismic works.

For assets held for sale that are under contractual offers, we agreed the carrying amount to the signed sale and purchase agreement.

Our internal valuation specialists were used in assessing the appropriateness of the valuation methodology.

Other information

The directors are responsible on behalf of the Group for the other information. The other information comprises the information in the Annual Report that accompanies the consolidated financial statements and the audit report, and the Climate Related Disclosures, which is expected to be made available to us after the date of the audit report.

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

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

When we read the Climate Related Disclosures, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and consider further appropriate actions.

Directors' responsibilities for the consolidated financial statements

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

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

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

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

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

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

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



**Andrew Boivin, Partner
for Deloitte Limited**
Auckland, New Zealand
24 May 2024

Other information



Corporate governance

We are committed to the highest standards of corporate governance.

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

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

NZX Code compliance

Kiwi Property has followed the recommendations set out in the NZX Code for the year ended 31 March 2024, except to the extent set out in the Kiwi Property FY24 Corporate Governance Statement, which is available on our website kp.co.nz/about-us/corporate-governance.

This statement is current as at 31 March 2024 and has been approved by the Board.

The corporate governance policies, practices and processes that Kiwi Property adopted or followed for the year ended 31 March 2024 are summarised, or referred to, in the Kiwi Property FY24 Corporate Governance Statement.

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

Director independence

Director independence is determined in accordance with the requirements of the NZX Listing Rules. The Board has determined that, as at 31 March 2024, all directors of the Company were independent: Chris Aiken, Peter Alexander, Mary Jane Daly, Carlie Eve, Jane Freeman, and Simon Shakesheff. This assessment is based on the fact that:

- No director is currently, or was within the last three years, employed in an executive role by the Company, or any of its subsidiaries.
- No director is currently deriving, or has within the last 12 months derived, a substantial portion of his, her or their annual revenue from the Company.
- No director is currently, or was within the last 12 months, in a senior role in a provider of material professional services (other than an external auditor) to the Company or any of its subsidiaries.
- No director is currently, or was within the last three years, employed by the external auditor to the Company or any of its subsidiaries.
- No director currently has, or had within the last three years, a material business relationship (e.g. as a supplier or customer) with the Company or any of its subsidiaries.
- No director is a substantial product holder of the Company or a senior manager of, or person otherwise associated with, a substantial product holder of the Company.
- No director is currently, or was within the last three years, in a material contractual relationship with the Company or any of its subsidiaries, other than as a director.
- No director has close family ties or personal relationships (including close social or business connections) with anyone in the categories listed above.
- No director has been a director with the Company for a period of 12 years or more.

Corporate governance (continued)

Board committees

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

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

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

Diversity and inclusion policy

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

More information concerning the Company's Diversity and Inclusion Policy can be found in the Company's FY24 Corporate Governance Statement, which is available on our website kp.co.nz/about-us/corporate-governance.

Gender diversity

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

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

	2023			
	Number		Proportion %	
	Female	Male	Female	Male
Directors	2	4	33	67
Officers	3	4	43	57
All employees	116	61	66	34

Corporate governance (continued)

Board Skill Matrix and Experience

We engaged a third-party governance advisory firm to review the current capability of our Board and provide insights on possible future skills aligned to the strategic needs of our organisation. This review illustrated our strong coverage across property, financial, commercial as well as people and culture insight.

A few potential gaps were noted across technology insight and customer connection. These will be a focus for future succession and targeted learning throughout the year ahead.

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

Key:

- This individual is an expert in these areas on the basis of extensive practical experience / senior oversight relevant to Kiwi Property
- Good general awareness and understanding of these areas as relevant to Kiwi Property

Remuneration report

Message from the Remuneration and Nominations Committee Chair

Dear Shareholders,

I am pleased to present the Remuneration Report for the year ended 31 March 2024 (FY24). This report sets out Kiwi Property's remuneration strategy and framework, as well as the performance and remuneration outcomes for the Chief Executive Officer (CEO) for FY24, which align to both the Company's strategic objectives and the interests of our shareholders.

Kiwi Property's Board is supported by the Remuneration and Nominations Committee (RNC) to ensure appropriate remuneration governance through policies and practices that enable the Company to attract and retain top talent at all levels of the organisation. The RNC's role and responsibilities are detailed in the Remuneration and Nominations Committee Charter that can be found on the Company's website at kp.co.nz/about-us/corporate-governance.

Year in review

Kiwi Property delivered solid financial and operating performance in FY24, with results reflecting a focus on business fundamentals and management of capital in a challenging economic environment, whilst also progressing delivery programmes like build-to-rent (BTR) and Drury to lay the foundations for future growth. Robust sales growth, strong occupancy, stabilising valuations, the completion of the Company's first BTR development at Sylvia Park in readiness for operational launch in early FY25 and the delivery of the our technology platform transformation were particular highlights.

