



NEW ZEALAND'S EXCHANGE
TE PAEHOKO O AOTEAROA

Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

| Results for announcement to the market | | | | |
|--|--|---|-------------------------------|---|
| Name of issuer | Works Finance (NZ) Limited | | | |
| Reporting Period | 12 months to 30 June 2025 | | | |
| Previous Reporting Period | 12 months to 30 June 2024 | | | |
| Currency | NZD | | | |
| | Amount (000s) | Percentage change | | |
| Revenue from continuing operations | \$19,578 | -5.11% | | |
| Total Revenue | \$19,578 | -5.11% | | |
| Net profit/(loss) from continuing operations | \$19,461 | -5.30% | | |
| Total net profit/(loss) | \$14,012 | -5.31% | | |
| Interim/Final Dividend | | | | |
| Amount per Quoted Equity Security (Cash dividend) | 0.01308600 | | | |
| Imputed amount per Quoted Equity Security | \$0.00508900 | | | |
| Record Date | 05/09/2025 | | | |
| Dividend Payment Date | 15/09/2025 | | | |
| | Current period | Prior comparable period | | |
| Net tangible assets per Quoted Equity Security | ROADS \$1 | ROADS \$1 | | |
| A brief explanation of any of the figures above necessary to enable the figures to be understood | Refer to accompanying audited financial statements | | | |
| | 2025 Per Security \$ | 2025 Net tangible assets \$000 | 2024 Per Security \$ | 2024 Net tangible assets \$000 |
| | 200,000,000 ROADS (2024: 200,000,000) | 1 | 200,000 | 1 |
| | 100 ordinary shares (2024: 100) | 93,760 | 9,376 | 89,426 |
| | | 93,760 | 209,376 | 89,426 |
| | | | | 208,943 |
| Authority for this announcement | | | | |
| Name of person authorised to make this announcement | Peter Lyons | | | |
| Contact person for this announcement | Peter Lyons | | | |
| Contact phone number | 00 61 2 9468 9700 | | | |
| Contact email address | info@downergroup.com | | | |
| Date of release through MAP | 27/08/2025 | | | |

Audited financial statements accompany this announcement.

Works Finance (NZ) Limited

Annual Report 2025



Works Finance (NZ) Limited

Annual Report 2025



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Directors' Report

for the year ended 30 June 2025

The Directors of Works Finance (NZ) Limited ("the Company") submit herewith the annual report of the Company for the year ended 30 June 2025, including the financial statements on pages 7 to 20.

Directors

The names of the Directors of the Company during or since the end of the financial year are:

Mr E C Jensen

Mr P J Tompkins

Mr S D Ward

Mr M R Ashcroft

Mr M E Robertson

Principal activities

The Company is a subsidiary of Downer EDI Limited and was formed for the purpose of issuing Redeemable Optionally Adjustable Distributing Securities ("ROADS"). The proceeds have been advanced to Downer New Zealand Limited as disclosed in Note C2.

Downer EDI Limited elected to leave the ROADS securities on issue on the Step-up Date of 15 June 2012. The margin was stepped-up in accordance with the terms of the "Prospectus and Investment Statement" dated 7 March 2007. The dividend rate for the one year commencing 15 June 2025 is 7.27% per annum (2024: 9.43% per annum) which is equivalent to the one year swap rate on 16 June 2025 of 3.22% per annum plus the step-up margin of 4.05% per annum. The next reset date is 15 June 2026.

Review of operations

The Company reported total comprehensive income of \$14,012,040 (2024: \$14,795,875).

Subsequent events

There has not been any matter or circumstance other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Dividends

In respect of the financial year ended 30 June 2025, dividends of \$13,579,200 were paid to the holders of ROADS (2024: \$14,126,400). Imputation credits were attached to the dividends. No dividends have been paid to the holders of ordinary shares during the year (2024: nil).

Indemnification of officers and auditors

During the financial year, the Company's ultimate parent entity (Downer EDI Limited) paid a premium in respect of a contract insuring its Directors, company secretaries, and all executive officers of that Company and of any related body corporate, against any liability incurred as a Director, secretary or executive officer to the extent permitted by the Companies Act 1993. The contract of insurance prohibits disclosure of the nature of the liability insured and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company, or of any related body corporate against a liability incurred as an officer or auditor.

Interests register and other disclosures

There were no entries in the Interests register. Related party transactions are disclosed in Note C3. No Director or former Director received any remuneration or other benefits from the Company. Works Finance (NZ) Limited has no employees and accordingly no remuneration was paid. No donations were made during the year (2024: nil). All audit fees were paid by Downer New Zealand Limited.

