



New Zealand Rural Land Co

The Rural Land Investors

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

www.nzrlc.co.nz

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This report is dated 27 February 2026 and is signed on behalf of the Board of New Zealand Rural Land Company Limited:



Rob Campbell
Independent Chair



Sarah Kennedy
Director

Chair Report

New Zealand Rural Land Co (NZL.NZX) presents its financial result for the year ended 31 December 2025. NZL recorded a consolidated net profit after tax of \$7.9m and Adjusted Funds From Operations (AFFO)¹ of \$7.9m, excluding earnings from properties with put/call arrangements in place².

FY25 Highlights

- AFFO grew from 4.94cps in FY24 to 5.43cps in FY25 (+9.9%). NZL forecasts FY26 AFFO of between 5.65 cps and 5.99cps (FY26 includes further CPI linked rental adjustments);
- CPI linked rental increases of +13.8% on 18.2% of NZL's portfolio took effect in June 2025. A further 32.3% of NZL's portfolio was subject to a ~+2.5% increase in early 2025;
- WALT was 11.6 years at FY25 year end a decrease of -7.2% from 12.5 years at FY24 end;
- 17,077 hectares of rural land now owned, a decrease of -2.4% from FY24;
- Settled the acquisition of a 305 hectare dairy property in Canterbury. The acquisition increased NZL's annual lease income by ~\$290k. As part of the consideration for the acquisition NZL sold two pastoral farms at above book value/most recent valuation.
- Net asset value per share has grown from \$1.25 at IPO to \$1.609 (at 31 December 2025);
- Gearing lowered to 29.4% with 96.0% of borrowing hedged;
- NZL has adopted a revised dividend policy targeting distributions of 90% - 100% of AFFO, paid quarterly. NZL will pay a final dividend of 2.75 cps (100% of AFFO earned in the second half of the year) for a full year dividend of 4.91 cps equivalent to 90.5% of FY25 AFFO. The final dividend will be paid in April 2026.
- NZL has elected to suspend its Dividend Reinvestment Programme (DRP) and will confirm whether the DRP will apply at each dividend announcement, having regard to the Group's capital requirements and any potential dilution to earnings and NTA.
- NZL's on-market share buyback programme remained in place during the year. No shares were repurchased during the period. 710,131 shares have been repurchased since the programme was initiated in June 2023.
- During the year NZL commissioned KPMG to perform an independent capital review with consideration given to market feedback, valuation drivers and capital management settings. This report was published and released to the NZX on 2 February 2026.

The FY25 result delivered sustainable growth in value and dividends for shareholders and effective risk management.

A detailed results presentation is available at: <https://www.nzrlc.co.nz/reports-presentations>.

Capital Review

At NZL's five-year mark, the Board commissioned KPMG to perform an independent capital review.

The review considered market feedback, valuation drivers and capital management settings. The review confirmed that NZL is primarily valued by investors on the sustainability and reliability of its cash yield, with asset values and NTA viewed as secondary considerations.

The review also reinforced the importance of scale and liquidity, provided growth is accretive on a per-share basis.

NZL's Board has endorsed a revised strategic and capital management framework. This positions NZL as a specialist yield vehicle focused on delivering consistent and growing dividends, supported by disciplined, yield-accretive growth and exposure to productive land assets.

Future capital management decisions will be guided by AFFO per-share accretion with equity only raised if forecast to be accretive to AFFO per share, scale growth only pursued if not at the expense of yield or per share returns, and share buybacks and alternative uses of capital assessed on a yield based framework.

Property Transactions

In the first half of the year, NZL announced the acquisition of a 305 hectare dairy property in Canterbury. The acquisition increased NZL's annual lease income by ~\$290k. As part of the consideration for the acquisition NZL sold two pastoral farms at above book value/most recent valuation.

NZL now owns 17,077 hectares of rural land (25% of which is owned by Roc) with a 11.6 year WALT (by lease value) and 100% occupancy across nine tenants. The portfolio displays meaningful sector, income and tenant diversification, with forestry and horticulture now being a 31% and 8% proportion of the company's annual lease income, dairy 51% and support 10%.

CPI Adjustments

NZL benefits from CPI adjustments for all of its properties and has received CPI adjusted rental payments from the four tenants whose properties were subject to review in FY25. 30.2% of NZL's dairy lease income (18.2% of NZL's total rent) was subject to CPI linked rental increases of +13.8% which took effect in June 2025. A further 32.3% of NZL's portfolio (by lease income) was subject to a +2.5% increase in the first half of the year. Reflecting this the portfolio's total lease value has increased by ~\$740k or +3.2%. NZL's dairy leases undergo CPI review every three years, in contrast to its horticultural and forestry leases which undergo CPI review annually.

Dividend and Dividend Reinvestment Programme

NZL will pay a final dividend of 2.75 cps in April 2026 representing 100% of AFFO earned in the second half of the year.

Under NZL's revised dividend policy the Company now aims to make regular quarterly distributions of 90% - 100% of AFFO.

NZL has elected to suspend its Dividend Reinvestment Programme (DRP) and will confirm whether the DRP will apply at each dividend announcement, having regard to the Group's capital requirements and any potential dilution to earnings and NTA.

Outlook

NZL's strategy is a specialist yield vehicle delivering consistent and growing dividends, supported by disciplined, yield-accretive growth and exposure to productive land assets.

The outlook for agriculture is positive with property prices forecast to continue increasing and higher commodity prices improving the servicing ability of NZL's tenants.

NZL's leases incorporate regular CPI reviews. That means inflation results in rental growth. NZL is also protected from operational on-farm costs.

NZL forecasts FY26 AFFO of between \$8.25m and \$8.75m, this excludes earnings from properties with put/call arrangements in place (~\$1.4m).



Rob Campbell
Chair

1. AFFO is a non-GAAP measure refer to note 24.1 of the financial statements.
2. Reported figures include 100% of the earnings and assets of New Zealand Rural Land Investments Limited Partnership. NZL owns 75% of this entity. AFFO and dividends are not reported on a consolidated basis and are 100% attributable to NZL.

SECTION 2 STATUTORY INFORMATION

for the period ended 31 December 2025

DIRECTORS

Directors are expected to:

- Ensure the strategic goals of NZL are clearly established and strategies are in place to achieve them;
- Approve and monitor NZL's financial statements, corporate governance and other reporting, including reporting to Shareholders and other stakeholders in accordance with its statutory functions;
- Ensure that NZL has appropriate risk management and regulatory compliance policies in place and monitor the integrity of these policies;
- Familiarise itself with issues of concern to Shareholders and significant Stakeholders, including customers, staff, lessee's and the community; and
- Monitor the performance of NZL's Manager.

Rob Campbell, appointed in September 2020, has more than 50 years' experience in investment management and corporate governance. He is the Chancellor of Auckland University of Technology. Rob trained as an economist and has worked in a variety of capital market advisory and governance roles over a long period.

Sarah Kennedy, appointed in September 2020, is the Founder and Managing Director of Calocurb Limited, a bioactive developed by Plant and Food Research selling internationally. She is the former CEO of Lifestream International, a New Zealand-owned company specialising in bioavailable, ethical, plant-based health foods. Sarah has also been chief executive of Designer Textiles International. From 2011 to 2014, she held a number of senior roles with Fonterra, such as vice president of international farming based in China, managing director of dairy nutrition, and managing director of RD1 — Fonterra's chain of rural retail stores. Before that, Sarah was managing director of Healtheries/Vitaco for a decade. Sarah is a veterinarian by training.

Christopher Swasbrook, appointed in September 2020, is also a Director of Elevation Capital Management Limited, CG Swasbrook & Co Limited and Art Management Inc. Limited. He was previously a Partner of Goldman Sachs JBWere Pty, Co-head of institutional equities at Goldman Sachs JBWere (NZ) and a foundation broker of the NZX. He has been a board member of the Financial Markets Authority since 2019. He is also Chair of the Auckland Future Fund, Chair of Bethunes Investments Limited, Chair of McCashin's Brewery Limited, Chair of the Museum of New Zealand Te Papa Tongarewa, Chair of the Auckland Art Gallery Advisory Board, Chair of The Helen Clark Foundation and Director of Rakon Limited..

Tia Greenaway, appointed in September 2021, is the CFO for Tupu Angitu Ltd, the commercial arm of Lake Taupō Forest Trust. Tia has broad experience in the Māori sector and holds various roles on Iwi and Ahu Whenua Trusts and Committees operating mainly in farming, forestry and property management. Tia is a member of Chartered Accountants Australia and New Zealand, has a background in climate change mitigation and adaptation and is passionate about improving well-being outcomes for our taiao and our communities.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

NZL and its tenants adopt sustainable land management practices. These include practices that enhance the health and well-being of the natural environment, animals and communities connected to the land. NZL and its tenants agree to binding sustainability pledges in leases. Under the Financial Markets Conduct Act 2013 NZL is currently a climate reporting entity. The Government has announced changes to climate reporting. Once this legislation is passed, NZL will no longer be a climate reporting entity, and the FMA has stated that it will take a "no action" approach to affected entities who are expecting their climate reporting obligations to cease once the legislation is passed. Notwithstanding, NZL strongly believes that transparent and detailed climate reporting reflects NZL's values, and therefore intend to continue to prepare a climate statement, and when complete it will be available on NZL's website, www.nzrlc.co.nz on or before 30 April 2026.

CORPORATE GOVERNANCE

The Board is responsible for establishing and implementing NZL's corporate governance frameworks. NZL's corporate governance practices have been prepared in accordance with the Financial Markets Authority's Corporate Governance Handbook, the requirements of the NZX Listing Rules, and, except where specifically stated otherwise in this Report, the recommendations in the NZX Corporate Governance Code (NZX Code).

Copies of NZL's key corporate governance documents, including NZL's Board Charter and Code of Ethics, are available at NZL Policy Documents & Constitution section of NZL's website: www.nzrlc.co.nz/company-policy-documents.

This statement was approved by the Board on 27 February 2026 and was accurate as at that date.

Corporate Governance Structure

The Board is elected by Shareholders of NZL. The Board has overall responsibility for the governance of NZL, while the day-to-day management of NZL has been delegated to the Manager. The respective roles of the Board and the Manager within this corporate governance structure are summarised below.

Role of the Board

The primary role of the Board is to set and monitor the strategic direction of NZL and to add long-term value to NZL's shares, whilst having appropriate regard to the interests of all material Stakeholders. Further information on the Board's role and responsibilities is set out in the Board Charter.

Board Committees

The Board may establish a committee to consider certain issues and functions in more detail. The Board retains ultimate responsibility for the functions of its committees and determines their responsibilities. The Board has established two standing committees, and other committees may be established on a case-by-case basis where the Board considers it appropriate to do so.

Audit and Risk Committee

The Board has established an Audit and Risk Committee (Sarah Kennedy (Chair), Rob Campbell and Tia Greenaway), with the role of overseeing financial reporting, accounting policies, financial management, and internal control systems. The Audit and Risk Committee responsibilities are outlined in the Audit and Risk Committee Charter available on NZL's website.

Remuneration Committee

The Board has established a Remuneration Committee (Rob Campbell (Chair) and Sarah Kennedy), with the role of recommending Director remuneration packages to Shareholders. The Remuneration Committee responsibilities are outlined in the Remuneration Committee Charter available on NZL's website. NZL also has a Remuneration Policy applicable to Directors available on its website. NZL does not have a Remuneration Policy for executives because executive functions are performed by the Manager, and therefore NZL does not employ any executives. For the same reason, there are no disclosures in relation to the Chief Executive Officer remuneration arrangements.

Board Membership

The Board comprises at least three Directors, with at least two independent Directors. The composition of the Board reflects the duties and responsibilities it is required to perform in setting NZL's strategy and ensuring it is implemented.

At the date of this Annual Report, the Board comprises four Directors (three independent Directors and one non-independent Director).

Independence

The Board Charter of NZL sets out the standards for determining whether a Director is independent for the purposes of service on the Board and committees. These standards reflect the requirements of the NZX Listing Rules. A Director is independent if the Board affirmatively determines that the Director has satisfied these standards. As at 31 December 2025, Sarah Kennedy, Tia Greenaway and Rob Campbell are considered by the board to be independent directors. They are considered to be independent due to the following factors:

- They are non-executive directors who are not substantial shareholders and who are free of any interest, business or other relationship that would materially interfere with, or could reasonably be seen to materially interfere with, the independent exercise of their judgement;
- They have not been employed or retained, within the last three years, to provide material professional services to the Company;
- Within the last 12 months, they were not a partner, director, senior executive or material shareholder of a firm that provided material professional services to the Company or any of its subsidiaries; and
- None of these directors:
 - have been, within the last three years, a material supplier to the Company or have any other material contractual relationship with the Company or another group member other than as a director of the Company;
 - receive performance-based remuneration from, or participates in, an employee share scheme of the Company; and
 - control, or is an executive or other representative of an entity which controls, 5% or more of the Company's voting securities.

