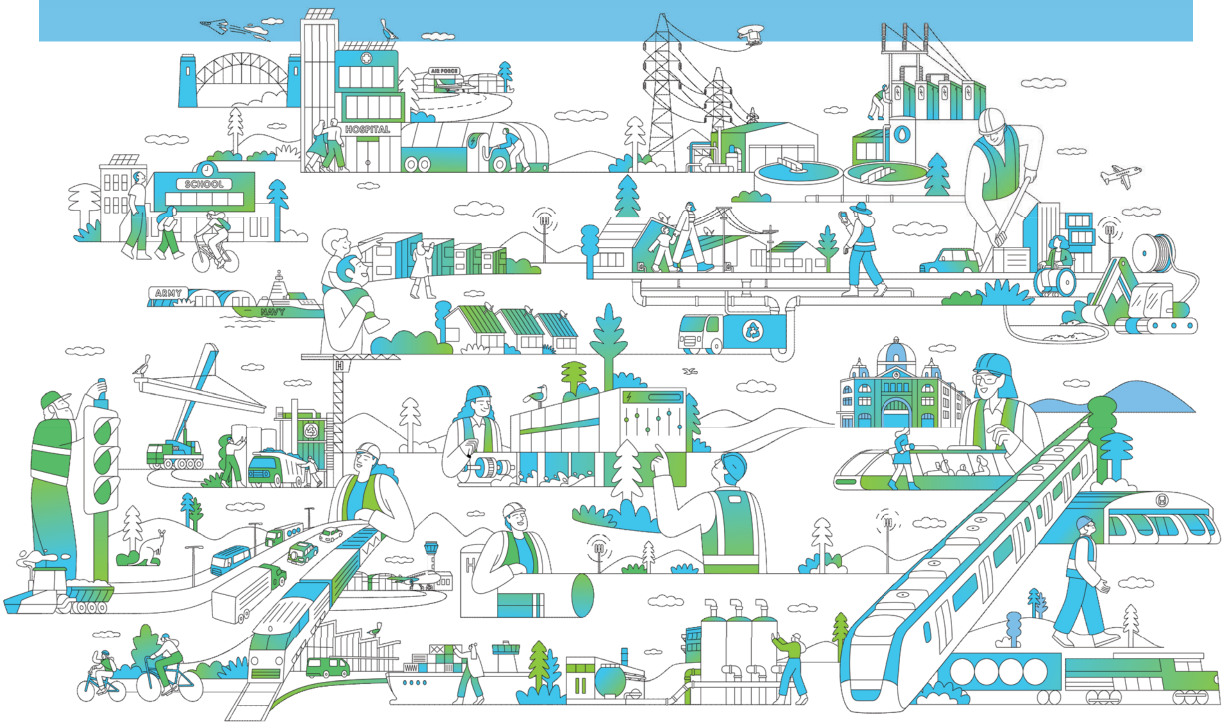
Works Finance (NZ) Limited

Annual Report 2026



Contents

Directors' Report

for the year ended 30 June 2026

The Directors of Works Finance (NZ) Limited ("the Company") submit herewith the annual report of the Company for the year ended 30 June 2026, including the financial statements on pages 7 to 19.

Directors

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

Mr E C Jensen
Mr P J Tompkins
Mr S D Ward
Mr M R Ashcroft
Mr M E Robertson

Principal activities

The Company is a subsidiary of Downer EDI Limited and was formed for the purpose of issuing Redeemable Optionally Adjustable Distributing Securities ("ROADS"). The proceeds have been advanced to Downer New Zealand Limited as disclosed in Note C2, with interest accruing at the ROADS gross dividend rate plus a margin of 0.20%.

Downer EDI Limited elected to leave the ROADS securities on issue on the Step-up Date of 15 June 2012. The margin was stepped-up in accordance with the terms of the "Prospectus and Investment Statement" dated 7 March 2007. The dividend rate for the one year commencing 15 June 2026 is 7.14% per annum (2025: 7.27% per annum) which is equivalent to the one year swap rate on 15 June 2026 of 3.09% per annum plus the step-up margin of 4.05% per annum. The next reset date is 15 June 2027.

Review of operations

The Company reported total comprehensive income of $10,853,000 (2025: $14,012,000).