Financial Statements

The Board of Directors have approved and authorised the financial statements on pages 7 to 20.

On behalf of the Directors 27 August 2025.



M E Robertson
Director



E C Jensen
Director



Independent auditor's report

To the shareholder of Works Finance (NZ) Limited

Our opinion

In our opinion, the accompanying financial statements of Works Finance (NZ) Limited (the Company), present fairly, in all material respects, the financial position of the Company as at 30 June 2025, its financial performance, and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 30 June 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

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

Independence

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

Other than in our capacity as auditor we have no relationship with, or interests in, the Company.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. We have determined that there are no key audit matters to communicate in our report.

Our audit approach

Overview

| | |
|--------------------------|---|
| Materiality | Overall materiality: \$2.0 million, which represents approximately 1% of net assets. We chose net assets as the benchmark because, in our view, the objective of the Company is to provide a total return on its net assets. |
| Key audit matters | As reported above, we have not identified any key audit matters from our audit. Refer to the Key audit matters section of our report. |

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

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

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

Other information

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

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

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

Responsibilities of the Directors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-2/>

This description forms part of our auditor's report.

Who we report to

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

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

For and on behalf of



PricewaterhouseCoopers
27 August 2025

Auckland

Statement of Comprehensive Income

for the year ended 30 June 2025

| | Note | 2025 \$000 | 2024 \$000 |
|---|------|---------------|---------------|
| Interest income | | 19,578 | 20,632 |
| Operating expenses | | (117) | (82) |
| Profit before income tax expense | | 19,461 | 20,550 |
| Income tax expense | B3 | (5,449) | (5,754) |
| Profit after income tax expense and total comprehensive income attributable to equity holders of the Company | | 14,012 | 14,796 |
| Total comprehensive income for the year is attributable to: | | | |
| ROADS | | 13,579 | 14,126 |
| Ordinary shareholders | | 433 | 670 |
| Total comprehensive income for the year | | 14,012 | 14,796 |

These financial statements should be read in conjunction with the accompanying notes on pages 11 - 20.

Statement of Financial Position

as at 30 June 2025

| | Note | 2025 \$000 | 2024 \$000 |
|---|------|----------------|----------------|
| Current assets | | | |
| Cash and cash equivalents | | - | - |
| Advance to related party - Downer New Zealand Limited | C2 | 11,502 | 12,888 |
| Total current assets | | 11,502 | 12,888 |
| Non-current assets | | | |
| Advance to related party - Downer New Zealand Limited | C2 | 200,000 | 200,000 |
| Total non-current assets | | 200,000 | 200,000 |
| Total assets | | 211,502 | 212,888 |
| Current liabilities | | | |
| Trade and other payables | | 207 | 146 |
| Income tax payable | | 1,919 | 3,799 |
| Total current liabilities | | 2,126 | 3,945 |
| Total liabilities | | 2,126 | 3,945 |
| Net assets | | 209,376 | 208,943 |
| Equity | | | |
| Issued capital | D1 | - | - |
| ROADS | D1 | 200,000 | 200,000 |
| Retained earnings | | 9,376 | 8,943 |
| Total equity attributable to equity holders of the Company | | 209,376 | 208,943 |

The Board of Directors have approved and authorised the financial statements on pages 7 to 20.

On behalf of the Directors


M E Robertson
Director


E C Jensen
Director

Dated: 27 August 2025

These financial statements should be read in conjunction with the accompanying notes on pages 11 - 20.

Statement of Changes in Equity

for the year ended 30 June 2025

| | Issued capital \$000 | ROADS \$000 | Retained earnings \$000 | Total \$000 |
|-----------------------------------|----------------------------|----------------|-------------------------------|----------------|
| Balance at 1 July 2024 | - | 200,000 | 8,943 | 208,943 |
| Profit for the year | - | 13,579 | 433 | 14,012 |
| Total comprehensive income | - | 13,579 | 433 | 14,012 |
| Distributions to owners | | | | |
| Dividends declared - ROADS | - | (13,579) | - | (13,579) |
| Balance at 30 June 2025 | - | 200,000 | 9,376 | 209,376 |
| Balance at 1 July 2023 | - | 200,000 | 8,273 | 208,273 |
| Profit for the year | - | 14,126 | 670 | 14,796 |
| Total comprehensive income | - | 14,126 | 670 | 14,796 |
| Distributions to owners | | | | |
| Dividends declared - ROADS | - | (14,126) | - | (14,126) |
| Balance at 30 June 2024 | - | 200,000 | 8,943 | 208,943 |

These financial statements should be read in conjunction with the accompanying notes on pages 11 - 20.

