Westpac Securities NZ Limited

Annual report

For the year ended 30 September 2025

Westpac Securities NZ Limited

Contents

This Annual Report covers Westpac Securities NZ Limited (the '**Company**') as an individual entity.
Westpac Securities NZ Limited is a company limited by shares, incorporated and domiciled in New Zealand. Its registered office is:

Westpac on Takutai Square
16 Takutai Square
Auckland

The members of the Board of Directors of the Company ('**Board**') at the signing date of these financial statements are Christopher Louis Hillier, Catherine Anne McGrath, and Stephen Richard O'Brien.

Dirk Christopher McLiesh resigned as Director of the Company on 29 November 2024 and Stephen Richard O'Brien was appointed as Director of the Company on 20 December 2024.

Westpac Securities NZ Limited

Directors' report

Pursuant to section 211(3) of the Companies Act 1993, the shareholder of the Company has agreed that the Annual Report of the Company need not comply with the requirements of paragraphs (a), and (e) to (j) of subsection (1) and subsection (2) of section 211.

Accordingly, there is no information to be included in the Annual Report other than the financial statements for the year ended 30 September 2025 and the independent auditor's report on those financial statements.

For and on behalf of the Board of Directors:

Director
18 November 2025

Director
18 November 2025

Westpac Securities NZ Limited

Statement of comprehensive income for the year ended 30 September 2025

	Note	2025 $'000	2024 $'000
Interest income - calculated using the effective interest rate method	2	**236,550**	170,448
Interest income - other	2	**155,913**	123,358
Interest expense	2	**(392,463)**	(293,806)
Net interest income		**–**	–
Non-interest income	3	**2,000**	1,990
Total non-interest income		**2,000**	1,990
Net operating income before operating expenses and impairment charges		**2,000**	1,990
Impairment (charges)/benefits	6	**(232)**	453
Operating expenses	4	**(1,974)**	(1,944)
Profit/(loss) before income tax expense		**(206)**	499
Income tax expense	7	**(7)**	(75)
Profit/(loss) after income tax expense		**(213)**	424
Other comprehensive income (net of tax)		**–**	–
Total comprehensive income/(loss) for the year		**(213)**	424

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Balance sheet as at 30 September 2025

	Note	2025 $'000	2024 $'000
Assets			
Cash and cash equivalents	10	**8,801**	9,229
Receivables due from related entities	14	**16,762,362**	14,641,787
Current tax asset		**372**	1,495
Total assets		**16,771,535**	14,652,511
Liabilities			
Payables due to related entities	14	**4,230**	3,431
Debt issues	11	**16,662,042**	14,572,787
Other financial liabilities	12	**98,332**	68,725
Total liabilities		**16,764,604**	14,644,943
Net assets		**6,931**	7,568
Shareholder's equity			
Share capital	13	**651**	651
Retained profits		**6,280**	6,917
Total shareholder's equity		**6,931**	7,568

The above balance sheet should be read in conjunction with the accompanying notes.

KPMG

Westpac Securities NZ Limited

Statement of changes in equity for the year ended 30 September 2025

		Attributable to owners of the Company		
		Share Capital	Retained Profits	Total
	Note	$'000	$'000	$'000
As at 1 October 2023		651	11,394	12,045
Year ended 30 September 2024				
Profit/(loss) after income tax expense		-	424	424
Total comprehensive income/(loss) for the year		-	424	424
Transactions with the owners:				
Dividends paid on ordinary shares	13	-	(4,901)	(4,901)
As at 30 September 2024		651	6,917	7,568
Year ended 30 September 2025				
Profit/(loss) after income tax		**–**	**(213)**	**(213)**
Total comprehensive income/(loss) for the year		**–**	**(213)**	**(213)**
Transactions with the owners:				
Dividends paid on ordinary shares	13	**–**	**(424)**	**(424)**
As at 30 September 2025		**651**	**6,280**	**6,931**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows for the year ended 30 September 2025

		2025	2024
	Note	$'000	$'000
Cash flows from operating activities			
Interest income received		**367,368**	270,876
Interest expense paid		**(269,968)**	(200,966)
Service fees received - related entities		**1,830**	2,300
Service fees paid - related entities		**(474)**	(1,144)
Operating expenses paid		**(1,203)**	(975)
Income tax refund/(paid)		**1,116**	(1,412)
Net cash provided by/(used in) operating activities	17	**98,669**	68,679
Cash flows from investing activities			
Net movement in receivables due from related entities		**9,400**	(29,684)
Net cash provided by/(used in) investing activities		**9,400**	(29,684)
Cash flows from financing activities			
Net movement in payables due to related entities		**502**	(16,302)
Proceeds from debt issues	11	**5,800,973**	6,534,502
Repayments of debt issues	11	**(5,909,548)**	(6,552,985)
Dividends paid on ordinary shares	13	**(424)**	(4,901)
Net cash provided by/(used in) financing activities		**(108,497)**	(39,686)
Net increase/(decrease) in cash and cash equivalents		**(428)**	(691)
Cash and cash equivalents at beginning of the year		**9,229**	9,920
Cash and cash equivalents at end of the year	10	**8,801**	9,229

The above statement of cash flows should be read in conjunction with the accompanying notes. Details of the reconciliation of net cash provided by/(used in) operating activities to profit/ (loss) after income tax expense are provided in Note 17.

Westpac Securities NZ Limited

Notes to the financial statements

Note 1. Financial statements preparation

These financial statements were authorised for issue by the Board on 18 November 2025. The Board has the power to amend and reissue the financial statements.

The principal activity of the Company (acting through its London branch) is to raise and manage offshore wholesale funding for Westpac New Zealand Limited ('**WNZL**'). The Company is a wholly-owned, indirect subsidiary of WNZL.

The accounting policies are set out below and in the relevant notes to the financial statements. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

a. Basis of preparation

(i) Basis of accounting

These financial statements are general purpose financial statements prepared in accordance with the requirements of the Financial Conduct Authority UK Listing Rules and comply with Generally Accepted Accounting Practice, applicable New Zealand equivalents to International Financial Reporting Standards ('**NZ IFRS**') and other authoritative pronouncements of the External Reporting Board ('**XRB**'), as appropriate for for-profit entities. These financial statements also comply with IFRS Accounting Standards, as issued by the International Accounting Standards Board.

