

Quayside Holdings Limited and Subsidiaries

Consolidated Annual Financial Statements

**For the year ended
30 June 2025**

Quayside Holdings Limited and Subsidiaries

For the year ending 30 June 2025

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF QUAYSIDE HOLDINGS LIMITED

The Auditor-General is the auditor of Quayside Holdings Limited and its controlled entities (collectively referred to as "the Group"). The Auditor-General has appointed me, Ed Loudon, using the staff and resources of KPMG, to carry out the audit of the consolidated annual financial statements and the performance information of the Group on his behalf.

Opinion

We have audited the consolidated annual financial statements of the Group on pages 8 to 65, that comprise the consolidated statement of financial position as at 30 June 2025 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of material accounting policy information; and the performance information of the Group on pages 66 to 71.

In our opinion, the consolidated annual financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2025, and its consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended in accordance with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards; and the performance information of the Group presents fairly, in all material respects, the Group's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Group's objectives for the year ended 30 June 2025.

Basis for opinion

We conducted our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual financial statements and the performance information* section of our report. We are independent of the Group in accordance with the Auditor-General's Auditing Standards, which incorporate 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, as applicable to audits of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Auditor-General's Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In addition to the audit we have carried out engagements in the area of Agreed Upon Procedures and GHG pre-assurance services for subsidiaries within the Group, which are compatible with those



independence requirements. Other than in our capacity as auditor and the above mentioned engagements, we have no relationship with, or interests in, the Group or any of its subsidiaries.

Key audit matters

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

Description of key audit matter	How we addressed this matter
Rangiuru Business Park ('RBP') – Classification and valuation of investment property	
<p>Refer to note 5 and 19 of the financial statements. RBP is considered a key audit matter for the following reasons:</p> <ul style="list-style-type: none"> - The classification of RBP land as investment property, instead of inventory, requires a high degree of judgement as the Group is currently evaluating a range of options around actions to be taken, and their timing, with the development of the Business Park. - RBP land is recorded at fair value. The determination of which involves significant judgement. - A high level of judgement is required when assessing recognition of Financial Contributions ('FINCOs') recoverable from 3rd party landowners. <p>As at 30 June 2025, the Group has spent \$113.1m in FINCOs for the development of the enabling infrastructure at the RBP, of which a portion is capitalised as Investment Property and a portion is recognised as an expense.</p> <p>RBP is split into 4 stages of which the Group owns land within Stages 1 and 2. The FINCOs not attributable to Stage 1 or 2 (Investment Property owned by the Group), are recoverable at a future date, if the other landowners within RBP choose to</p>	<p>When assessing the classification of RBP land as investment property, we have:</p> <ul style="list-style-type: none"> - Obtained and reviewed Management's assessment of the future objective of the development of RBP. - Engaged KPMG Accounting Advisory Specialists to assist with the review of accounting considerations. - Considered key indicators of intention, including expected land sales, minutes of Board meetings and strategy documents. - Assessed the accuracy of the disclosures in the financial statements relating to RBP. <p>When assessing the valuation of RBP, we have:</p> <ul style="list-style-type: none"> - Assessed the competence, objectivity and independence of the valuers engaged by Management, including an assessment of their professional qualifications and experience. - Assessed the Investment Property valuation methodologies against the requirements of NZ IFRS. - Obtained, assessed and agreed key observable inputs used in the Investment Property valuations to supporting documentation.



<p>develop their land. This is not within the control of the Group.</p>	<ul style="list-style-type: none"> - Compared and analysed assumptions that have had a significant impact on the fair value, when compared to the prior year. - Reviewed valuation related disclosures against the applicable financial reporting standards. <p>When assessing the recognition of FINCOs recoverable from 3rd partner landowners, we have:</p> <ul style="list-style-type: none"> - Agreed, on a sample basis, the accuracy of FINCOs recognised by the Group. - Assessed whether the recognition of FINCOs as either Investment Property or expenditure was consistent with the accounting position adopted. - Assessed the recognition of FINCOs recoverable from 3rd party landowners as a contingent asset. <p>As a result of the above procedures, we are satisfied the classification, valuation and disclosure of RBP related matters is appropriate.</p>
Valuation of property, plant and equipment	
<p>Refer to note 9 of the financial statements.</p> <p>The Group has property, plant and equipment ('PP&E') of \$2,505 million.</p> <p>The Group has a policy of valuing land, buildings, wharves, hardstanding and harbour improvements ('Revalued PP&E') at fair value. Full Independent valuations are obtained at least every 3 years (by an independent valuer) over these asset classes.</p> <p>If during the three-year revaluation cycle there are indicators that the fair value of a particular asset class may differ materially from its carrying value, an interim revaluation of that asset class is undertaken.</p> <p>In the current year, the fair value of land and buildings was revalued by independent valuers.</p> <p>The revalued PP&E is considered a key audit matter due to the judgement involved in the</p>	<p>Our procedures focused on the appropriateness of the Group's assessment as to whether the carrying values of Revalued PP&E materially represent their fair values, and if a revaluation of a class of asset was required, that the revalued assets have been accurately reflected in the financial statements.</p> <p>For land and buildings we have:</p> <ul style="list-style-type: none"> - Assessed the competence and objectivity of the valuer used by the Group; - Assessed the methodology applied by the valuer and assessed whether the valuation approach was in accordance with professional valuation standards and suitable for determining the fair value of the identified assets; - Compared the asset holdings in the fixed asset register to those valued to ensure all relevant property was included in the valuation; - Compared the key assumptions within each assessment to market evidence;



<p>assessment of the fair value and the material value of PP&E on the balance sheet.</p>	<ul style="list-style-type: none"> - Assessed the reasonableness of valuation movements between financial years with consideration to broader sector/local market evidence (where available); and - Assessed whether the increase in valuation was correctly accounted for within the Revaluation Reserve and Statement of Comprehensive Income. For wharves & hardstanding's and harbour improvements we have: - Assessed the competence and objectivity of the valuer used by the Group to perform the assessment of indicators of change in fair value; - Compared the methodologies used for the assessment to the valuation methodologies used in the most recent valuation; and assessed whether the key assumptions (unit costs and on-costs inflation/escalation) and the relevant data (price indices and depreciation) used by the Group were appropriate with regard to observable data points. <p>As a result of the above procedures, we are satisfied the carrying value of property, plant and equipment is reasonable and supportable. We are also satisfied with the adequacy of disclosures.</p>
Acquisition of Northport Group Limited	
<p>Refer to note 11 of the financial statements.</p> <p>On 26 June 2025, the Group sold its 50% share of Northport Limited (Northport) to Marsden Maritime Holdings Limited (MMH), in exchange for a 50% interest in the newly incorporated Northport Group Limited (NGL), which is classified as a joint venture</p> <p>The investment in Northport was previously accounted for using the equity method. As of the date of disposal, the carrying amount of the investment in Northport was \$102.7 million and the fair value of the shares received in NGL was determined to be \$151.9 million.</p> <p>The Group has recorded a gain on disposal of Northport of \$49.2 million.</p> <p>The acquisition of NGL is considered to be a key audit matter due to the complexity in the</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - We obtained and reviewed management's assessment of the accounting treatment of the transaction. This included the disposal of the 50% interest in Northport Limited and the assessment of control for the 50% interest acquired in NGL. - We reviewed governing documents for NGL to assess elements of control in accordance with the applicable accounting framework. - We engaged internal accounting specialists to review and challenge the accounting treatment in respect of the derecognition on disposal and recognition on acquisition. - Assessed the determination of the fair value of the shares in NGL against market evidence, primarily being the executed purchase



<p>application of the accounting standards to the disposal of Northport and the assessment of control of NGL.</p>	<p>of Marsden Maritime Holdings Limited (MMH) shares from minority shareholders.</p> <p>- We agreed the fair value of shares acquired in NGL and recalculated the gain recognised on the sale of Northport Limited.</p> <p>As a result of the above procedures, we are satisfied the accounting treatment of the disposal of Northport and the assessment of control of NGL is appropriate. We are also satisfied with the accuracy of the disclosures.</p>
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Other Information

The Board of Directors is responsible for the other information. The other information comprises the Statutory information and Directory included on pages 72 to 79 included in the annual report other than the consolidated annual financial statements and the performance information, and our auditor's report thereon.

Our opinion on the consolidated annual financial statements and the performance information 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 consolidated annual financial statements and the performance information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated annual financial statements and the performance information or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Board of Directors for the consolidated annual financial statements and the performance information

The Board of Directors is responsible on behalf of the Group for the preparation and fair presentation of the consolidated annual financial statements and the performance information in accordance with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the Board of Directors determine is necessary to enable the preparation of consolidated annual financial statements and the performance information that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual financial statements and the performance information, the Board of Directors is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going



concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Financial Markets Conduct Act 2013 and the Local Government Act 2002.

Auditor's responsibilities for the audit of the consolidated annual financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial statements and the performance information 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 the Auditor-General's Auditing Standards 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 consolidated annual financial statements and the performance information.

We did not evaluate the security and controls over the electronic publication of the consolidated annual financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit



evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual financial statements and the performance information, including the disclosures, and whether the consolidated annual financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial and performance information of the entities or business units within the Group as a basis for forming an opinion on the consolidated annual financial statements and the performance information. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated annual financial statements and the performance information of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our responsibilities arise from the Public Audit Act 2001.

A handwritten signature in black ink, appearing to read 'Ed Loudon', with a long horizontal flourish extending to the right.

Ed Loudon
KPMG New Zealand
On behalf of the Auditor-General
Wellington, New Zealand
4th Sep 2025

Quayside Holdings Limited and Subsidiaries
Consolidated Income Statement
For the year ended 30 June 2025

	Note	30 June 2025 \$000	30 June 2024 \$000
Income			
Trading revenue	4(a)	472,492	424,509
Other income	4(b)	5,713	10,352
Gain on disposal of equity accounted investees	4(c)	49,245	-
Other gains	4(c)	14,713	14,305
Operating income	4	542,163	449,167
Expenses			
Employee benefit expenses		(68,514)	(61,870)
Trading and other expenses	5(a)	(192,158)	(188,915)
Other losses	5(b)	(17,588)	(652)
Operating expenses		(278,260)	(251,437)
Results from operating activities		263,903	197,730
Depreciation and amortisation	9	(43,306)	(44,307)
Impairment of property, plant and equipment		(2,534)	(28)
Operating profit before finance costs, share of profit from equity accounted investees and taxation		218,063	153,395
Finance income	6(a)	2,352	3,700
Finance expenses	6(b)	(27,187)	(28,620)
Net finance costs		(24,836)	(24,920)
Impairment of investment in equity accounted investees	11	(7)	(6,503)
Share of profit from equity accounted investees	11	14,244	14,123
Profit before income tax		207,464	136,095
Income tax expense	7	(35,370)	(50,627)
Net profit after tax		172,094	85,468
Attributable to:			
Equity holders of the parent		93,553	44,312
Non-controlling interest		78,541	41,156
		172,094	85,468

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Comprehensive Income
For the year ended 30 June 2025

	Note	30 June 2025 \$000	30 June 2024 \$000
Net profit after tax		172,094	85,468
Other comprehensive income			
<i>Items that will be reclassified to profit or loss when specific conditions are met:</i>			
Cash flow hedge - changes in fair value, net of tax*		(3,156)	587
Cash flow hedge - reclassified to profit or loss, net of tax*		(3,045)	(3,114)
Share of net change in cash flow hedge reserves of equity accounted investees		(332)	(218)
<i>Items that will not be reclassified to profit or loss:</i>			
Kiwifruit licence revaluation, net of tax *		609	(585)
Asset revaluation, net of tax*		25,745	52,006
Share of net change in revaluation reserve of equity accounted investees		4,557	12,398
Total other comprehensive income		24,378	61,074
Total comprehensive income for the period		196,472	146,542
Attributable to:			
Equity holders of the parent		108,124	78,839
Non-controlling interest		88,348	67,703
		196,472	146,542

* Net of tax effect is disclosed in notes 7 and 8

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 30 June 2025

	Share capital	Hedging reserve	Revaluation reserve	Retained earnings	Non controlling interest	Total equity
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 30 June 2023	200,011	6,367	1,064,502	300,483	964,332	2,535,695
Profit after tax	-	-	-	44,312	41,156	85,468
Cash flow hedge – Effective portion of changes in fair value*	-	321	-	-	266	587
Cash flow hedge – Reclassified to profit or loss*	-	(1,703)	-	-	(1,411)	(3,114)
Equity-accounted investees – share of reserves	-	(119)	8,167	-	4,132	12,180
Asset revaluation*	-	-	28,446	-	23,560	52,006
Kiwifruit licence revaluation*	-	-	(585)	-	-	(585)
Total Comprehensive Income	-	(1,501)	36,028	44,312	67,703	146,542
Non-controlling interest adjustment	-	-	-	(166)	-	(166)
Decrease in share capital: subsidiary	-	-	-	(448)	(371)	(819)
Shares issued upon vesting of management LTI plan: subsidiary	-	-	-	279	(279)	-
Equity settled share-based payment: subsidiary	-	-	-	-	1,499	1,499
Share based payment reserve: subsidiary	-	-	-	2,583	(2,583)	-
Dividends to shareholders (Note 13)	-	-	-	(54,562)	(46,160)	(100,722)
Balance at 30 June 2024	200,011	4,866	1,100,530	292,481	984,141	2,582,031

* Amounts are presented net of tax, refer to Note 7 and 8.