Statement of Cash Flows

for the year ended 30 June 2025

| | Note | 2025 \$000 | 2024 \$000 |
|--|------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Interest received from Downer New Zealand Limited | C3 | 19,578 | 20,632 |
| Net repayments from / (advances to) Downer New Zealand Limited | | 1,386 | (1,521) |
| Income tax payments and purchases | | (7,329) | (4,923) |
| Payments to suppliers | | (69) | (79) |
| Net cash generated by operating activities | C1 | 13,566 | 14,109 |
| Cash flows from financing activities | | | |
| Dividends paid on ROADS | | (13,566) | (14,109) |
| Net cash used in financing activities | | (13,566) | (14,109) |
| Net increase in cash and cash equivalents | | - | - |
| Cash and cash equivalents at the beginning of the year | | - | - |
| Cash and cash equivalents at the end of the year | | - | - |

These financial statements should be read in conjunction with the accompanying notes on pages 11 - 20.

Notes to the Financial Statements

for the year ended 30 June 2025



About this report

Statement of compliance

Works Finance (NZ) Limited ("the Company") is a profit-oriented entity, domiciled in New Zealand, registered under the Companies Act 1993 and listed on the NZX Debt Market (NZDX). The Company is a FMC Reporting Entity under the Financial Markets Conduct Act 2013. These financial statements have been prepared in accordance with both of these Acts.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS'), and other applicable financial reporting standards appropriate for a profit-orientated entity. The financial statements also comply with International Financial Reporting Standards Accounting Standards ('IFRS Accounting Standards').

The financial statements were authorised by the Directors for issue on 27 August 2025.

Basis of preparation

The Annual Report have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange of assets. The functional and presentation currency is New Zealand Dollars.

This year, the Company changed from presenting its financial statements in dollars to presenting in thousands of dollars. As a result of this change, comparatives have been rounded to the nearest thousand dollars.

Other than this, the accounting policies, presentation and methods of computation in the preparation of these financial statements are consistent with those adopted and disclosed in the prior year, except in relation to the relevant new and amended accounting standards adopted by the Company as described in Note E1.

Accounting estimates and judgements

The preparation of the Annual Report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The judgements and associated assumptions are based on the historical experience of management and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these assumptions. The underlying assumptions are reviewed on an ongoing basis. There were no significant accounting estimates or judgements required in preparation of these financial statements.

Material accounting policies

Accounting policies are selected and applied in a manner that ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Other material accounting policies are contained in the notes to the financial statements to which they relate.

Notes to the Financial Statements

for the year ended 30 June 2025



B

Business performance

This section provides the information that is most relevant to understanding the financial performance of the Company during the financial year and, where relevant, the accounting policies applied and the critical judgements and estimates made.

B1. Segment information

B3. Taxation

B2. Remuneration of Auditors

B4. Subsequent events

B1. Segment information

The Company operates in one reportable segment. The only business of the Company is the issue of ROADS to predominantly New Zealand residents and advances to Downer New Zealand Limited.

B2. Remuneration of Auditors

| | 2025 \$000 | 2024 \$000 |
|-----------------------------------|---------------|---------------|
| KPMG | | |
| Half year review | - | 7 |
| PricewaterhouseCoopers | | |
| Audit of the financial statements | 45 | 40 |

B3. Taxation

a) Reconciliation of income tax expense

The prima facie income tax expense on profit before income tax reconciles to the income tax expense in the financial statements as follows:

| | 2025 \$000 | 2024 \$000 |
|---|---------------|---------------|
| Profit before income tax expense | 19,461 | 20,550 |
| Income tax expense calculated at 28% of profit before tax | 5,449 | 5,754 |
| Total tax expense | 5,449 | 5,754 |

b) Imputation credit account balance

| | 2025 \$000 | 2024 \$000 |
|----------------------------|---------------|---------------|
| Balance at the end of year | 3,486 | 3,317 |

Recognition and measurement

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Current tax is recognised as an expense or income in the Statement of Comprehensive Income.

Notes to the Financial Statements

for the year ended 30 June 2025

B3. Taxation - Continued

International Tax Reform – Pillar Two Model Rules

The Company is a New Zealand subsidiary of an Australian-headquartered multinational enterprise Group that is subject to the OECD Pillar Two Global Anti-Base Erosion (GloBE) rules. These rules are designed to ensure large multinational enterprises pay a minimum level of tax on income earned in each jurisdiction, imposing a top-up tax where the effective tax rate falls below 15%.