Subsequent events

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

Dividends

In respect of the financial year ended 30 June 2026, dividends of $10,468,801 were declared to the holders of ROADS (2025: $13,579,200). Imputation credits were attached to the dividends. No dividends have been declared to the holders of ordinary shares during the year (2025: nil).

Indemnification of officers and auditors

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

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

Interest register and other disclosures

The Company has a Directors' Interests Register in which details of Directors' interests are recorded. Related party transactions are disclosed in Note C3. No Director or former Director received any remuneration or other benefits from the Company. Works Finance (NZ) Limited has no employees and accordingly no remuneration was paid. No donations were made during the year (2025: nil). All audit fees were paid by Downer New Zealand Limited.

Financial Statements

The Board of Directors have approved and authorised the financial statements on pages 7 to 19.

On behalf of the Directors 27 August 2026.

S D Ward
Director

E C Jensen
Director

Independent auditor's report

To the shareholder of Works Finance (NZ) Limited

Our opinion

In our opinion, the accompanying financial statements of Works Finance (NZ) Limited (the Company), present fairly, in all material respects, the financial position of the Company as at 30 June 2026, its financial performance, and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 30 June 2026;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

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

Independence

We are independent of the Company in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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 Company.

Key audit matters

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

Our audit approach

Overview

Materiality	Overall materiality: $2 million, which represents approximately 1% of net assets. We chose net assets as the benchmark because, in our view, the objective of the Company is to provide a total return on its net assets.
Key audit matters	As reported above, we have not identified any key audit matters from our audit. Refer to the *Key audit matters* section of our report.

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

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

Materiality

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

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

Other information

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

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

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

Responsibilities of the Directors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

This description forms part of our auditor's report.

Who we report to

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

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

For and on behalf of:

PricewaterhouseCoopers Auckland
27 August 2026

Statement of Comprehensive Income

for the year ended 30 June 2026

	Note	2026 $000	2025 $000
Interest income		15,200	19,578
Operating expenses		(126)	(117)
Profit before income tax expense		**15,074**	**19,461**
Income tax expense	B3	(4,221)	(5,449)
Profit after income tax expense and total comprehensive income attributable to equity holders of the Company		**10,853**	**14,012**
Total comprehensive income for the year is attributable to:			
ROADS		10,469	13,579
Ordinary shareholders		384	433
Total comprehensive income for the year		**10,853**	**14,012**

These financial statements should be read in conjunction with the accompanying notes on pages 11 - 19.

Statement of Financial Position

as at 30 June 2026

	Note	2026 $000	2025 $000
Current assets			
Cash and cash equivalents		-	-
Advance to related party - Downer New Zealand Limited	C2	10,000	11,502
Total current assets		**10,000**	**11,502**
Non-current assets			
Advance to related party - Downer New Zealand Limited	C2	200,000	200,000
Total non-current assets		**200,000**	**200,000**
Total assets		**210,000**	**211,502**
Current liabilities			
Trade and other payables		239	207
Income tax payable		1	1,919
Total current liabilities		**240**	**2,126**
Total liabilities		**240**	**2,126**
Net assets		**209,760**	**209,376**
Equity			
Issued capital	D1	-	-
ROADS	D1	200,000	200,000
Retained earnings		9,760	9,376
Total equity attributable to equity holders of the Company		**209,760**	**209,376**

The Board of Directors have approved and authorised the financial statements.

On behalf of the Directors

S D Ward
Director

E C Jensen
Director

Dated: 27 August 2026

These financial statements should be read in conjunction with the accompanying notes on pages 11 - 19.

Statement of Changes in Equity

for the year ended 30 June 2026

	Issued capital $000	ROADS $000	Retained earnings $000	Total $000
Balance at 1 July 2025	**-**	**200,000**	**9,376**	**209,376**
Profit for the year	-	10,469	384	10,853
Total comprehensive income	-	10,469	384	10,853
Distributions to owners				
Dividends declared - ROADS	-	(10,469)	-	(10,469)
Balance at 30 June 2026	**-**	**200,000**	**9,760**	**209,760**
Balance at 1 July 2024	**-**	**200,000**	**8,943**	**208,943**
Profit for the year	-	13,579	433	14,012
Total comprehensive income	-	13,579	433	14,012
Distributions to owners				
Dividends declared - ROADS	-	(13,579)	-	(13,579)
Balance at 30 June 2025	**-**	**200,000**	**9,376**	**209,376**

These financial statements should be read in conjunction with the accompanying notes on pages 11 - 19.