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 30 June 2025

	Share capital	Hedging reserve	Revaluation reserve	Retained earnings	Non controlling interest	Total equity
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 30 June 2024	200,011	4,866	1,100,530	292,481	984,141	2,582,031
Profit after tax	-	-	-	93,553	78,541	172,094
Cash flow hedge – Effective portion of changes in fair value*	-	(1,726)	-	-	(1,430)	(3,156)
Cash flow hedge – Reclassified to profit or loss*	-	(1,666)	-	-	(1,379)	(3,045)
Equity-accounted investees – share of reserves	-	(182)	3,454	-	953	4,225
Asset revaluation*	-	-	14,082	-	11,663	25,745
Kiwifruit licence revaluation*	-	-	609	-	-	609
Total Comprehensive Income	-	(3,573)	18,145	93,553	88,348	196,472
Non-controlling interest adjustment	-	-	-	(179)	147	(32)
Increase in share capital: subsidiary	-	-	-	45	37	82
Shares issued upon vesting of management LTI plan: subsidiary	-	-	-	95	(95)	-
Equity settled share-based payment	-	-	-	-	2,228	2,228
Share based payment reserve: subsidiary	-	-	-	756	(756)	-
Revaluation reserve transferred to						
Disposal of equity accounted investees: subsidiary	-	46	(39,927)	39,927	38	84
Dividends to shareholders (Note 13)	-	-	-	(56,562)	(48,956)	(105,518)
Balance at 30 June 2025	200,011	1,339	1,078,748	370,116	1,025,131	2,675,345

* Amounts are presented net of tax, refer to Note 7 and 8

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Financial Position
As at 30 June 2025

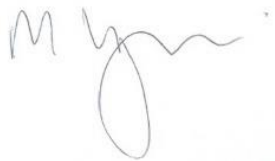
	Note	30 June 2025 \$000	30 June 2024 \$000
ASSETS			
Current assets			
Cash and cash equivalents		15,863	27,756
Receivables and prepayments	12	77,414	72,720
Taxation		617	-
Inventories		2,277	2,004
Derivative financial instruments	16	-	340
Loans to Equity accounted investees	14	1,276	560
Held for Sale - Investment Property	19	51,261	4,200
Total current assets		148,709	107,580
Non-current assets			
Intangible assets		24,155	23,377
Property, plant and equipment	9	2,505,044	2,492,355
Investments in equity accounted investees	11	368,951	288,737
Loans to Equity accounted investees*	14	75,567	25,157
Investment property	19	138,095	163,638
Other financial assets*	14	298,228	295,499
Right-of-use assets		51,422	53,361
Deferred tax asset	8	504	1,057
Derivative financial instruments	16	5,694	11,869
Receivables and prepayments	12	16,282	17,272
Total non-current assets		3,483,941	3,372,322
Total assets		3,632,650	3,479,902
LIABILITIES			
Current liabilities			
Trade and other payables		58,761	53,934
Revenue in advance		260	212
Loans and borrowings	15	275,000	313,500
Lease liability		1,092	1,049
Employee benefit provisions		5,392	4,090
Derivative financial instruments	16	65	82
Contingent consideration		-	28
Current taxation		16,126	9,114
Total current liabilities		356,696	382,009
Non-current Liabilities			
Loans and borrowings	15	410,004	305,064
Lease liability		54,842	55,972
Employee benefit provisions		2,049	1,635
Deferred tax liabilities	8	129,091	145,948
Derivative financial instruments	16	4,622	7,244
Total non-current Liabilities		600,608	515,863
Total liabilities		957,304	897,872
NET ASSETS		2,675,345	2,582,031

*Prior-year comparative figures have been reclassified to improve clarity of presentation. \$25 million of loans to equity accounted investee were reclassified from Other financial assets

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Financial Position
As at 30 June 2025

	Note	30 June 2025 \$000	30 June 2024 \$000
EQUITY			
Paid up capital	13(a)	200,011	200,011
Reserves	13(b)	1,080,086	1,105,398
Retained earnings		370,116	292,481
Equity attributable to owners of the parent		1,650,213	1,597,890
Non-controlling interest	13(b)	1,025,131	984,141
TOTAL EQUITY		2,675,345	2,582,031

These financial statements have been authorised for issue by the Board of Directors on 4 September 2025.



Mark Wynne – Chair



Keiran Horne – Chair Audit & Risk Committee

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Cash Flows
As at 30 June 2025

	Note	30 June 2025 \$000	30 June 2024 \$000
Cash flows from operating activities			
Receipts from customers		472,902	425,427
Dividends received		4,270	5,357
Interest received		2,164	(2,783)
Other income		728	5,282
Payments to suppliers and employees		(248,023)	(223,278)
Taxes refunded		74	334
Taxes paid		(43,119)	(44,105)
Interest paid		(26,152)	(30,006)
Net cash flow from operating activities		162,843	136,228
Cash flows from investing activities			
Proceeds from sale of investments		44,559	80,612
Purchase of investments		(34,976)	(86,742)
Distributions from equity investments		3,124	6,909
Advances to equity accounted investees		(54,875)	(26,223)
Investment in equity accounted investees		(17,344)	(12,893)
Distributions from equity accounted investees		9,044	14,539
Purchase of intangible assets		(716)	(80)
Sale of investment property		4,200	-
Additions to investment property		(54,824)	(65,179)
Purchase of property, plant and equipment		(28,058)	(42,649)
Proceeds from sale of property, plant and equipment		14	17
Interest capitalised on property, plant and equipment		(696)	(845)
Payment of contingent consideration		(568)	(521)
Net cash flow used in investing activities		(131,116)	(133,055)
Cash flows from financing activities			
Proceeds from borrowings		84,074	92,356
Repurchase of shares		(636)	(801)
Repayment of lease liabilities		(1,202)	(1,147)
Repayment of borrowings		(20,280)	(3,400)
Capital distributions		-	(1,300)
Capital contributions		(73)	-
Dividends paid	13	(105,519)	(100,722)
Net cash flow used in financing activities		(43,636)	(15,014)
Effects of exchange rate changes on cash and cash equivalents		16	235
Decrease in cash and cash equivalents		(11,892)	(11,606)
Cash and cash equivalents at the beginning of the year		27,756	39,362
Cash and cash equivalents at the end of the year		15,864	27,756

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Cash Flows
As at 30 June 2025

	Note	30 June 2025 \$000	30 June 2024 \$000
RECONCILIATION OF PROFIT FOR THE PERIOD TO CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		172,094	85,468
Items classified as investing/financing activities:			
Finance lease interest revenue		(71)	(60)
Net gain on investments		2,368	(12,629)
Financial contributions write off		11,599	21,318
Gain on sale of property, plant and equipment		(43)	(167)
		13,853	8,462
Non cash and non operating items:			
Depreciation and amortisation		43,406	44,326
Impairment of property, plant and equipment		2,534	28
Increase / (Decrease) in deferred taxation expense		(14,212)	7,596
Share of net profit after tax retained by equity accounted investees		(14,244)	(14,123)
Impairment of investment in equity accounted investees		7	6,503
Increase in equity settled share-based payment accrual		2,738	1,499
Gain on disposal of Equity Accounted Investees		(49,245)	-
Other items		470	(1,191)
		(28,546)	44,638
Movements in working capital:			
Change in trade receivables and prepayments		(14,906)	(8,063)
Change in inventories		(273)	(18)
Change in taxation payable		6,466	(1,050)
Change in trade, other payables and revenue received in advance		14,170	6,896
Changes in foreign cash deposits		(15)	(137)
		5,442	(2,372)
Net cash flow from operating activities		162,843	136,228

Quayside Holdings Limited and Subsidiaries

Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

1. Company Information

Reporting Entity

Quayside Holdings Limited (referred to as the “Parent” company) is a company domiciled in New Zealand and registered under the Companies Act 1993.

The Group is wholly owned by Bay of Plenty Regional Council (“Council”). The Group is a holding company for the investment activity of Council. The Parent is the majority shareholder in Port of Tauranga Limited, and the owner of a diversified investment portfolio, property and commercial ventures.

The Parent has listed debt (ticker QHLHA) on the NZX Debt Market (NZDX) and hence is a Financial Markets Conduct (FMC) reporting entity for the purposes of the Financial Markets Conduct Act 2013. The financial statements comply with this Act.

The Parent is a Council-Controlled Trading Organisation as defined under Section 6 of the Local Government Act 2002, by virtue of the Council’s right to appoint the Board and the group operating a trading undertaking for the purpose of making a profit.

Consolidated financial statements are presented which include the Group’s subsidiaries and its interests in equity accounted investees as presented in Note 12 and 13. These financial statements often reference the two governance structures being:

- *Quayside Group* – comprising Quayside Holdings Limited (Parent company) and its directly controlled subsidiaries, and its equity accounted investees. Quayside Group has investments in equities, shares, properties and other assets.
- *Port of Tauranga Group* – comprising the Port of Tauranga Limited and its subsidiaries and its equity accounted investees. The Port of Tauranga group is owned 54.14% (2024: 54.14%) by the Quayside Group.

The Group is classified as a for-profit entity.

2. Basis of Preparation

Statement of compliance and basis of preparation

These financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 and the Financial Markets Conduct Act 2013, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards as appropriate to Tier 1 for-profit entities, on the basis that the group has public accountability and is a large for-profit public sector entity.

The financial statements are prepared on the historical cost basis except for the following assets and liabilities which are stated at their fair value: other financial assets and liabilities at fair value through the income statement, land, buildings, harbour improvements, wharves and hardstanding, kiwifruit licences, investment properties, bearer plants and biological assets.

These financial statements are presented in New Zealand dollars (\$), which is the Parent’s functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand.

Material accounting policies that are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 4 September 2025.

Accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

2. Basis of Preparation (continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have a significant effect on the amount recognised in the financial statements, are detailed below:

- valuation of land, buildings, harbour improvements, and wharves and hardstanding (refer to note 9);
- assessment of significant influence or joint control in relation to Equity Accounted Investees (refer to note 11);
- impairment assessment of investments in equity accounted investees (refer to note 11);
- valuation of investment properties (refer to note 19).
- Treatment of financial contributions (refer to note 5).