The Pillar Two rules have been enacted in Australia, New Zealand and other countries where the group has operations. Based on current information available, the Group does not expect to have a material exposure to Pillar Two top-up taxes including in New Zealand. Management of the group is not currently aware of any circumstances that would change this assessment.

As at 30 June 2025, the Company has applied the temporary mandatory exception from deferred tax accounting for Pillar Two-related taxes, in accordance with the amendments to NZ IAS 12 issued by the New Zealand Accounting Standards Board (NZASB).

B4. Subsequent events

On 27 August 2025, the Directors approved the payment of a fully imputed dividend of \$3,635,000 comprising a cash dividend of \$2,617,200 (1.3086 cents per ROADS security) and imputation credits of \$1,017,800 (0.5089 cents per ROADS security) to be paid on 15 September 2025. There has not been any other matter or circumstance other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Notes to the Financial Statements

for the year ended 30 June 2025



C

Operating assets and liabilities

This section provides information relating to the operating assets and liabilities of the Company.

C1. Reconciliation of cash flow from operating activities

C2. Advance - Downer New Zealand Limited

C3. Related parties

C4. Contingent liabilities

C1. Reconciliation of cash flow from operating activities

| | 2025 \$000 | 2024 \$000 |
|--|---------------|---------------|
| Profit for the year | 14,012 | 14,796 |
| Adjustments for: | | |
| (Increase) / decrease in assets | | |
| Advance to related party - Downer New Zealand Limited | 1,386 | (1,521) |
| Increase / (decrease) in liabilities | | |
| Trade and other payables (excluding dividends payable) | 48 | 3 |
| Income tax payable | (1,880) | 831 |
| Net cash generated from operating activities | 13,566 | 14,109 |

C2. Advance - Downer New Zealand Limited

| | 2025 \$000 | 2024 \$000 |
|---|---------------|---------------|
| Downer New Zealand Limited - cash advance | 11,502 | 12,888 |
| Downer New Zealand Limited | 200,000 | 200,000 |
| | 211,502 | 212,888 |

The Downer New Zealand Limited cash advance is unsecured. The Company's bank account is subject to an automatic cash sweep where the net bank balance (either debit or credit) is transferred to Downer New Zealand Limited daily. These daily transfers impact the cash advance with Downer New Zealand Limited. Interest has been charged on the cash advance at an average of 4.26% per annum (2024: 5.37% per annum).

The Company has advanced \$200,000,000 to Downer New Zealand Limited under a loan agreement dated 21 April 2011. Under the terms of the loan agreement, the advance is repayable on demand, however it has been provided in line with the terms of ROADS.

ROADS were stepped up on 15 June 2012, keeping the existing ROADS instrument in place with revised pricing. Downer EDI Limited and the Company have provided confirmation to Downer New Zealand Limited that neither Downer EDI Limited, or its subsidiaries, will take any action to demand or effect repayment of the loan during the 12 months after the Downer New Zealand Limited 30 June 2025 Financial Statements are signed. The advance to Downer New Zealand Limited is therefore classified as non-current.

The interest rate is to be agreed in writing between the parties from time to time. The initial rate of interest was set at 10% per annum. In April 2013 it was agreed to reset this to the ROADS gross dividend rate plus a margin of 0.20%. The interest rate from 15 June 2024 to 15 June 2025 was 9.63% per annum. On 15 June 2025 it was reset to 7.47% per annum. The next reset date is 15 June 2026.

Interest is due for payment monthly in arrears.

Recognition and measurement financial assets: measured at amortised cost

The advance to Downer New Zealand Limited is a financial asset measured at amortised cost less any expected credit losses.

Notes to the Financial Statements

for the year ended 30 June 2025

C2. Advance - Downer New Zealand Limited - Continued

Impairment

The Company is required to recognise its expected credit loss ("ECL") for the advances to Downer New Zealand Limited in accordance with NZ IFRS 9.

There is consideration around the probability of default upon initial recognition and subsequent assessment as to whether there has been a significant increase in credit risk at each reporting period. The Company exercises judgement about how economic factors affect this ECL and makes adjustments as deemed appropriate to the expected credit loss.

The Company considered the risk arising from the current economic environment in New Zealand, and it is expected to continue to perform well into the foreseeable future. On this basis, no adjustment has been made for potential future credit losses.

C3. Related parties

The Company's ordinary shares are wholly owned by DGL Investments Limited. The ultimate parent company is Downer EDI Limited, a company listed on the Australian Stock Exchange (ASX) with a secondary listing on the New Zealand's Stock Exchange (NZX).