All amounts in these financial statements have been rounded in thousands of New Zealand dollars unless otherwise stated.

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by applying fair value accounting to financial assets and financial liabilities measured at fair value through income statement ('**FVIS**').

(iii) Standards adopted during the year ended 30 September 2025

No new accounting standards have been adopted by the Company for the year ended 30 September 2025.There have been no amendments to existing accounting standards that have had a material impact on the Company.

(iv) Foreign currency translation

Functional and presentational currency

These financial statements are presented in New Zealand dollars which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange ('**FX**') gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

b. Financial assets and financial liabilities

(i) Recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the terms of the contract, which is generally on the settlement date (the date payment is made or cash is advanced).

(ii) Classification and measurement

The Company classifies its financial assets into the following categories: financial assets at FVIS and financial assets at amortised cost. Financial assets at FVIS relate to receivables due from related entities. Due from related entities balances are designated at FVIS when the related liability from debt issuances have been designated at FVIS in order to avoid an accounting mismatch. Financial assets at amortised cost include cash and cash equivalents and receivables due from related entities.

Financial assets and financial liabilities measured at FVIS are recognised initially at fair value. All other financial assets and financial liabilities are recognised initially at fair value plus or minus directly attributable transaction costs respectively.

Further details of the accounting policy for each category of financial asset or financial liability mentioned above is set out in the note for the relevant item.

The Company's policies for determining the fair value of financial assets and financial liabilities are set out in Note 16.

Financial assets

Financial assets are classified based on a) the business model within which the assets are managed, and b) whether the contractual cash flows of the instrument represent solely payments of principal and interest (**'SPPI**').

The Company determines the business model at the level that reflects how groups of financial assets are managed. When assessing the business model, the Company considers factors including how performance and risks are managed, evaluated and reported and the frequency and volume of, and reason for, sales in previous periods and expectations of sales in future periods.

When assessing whether contractual cash flows are SPPI, interest is defined as consideration primarily for the time value of money and the credit risk of the principal outstanding. The time value of money is defined as the element of interest that provides consideration only for the passage of time and not consideration for other risks or costs associated with holding the financial asset. Terms that could change the contractual cash flows so that they may not meet the SPPI criteria include contingent and leverage features, non-recourse arrangements, and features that could modify the time value of money.

Financial liabilities

The Company classifies its financial liabilities as follows: payables due to related entities, debt issues and other financial liabilities.

Financial liabilities are measured at amortised cost if they are not held for trading or designated at FVIS, otherwise they are measured at FVIS.

Westpac Securities NZ Limited

Notes to the financial statements

Note 1. Financial statements preparation (continued)

(iii) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired, or when the Company has either transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full under a 'pass through' arrangement and transferred substantially all the risks and rewards of ownership.

There may be situations where the Company has partially transferred the risks and rewards of ownership but has neither transferred nor retained substantially all the risks and rewards of ownership. In such situations, the asset continues to be recognised on the balance sheet to the extent of the Company's continuing involvement in the asset.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, the exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, with the difference in the respective carrying amounts recognised in the profit or loss.

The terms are deemed to be substantially different if the discounted present value of the cash flows under the new terms (discounted using the original effective interest rate) is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. Qualitative factors such as a change in the currency the instrument is denominated in, a change in the interest rate from fixed to floating and conversion features are also considered.

(iv) Impairment of financial assets

Impairment charges are based on an expected loss model which measures the difference between the current carrying amount and the present value of expected future cash flows taking into account past experience, current conditions and multiple probability-weighted macroeconomic scenarios for reasonably supportable future economic conditions.

Impairment charges are recognised in profit or loss, with a corresponding amount recognised as a reduction of the carrying value of the financial asset through an offsetting provision account.

c. Statement of cash flows

Operating, investing and financing activities

Operating activities are the principal revenue-producing activities of the Company and other activities that are not investing or financing activities. Investing activities are the acquisition and disposal of long-term assets and other investments that are not included in cash and cash equivalents. Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the Company.

d. Critical accounting assumptions and estimates

Applying the Company's accounting policies requires the use of judgement, assumptions and estimates which impact the financial information.

The significant assumptions and estimates used are discussed in the relevant notes below.

- Note 16 Fair value of financial instruments

e. Future developments in accounting standards

NZ IFRS 18 *Presentation and Disclosure in Financial Statements* (NZ IFRS 18) was issued in May 2024 and will be effective for the 30 September 2028 year end unless early adopted. NZ IFRS 18 will replace *NZ IAS 1 Presentation of Financial Statements*. This standard will not change the recognition and measurement of items in the financial statements, but will impact the presentation and disclosure in the financial statements, including:

- New categories and subtotals in the income statement to enhance comparability;
- Enhancing the disclosure of management defined performance measures; and
- Changes to the grouping of information in the financial statements to provide more useful information.

The Company is continuing to assess the impact of adopting NZ IFRS 18.

Other new standards and amendments to existing standards that are not yet effective are not expected to have a material impact on the Company.

Westpac Securities NZ Limited

Notes to the financial statements

Note 2. Net interest income

Accounting policy

Interest income and expense for all interest earning financial assets and interest-bearing financial liabilities, detailed within the table below, are recognised using the effective interest rate method.

The effective interest rate method calculates the amortised cost of a financial instrument by discounting the financial instrument's estimated future cash receipts or payments to their present value and allocates the interest income or interest expense, including any fees, costs, premiums or discounts integral to the instrument, over its expected life.