Fair value hierarchy

A number of the Group's accounting policies and disclosures require the determination of fair value, being market value, for both financial and non financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Assets and liabilities measured at fair value are classified according to the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

New accounting standards and interpretations not yet adopted

IFRS 18 - Presentation and Disclosure in Financial Statements is effective for periods beginning on or after 1 January 2027 and applies retrospectively. The new standard aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. While this will not have a material impact on the Group, it will result in significant changes to how the Group presents the income statement and what information will need to be disclosed on management defined performance measures.

There are no other new or amended accounting standards and interpretations that are issued but not yet adopted that are expected to have a material impact on the Group.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

3. Segmental Reporting

As of 30 June 2025, the Group's operating segments reflect both the internal reports reviewed by the Board of Directors (the CODM), which allocate resources, and the performance measures used by the CODM. Reportable segments for the year ended June 2025 are: (i) Port of Tauranga (consolidated listed subsidiary, operating in New Zealand), (ii) Investment Portfolio (SIPO-governed, targeting a single return objective across all asset classes, investing in New Zealand and offshore), and (iii) Special Purpose Assets (strategic or regional holdings where commercial return may not be the primary goal, located in New Zealand).

Some decision-making authority over the Investment Portfolio is delegated to the Investment Committee, excluding Port of Tauranga and Special Purpose Assets (SPA). The Statement of Investment Performance and Objectives (SIPO) and long-term incentive arrangements apply only to the Investment Portfolio.

As of June 2024, the Group had two segments: Port of Tauranga and Investment. Effective 1 July 2024, the Group changed the way performance is reported to the Chief Operating Decision Maker (the Board). Previously, the "Investment Portfolio" and "Special Purpose Assets (SPA)" were reported together as a single segment ("Investing"). From this financial year these are reported separately. Where possible, previous year's data have been adjusted to separately show Investment Portfolio and SPA, rather than the former "Quayside (Investment)". This is a presentational change and does not affect Group profit, net assets, or cash flows.

External revenue arises predominantly from port operations; the Investment Portfolio and SPA generally generate investment income and fair value movements.

During the year, the Port of Tauranga Group had two external customers, which comprised more than 10% of total revenue, 27% and 13% (2024: 28% and 13%).

	Port \$000	Investing \$000	SPA \$000	Corporate \$000	Total \$000
30 June 2025					
Total segment revenue	464,131	61,435	4,771	-	530,337
Inter-segment revenue	-	(57,845)	-	-	(57,845)
Revenue (from external customers)	464,131	3,590	4,771	-	472,492
Other income/gains	49,789	20,087	808	-	70,684
Finance income	726	1,541	85	-	2,352
Finance costs	(20,540)	(2,535)	(2,952)	(1,161)	(27,187)
Depreciation & amortisation	(42,925)	(160)	(221)	-	(43,306)
Other expenditure/losses	(238,894)	(4,372)	(30,973)	(7,567)	(281,807)
Income tax (expense) / benefit	(45,103)	(205)	9,938	-	(35,370)
Share of profit of equity accounted investees	6,189	8,048	-	-	14,237
Net profit after tax	173,373	25,993	(18,545)	(8,728)	172,094

Corporate comprises items not allocated by the CODM—primarily unallocated head-office overheads, net interest on corporate funding/cash, and consolidation eliminations—and is not a reportable segment.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

3. Segmental Reporting (continued)

	Port \$000	Investing \$000	SPA \$000	Corporate \$000	Total \$000
30 June 2024 (Restated)					
Total segment revenue	417,356	57,523	4,159	-	479,038
Inter-segment revenue	-	(54,529)	-	-	(54,529)
Revenue (from external customers)	417,356	2,994	4,159	-	424,509
Other income/gains	606	12,420	11,632	-	24,658
Finance income	657	2,931	113	-	3,701
Finance costs	(23,128)	(2,449)	(2,705)	(338)	(28,620)
Depreciation & amortisation	(43,770)	(196)	(341)	-	(44,307)
Fixed asset impairment	(28)	-	-	-	(28)
Other expenditure/losses	(218,546)	(6,556)	(19,024)	(7,311)	(251,437)
Income tax (expense) / benefit	(47,243)	(297)	(3,087)	-	(50,627)
Impairment of equity accounted investees	-	(6,503)	-	-	(6,503)
Share of profit of equity accounted investees	4,945	9,178	-	-	14,123
Net profit after tax	90,849	11,521	(9,251)	(7,649)	85,468

The segment net assets at 30 June are:

	Port \$000	Investing \$000	Special Purpose Assets \$000	Corporate \$000	Total \$000
Net assets as at 30 June 2025	2,273,771	423,610	(4,295)	(17,741)	2,675,345
Net assets as at 30 June 2024	2,183,157	401,356	13,912	(16,394)	2,582,031

Policies

The Group determines and presents operating segments based on the information that is internally provided to the Board of Directors, who is the Group's Chief Operating Decision Maker (CODM).

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

4. Operating Income

	30 June 2025 \$000	30 June 2024 \$000
(a) Trading revenue		
Revenue from contracts with customers		
Container terminal revenue	284,756	252,751
Multi cargo revenue	78,054	71,702
Marine services revenue	54,185	50,644
Sale of goods – kiwifruit	4,722	4,110
	421,717	379,207
Other revenue		
Rental income	50,422	44,690
Other	353	613
Total trading revenue	472,492	424,510
Inter segment revenue	57,845	54,529
Revenue as reported in Note 3	530,337	479,039
 (b) Other Income		
Foreign dividends	1,729	1,831
New Zealand dividends	2,657	2,991
Other income	1,327	5,530
Total other income	5,713	10,352
 (c) Other gains		
Net gains on financial assets through profit and loss	14,713	2,844
Gain on disposal of equity accounted investees (Note 11)	49,245	-
Fair value gains on investment property	-	10,839
Reversal of previous revaluation deficit	-	622
Total other gains	63,958	14,305

Other income includes \$0.71m (2024: \$5.5m) representing the portion of PGF funding received and allocated to the Rangiuru Business Park interchange portion attributable to third-party landowner's, in consideration of the fact the Group has an expectation that the funding will not be clawed back and that the conditions attached to the grant are met. Also refer to Note 19.

Other gains and losses are presented on a net basis by category, with comparatives presented on the same basis.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

4. Operating Income (continued)

Policies

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Standard credit terms are a month following invoice with any rebate variable component calculated at the client's financial year end. Rebateable sales are eligible for sales volume rebates. When the rebate is accrued, it is accrued as a current liability (rebate payable) based on contracted rates and estimated volumes. For financial reporting purposes rebates are treated as a reduction in profit or loss. Revenue is shown, net of GST, rebates and discounts. Revenue is recognised as follows:

- *Container terminal revenue:* relates to the handling, processing, storage and rail of containers. Contracts are entered into with shipping lines and cargo owners. The primary performance obligations identified include the load and discharge of containers (which include the services provided to support the handling of containers). Container terminal revenue is recognised over time based on the number of containers exchanged (an output method). This method is considered appropriate as it allows revenue to be recognised based on the Port of Tauranga group's effort to satisfy the performance obligation. The transaction price is determined by the contract and adjusted by variable consideration (rebates). Rebates are based on container volume and the Port of Tauranga group accounts for the variable consideration using the expected value method. The expected value is the sum of probability weighted amounts in a range of possible consideration amounts. The Port of Tauranga group estimates container volumes based on market knowledge and historical data.
- *Multi cargo revenue:* relates to the wharfage and storage of bulk goods. Contracts are entered into with cargo owners. The stevedoring services are provided by a third party. Multi cargo revenue is recognised after the vessel's departure, at a point in time, except storage revenue which is recognised over time. The transaction price for multi cargo services is determined by the contract.
- *Marine services revenue:* relates directly to the visit of a vessel to the port and includes fees for pilotage, towage and mooring. Contracts are entered into with vessel operators. The performance obligations identified include vessel arrival, departure and berthage. Revenue is recognised over time, based on time elapsed, as customers are charged a daily service fee for each day in the Port. The transaction price for marine services is determined by the contract.
- *Dividend Income:* is recognised on the date that the Group's right to receive payment is established, being the ex-dividend date.
- *Rental Income:* from property leased under operating leases is recognised in the income statement on a straight line basis over the term of the lease. Lease incentives provided are recognised as an integral part of the total lease income, over the term of the lease.
- *Kiwifruit Income:* Revenue from the sale of kiwifruit is recognised in the income statement when the control of the kiwifruit is transferred to the buyer i.e. Zespri. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or where there is continuing management involvement with the goods. Income at year-end is based on the highly probable income per tray to be received, based on the latest forecast from Zespri. Any revision of the income recognised during the year will be recognised in the income statement.
- *Gain/loss on equity investments:* Equity securities designated at fair value through profit and loss are revalued to fair value based on quoted market prices at the reporting date. Net gains and losses on individual equities securities are presented either in other income or in other losses.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

5. Other Expenses

The following items of expenditure are included in other expenses:

	30 June 2025 \$000	30 June 2024 \$000
<i>(a) Trading and other expenses</i>		
<i>Audit Fees for the audit and review of the financial statements:</i>		
KPMG – audit and review of other Quayside group entities financial statements	444	457
KPMG – Climate-related assurance and pre-assurance services of other Quayside group entities	86	-
KPMG - audit and review of the <i>Port of Tauranga Group</i> financial statements	428	393
KPMG – Climate-related assurance of the <i>Port of Tauranga Group</i>	21	25
KPMG – Agreed upon procedures over long term incentive vesting calculations of the <i>Port of Tauranga Group</i>	13	12
Contracted services for Port operations	93,652	95,668
Direct fuel and power expenses	20,164	18,761
Maintenance of property, plant and equipment	20,865	16,553
Financial Contributions write off (Note 19)	11,599	21,318
Orchard expenses	1,423	1,312
Directors' fees	630	620
Other	42,833	33,796
Total trading and other expenses	192,158	188,915
<i>(b) Other losses</i>		
Loss on revaluation of investment properties	16,550	-
Hedging reserve reclassified to profit or loss on disposal of Equity Accounted Investees	84	-
Loss on sale of equity accounted investee	827	-
Loss on revaluation of bearer plants	127	652
Total other losses	17,588	652

Financial contributions write off

Trading and other expenses include the write off of the spending for the enabling infrastructure (Financial Contributions) incurred by the Group for the development of the Rangiuru Business Park, inclusive of financing interests of 1.5% plus OCR, as disciplined in the Western Bay of Plenty Operative District Plan (the Plan). The amount expensed is relative to the spending attributable to third party landowners. Please refer to Note 19.

