



New Zealand Rural Land Co

The Rural Land Investors

27 February 2026

NZL's FY25 Result Delivers AFFO and Dividend Growth

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>.

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.

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).

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