Statement of Cash Flows

for the year ended 30 June 2026

	Note	2026 $000	2025 $000
Cash flows from operating activities			
Interest received from Downer New Zealand Limited	C3	15,200	19,578
Net repayments from Downer New Zealand Limited		1,502	1,386
Income tax payments		(6,138)	(7,329)
Payments to suppliers		(79)	(69)
Net cash generated by operating activities	C1	**10,485**	**13,566**
Cash flows from financing activities			
Dividends paid on ROADS		(10,485)	(13,566)
Net cash used in financing activities		**(10,485)**	**(13,566)**
Net increase in cash and cash equivalents		**-**	**-**
Cash and cash equivalents at the beginning of the year		-	-
Cash and cash equivalents at the end of the year		**-**	**-**

These financial statements should be read in conjunction with the accompanying notes on pages 11 - 19.

A

About this report

Statement of compliance

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

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

The financial statements were authorised by the Directors for issue on 27 August 2026.

Basis of preparation

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

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

Accounting estimates and judgements

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

Material accounting policies

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

B

Business performance

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

B1. Segment information

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

B2. Remuneration of Auditors

	2026 $000	2025 $000
PricewaterhouseCoopers		
Audit of the financial statements	45	45

All audit fees were paid on behalf of the Company by Downer New Zealand Limited, a fellow subsidiary of the Company.

B3. Taxation

a) Reconciliation of income tax expense

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

	2026 $000	2025 $000
Profit before income tax expense	15,074	19,461
Income tax expense calculated at 28% of profit before tax	4,221	5,449
Total tax expense	**4,221**	**5,449**

b) Imputation credit account balance

	2026 $000	2025 $000
Balance at the end of year	**3,671**	3,486

Recognition and measurement

Current tax

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

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

B3. Taxation - Continued

International Tax Reform – Pillar Two Model Rules

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

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

As at 30 June 2026, the Company has applied the temporary mandatory exception from deferred tax accounting for Pillar Two-related taxes, in accordance with the amendments to NZ IAS 12 issued by the New Zealand Accounting Standards Board (NZASB).

B4. Subsequent events

On 27 August 2026, the Directors approved the payment of a fully imputed dividend of $3,570,000 comprising a cash dividend of $2,570,400 (1.2852 cents per ROADS security) and imputation credits of $999,600 (0.4998 cents per ROADS security) to be paid on 15 September 2026. There has not been any matter or circumstance other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

C

Operating assets and liabilities

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

C1. Reconciliation of cash flow from operating activities

	2026 $000	2025 $000
Profit for the year	10,853	14,012
Adjustments for:		
(Increase) / decrease in assets		
Advance to related party - Downer New Zealand Limited	1,502	1,386
Increase / (decrease) in liabilities		
Trade and other payables (excluding dividends payable)	48	48
Income tax payable	(1,918)	(1,880)
Net cash generated from operating activities	**10,485**	**13,566**

C2. Advance - Downer New Zealand Limited

	2026 $000	2025 $000
Downer New Zealand Limited - cash advance	10,000	11,502
Downer New Zealand Limited	200,000	200,000
	210,000	**211,502**

The Downer New Zealand Limited cash advance is unsecured. The Company's bank account is subject to an automatic cash sweep where the net bank balance (either debit or credit) is transferred to Downer New Zealand Limited daily. These daily transfers impact the cash advance with Downer New Zealand Limited. Interest has been charged on the cash advance at an average of 2.45% per annum (2025: 4.26% per annum).

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

ROADS were stepped up on 15 June 2012, keeping the existing ROADS instrument in place with revised pricing. Downer EDI Limited and the Company have provided confirmation to Downer New Zealand Limited that neither Downer EDI Limited, or its subsidiaries, will take any action to demand or effect repayment of the loan during the 12 months after the Downer New Zealand Limited 30 June 2026 Financial Statements are signed. The advance to Downer New Zealand Limited is therefore classified as non-current.

The interest rate is to be agreed in writing between the parties from time to time. The initial rate of interest was set at 10% per annum. In April 2013 it was agreed to reset this to the ROADS gross dividend rate plus a margin of 0.20%. The interest rate from 15 June 2025 to 15 June 2026 was 7.47% per annum. On 15 June 2026 it was reset to 7.34% per annum. The next reset date is 15 June 2027.