Our FY24 operating earnings before interest and tax (Operating EBIT), a key internal measure used for determining short-term incentive outcomes, increased by 7.1% or \$10.1 million on a like-for-like basis, excluding the impact of asset sales and a prior year release of COVID-19 abatement accruals. In addition, the Company exceeded the FY23 return on capital employed (ROCE) target that forms part of the measures that determine the vesting outcome for long-term incentives.

While financial performance exceeded plan, share price performance and shareholder returns were below expectations, which is reflected in the outcome of the long-term incentive that was eligible for vesting in FY24. The shareholder return component of the long-term incentive did not meet the minimum threshold required for vesting, so only the component based on ROCE performance was eligible to vest.

CEO remuneration outcomes

The CEO's remuneration outcomes for FY24 reflect Kiwi Property's performance against its strategic, financial and operational performance goals. The CEO's base salary was not reviewed in FY24 following an increase at 1 April 2022.

The organisation's Operating EBIT outcome, combined with achievements against our strategic 'one team goals' and the CEO's individual performance targets, resulted in a short-term incentive pay-out of \$409,977 for the CEO for FY24. This outcome is 90% of the CEO's total on-target STI opportunity. The CEO's second grandfathered long-term incentive grant, made in FY24 with a one-year performance period, partly vested based on ROCE performance as noted above, resulting in the CEO being eligible for 75% of this grant. The remaining 25% of this grant was forfeited due to shareholder returns not meeting the minimum level of performance.

As described in the Remuneration Report in the FY23 Annual Report and detailed in this Remuneration Report, the Board made changes to the Performance Shares Rights (PSR) long-term incentive scheme for FY24, rebalancing the performance measures to place a greater emphasis on shareholder return. The first grant under these revised terms was made in FY24 and will vest subject to performance in FY26.

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

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



Jane Freeman, Chair of the Remuneration and Nominations Committee

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

Remuneration report (continued)

Our remuneration approach

Our remuneration strategy is designed to ensure remuneration practices support Kiwi Property to attract, motivate, retain and reward employees equitably to deliver the premium performance necessary to drive achievement of strategic objectives. It helps focus employees on delivering sustainable, superior shareholder returns.

Our aspiration

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

Our remuneration principles

- We are a performance driven organisation, committed to rewarding performance through pay.
- We align performance expectations to our business strategy, key result areas and values.
- We are committed to fair and equitable remuneration outcomes, encompassing equity for gender and other diversities and company-wide consistency.
- We deliver pay outcomes that are competitive with relevant external markets.
- We consider affordability and our wider financial performance and sustainable shareholder returns in delivering remuneration outcomes.

Our remuneration structure

Fixed remuneration	Short-term incentive (STI)	Long-term incentive (LTI)
<ul style="list-style-type: none"> • Consists of base salary and employer contributions to KiwiSaver. • Reflects the scope of the role and individual's skills, experience and performance. • Benchmarked against the median of the market with flexibility to reference the upper quartile where appropriate. 	<ul style="list-style-type: none"> • Annual, cash-based discretionary, at-risk incentive for eligible employees by invitation. • The Company's financial performance determines the funding available for payments. • Individual performance in the role and against agreed goals and our values determines individual outcomes. 	<ul style="list-style-type: none"> • Discretionary, equity-based incentive for executives and select senior employees by invitation. • Operates over a 3-year time horizon subject to financial and shareholder measures. • Aligns the interests of participants with those of shareholders. • Rewards the delivery of sustained results over the long-term.

In addition to our core remuneration structure, Kiwi Property offers a range of benefits to employees, including an employee share scheme, the Restricted Share Rights (RSR) Scheme, that grants eligible permanent employees restricted share rights in the company. The RSR Scheme is offered from time to time at the discretion of the Board. Restricted share rights issued under the RSR Scheme are subject to a three-year vesting period and continued employment.