	2025	2024
	$'000	$'000
Interest income		
Calculated using the effective interest rate method		
Receivables due from related entities[1]	**236,550**	170,448
Total interest income calculated using the effective interest rate method	**236,550**	170,448
Other		
Receivables due from related entities[1]	**155,913**	123,358
Total other	**155,913**	123,358
Total interest income	**392,463**	293,806
Interest expense		
Calculated using the effective interest rate method		
Debt issues	**(224,954)**	(159,094)
Payables due to related entities[2]	**(11,596)**	(11,354)
Total interest expense calculated using the effective interest rate method	**(236,550)**	(170,448)
Other		
Debt issues	**(155,913)**	(123,358)
Total other	**(155,913)**	(123,358)
Total interest expense	**(392,463)**	(293,806)
Net interest income	**-**	-

[1]Includes interest income and guarantee fees recovery from related entities (refer to Note 14).

[2]Includes guarantee fees to related entities (refer to Note 14).

Note 3. Non-interest income

Accounting policy

Service fee income which arises from treasury services provided to WNZL is recognised in profit or loss when the performance obligation is satisfied when the related services are completed.

		2025	2024
	Note	**$'000**	$'000
Non-interest income			
Service fees received from related entities	14	**2,000**	1,990
Total non-interest income		**2,000**	1,990

Note 4. Operating expenses

		2025	2024
	Note	**$'000**	$'000
Bank charges		**1**	6
Services provided - related entities	14	**771**	969
Purchased services		**1,202**	969
Total operating expenses		**1,974**	1,944

Westpac Securities NZ Limited

Notes to the financial statements

Note 5. Auditor's remuneration

KPMG was appointed as the Company's external auditor, beginning 1 October 2024. As a result, auditor's remuneration for the financial year ended 30 September 2025 relates to fees for services provided by KPMG (KPMG New Zealand unless otherwise stated), whereas comparatives reflect fees paid to PwC (PwC New Zealand unless otherwise stated).

The audit fees for the audit of financial statements for the year ended 30 September 2025 amounting to $25,000 were borne by WNZL (30 September 2024: $41,895). Fees for other assurance services and other agreed-upon procedures engagements for the year ended 30 September 2025 amounting to $77,041 paid to PwC and $65,127 paid to PwC Australia by WNZL which related to agreed upon procedures for the issue of comfort letters and work on the Company's debt issuance programmes (30 September 2024: $78,051 to PwC and $65,783 to PwC Australia, borne by WNZL), due to the timing of the audit transition. No fees for other assurance services and other agreed-upon procedures engagements were paid to KPMG for the year ended 30 September 2025.

Note 6. Impairment charges/(benefits)

	2025	2024
	$'000	$'000
Provisions raised/(released):		
Performing	**232**	(453)
Non-performing	**–**	–
Total impairment charges/(benefits)	**232**	(453)

Note 7. Income tax expense

Accounting policy

Income tax

The income tax expense for the year represents current tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in other comprehensive income.

Current tax is the tax payable for the year using enacted or substantively enacted tax rates and laws. Current tax also includes adjustments to tax payable for previous years.

Goods and services tax ('GST')

Where applicable, revenue, expenses and assets are recognised net of GST, except to the extent that GST is not recoverable from Inland Revenue. In these circumstances, the GST is recognised as part of the expense or the cost of the asset.

	2025	2024
	$'000	$'000
Income tax expense		
Current tax:		
- Current year	**7**	13
- Prior year adjustments	**-**	62
Total income tax expense	**7**	75
Reconciliation of income tax expense to profit before income tax expense		
Profit/(loss) before income tax expense	**(206)**	499
Tax calculated at tax rate of 28% (30 September 2024: 28%)	**(57)**	140
Tax effect of amounts which are not (assessable)/deductible in calculating taxable income:		
Non-taxable income	**-**	-
Non-deductible/(non-taxable) impairment charges/(benefits)	**64**	(127)
Prior year adjustments	**-**	62
Total income tax expense	**7**	75

Note 8. Imputation credit account

	2025	2024
	$'000	$'000
Imputation credits available for use in subsequent reporting periods	**287**	684

Westpac Securities NZ Limited

Notes to the financial statements

Note 9. Credit risk management

Credit risk is the risk of financial loss where a customer or counterparty fails to meet their financial obligations. This arises primarily from the Company's provision of offshore wholesale funding to WNZL.

The Company's main exposure to risk arises as a consequence of the funding arrangement in place with WNZL and WNZL's guarantee of the Company's obligations. The Company, as noted above, is affected by the same principal risks that affect WNZL. A significant risk for WNZL is the risk of financial loss resulting from the failure of customers to honour fully the terms of their contract. Refer to Note 14 for information on expected credit loss ('**ECL**') provisions raised by the Company.

WNZL's Credit Risk Management Framework describes the principles, methodologies, systems, roles and responsibilities, reports and key controls for managing credit risk. Compliance with the framework policies is monitored and exposures and breaches are reported to WNZL's Board Risk and Compliance Committee.

Climate change-related credit risks are considered in line with Westpac Banking Corporation's ('**WBC**') Climate Change Position Statement and Action Plan. Climate change risks are managed in line with WNZL's Risk Management Framework which is supported by WNZL's Sustainability Risk Management Framework, WNZL's Climate Risk Policy, WNZL's Environmental, Social and Governance Credit Risk Policy and WNZL's Board Risk Appetite Statements. Where appropriate, these are applied at the portfolio, customer and transaction level.

WNZL Credit Risk Committee oversees work to identify and manage the potential impact on credit exposures from climate change-related transition and physical risks across WNZL and its controlled entities.

(i) External Credit Rating

The Company is a wholly-owned, indirect subsidiary of WNZL. WNZL has the following credit ratings with respect to its long-term senior unsecured obligations, including obligations payable in New Zealand in New Zealand dollars, as at 30 September 2025 and at the date the Directors signed these financial statements.

Credit ratings for WNZL

Rating agency	Current Credit Rating	Rating Outlook
Fitch Ratings	A+	Stable
Moody's Investors Service	A1	Stable
S&P Global Ratings	AA-	Stable

A credit rating is not a recommendation to buy, sell or hold securities of WNZL. Such ratings are subject to revision, qualification, suspension or withdrawal at any time by the assigning rating agency. Investors in WNZL's securities are cautioned to evaluate each rating independently of any other rating.

(ii) Fully performing

Contractual payments due from WNZL have been received by their contractual maturity date and are considered to be fully performing.

