



Goodman

GOODMAN PROPERTY TRUST

# MANAGED INVESTMENT SCHEME

ANNUAL REPORT 2024



# CONTENTS

---

**3**  
DETAILS  
OF THE SCHEME

---

**3**  
DESCRIPTION  
OF THE SCHEME

---

**3**  
INFORMATION  
ON COMPOSITION  
OF THE SCHEME

---

**4-5**  
CHANGES RELATING  
TO THE SCHEME

---

**6**  
FINANCIAL CONDITION  
AND PERFORMANCE  
OF THE SCHEME

---

**7-8**  
FEES

---

**9**  
SCHEME  
PROPERTY

---

**10**  
CHANGES TO  
PERSONS INVOLVED  
IN THE SCHEME

---

**10**  
HOW TO FIND  
FURTHER INFORMATION

---

**11**  
CONTACT DETAILS  
AND COMPLAINTS

---

# DETAILS OF THE SCHEME

The scheme is the Goodman Property Trust (“Scheme” or “GMT”) which is a managed investment scheme for the purposes of the Financial Markets Conduct Act 2013 (“FMCA”).

The manager of the Scheme (“Manager”) is Goodman Property Services (NZ) Limited (“GPS”), and the supervisor of the Scheme (“Supervisor”) is Covenant Trustee Services Limited.

A Product Disclosure Statement has not been prepared for the Scheme as no regulated offers of units in the Scheme (“Units”) have been made pursuant to the FMCA.

The Scheme’s latest financial statements and the auditor’s report for those statements were lodged with the Registrar on 8 August 2024.

Units are listed on the NZX with the code of GMT.

---

## DESCRIPTION OF THE SCHEME

The Scheme owns, develops and manages commercial property and business real estate space located in New Zealand.

The Scheme is a unit trust established by a trust deed dated 23 April 1999 (“Trust Deed”), under the Unit Trusts Act 1960.

---

## INFORMATION ON COMPOSITION OF THE SCHEME

This Annual Report covers the accounting period from 1 April 2023 to 31 March 2024.

The number of managed investment products, being Units, on issue at the start of the accounting period was 1,403,254,516.

The number of Units on issue at the end of the accounting period was 1,538,768,535.

# CHANGES RELATING TO THE SCHEME

Material changes to the nature of the Scheme, the Scheme property, or the management of the Scheme over the accounting period are as follows:

## Statement of Investment Policies and Objections (“SIPO”)

There have been no amendments to the SIPO during the period from 1 April 2023 to 31 March 2024.

## Change of Manager

The Manager of the Scheme changed from Goodman (NZ) Limited (“GNZ”) to GPS on 28 March 2024 following settlement of the internalisation transaction (“Internalisation”) summarised below.

GMT entered into contracts with Goodman Group pursuant to which GNZ agreed to relinquish its rights under the existing management arrangements for consideration of \$272.4 million. In addition, GMT acquired all the shares in GPS and Goodman Limited agreed to provide GPS with transitional services under the terms of a co-operation and services agreement following settlement of Internalisation.

An additional \$17.6 million in aggregate was paid to Goodman Group in consideration for the sale to GMT of Goodman Group’s interest in co-owned investment properties, the net tangible assets of GPS and in lieu of any performance fee that may be payable to GNZ for the period from 1 April 2023 until settlement of Internalisation under the terms of the Trust Deed.

To facilitate the settlement of Internalisation and related transactions, Goodman Group subscribed for \$290.0 million of Units at a fixed price of \$2.14 per Unit. The price was determined on the basis of the higher of the net tangible assets per Unit (taking account of preliminary 31 March 2024 valuations) or the 5-day volume-weighted average price up to 20 February 2024. The Unit subscription was approved at a meeting of Unitholders on 26 March 2024 and settled on 28 March 2024.

GPS is now the Manager of GMT and provides services directly on a cost recovery basis.