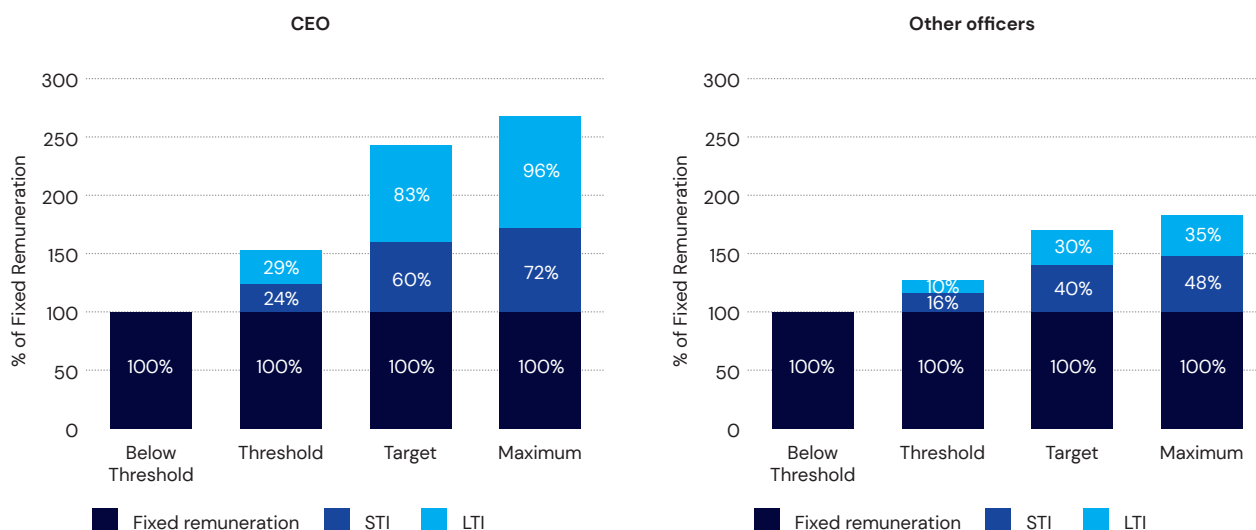
Remuneration mix and time horizons

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

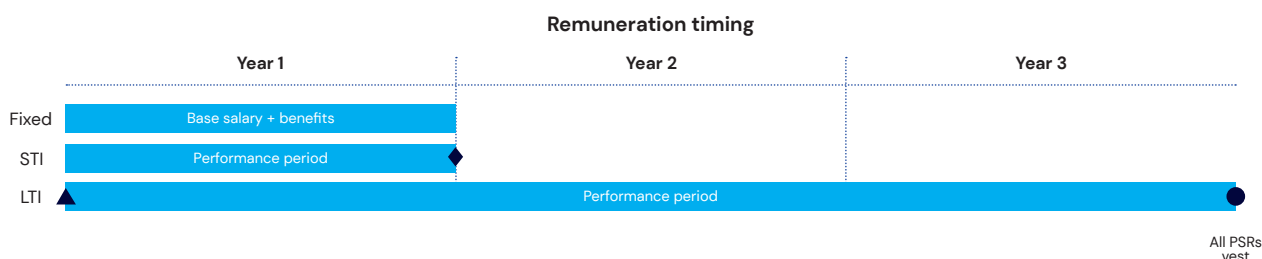
	Fixed remuneration	Short-term incentive (target)		Long-term incentive (target)	
	% of Total	% of Fixed	% of Total	% of Fixed	% of Total
CEO	41	60	25	82.5	34
Executives	59	40	23	30	18

Remuneration report (continued)

Under the Company's remuneration construct, potential total earnings relative to fixed remuneration range from 100% to 268% for the CEO and to 183% for other executives.



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



Short term incentive (STI)

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

The target for the Operating EBIT measure is set each year based on the Company's strategic and financial plan to best drive financial and operational performance, and the delivery of long-term shareholder value. The level of Operating EBIT achieved relative to the target determines the level of funding available for payments under the Scheme, decreasing or increasing in line with actual performance such that the Scheme is fully funded by financial performance.

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

Individual outcomes under the Scheme are determined with reference to each participant's performance, including their demonstration of our Values. Performance is assessed against the requirements of the role and specific individual goals. For the CEO and executives, these goals are aligned to our strategic and financial plan, with a strong focus on delivery of key strategic projects and objectives, and operational performance.

Remuneration report (continued)

Long term incentive (LTI) scheme

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

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

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

The grants made under the PSR Scheme in FY24 were subject to the following performance measures:

Measure	Weighting	Description
Return on capital employed (ROCE)	40%	<ul style="list-style-type: none"> The Company's ROCE over the performance period must be within a range of approximately 5% to 5.5%. The ROCE target is set by the Board in conjunction with the budget approval process. ROCE is calculated as Adjusted Funds from Operations divided by the weighted average share capital over the performance period. If the ROCE outcome meets a minimum of approximately 95% of the target, 50% of this component is eligible to vest. If 100% of the target is met, 100% of this component is eligible to vest. If the ROCE outcome meets or exceeds approximately 105% of the target, the maximum 140% of this component is eligible to vest. Vesting between the minimum and target, and between the target and maximum, will occur on a straight-line progression basis.
Relative total shareholder return (rTSR)	30%	<ul style="list-style-type: none"> The Company's total shareholder return (TSR) must be within the 50th and 75th percentile of the TSRs of a peer group of the entities that make up the S&P/NZX All Real Estate Index (excluding Kiwi Property and CDL Investments New Zealand Limited). If Kiwi Property's TSR over the performance period is at the 50th percentile of the peer group, 50% of this component will be eligible to vest. If Kiwi Property's TSR over the performance period is at or exceeds the 75th percentile of the peer group, 100% of this component will be eligible to vest. Vesting between the 50th and 75th percentile of the peer group will occur on a straight-line progression basis.
Absolute total shareholder return (aTSR)	30%	<ul style="list-style-type: none"> The Company's TSR must exceed the Company's cost of equity (COE) over the performance period. COE is calculated and compounded annually. If the Company's TSR meets or exceeds the Company's COE, 100% of this component is eligible to vest.

In FY24, in addition to a grant under the PSR Scheme on the terms above, the second of two grandfathered grants was made under the prior terms of the PSR Scheme. This grant was made to the CEO and eligible participants in recognition of the change from phased annual vesting to single-point three-year vesting from FY23. This grant was subject to a performance period of one year from 1 April 2023 to 31 March 2024, vesting in full subject to the satisfaction of ROCE (75%) and relative TSR (25%) performance measures as per the grants made under the PSR Scheme in FY22.

Remuneration report (continued)

Remuneration outcomes

CEO remuneration outcomes

The CEO's remuneration for the year ended 31 March 2024 comprised base salary, employer contributions to KiwiSaver, subsidised insurance plan benefits, short-term incentive payments relating to performance in FY24, and vesting of LTI grants made in prior reporting periods. The CEO's remuneration package including base salary was last reviewed on 1 April 2022.

The following table outlines the remuneration earned by the CEO in FY24 and the prior financial year.

Financial year	Base salary	KiwiSaver	Other	Fixed remuneration	STI	LTI	Total
FY24	\$700,400	\$21,012	\$39,027	\$760,439	\$409,977 ¹	\$352,492 ²	\$1,522,908
FY23	\$700,400	\$21,012	\$32,762	\$754,174	\$425,354 ³	\$368,756 ⁴	\$1,548,284

1 STI for the performance period 1 April 2023 – 31 March 2024, which will be paid subsequent to the date of these financial statements.

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

3 STI for the performance period 1 April 2022 – 31 March 2023, which was paid during FY24.

4 Represents value of rights eligible for vesting on 31 March 2023, based on the share price as at 31 March 2023.

The total CEO remuneration in the table above is based on remuneration **earned** during the financial year. The CEO's remuneration as included in the Employee remuneration table on page 101 is based on remuneration **paid or received** during the financial year. In addition to the remuneration set out in the table above, the CEO is also entitled to eligible employer contributions to KiwiSaver on the value of short-term incentives and is provided a car park. A one-off cash payment of \$63,979 was also made to the CEO in FY24 in relation to the removal of insurance benefits from 30 June 2024.

Performance Share Rights that have been granted, vested or forfeited by the CEO for the year ended 31 March 2024 are detailed in the following table:

Start of performance period	Measurement date	Grant value	Number of rights granted	Number of rights forfeited	Number of rights vested	Number due to vest in FY25
1 April 2020	31 March 2021	\$368,258	451,450	(40,630)	(410,820)	-
1 April 2021	31 March 2022	\$514,666	454,841	(113,710)	(227,421)	(113,710)
1 April 2022	31 March 2023	\$350,355	353,319	(44,163)	(154,578)	(154,578)
1 April 2022	31 March 2025	\$768,028	716,844	-	Not yet applicable	Not yet applicable
1 April 2023	31 March 2024	\$175,035	200,360	-	Not yet applicable	(150,270)
1 April 2023	31 March 2026	\$721,745	826,172	-	Not yet applicable	Not yet applicable

Restricted Share Rights that have been granted, vested or forfeited by the CEO for the year ended 31 March 2024 are detailed in the following table:

Start of performance period	Measurement date	Grant value	Number of rights granted	Number of rights forfeited	Number of rights vested	Number due to vest in FY25
1 April 2021	31 March 2024	\$1,164	1,076	-	Not yet applicable	(1,076)
1 April 2022	31 March 2025	\$1,164	1,086	-	Not yet applicable	Not yet applicable
1 April 2023	31 March 2026	\$1,164	1,332	-	Not yet applicable	Not yet applicable

Remuneration report (continued)

Short-term incentive outcome

The CEO's outcome under the Company's STI Scheme for FY24 was \$409,977 as summarised in the following table.