(iii) Concentration of credit exposure

This table below shows the Company's concentration of credit exposure which is also the Company's maximum exposure to credit risk. As discussed above, the Company is a wholly-owned, indirect subsidiary of WNZL and the principal activity of the Company is to raise and manage offshore wholesale funding for WNZL.

	Note	**2025** **$'000**	2024 $'000
On-balance sheet credit exposures consist of:			
Cash and cash equivalents	10	**8,801**	9,229
Receivables due from related entities	14	**16,762,362**	14,641,787
Total credit exposures		**16,771,163**	14,651,016

All credit exposures are within New Zealand and to the finance and insurance sector.

Note 10. Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash at bank and at call money market deposits.

	Note	**2025** **$'000**	2024 $'000
Cash and cash equivalents - with external parties		**148**	193
Cash and cash equivalents - WNZL	14	**8,653**	9,036
Total cash and cash equivalents		**8,801**	9,229

Westpac Securities NZ Limited

Notes to the financial statements

Note 11. Debt issues

Accounting policy

Debt issues are bonds, notes and commercial paper that have been issued by the Company.

Debt issues are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method or at fair value.

Debt issues are designated at fair value if they reduce or eliminate an accounting mismatch.

The change in the fair value that is due to credit risk is recognised in other comprehensive income except where it would create an accounting mismatch, in which case it is also recognised in non-interest income.

Interest expense incurred is recognised within net interest income.

In the table below, the distinction between short-term (less than 12 months) and long-term (greater than 12 months) debt is based on the original maturity of the underlying security.

	Note	**2025 $'000**	2024 $'000
Short-term debt			
Commercial paper		**2,746,345**	3,726,333
Total short-term debt		**2,746,345**	3,726,333
Long-term debt			
Euro medium-term notes		**7,246,202**	6,387,463
Covered bonds		**6,669,495**	4,458,991
Total long-term debt		**13,915,697**	10,846,454
Total debt issues		**16,662,042**	14,572,787
Debt issues measured at amortised cost	16	**13,915,697**	10,846,454
Debt issues measured at fair value	16	**2,746,345**	3,726,333
Total debt issues		**16,662,042**	14,572,787
Amounts expected to be settled within 12 months		**5,781,566**	4,511,197
Amounts expected to be settled after 12 months		**10,880,476**	10,061,590
Total debt issues		**16,662,042**	14,572,787

Movement Reconciliation

	2025 $'000	2024 $'000
Balance as at beginning of the year	**14,572,787**	14,773,902
Issuance	**5,800,973**	6,534,502
Maturities, repayments, buy-backs and reductions	**(5,909,548)**	(6,552,985)
Total cash movements	**(108,575)**	(18,483)
FX translation impact	**2,116,390**	(305,211)
Fair value adjustments	**(7,106)**	8,978
Other[1]	**88,546**	113,601
Total non-cash movements	**2,197,830**	(182,632)
Balance as at end of the year	**16,662,042**	14,572,787

[1]Includes items such as unwind of discount on issuance and amortisation of issue costs.

Note 12. Other financial liabilities

Accounting policy

Other financial liabilities include accrued interest payable on debt issues and are measured at amortised cost.

	2025 $'000	2024 $'000
Accrued interest payable on debt issues	**98,332**	68,725
Total other financial liabilities	**98,332**	68,725

The balance will be settled within 12 months.

Notes to the financial statements

Note 13. Shareholder's equity

Accounting policy

Ordinary shares are recognised at the amount paid up per ordinary share net of directly attributable issue costs.

Ordinary shares fully paid

	2025 Number of Shares Issued	2024 Number of Shares Issued
Balance at beginning of the year	**651,185**	651,185
Balance at end of the year	**651,185**	651,185

Ordinary shares

The ordinary shares have no par value. Ordinary shares entitle the holder to participate in dividends and, in the event of the Company winding up, to a share of the proceeds in proportion to the number of and amounts paid on the shares held. Each ordinary share entitles the holder to one vote, either in person or by proxy, at a shareholder meeting.

Dividends paid

In the year ended 30 September 2025, the Company paid dividends in respect of the ordinary shares amounting to $424,000 (30 September 2024: $4,901,000), being $0.65 per share (30 September 2024: $7.53 per share).

Note 14. Related entities

Accounting policy

Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions, or one other party controls both. Examples include subsidiaries, associates, joint ventures and superannuation plans as well as key management personnel and their related parties.

Receivables due from related entities

If receivables due from related entities have contractual cash flows which represent SPPI on the principal balance outstanding, they are classified at amortised cost if they are held with a business model which is achieved through holding the financial asset to collect these cash flows.

However, receivables due from related entities are measured at FVIS whereby doing so eliminates or reduces an accounting mismatch.

Due from related entities include financial assets at FVIS and loans, accrued interest receivable and other receivables measured at amortised cost.

Receivables due from related entities at FVIS

Initially measured at fair value with subsequent changes in fair value recognised in the profit or loss section of the statement of comprehensive income. Due from related entities balances are designated at FVIS when the related liability from debt issuances have been designated at FVIS in order to avoid an accounting mismatch.

Receivables due from related entities at amortised cost

Initially recognised at fair value plus or minus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method. They are presented net of provisions for ECL determined using the ECL model.

Payables due to related entities

This amount includes amounts due to other entities controlled by WBC.

Due to related entities includes borrowings, settlement account balances due to related entities and debt issues held by related entities. They are measured at amortised cost.

Ultimate Parent Company

The Company is a wholly-owned subsidiary of Westpac NZ Operations Limited ('**WNZOL**'). The Company is also an indirect, wholly-owned subsidiary of WNZL. WNZL's Disclosure Statement is available, free of charge, at www.westpac.co.nz. The ultimate parent company is WBC, which is incorporated in Australia and whose financial statements are available, free of charge, at www.westpac.com.au.

Westpac Securities NZ Limited

Notes to the financial statements

Note 14. Related entities (continued)

Nature of Transactions

Current account banking facilities and other financial products are provided by WNZL and the WBC London Branch to the Company on normal commercial terms. This includes a borrowing facility with the WBC London Branch with a limit of Australian Dollars $300,000,000. This facility remains undrawn as at 30 September 2025 (30 September 2024: facility limit Australian Dollars $300,000,000, undrawn).