Christopher Swasbrook is a non-Independent Director because of his service provider role with the Manager.

Tenure

Directors are not appointed for fixed terms. However, the Constitution and the NZX Listing Rules require all Directors to stand for re-election at the third annual meeting after appointment or after three years (whichever is longer). A Director appointed by the Board to fill a casual vacancy must also stand for election at the following annual meeting.

Board and Committee Meetings

The Board and committee meetings and attendance in the year to 31 December 2025 are set out below:

Attendee	Board Meetings	Audit and Risk Committee	Remuneration Committee*
Rob Campbell	9/9	4/4	-
Sarah Kennedy	9/9	4/4	-
Christopher Swasbrook	8/9	-	-
Tia Greenaway	9/9	4/4	-

**No remuneration committee meetings were required during the period because there were no proposals to alter Directors' fees*

Independent Professional Advice

Directors are entitled to seek independent professional advice on any aspect of the Directors' duties at NZL's expense, with the approval of the Chair.

During the period no instances have arisen whereby a Board committee or individual director has needed to seek independent legal or financial advice. However, the Board has access to appropriate internal and external expertise to support board assurance activities:

- All executives of the Manager have direct access to the Board and each of the Directors;
- The external Audit Firm Lead Partner has direct access to the Chair of the Audit and Risk Committee, and has "Board only" time without management present at Audit and Risk Committee meetings; and
- The Board has directly sought expert external valuation, corporate finance, tax, and legal advice as required.

Board Assessment

The Board Assessment that would typically have occurred during 2025 was deferred by the Board, as it considered that an assessment would be optimised by first having KPMG complete its Capital Review. The Capital Review was completed in January 2026, and the Board has therefore now commenced a review of its performance and composition, working with Propero Consulting. This will be completed in the first half of 2026.

Directors' and Officers' Insurance

While acting in their capacities as Directors, NZL provides indemnity and insurance cover for Directors to the fullest extent permitted by law. As permitted by its Constitution, NZL has entered into a deed of indemnity, insurance and access indemnifying each Director for potential liabilities, losses, costs and expenses they may incur for acts or omissions in their capacity as Director, and agreeing to effect directors' and officers' liability insurance for those persons, in each case subject to the limitations set out in the Companies Act 1993.

Role of New Zealand Rural Land Management

The day-to-day management responsibilities for NZL have been delegated to the Manager under a long-term Management Agreement. The Management Agreement details a comprehensive list of the Manager's duties and responsibilities, and the fees payable to the Manager (which are summarised in the Financial Statements at pages 35 and 36 of this report). Under the Management Agreement, the Manager is responsible for the:

- Management and administration of NZL including secretariat services;
- Management of properties owned by NZL;
- Sourcing of sale and purchase opportunities, including overseeing the due diligence and execution processes;
- Operation of lease arrangements;
- Communication with investors; and
- Administration of dividends and distributions.

Manager Performance

A key role of the Board is to monitor the performance of the Manager. The Board recognises that the interests of the Manager and the interests of NZL's Shareholders have the potential to conflict.

The Board is responsible for identifying, assessing and resolving any potential conflicts in relation to NZL's structure, NZL's adopted strategies and the resulting potential fees payable to the Manager. Any matters to be considered under the Management Agreement by NZL are considered and determined by the independent Directors on the Board. Where the Board must vote on any matter relating to the Manager, Chris Swasbrook is interested and must not vote on that matter given his historical relationship with the Manager.

Diversity

NZL has a Diversity Policy, which describes NZL's approach to diversity and inclusion. The Diversity Policy applies to the Board and the Manager and should be read in conjunction with NZL's Code of Ethics and all other policies that cover areas such as values, culture and employee expectations. A copy of the Diversity Policy is available on NZL's website.

In accordance with the Company's Diversity Policy, NZL has evaluated its performance against the measurable objectives established under the governance section of the Company's Sustainability Programme. These relate to the Board of Directors because NZL does not employ any staff. NZL has successfully met its diversity targets in relation to both director independence and gender diversity and, while not having specific targets, has noted that there is also diversity of both age and ethnicity among the directors.

The following table provides a quantitative breakdown as at 31 December 2025 as to the gender composition of the Board:

	31 December 2025			31 December 2024		
	Female	Male	% Female	Female	Male	% Female
Board	2	2	50%	2	2	50%
Officers	0	1	0%	0	1	0%

NZX Corporate Governance Code

NZL considers that during the year ended 31 December 2025, NZL materially complied with the Code. NZL does deviate from the Code, by not having a formally established Nominations Committee. Given the current nature and structure of NZL, the Board considers the matters related to nominations are best undertaken by the entire Board.

Risk Management

The Audit and Risk Committee ensures that NZL fulfils its responsibilities in all matters related to risk management. The Committee is responsible for overseeing financial reporting, accounting policies, financial management and internal control systems. Formal control and reporting processes have been introduced to ensure the Board is properly and regularly informed on corporate financial matters.

NZL's key risks as a land owner are identified, scored and reported to the Board as part of NZL's Enduring Land Programme. These are broadly categorised under environmental, economic, social, and animal welfare categories. More detail on this programme can be found at www.nzrlc.co.nz/sustainability. Health and Safety risks are managed and reported to the Board in accordance with NZL's Health and Safety Management Plan. Other risks that may impact NZL's value (including land value, tenant financial capacity, access to capital, unbudgeted capex, and forestry regulation) are assessed by the Manager and reported to the Board with appropriate recommendations. A number of these risk are reflected in NZL's Corporate Policies such as the Acquisitions, Tenant and Leasing Policy, Capital Management Policy, and Dividend Policy.

Health & Safety

NZL owns farming property and leases it to tenants, and the Manager manages the lease arrangement on behalf of NZL. This scenario creates overlapping health and safety duties for the properties. NZL, the Manager, and the tenant have carefully considered each parties' ability to influence and control health and safety matters, and put in place a Health and Safety programme via a Overlapping Duties Agreement on each farm. This takes into account who has control over work activity, control of the workplace and control over workers, and allocates in a detailed register responsibilities based on who is in the best position to control, influence and manage each health and safety obligation to ensure successful implementation and avoid duplication of efforts.

Directors' Relevant Interests

As at 31 December 2025, the Directors of NZL who have relevant interests (as defined in the Financial Market Conduct Act 2013) in quoted financial products of NZL are as follows:

NZL Ordinary Shares	Beneficial Interests	Non-beneficial Interests
Rob Campbell	1,086,234	-
Sarah Kennedy	48,069	-
Christopher Swasbrook	350,000	1,500,000
Tia Greenaway	8,691	-

As at 31 December 2025, the Directors of NZL held, in aggregate, 2.05% of NZL's ordinary shares.

Directors disclosed the following acquisitions and disposals of relevant interests in NZL shares during the year ended 31 December 2025 pursuant to section 148 of the Companies Act 1993:

NZL Ordinary Shares	Beneficial interests as at 31 December 2025	Change from 31 December 2024	Non-beneficial Interests as at 31 December 2025	Change from 31 December 2024
Rob Campbell	1,086,234	+128,605	-	-
Sarah Kennedy	48,069	+2,322	-	-
Christopher Swasbrook	350,000	-	1,500,000	-1,376,953
Tia Greenaway	8,691	+420	-	-

Interests Register

The following are the relevant interests of the Directors of NZL and its subsidiaries:

Rob Campbell

Chancellor of Auckland University of Technology
 Trustee of Pacific Settlement Support Services Trust
 Advisory Board Member of Purpose Capital Limited
 Advisory Board Member of Paua Wealth Management
 Advisory Board Member of Koi Tu Centre for Informed Futures
 Director of RC Custodian Limited
 Trustee of Korowai Taonui Trust
 Director of LamCam Limited

Sarah Kennedy

Founder and Managing Director of Calocurb Limited
 Director Lanaco Limited

Christopher Swasbrook

Chair of Auckland Future Fund
 Director and Shareholder of Art Management Inc. Ltd
 Director of Bethunes Investments Limited (in liquidation)
 Director of Elevation Capital Funds Management Limited (ECFM):

- Director and Shareholder
- Through ECFM, Chris Swasbrook acts as a financial adviser to Clyde and Rena Holland and indirectly receives financial benefits from advising them. Clyde and Rena Holland are substantial shareholders of the Company.

Director and shareholder of CGS & CVS Limited
 Director and Shareholder of Elevation Capital Limited
 Director of Rakon Limited
 Chair of Museum of New Zealand Te Papa Tongarewa
 CS Swasbrook & Co Ltd

- Director and shareholder
- Services contract with New Zealand Rural Land Management Limited Partnership

Executive Chair McCashins Brewery Limited
 Chair of Auckland Art Gallery Advisory Board
 Chair of The Helen Clark Foundation
 Board Member of Financial Markets Authority
 Director of Merx Trust Management Limited

Tia Greenaway

Member of New Zealand Maori Tourism Audit and Risk Committee
 Trustee of Ngati Tutemohuta Charitable Trust
 Board Member, Nga Pukenga (Maori Advisory Board to Treasury)
 Committee Member of Opepe Investment Committee
 Director and Shareholder of Piata Horizons Limited
 Member of Rongowhakaata Iwi Trust Audit Risk and Finance Committee
 Responsible Trustee of Tauhara Middle 14 Trust
 Responsible Trustee of Tauhara Middle Lands Trust
 Director Tauhara Middle Lands Trust General Partner Ltd
 Chief Financial Officer Tupu Angitu
 Director of Te Iho Nuku General Partner Ltd

Directors' Remuneration

The remuneration paid to NZL and its subsidiaries' Directors in respect of the year ended 31 December 2025 was as follows (these amounts exclude GST, where appropriate):

Director	Year to 31 December 2025 (NZD)
Rob Campbell	97,500
Sarah Kennedy	65,000
Christopher Swasbrook	Nil*
Tia Greenaway	65,000
Total	227,500

Directors also receive reimbursement for reasonable travelling, accommodation and other expenses incurred in the course of performing their duties. The Company has no specific policy on whether or not to pay directors additional fees for the provision of additional services. However, the Company did not pay any additional fees to any Director for the provision of additional services.

Directors do not receive any retirement benefits, and do not receive share options. Whilst NZL encourages NZL share ownership to support shareholder alignment, it is not compulsory given that personal circumstances may mean share ownership is not appropriate or achievable.

Any proposed increases in non-executive Director fees will be put to shareholders for approval. At that time a Fee Pool will also be proposed to shareholders for approval (a fee pool has not been required because director fees were established prior to listing on NZX). If independent advice is sought by the Board, it will be disclosed to shareholders as part of the approval process.

** Swasbrook Securities Limited, a company controlled by Christopher Swasbrook, is party to a services agreement with the Manager. Under the services contract Swasbrook Securities Limited receives remuneration from the Manager including for Chris Swasbrook acting as a director of NZL. Consequently NZL does not pay Christopher Swasbrook directors fees itself.*

The following Board skills matrix outlines the qualifications, capabilities, geographical location, tenure and gender of each member of the Board:

The following Board skills matrix outlines the qualifications, capabilities, geographical location, tenure and gender of each member of the Board	Rob Campbell	Chris Swasbrook	Sarah Kennedy	Tia Greenaway
Director Qualification	CNZM, BA (Hons), MPhil (Economics)	BCom (Economics)	BVSc (Dist), MIT Sloan Fellowship	MPA (Accounting), CA
Strategic knowledge of rural investments	Yes	Yes	Yes	Yes
Strategic knowledge of funds management businesses	Yes	Yes	No	No
Financial	Yes	Yes	Yes	Yes
Risk management/regulatory	Yes	Yes	No	Yes
Sustainability	Yes	No	Yes	Yes
Legal	No	No	Yes	Yes
People leadership and culture	Yes	Yes	Yes	Yes
Listed company governance	Yes	Yes	Yes	No
Capital markets	Yes	Yes	Yes	No
Geographic location	Auckland	Auckland	Auckland	Taupo
Tenure (years)	63 Months	63 Months	63 Months	51 Months
Gender	Male	Male	Female	Female

Employee Remuneration

NZL, including its subsidiaries, has no employees. NZL is managed by the Manager under the Management Agreement. Details of the fees paid to the Manager are included in the Financial Statements on pages 35 - 36.

Subsidiaries and Partnership

NZL has four subsidiaries. The following people were directors of NZL's subsidiary companies in the year to 31 December 2025. These companies are all New Zealand incorporated companies. Except where shown NZL's ownership interest in these companies as at 31 December 2025 was 100%

Subsidiary	Directors
NZRLC Dairy Holdings Limited	R Campbell, C Swasbrook, S Kennedy, T Greenaway
SSP NI Limited	C Swasbrook
New Zealand Rural Land Investments GP Limited (75%)	R Campbell, S Kennedy, T Greenaway, B Mytton
New Zealand Rural Land Investments Limited Partnership (75%)	R Campbell, S Kennedy, T Greenaway, B Mytton
NZRLC LP Nominee Limited	R Campbell

Donations

NZL, including its subsidiaries, did not make any donations during the six months ended 31 December 2025. NZL has a policy of not making political donations.