Short-term incentive target	Outcome	Outcome as % of target
\$456,263	\$409,977	90%



This outcome reflects the CEO's performance in the delivery of the strategic goals set by the Board, in the context of the Company's Operating EBIT performance, which sets the funding available for STI payments, exceeding the target approved by the Board for FY24.

Key achievements against the CEO's strategic goals considered by the Board in its determination of the CEO's STI outcome included:

- Delivery of the Company's first build-to-rent (BTR) development at Sylvia Park in readiness for operational launch in early FY25 under challenging economic and market conditions, positioning Kiwi Property as a leader in the New Zealand BTR market.
- Successful delivery of the Company's technology transformation programme, with roll-out of the new technology platform fully delivered to plan within approved budgets.
- Maintaining earnings and delivering financial performance to plan.

Long-term incentive outcome

The second (and final) grandfathered grant made to the CEO under the prior terms of the PSR Scheme was eligible for vesting on 31 March 2024. As summarised in the following table, 75% of the performance share rights vested whilst the remaining 25% of performance share rights were forfeited.

Performance measure	Weighting	Actual outcome	Commentary
ROCE	75.0%		ROCE target was exceeded, resulting in all PSRs vesting.
TSR	25.0%		TSR gate was not met, resulting in no PSRs vesting.
Total	100.0%	75.0%	

Key:



Achieved



Partially achieved



Not achieved

Remuneration report (continued)

Employee remuneration

During FY24, 112 employees, including 12 former employees, received remuneration totalling \$100,000 or more¹.

Amount of remuneration (from \$ to \$)	Number of employees
100,000 – 110,000	14
110,001 – 120,000	12
120,001 – 130,000	7
130,001 – 140,000	7
140,001 – 150,000	5
150,001 – 160,000	7
160,001 – 170,000	6
170,001 – 180,000	3
180,001 – 190,000	3
190,001 – 200,000	3
200,001 – 210,000	4
210,001 – 220,000	5
220,001 – 230,000	5
230,001 – 240,000	2
240,001 – 250,000	3
250,001 – 260,000	3
260,001 – 270,000	2
270,001 – 280,000	3
280,001 – 290,000	2
290,001 – 300,000	1
300,001 – 310,000	1
360,001 – 370,000	1
370,001 – 380,000	2
390,001 – 400,000	1
400,001 – 410,000	2
430,001 – 440,000	1
460,001 – 470,000	1
550,001 – 560,000	1
610,001 – 620,000	1
670,001 – 680,000	2
700,001 – 710,000	1
1,580,001 – 1,590,000	1
Total employees earning \$100,000+	112

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

Remuneration report (continued)

Long-term incentives – executives and other employees

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

Start of performance period	Measurement date	Total participants	Grant value	Number of rights granted	Number of rights forfeited	Number of rights vested	Number due to vest in FY25
1 April 2020	31 March 2021	10	\$826,362	1,013,041	(156,183)	(856,858)	–
1 April 2021	31 March 2022	14	\$1,077,033	951,840	(390,323)	(402,336)	(159,181)
1 April 2022	31 March 2023	12	\$637,559	642,938	(176,098)	(233,424)	(233,415)
1 April 2022	31 March 2025	13	\$1,458,411	1,361,213	(205,466)	Not yet applicable	Not yet applicable
1 April 2023	31 March 2024	11	\$270,153	309,235	–	Not yet applicable	(231,925)
1 April 2023	31 March 2026	14	\$1,351,533	1,547,076	–	Not yet applicable	Not yet applicable

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

Performance and development

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

Annual remuneration review

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

To underpin our remuneration decision making and ensure our employees are paid appropriately, we use remuneration benchmarking utilising market data from several external remuneration consultancies.

Equal pay

At Kiwi Property, we are committed to following the principles outlined in our Diversity and Inclusion Policy in all our daily activities including undertaking an annual equal pay review to assess the impact of gender on the pay and participation of women in the workforce, and to ensure unconscious bias does not impact remuneration decisions.

Remuneration report (continued)

Director remuneration

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

As at 31 March 2024, the pool was allocated by the Board as follows:

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

The fees paid to our directors during the year ended 31 March 2024 are outlined below.