## Trust Deed

During the period from 1 April 2023 to 31 March 2024, the following amendments were made to GMT’s Trust Deed to reflect the changes arising from Internalisation:

- + deletion of the provisions relating to the remuneration of the previous Manager and the insertion of provisions whereby the new Manager shall not be entitled, in respect of its services, to any fee in the nature of remuneration but shall be entitled to reimbursement and indemnification in accordance with the provisions of the Trust Deed;
- + deletion of the provisions under which the manager of the Trust is entitled to receive a payment on cessation of office;
- + clarification of the reimbursement of expenses provisions contained in the Trust Deed to provide that all costs, charges, disbursements and expenses incurred by the Manager in performing its functions of and incidental to the management of the Trust are reimbursable out of the assets of the Trust;
- + Unitholders are given the right, by means of an Ordinary Resolution, to direct the shareholder of the Manager as to the individuals in respect of whom the shareholder of the Manager shall exercise its right to appoint and remove as directors under the constitution of the Manager;
- + Unitholders are given the right, by means of an Extraordinary Resolution, to direct the shareholder of the Manager (including as to terms) to dispose of all or any of the shares in the Manager or to vote its shares in the Manager;
- + express provisions to confirm that the payment of directors’ fees to the directors of the Manager would be reimbursable out of the assets of the Trust;
- + inclusion of an express provision entitling the Manager to act as a property manager for the Trust, and receive and retain fees and other remuneration for acting in that capacity; and
- + other minor variations, including updating clause cross-references and removing obsolete provisions.

GMT’s Trust Deed is available on the Corporate Governance section of the Goodman Property Trust website at <https://nz.goodman.com>. It is also available on the Disclose Register accessible on the Companies Office website (<https://www.companiesoffice.govt.nz/disclose>).

### Related party transactions

During the period from 1 April 2023 to 31 March 2024, Internalisation (approved by Unitholders at the Special Meeting on 26 March 2024) removed the existing external management structure. The effective date of this change was 28 March 2024.

There were no other related party transactions entered into during the period from 1 April 2023 to 31 March 2024 that were not on arm's-length terms.

Further details of the related party fees paid by GMT to GNZ and GPS can be found in the financial statements for GMT which have been lodged with the Registrar.

During the period from 1 April 2023 to 31 March 2024 there were no other material changes to:

- (a) the terms under which Units are offered to Unitholders; or
- (b) any valuation and pricing methodologies that might affect the Scheme's net asset value or the value of Units.

# FINANCIAL CONDITION AND PERFORMANCE OF THE SCHEME

The disciplined execution of an investment strategy exclusively focused on the Auckland industrial property market has continued to support strong operating results. While GMT has recorded a statutory loss, Internalisation and other initiatives have positioned it for the next phase of its business growth.

As at 31 March 2024 the Scheme had total current assets of \$44.0 million, total non-current assets of \$4,672.9 million and total liabilities of \$1,617.8 million (net assets of \$3,099.1 million).

Total comprehensive income for the 12 month period to 31 March 2024 was (\$564.9) million, and total distributions relating to the period to Unitholders were \$85.9 million, representing 6.125 cents per Unit.

Total comprehensive income for the 12 month period to 31 March 2023 was (\$135.4) million, and total distributions relating to the period to Unitholders were \$81.3 million, representing 5.80 cents per Unit.

Total distributions of 6.5 cents per Unit are expected to be paid for the 12 month period to 31 March 2025.

You can find a copy of the Scheme's financial statements, including information on distributions made by the Scheme on the Disclose Register at [www.companies.govt.nz/disclose](http://www.companies.govt.nz/disclose), scheme number SCH11225.

Further information on the financial result is provided in GMT's Annual Report at: [www.goodmanreport.co.nz](http://www.goodmanreport.co.nz).

## HIGHLIGHTS INCLUDE:

The locational advantages and productivity benefits of GMT's urban logistics portfolio have contributed to a 9.3% increase in operating earnings<sup>1</sup>, to \$121.4 million after tax.

While the operating performance of the Trust has been very strong, a 9.5% reduction in the fair value of the property portfolio and the one-off cost of Internalisation have contributed to a statutory loss of \$564.9 million after tax compared to a statutory loss of \$135.4 million after tax in FY23.

GMT had net tangible assets of 201.4 cents per Unit at 31 March 2024.

Substantial balance sheet capacity, with a loan to value ratio<sup>2</sup> of 31.5% and \$760 million of available liquidity at 31 March 2024.

A 4.8% increase in underlying cash earnings<sup>3</sup> to 7.44 cents per Unit and a 5.1% increase in cash distributions declared for the period of 6.2 cents per Unit.

Cash earnings guidance for FY25 is for further growth to around 7.5 cents per Unit. Cash distributions of 6.5 cents per Unit are expected to be paid, a 4.8% increase on FY24.

A \$4.5 billion property portfolio providing over one million square metres of warehouse and logistics space, with occupancy of 99.5% and a weighted average lease term of six years.