The Company received interest income on the loan to WNZL. The outstanding balance at year-end is included in accrued interest due from WNZL.

The Company raised offshore wholesale funding and on-lent all amounts raised or borrowed to WNZL on the same terms as the external debt issues.

The Company received service fees from WNZL to recover operating expenses incurred by the Company. The outstanding balance at year-end is included in Other receivables due from WNZL.

WNZL guarantees the due and punctual payment of all sums payable to the holders of the debt securities issued by the Company, the proceeds of which are immediately on-lent to WNZL. The outstanding balances at year-end are included in financial assets at FVIS due from WNZL and loan to WNZL. As the proceeds of the debt issuances are immediately on-lent to WNZL, the aggregate amount guaranteed by WNZL is already reflected in WNZL's balance sheet as part of the amounts due to related entities.

The Company paid WNZL and WBC for certain operating services provided to the Company. The outstanding balance at year-end is included in due to WNZL and WBC.

The Company issued bonds under the Global Covered Bond programme ('**CB Programme**'). Investors of debt securities issued by the Company under the CB Programme also have recourse: first, to WNZL as WNZL guarantees all the debt securities issued by the Company and second, to Westpac NZ Covered Bond Limited ('**WNZCBL**'). WNZCBL is a special purpose entity which was set up to hold housing loans and to provide a financial guarantee for the debt securities issued by the Company under the CB Programme. The financial guarantee is supported by WNZCBL granting security over the cover pool (comprising the housing loans and cash held). WNZL is considered to control WNZCBL based on certain contractual arrangements existing between WNZCBL and WNZL, and as such WNZCBL is consolidated in the financial statements of WNZL Group.

Certain debt instruments issued by the Company are held by WBC and are recorded as a payable to WBC.

The Company paid guarantee fees to WNZCBL. The outstanding balance at year-end is included in payables due to WNZCBL.

The Company recovered from WNZL the guarantee fees paid to WNZCBL. The outstanding balance at year-end is included in other receivables due from WNZL.

As at 30 September 2025, the Company has recognised a provision for ECL on the loan receivable from WNZL of $2,059,731 (30 September 2024: $1,828,000).

The audit fees for the current year and prior year have been borne by WNZL, refer to Note 5.

Refer to Note 13 for information on dividends paid by the Company to its parent entity in the current and prior year.

Transactions with related entities

	Note	**2025 $'000**	2024 $'000
Dividend paid			
Dividend paid to WNZOL	13	**424**	4,901
Income			
Interest income from WNZL[1]		**380,867**	282,452
Guarantee fees recovery from WNZL[1]		**11,596**	11,354
Service fees from WNZL[2]	3	**2,000**	1,990
Total income		**394,463**	295,796
Expenses			
Interest expense on debt issues to WBC[3]		**11**	62
Guarantee fees to WNZCBL[3]		**11,596**	11,354
Operating expenses to WNZL and WBC[4]	4	**771**	969
Total expenses		**12,378**	12,385

[1]*Included in interest income in the statement of comprehensive income (refer to Note 2).*

[2]*Included in non-interest income in the statement of comprehensive income (refer to Note 3).*

[3]*Included in interest expense in the statement of comprehensive income (refer to Note 2).*

[4]*Included in operating expenses in the statement of comprehensive income (refer to Note 4).*

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Westpac Securities NZ Limited

Notes to the financial statements

Note 14. Related entities (continued)

Due from and to related entities

	Note	2025 $'000	2024 $'000
Cash and cash equivalents			
Deposits held with WNZL	10	**8,653**	9,036
Total cash and cash equivalents		**8,653**	9,036
Receivables due from related entities			
Accrued interest due from WNZL		**127,915**	112,337
Other receivables due from WNZL		**2,108**	336
Financial assets at FVIS due from WNZL		**2,716,811**	3,682,782
Loan to WNZL	16	**13,917,588**	10,848,160
Provision for ECL on loans - WNZL		**(2,060)**	(1,828)
Total receivables due from related entities	15	**16,762,362**	14,641,787
Total receivables due from related entities including cash and cash equivalents		**16,771,015**	14,650,823
Settlement profile:			
Amounts expected to be settled within 12 months		**5,863,645**	4,561,212
Amounts expected to be settled after 12 months		**10,898,717**	10,080,575
Total receivables due from related entities		**16,762,362**	14,641,787
Payables due to related entities			
Due to WNZL and WBC		**3,054**	2,552
Due to WNZCBL		**1,176**	879
Total payables due to related entities	15	**4,230**	3,431
Settlement profile:			
Amounts expected to be settled within 12 months		**3,623**	3,431
Amounts expected to be settled after 12 months		**607**	–
Total payables due to related entities		**4,230**	3,431

Loan advances comprises of fixed and variable rate loans, which are interest bearing and interest is charged on normal commercial terms. For variable loans, the Bank Bill Reference rate ('**BKBM**') or Alternative Reference Rate ('**ARR**') plus margin is applied. Non-loan related amounts owing to related entities are normally settled within 90 days. Other amounts due are in relation to services provided and are settled in accordance with the terms of the transaction.

Key management personnel compensation

Key management personnel is defined as being Directors of the Company, who are also employees of WNZL. During the year, the Company did not make any payments to its key management personnel (30 September 2024: nil). Apportioning the compensation received by the Directors in their capacity as WNZL employees would not be material to the Company's financial statements.

Note 15. Risk management, liquidity risk and market risk

The principal activity of the Company is to raise and manage offshore wholesale funding for WNZL, in respect of which the Company is a wholly-owned, indirect subsidiary. The risk exposures of the Company arise as a consequence of its debt funding activities.

The Company's business activities are subject to risks that can adversely impact its future performance and financial condition. The Company is affected by the same principal risks and uncertainties which affect WNZL. This is because the Company is an indirect, wholly-owned subsidiary of WNZL, the Company's debt issuances are guaranteed by WNZL, and all proceeds of such debt issuance are on-lent to WNZL.