Director	Duties	Fees
Christopher Aiken	Director	\$125,753
	Chair of the Environmental, Social and Governance Committee	
	Member of the Remuneration and Nominations Committee	
Mary Jane Daly	Director	\$117,000
	Chair of the Audit and Risk Committee	
Jane Freeman	Director	\$117,000
	Chair of the Remuneration and Nominations Committee	
Simon Shakesheff	Chair	\$163,441
	Member of the Audit and Risk Committee	
	Member of the Environmental, Social and Governance Committee	
Peter Alexander ¹	Director	\$92,702
	Member of the Environmental, Social and Governance Committee	
Carlie Eve ²	Director	\$92,702
	Member of the Audit and Risk Committee	
Mark Ford ³	Chair	\$43,400
Mark Powell ⁴	Director	\$16,071
	Chair of the Environmental, Social and Governance Committee	
Total		\$768,069

1 Peter Alexander joined the Board on 23 May 2023.

2 Carlie Eve joined the Board on 23 May 2023.

3 Mark Ford retired from the Board on 28 June 2023.

4 Mark Powell retired from the Board on 19 May 2023.

Other investor information

Reporting entity

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

Stock exchange listing

The Company's shares are quoted on the NZX under the ticker code KPG and the Company's green bonds are quoted on the NZDX under the ticker codes KPG030, KPG040, KPG050 and KPG060.

Credit rating

S&P Global Ratings has assigned a corporate credit rating of BBB (negative) to the Company and an issue credit rating of BBB+ to each of the Company's fixed-rate senior secured green bonds (KPG030, KPG040, KPG050 and KPG060).

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

Changes in the nature of the business

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

NZX waiver

During the year ended 31 March 2024 NZX did not grant and publish any waivers following an application by the Company and the Company did not rely on any NZX waivers.

NZX disciplinary action

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

Auditor

Deloitte Limited has undertaken the audit of the consolidated financial statements for the 31 March 2024 financial year.

Donations

During the year to 31 March 2024 the Company donated \$3,000 to Leukaemia & Blood Cancer New Zealand (Firefighter Sky Tower Challenge), \$1,895 to Diversity Works New Zealand and \$95 to the Mental Health Foundation.

Directors of the Company and its subsidiaries

As at 31 March 2024, the directors of the Company were Chris Aiken, Peter Alexander, Mary Jane Daly, Carlie Eve, Jane Freeman, and Simon Shakesheff.

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

Directors' indemnity and insurance

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

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

Annual meeting of shareholders

The Company's annual meeting of shareholders will be held on Thursday, 27 June 2024.

Interest register entries

In accordance with section 211(1)(e) of the Companies Act 1993, listed below are details of the entries made in the Interests Register of the Company during the year, together with the existing entries as at 31 March 2024.

Other investor information (continued)

Name	Name of company/entity	Nature of interest
Chris Aiken	Amberfield Peacocks	Director
	Auckland Light Rail Limited ¹	Director
	Kainga Ora Construction Programme Assurance Panel	Chair
Peter Alexander	AREA Limited ²	Principal
	Dilworth Trust Board ²	Trustee
	Kainga Ora Construction Programme Assurance Panel ²	Member
	Smith & Caughey Limited ²	Director
	Sargasso Holdings Limited ²	Director
Mary Jane Daly	AIG Insurance New Zealand Limited	Chair
	Auckland Transport – Audit and Risk Committee ³	Interim Chair
	Fonterra Shareholders' Fund	Chair
	Kiwibank Limited	Director
	Ministry of Business, Innovation and Employment – risk and advisory committee ²	Member
Carlie Eve	Diocesan Heritage Foundation ²	Chair
	Fonterra Shareholders' Fund ²	Director
Jane Freeman	Mackersy Northlands GP Limited	Spouse of Director (Christopher Hunter)
	Jane Freeman Consulting Limited	Director and Shareholder
	NZ Strong Construction	Spouse of Director (Christopher Hunter)
Simon Shakesheff	Assembly Funds Management	Director
	CBUS Property	Director
	HomeCo Daily Needs Real Estate Investment Trust	Chair
	Management Investment Committee of NSW TCorp (formerly NSW Treasury)	Member
	SGCH	Director
	SS & AR Pty Limited	Director

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

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

3 Entry added and removed by notice given by the director during the year.

Directors' holdings of quoted financial products

In accordance with NZX Listing Rule 3.7.1(d), listed below are the directors of the Company who had a relevant interest in quoted financial products of the Company as at 31 March 2024.