Contingent asset

The Financial Contributions written off, including accrued interest, for a total amount of \$37.6m, are recoverable by Quayside Group from the various third-party landowners in accordance with the Plan. Financial Contributions are payable for subdivisions and the development in the Rangiuru Business Park, with any resource consent subject to a condition imposing a financial contribution and the condition providing for the amount of any financial contributions. Notwithstanding the above, the recoverability of this asset is dependent on the specific third parties' decision to develop the land within the Rangiuru Business Park and hence, is not wholly controlled by Quayside Group therefore this is recognised as a contingent asset. Quayside will separately recover a portion of Financial Contributions when a third party obtains title to develop.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

6. Finance Income and Expenses

	30 June 2025 \$000	30 June 2024 \$000
<i>(a) Finance income</i>		
Interest income on bank deposits	460	892
Interest income on fixed interest investments	923	554
Interest on advances to equity accounted investees	73	960
Convertible note interest	170	638
Interest income other	726	657
Total finance income	2,352	3,701
<i>(b) Finance expense</i>		
Interest expense on borrowings	(28,607)	(28,066)
Less: interest capitalised to property, plant and equipment	696	845
Less: interest capitalised to investment property	3,635	1,447
	(24,277)	(25,774)
Interest expense on lease liabilities	(2,728)	(2,691)
Ineffective portion of changes in fair value of cash flow hedges	(127)	(66)
Change in fair value of hedged risk	(56)	(89)
Total finance expense	(27,187)	(28,620)
Net finance cost	(24,836)	(24,919)

Policies

Finance income comprises interest income on bank deposits, finance lease interest and gains on hedging instruments that are recognised in the income statement. Interest income on financial assets carried at amortised cost is calculated using the effective interest method. Finance lease interest is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

Finance expenses comprise interest expense on borrowings, finance lease interest expense, unwinding of the discount of provisions and losses on hedging instruments that are recognised in the income statement. Except for interest capitalised directly attributable to the purchase or construction of qualifying assets, all borrowing costs are measured at amortised cost and recognised in the income statement, using the effective interest method.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

7. Income Tax

	30 June 2025 \$000	30 June 2024 \$000
Components of tax expense		
Profit before income tax for the period	207,464	136,095
Income tax on surplus at 28% (2024: 28%)	58,090	38,107
<i>Tax effect of amounts which are non (deductible)/taxable:</i>		
Non-taxable fair value movements through profit and loss	(4,004)	(630)
Share of equity accounted investees after tax income, excluding Limited Partnerships	(4,493)	(4,611)
Gain on disposal of equity accounted investees	13,788	0
Dividend imputation credits/Other tax credits	(2,172)	(934)
Other attributed income/loss and foreign dividend regime	2,822	1,387
Tax losses utilised	8	(405)
Tax losses unutilised	6,358	-
Prior period adjustment (mainly Rangiuru Business Park)	(7,750)	5,411
Removal of tax depreciation on buildings	-	10,865
Other	297	1,437
Income tax (benefit)/expense	35,370	50,627

The income tax (benefit)/expense is represented by:

Current tax expense		
Tax payable in respect of the current period	49,245	39,317
Adjustment for prior period	145	290
Total current tax expense	49,390	39,607
Deferred tax expense		
Origination/reversal of temporary differences	(6,125)	12,158
Adjustment for prior period	(7,895)	(1,137)
Total deferred tax expense (note 8)	(14,020)	11,021
Income tax (benefit)/expense	35,370	50,627

	30 June 2025 \$000	30 June 2024 \$000
Income tax recognised in other comprehensive income:		
Revaluation of property, plant and equipment	(33)	12,290
Revaluation of intangibles	237	(227)
Cash flow hedges	(2,412)	(982)
Total (note 8)	(2,208)	11,081

<i>Imputation credit account</i>		
Imputation credits available for use in subsequent periods	149,190	145,987

Application of IFRIC 23 to Rangiuru Business Park (RBP)

The Group has obtained professional tax advice regarding the treatment of the interchange and enabling infrastructure associated with the Rangiuru Business Park development. The tax position adopted is supported by applicable legislation and guidance. Current and deferred tax balances have been measured in accordance with this advice. The Group will continue to monitor relevant developments and reassess its position should new information become available. To further support the adopted position and reduce residual uncertainty, the Group intends to seek a private binding ruling from Inland Revenue.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

7. Income Tax (continued)

measured consistent with the filing position. The Group will continue to monitor developments and reassess if new information arises or a binding ruling is obtained.

To further support the adopted tax positions and reduce residual uncertainty, the Group intends to seek a private binding ruling from Inland Revenue.

Policies

Income tax expense includes components relating to current tax and deferred tax. Current tax is the amount of income tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or equity.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

8. Deferred Taxation

Group	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
	\$000	\$000	\$000	\$000	\$000	\$000
<i>Deferred tax (asset)/liability</i>						
Tax losses	(504)	(1,054)	-	-	(504)	(1,054)
Property, plant and equipment	(54)	(16)	134,413	137,459	134,359	137,443
Investment property	-	-	3,310	9,962	3,310	9,962
Intangible assets	-	-	1,079	1,002	1,079	1,002
Derivatives	-	-	900	3,312	900	3,312
Provisions and accruals	(4,891)	(3,881)	-	-	(4,891)	(3,881)
Equity accounted investees	(821)	(854)	-	-	(821)	(854)
Others	(3,581)	(11)	-	-	(3,581)	(11)
Right of use of assets	-	-	14,397	14,692	14,397	14,692
Lease liabilities	(15,662)	(15,720)	-	-	(15,662)	(15,720)
Total	(25,512)	(21,536)	154,099	166,427	128,588	144,891

Deferred tax balances reflect the Group's filing position for the Rangioru Business Park as described in Note 7. No separate deferred tax amounts have been recognised for tax uncertainty under IFRIC 23 at the reporting date. The Group will adjust deferred tax if facts and circumstances change or on obtaining a binding ruling.

Group	30 June	30 June
	2025	2024
	\$000	\$000
Movement for the year		
Opening balance	144,891	122,718
Recognised in the Income Statement	(14,020)	11,021
Recognised in Comprehensive Income (Note 7)	(2,208)	11,081
Others	(76)	71
Closing balance	128,588	144,891

Unrecognised tax losses or temporary differences

At balance date the Group had unrecognised tax losses of \$24.5m. No deferred tax asset has been recognised in respect of these losses because it is not probable that sufficient taxable profits will be available against which the losses can be utilised in the foreseeable future.

Policies

Deferred tax is recognised on temporary differences that arise between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse.

A deferred tax asset is recognised only to the extent it is probable it will be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of buildings classified as property, plant and equipment carried at cost is presumed to be recovered through use.

Quayside Holdings Limited and Subsidiaries
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For the year ended 30 June 2025

9. Property, Plant and Equipment

	Freehold Land	Freehold Buildings	Wharves and Hardstanding	Harbour Improvements	Bearer Plants	Plant and Equipment	Work in Progress	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Group								
Gross carrying amount:								
Balance at 1 July 2023	1,492,425	142,339	467,536	209,825	1,500	264,824	28,742	2,607,191
Additions	-	502	8,300	2,053	(777)	16,701	15,527	42,306
Disposals	-	-	-	-	-	(14,145)	-	(14,145)
Revaluation	200	-	(8,974)	15,440	-	-	-	6,666
Transfers between asset classes	-	904	(904)	-	-	-	-	-
Balance at 30 June 2024	1,492,625	143,745	465,958	227,318	723	267,380	44,269	2,642,018
Balance at 1 July 2024	1,492,625	143,745	465,958	227,318	723	267,380	44,269	2,642,018
Additions	-	3,370	8,788	2,226	-	33,937	(18,110)	30,211
Disposals	-	-	-	-	-	(14,712)	-	(14,712)
Revaluation	25,828	(17,139)	-	-	(193)	-	-	8,496
Balance at 30 June 2025	1,518,453	129,976	474,746	229,544	530	286,605	26,159	2,666,013
Accumulated depreciation:								
Balance at 1 July 2023	-	(4,879)	(33,535)	(3,088)	-	(139,974)	-	(181,476)
Depreciation expense	-	(4,877)	(19,981)	(1,798)	(208)	(13,932)	-	(40,796)
Revaluation	-	-	53,370	4,886	208	-	-	58,464
Disposals	-	-	-	-	-	14,144	-	14,144
Transfers between asset classes	-	(75)	75	-	-	-	-	-
Balance at 30 June 2024	-	(9,831)	(71)	-	-	(139,762)	-	(149,664)
Balance at 1 July 2024	-	(9,831)	(71)	-	-	(139,762)	-	(149,664)
Depreciation expense	-	(4,855)	(21,222)	(1,557)	(66)	(12,797)	-	(40,497)
Disposals	-	-	-	-	-	14,637	-	14,637
Revaluation	-	14,488	-	-	66	-	-	14,554
Balance at 30 June 2025	-	(198)	(21,293)	(1,557)	-	(137,922)	-	(160,970)
Carrying amounts:								
Net book value as at 30 June 2024	1,492,625	133,914	465,887	227,318	723	127,618	44,269	2,492,354
Net book value as at 30 June 2025	1,518,453	129,778	453,453	227,987	530	148,683	26,159	2,505,043

Notional carrying amounts

For each revalued class of property, plant and equipment, the notional carrying amount that would have been recognised, had the assets been carried under the cost model, would be:

	Freehold Land	Freehold Buildings	Wharves and Hardstanding	Harbour Improvements	Bearer Plants	Plant and Equipment	Work in Progress	Total
Notional Carrying amounts:								
Notional carrying amount 2024	119,203	78,436	124,704	61,259	723	-	-	384,325
Notional carrying amount 2025	119,203	77,960	121,325	60,364	530	-	-	379,382

Security

Certain items of property, plant and equipment have been pledged as security against certain loans and borrowings of *Port of Tauranga Group Limited* (refer to note 15).

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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9. Property, Plant and Equipment (continued)

Capital commitments

The estimated capital expenditure for property, plant and equipment contracted for at balance date but not provided for is \$5.4m (2024: \$9.2m).

Judgements

Fair values

Bearer plants, land, buildings, harbour improvements, and wharves and hard standing assets

This fair value measurement has been categorised as a Level 3 fair value based on the inputs for the assets which are not based on observable market data (unobservable inputs), (refer to note 2 for fair value measurement hierarchy).

Judgement is required to determine whether the fair value of land, buildings, wharves and hard standing, and harbour improvements assets have changed materially since the last revaluation. The determination of fair value at the time of the revaluation requires estimates and assumptions based on market conditions at that time. Changes to estimates, assumptions or market conditions subsequent to a revaluation will result in changes to the fair value of property, plant and equipment. Remaining useful lives and residual values are estimated based on Management's judgement, previous experience and guidance from registered valuers. Changes in those estimates affect the carrying value and the depreciation expense in the income statement.

At the end of each reporting period, the Group makes an assessment whether the carrying amounts differ materially from the fair value and whether a revaluation is required (except land, which is revalued annually). The assessment considers movements in the capital goods price indices and other market indicators since the previous valuations.

As at 30 June 2025, the Group revalued land and buildings in line with policy. For the remaining asset classes, the Group has assessed that there has been no material change in the fair value of each asset class since the last revaluation.

Land valuation

The valuation of land assets was carried out by Colliers International New Zealand Limited. The valuation increased the carrying amount of land by \$25.8m.

Land assets are valued using the direct sales comparison approach which analyses direct sales of comparable properties on the basis of the sale price per square metre which are then adjusted to reflect stronger and weaker fundamentals relative to the subject properties.

The significant assumptions applied in the valuation of these assets are:

Asset valuation method	Key valuation assumptions	Hectares	2025		2024	
			Range of significant assumptions	\$ Weighted average	Range of significant assumptions	\$ Weighted average
Direct sales comparison	Tauranga (Sulphur Point) / Mount Maunganui – wharf and industrial land per square metre	182.2	\$480-\$1,695	778	\$470-\$1,650	766
	Auckland land – land adjacent to MetroPort Auckland per square metre	6.8	\$1,113	1,113	\$1,053	1,053
	Rolleston land – MetroPort Christchurch per square metre	15.0	\$180	180	\$160	160

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

9. Property, Plant and Equipment (continued)

- *Waterfront Access Premium:* A premium of approximately 25% has been applied to the main wharf land areas reflecting the locational benefits this land asset gains from direct waterfront access.
- *No Restriction of Title:* Valuation is made on the assumption that having no legal title to the Tauranga harbour foreshore will not detrimentally influence the value of land assets.
- *Highest and Best Use of Land:* Subject to relevant local authority's zoning regulations.
- *Tauranga and Mount Maunganui:* The majority of land is zoned "Port Industry" under the Tauranga City Plan and a small portion of land at both Sulphur Point and Mount Maunganui has "Industry" zoning.
- *Auckland:* The land is zoned "Heavy Industry Zone" under the Auckland Unitary Plan.
- *Rolleston:* The land is zoned "Business 2A" under the Selwyn District Plan.