The principal risks and uncertainties are not the only ones the Company may face. Additional risks and uncertainties of which the Company may be unaware, or those that are deemed to be immaterial, may become important factors that affect the Company in the future. If any of the risks actually occur, the Company's business, results of operations or financial condition could be materially adversely affected.

Any risks arising from offshore wholesale funding is passed through under the principal terms of the loan to WNZL. The Company charges WNZL a service fee to cover day-to-day cost of operations.

As an indirect wholly-owned subsidiary of WNZL, the Company operates within the governance and risk management frameworks of WNZL. These frameworks support effective and efficient decision-making through established reporting obligations to the Board as well as measures of staff performance. The Company regards the management of risk to be a fundamental management activity. Supporting this approach is WNZL's risk management strategy that supports a holistic approach to risk management across all risk categories.

Categories of financial risk

The Company maintains a risk-reward oriented approach to creating shareholder value utilising a range of supporting frameworks covering all material risk classes. The Company distinguishes between different risk types and takes an integrated approach to managing them. These key risks are:

- Credit risk: the risk of financial loss when a customer or counterparty fails to meet their financial obligations. Refer to Note 9 Credit risk management;
- Liquidity risk: the risk that the Company will be unable to fund assets and meet its payment obligations as they come due;
- Market risk: the risk of an adverse impact on earnings resulting from changes in market factors, such as FX rates and interest rates.

Additional details surrounding the risk management activities relating to the management of the financial risks are discussed below.

Westpac Securities NZ Limited

Notes to the financial statements

Note 15. Risk management, liquidity risk and market risk (continued)

a. Liquidity risk

Liquidity risk is the risk that the Company will not be able to fund assets and meet obligations as they come due, without incurring unacceptable losses.

The liquidity risk within the Company is managed by matching the terms of funding with the terms of receivables from WNZL. There is no material payment mismatch between the Company's financial assets and financial liabilities.

WNZL's Treasury department ('**WNZL Treasury**') is responsible for liquidity management, including for WNZL and the Company. WNZL Treasury is also responsible for monitoring WNZL's funding bases and ensuring it is prudentially maintained and adequately diversified.

(i) Maturity profile

The following liquidity analysis of financial assets and liabilities presents the contractual undiscounted cash flows receivable and payable and is based on the remaining period, as at balance date, to the contractual maturity. The balances in the tables below may not agree to the balance sheet as the tables incorporate all cash flows on an undiscounted basis, including both principal and associated future interest income/expense accruals.

	30 September 2025						
	On Demand	Up to 1 Month	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets							
Cash and cash equivalents	**8,801**	**–**	**–**	**–**	**–**	**–**	**8,801**
Receivables due from related entities	**–**	**694,204**	**1,473,207**	**3,918,946**	**10,984,835**	**417,490**	**17,488,682**
Total undiscounted financial assets	**8,801**	**694,204**	**1,473,207**	**3,918,946**	**10,984,835**	**417,490**	**17,497,483**
Financial liabilities							
Payables due to related entities	**1,856**	**1,256**	**–**	**506**	**612**	**–**	**4,230**
Debt issues	**–**	**692,087**	**1,452,889**	**3,842,469**	**10,984,220**	**417,490**	**17,389,155**
Other financial liabilities	**–**	**2,117**	**20,319**	**75,896**	**–**	**–**	**98,332**
Total undiscounted financial liabilities	**1,856**	**695,460**	**1,473,208**	**3,918,871**	**10,984,832**	**417,490**	**17,491,717**

	30 September 2024						
	On Demand	Up to 1 Month	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets							
Cash and cash equivalents	9,229	–	–	–	–	–	9,229
Receivables due from related entities	–	5,816	932,011	3,818,329	10,081,978	366,824	15,204,958
Total undiscounted financial assets	9,229	5,816	932,011	3,818,329	10,081,978	366,824	15,214,187
Financial liabilities							
Payables due to related entities[1]	1,050	1,060	–	–	1,321	–	3,431
Debt issues	–	5,816	932,011	3,812,949	10,021,467	362,681	15,134,924
Other financial liabilities	–	–	–	5,386	59,196	4,143	68,725
Total undiscounted financial liabilities	1,050	6,876	932,011	3,818,335	10,081,984	366,824	15,207,080

[1] Comparatives have been revised to align to current year presentation.

Notes to the financial statements

Note 15. Risk management, liquidity risk and market risk (continued)

(ii) Concentration of funding

	Note	**2025 $'000**	2024 $'000
Funding consists of			
Payables due to related entities	14	**4,230**	3,431
Debt issues	11	**16,662,042**	14,572,787
Other financial liabilities	12	**98,332**	68,725
Total funding		**16,764,604**	14,644,943
Analysis of funding by product:			
Commercial paper		**2,746,345**	3,726,333
Euro medium-term notes		**7,246,202**	6,387,463
Covered Bonds		**6,669,495**	4,458,991
Other financial liabilities		**98,332**	68,725
Payables due to related entities		**4,230**	3,431
Total funding		**16,764,604**	14,644,943
Analysis of funding by geographical areas:			
Within New Zealand		**3,032**	1,929
Overseas		**16,761,572**	14,643,014
Total funding		**16,764,604**	14,644,943
Analysis of funding by industry sector:			
Finance and insurance		**16,764,604**	14,644,943
Total funding		**16,764,604**	14,644,943

The geographic region used for debt issues is based on the nature of the debt programmes. The nature of the debt programmes is used as a proxy for the location of the original purchaser. These instruments may have subsequently been on-sold.

Australian and New Zealand Standard Industrial Classification has been used as the basis for disclosing industry sectors.

b. Market risk

Market risk is the risk of an adverse impact on earnings resulting from changes in market risk factors. The Company is primarily exposed to interest rate risk and foreign currency risk.