Director	Number and type of quoted financial products
Chris Aiken	110,000 ordinary shares in the Company
Peter Alexander	27,943 ordinary shares in the Company
Mary Jane Daly	9,000 ordinary shares in the Company
Simon Shakesheff	26,000 ordinary shares in the Company

Shareholder statistics

AS AT 31 MARCH 2024

Twenty largest shareholders

Shareholder	Number of shares	% of total issued shares
Accident Compensation Corporation	171,201,123	10.75%
HSBC Nominees (New Zealand) Limited <O4O-O16842-23O>	165,896,913	10.42%
BNP Paribas Nominees NZ Limited <BPSS4O>	120,752,302	7.59%
HSBC Nominees (New Zealand) Limited <HKBN45>	105,903,573	6.65%
Citibank Nominees (NZ) Limited	90,444,774	5.68%
JPMorgan Chase Bank	70,269,945	4.41%
New Zealand Depository Nominee	64,709,101	4.06%
Premier Nominees Limited	59,413,656	3.73%
FNZ Custodians Limited	48,084,311	3.02%
TEA Custodians Limited	45,439,169	2.85%
Custodial Services Limited	35,740,132	2.25%
JBWere (NZ) Nominees Limited	31,054,965	1.95%
New Zealand Superannuation Fund Nominees Limited	30,331,525	1.91%
New Zealand Permanent Trustees Limited	26,285,736	1.65%
PT Booster Investments Nominees Limited	23,681,736	1.49%
Adminis Custodial Nominees Limited	19,518,690	1.23%
NZX WT Nominees Limited	18,248,595	1.15%
Premier Nominees Limited <Armstrong Jones Property Securities Fund>	17,044,228	1.07%
Public Trust	16,570,444	1.04%
Hobson Wealth Custodian Limited	16,547,461	1.04%
Total	1,177,138,379	73.94%
Total shares on issue	1,591,971,998	

Spread of shareholders

Size of holding	Number of holders	% of total holders	Number of shares	% of total issued shares
1-1,000	880	8.78%	427,465	0.03%
1,001-5,000	1,865	18.60%	5,620,292	0.35%
5,001-10,000	1,770	17.65%	13,472,205	0.85%
10,001-50,000	4,178	41.67%	96,956,240	6.09%
50,001-100,000	761	7.59%	53,127,543	3.34%
100,001 and over	573	5.71%	1,422,368,253	89.34%
Total	10,027	100.00%	1,591,971,998	100.00%

Bondholder statistics

AS AT 31 MARCH 2024

Twenty largest bondholders

Bondholder	Number of bonds	% of total issued bonds
Custodial Services Limited <4>	181,234,000	36.25%
FNZ Custodians Limited	48,253,000	9.65%
Forsyth Barr Custodians Limited <1 Custody>	40,733,000	8.15%
BNP Paribas Nominees NZ Limited <BPSS40>	31,545,000	6.31%
HSBC Nominees (New Zealand) Limited <O40-016842-230>	25,077,000	5.02%
Citibank Nominees (NZ) Limited <CNOM90>	18,377,000	3.68%
BNP Paribas Nominees NZ Limited <BPSS42>	17,105,000	3.42%
Hobson Wealth Custodian Limited	14,481,000	2.90%
PT (Booster Investments) Nominees Limited	8,053,000	1.61%
Investment Custodial Services Limited <C>	7,402,000	1.48%
TEA Custodians Limited	7,006,000	1.40%
Premier Nominees Limited	6,188,000	1.24%
Forsyth Barr Custodians Limited <1 E>	5,808,000	1.16%
Adminis Custodial Nominees Limited	5,218,000	1.04%
FNZ Custodians Limited	4,661,000	0.93%
Public Trust	4,522,000	0.90%
JBWere (NZ) Nominees Limited	4,407,000	0.88%
ANZ Wholesale NZ Fixed Interest Fund	3,050,000	0.61%
Custodial Services Limited	2,782,000	0.56%
Forsyth Barr Custodians Limited	2,587,000	0.52%
Total	438,489,000	87.70%
Total bonds on issue	500,000,000	

Bondholder statistics (continued)

Spread of KPG030 bondholders (December 2024 maturity)

Size of holding	Number of holders	% of total holders	Number of bonds	% of total issued bonds
1-1,000	1	0.24%	1,000	0.00%
1,001-5,000	36	8.67%	180,000	0.14%
5,001-10,000	93	22.41%	906,000	0.72%
10,001-50,000	227	54.70%	6,171,000	4.94%
50,001-100,000	24	5.78%	1,994,000	1.60%
100,001 and over	34	8.20%	115,748,000	92.60%
Total	415	100.00%	125,000,000	100.00%

Spread of KPG040 bondholders (November 2025 maturity)

Size of holding	Number of holders	% of total holders	Number of bonds	% of total issued bonds
1-1,000	-	0.00%	-	0.00%
1,001-5,000	18	6.87%	90,000	0.09%
5,001-10,000	50	19.08%	493,000	0.49%
10,001-50,000	150	57.25%	3,700,000	3.70%
50,001-100,000	19	7.25%	1,441,000	1.44%
100,001 and over	25	9.55%	94,276,000	94.28%
Total	262	100.00%	100,000,000	100.00%