Building valuations

The valuation was carried out by Colliers International NZ Limited and resulted in a decrease to the carrying value of \$2.7m. The majority of assets are valued on a combined land and building basis using a Capitalised Income Model with either contract income or market income. A small number of specialised assets, such as gatehouses and toilet blocks, are valued on a Depreciated Replacement Cost basis due to their specialised nature and the lack of an existing market.

The Capitalised Income Model uses either the contracted rental income or an assessed market rental income of a property and then capitalises the valuation of the property using an appropriate yield. Contracted rental income is used when the contracted income is receivable for a reasonable term from secured tenants. Market income is used when the current contract rent varies from the assessed market rent due to over or under renting, vacant space and a number of other factors.

The value of land is deducted from the overall property valuation to give rise to a building valuation.

The significant assumptions applied in the valuation of these building assets are:

Asset valuation method	Key valuation assumptions	2025		2024	
		Range of significant assumptions	Weighted average	Range of significant assumptions	Weighted average
Capitalised income model	Market capitalisation rate	2.63%-6.50%	4.50%	1.75%-9.50%	3.71%

Wharves and Hardstanding, and Harbour Improvements

The last valuation of wharves and hard standings, and harbour improvements was carried out by WSP New Zealand as at 30 June 2024.

Wharves, hardstanding and harbour improvements assets are classified as specialised assets and have accordingly been valued on a Depreciated Replacement Cost basis.

The significant assumptions applied in the valuation of these assets are:

- Replacement Unit Costs of Construction Rates – Cost Rates are Calculated Taking into Account:
 - The Port of Tauranga Limited's historic cost data, including any recent competitively tendered construction works.
 - Publicly available price indices from Statistics New Zealand and Waka Kotahi NZ Transport Agency.
 - The WSP New Zealand Limited construction cost database.
 - QV Cost Builder construction cost database.
 - An allowance is included for costs directly attributable to bringing assets into working condition, management costs and the financing cost of capital held over construction period.
- Depreciation – the Calculated Remaining Lives of Assets Were Reviewed, Taking Into Account:
 - Observed and reported condition, performance and utilisation of the asset.
 - Expected changes in technology.
 - Consideration of current use, age and operational demand.
 - Discussions with the Port of Tauranga Limited's operational officers.
 - WSP New Zealand Limited Consultants' in-house experience from other infrastructure valuations.
 - Residual values.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

9. Property, Plant and Equipment (continued)

The significant assumptions applied in the valuation of these wharves and hardstanding, and harbour improvements assets are:

Asset valuation method	Key valuation assumptions	2025 & 2024	
		Range of significant assumptions	Weighted average
Depreciated replacement cost basis	Wharf construction replacement unit cost rates per lineal metre – high performance wharves	\$191,135 - \$391,434	\$273,358
	Earthworks construction replacement unit cost rates per square metre	\$9-\$10	\$9
	Basecourse construction replacement unit cost rates per square metre	\$35 - \$117	\$56
	Asphalt construction replacement unit cost rates per square metre	\$47 - \$100	\$85
	Capital dredging replacement unit cost rates per square metre	\$5 - \$91	*
	Depreciation method	Straight line basis	Not applicable
	Channel assets (capital dredging) useful life	Indefinite	Not applicable
	Pavement – remaining useful lives	2-39 years	14 years
	Wharves remaining useful lives	0-59 years	17 years

**Weighted average unit cost rates are not presented due to the complexity in measuring the types and locations of removed quantities.*

Sensitivities to changes in key valuation assumptions for land, buildings, wharves and hardstanding, and harbour improvements

The following table shows the impact on the fair value due to a change in significant **unobservable input**:

		Impact of change in assumption NZ/000	
Unobservable inputs within the direct sales comparison approach for land			
Rate per square metre	10% decrease/increase	-151,845	151,845
Unobservable inputs within the income capitalisation approach for buildings			
Market rent	10% decrease/increase	-53,300 / +48,500	
Market capitalisation rate	0.5% decrease/increase	+53,400 / -44,200	
Unobservable inputs within depreciated replacement cost analysis for buildings, wharves and hardstanding, and harbour improvements			
Unit costs of construction	The greatest uncertainty is the level of the unit rates. We have used a 90% confidence interval in these unit rates to be between -11% to 10%	-75,200	71,600

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

9. Property, Plant and Equipment (continued)

Policies

Property, plant and equipment is initially measured at cost, which includes capitalised interest, and subsequently stated at either fair value or cost, less depreciation and any impairment losses. Subsequent expenditure that increases the economic benefits derived from the asset is capitalised.

Land, buildings, harbour improvements, and wharves and hard standing are measured at fair value, based upon periodic valuations by external independent valuers. The Group undertakes an annual revaluation of land and a three yearly revaluation cycle for all other asset classes to ensure the carrying value of these assets do not differ materially from their fair value. If during the three-year revaluation cycle there are indicators that fair value of a particular asset class may differ materially from its carrying value, an interim revaluation of that asset class is undertaken.

Bearer plants are accounted for using the revaluation method and are revalued annually. The revaluation method requires a revaluation to fair value. The accumulated depreciation is eliminated against the gross carrying amount of the asset.

Any increase in carrying value from revaluation shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation reserve. If an asset's carrying amount is decreased as a result of revaluation, the decrease shall be recognised in profit or loss unless there is a credit balance existing in the revaluation reserve in respect of that asset – in which case the reserve should be offset first.

Depreciation of property, plant and equipment, other than freehold land and capital dredging (included within harbour improvements), is calculated on a straight line basis and expensed over their estimated useful lives. Major useful lives are:

Bearer plants	20 years
Freehold buildings	33 to 72 years
Maintenance dredging	3 years
Wharves	50 to 70 years
Basecourse	50 years
Asphalt	15 years
Gantry cranes	10 to 40 years
Floating plant	10 to 25 years
Other plant and equipment	5 to 25 years
Electronic equipment	3 to 5 years

Capital and maintenance dredging are held as harbour improvements. Capital dredging has an indefinite useful life and is not depreciated as the channel is maintained via maintenance dredging to its original depth and contours. Maintenance dredging is depreciated over three years.

Work in progress relates to self constructed assets or assets that are being acquired which are under construction at balance date. Once the asset is fit for intended service, it is transferred to the appropriate asset class and depreciation commences. Software developed undertaken as part of a project is transferred to intangibles on completion.

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no future economic benefit. Upon disposal or derecognition, any revaluation reserve relating to the particular asset being disposed or derecognised is transferred to retained earnings.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

10. Investment in Subsidiaries

Investments in subsidiaries comprise:

Name of entity	Principal activity	2025	2024
		%	%
<i>Subsidiaries of Quayside Holdings Limited</i>			
Quayside Unit Trust (QUT)	Majority shareholder in POT	100.00	100.00
Quayside Investment Trust (QIT)	Holds equity and fixed income investments	100.00	100.00
Quayside Securities Limited (QSL)	Trustee for QUT, QIT and Toi Moana Trust	100.00	100.00
Quayside Properties Limited (QPL)	Holds investment properties	100.00	100.00
Aqua Curo Limited (ACL)	In liquidation	100.00	100.00
Quayside Te Papa Tipu Limited (QTPTL)	Development company	100.00	100.00
Quayside Mystery Valley Limited (QMVL)	In liquidation	100.00	100.00
Quayside Barnett Place Limited (QBPL)	Holds investment property for annuity	100.00	100.00
Quayside Portside Drive Limited (QPDL)	Holds investment property for annuity	100.00	100.00
Quayside The Vault Limited (QTVL)	Holds investment property for annuity	100.00	100.00
Lakes Commercial Development Limited (LCD)	Holds investment property for annuity	100.00	100.00
Quayside Tauriko Limited (QTL)	Holds investment property.	100.00	100.00
Port of Tauranga Limited (POT)	Port company	54.14	54.14
<i>Subsidiaries of Port of Tauranga Limited</i>			
Port of Tauranga Trustee Company Limited	Holding company for employee share scheme	100.00	100.00
Quality Marshalling (Mount Maunganui) Limited	Marshalling and terminal operations services	100.00	100.00
Timaru Container Terminal Limited	Sea Port	100.00	100.00

All subsidiary companies have a balance date of 30 June

Although Toi Moana Trust comes under the governance of the Quayside Group, through Quayside Securities Limited being the appointed Trustee, it is beneficially owned and controlled by Bay of Plenty Regional Council and is therefore not consolidated by Quayside Holdings Limited.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

10. Investment in Subsidiaries (continued)

On 26 June 2024, the Bay of Plenty Regional Council approved management's ability to undertake a managed sell down of the Port of Tauranga Limited subject to certain parameters that must be agreed. Although the parameters have been agreed, there has been no material advancement in the sell-down process; as a result, no adjustments were required in these accounts.

	30 June 2025 \$000	30 June 2024 \$000
<i>Ownership Interest in Port of Tauranga Limited</i>		
Non current assets	2,916,097	2,811,196
Current assets	85,393	88,962
Non current liabilities	(345,662)	(392,224)
Current liabilities	(382,057)	(324,777)
Net assets (100%)	2,273,771	2,183,157
Group's share of net assets – 54.14% (2024: 54.14%)	1,231,020	1,181,961
Non Controlling Interest – 45.86 % (2024: 45.86%)	1,042,751	1,001,196
Accounting adjustment to non-controlling interest (refer note 13)	(17,620)	(17,054)
	1,025,131	984,142
<i>Port of Tauranga Group – summary of financial performance and cash flow</i>		
Operating revenue	464,161	417,375
Profit after income tax	173,373	90,849
Total comprehensive income	195,021	149,450
Net cash inflow from operating activities	171,981	135,837
Ending cash and cash equivalents	8,975	18,728

Policies

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing control, potential voting rights that presently are exercisable, are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Non-Controlling Interest

The share of the net assets of controlled entities attributable to non controlling interests is disclosed separately on the statements of financial position. In the income statements, the profit or loss of the Group is allocated between profit or loss attributable to non controlling interest and profit or loss attributable to owners of the Parent Company.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

11. Investments in Equity accounted Investees

Investments in Equity Accounted Investees are comprised as follows. (A) denotes an 'associate' and (JV) 'Joint Venture':

Name of entity	Principal activity	2025 %	2024 %	Balance Date
Huakiwi Developments Limited Partnership (JV)	Orchard development	50.00	50.00	31 Mar*
TRG Pharmaceuticals Limited (A)	In liquidation	26.97	26.97	31 Mar*
Oriens Capital (A)	Private Equity Fund	19.77	19.77	31 Mar*
Techion Group Limited (A)	Diagnostic Technology	21.57	24.33	30 Jun
PF Olsen Holdings Limited (A)	Forestry Management	44.43	44.43	31 Dec*
HRL Property Limited (JV)	Land ownership	0	63.70	30 Jun
Goodbuzz Limited (A)	Kombucha Manufacturer	0	32.11	31 Mar*
Panorama Towers Limited (A)	Commercial property development to rent	33.33	33.33	31 Mar*
Tauranga Crossing Limited (A)	Mixed use investment property	36.10	36.10	31 Mar*
Tauranga Commercial Developments Limited (JV)	Commercial property development	50.00	50.00	30 June
Coda Group Limited Partnership (JV)	Freight logistics and warehousing	50.00	50.00	30 June
NorthPort Limited (JV)	Sea port	0	50.00	30 June
Northport Group Limited (JV)	Sea port	50.00	0	30 June
PrimePort Timaru Limited (JV)	Sea port	50.00	50.00	30 June
PortConnect Limited (JV)	On line cargo management	50.00	50.00	30 June
Ruakura Inland Port. LP (JV)	Inland Port	50.00	50.00	30 June

* Non-standard balance dates of Group equity accounted investees are aligned to their business cycle and are accepted on the basis they are not material to the Group. The equity accounting for these investments with non-aligned balance dates is based on unaudited management accounts as at 30 June, which have been reviewed by management.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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11. Investments in Equity accounted Investees (continued)

Carrying value of investments in Equity Accounted Investees:

	30 June 2025 \$000	30 June 2024 \$000
Associates		
Balance at 1 July	48,582	36,629
Share of net profit / (loss) after tax	5,953	7,994
Share of revaluation reserve	(213)	723
Share of total comprehensive income	5,740	8,717
New investment during the year	7,246	11,818
Impairment of investment	(7)	(6,503)
Distributions received	(125)	(1,308)
Transfers	5,024	(771)
Balance at 30 June	66,460	48,582
Joint Ventures		
Balance at 1 July	240,155	238,131
Share of net profit after tax	8,291	5,979
Share of hedging reserve	(332)	(218)
Share of revaluation reserve	4,770	11,675
Share of total comprehensive income	12,729	17,436
New investment during the year (refer to Acquisition of Northport Group Limited)	162,010	2,135
Disposal (refer to Acquisition of Northport Group Limited)	(104,778)	(4,147)
Distributions received	(7,625)	(13,399)
Balance at 30 June	302,491	240,155
Total equity accounted investees	368,950	288,737

Quayside Group

The Group has uncalled capital commitments in its equity accounted investees of \$0.15m (2024: \$24.7m).