Dividends Paid

NZL paid an interim dividend of 2.16 cps. and will pay a final dividend of 2.75 cps in April 2026 resulting in a total FY25 dividend of 4.91 cps.

Company Secretariat Services

Company Secretariat Services are provided by the Manager. The Manager manages the independence of Company Secretariat Services via oversight from the Manager's Board of Directors. The Board of the Manager does not consist of any NZL Directors.

Auditors

The Audit and Risk Committee reviews the quality and cost of the audit undertaken by the NZL's external auditors and provides a formal channel of communication between the Board, senior management and external auditors.

SECTION 2. STATUTORY INFORMATION

The Audit and Risk Committee approves the auditor's terms of engagement, audit partner rotation (at least every five years) and audit fee, and reviews and provides feedback in respect of the annual audit plan. The Board is aware that a lengthy audit firm tenure has the potential to compromise auditor independence, and therefore will rotate the audit firm after 10 years unless on balance it is not in the interests of NZL to do so. The Committee periodically has time with the external auditor without management present. The Audit and Risk Committee also assesses the auditor's independence on an annual basis.

An External Auditor Independence Policy has been adopted and sets out the services that may or may not be performed by the external auditor.

On 14 October 2025 NZL accepted the resignation of William Buck as the Company's statutory auditor and appointed PwC in its place and Matt White was appointed as Lead Audit Partner on the same date.

All audit work is fully separated from non-audit services, to ensure that appropriate independence is maintained. The amount of fees paid to William Buck and PwC for audit work in FY25 are identified in note 21 of the consolidated financial statements. At the 2025 Annual Meeting shareholders authorised the Directors to fix the auditor's fees and expenses for the ensuing year.

PwC has provided the Audit and Risk Management Committee with written confirmation that, in its view, it was able to operate independently during the year.

William Buck, at the time of the 2025 Annual Shareholders' meeting had not yet resigned as auditor and therefore attended the meeting and were available to answer any questions.

No non-audit services were provided by William Buck or PwC.

NZX Waivers

No waivers from the NZX Listing Rules were granted to the Company or relied upon by the Company during the year ended 31 December 2025.

Credit Rating

NZL does not have a credit rating.

Substantial Product Holders

The following information is pursuant to section 293 of the Financial Markets Conduct Act 2013. The total number of voting securities of NZL on issue as at 31 December 2025 was 146,138,526. According to notices received by NZL, the following persons were substantial product holders in NZL as at 31 December 2025:

Ordinary shares	Number held
Accident Compensation Corporation	13,021,190
Clyde and Rena Holland	12,247,439
Salt Funds Management Limited	10,372,432
ANZ New Zealand Investments Limited, ANZ Bank New Zealand Limited and ANZ Custodial Services New Zealand Limited	7,954,464

Spread of Shareholders

The spread of the Shareholders of NZL as at 31 December 2025 is as follows:

Number of Shares	Number of Holders	Total Shares Held	Percentage (%)
1 - 1,000	140	88,392	0.06
1,001 – 5,000	345	982,519	0.67
5,001 – 10,000	236	1,801,776	1.23
10,001 – 50,000	369	8,210,455	5.62
50,001 – 100,000	68	4,920,824	3.37
100,001 and over	80	130,134,560	89.05
Total	1,238	146,138,526	100.00



Spread of Warrant Holders

The spread of the Warrant Holders of NZL as at 31 December 2025 is as follows:

Number of Warrants	Number of Holders	Total Warrants Held	Percentage (%)
1 - 1,000	240	104,537	1.30
1,001 – 5,000	149	341,555	4.27
5,001 – 10,000	28	184,329	2.31
10,001 – 50,000	21	525,038	6.57
50,001 – 100,000	5	345,743	4.32
100,001 and over	8	6,495,025	81.23
Total	451	7,996,227	100.00

Twenty Largest Shareholders

The twenty largest Shareholders of NZL as at 31 December 2025 are as follows:

Shareholders	Number held
New Zealand Permanent Trustees Limited	18,834,965
Accident Compensation Corporation	13,021,190
HSBC Nominees (New Zealand) Limited	8,686,242
Apex Custodian Nominees	7,856,536
Premier Nominees Limited	6,593,901
B J Lindsay & J J Parsonson & W D Anderson & S M Palmer	6,533,333
Custodial Services Limited	6,364,241
FNZ Custodians Limited	5,941,878
Allied Farmers Limited	4,018,065
Janice Catherine Walker & Sonya Jane Walker & Duncan Varhan Fea	4,000,000
New Zealand Depository Nominee	3,597,030
Citibank Nominees (NZ) Ltd	2,743,876
Wairahi Investments Limited	2,600,000
Custodial Services Limited	2,528,825
DFS Investment Partners LLC	1,950,790
Investment Custodial Services Limited	1,567,884
BNP Paribas Nominees NZ Limited	1,529,217
FNZ Custodians Limited	1,479,699
MFL Mutual Fund Limited	1,348,563
Clyde Parker and Rena Holland	1,336,356

Twenty Largest Warrant Holders

The twenty largest Warrant Holders of NZL as at 31 December 2025 are as follows:

Warrant Holders	Number held
Accident Compensation Corporation	1,636,731
B J Lindsay & J J Parsonson & W D Anderson & S M Palmer	1,044,444
Premier Nominees Limited	894,779
MFL Mutual Fund Limited	515,502
Custodial Services Limited	374,913
FNZ Custodians Limited	329,333
New Zealand Permanent Trustees Limited	299,999
HSBC Nominees (New Zealand) Limited	243,013
Apex Custodian Nominees	204,985
New Zealand Permanent Trustees Limited	175,001
Custodial Services Limited	165,938
Public Trust RIF Nominees Limited	122,991
FNZ Custodians Limited	119,770
John Albert Galt	119,072
Christina Dietzsch Kley	116,667
Philip Bowman	91,667
CG Swasbrook & Co Limited	83,606
New Zealand Depository Nominee	63,471
Graeme Arthur Cleary	56,333
MMC Queen Street Nominees Ltd	53,995

SECTION **3** **Financial
Statements**

New Zealand Rural Land Company Limited and its subsidiaries
Consolidated Financial Statements
For the year ended 31 December 2025

New Zealand Rural Land Company Limited and its subsidiaries Directors' responsibility statement

The directors are pleased to present the financial statements of New Zealand Rural Land Company Limited and its subsidiaries for the financial year ended 31 December 2025.

The Board of Directors of New Zealand Rural Land Company Limited authorised the financial statements for issue on 27 February 2026 .

For and on behalf of the Board



Rob Campbell

Director



Sarah Kennedy

Director

New Zealand Rural Land Company Limited and its subsidiaries
Consolidated statement of comprehensive income
For the year ended 31 December 2025

		(Restated) ¹	
	Notes	2025 \$'000	2024 \$'000
Rental income	8	22,276	19,869
Total rental income		22,276	19,869
Less expenses			
Management fees	22.1	(1,518)	(1,407)
Professional, consulting and listing fees		(2,372)	(686)
Repairs and maintenance		(20)	(396)
Directors fees	22.2	(222)	(227)
Performance fee	22.1	(412)	(829)
Settlement of convertible loan		-	(160)
Other	22.1	(283)	(199)
Total expenses		(4,827)	(3,904)
Profit before net finance expense, other income and income tax		17,449	15,965
Finance income		2,181	2,550
Finance expense		(7,614)	(10,808)
Net finance expense	9	(5,433)	(8,258)
Profit before other income and income tax		12,016	7,707
Other income			
Change in fair value of investment properties	5	(185)	26,421
Movement in redeemable Limited Partnership units	17	(3,408)	(8,364)
Other		79	47
Total other income		(3,514)	18,104
Profit before tax		8,502	25,811
Income tax expense	10.1	(646)	(931)
Net profit		7,856	24,880
Other comprehensive income		-	-
Total comprehensive income for the period		7,856	24,880
Basic and diluted earnings per share	27	Cents 5.43	Cents 17.75

¹ Refer to note 29 for further information in relation to the restatement.

These financial statements are to be read in conjunction with the accompanying notes.



New Zealand Rural Land Company Limited and its subsidiaries

Consolidated statement of financial position

As at 31 December 2025

			(Restated) ¹
	Notes	2025 \$'000	2024 \$'000
Current assets			
Cash and cash equivalents	11	5,918	5,520
Derivative assets	14	57	151
Trade and other receivables	12	298	1,769
Assets held for sale	6	-	11,355
Total current assets		6,273	18,795
Non-current assets			
Investment properties	5	416,498	400,448
Loan receivable	13	23,095	21,685
Advanced property settlement	7	5,811	2,562
Deferred tax assets	10.2	-	600
Derivative assets	14	237	352
Other non-current assets		171	101
Total non-current assets		445,812	425,748
Total assets		452,085	444,543
Current liabilities			
Trade and other payables	15	1,976	3,157
Borrowings	16	56,899	47,101
Derivative liabilities	14	70	129
Other current liabilities		4	169
Total current liabilities		58,949	50,556
Non-current liabilities			
Borrowings	16	75,818	84,106
Derivative liabilities	14	2,511	2,342
Deferred tax liabilities	10.2	46	-
Redeemable Limited Partnership units	17	79,563	76,437
Total non-current liabilities		157,938	162,885
Total liabilities		216,887	213,441
Net assets		235,198	231,102
Share capital	18	164,316	161,068
Share based payment reserve	20	583	829
Retained earnings		70,299	69,205
Total equity		235,198	231,102
		\$	\$
Net Assets Value (NAV) per share²	24.2	1.6094	1.6166
Net Tangible Assets (NTA) per share²	24.2	1.6254	1.6346

¹ Refer to note 29 for further information in relation to the restatement.

² These are non GAAP measures. More information on these measures are provided in note 24.

These financial statements are to be read in conjunction with the accompanying notes.

New Zealand Rural Land Company Limited and its subsidiaries
Consolidated statement of changes in equity
For the year ended 31 December 2025

		Share capital	Share based payment reserve	Retained earnings	Total
	Notes	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2024		157,419	901	64,772	223,092
Comprehensive income					
Total comprehensive income for the period (restated ¹)		-	-	24,880	24,880
Total comprehensive income		-	-	24,880	24,880
Transactions with shareholders					
Capital raised	18	1,897			1,897
Performance fee issued in ordinary shares	18	901	(901)	-	-
Performance fee payable in ordinary shares (restated ¹)	20	-	829	-	829
Dividends paid	19	-	-	(2,041)	(2,041)
Dividend reinvestment plan issues	18, 19	851	-	-	851
Transaction costs (Land Trust)		-	-	(4,291)	(4,291)
Adjustment on recognition of redeemable LP units		-	-	(14,115)	(14,115)
Balance at 31 December 2024		161,068	829	69,205	231,102
Comprehensive income					
Total comprehensive income for the period		-	-	7,856	7,856
Total comprehensive income		-	-	7,856	7,856
Transactions with shareholders					
2024 Performance fee issued in ordinary shares	18	658	(658)	-	-
Final adjustment on 2024 performance fee	20		(2)		(2)
2025 Performance fee payable in ordinary shares	20	-	414	-	414
Dividends paid	19	-	-	(6,762)	(6,762)
Dividend reinvestment plan issues	18, 19	2,590	-	-	2,590
Balance at 31 December 2025		164,316	583	70,299	235,198

¹ Refer to note 29 for further information in relation to the restatement.

These financial statements are to be read in conjunction with the accompanying notes.

New Zealand Rural Land Company Limited and its subsidiaries
Consolidated statement of cash flows
For the year ended 31 December 2025

		(Restated) ¹
		2024
	Notes	2025
		\$'000
		\$'000
Cash flows from operating activities		
Lease income received		20,741
Payments to suppliers		(3,308)
Management fees paid		(1,515)
Income taxes received		-
Interest paid		(6,797)
Interest received		394
Net cash generated by operating activities	28	9,515
Cash flows from investing activities		
Payments for investment properties		(5,832)
Payments for advanced settlement		-
Payments for retentions		(900)
Proceeds from disposals of investment properties		559
Net cash used in investing activities		(6,173)
Cash flows from financing activities		
Proceeds from issue of ordinary shares		-
Payments for share buy-backs		(77)
Payment of Land Trust transaction costs		(4,292)
Payment of transaction costs on issue of ordinary shares		(23)
Dividends paid (net of reinvestments)		(4,172)
Proceeds from borrowings		2,612
Repayment of borrowings		(1,102)
Proceeds from redeemable Limited Partnership units		1,445
Distributions paid to redeemable Limited Partnership units holder		(1,727)
Repayment of convertible loan		-
Net cash generated by financing activities		(2,944)
Net increase in cash and cash equivalents		398
Cash and cash equivalents beginning of the period		5,520
Cash and cash equivalents at the end of the period	11	5,918

¹ Refer to note 29 for further information in relation to the restatement.