Spread of KPG050 bondholders (July 2028 maturity)

Size of holding	Number of holders	% of total holders	Number of bonds	% of total issued bonds
1-1,000	-	0.00%	-	0.00%
1,001-5,000	61	16.22%	305,000	0.20%
5,001-10,000	112	29.79%	1,031,000	0.69%
10,001-50,000	157	41.76%	3,693,000	2.46%
50,001-100,000	19	5.05%	1,524,000	1.02%
100,001 and over	27	7.18%	143,447,000	95.63%
Total	376	100.00%	150,000,000	100.00%

Bondholder statistics (continued)

Spread of KPG060 bondholders (September 2029 maturity)

Size of holding	Number of holders	% of total holders	Number of bonds	% of total issued bonds
1-1,000	-	0.00%	-	0.00%
1,001-5,000	26	6.25%	130,000	0.10%
5,001-10,000	99	23.80%	948,000	0.76%
10,001-50,000	232	55.77%	6,377,000	5.10%
50,001-100,000	31	7.45%	2,486,000	1.99%
100,001 and over	28	6.73%	115,059,000	92.05%
Total	416	100.00%	125,000,000	100.00%

Substantial product holders

In accordance with section 293 of the Financial Markets Conduct Act 2013, listed below are the names and details of all persons who, according to the Company's records and disclosures made, are substantial product holders of the Company as at 31 March 2024. The total number of ordinary shares on issue at 31 March 2024 was 1,591,971,998.

Name	Number of shares held at date of notice	Date of notice
Accident Compensation Corporation	167,341,514	24-Jan-24
BlackRock, Inc. ¹	83,745,944	27-Jul-21
ANZ New Zealand Investments Limited ^{2,3}	99,173,806	4-Sep-23

- 1 The nature of the relevant interest is the power to control the acquisition or disposal of the quoted voting product and/or the exercise of a right to vote attached to the quoted voting product, arising only from the powers of investment contained in each case under investment management agreements appointing each entity as investment manager of funds or separate accounts (i.e. entity currently exercising investment discretion on behalf of the relevant funds or separate accounts).
- 2 ANZ New Zealand Investments Limited (ANZ Investments) acts as a manager or investment manager for certain managed investment schemes under investment management contracts. ANZ Investments has a relevant interest in the financial products arising only from the powers of investment contained in the investment management contracts as it has a qualified power to control the exercise of the rights to vote attached to the financial products and a qualified power to acquire or dispose of the financial products. ANZ Investments also has a relevant interest in the holdings of ANZ Bank New Zealand Limited and ANZ Custodial Services New Zealand Limited, because all of these companies are related bodies corporate.
- 3 Including relevant interests held by ANZ Bank New Zealand Limited (ANZ Bank) and ANZ Custodial Services New Zealand Limited (ANZCS). ANZ Bank acts as a discretionary investment management service (DIMS) provider in respect of investment portfolios under a DIMS client agreement. ANZ Bank has a relevant interest in the financial products arising only from the powers of investment contained in the DIMS client agreements as it has a qualified power to control the exercise of the right to vote attached to the financial products and a qualified power to acquire or dispose of the financial products. ANZ Bank also provides a trading and custody service in respect of individual client investment portfolios under a trading service client agreement. ANZ Bank has a relevant interest in the financial products arising only from the powers of investment contained in the trading service client agreement as it has a qualified power to control the exercise of the right to vote attached to the financial products and a conditional power to dispose of the financial products. ANZ Bank also has a relevant interest in the holdings of ANZ Investments and ANZCS, because all of these companies are related bodies corporate. ANZCS is the custodian for ANZ Investments' wholesale discretionary investment management service under a custody agreement and ANZ Bank's discretionary investment management service and trading and custody service under a custody agreement. ANZCS has a relevant interest in the financial product as it is the registered holder of the financial products. ANZCS also has a relevant interest in the holdings of ANZ Investments and ANZ Bank, because all of these companies are related bodies corporate.

This annual report is dated 24 May 2024 and is signed on behalf of the Board by:



Simon Shakesheff
Chair



Mary Jane Daly
Chair of the Audit and Risk Committee

Directory

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E: cts.enquiry@publictrust.co.nz

Security trustee

New Zealand Permanent Trustees Limited

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Registrar

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Bankers

ANZ Bank New Zealand

Bank of New Zealand

China Construction Bank
(New Zealand Branch)

Commonwealth Bank of Australia

The Hongkong and Shanghai
Banking Corporation

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

MUFG Bank, Ltd (Auckland Branch)

Westpac New Zealand