Notes to the financial statements

Note 15. Risk management, liquidity risk and market risk (continued)

(i) Interest rate risk

Interest rate risk is the potential loss arising from the changes in the value of financial instruments due to changes in market interest rates or their implied volatility. Financial instruments with floating rate interest expose the Company to cash flow interest rate risk, whereas financial instruments with fixed rate interest expose the Company to fair value interest rate risk. The table below summarises the Company's exposure to interest rate risk. It includes the Company's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates. The interest repricing profile of financial instruments is as follows:

	30 September 2025						
	Up to 3 Months	**Over 3 Months and Up to 6 Months**	**Over 6 Months and Up to 1 Year**	**Over 1 Year and Up to 2 Years**	**Over 2 Years**	**Non-Interest Bearing**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets							
Cash and cash equivalents	**–**	**–**	**–**	**–**	**–**	**8,801**	**8,801**
Receivables due from related entities	**2,233,984**	**3,036,302**	**480,946**	**4,762,799**	**6,135,917**	**112,414**	**16,762,362**
Total financial assets	**2,233,984**	**3,036,302**	**480,946**	**4,762,799**	**6,135,917**	**121,215**	**16,771,163**
Non-financial assets							**372**
Total assets							**16,771,535**
Financial liabilities							
Payables due to related entities	**–**	**506**	**–**	**607**	**–**	**3,117**	**4,230**
Debt issues	**2,260,504**	**3,035,221**	**483,779**	**4,756,298**	**6,124,178**	**2,062**	**16,662,042**
Other financial liabilities	**–**	**–**	**–**	**–**	**–**	**98,331**	**98,332**
Total financial liabilities	**2,260,504**	**3,035,727**	**483,779**	**4,756,905**	**6,124,178**	**103,510**	**16,764,604**
Total liabilities							**16,764,604**
Net financial (liabilities)/assets subject to interest rate risk	**(26,520)**	**575**	**(2,833)**	**5,894**	**11,739**		

	30 September 2024						
	Up to 3 Months	**Over 3 Months and Up to 6 Months**	**Over 6 Months and Up to 1 Year**	**Over 1 Year and Up to 2 Years**	**Over 2 Years**	**Non-Interest Bearing**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets							
Cash and cash equivalents	–	–	–	–	–	9,229	9,229
Receivables due from related entities	2,301,010	1,977,325	189,255	2,626,452	7,436,900	110,845	14,641,787
Total financial assets	2,301,010	1,977,325	189,255	2,626,452	7,436,900	120,074	14,651,016
Non-financial assets							1,495
Total assets							14,652,511
Financial liabilities							
Payables due to related entities	–	–	–	1,314	–	2,117	3,431
Debt issues	2,315,639	2,002,978	192,580	2,625,050	7,436,540	–	14,572,787
Other financial liabilities	–	–	–	–	–	68,725	68,725
Total financial liabilities	2,315,639	2,002,978	192,580	2,626,364	7,436,540	70,842	14,644,943
Total liabilities							14,644,943
Net financial (liabilities)/assets subject to interest rate risk	(14,629)	(25,653)	(3,325)	88	360		

The Company manages its exposure to interest rate risk by matching the market risk exposures on financial liabilities with financial assets due from WNZL, therefore there is no material unmatched interest rate risk in the Company, and any changes in market interest rates will not materially affect the statement of comprehensive income and equity of the Company.

Note 15. Risk management, liquidity risk and market risk (continued)

(ii) Structural FX risk

The Company operates a London branch that gives rise to an immaterial amount of structural FX rate risk from translating foreign currency earnings and net assets into New Zealand dollars in the financial statements.

As with managing its exposure to interest rate risk, the Company mitigates its direct FX exposures by matching the currency of liabilities arising from wholesale funding with that of receivables from WNZL. This means any changes in the foreign currency rate associated with the debt issues will not materially affect the statement of comprehensive income and equity of the Company.

Note 16. Fair value of financial instruments

Accounting policy

The fair value of a financial instrument 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.

On initial recognition, the transaction price generally represents the fair value of the financial instrument unless there is observable information from an active market to the contrary. Where unobservable information is used, the difference between the transaction price and the fair value (day one profit or loss) is only recognised in profit or loss when the inputs become observable, or over the life of the instrument.

Critical accounting assumptions and estimates

The majority of valuation models used by the Company employ only observable market data as inputs. However, for certain financial instruments, data may be employed which is not readily observable in current markets.

The availability of observable inputs is influenced by factors such as:

- Product type;
- Depth of market activity;
- Maturity of market models; and
- Complexity of the transaction.

Where unobservable market data is used, more judgement is required to determine fair value. The significance of these judgements depends on the significance of the unobservable input to the overall valuation. Unobservable inputs are generally derived from other relevant market data and adjusted against:

- Industry standards;
- Economic models; and
- Observed transaction prices.

In order to determine a reliable fair value for a financial instrument, management may apply adjustments to the techniques previously described. These adjustments reflect the Company's assessment of factors that market participants would typically consider in setting the fair value.

These adjustments incorporate bid/offer spreads, credit valuation adjustments and funding valuation adjustments.

Fair Valuation Control Framework

The Company uses a Fair Valuation Control Framework where the fair value is either determined or validated by a function independent of the transaction. This framework formalises the policies and procedures used to achieve compliance with relevant accounting, industry and regulatory standards. The framework includes specific controls relating to:

- the revaluation of financial instruments;
- independent price verification;
- fair value adjustments; and
- financial reporting.

The method of determining fair value differs depending on the information available.

Fair value hierarchy

A financial instrument's categorisation within the valuation hierarchy is based on the lowest level input that is significant to the fair value measurement.

The Company categorises all fair value instruments according to the hierarchy described below.

Valuation techniques

The specific valuation techniques, the observability of the inputs used in valuation models and the subsequent classification for each significant product category are outlined below:

Financial instruments measured at fair value

Level 1 instruments

The fair value of financial instruments traded in active markets based on recent unadjusted quoted prices. These prices are based on actual arm's length basis transactions.

The valuations of Level 1 instruments require little or no management judgement.

There are no financial instruments included in the Level 1 category (30 September 2024: nil).

Notes to the financial statements

Note 16. Fair value of financial instruments (continued)

Level 2 instruments

The fair value for financial instruments that are not actively traded are determined using valuation techniques which maximise the use of observable market inputs. Valuation techniques include:

- the use of market standard discounting methodologies;
- option pricing models; and
- other valuation techniques widely used and accepted by market participants.