These financial statements are to be read in conjunction with the accompanying notes.



New Zealand Rural Land Company Limited and its subsidiaries

Notes to the consolidated financial statements

For the year ended 31 December 2025

1 Reporting entity

These consolidated financial statements are for New Zealand Rural Land Company Limited (the "Company" or "Parent") and its subsidiaries (together the "Group"). The Group's principal activity is investment in New Zealand rural farmland and forestry land.

The Company is incorporated in New Zealand and registered under the Companies Act 1993. The Company is an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013. The Company was incorporated on 11 September 2020 and is domiciled in New Zealand. The Company is listed on the New Zealand Stock Exchange (NZX Limited) with ordinary shares listed on the NZX Main Board. The address of the Company's registered office is 50 Customhouse Quay, Wellington Central, Wellington, New Zealand.

These financial statements are for the financial year ended 31 December 2025. The comparative period is the financial year ended 31 December 2024.

2 Material accounting policy information

The material accounting policies applied in the preparation of these consolidated financial statements are set out in note 2 or in the accompanying notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Statement of compliance and reporting framework

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"), being in accordance with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") and other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS and International Financial Reporting Standards Accounting Standards ("IFRS Accounting Standards"). They comply with interpretations issued by the IFRS Interpretations Committee ("IFRS IC") applicable to companies reporting under IFRS accounting standards.

The Company is listed on the NZX Main Board and is a Financial Markets Conduct ("FMC") reporting entity under Part 7 of the Financial Markets Conduct Act 2013. The financial statements have also been prepared in accordance with the requirements of the Companies Act 1993, the Financial Markets Conduct Act 2013 and the Main Board/Debt Market Listing Rules of NZX Limited.

2.2 Functional and presentation currency

These financial statements are presented in New Zealand dollars, which is the functional currency of all Group entities. All amounts have been rounded to the nearest thousand (\$'000), unless otherwise stated.

2.3 Basis of preparation and measurement

The financial statements have been prepared on the historical cost basis except for derivative financial instruments and investment properties which are measured at fair value.

Revenue, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST) except:

- where the amount of GST incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST (the net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables).

As at 31 December 2025, the Group reported negative net working capital of \$52.7 million, primarily due to \$56.9 million of banking facilities (Tranches C and D) that are due to expire within twelve months of the reporting date and are therefore classified as current liabilities. Excluding these maturing facilities, the Group would have a positive net working capital position of \$4.2 million. The Directors have assessed the Group's ability to continue as a going concern and have determined that the financial statements are appropriately prepared on a going concern basis. For context, the negative working capital position arises from two loan tranches (Tranches C and D) that mature in 2026. The banking syndicate has given management a high degree of confidence that these facilities will be renewed prior to their respective maturity dates and are currently discussing tenure. The Group remained in full compliance with all banking covenants throughout the financial year ended 31 December 2025 and no covenant breaches are expected based on current forecasts.

2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of a subsidiary to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

New Zealand Rural Land Company Limited and its subsidiaries

Notes to the consolidated financial statements

For the year ended 31 December 2025

2.5 Changes in accounting policies and adoption of new accounting standards

No new standards, amendments to standards or interpretations that are not yet effective have been early adopted by the Group in these Financial Statements.

In May 2024, the New Zealand Accounting Standards Board (NZ IASB) issued a new standard NZ IFRS 18 Presentation and Disclosure in Financial Statements which replaces NZ IAS 1 Presentation of Financial Statements. NZ IFRS 18 is effective for reporting periods beginning on or after 1 January 2027. NZ IFRS 18 introduces a defined structure for the Income Statement, requiring income and expense items to be categorised into operating, investing, financing, income taxes and discontinued operations. Other requirements include enhanced disclosures for management-defined performance measures and additional guidance on disaggregation/aggregation principles applied to all financial statements and notes. The Group expects to adopt NZ IFRS 18 in the annual reporting period beginning 1 January 2027.

The Group has adopted all relevant standards, amendments to standards or interpretations that are effective from 1 January 2025 during the year with no material impact on the Group.

2.6 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments are classified into the following specified categories: 'fair value through profit or loss' (FVTPL), and 'at amortised cost'. The classification depends on the business model and nature of the cash flows of the financial instrument and is determined at the time of initial recognition.

The Group's financial instruments comprise:

- Cash, trade receivables and loan receivable which are classified and measured at amortised cost
- Derivatives assets and liabilities which are classified and measured at fair value through profit and loss, and
- Redeemable limited partnership units which are classified and measured at fair value through profit and loss (refer to note 17)
- Borrowings and trade payables which are classified and measured at amortised cost.

Financial assets - Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

Financial assets - Impairment of financial assets

Impairment of trade receivables are recorded through a loss allowance account (bad debt provision). The amount of the loss allowance is based on the simplified Expected Credit Loss (ECL) approach which involves the Group estimating the lifetime ECL at each balance date. The lifetime ECL is calculated using a provision matrix based on historical credit loss experience and adjusted for forward looking factors specific to the debtors and the economic environment.

Financial liabilities - Amortised cost

Financial liabilities at amortised cost (including borrowings, related party payables and trade and other payables) are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities - Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3 Critical accounting estimates and judgements

The preparation of these financial statements requires management to make estimates and assumptions. These affect the amounts of reported revenue and expense and the measurement of assets and liabilities. Actual results could differ from these estimates. The principal areas of judgement and estimation in these financial statements are:

- Limited Partnership establishment and associated transactions (note 17)
- Fair valuation of investment properties (note 5)
- Determination that land and forest should be classified and measured as investment property (note 5)
- Deferred tax on investment properties (note 10.2)
- Recognition of loan receivable (note 13)

New Zealand Rural Land Company Limited and its subsidiaries

Notes to the consolidated financial statements

For the year ended 31 December 2025

3.1 Fair value estimation

The Group's assets and liabilities that are measured at fair value are investment properties and derivative financial instruments. Investment property is measured using level 3 valuation techniques as further detailed in note 5.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement. For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Derivative financial instruments are measured using level 2 valuation techniques, which is based on inputs other than quoted prices in an active market that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Investment properties and redeemable limited partnership units are measured using level 3 inputs (refer to note 5 and note 17, respectively), which are based on valuation techniques that include inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The carrying value of all other financial assets and liabilities held at amortised cost reasonably approximates the fair value due to the short term nature of the financial instruments.

4 Segment information

The Group operates in one business segment being New Zealand rural land.

Included in the Group's total rental income, more than 10% was received from two significant customers, WHL Capital Limited, and Nateva Leasing No.2 Ltd (previously New Zealand Forest Leasing (No.2) Limited). The total rental income derived in the year ended 31 December 2025 from these customers was \$3.940 million and \$5.268 million (2024: \$3.648 million and \$5.130 million respectively). No other single customer contributed 10% or more of the Group's total rental income (2024: nil).

Included in the Group's total gross finance income, excluding gains on the fair value of derivative instruments, more than 10% was received as interest income from two significant customers. The total gross interest income derived in the year ended 31 December 2025 from these customers was \$0.758 million and \$1.413 million respectively (2024: \$0.692 million and \$1.334 million respectively). No other single customer contributed 10% or more of the Group's total finance income (2024: nil).

5 Investment properties

Investment property is property held either to earn rental income, for capital appreciation or for both.

Investment properties are initially measured at cost and subsequently measured at fair value with any change recognised in profit or loss. Any gain or loss arising from a change in fair value is recognised in profit or loss.

Initial direct costs incurred in negotiating and arranging operating leases and lease incentives granted are added to the carrying amount of the leased asset.

Investment properties are classified as level 3 (inputs are unobservable for the asset or liability) under the fair value hierarchy on the basis that adjustments must be made to observable data of similar properties to determine the fair value of an individual property. During the year there were no transfers of investment property between levels of the fair value hierarchy (2024: No transfers of investment property between levels of fair value hierarchy).

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The Group's policy is to value the properties at least every 12 months and utilise external, independent valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Investment properties are derecognised when they have been disposed of and any gains or losses incurred on disposal are recognised in profit or loss in the year of derecognition.



New Zealand Rural Land Company Limited and its subsidiaries

Notes to the consolidated financial statements

For the year ended 31 December 2025

5 Investment properties (continued)

Fair value of land investment properties:

2025

Location	Land area Hectares	Opening	Additions ¹ \$'000	Reclassifications \$'000	Disposals ² \$'000	Lease fee amortisation \$'000	Capitalised	Revaluation (loss) / gain \$'000	Carrying value \$'000
		balance \$'000					lease incentive ³ \$'000		
Canterbury	5,524	127,944	16,560	-	-	(9)	(176)	5,882	150,201
Otago	4,039	85,800	450	-	-	(4)	-	1,581	87,827
Southland	1,386	43,300	8	-	-	(9)	(25)	2,854	46,128
Manawatū-Whanganui	4,768	114,000	-	-	(555)	(7)	-	(8,811)	104,627
Hawke's Bay	97	24,301	3	-	-	(1)	-	(1,230)	23,073
South Taranaki	686	4,112	-	-	-	-	-	(359)	3,753
Rangitikei Districts	195	991	-	-	-	-	-	(102)	889
Fair value		400,448	17,021	-	(555)	(30)	(201)	(185)	416,498

¹ Includes directly attributable acquisition costs.

² In January 2025, the LP sold a portion of existing farm land in Manawatū-Whanganui for \$0.6 million. The settlement was completed in February 2025.

³ Net of amortisation.

2024

Location	Land area Hectares	Opening	(Restated)	Reclassifications ² \$'000	Disposals \$'000	Lease fee amortisation \$'000	Capitalised	(Restated)	Carrying value \$'000
		balance \$'000	Additions ¹ \$'000				lease incentive ³ \$'000	Revaluation (loss) / gain \$'000	
Canterbury	5,912	133,116	51	(11,355)	-	(8)	(177)	6,317	127,944
Otago	4,039	79,298	3,572	-	-	(4)	-	2,934	85,800
Southland	1,386	44,166	58	-	-	(9)	(26)	(889)	43,300
Manawatū-Whanganui	4,768	89,701	14,356	-	-	(6)	-	9,949	114,000
Hawke's Bay	97	-	18,417	-	-	-	-	5,884	24,301
South Taranaki	686	-	2,318	-	-	-	-	1,794	4,112
Rangitikei Districts	195	-	559	-	-	-	-	432	991
Fair value		346,281	39,331	(11,355)	-	(27)	(203)	26,421	400,448

¹ Includes directly attributable acquisition costs and is reduced by partial disposals.

² \$11.4 million of investment properties in Canterbury have been reclassified as assets held for sale (refer to note 6).

³ Net of amortisation.

In December 2024, the Group entered into a conditional agreement with a tenant which involves the acquisition of land in exchange for transfer of property held for sale and cash. Details on this agreement is in note 6.

5.1 Fair value measurement, valuation techniques and inputs

Pastoral and orchard properties:

The values adopted in these financial statements for the pastoral and orchard land are summarised as :

2025	Fair value totals	Lessor's	Freehold	Total value
		interest \$'000	property value \$'000	\$'000
		31,025	276,208	307,233
2024	Fair value totals	Lessor's	Freehold	Total value
		interest \$'000	property value \$'000	\$'000
		29,650	251,694	281,344

The fair value recorded for the pastoral and orchard properties was determined as follows:

- Freehold valuations of each property have been established at the reporting date by external independent valuers, Crighton Anderson Property and Infrastructure (trading as "Colliers").
- A residuary value (lessor's interest) has been determined by external experts, KPMG, and added to those freehold valuations. The residuary value is the net present value of the expected surplus cashflows of the excess of the contracted lease rates over the estimated market rents. Market rent has been estimated to grow in line with CPI forecasts. The residuary interest includes projected income from the lessees exercising their right of renewal at above market rates for the 2nd and 3rd periods of the leases.



New Zealand Rural Land Company Limited and its subsidiaries

Notes to the consolidated financial statements

For the year ended 31 December 2025

5 Investment properties (continued)

5.1 Fair value measurement, valuation techniques and inputs

Key inputs used to measure fair value of pastoral assets:

	2025	2024
CPI forecast (long-run)	2.00%	2.00%
WACC post tax on excess of contract lease income over estimated market rent	7.10%	7.20%
Estimated initial market rental as a percentage of freehold property value	4.40%	4.40%
Expectation of lease by lessee at first right of renewal	75.00%	75.00%
Expectation of lease by lessee at second right of renewal	50.00%	50.00%

Key inputs used to measure fair value of orchard assets:

	2025	2024*
CPI forecast (long-run)	2.00%	2.00%
Post-tax discount rate on excess of contracted lease over estimated market rent	8.00%	8.10%
Estimated initial market rental as a percentage of freehold property value	4.50%	4.50%

*The Group purchased their first orchard during the year ended 31 December 2024.