The Company has advanced a loan and a cash advance to Downer New Zealand Limited, a fellow subsidiary, and receives interest as described in Note C2 to these financial statements and receives/provides further advances as set out in the Statement of Cash Flows. Transaction costs associated with the issue of ROADS were met by Downer EDI Limited. Under a Deed Poll entered into, Downer EDI Limited guarantees the payment by the Company of dividends on ROADS and of amounts payable on redemption of ROADS on an unsecured and subordinated basis.

The Directors of the Company or Downer EDI Limited may at any time determine that a dividend is not payable. If the Directors of the Company or Downer EDI Limited determine that a dividend is not payable, the relevant amount will not become payable by the Company and the guarantee by Downer EDI Limited will not apply. Accordingly, the guarantee will be effective only if the Directors of the Company (and in the case of a dividend, Downer EDI Limited) at their discretion, determine that payment should be made, but payment is not then made by the Company. As the guarantee is subordinated, the claims of holders under the guarantee rank behind the claims of all creditors of Downer EDI Limited.

| | 2025 \$000 | 2024 \$000 |
|--|---------------|---------------|
| Transactions with related parties | | |
| Downer New Zealand Limited - interest income | 19,578 | 20,632 |

During the June 2024 year the Company purchased \$977,276 income tax credits from other subsidiaries of Downer EDI Limited to reduce the Company's income tax liability by the same amount. The company did not purchase any tax credits during the June 2025 year.

M E Robertson, E C Jensen, and M R Ashcroft are also Directors of DGL Investments Limited and Downer New Zealand Limited. All of the Directors are employees of Downer EDI Limited or its subsidiaries and accordingly are not independent. Key management personnel were employed and compensated by other Downer EDI Limited subsidiaries and did not receive any compensation from the Company during the year (2024: nil).

C4. Contingent liabilities

The Company has no contingent liabilities. (2024: nil)

Notes to the Financial Statements

for the year ended 30 June 2025



D

Capital structure

This section provides information relating to the Company's capital structure. The capital structure of the Company consists of ROADS and ordinary shares.

D1. Issued capital

D2. Net tangible assets per security

D1. Issued capital

| | 2025 \$000 | 2024 \$000 |
|---------------------|----------------|----------------|
| 100 ordinary shares | - | - |
| 200,000,000 ROADS | 200,000 | 200,000 |
| | 200,000 | 200,000 |

The Company has 100 fully paid ordinary shares on issue with a nominal value of \$1 each. Fully paid ordinary shares carry equal rights in respect of voting, dividend payments and any surplus on winding up the Company.

The Company has issued 200,000,000 fully paid Redeemable Optionally Adjustable Distributing Securities (ROADS) with a nominal value of \$1 each. ROADS are classified as equity as they bear discretionary dividends, are only redeemable at the option of the Company, holders cannot request redemption, they do not contain any contractual obligations to deliver cash or financial assets and do not require settlement in a variable number of the Company's equity instruments.

The ROADS offer quarterly, fixed rate, discretionary, non-cumulative dividends. Dividends are payable on 15 September, 15 December, 15 March and 15 June each year. Dividends are also payable on the date of redemption, repurchase, resale or exchange. Until the step-up date of 15 June 2012 (Step-up Date), dividends were fixed at 9.80% inclusive of imputation credits. This was based on the five year swap rate at the time, plus a margin of 2.05% per annum.

On the Step-up Date, the Company elected not to redeem any of the ROADS. The dividend rate on the ROADS is reset on 15 June each year and is equal to the one year swap rate on the reset date, plus a margin of 4.05% per annum, payable quarterly in arrears.

The gross dividend rate from 15 June 2025 to the next reset date on 15 June 2026 is 7.27% per annum.

During the financial year, dividends paid, gross of imputation credits, totalled \$18.86 million (2024: \$19.62 million), being 9.43c per security (2024: 9.81c per security).

It is possible that dividends will not be paid. Dividends will not be paid if the Directors of the Company or Downer EDI Limited determine that a dividend is not payable. Dividends are non-cumulative, which means that if a dividend is not paid, it does not accumulate and may never be paid.

Each ROADS confers on its holder:

- An equal right to payment of the issue price of \$1 in a liquidation of the Company between other holders of ROADS and holders of any other class of securities ranking equally with ROADS; and
- The right to payment of the issue price in a liquidation of the Company in priority to any other class of shares other than any preference shares ranking equally with ROADS.

Notes to the Financial Statements

for the year ended 30 June 2025

D1. Issued capital - Continued

The ROADS rank for payment in a liquidation of the Company after all creditors of the Company.