Instrument	**Balance sheet category**	**Includes**	**Valuation**	**2025 $'000**	**2024 $'000**
Debt issues at fair value	Debt issues	Commercial paper	Discounted cash flows, using a discount rate which reflects the terms of the instrument and the timing of cash flows adjusted for market observable changes in the Company's implied creditworthiness.	2,746,345	3,726,333
Financial assets at FVIS due from WNZL	Receivables due from related entities	Loans	Discounted cash flows, using a discount rate which reflects the terms of the instrument and the timing of cash flows adjusted for market observable changes in the applicable credit rating of WNZL.	2,716,811	3,682,782

Level 3 instruments

Financial instruments valued where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data due to illiquidity or complexity of the product.

There are no financial instruments included in the Level 3 category (30 September 2024: nil).

Analysis of movements between fair value hierarchy levels

The Company considers transfers between levels, if any, to have occurred at the end of the reporting period. During the year, there were no transfers between levels of the fair value hierarchy (30 September 2024: no transfers between levels).

Financial instruments not measured at fair value

For financial instruments not carried at fair value on a recurring basis on the balance sheet, including amounts due from and due to related entities, fair value has been derived as follows:

Instrument	**Valuation technique**
Loan to WNZL	Where available, the fair value of loans is based on observable market transactions; otherwise fair value is estimated using discounted cash flow models. For variable rate loans, the discount rate used is the current effective interest rate. The discount rate applied for fixed rate loans reflects the market rate for the maturity of the loan and the credit worthiness of the borrower.
Debt issues at amortised cost	Discounted cash flows, using a discount rate which reflects the terms of the instrument and the timing of cash flows adjusted for market observable changes in the applicable credit rating of the Company.
All other financial assets and financial liabilities	For all other financial assets and financial liabilities, the carrying value approximates the fair value. These items are either short-term in nature or reprice frequently, and are of a high credit rating.

The following table below summarises the estimated fair value of the Company's financial instruments not measured at fair value.

		30 September 2025		**30 September 2024**	
		Total Carrying Amount	**Estimated Fair Value (Level 2)**	Total Carrying Amount	Estimated Fair Value (Level 2)
	Note	**$'000**	**$'000**	$'000	$'000
Financial assets					
Loan included in receivables due from related entities - WNZL	14	**13,917,588**	**13,741,912**	10,848,160	10,575,088
Total loan to WNZL measured at amortised cost		**13,917,588**	**13,741,912**	10,848,160	10,575,088
Financial liabilities					
Debt issues measured at amortised cost	11	**13,915,697**	**13,766,774**	10,846,454	10,574,145
Total debt issues measured at amortised cost		**13,915,697**	**13,766,774**	10,846,454	10,574,145

Westpac Securities NZ Limited

Notes to the financial statements

Note 17. Reconciliation of net cash provided by/(used in) operating activities to profit after income tax expense

	2025	2024
	$'000	$'000
Profit/(loss) after income tax expense	**(213)**	424
Adjustments:		
Unwind of discount on issuance	**85,992**	89,623
Impairment charges/(benefits) on loans	**232**	(453)
Movement in accrued assets	**(18,369)**	(15,177)
Movement in accrued liabilities	**29,904**	(4,401)
Movement in tax balances	**1,123**	(1,337)
Net cash provided by/(used in) operating activities	**98,669**	68,679

Note 18. Capital

There are no externally imposed capital requirements on the Company. The Company is a wholly-owned subsidiary of WNZOL which itself is a part of WNZL Banking Group. Capital for the Company is managed as part of the WNZL Banking Group.

Note 19. Segment information

Operating segments are reported to the chief operating decision maker in a manner consistent with the financial statements. For this reason, no additional operating segment disclosure is made.

The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Company has determined that the group of Directors of the Company is its chief operating decision maker. The Directors of the Company are listed on page 1. This reflects that the Company is a wholly-owned, indirect subsidiary of WNZL and that the principal activity of the Company is to raise and manage offshore wholesale funding for WNZL.

Revenue from products and services

The Company does not generate any revenue from external customers.

Secondary reporting – geographic segments

All revenue is sourced from New Zealand. On this basis, no geographical segment information is provided.

Note 20. Contingent assets, contingent liabilities and commitments

There were no contingent assets, contingent liabilities or unrecognised contractual commitments as at 30 September 2025 (30 September 2024: nil).

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Independent Auditor's Report

To the shareholder of Westpac Securities NZ Limited

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements which comprise:

- the balance sheet as at 30 September 2025;
- the statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements of Westpac Securities NZ Limited (the **Company**) on pages 3 to 19 presents fairly in all material respects the Company's financial position as at 30 September 2025 and its financial performance and cash flows for the year ended on that date, in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) issued by the the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Westpac Securities NZ Limited 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 and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

Our firm has provided other services to the Company in relation to agreed upon procedures in respect of the debt issuance programmes. Subject to certain restrictions, partners and employees of our firm may also deal with the Company on normal terms within the ordinary course of trading activities of the business of the Company. These matters have not impaired our independence as auditor of the Company. The firm has no other relationship with, or interest in, the Company.

Other information

The Directors, on behalf of the Company, are responsible for the other information. The other information comprises 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 any other information and we do not express any form of 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 materially misstated.

If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The financial statements of the Company, for the year ended 30 September 2024 was audited by another auditor who expressed an unmodified opinion on those statements on 27 November 2024.

Use of this independent auditor's report

This independent auditor's report is made solely to the shareholder. Our audit work has been undertaken so that we might state to the shareholder those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholder for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of Directors for the financial statements

The Directors, on behalf of the Company, are responsible for:

— the preparation and fair presentation of the financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;

— implementing the necessary internal control to enable the preparation of a set of financial statements that is free from material misstatement, whether due to fraud or error; and

— assessing the ability of the Company to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objective is:

— 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 independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from 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.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-8/

This description forms part of our independent auditor's report.

KPMG

KPMG
Auckland

18 November 2025