Key valuation input	Description	Measurement sensitivity	
		Increase in input	Decrease in input
CPI	The expected inflation increase applied to the lease income. Used in the income approach.	Increase	Decrease
Discount rate	The rate applied to discount future cashflows, it reflects transactional evidence from similar types of property assets. Used in the income approach.	Decrease	Increase
Market rental assessment	The valuer's assessment of the annual net market income per hectare attributable to the property. Used in the income approach.	Decrease	Increase*

*A decrease in market rental assessment may result in an increase in the lessor interest value, assuming the fee simple value of the property remains stable.

Forestry assets:

The total value of the Company's forestry assets is \$109.3 million. Of this, approximately \$75.3 million (69%) is based on contracted lease cashflows and \$34 million (31%) relates to the forests value post lease (i.e. residual value). The risk profile of each of these periods differs. The leased period value comprises significantly of CPI-linked contracted cashflows whereas the post-lease value is solely cashflows from carbon generation. The key inputs, assumptions, and uncertainties impacting each of these periods are presented further within this note.

The values adopted in these financial statements for the forestry assets are summarised as:

	Lease \$'000	Post-lease \$'000	Total \$'000
2025			
Block One	58,700	9,700	68,400
Block Two	4,600	10,100	14,700
Block Three	5,800	10,100	15,900
Block Four	6,200	4,100	10,300
	75,300	34,000	109,300
	Lease \$'000	Post-lease \$'000	Total \$'000
2024			
Block One	60,900	12,200	73,100
Block Two	5,000	12,200	17,200
Block Three	5,800	11,900	17,700
Block Four	6,100	5,000	11,100
	77,800	41,300	119,100

The fair value loss recognised in relation to forestry assets was \$9.3 million (2024: gain of \$12.2 million).

The valuation of the forestry assets has been assessed utilising the income approach for the Group's interest as a lessor and discounted post-lease cashflows. The value of the lease period is based on the contractual lease amounts. The value of the post lease period is based on estimated carbon production and carbon unit pricing.

Two forestry assets were acquired during the period ended 31 December 2024. The first asset was acquired as bare land with planting completed 2024, and is leased to a third party until 2040. The second acquisition is an established forestry asset with areas still to be planted, leased to a third party with expiry in 2046. The tenants are responsible for planting costs during the leased period.

The tenants of both sites have leased the land to derive income from either carbon or timber. It is assumed based on the current pricing and outlook that carbon will be the most likely income source; therefore, the forestry assets have been valued on this basis, as permanent carbon forests being their highest and best use.

The valuation of the forestry assets has the following key inputs used to measure fair value:

	2025	2024
CPI forecast (long-run)	2.00%	2.00%
Discount rate (lease period) - Block One	7.90%	8.00%
Discount rate (lease period) - Blocks Two-Four	7.10%	7.20%
Discount rate (post-lease)	9.90%	9.90%
NZU market price 2031	\$122	\$173
Long term NZU price growth rate from 2031	2.10%	2.00%
NZU market price 2039*	\$145	\$199
NZU market price 2040*	\$148	\$203
NZU market price 2043*	\$157	\$215
NZU market price 2046*	\$167	\$229

*Represents NZU market price at different end dates of leases. NZU pricing has been forecast and the mid-point is adopted for these purposes.



New Zealand Rural Land Company Limited and its subsidiaries

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For the year ended 31 December 2025

5 Investment properties (continued)

5.1 Fair value measurement, valuation techniques and inputs (continued)

The current value is also driven by the estimated carbon sequestration over the life of the forests. The number of NZUs yielded vary by property and depend on factors including land class, location and soil type. The NZUs yielded by property are determined based on a combination of government published field measurement approach (FMA) tables and forestry consultant advice and forest manager expertise.

Key valuation input	Description	Measurement sensitivity	
		Increase in input	Decrease in input
CPI	The expected inflation increase applied to the lease income. Used in the income approach.	Increase	Decrease
Discount rate	The rate applied to discount future cashflows, it reflects transactional evidence from similar types of property assets. Used in the income approach.	Decrease	Increase
Forecast NZU prices	The price achieved when selling NZU when generated in the future. Used in the income approach.	Increase	Decrease

The two key subjective inputs into the valuation are:

1. Discount rates
2. Forecasted NZU prices

The discount rates have been determined by utilising the Capital Asset Pricing Model (CAPM) to determine WACC for this type of asset by external, independent, experts (KPMG). The valuation sensitivities due to changes in the discount rate are shown below:

	Lease Period Discount Rate Sensitivity				
	Down 1%	Down 0.5%	Unchanged	Up 0.5%	Up 1%
	\$'000	\$'000	\$'000	\$'000	\$'000
Fair value	114,900	112,100	109,300	106,600	104,200
Variance (\$'000)	5,600	2,800	-	(2,700)	(5,100)
Variance (%)	5.1%	2.6%	0.0%	(2.5%)	(4.7%)

	Post Lease Discount Rate Sensitivity				
	Down 1%	Down 0.5%	Unchanged	Up 0.5%	Up 1%
	\$'000	\$'000	\$'000	\$'000	\$'000
Fair value	118,300	113,500	109,300	105,600	102,300
Variance (\$'000)	9,000	4,200	-	(3,700)	(7,000)
Variance (%)	8.2%	3.8%	0.0%	(3.4%)	(6.4%)

	Lease Period and Post Lease Discount Rate Sensitivity				
	Down 1%	Down 0.5%	Unchanged	Up 0.5%	Up 1%
	\$'000	\$'000	\$'000	\$'000	\$'000
Fair value	124,100	116,300	109,300	103,000	97,200
Variance (\$'000)	14,800	7,000	-	(6,300)	(12,100)
Variance (%)	13.5%	6.4%	0.0%	(5.8%)	(11.1%)

As part of the forestry assets valuation, the Group's independent third party expert (KPMG) estimated the expected future price path of NZU's. They provided three scenarios and estimated prices as follows:

2025	Low	Mid	High
Estimates for 2031	\$50	\$122	\$193
2024	Low	Mid	High
Estimates for 2031	\$84	\$173	\$263

Each price path starts from the December monthly average of \$40 (2024: \$61.5).

The low price path utilises a combination of the forward market price and costs to carry to reach the 2031 carbon price.

The mid price path is modelled as the midpoint between the high and low price path.

The high price path NZU price linearly tracks towards the high international floor price in 2031 as market expectations align with anticipated international linkages in 2031. It is assumed that, in this period, international units will be able to be used in the NZ emissions trading scheme. The high international floor equivalent to the average of the Canadian and Netherlands floor prices in 2031 utilises a combination of the forward market price and costs to carry to reach the 2031 carbon price. Thereafter growing at the long term NZU price growth rate.

From 2031, the price is increased annually by the estimated NZ long-term inflation rate of 2% per annum (2024: 2%).

Management adopted the middle of the assessed valuation range, representing the application of mid scenario NZU price path. This is consistent with the valuer's recommendation based on the assessed likelihood of international linkage.

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For the year ended 31 December 2025

5 Investment properties (continued)

5.1 Fair value measurement, valuation techniques and inputs (continued)

The forecasting of future NZU prices is inherently uncertain. Factors that contribute to the uncertainty include changes in government policy (including the timing of achieving international linkages, if any) and market supply and demand. During 2025, NZU experienced volatility in their prices, and the range of potential future outcomes is significant.

The valuation of the forestry assets is highly sensitive to changes in the estimated future prices. The valuation of \$109.3 million at 31 December 2025 would be impacted as follows if different price path assumptions had been applied:

	Revised Valuation \$'000	Impact \$'000
Low price path	73,900	(35,400)
High price path	137,700	28,400

The NZU pricing impacts both the contractual lease receipts during the lease period and the post-lease sales of NZU. The sensitivities for each of these periods separately are shown below:

	Lease Period Price Path Sensitivity		
	Low \$'000	Mid \$'000	High \$'000
Lease period valuation	59,900	75,300	83,600
Variance (\$'000)	(15,400)	-	8,200
Variance (%)	(20.5%)	0.0%	10.9%

In the lease period, there is the only one property that has sensitivity to NZU pricing. The Group receives guaranteed minimum lease cash flows from this property but also has the opportunity to realise additional upside from NZU price appreciation. The Group's receipts do not decrease if the NZU price falls.

	Post Lease Period Price Path Sensitivity		
	Low \$'000	Mid \$'000	High \$'000
Post lease period valuation	13,900	34,000	54,100
Variance (\$'000)	(20,100)	-	20,100
Variance (%)	(59.1%)	0.0%	59.1%

6 Assets held for sale

	2025 \$'000	2024 \$'000
Rural land properties held for sale	-	11,355
	-	11,355

In December 2024, the Group entered into a conditional agreement with a tenant which involved the acquisition of land in exchange for transfer of property held for sale and cash. This agreement was settled in March 2025 as follows:

- The Group acquired farm land in Canterbury valued at \$15.5 million. The farm land was approximately 304 hectares and will be leased to Spreadeagle Dairies Limited for 14 years, generating \$0.9 million of income in year one of the lease agreement.
- As part of the settlement, the LP have sold farm land of approximately 570 hectares valued at \$10.9 million. This farm land was classified as assets held for sale revalued to \$11.4 million in the consolidated financial statements for the year ended 31 December 2024.
- The remaining settlement was funded 75% by the Company and 25% contributions from Land Trust.
- A call option was granted by the Group to a related tenant such that it can purchase the land of the transferred leases for approximately their current value (as of 31 December 2025). The option can be exercised on or before May 2027. This call option relates to properties that have an accumulated value of \$63 million (investment properties). Management do not believe that it is highly probable that the call option will be exercised within the next 12 months and therefore have not treated the properties as held for sale.
- The Group has committed to capital projects of \$1.4 million on land leased to the related tenant. The completion of these projects will result in a corresponding uplift in the lease payments.

New Zealand Rural Land Company Limited and its subsidiaries

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7 Advanced property settlement

During the year ended 31 December 2024, the Group agreed to purchase two orchard properties in Otago from the same vendor. The purchase of the first property was completed during that financial year and was recognised as investment property and leased back to the vendor. A deposit of \$2.6 million was also paid on the second property (and recognised as advanced property settlement) while certain actions were undertaken that would allow the Group to complete the purchase of that property.

During the period ended 31 December 2025, the Group agreed with the lessee that rental receivable of \$3.2 million from the lease on the first property could be used as partial satisfaction of the purchase on the second property. This has been included in advanced property settlement.

The purchase is expected to settle in March 2026.

	(Restated)	
	2025	2024
	\$'000	\$'000
Advanced property settlement	5,811	2,562
	5,811	2,562

8 Rental income

Rental income from investment properties leased to clients under operating leases is recognised in the consolidated statement of comprehensive income on a straight-line basis over the term of the lease, taking into account rent free periods. Where lease incentives are provided to customers, the cost of incentives are recognised over the lease term on a straight-line basis as a reduction to rental income.

	2025	2024
	\$'000	\$'000
Gross lease receipts	22,548	20,285
Straight line rental adjustments	(22)	(22)
Revenue received in advance adjustments	(74)	(218)
Amortisation of capitalised lease incentives	(176)	(176)
Rental income	22,276	19,869

8.1 Lessor contractual operating lease income

The Group has entered into investment property leases (as lessor) which have remaining non-cancellable lease terms of between 10 and 20 years.

	2025	2024
	\$'000	\$'000
Future minimum rental receivables under non-cancellable operating leases are as follows:		
Within 1 year	22,825	34,044
After 1 year but not more than 5 years	91,300	136,177
More than 5 years	185,843	112,322
Total property operating lease income	299,968	282,543

The commitments above are calculated based on the contract rates using the term certain expiry dates of lease contracts. Actual rental amounts in future may differ due to CPI adjustments within the lease agreements.

9 Finance income and expense

Finance income includes interest income derived from financial assets and any gain on fair value of derivative instruments. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance expense includes interest expense incurred on borrowings and any loss on fair value of derivative instruments. Interest expense is recognised using the effective interest method.

	2025	2024
	\$'000	\$'000
Finance income		
Interest income	2,181	2,550
Finance expense		
Interest expense	(7,373)	(8,810)
Loss on fair value of derivative instruments	(241)	(1,998)
Net finance expense	(5,433)	(8,258)



New Zealand Rural Land Company Limited and its subsidiaries

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For the year ended 31 December 2025

10 Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

10.1 Income tax recognised in statement of comprehensive income

	(Restated)	
	2025	2024
	\$'000	\$'000
Current tax expense	-	-
Deferred tax expense	646	931
Income tax expense	646	931
Reconciliation of income tax expense to prima facie tax payable:		
Profit before tax	8,502	25,811
Income tax expense calculated at 28% (2024: 28%)	2,381	7,227
Effect of expenses that are not deductible in determining taxable profit	957	96
Effect of income that is not assessable in determining taxable profit	100	(5,057)
Tax depreciation	(1,022)	(1,007)
Gain on sale of fixed assets	15	-
Portion of taxable profits attributable to the Land Trust	(716)	(328)
Prior period adjustment	(1,069)	-
Income tax expense	646	931

It is assumed that the tax book value of tax depreciable assets reflects their market values. This assumes there would be no depreciation recovered if disposed of for market value.