The Company may elect to redeem or exchange:

- All or some ROADS on any dividend payment date;
- All (but not some) ROADS at any time, if certain specified events occur, including regulatory or legal changes which could lead to the Company or Downer EDI Limited Group being exposed to significantly increased costs, or in the event of an acquisition of 50% or more of Downer EDI Limited ordinary shares;
- All or some ROADS on any dividend payment date after an acquisition of 50% or more of the Downer EDI ordinary shares has occurred; and/or
- All (but not some) ROADS at any time, if there is less than 50 million ROADS on issue.

If any ROADS are to be redeemed, the Company must pay to the holder in respect of each relevant ROADS an amount equal to the issue price.

If any ROADS are to be exchanged, the Company will request Downer EDI Limited to purchase those ROADS for a consideration consisting of ordinary shares and, if Downer EDI Limited agrees to do so, holders are required to transfer the relevant ROADS to Downer EDI Limited and Downer EDI Limited will issue to the relevant holders a number of ordinary shares at a 2.5% discount to the weighted average sale price of ordinary shares traded on the ASX during the 20 business days immediately preceding the date of exchange.

Holders of ROADS cannot request redemption or exchange in any circumstances. Holders have no right to receive notice of, attend or vote at meetings of shareholders of the Company, other than in respect of a proposal to amend or vary the terms of the ROADS to the detriment of a holder, or that otherwise affects any right attached to ROADS to the detriment of a holder. The full terms of the ROADS are set out in Appendix 1 to the Constitution of the Company. Transaction costs in connection with the issue of the ROADS were borne by Downer EDI Limited.

D2. Net tangible assets per security

| | 2025 | 2024 |
|-----------------|--------|--------|
| | \$ | \$ |
| ROADS | 1 | 1 |
| Ordinary shares | 93,765 | 89,426 |

Notes to the Financial Statements

for the year ended 30 June 2025



E

Other

This section provides details on other required disclosures relating to the Company to comply with the accounting standards and other pronouncements including the Company's capital and financial risk management disclosure.

E1. New accounting standards

E3. Financial instruments risk management

E2. Financial instruments

E1. New accounting standards

a) New and amended accounting standards adopted by the Company

During the year, the Company has applied a number of new and revised accounting standards issued by the New Zealand Accounting Standards Board (NZASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2024, as follows:

- Amendments to NZ IAS 1 Classification of liabilities as current or non-current
- Amendments to NZ IFRS 16 Leases - Lease Liability in a Sale and Leaseback
- Amendments to NZ IAS 7 and NZ IFRS 7 - Supplier Finance Arrangements
- Amendments to FRS-44 - Disclosure of Fees for Audit Firms' Services

None of the above new and amended accounting standards have had a significant impact on the Company's financial statements.

b) New accounting standards and interpretations not yet adopted

The following new or amended Accounting Standards or Interpretations that are not yet mandatory and have not been early adopted:

- NZ IFRS 18 Presentation and Disclosure in Financial Statements
- Amendments to NZ IFRS 10 and NZ IAS 28 - Sale or Contribution of Assets between and Investor and its Associate or Joint Venture
- Amendments to NZ IFRS 9 and NZ IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments
- 2024 Annual Improvements to NZ IFRS Accounting Standards

Management is in the process of determining the impact and do not believe there will be a material impact.

c) Sustainability reporting standards

Works Finance (NZ) Limited is a climate reporting entity and is relying on the Financial Markets Conduct (Climate-related Disclosures – Works Finance (NZ) Limited) Exemption Notice 2024 (Exemption) in respect of its financial year ending on 30 June 2025. Downer EDI Limited prepares and lodges Group Climate Statements (within its Annual Report) for its global business (including Works Finance (NZ) Limited). These Climate Statements comply with the requirements of New Zealand Climate Standards (CS1, CS2 and CS3). A copy of Downer EDI Limited's Group Climate Statements are published in its 2025 Annual Report, which is available on its website and can be found at: www.downergroup.com/results-centre.

The International Sustainability Standards Board (ISSB) has issued the following sustainability standards :

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosures

The External Reporting Board (XRB) in New Zealand has not formally adopted these sustainability standards.

Downer EDI Limited will commence reporting in accordance with the Australian version of these sustainability standards (ASRS 1 and ASRS 2) from 1 July 2025.

E2. Financial instruments

Financial assets and liabilities included in the Statement of Financial Position are carried at amortised cost in line with NZ IFRS 9. Financial assets include cash and cash equivalents and advances to related parties and financial liabilities include trade and other payables.

As at 30 June 2025, the carrying amounts and fair values of cash and cash equivalents, advances to related parties and trade and other payables approximated fair value.