Interest is due for payment monthly in arrears.

Recognition and measurement financial assets: measured at amortised cost

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

C2. Advance - Downner New Zealand Limited - Continued

Impairment

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

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

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

C3. Related parties

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

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

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

	2026 $000	2025 $000
Transactions with related parties		
Downer New Zealand Limited - interest income	15,200	19,578

M E Robertson, E C Jensen, and M R Ashcroft are also Directors of DGL Investments Limited and Downer New Zealand Limited. All of the Directors are employees of Downer EDI Limited or its subsidiaries and accordingly are not independent. Key management personnel were employed and compensated by other Downer EDI Limited subsidiaries and did not receive any compensation from the Company during the year (2025: nil).

C4. Contingent liabilities

The Company has no contingent liabilities (2025: nil).

D

Capital structure

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

D1. Issued capital

	2026 $000	2025 $000
100 ordinary shares	-	-
200,000,000 ROADS	200,000	200,000
	200,000	**200,000**

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

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

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

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

The gross dividend rate from 15 June 2026 to the next reset date on 15 June 2027 is 7.14% per annum.

During the financial year, dividends paid, gross of imputation credits, totalled $14.54 million (2025: $18.86 million), being 7.27c per security (2025: 9.43c per security).

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

Each ROADS confers on its holder:

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

D1. Issued capital - Continued

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

The Company may elect to redeem or exchange:

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

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

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

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

D2. Net tangible assets per security

	2026 $	2025 $
ROADS	1	1
Ordinary shares	97,600	93,765

E

Other

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

E1. New accounting standards

a) New and amended accounting standards adopted by the Company

During the year, the Company has applied a number of new and revised accounting standards issued by the New Zealand Accounting Standards Board (NZASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2025, as follows:
- Amendments to NZ IAS 21 - Lack of Exchangeability
- Disclosures about Uncertainties in the Financial Statements

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

b) New accounting standards and interpretations not yet adopted

The following new or amended Accounting Standards or Interpretations that are not yet mandatory and have not been early adopted:
- NZ IFRS 18 Presentation and Disclosure in Financial Statements
- Amendments to NZ IFRS 10 and NZ IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to NZ IFRS 9 and NZ IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments
- 2025 Amendments to XRB A1 Application of the Accounting Standards Framework

The Company is currently assessing the impacts of these standards and does not presently expect any material impact on its reported financial position, profit after tax or cashflows, although presentation and disclosure changes are expected.

E2. Financial instruments

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

As at 30 June 2026, the carrying amounts and fair values of cash and cash equivalents, advances to related parties and trade and other payables approximated fair value.

E3. Financial instruments risk management

a) Credit risk management

The most significant concentration of credit risk of the Company as at 30 June 2026 comprises the advances to Downer New Zealand Limited of $210,000,000 (2025: $211,502,000). This is expected to have a similar credit risk profile as Downer EDI Limited. Downer's long-term issuer credit rating is BBB (Outlook Stable). This rating was affirmed on 2 February 2026. Issuers rated BBB- or above (or the equivalent by other rating agencies) are described as "Investment Grade".

The maximum exposure to credit risk is the carrying value of the Company's financial assets. The Company is not directly exposed to foreign currency risk. 98.3% of ROADS holders are domiciled in New Zealand.

b) Liquidity risk management

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

E3. Financial instruments risk management - continued

b) Liquidity risk management - continued

Liquidity risk tables

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

	Less than 1 Year $000
As at 30 June 2026	
Liabilities	
Trade and other payables	(239)
	(239)
As at 30 June 2025	
Liabilities	
Trade and other payables	(207)
	(207)

c) Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to members through the optimisation of the debt and equity balances. The Company's overall strategy remains unchanged from June 2025.