There are no contingent liabilities relating to the Group's interests in its equity accounted investees.

The following table summarises the financial information of individually immaterial Equity Accounted interests in associates, as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. PF Olsen Group Holdings, Panorama Towers Limited and Tauranga Crossing Limited are presented separately as considered a material equity accounted investee.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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11. Investments in Equity Accounted Investees (continued)

Summarised financial information of individually material equity accounted investees – Associates:

Group	2025 Individually immaterial associates NZ\$000	2025 Panorama Towers Limited NZ\$000	2025 Tauranga Crossing Limited NZ\$000	2025 PF Olsen Group Holdings NZ\$000	2025 Total NZ\$000	2024 Total NZ\$000
Total current assets	1,150	(5,882)	5,797	56,184	57,249	70,426
Total non current assets	42,502	35,684	296,875	33,594	408,654	410,550
Total assets	43,651	29,802	302,672	89,778	465,903	480,975
Total current liabilities	(5,894)	(1,569)	(8,307)	(44,200)	(59,970)	(82,443)
Total non current liabilities	(396)	-	(282,680)	(14,324)	(297,399)	(269,957)
Total liabilities	(6,290)	(1,569)	(290,987)	(58,523)	(357,369)	(352,400)
Net assets	37,361	28,232	11,684	31,254	108,532	128,801
Group's share of net assets	8,370	16,850	16,949	13,893	56,061	38,731
Goodwill acquired on acquisition of equity accounted investees	-	-	-	10,398	10,398	9,851
Carrying amount of Equity Accounted Investees	8,370	16,850	16,949	24,291	66,460	48,582
Revenues	1,747	-	18,584	99,882	120,213	126,381
Net profit / (loss) after tax	(5,815)	(5,086)	18,250	5,568	12,917	20,849
Other comprehensive income	-	-	-	(479)	(479)	1,625
Total comprehensive income / (loss)	(5,815)	(5,086)	18,250	5,088	12,438	22,474

Quayside Holdings Limited and Subsidiaries
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For the year ended 30 June 2025

11. Investments in Equity Accounted Investees (continued)

The following table summarises the financial information of Northport Limited, PrimePort Timaru Limited and Coda Group Limited Partnership and the combined value of other Joint Venture Equity Accounted Investees as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies.

Summarised financial information of equity accounted investees – Joint Ventures:

Group 2025	Northport Group Limited	Northport Limited	Coda Group Limited Partnership	Prime Port Timaru Limited	Other Equity Accounted Investees	Total
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Total current assets	6,922	-	27,490	6,397	16,427	57,236
Total non current assets	491,549	-	41,988	184,674	111,193	829,404
Total assets	498,471	-	69,478	191,071	127,619	886,639
Total current liabilities	(41,017)	-	(22,551)	(5,431)	(5,756)	(74,755)
Total non current liabilities	(153,644)	-	(27,687)	(57,591)	(532)	(239,454)
Total liabilities	(194,661)	-	(50,238)	(63,022)	(6,287)	(314,208)
Net assets	303,810	-	19,240	128,049	121,332	572,431
Group's share of net assets	151,905	-	9,620	64,025	60,666	286,216
Goodwill acquired on acquisition of equity accounted investees	-	-	14,557	-	-	14,557
Carrying amount of Equity Accounted Investees	153,623	-	24,177	64,025	60,666	302,491
Revenues	-	43,198	176,698	32,591	24,250	276,737
Net profit / (loss) after tax	-	14,110	(5,302)	2,928	4,846	16,582
Other comprehensive income	-	4,066	-	142	4,668	8,876
Total comprehensive income / (loss)	-	18,176	(5,302)	3,070	9,514	25,458

Quayside Holdings Limited and Subsidiaries
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11. Investments in Equity Accounted Investees (continued)

Group 2024	Northport Limited	Coda Group Limited Partnership	Prime Port Timaru Limited	Other Equity Accounted Investees	Total
	NZ\$000	NZ\$000	NZ\$000	NZ\$000	NZ\$000
Total current assets	4,445	32,423	5,889	12,288	55,045
Total non current assets	241,209	52,626	185,092	97,790	576,717
Total assets	245,654	85,049	190,981	110,078	631,762
Total current liabilities	(3,962)	(30,693)	(4,287)	(3,541)	(42,483)
Total non current liabilities	(43,300)	(29,812)	(60,214)	3,719	(129,607)
Total liabilities	(47,262)	(60,505)	(64,501)	178	(172,090)
Net assets	198,392	24,544	126,480	100,822	450,238
Group's share of net assets	99,197	12,272	63,240	50,861	225,570
Goodwill acquired on acquisition of equity accounted investees	-	14,557	-	28	14,585
Carrying amount of Equity Accounted Investees	99,197	26,829	63,240	50,895	240,161
Revenues	40,725	249,554	29,771	15,968	336,018
Net profit after tax	13,454	(3,926)	902	1,521	11,951
Other comprehensive income	15,172	-	2	7,740	22,914
Total comprehensive income	28,626	(3,926)	904	9,261	34,865

Judgements

It has been determined that the Group has joint control over its investees, due to the existence of contractual agreements which require the unanimous consent of the parties sharing control over relevant business activities. Likewise, the management has determined that significant influence exist over its associates.

In accordance with IAS 28, management performed an impairment assessment of the equity accounted investees as at 30 June 2025 and concluded that no indicators of impairment were identified except for what is mentioned below.

The investment in Coda Group Limited Partnership (Coda) was tested for impairment at 30 June 2025, based upon the higher of fair value and value-in-use. Fair value represents an amount obtainable in an arm's length transaction, less cost of disposal.

An external specialist was engaged in the prior year to perform an independent valuation of Coda.

For the current year's impairment testing at 30 June 2025, management has relied on that prior year's independent valuation report, having undertaken a detailed review of the key assumptions to ensure they remained valid. The fair value has been calculated by applying an EV/EBITDA multiple of 8x to a maintainable EBITDA of \$4.1 million and adding the fair value of surplus assets the business intends to sell. The multiple was determined with reference to listed and transaction multiples of comparable entities, while the maintainable EBITDA was based on management forecasts with adjustments applied by the external specialist. Following the review, management concluded that the assumptions used in the prior year valuation continued to be appropriate, and based on the calculated fair value, no impairment has been recorded at 30 June 2025.

Coda has one key customer with circa 90% of its revenue coming from this customer. The fair value calculation assumes that this customer relationship will continue on substantially the same terms. If the relationship is not continued then it is likely the fair value of Coda will be materially less and the carrying value will be impaired.

Quayside Holdings Limited and Subsidiaries
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For the year ended 30 June 2025

11. Investments in Equity Accounted Investees (continued)

Policies

The Group's interests in Equity Accounted Investees comprise interests in associates and joint ventures.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associates, are those entities in which the Group has significant influence, but not control or joint control over the financial and operating policies.

Equity Accounted Investees are accounted for using the equity method. The consolidated financial statements include the Group's share of the income and expenses of Equity Accounted Investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences, until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity investee, the carrying amount of that interest (including any long term investments) is reduced to nil and the recognition of further losses is discontinued, except to the extent that the Group has an obligation or has made payments on behalf of the investee.

In respect of Equity Accounted Investees, the carrying amount of goodwill is included in the carrying amount of the investment and not tested for impairment separately.

Acquisition of Northport Group Limited

On 26 June 2025, Port of Tauranga Limited sold its 50% share of Northport Limited (Northport) to Marsden Maritime Holdings Limited (MMH), the other 50% shareholder, in exchange for a 50% interest in newly incorporated Northport Group Limited (NGL). No cash consideration was involved.

NGL is owned 50% by Port of Tauranga Limited, 43% by Northland Regional Council and 7% by Tupu Tonu (Ngāpuhi Investment Fund Limited). MMH is now a 100% owned subsidiary of NGL after NGL bought out the minority shareholders and MMH was delisted. This structure better aligns Northport's strategic interests with MMH's land-based assets and simplifies ownership to support future growth.

The investment in Northport was previously accounted for using the equity method under NZ IAS 28 Investments in Associates and Joint Ventures (NZ IAS 28), as disclosed in this note. As at the date of disposal, the carrying amount of the investment in Northport was \$102.7m, of which \$73.0m related to other comprehensive income associated primarily with Northport's revaluation of property, plant and equipment.

The investment in NGL is recognised at fair value as at 26 June 2025. The initial recognition measured the fair value of the shares received at \$151.9m. Directly attributable acquisition costs of \$1.7m were included in the initial cost of the investment. Fair value was determined primarily using a discounted cash flow model, cross-checked to comparable company trading and precedent transaction multiples, and performed by an independent expert.

There is an acknowledged conflict between NZ IFRS 10 Consolidated Financial Statements (NZ IFRS 10) and NZ IAS 28 when accounting for exchanges of interests in jointly controlled entities. This gives rise to an accounting policy choice: recognise a partial gain under the NZ IAS 28 approach or a full gain under the NZ IFRS 10 approach. Port of Tauranga Limited has adopted the NZ IFRS 10 approach.

Financial statement effects:

Gain on disposal: A full gain of \$49.2m was recognised in profit or loss, calculated as the difference between the carrying amount of the interest disposed of and the fair value of the interest acquired.

Equity reclassification: Port of Tauranga Limited's share of Northport's revaluation reserve of \$73.0m, previously recognised in other comprehensive income, was transferred directly to retained earnings on disposal.

Statement of financial position: The investment in Northport was derecognised and the \$153.6m investment in NGL recognised within non-current assets.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

12. Receivables and Prepayments

	30 June 2025 \$000	30 June 2024 \$000
Non current		
Prepayments and sundry receivables	16,282	17,272
Total non current	16,282	17,272
Trade receivables	65,714	63,940
Provision for expected credit losses – trade receivables (refer to note 16).	(30)	(30)
Trade receivables from Equity Accounted Investees, subsidiaries and related parties	395	757
	66,079	64,667
Kiwifruit income receivable	3,813	3,121
Advances to Equity Accounted Investees (refer note 11)	-	1,400
Provision for expected credit losses – advances to equity accounted investees (refer to note 16)	-	(166)
Prepayments and sundry receivables	7,522	3,697
Total current	77,414	72,719
Total receivables and prepayments	93,696	89,991
Aging of trade receivables		
Not past due	51,295	49,620
Past due 0 – 30 days	12,968	13,172
Past due 30 – 60 days	1,089	828
Past due 60 – 90 days	390	702
More than 90 days	336	345
	66,079	64,667

Judgements

A provision for expected credit losses is established when the assessment under NZ IFRS 9 deems a provision is required (refer to note 16).