Notes to the Financial Statements

for the year ended 30 June 2025

E3. Financial instruments risk management

a) Credit risk management

The most significant concentration of credit risk of the Company as at 30 June 2025 comprises the advances to Downer New Zealand Limited of \$200,000,000. This is expected to have a similar credit risk profile as Downer EDI Limited. Downer's long-term issuer credit rating was revised on 10 May 2024 from BBB (Negative Outlook) to BBB (Outlook Stable). This rating was affirmed on 5 May 2025. Issuers rated BBB- or above (or the equivalent by other rating agencies) are described as "Investment Grade".

The maximum exposure to credit risk is the carrying value of the Company's financial assets. The Company is not directly exposed to foreign currency risk. 98.5% of ROADS holders are domiciled in New Zealand.

b) Liquidity risk management

Liquidity risk arises from the possibility that the Company is unable to settle a transaction on the due date. The ultimate liquidity risk management rests with the Board of Directors, who have built an appropriate risk management framework for the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk through its cash advance facility with Downer New Zealand Limited and by continuously monitoring forecast and actual cash flows and matching profiles of financial assets and liabilities.

Liquidity risk tables

The following table details the Company's contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on contractual maturities. The tables include both interest and principal cash flows.

| | Less than 1 Year \$ |
|---------------------------|---------------------------|
| As at 30 June 2025 | |
| Liabilities | |
| Trade and other payables | (207) |
| | (207) |
| As at 30 June 2024 | |
| Liabilities | |
| Trade and other payables | (146) |
| | (146) |

c) Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to members through the optimisation of the debt and equity balances. The Company's overall strategy remains unchanged from June 2024.

The capital structure of the Company consists of cash and cash equivalents, and equity attributable to equity holders of the parent, comprising issued capital and ROADS as disclosed in Note D1 and retained earnings.

Notes to the Financial Statements

for the year ended 30 June 2025

E3. Financial instruments risk management - continued

d) Interest risk management

The Company is exposed to interest rate risk on its financial assets and financial liabilities. Refer to Note C2 for interest rate on advance to Downer New Zealand Limited. No interest rate hedging was undertaken during the year to 30 June 2025 (2024: Nil). The Company's exposure to interest rates on financial assets and financial liabilities are detailed as follows:

| | Weighted average effective interest rate | | Asset/(liability) | |
|--|---|-----------|-------------------|----------------|
| | 2025 % | 2024 % | 2025 \$000 | 2024 \$000 |
| Floating interest rates | | | | |
| Cash and cash equivalents | 3.3 | 5.5 | - | - |
| Downer New Zealand Limited - current account | 4.2 | 5.3 | 11,502 | 12,888 |
| Fixed interest rates | | | | |
| Downer New Zealand Limited | 9.5 | 10.0 | 200,000 | 200,000 |
| | | | 211,502 | 212,888 |
| Interest rate sensitivity analysis | | | | |
| Change -1% impact on profit and equity | | | (115) | (129) |
| Change +1% impact on profit and equity | | | 115 | 129 |

Information for Investors

for the year ended 30 June 2025

Works Finance (NZ) Limited holders

Works Finance (NZ) Limited (Company Number 1909583) had 2,197 ROADS holders as at 30 June 2025.

The largest holder, Forsyth Barr Custodians Limited, held 33.4% of the 200,000,000 ROADS issued at that date. Works Finance (NZ) Limited had 2,163 holders with registered addresses in New Zealand.

Share registry

ROADS holders seeking information about holdings or dividends should contact the Company's share registry, Computershare Investor Services Limited (Computershare):

Level 2, 159 Hurstmere Road
Takapuna, Auckland 0622
Email: enquiry@computershare.co.nz
Tel: +64 9 488 8777

Securities exchange listing

Works Finance (NZ) Limited is listed on the NZX Debt Market (NZDX) under code WKSHA.

Registered office

130 Kerrs Road, Wiri, Auckland, 2104

Company information

The website of the Company's ultimate parent company Downer EDI Limited, www.downergroup.com, offers comprehensive information about Downer and its services. The site also contains news releases and announcements to the ASX and NZX, financial presentations, Annual Reports, Half Year Reports and company newsletters.

Updating your holder details

ROADS holders can update their details, including bank accounts, payment instructions and view their investment portfolio and transactions at: www.investorcentre.com/nz

Auditor

PricewaterhouseCoopers
15 Customs Street West
Auckland 1010
New Zealand

Waiver

The NZX has ruled that the ROADS are not Equity Securities as defined in, and for the purpose of, the NZDX Listing Rules. The NZX granted a waiver on 7 March 2007 relating to the minimum subscription amount for applications in respect of the offer of ROADS.