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

d) Interest risk management

The Company is exposed to interest rate risk on its financial assets and financial liabilities. Refer to Note C2 for interest rate on advance to Downer New Zealand Limited. No interest rate hedging was undertaken during the year to 30 June 2026 (2025: Nil). The Company's exposure to interest rates on financial assets and financial liabilities are detailed as follows:

	Weighted average effective interest rate		Asset/(liability)	
	2026 %	2025 %	**2026 $000**	2025 $000
Floating interest rates				
Cash and cash equivalents	2.3	3.3	-	-
Downer New Zealand Limited - current account	2.5	4.2	10,000	11,502
Fixed interest rates				
Downer New Zealand Limited	7.5	9.5	200,000	200,000
			210,000	211,502
Interest rate sensitivity analysis				
Change -1% impact on profit and equity			(100)	(115)
Change +1% impact on profit and equity			100	115

Information for Investors

for the year ended 30 June 2026

Works Finance (NZ) Limited holders

Works Finance (NZ) Limited (Company Number 1909583) had 2,044 ROADS holders as at 30 June 2026.

The largest holder, Forsyth Barr Custodians Limited, held 34.8% of the 200,000,000 ROADS issued at that date. Works Finance (NZ) Limited had 2,009 holders with registered addresses in New Zealand.

Securities exchange listing

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

Registered office

130 Kerrs Road, Wiri, Auckland, 2104

Company information

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

Share registry

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

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

Updating your holder details

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

Auditor

PricewaterhouseCoopers
15 Customs Street West
Auckland 1010
New Zealand

Waiver

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

Climate-related disclosures

The Company is a climate reporting entity and intends to rely on the Financial Markets Conduct (Climate-related Disclosures – Works Finance (NZ) Limited) Exemption Notice 2024 (Exemption) in respect of its accounting period ending on 30 June 2026.

Downer EDI Limited's Sustainability Report (formerly Group Climate Statement), which include Works Finance (NZ) Limited, is published in its Annual Report, which is available on its website and can be found at: **www.downergroup.com/results-centre**. Downer EDI Limited's Annual Report (including its Sustainability Report) has also been lodged on the Climate-related Disclosures Register, maintained by the New Zealand Companies Office.

Corporate governance

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

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

The corporate governance policies of Downer EDI Limited, as set out in its annual report dated 30 June 2026, do not materially differ from the NZX Corporate Governance Code.

Information for Investors - continued

for the year ended 30 June 2026

Spread of ROADS Holders

Details of the distribution of holders of ROADS as at 30 June 2026 are provided below:

Country	Holders	Holding
New Zealand	2,009	198,609,000
Australia	23	1,059,500
Other	12	331,500
	2,044	**200,000,000**

Range	Number of Holders	Shareholder %	ROADS held	ROADS %
1,000 to 4,999	66	3.2%	215,123	0.1%
5,000 to 9,999	250	12.2%	1,456,600	0.7%
10,000 to 49,999	1,326	64.9%	26,537,343	13.3%
50,000 to 99,999	272	13.3%	15,497,700	7.7%
100,000 to 499,999	116	5.7%	19,228,571	9.6%
500,000 to 999,999	5	0.2%	2,741,500	1.4%
1,000,000 and above	9	0.5%	134,323,163	67.2%
	2,044	**100.0%**	**200,000,000**	**100.0%**

Twenty largest ROADS Holders

The names and holdings of the 20 largest holders of ROADS in Works Finance (NZ) Limited as at 30 June 2026 are set out below:

Holder	ROADS %	ROADS held
Forsyth Barr Custodians Limited	34.8%	69,611,279
Custodial Services Limited	18.2%	36,307,522
Fnz Custodians Limited	7.2%	14,343,981
NZX WT Nominees Limited	4.9%	9,795,239
HSBC Nominees (New Zealand) Limited	2.1%	4,154,600
Investment Custodial Services Limited	0.9%	1,797,000
Jbwere (NZ) Nominees Limited	0.6%	1,257,000
Keith Ian Ronald Matheson & Clive Rowan Jackson	0.3%	630,000
Helen Nancy Tuff & Carey John Weaver	0.3%	600,000
Fletcher Building Educational Fund Limited	0.3%	500,000
Oakwood Securities Limited	0.3%	500,000
Sharbrook Trustee Limited	0.2%	400,000
Trevor Clifford King & Elizabeth Ann King	0.2%	400,000
Michael John Sutton	0.2%	390,891
Sierra Investments Limited	0.2%	384,541
Ronald James Woodrow	0.2%	380,000
Pauline Carol Edwards	0.2%	346,000
BNP Paribas Nominees (NZ) Limited	0.2%	335,000
Michael Gervai	0.2%	330,000
Jonathan Aylmer Rattray	0.2%	300,000
Total for top 20 ROADS holders	**71.7%**	**142,763,053**