Positive leasing results with 141,284 sqm of space secured on new or revised terms, which together with recent rent reviews has contributed to like-for-like net property income growth of 6.5%.

The completion of four fully leased development projects providing 79,452 sqm of warehouse and logistics space, with \$209.7 million of work in progress (total project cost).

GMT's 2024 Sustainability Report (compliant with the new Aotearoa New Zealand Climate Standards) was released as a standalone electronic report on 29 July 2024 and is available at [www.goodmanreport.co.nz](http://www.goodmanreport.co.nz)

It includes business specific disclosures around climate-related risks and opportunities under various climate scenarios and timeframes.

<sup>1</sup> Operating earnings is a non-GAAP financial measure included to provide an assessment of the performance of GMT's principal operating activities. The calculation is set out in GMT's Statement of Comprehensive Income and in note 3.1 of the financial statements.

<sup>2</sup> Loan to value ratio is a non-GAAP financial measure used to assess the strength of GMT's balance sheet. The calculation is set out in note 2.6 of GMT's financial statements.

<sup>3</sup> Cash earnings is a non-GAAP measure that assesses free cash flow, on a per Unit basis, after adjusting for certain items. Calculation of GMT's cash earnings and underlying cash earnings is set out on page 25 of the 2024 Annual Report.

# FEES

The following fees and expenses were charged in respect of the Scheme in dollars and as a percentage of the Scheme's net assets for the 12 months to 31 March 2024.

Following Internalisation, GPS became the Manager of GMT with services provided directly on a cost recovery basis from 28 March 2024.

Fees and expenses description	Value (\$ million)	% of Scheme's net assets <sup>1</sup>
Valuation fees	1.1	0.04
Trustee fees	0.5	0.02
Auditor's fees	0.5	0.02
Other costs	1.5	0.05
<b>Fees/expenses charged by other persons</b>	<b>3.6</b>	<b>0.12</b>
Manager's base fee	18.9	0.61
Property management fees	4.5	0.15
Leasing fees	2.8	0.09
Acquisition and disposal fees	0.0	0.00
Minor project fees	1.1	0.04
Development management fees	13.1	0.42
<b>Fees charged by the Manager and its associated persons</b>	<b>40.4</b>	<b>1.30</b>
<b>Total Fees and Expenses</b>	<b>44.0</b>	<b>1.42</b>

<sup>1</sup> The net assets of the Scheme as at 31 March 2024 were \$3,099.1 million.

## Manager's base fee

Up to the date of Internalisation, the former Manager's base fee was calculated as 0.50% per annum of the book value of GMT's assets (other than cash, debtors and development land) up to \$500 million, plus 0.40% per annum of the book value of GMT's assets (other than cash, debtors and development land) greater than \$500 million.

## Manager's performance fee

Up to the date of Internalisation, the former Manager was entitled to be paid a performance fee equal to 10% of GMT's performance above a target return (which is calculated annually on 31 March), capped at 5% of annual out performance (except in a period in which GNZ ceases to hold office, or GMT terminates). The target return is equal to the annual return of a gross accumulation index created from NZX listed property entities having a principal focus on investment in real property, excluding GMT, (the "Peer Group") with the index being compiled by a suitably qualified and experienced person.

As part of Internalisation, a payment in lieu of the performance fee of \$14.7 million was paid to GNZ to settle GMT's performance fee obligations. This was calculated to be equivalent to the maximum performance fee payable in the year to 31 March 2024.

**Property management fees**

Up to the date of Internalisation, property management fees were paid to GPS for day to day management of properties.

**Leasing fees**

Up to the date of Internalisation, leasing fees were paid to GPS for executing leasing transactions.

**Acquisition and disposal fees**

Up to the date of Internalisation, acquisition and disposal fees were paid to GPS for executing sale and purchase agreements.

**Minor project fees**

Up to the date of Internalisation, minor project fees were paid for services provided to manage capital expenditure projects for stabilised properties.

**Development management fees**

Up to the date of Internalisation, development management fees were paid for services provided to manage capital expenditure projects for developments.

**Reimbursement of expenses for services provided**

Up to the date of Internalisation, certain services were provided by GPS instead of using external providers, with these amounts reimbursed on a cost recovery basis.

For more information in respect of the fees, please refer to the Scheme's financial statements, on the Disclose Register at [www.companies.govt.nz/disclose](http://www.companies.govt.nz/disclose), scheme number SCH11225.

**Changes to fees and expenses**

Fees and expenses charged by unrelated third parties for valuation, trustee, audit and other services are charged at a market rate and subject to change as contracts are renewed or changed.