Climate-related disclosures exemption

The Company is a climate reporting entity and is relying on the Financial Markets Conduct (Climate-related Disclosures – Works Finance (NZ) Limited) Exemption Notice 2024 (Exemption) in respect of its accounting period ending on 30 June 2025.

The effect of relying on the Exemption is to exempt Works Finance (NZ) Limited from Part 7A of the Financial Markets Conduct Act 2013, so that the Company is not required to comply with its climate-related disclosure obligations, including the requirement to prepare and lodge a climate statement and associated assurance and record keeping requirements, provided that certain conditions specified in the Exemption are met. Those include that Downer EDI Limited, the ultimate parent company, will prepare and lodge group climate statements (including Works Finance (NZ) Limited).

A copy of Downer EDI Limited's group climate statements are published on its Annual Report, which is available on its website and can be found at: www.downergroup.com/results-centre

Corporate governance

Works Finance (NZ) Limited does not have any specific policies, practices or processes in respect of its corporate governance. However, where relevant, Works Finance (NZ) Limited, as a member of the Downer Group, is subject to the corporate governance policies of Downer EDI Limited.

The corporate governance policies of Downer EDI Limited are set out in its Annual Report, which is prepared in accordance with the requirements of ASX Listing Rules. The corporate governance policies and annual report are available on the Downer EDI Limited website at www.downergroup.com

The corporate governance policies of Downer EDI Limited, as set out in its annual report dated 30 June 2025, do not materially differ from the Corporate Governance Best Practice Code.

Information for Investors - continued

for the year ended 30 June 2025

Spread of ROADS Holders

Details of the distribution of holders of ROADS as at 30 June 2025 are provided below:

| Country | Holders | Holding |
|-------------|--------------|--------------------|
| New Zealand | 2,163 | 198,751,500 |
| Australia | 21 | 899,500 |
| Other | 13 | 349,000 |
| | 2,197 | 200,000,000 |

| Range | Number of Holders | Shareholder % | ROADS held | ROADS % |
|---------------------|-------------------|---------------|--------------------|---------------|
| 1,000 to 4,999 | 68 | 3.1% | 220,123 | 0.1% |
| 5,000 to 9,999 | 264 | 12.0% | 1,535,100 | 0.8% |
| 10,000 to 49,999 | 1,442 | 65.6% | 28,744,050 | 14.4% |
| 50,000 to 99,999 | 290 | 13.2% | 16,603,687 | 8.3% |
| 100,000 to 499,999 | 119 | 5.4% | 19,250,103 | 9.6% |
| 500,000 to 999,999 | 5 | 0.2% | 2,730,000 | 1.4% |
| 1,000,000 and above | 9 | 0.4% | 130,916,937 | 65.5% |
| | 2,197 | 100.0% | 200,000,000 | 100.0% |

Twenty largest ROADS Holders

The names and holdings of the 20 largest holders of ROADS in Works Finance (NZ) Limited as at 30 June 2025 are set out below:

| Holder | ROADS % | ROADS held |
|---|--------------|--------------------|
| Forsyth Barr Custodians Limited | 33.4% | 66,744,872 |
| Custodial Services Limited | 18.7% | 37,483,272 |
| Fnz Custodians Limited | 6.8% | 13,549,453 |
| NZX WT Nominees Limited | 4.2% | 8,477,440 |
| HSBC Nominees (New Zealand) Limited | 2.1% | 4,154,600 |
| Investment Custodial Services Limited | 1.0% | 2,092,000 |
| Jbwere (NZ) Nominees Limited | 0.6% | 1,151,000 |
| Keith Ian Ronald Matheson & Clive Rowan Jackson | 0.3% | 630,000 |
| Helen Nancy Tuff & Carey John Weaver | 0.3% | 600,000 |
| Oakwood Securities Limited | 0.3% | 500,000 |
| Fletcher Building Educational Fund Limited | 0.3% | 500,000 |
| Jarden Custodians Limited | 0.3% | 500,000 |
| Sharbrook Trustee Limited | 0.2% | 400,000 |
| Trevor Clifford King & Elizabeth Ann King | 0.2% | 400,000 |
| Michael John Sutton | 0.2% | 390,891 |
| Sierra Investments Limited | 0.2% | 384,541 |
| Ronald James Woodrow | 0.2% | 380,000 |
| Pauline Carol Edwards | 0.2% | 346,000 |
| Michael Gervai | 0.2% | 300,000 |
| Jonathan Aylmer Rattray | 0.2% | 300,000 |
| Total for top 20 ROADS holders | 69.9% | 139,284,069 |