10.2 Deferred tax assets

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

	Opening balance	Recognised in equity	Recognised in profit or loss	Closing balance
	\$'000	\$'000	\$'000	\$'000
2025				
Lease fees / Lease incentives	(391)	-	81	(310)
Tax losses	1,000	-	(716)	284
Carbon credits	(5)	-	(15)	(20)
Disposal of assets	(4)	-	4	-
Other	-	-	-	-
Total deferred tax asset / (liability)	600	-	(646)	(46)
			(Restated)	(Restated)
	Opening balance	Recognised in equity	Recognised in profit or loss	Closing balance
	\$'000	\$'000	\$'000	\$'000
2024				
Lease fees / Lease incentives	(544)	133	20	(391)
Tax losses	1,941	-	(941)	1,000
Carbon credits	-	-	(5)	(5)
Disposal of assets	-	-	(4)	(4)
Other	1	-	(1)	-
Total deferred tax asset / (liability)	1,398	133	(931)	600

Key Judgement

The Group has chosen not to rebut the presumption in NZ IAS 12 *Income taxes* that the carrying value of investment properties will be recovered through sale.

The Group considers that any future gain on sale of investment properties will not be assessable for income tax purposes as the sale of a capital asset.



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11 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2025	2024
	\$'000	\$'000
Cash at bank	2,978	5,520
Cash held in Trust	2,940	-
Total cash and cash equivalents	5,918	5,520

12 Trade and other receivables

Trade receivables are non-derivative financial assets and measured at amortised cost less impairment.

	2025	2024
	\$'000	\$'000
Trade receivables	119	1,127
Prepayments	171	642
Other receivables	8	-
Total trade and other receivables	298	1,769

Expected credit losses for the year ended 31 December 2025 are nil (2024: Nil).

13 Loan receivable

	2025	2024
	\$'000	\$'000
Non-current:		
McNaughtons home block	8,388	7,632
Makikihi Farm	14,707	14,053
Total loan receivable	23,095	21,685

On 1 June 2021, the Group acquired land at 30 Cooneys Road, Morven (McNaughtons home block) for \$5.4 million and simultaneously entered into a lease and a put and call agreement with Performance Dairy Limited (PDL), a related entity to the vendor. Under the call agreement, PDL can acquire the land on 31 May in any year (providing a minimum 90 days notice has been provided) from the Group for \$5.4 million plus 10% interest compounding annually. Under the put agreement, from 1 June 2023 the Group can require PDL to acquire the land on 31 May any year under the same pricing mechanism and notice requirements. The put and call option has a 99 year life.

On 2 August 2021, the Group acquired land at a North Canterbury Dairy Farm (Makikihi Farm) for \$12 million and simultaneously entered into a lease and a put and call agreement with Makikihi Robotic Dairy Limited (MRDL), a related entity to the vendor. Under the call agreement, MRDL can acquire the land on 31 May in any year (providing a minimum 90 days notice has been provided) from the Group for 12 million plus 4.66% interest compounding annually. Under the put agreement, from 1 August 2023 the Group can require MRDL to acquire the land on 31 May any year under the same pricing mechanism and notice requirements. The put and call option has a 99 year life. The Group also receives 5.34% interest payments in cash which is not compounded annually.

Key Judgement

The Group has determined that, in substance, it does not control the underlying property but instead holds a contractual right to receive cash. Accordingly, these arrangements are accounted for as loans and bear market interest at a rate of 10% per annum (2024: 10%).

The loans are secured by a General Security Deed and cross guarantee from certain Van Leeuwen Group entities.

The loan receivable balances have been considered and determined no impairment is required at reporting date.

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14 Derivatives

Derivative financial instruments are comprised of interest rate swaps and net settled milk price forwards. They are initially classified and subsequently measured as fair value through profit or loss ("FVTPL"). Interest is imputed in the interest rate swap and reflected in finance income and expense.

The value of interest rate swaps is derived from the mark-to-market valuation provided by a third party. The value of net settled milk price forwards has been determined by management using the market prices of the value of the underlying futures contract.

Classification of interest rate swaps as current or non-current on the face of the consolidated statement of financial position is based on the final contractual settlement date.

	2025 \$'000	2024 \$'000
Derivative assets		
Current:		
Net settled milk price forwards	-	151
Interest rate swaps	57	-
Non-current:		
Interest rate swaps	237	352
Total derivative assets	294	503
Derivative liabilities		
Current:		
Net settled milk price forwards	-	108
Interest rate swaps	70	21
Non-current:		
Interest rate swaps	2,511	2,342
Total derivative liabilities	2,581	2,471

15 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days from recognition. Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

	2025 \$'000	2024 \$'000
Trade payables and accruals	636	961
Revenue in advance	585	511
GST payable	254	287
Retention payable ¹	365	1,265
Related party payables	136	133
Total trade and other payables	1,976	3,157

¹ The Retention payable relates to orchard land acquired in February 2024 and is contingent on the vendor completing specific post settlement requirements. \$0.9 million was paid to the vendor during the year and the company believes the remaining requirements will be met and the remaining retention balance will be paid.

New Zealand Rural Land Company Limited and its subsidiaries

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16 Borrowings

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

The Group has a syndicated loan facility agreement with Coöperatieve RaboBank U.A. New Zealand Branch ("Rabobank") and Bank of China (New Zealand) Limited ("Bank of China"). The facility agreement has a current limit of \$138,898,000 with floating interest rates ranging over the four bank facilities. Interest is payable quarterly in arrears. Bank facility A was due to expire on the 1 June 2025 but has been extended to 1 June 2028 on the same terms. During the period, the Group made a partial principal repayment of bank facility D.

There is a general security deed over all of the assets of the Group as security of the borrowings.

The terms of the borrowings includes the following covenants that the Group must ensure at all times:

- Interest coverage ratio is greater than 2.0;
- Loan to valuation ratio does not exceed 40%; and
- Capital expenditure in each financial year shall not exceed 120% of the budgeted forecast capital expenditure.

Movement of borrowings

	2025	2024
	\$'000	\$'000
Balance as at 1 January	131,207	133,500
Amounts drawn during the year	2,612	26,902
Principal repayments	(1,102)	(29,195)
Balance as at 31 December	132,717	131,207
	2025	2024
	\$'000	\$'000
Current borrowings:		
Rabobank facility	38,613	31,761
Bank of China facility	18,286	15,340
	56,899	47,101
Non-current borrowings:		
Rabobank facility	51,445	57,272
Bank of China facility	24,373	26,834
	75,818	84,106
	132,717	131,207

Total borrowings

	Expiry date	Total	Undrawn	
			facility	Drawn amount
		\$'000	\$'000	\$'000
2025				
Bank facility A	1 Jun 2028	46,000	-	46,000
Bank facility B	20 Dec 2027	36,000	6,181	29,819
Bank facility C	1 Jun 2026	29,500	-	29,500
Bank facility D	14 Apr 2026	27,398	-	27,398
		138,898	6,181	132,717
2024				
Bank facility A	1 Jun 2025	46,000	-	46,000
Bank facility B	20 Dec 2027	36,000	8,793	27,207
Bank facility C	1 Jun 2026	29,500	-	29,500
Bank facility D	14 Apr 2026	28,500	-	28,500
		140,000	8,793	131,207

The effective interest rate on borrowings ranges from 4.00% to 5.51% (2024: 5.82% to 6.55%).

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17 Limited Partnership establishment and reconciliation of redeemable limited partnership units

	(Restated)	
	2025	2024
	\$'000	\$'000
Balance as at 1 Jan 2025	76,437	-
Initial recognition of financial liability at fair value	-	58,442
Distribution to Land Trust	(2,313)	(1,275)
Further contributions received from Land Trust	2,031	10,906
Revaluation movement	3,408	8,364
Balance as at 31 Dec 2025	79,563	76,437

In January 2024, the Company entered into an agreement to sell a 25% stake in its rural land portfolio to a group of investors in a Land Trust ("Land Trust") for \$44.2 million. The investment was mechanised through the establishment of a limited partnership, the New Zealand Rural Land Investments Limited Partnership (the "LP").

The portfolio of rural land assets and associated debt was transferred to the LP prior to Land Trust's investment. The Company's investment mandate continues in the LP with the same active strategy and manager (New Zealand Rural Land Management Limited Partnership).

The Company holds 75% of the partnership units and economic interest with Land Trust holding the other 25%. The LP is directed by New Zealand Rural Land Investment GP Limited (the "GP") with the Company and the Land Trust holding shares in the GP at the same proportion as their LP units. The Company's directors represent the majority of the GP (75%) and can unilaterally direct disposals and subsequent acquisitions of properties for land individually up to \$5 million. Furthermore, the Company has the ability to make some changes to lease agreements. The Company has concluded this provides it with sufficient control to direct the relevant activities of the LP and accordingly has concluded that it controls and will consolidate the LP.

The Group has classified Land Trust's interest in the LP as a financial liability, reflecting the substantive redemption features attached to the units. Under the partnership agreement, Land Trust holds an option which is exercisable in February 2030, to offer to sell its units in the LP to the Company. If there has been a significant financial deterioration in the LP then that option can be exercised 2 years earlier.

The redeemable limited partnership units liability are classified and measured at fair value through profit and loss. The Group has initially and subsequently measured the liability based on fair value at the reporting date. The fair value is determined as 25% of the limited partnership Net Asset Value. Accordingly any changes in the LP's net asset value results in a corresponding change to the value of redeemable LP units. Movements in the value of liability are reported in other income in the statement of comprehensive income as movement in redeemable LP units.

The GP shareholder agreement requires profits (based on Adjusted Funds from Operations (AFFO)) to be distributed to the LP unit holders. Accordingly, Land Trust's share of the profits has been allocated to the redeemable units liability which is subsequently reduced as and when distributions are made.

During the period, a total distribution of \$2.313 million was declared and paid from the LP to the Land Trust.

The financial results of the LP for the year ended 31 December 2025 and position at 31 December 2025 have been consolidated into the Group. The redeemable LP units also includes \$1.444 million received in advance for future property purchases.

18 Share capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

18.1 Ordinary shares

	\$'000	No. of ordinary shares
Authorised and issued		
Balance at 1 January 2024	157,419	139,295,000
Issue of shares for apple orchard acquisition	2,038	2,215,190
Share buy-back	(77)	(88,084)
Dividend reinvestment	851	967,556
Performance fee issued in ordinary shares	901	564,139
Transaction costs arising on issue of shares	(23)	-
Other	(41)	-
Balance at 31 December 2024	161,068	142,953,801
Dividend reinvestment	2,590	2,772,953
Performance fee issued in ordinary shares	658	411,772
Balance at 31 December 2025	164,316	146,138,526

The December 2024 performance fee was settled with 411,772 shares being issued in March 2025 at an equivalent of \$1.598 per share (internal NAV measurement).

All shares have equal voting rights, participate equally in any dividend distribution or any surplus on the winding up of the Company. The shares have no par value.



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For the year ended 31 December 2025

18.2 Warrants

In March 2023, the Company issued 1 share warrant for every 3 shares subscribed under a rights issue to existing shareholders. Each warrant allows the holder to purchase one ordinary share at an exercise price of \$1.20. The warrants were initially due to expire on 30 November 2025 but were extended in June 2025 until 30 November 2027. There were 8,000,156 warrants initially recognised and 3,929 have subsequently been exercised. At 31 December 2025, there were 7,996,227 warrants outstanding (2024: 7,996,227).

The Company valued the warrants issued in the range of 10 to 13 cents and adopted the mid point of 11.5 cents for financial reporting purposes which equates to \$0.920 million. This amount was effectively recognised within share capital as part of the total proceeds including the rights issue completed at the same time. Share capital is increased by the exercise price received on warrants at the point in time they are exercised. At 31 December 2025, \$452 had been recognised in share capital in relation to exercised warrants (2024: \$452).

19 Dividends

During the period, dividends totalling \$6.762 million were declared (2024: \$2.041 million). An ordinary dividend of 2.5 cents per share with no supplementary dividend was issued by the Parent in April 2025, and another ordinary dividend of 2.16 cents per share was issued in October 2025. No imputation credits were attached to the dividend.

The Parent operates a dividend reinvestment plan under which holders of ordinary shares can elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. Shares were issued under the plan at a strike price of 89 cents in April 2025 and \$1.00 in October 2025, with no discount to the market price at the time of the dividend. Under this reinvestment plan, 1,659,151 shares were issued for a total value of \$1,476,649 in April 2025, and 1,113,802 for \$1,113,805 in October 2025. This reduced the overall cash paid for dividends to \$4.173 million.