# SCHEME PROPERTY

The table below summarises the assets of the Scheme which is extracted from the balance sheet as at 31 March 2024 and 31 March 2023:

\$ million	2024	2023
<b>Non-current assets</b>		
Investment property	4,533.9	4,791.2
Other assets	1.9	2.8
Investment property contracted for sale	1.4	0.0
Derivative financial instruments	38.4	42.9
Property, plant and equipment	3.8	0.0
Tax receivable	6.9	0.0
Deferred tax assets	30.1	0.0
Related party assets	56.5	0.0
<b>Total non-current assets</b>	<b>4,672.9</b>	<b>4,836.9</b>
<b>Current assets</b>		
Cash	9.4	6.6
Derivative financial instruments	3.8	0.0
Debtors and other assets	9.1	10.4
Tax receivable	2.3	0.0
Related party assets	19.4	0.0
<b>Total current assets</b>	<b>44.0</b>	<b>17.0</b>
<b>Total assets</b>	<b>4,716.9</b>	<b>4,853.9</b>

# CHANGES TO PERSONS INVOLVED IN THE SCHEME

During the accounting period, Phil Pryke retired as a Director of GNZ and was not replaced. The effective date of the change was 30 September 2023.

The Manager of the Scheme changed from GNZ to GPS on 28 March 2024 as part of Internalisation.

There have been no other changes to persons involved in the Scheme during the accounting period.

The Board of GPS comprises:

<b>Chair and Non-executive Director</b>	John Dakin
<b>Independent Directors</b>	Laurissa Cooney Leonie Freeman David Gibson Keith Smith
<b>Non-executive Director</b>	Gregory Goodman

# HOW TO FIND FURTHER INFORMATION

Copies of documents relating to the Scheme, such as the Trust Deed, SIPO and the annual financial statements are available on the Disclose Register at [www.companies.govt.nz/disclose](http://www.companies.govt.nz/disclose), scheme number SCH11225.

You have the right, free of charge and during normal office hours, to inspect that part of the Unit register that relates to your Units on giving 5 working days' notice to the Manager.

You also have the right, free of charge, on giving 5 working days' notice to the Manager and during normal office hours, to inspect a copy of the Trust Deed, SIPO and annual financial statements at the Manager's registered office, which is located at Level 2, 18 Viaduct Harbour Avenue, Auckland 1010.

Alternatively, you can obtain a copy free of charge by writing to us at PO Box 90940, Auckland 1142.

# CONTACT DETAILS AND COMPLAINTS

---

## MANAGER

### **Goodman Property Services (NZ) Limited**

Level 2, 18 Viaduct Harbour Avenue, Auckland 1010  
PO Box 90940, Victoria Street West, Auckland 1142  
Toll free: 0800 000 656  
Telephone: +64 9 375 6060  
Email: [info-nz@goodman.com](mailto:info-nz@goodman.com)  
Website: <https://nz.goodman.com>

---

## HELPLINE

The Manager has a dedicated toll free number, 0800 000 656 (+64 9 375 6073), which will connect Unitholders directly with the investor relations team who will assist with any queries.

---

## TRUSTEE AND SUPERVISOR

### **Covenant Trustee Services Limited**

Level 6, Crombie Lockwood Building, 191 Queen Street  
PO Box 4243, Auckland 1140  
Telephone: +64 9 302 0638

---

## REGISTRAR

### **Computershare Investor Services Limited**

Level 2, 159 Hurstmere Road, Takapuna  
Private Bag 92119, Victoria Street West, Auckland 1142  
Toll free: 0800 359 999 (within New Zealand)  
Telephone: +64 9 488 8777 (outside New Zealand)  
Facsimile: +64 9 488 8787  
Email: [enquiry@computershare.co.nz](mailto:enquiry@computershare.co.nz)

---

## COMPLAINTS

Complaints may be made to the Manager or Supervisor.

As a financial service provider registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008, the Manager is a member of an approved dispute resolution scheme (registration number FSP36542).

---

## FINANCIAL DISPUTE RESOLUTION

Freepost 231075  
PO Box 2272, Wellington 6140  
Toll Free: 0508 337 337 (within New Zealand)  
Telephone: +64 4 910 9952 (outside New Zealand)  
Email: [enquiries@fdr.org.nz](mailto:enquiries@fdr.org.nz)

There will be no fee charged to any complainant in connection with an investigation.

---