Prepayments

Prepayments is predominantly made up of consideration paid to KiwiRail Limited in 2020 for the extension of the rail agreement at MetroPort. The current balance of this prepayment is \$17.3 million (2024: \$18.4 million). The payment is amortised over 20 years.

Policies

Receivables are initially recognised at transaction price. They are subsequently measured at amortised cost and adjusted for impairment losses. Receivables with a short duration are not discounted. Prepayments are recognised at cost and represent expenditure paid in advance for goods or services to be received in future periods.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

13. Equity

(a) Share Capital

	30 June 2025 No. (000)	30 June 2025 \$ paid up (\$000)	30 June 2025 \$ uncalled (\$000)	30 June 2024 No. (000)	30 June 2024 \$ paid up (\$000)	30 June 2024 \$ uncalled (\$000)
<i>Number of shares held</i>						
<i>Ordinary share capital</i>						
Balance as at 1 July	10	10	-	10	10	-
Balance as at 30 June	10	10	-	10	10	-
<i>Redeemable preference shares</i>						
Balance as at 1 July	2,003,190	1	81,830	2,003,190	1	81,830
Balance as at 30 June	2,003,190	1	81,830	2,003,190	1	81,830
<i>Perpetual preference shares</i>						
Balance as at 1 July	200,001	200,001	-	200,001	200,001	-
Balance as at 30 June	200,001	200,001	-	200,001	200,001	-

Share capital

The holders of the ordinary shares are entitled to dividends as declared from time to time and all shares have equal voting rights at meetings of the Parent, and rank equally with regard to the Parent's residual assets on wind up. The shares were issued for \$1 and are fully paid up.

Redeemable Preference Shares

The Redeemable Preference Shares have no voting rights. The constitution provides that dividends are payable on these shares from time to time and in such amount as determined by the directors. The Redeemable Preference Shares have no fixed maturity date but are redeemable 60 days after a request from the holder. The unpaid issue price can be called by the Board of Directors of the Parent. As at 30 June 2025, the amount uncalled is \$81,829,918 (2024: \$81,829,918). The Parent has no current intention of making a call on the uncalled redeemable preference shares.

Perpetual Preference Shares (listed on the NZDX under the symbol QHLHA)

The Perpetual Preference Shares have no fixed term and are not redeemable. Holders of Perpetual Preference Shares are entitled to receive Dividends which are fully imputed (or "grossed up" to the extent they are not fully imputed), quarterly in arrears. These dividends are at the discretion of the board of directors. On a liquidation of Quayside Holdings Limited, the Holder of a Perpetual Preference Share will be entitled to receive the Liquidation Preference in priority to the holders of its Uncalled Capital, its Ordinary Shares, its Redeemable Preference Shares and any other shares ranking behind the Perpetual Preference Shares.

Holders of Perpetual Preference Shares in Quayside Holdings Limited do not have voting rights at shareholder meetings but may vote on matters directly affecting their rights, such as Put Option exercises. The Council can call these shares after a specified date, though no call has been made to date. The Put Option, outlined in the 2008 prospectus, may be triggered under conditions like insolvency, failure to pay dividends, or loss of majority ownership in Port of Tauranga, requiring the Administrative Agent to act on behalf of all holders to have the Council purchase the shares, depending on the circumstances that activate the option.

If Quayside Holdings is unable or unwilling to pay a dividend on its Perpetual Preference Shares—due to factors such as insolvency, loss of majority ownership in Port of Tauranga, or changes to Uncalled Capital liabilities—the Put Option may be exercised, requiring the Council to purchase the shares. In such a case, shareholders would receive \$1.00 plus any unpaid amounts and a return at the prevailing dividend rate up to the transfer date, but would forfeit any future dividend entitlements after the shares are transferred.

Quayside Holdings may issue further securities (including further perpetual preference shares) ranking equally with, or behind, the Perpetual Preference Shares without the consent of any Holder. However, it may not issue any other shares ranking in priority to the Perpetual Preference Shares as to distributions without the approval of the Holders by way of a Special Resolution or pursuant to a Special Approval Notice.

Quayside Holdings Limited and Subsidiaries
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For the year ended 30 June 2025

13. Equity (continued)

The arrangement has had the benefit of consecutive private rulings issued by Inland Revenue from 17 September 2007. A binding ruling retaining the existing tax treatment was recently issued by Inland Revenue for five years to 16 September 2026, hence the dividend payable to PPS Holders are fully imputed.

(b) Dividends

The following dividends were declared and paid during the period by Quayside Holdings Limited:

	30 June 2025 \$000	30 June 2024 \$000
<i>Ordinary shares</i>		
Total dividends paid of \$4,700 per share (2024: \$4,500)	47,000	45,000
	47,000	45,000
<i>Perpetual preference shares</i>		
Total dividends paid of \$0.0478 per share (2024: \$0.0478)	9,562	9,562
	9,562	9,562
Total dividends paid	56,562	54,562

The Perpetual Preference Shares are subject to a fixed Dividend Rate reset every three years at the Dividend Rate Reset Date. This date occurred on 12 March 2023, where the rate for the following three-year period was set at 6.46%. The next dividend reset date will be 13 March 2026.

(c) Reserves

Revaluation reserve

The Group's revaluation reserve relates to the revaluation of land, buildings, wharves and hardstanding, harbour improvements, bearer plants and kiwifruit licences.

Non-controlling interest

Non-controlling interest of 45.86% (2024: 45.86%) is the existing share of Port of Tauranga Limited's consolidated equity which is not owned by *Quayside Group*.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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13. Equity (continued)

Policies

The Group's capital is its equity, which comprises paid up capital, retaining earnings and reserves. Equity is represented by net assets less non controlling interest.

Quayside Group

Quayside Group's objectives when managing capital are to safeguard *Quayside Group's* ability to continue as a going concern in order to provide a long-run risk-adjusted commercial rate of return to the holder of the ordinary shares and to provide fixed dividends to the holders of issued Perpetual Preference shares. Capital is structured to minimise the cost of capital.

Quayside Group's Statement of Intent requires that it retain a majority shareholding in the Port of Tauranga Limited, currently 54.14%; complementing that, the policy of the Board is to provide the best possible management of all other investments by diversifying across sectors away from the port/transport sector, both within Australasia and internationally. To provide for a growing and sustainable flow of dividends to the ordinary shareholder, *Quayside Group* has adopted a distribution policy which will ensure that dividends are maintained with regard to retentions for regional growth and inflation, and can be maintained through periods of income fluctuation.

There have been no material changes in *Quayside Group's* approach to capital management during the year. Quayside Holdings Limited has complied with all capital management policies and covenants during the reporting period.

Port of Tauranga Group

The Board's policy is to maintain a strong capital base, which the *Port of Tauranga Group* defines as total shareholders' equity, so as to maintain investor, creditor and market confidence, and to sustain the future business development of the *Port of Tauranga Group*. The *Port of Tauranga Group* has established policies in capital management, including the specific requirements that interest cover is to be maintained at a minimum of three times and that the [debt/ (debt + equity)] ratio is to be maintained at a 40% maximum. It is also *Port of Tauranga Group* policy that the ordinary dividend payout is maintained between a level of between 70% and 100% of profit after tax for the period.

Port of Tauranga Group has complied with all capital management policies and covenants during the reporting periods.

14. Other Financial Assets

Other financial assets represent the diversified portfolio of the Group that are traded in active markets and direct investment into private equity and managed funds.

	30 June 2025 \$000	30 June 2024 \$000
Loan to Equity accounted investees	1,276	560
Total current	1,276	560
<i>Measured at amortised cost</i>		
Advances to Equity accounted investees	75,567	25,157
<i>Mandatorily measured at fair value through income statement</i>		
Listed assets	196,140	207,218
Unlisted direct equity investments	2,249	1,839
Private equity managed funds	97,029	83,893
Convertible Notes	2,809	2,549
Other financial assets	298,228	295,499
Total non-current	373,795	320,656

Listed assets, for \$196m, are valued using quoted market prices (Fair Value Level 1) as received in the custodian report.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

14. Other Financial Assets (continued)

All of the Group's other equity investments are either audited to a balance date earlier than 30 June 2025 (31 December or 31 March) or are unaudited. The accounting as at 30 June is based on unaudited management accounts. Management accepts the use of management accounts on the basis that these are reviewed by management and changes, if any, between management accounts and audited accounts, would be unlikely to result in a material impact on the carrying value of the investment.

Managed funds are measured to fair value based on the latest quarterly reports provided by the fund managers. The fund managers have used valuation techniques consistent with the guidance from the International Private Equity and Venture Capital Valuation Board (IPEV).

While the Board is of the view that the fair values of the unlisted managed funds and unlisted equity investments in these financial statements represent the best available information, uncertainty exists over the fair value of the investments in the absence of an active market to determine fair value.

The following table groups managed private equity investments as at 30 June 2025 based on the typology and the valuation techniques and inputs used by the Group to derive the fair value of these investments:

Valuation Technique	Audited Information	Fair Value 2025 \$000	Significant Inputs	Fair value sensitivity to inputs \$000
Adjusted share of net assets	31/03/2025	26,898	1. Manager audited financial statements 2. Management assessment of the unaudited period 3. Manager quarterly report	Please refer to Note 16 for a sensitivity of the financial assets group.
Adjusted share of net assets	31/12/2024	70,131		
Total venture capital managed funds at 30 June		97,029		

The Group company has uncalled commitments of \$84.9m (2024: \$55.4m) in relation to equity managed fund investments.

Policies

A financial asset is mandatorily measured at fair value through profit or loss if it is not measured at amortised cost or designated at fair value through comprehensive income upon initial recognition. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets mandatorily measured at fair value through profit or loss are measured at fair value and changes therein, which takes in to account any dividend income, are recognised in profit or loss.

Financial assets mandatorily measured at fair value through profit or loss include: share market investments and other equity investments.

The fair value of share market investments measured at fair value through the income statement is based on quoted market prices at the reporting date and are categorised under the level 1 fair value hierarchy. Share market investments are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Investments in unlisted venture capital funds and unlisted equity investments are not traded in active markets. The fair value is categorised under the level 3 fair value hierarchy. The valuation approaches for these investments are explained above.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Net gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement and other comprehensive income within other gains and other losses.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Group has transferred substantially all risks and rewards of ownership. On derecognition, any gain and loss is recognised in the income statement.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

15. Loans and Borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For additional information about the Group's exposure and sensitivity to interest rate risk, refer to note 16.