20 Share based payment reserve

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

	2025	(Restated) 2024
	\$'000	\$'000
Opening Balance	829	901
Performance fee issued in ordinary shares	(658)	(901)
Final adjustment on 2024 performance fee	(2)	-
2025 Performance fee payable in ordinary shares	414	829
Balance at end of the period	583	829

The share based payment reserve relates to the Manager's performance fee that is settled through the issue of shares. More details on performance fees are provided in note 22.1.

21 Remuneration of auditors

The following fees were paid or payable for services provided by PricewaterhouseCoopers New Zealand as the auditor of the Group and for services provided by William Buck Audit (NZ) Limited as the former auditor of the Group:

	2025	2024
	\$'000	\$'000
Assurance and other services		
Audit of financial statements		
PricewaterhouseCoopers New Zealand	175	-
William Buck Audit (NZ) Limited - additional for prior year	17	
William Buck Audit (NZ) Limited	-	115
	192	115

22 Related parties

22.1 Remuneration of the Manager

The Group has appointed an external manager, New Zealand Rural Land Management Limited Partnership through a signed management agreement. The Manager is responsible for all management functions of the Group, including:

- Providing administrative and general services;
- Sourcing and securing potential investors and communicating with investors;
- Sourcing opportunities for the sale and purchase of land, and operators for lease agreements in respect of land;
- Overseeing due diligence for and executing transactions for the sale and purchase, and leasing, of land;
- Managing the Group's property, including land owned by the Group;
- Arranging regular valuations and audits of the Group; and
- Administering the payment of dividends and distributions in respect of the Group.

The Manager is remunerated via management fees, transaction fees and performance fees.

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For the year ended 31 December 2025

22.1 Remuneration of the Manager (continued)

Fees paid and owing to the Manager:

	2025		(Restated) 2024	
	Fees charged	Owing at 31 Dec	Fees charged	Owing at 31 Dec
	\$'000	\$'000	\$'000	\$'000
Base management services fee	1,416	118	1,407	116
Transaction fees relating to disposal	102	-	1,242	-
Transactions fees capitalised	145	-	-	-
Leasing fees	30	-	150	-
Performance fee	412	583	829	829
Other	10	-	7	-
Total	2,115	701	3,635	945

Management fee

A monthly management fee is payable equal to 0.5% per annum of the Group's Net Asset Value, calculated on a monthly basis. The total management fees for the period ended 31 December 2025 were \$1.416 million (2024: \$1.407 million).

As at 31 December 2025, \$133,460 (GST inclusive) is owed to the Manager and this is included in trade and other payables (refer to note 15).

Transaction fee

A fee is payable for the following transactions:

- For each purchase or sale of land, a fee equal to 1.25% of the acquisition or divestment cost of the land and improvements;
- For each lease agreement entered into, a fee of \$30,000; and

Transaction fees incurred on acquisition are included in the initial carrying amount of the investment property. Transaction fees incurred on disposal are recognised in profit or loss as part of management fees. The leasing fee has been added to the carrying value of the leased asset (being investment properties) as part of the initial direct costs of arranging the lease.

Performance fee

A performance fee is payable to the Manager when the Group's net asset value ('NAV') per share exceeds the Group's NAV per share in the immediately preceding financial year. This annual performance fee is calculated as 10% of the increase in NAV per share and is settled through the issue of ordinary shares based on the NAV per share at that date. NAV per share is adjusted for the impact of capital reconstructions (such as a rights issue at a premium or discount), with the intention of the calculation being neither prejudicial nor advantageous to the Company or the Manager. Half of the ordinary shares issued are held in escrow and cannot be sold for 5 years. The value of the performance fee in the year ended 31 December 2025 was \$0.412 million (2024: \$0.829 million). The shares will be issued to the Manager subsequent to balance date.

22.2 Key management personnel compensation

In addition to remuneration of the Manager outlined above, the Group paid directors fees during the period of \$0.222 million (2024: \$0.227 million) in cash. There was no other compensation of key management personnel during the period.

23 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the subsidiaries in accordance with the accounting policy described in note 2.4.

The following subsidiaries have been consolidated in the financial statements of the Group:

Name of entity	Country incorporated	Activities	2025 Equity holding	2024 Equity holding
NZRLC Dairy Holdings Limited	New Zealand	Rural land investment	100%	100%
SSP NI Limited	New Zealand	Rural land investment	100%	100%
New Zealand Rural Land Investments Limited Partnership	New Zealand	Rural land investment	75%	75%
New Zealand Rural Land Investments GP Limited	New Zealand	General partner	75%	75%

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24 Non-GAAP measures

Non-GAAP measures do not have a standard meaning prescribed by GAAP and therefore may not be comparable to information presented by other entities. These measures should not be viewed in isolation, nor considered as a substitute for measures reported in accordance with NZ IFRS.

24.1 Reconciliation of net profit after tax to adjusted funds from operations (AFFO)

Funds from operations ('FFO') is a non-GAAP financial measure that shows the Group's underlying and recurring earnings from its operations and is considered industry best practice for a property fund to enable investors to see the cash generating ability of the business. This is determined by adjusting statutory net profit (under NZ IFRS) for certain non-cash and other items. FFO has been determined based on guidelines established by the Property Council of Australia and is intended as a supplementary measure of operating performance. The Manager uses and considers Adjusted Funds From Operations ('AFFO') as a measure of operating cash flow generated from the business, after providing for all operating capital requirements including maintenance capital expenditure, tenant improvement works, incentives and leasing costs.

		(Restated)	
	Notes	2025 \$'000	2024 \$'000
Net profit after tax		7,856	24,880
Adjustments			
Unrealised net gain in value of investment properties	5	185	(26,421)
Unrealised movement in redeemable limited partnership units	17	3,408	8,364
Performance fee payable in shares	20	414	829
Unrealised net loss on derivatives	9	241	1,998
Deferred tax expense / (benefit)	10.2	646	931
Amortisation of capitalised lease incentives	8	176	176
Amortisation of lease fee and amendment		26	34
Disposal of surplus assets		-	(21)
Loan interest rolled into new syndication facility		-	234
Initial recognition and unrealised net gain on carbon credits		(70)	(26)
Capitalised interest loan receivable		(1,412)	(1,316)
Funds from operations ('FFO')		11,470	9,662
FFO attributable to the Land Trust (dollars)		3,196	2,367
FFO attributable to the Company (dollars)		8,274	7,295
Company FFO per share (cents)		5.66	5.10
Adjustments			
Incentives and leasing costs		24	23
Future maintenance capital expenditure ¹		(480)	(336)
Adjusted funds from operations ('AFFO')		11,014	9,349
AFFO attributable to the Land Trust (dollars)		3,082	2,288
AFFO attributable to the Company (dollars)		7,932	7,060
Company AFFO per share (cents)		5.43	4.94

¹ Represents amounts set aside each financial period for future expected maintenance capital expenditure as considered prudent by the Manager. These amounts do not qualify for recognition as liabilities on the balance sheet under NZ GAAP.

24.2 Net assets per share and net tangible assets per share

The Group presents net assets per share and net tangible assets per share in these financial statements. The Group believes that these non-GAAP measures provide useful additional information to readers. Net tangible assets per share is a required disclosure under the NZX Listing Rules and net assets per share is a measure monitored by management and required for calculating the Manager's performance fee. The calculation of the Group's net assets per share, net tangible assets per share, and its reconciliation to the consolidated statement of financial position is presented below:

		(Restated)	
	Notes	2025 \$'000	2024 \$'000
Total assets		452,085	444,543
(Less): Total liabilities		(216,887)	(213,441)
Net assets		235,198	231,102
Add: Deferred tax liability	10.2	46	-
(Less): Deferred tax assets	10.2	-	600
Add: Derivative liabilities	14	2,581	2,471
(Less): Derivative assets	14	(294)	(503)
Net tangible assets		237,531	233,670
Number of shares issued ('000)		146,139	142,954
Net assets per share (\$)		1.6094	1.6166
Net tangible assets per share (\$)		1.6254	1.6346

New Zealand Rural Land Company Limited and its subsidiaries

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For the year ended 31 December 2025

25 Financial instruments

Categories of financial instruments:

	Financial assets/ liabilities at FVTPL \$'000	Financial assets at amortised cost \$'000	Financial liabilities at amortised cost \$'000	Total \$'000
2025				
Assets				
Cash and cash equivalents	-	2,978	-	2,978
Trade and other receivables	-	119	-	119
Loan receivable	-	23,095	-	23,095
Derivative assets	294	-	-	294
	294	26,192	-	26,486
Liabilities				
Trade and other payables	-	-	1,137	1,137
Borrowings	-	-	132,717	132,717
Redeemable Limited Partnership units	79,563	-	-	79,563
Derivative liabilities	2,581	-	-	2,581
	82,144	-	133,854	215,998

	(Restated) Financial assets/ liabilities at FVTPL \$'000	Financial assets at amortised cost \$'000	Financial liabilities at amortised cost \$'000	(Restated) Total \$'000
2024				
Assets				
Cash and cash equivalents	-	5,520	-	5,520
Trade and other receivables	-	1,127	-	1,127
Loan receivable	-	21,685	-	21,685
Derivative assets	503	-	-	503
	503	28,332	-	28,835
Liabilities				
Trade and other payables	-	-	2,359	2,359
Borrowings	-	-	131,207	131,207
Redeemable Limited Partnership units	76,437	-	-	76,437
Derivative liabilities	2,471	-	-	2,471
	78,908	-	133,566	212,474

26 Financial risk management

26.1 Interest rate risk

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

The Group's policy is to manage its interest rates using a mix of fixed and variable rate debt. To manage this mix, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rates for interest calculated by reference to an agreed-upon notional principal amount. These swaps are designed to economically hedge underlying debt obligations.

The Group's exposure to variable interest rate risk and the weighted average interest rate for interest bearing financial assets and liabilities as at 31 December 2025 was as follows:

	2025 \$'000	2024 \$'000
Financial assets		
Cash at bank	2,978	5,520
Cash held in Trust	2,940	-
Financial liabilities		
Bank borrowings (net of economic impact of interest rate swaps)	5,218	45,707
Interest rate applicable at balance date		
Cash at bank	<1%	<1%
Bank borrowings (net of economic impact of interest rate swaps)	4.34%	6.23%

New Zealand Rural Land Company Limited and its subsidiaries

Notes to the consolidated financial statements

For the year ended 31 December 2025

26.1 Interest rate risk (continued)

The following sensitivity analysis represents the change in interest expense if the floating interest rates on bank borrowings (net of economic impact from interest rate swaps) had been 2% higher or lower, with other variables remaining constant:

	2025		2024	
	Interest rate decrease of 2%	Interest rate increase of 2%	Interest rate decrease of 2%	Interest rate increase of 2%
	\$'000	\$'000	\$'000	\$'000
Increase / (decrease) in interest expense	(104)	104	(914)	914

There is no interest rate risk on the loan receivable (note 13) as they accrue interest at a fixed rate.

26.2 Credit risk

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. Financial instruments which are subject to credit risk principally consist of cash, debtors and loans receivable. The Group's exposure to credit risk is equal to the carrying value of the financial instruments.

The Group conducts credit assessments of tenants to determine credit worthiness prior to entering into lease agreements. This includes requiring tenants to have equity at least six times their annual lease obligations or provide other suitable security arrangements. Where appropriate, the Group will include guarantees and/or security from tenants within lease agreements to support rental payments. In addition, debtor balances are monitored on an ongoing basis with the result that exposure to bad debts is not significant.

The risk from financial institutions is managed by placing cash and cash equivalents with high credit quality financial institutions only. The Group has placed its cash and cash equivalents with Westpac New Zealand Limited, who is AA- rated (Standard & Poor's).

The Group intends to further mitigate this risk in the future by expanding into other primary sectors in New Zealand, such as horticulture, viticulture, sheep and beef.

At 31 December 2025, the Group temporarily held \$2,940,323 in a trust account at its solicitor which is subject to the standard protections under New Zealand law for Lawyers Trust account.

26.3 Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk mainly arises from the Group's obligations in respect of long term borrowings, derivatives and trade and other payables.

The Group monitors and evaluates liquidity requirements on an ongoing basis and 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 following table outlines the Groups' liquidity profile, as at 31 December 2025, based on contractual non-discounted cash flows:

	Total \$'000	0-1 year \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000
2025					
Trade and other payables	1,976	1,976	-	-	-
Derivative liabilities ²	8,568	3,531	3,284	1,753	-
Borrowings ¹	147,113	61,050	39,239	46,824	-
Redeemable limited partnership units	79,563	-	-	-	79,563
Total	237,220	66,557	42,523	48,577	79,563
	(Restated)				(Restated)
2024					
Trade and other payables	3,157	3,157	-	-	-
Derivative liabilities ²	1,350	(327)	784	893	-
Borrowings ¹	142,114	53,432	59,823	28,859	-
Redeemable limited partnership units	76,437	-	-	-	76,437
Total	223,058	56,262	60,607	29,752	76,437

¹ Includes contractual interest payments based on drawn down amounts at reporting date and assuming no repayments of principal prior to expiry date.

² Valuation of interest rate swaps is based on the futures market and therefore the current market's expectation of those cash flows.

26.4 Capital risk management

When managing capital risk, the Manager's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other creditors.

The Group meets its objectives for managing capital through its investment decisions on the acquisition and disposal of assets, dividend policy, and issuance of new shares. This includes restricting debt to 40% of total assets and debt will generally be sought on interest-only repayment terms, subject to maintaining the 40% debt limit. The Group will also seek debt with mortgage security over the rural land acquired to secure the borrowings.



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27 Earnings per share

Basic and diluted earnings per share amounts are calculated by dividing profit after income tax attributable to shareholders by the weighted average number of shares on issue.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The Group has share warrants (note 18.2) that are potentially dilutive. However, the exercise price of the share warrants has exceeded the share price of the Group during the period and the warrants are therefore not considered dilutive.

	(Restated)	
	2025	2024
Profit after income tax (\$'000)	7,856	24,880
Weighted average number of shares for the purpose of basic and diluted EPS ('000)	144,628	140,170
Basic and diluted earnings per share (cents)	5.43	17.75

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

	2025	2024
	\$'000	\$'000
Profit and total comprehensive income for the period	7,856	24,880
<i>Add/(less) non-cash items:</i>		
Change in fair value of derivatives	241	2,039
Change in fair value of investment properties	185	(26,421)
Movement in redeemable Limited Partnership units	3,408	8,364
Performance fee payable in shares	412	829
Interest income accrual	(1,787)	(1,316)
Deferred tax	646	798
Derecognition of deferred tax	-	132
Lease incentives - rent free period	(2,633)	198
Interest expense accrual	469	(144)
Lease fee amortisation	29	34
Other	(34)	(46)
<i>Movements in working capital items:</i>		
(Increase) in other current assets	1,412	(1,224)
Decrease in income tax receivable	-	7
Decrease in trade and other payables	(763)	669
Increase in income in advance	74	219
Net cash generated by operating activities	9,515	9,018

29 Prior period error

During the current financial year, the Group identified a prior period error related to the fair value measurement of an investment property and the recognition of an advance property settlement. In the prior year, a deposit of \$2.6 million paid in respect of a new investment property acquisition was incorrectly included as part of the carrying amount of an existing investment property when determining the fair value adjustment at year end.

As a result, the fair value gain recognised on the existing investment property was understated by \$2.6 million, and the advance property settlement asset was understated by \$2.6 million.

The Group has corrected the error retrospectively by:

- Restating the comparative period statement of comprehensive income to increase the fair value adjustment on investment property by \$2.6 million;
- Recognising the \$2.6 million deposit as a separate asset within "advance property settlement"; and
- Restating the comparative period statement of financial position to reflect the corresponding increase in the carrying amount of redeemable partnership units liability, performance fees and tax benefit.

New Zealand Rural Land Company Limited and its subsidiaries
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29 Prior period error (continued)

	(As previously reported) 2024 \$'000	(Restated) 2024 \$'000	Change \$'000
Statement of financial position			
Advanced property settlement	-	2,562	2,562
Investment properties	400,448	400,448	-
Deferred tax asset	552	600	48
Redeemable Limited Partnership units	75,797	76,437	640
Net Assets	229,132	231,102	1,970
Retained earnings	67,404	69,205	1,801
Share based payment reserve	660	829	169
Total Equity	229,132	231,102	1,970
Statement of comprehensive income			
Performance fee	660	829	169
Total expenses	3,735	3,904	169
Profit before net finance expense, other income and income tax	16,134	15,965	(169)
Profit before other income and income tax	7,876	7,707	(169)
Change in fair value of investment properties	23,859	26,421	2,562
Movement in redeemable Limited Partnership units	(7,724)	(8,364)	(640)
Total other income	16,182	18,104	1,922
Profit before tax	24,058	25,811	1,753
Income tax expense	979	931	(48)
Net profit	23,079	24,880	1,801
Total comprehensive income for the period	23,079	24,880	1,801
Basic and diluted earnings per share	16.47	17.75	1.28
Net assets per share (\$)	1.6028	1.6166	0.0138
Net tangible assets per share (\$)	1.6127	1.6346	0.0219

The change did not have an impact on OCI for the period, AFFO or the Group's total operating, investing and financing cash flows.

30 Contingent liabilities and contingent assets

There are no contingent liabilities or assets as at 31 December 2025 (2024: nil).

31 Investment property and capital commitments

The Group has committed to capital expenditure of \$1.4 million relating to land leased to the tenant (refer to Note 6).

32 Events after the reporting period

Subsequent to the reporting date, the Company declared a final dividend of 2.75 cents per share.

Independent auditor's report

To the shareholders of New Zealand Rural Land Company Limited

Our opinion

In our opinion, the accompanying consolidated financial statements (the financial statements) of New Zealand Rural Land Company Limited (the Company), including its subsidiaries (the Group), present fairly, in all material respects, the financial position of the Group as at 31 December 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 Group's financial statements comprise:

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

Basis for opinion

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

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

Independence

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board (PES 1) and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with PES 1 and the IESBA Code.

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

Other matter

The Group's financial statements for the year ended 31 December 2024, were audited by another auditor who expressed a qualified opinion on those statements dated 27 March 2025. The predecessor auditor qualified their opinion over the valuation of the forestry assets, within investment properties, and the related valuation of the redeemable limited partnership units due to being unable to obtain sufficient appropriate audit evidence over the estimated future New Zealand Unit (NZU) prices.

Our opinion on the Group's financial statements for the year ended 31 December 2025 is unmodified despite this matter.

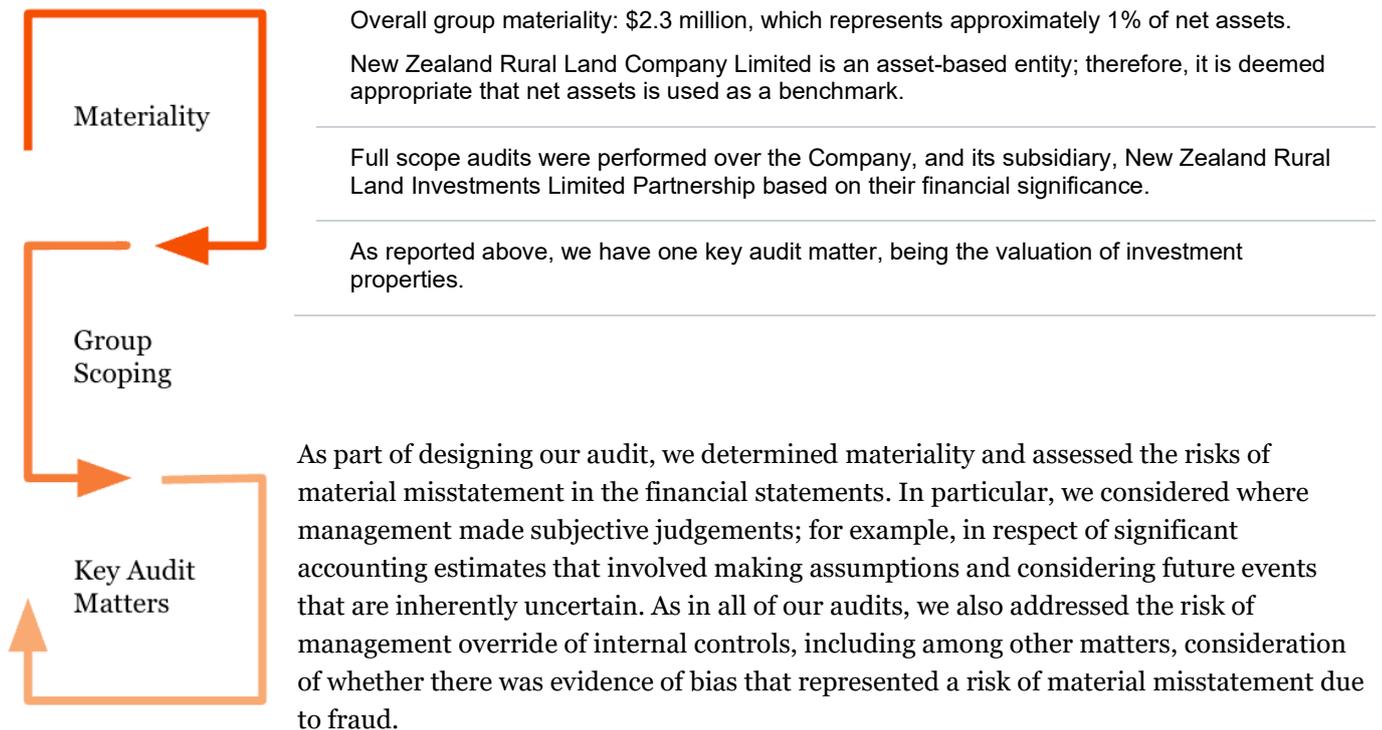
Key audit matters

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

Description of the key audit matter	How our audit addressed the key audit matter
<p>Valuation of investment properties</p> <p>As disclosed in note 5, the portfolio of investment properties was valued at \$416.5m as at 31 December 2025 which comprises of forestry assets, pastoral and orchard assets.</p> <p>The valuation of the Group's investment properties is inherently subjective due to, amongst other factors, inputs into the valuations that are unobservable through available market information, and also considers individual characteristics of the respective properties, their location and the New Zealand Unit (NZU) prices.</p> <p>Given the existence of significant estimation uncertainty, coupled with the fact that a small difference in any of the key valuation inputs or assumptions, when aggregated, could result in a material misstatement, and considering the magnitude of investment properties, we determined this to be a key audit matter.</p> <p><i>Forestry assets</i></p> <p>The total value of the forestry assets is \$109.3m. Management obtained an external valuation from KPMG. The valuation of forestry assets involves significant estimation and judgement. Note 5.1 outlines key assumptions, including the adopted price path of NZUs. The determination of future NZU prices is inherently uncertain and involves a higher degree of subjectivity due to regulatory uncertainty and recent price volatility.</p> <p>In addition to the NZU pricing, the valuation is also sensitive to changes in other key inputs, including the discount rates. Relatively small changes in these inputs, when aggregated, could result in a material change to the value of the forestry assets.</p> <p><i>Pastoral and orchard assets</i></p> <p>The total value of the pastoral and orchard assets is \$307.2m. Management have obtained external freehold valuations from Colliers for pastoral and orchard assets and a valuation of the lessor's interest from KPMG. Note 5.1 outlines the key inputs and assumptions, and the valuation methodologies utilised.</p>	<p>The valuation of investment properties is inherently subjective given that there are alternative assumptions and valuation methods that may result in a range of values.</p> <p>We evaluated whether management's valuation approach and the related disclosures in note 5 and note 5.1 were consistent with the valuation reports and the requirements of the reporting framework.</p> <p><i>Forestry assets</i></p> <p>To address the valuation of the forestry assets as at 31 December 2025 and to evaluate the impact of the predecessor auditor's qualification on the opening balances, we obtained management's expert's valuations as at 31 December 2024 and 31 December 2025, reconciled the values to the financial statements, and performed the following procedures:</p> <ul style="list-style-type: none">• Enquired with management and management's expert to understand the rationale for key inputs and assumptions within the model; and• In conjunction with our internal PwC valuation experts; assessed the reasonableness of the methodology, key inputs, assumptions, and mathematical accuracy of the model. <p><i>Pastoral and orchard assets</i></p> <p>We obtained management's experts' valuations as at 31 December 2025, reconciled the values to the financial statements, and performed the following procedures:</p> <p>On a sample basis, and in conjunction with our own valuation experts, we performed the following procedures:</p> <ul style="list-style-type: none">• Obtained an understanding of the methodologies and key assumptions to the valuations and assessed their reasonableness;• Agreed key inputs to supporting information including lease agreements, records of title, and the underlying sale and purchase agreements; and• Inspected the valuation models used by the valuers and assessed them for mathematical accuracy; <p>For the investment properties, we evaluated management's experts' competencies, capabilities and objectivity, including considering their professional qualifications and relationships with the Group.</p> <p>We assessed the appropriateness of the disclosures in the financial statements.</p>

Our audit approach

Overview



Materiality

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

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

How we tailored our group audit scope

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

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 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 financial statements

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

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

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

This description forms part of our auditor's report.

Who we report to

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

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

For and on behalf of:



PricewaterhouseCoopers
27 February 2026

Hamilton

SECTION **4** **Company
Directory**

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