Term and debt repayment schedule

Group 2025	Maturity	Coupon	Committed facilities NZ\$000	Undrawn facilities NZ\$000	Fair Value Adjustment NZ\$000	Carrying value NZ\$000
<i>Non current</i>						
Standby revolving cash advance facility	2030	Floating	130,000	130,000	-	-
Standby revolving cash advance facility	2029	Floating	100,000	100,000	-	-
Standby revolving cash advance facility	2028	Floating	50,000	50,000	-	-
Fixed rate bond	2028	3.552%	100,000	-	(2,116)	97,884
Standby revolving cash advance facility	2027	Floating	150,000	125,000	-	25,000
Standby revolving cash advance facility	2026	Floating	70,000	-	-	70,000
Bay of Plenty Regional Council	2033	Floating	100,000	-	-	100,000
Bay of Plenty Regional Council	2030	Floating	100,000	24,400	-	75,600
ASB Borrowings	2030	Floating	80,000	38,480	-	41,520
ASB Borrowings	2028	Floating	20,000	20,000	-	-
Total non current			900,000	487,880	(2,116)	410,004
<i>Current</i>						
Multi option facility	2025	Floating	5,000	5,000	-	-
Fixed rate bond	2025	1.02%	100,000	-	-	100,000
Commercial papers	<3 months	Floating	-	-	-	175,000
Total current			105,000	5,000	-	275,000
Total			1,005,000	492,880	(2,116)	685,004

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

15. Loans and Borrowings (continued)

Group 2024	Maturity	Coupon	Committed facilities NZ\$000	Undrawn facilities NZ\$000	Fair Value Adjustment NZ\$000	Carrying value NZ\$000
<i>Non current</i>						
Fixed rate bond	2028	3.55%	100,000	-	(7,038)	92,962
Standby revolving cash advance facility	2028	Floating	50,000	50,000	-	-
Standby revolving cash advance facility	2026	Floating	130,000	130,000	-	-
Fixed rate bond	2025	1.02%	100,000	-	-	100,000
Standby revolving cash advance facility	2025	Floating	100,000	100,000	-	-
Bay of Plenty Regional Council	2030	Floating	50,000	400	-	49,600
Bay of Plenty Regional Council	2033	Floating	100,000	37,498	-	62,502
Total non current			630,000	317,898	(7,038)	305,064
<i>Current</i>						
Multi option facility	2024	Floating	5,000	5,000	-	-
Standby revolving cash advance facility	2024	Floating	100,000	-	-	100,000
Commercial papers	<3 months	Floating	-	-	-	170,000
Westpac borrowings	2024	Floating	65,000	21,500	-	43,500
Total current			170,000	26,500	-	313,500
Total			800,000	344,398	(7,038)	618,564

ASB Bank

Quayside Holdings Limited has a \$100 million revolving credit facility with ASB Bank Limited (2024: \$65 million with Westpac Banking Corporation). After running a RFP process late in 2024, the facility was agreed upon in February 2025. It includes a \$80 million A Tranche for leverage and bridge financing that expires February 2030 and a \$20 million B Tranche for Rangioru Business Park development contingency needs that expires February 2028.

Bay of Plenty Regional Council

Quayside Holdings Limited has a \$100 million (2024: \$50 million) financing arrangement with Bay of Plenty Regional Council, backed with a Local Government Funding Agency facility. This facility was put in place in October 2018. It is used for general financing needs and expires 1 July 2030.

Quayside Holdings Limited also has a \$100 million (2024: \$100 million) financing arrangement with Bay of Plenty Regional Council, backed with a Local Government Funding Agency facility. This facility was put in place December 2021 to fund Rangioru Business Park development and it expires 30 June 2033.

Fixed rate bonds

The Port of Tauranga has issued two \$100 million fixed rate bonds, a five-year bond with a final maturity on 29 September 2025, and a seven-year bond with a final maturity on 24 November 2028.

Quayside Holdings Limited and Subsidiaries

Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

15. Loans and Borrowings (continued)

Commercial papers

Commercial papers are secured, short term discounted debt instruments issued by the Port of Tauranga Limited for funding requirements as a component of its banking arrangements. The commercial paper programme is fully backed by committed term bank facilities. At 30 June 2025 the Port of Tauranga group had \$175 million of commercial paper debt that is classified within current liabilities (2024: \$170 million).

Due to this classification and the short term nature of \$100m fixed rate facility, the Group's current liabilities exceed the Group's current assets. Despite this fact, the Group does not have any liquidity or working capital concerns as a result of the commercial paper debt being interchangeable with direct borrowings within the standby revolving cash advance facility which is a term facility.

Standby revolving cash advance facility agreement

The Port of Tauranga Limited has a \$500 million financing arrangement with ANZ Bank New Zealand Limited, Bank of New Zealand Limited, Commonwealth Bank of Australia, New Zealand Branch (2024: \$380 million). The facility, which is secured, provides for both direct borrowings and support for issuance of commercial papers.

Multi option facility

The Port of Tauranga has a \$5 million multi option facility with Bank of New Zealand Limited, used for short term working capital requirements (2024: \$5 million).

Security

Bank facilities and fixed rate bonds are secured by way of a security interest over certain floating plant assets (\$13.29 million, 2024: \$13.96 million), mortgages over the land and building assets (\$1,647.75 million, 2024: \$1,626.04 million), and by a general security agreement over the assets of the Port of Tauranga Limited (\$2,919.19 million, 2024: \$2,741.07 million).

Quayside Holdings Limited has a \$100 million ASB Bank Limited revolving credit facility (2024: Nil) secured by an uncalled capital commitment from Bay of Plenty Regional Council. This takes the form of 2,003,190,217 Redeemable Preference Shares (RPS) with an issue price of \$0.041 per share, making for uncalled capital of \$81.8 million.

Covenants

The Port of Tauranga Limited borrows under a negative pledge arrangement, which with limited circumstances does not permit it to grant any security interest over its assets. The negative pledge deed requires the Port of Tauranga Limited to maintain certain levels of shareholders' funds and operate within defined performance and debt gearing ratios. The Port of Tauranga Limited has complied with all covenants during the reporting periods.

Fair values

The fair value of fixed rate loans and borrowings is calculated by discounting the future contractual cash flows at current market interest rates that are available for similar financial instruments. The amortised cost of variable rate loans and borrowings is assumed to closely approximate fair value as debt facilities are repriced every 90 days.

Interest rates

The weighted average interest rate of interest-bearing loans was 4.00% at 30 June 2025 (2024: 4.70%) for the Group.

Policies

Loans and borrowings are recognised initially at fair value, plus any directly attributable transaction costs, if the Group becomes a party to the contractual provisions of the instrument. Loans and borrowings are derecognised if the Group's obligations as specified in the contract expire or are discharged or cancelled.

Subsequent to initial recognition, loans and borrowings are measured at amortised cost using the effective interest method.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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16. Financial Instruments

a) Accounting Classification and Fair Values

The following tables show the classification, fair value and carrying amount of financial instruments held by the Group at reporting date:

	Fair Value through Profit and Loss	Amortised Cost	Total Carrying Amount	Fair Value
	\$000	\$000	\$000	\$000
Group 2025				
<i>Assets</i>				
Cash and cash equivalents	-	15,863	15,863	15,863
Advances to equity accounted investees	-	1,276	1,276	1,276
Receivables	-	69,892	69,892	69,892
Total current assets	-	87,031	87,031	87,031
Derivative instruments	5,694	-	5,694	5,694
Advances to equity accounted investees	-	75,567	75,567	75,567
Other financial assets	298,228	-	298,228	298,228
Total non current assets	303,922	75,567	379,489	379,489
Total assets	303,922	162,598	466,520	466,520
<i>Liabilities</i>				
Loans and borrowings	-	275,000	275,000	274,405
Lease liabilities	-	1,092	1,092	923
Trade and other payables	-	20,218	20,218	20,218
Derivative instruments	65	-	65	65
Total current liabilities	65	296,310	296,375	295,611
Loans and borrowings	-	410,004	410,004	410,412
Lease liabilities	-	54,842	54,842	43,423
Derivative instruments	4,622	-	4,622	4,622
Total non current liabilities	4,622	464,846	469,468	458,457
Total liabilities	4,687	761,156	765,843	754,068

Quayside Holdings Limited and Subsidiaries
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16. Financial Instruments (continued)

	Fair Value through Profit and Loss	Amortised Cost	Total Carrying Amount	Fair Value
	\$000	\$000	\$000	\$000
Group 2024				
<i>Assets</i>				
Cash and cash equivalents	-	27,756	27,756	27,756
Derivative instruments	340	-	340	340
Advances to Equity accounted investees*	-	560	560	560
Receivables	-	69,188	69,188	69,188
Total current assets	340	97,504	97,844	97,844
Derivative instruments	11,869	-	11,869	11,869
Advances to equity accounted investees*	-	25,157	25,157	25,157
Other financial assets	295,499	-	295,499	295,499
Total non current assets	307,368	25,157	332,525	332,525
Total assets	307,708	122,661	430,369	430,369
<i>Liabilities</i>				
Loans and borrowings	-	313,500	313,500	313,500
Lease liabilities	-	1,049	1,049	867
Trade and other payables	-	27,987	27,987	27,987
Derivative instruments	82	-	82	82
Contingent consideration	28	-	28	28
Total current liabilities	110	342,536	342,646	342,464
Loans and borrowings	-	305,064	305,064	294,539
Lease liabilities	-	55,972	55,972	43,514
Derivative instruments	7,244	-	7,244	7,244
Total non current liabilities	7,244	361,036	368,280	345,297
Total liabilities	7,354	703,572	710,926	687,761

* Reclassified from fair value through profit or loss to amortised cost to reflect a hold-to-collect model under NZ IFRS

b) Financial risk management

The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. For the purposes of this note, the Group comprises two governance structures: *Quayside Group* and *Port of Tauranga Group*.

The Board of Directors of each Group has overall responsibility for the establishment and oversight of the Group's financial risk management framework. However each of the Groups described above has its own Committee appointed by its Board of Directors. Each Committee is established on 'best practice' principles and is responsible for developing and monitoring risk management policies, and reports regularly to their respective Board of Directors on its activities. The Group's financial risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Financial risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

16. Financial Instruments (continued)

Each Board ultimately oversees how management monitors compliance with the Group's financial risk management policies and procedures and reviews the adequacy of the financial risk management framework in relation to the risks faced by the Group.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

(i) Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at reporting date was:

	30 June 2025 \$000	30 June 2024 \$000
Credit risk		
Trade and other receivables	69,892	69,188
Loans to equity accounted investees	76,843	25,717
Derivative financial instruments	5,694	12,209
Cash and cash equivalents	15,863	27,756
Total	168,292	134,870

The Group recognises an allowance for expected credit losses (ECLs) for all financial assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For advances to Equity Accounted Investees, which have not had a significant increase in credit risk since initial recognition, ECLs are calculated based on the probability of a default event occurring within the next 12 months. An industry-accepted probability of default is obtained annually from the Standard & Poor's Global Corporate Default Study for use in this calculation.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for any significant known amounts that are not receivable.

Credit risk management policies

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty failing to meet its contractual obligations. Financial instruments which potentially subject the Group to credit risk, principally consist of bank balances, trade receivables, advances to Equity Accounted Investees and derivative financial instruments.

The *Group* only transacts in treasury activity (including investment, borrowing and derivative transactions) with Board approved counterparties. Unless otherwise approved by the Board, counterparties are required to be New Zealand registered banks with a Standard & Poor's credit rating of A or above. The *Group* continuously monitors the credit quality of the financial institutions that are counterparties and does not anticipate any non performance.

The *Port of Tauranga Group* adheres to a credit policy that requires that each new customer to be analysed individually for credit worthiness before *Port of Tauranga Group's* standard payment terms and conditions are offered. Customer payment performance is constantly monitored with customers not meeting credit worthiness being required to transact with *Port of Tauranga Group* on cash terms. The *Port of Tauranga Group* generally does not require collateral.

Quayside Holdings Limited and Subsidiaries
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16. Financial Instruments (continued)

Default

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as security (if any is held).

Concentration of credit risk

The only significant concentration of credit risk at the reporting date relates to bank balances and advances to Equity Accounted Investees. The nature of the *Port of Tauranga Group's* business means that the top ten customers account for 62.4% of total Port of Tauranga group revenue (2024: 62.1%). The *Port of Tauranga Group* is satisfied with the credit quality of these debtors and does not anticipate any non-performance. There are no significant concentrations of credit risk for the *Quayside Group*.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient cash and borrowing facilities available to meet its liabilities when due, under both normal and adverse conditions. The Group's cash flow requirements and the utilisation of borrowing facilities are continuously monitored. The *Port of Tauranga Group's* committed bank facilities are required to be always maintained at a minimum of 10% above maximum forecast usage.

Funding risk is the risk that arises when either the size of borrowing facilities or the pricing thereof is not able to be replaced on similar terms, at the time of review with the Groups banks. To minimise funding risk it is Board policy to spread the facilities' renewal dates and the maturity of individual loans. Where this is not possible, extensions to, or the replacement of, borrowing facilities are required to be arranged at least six months prior to each facility's expiry.

The inflows/outflows disclosed in the below tables represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

The following table sets out the contractual cash outflows for all financial liabilities (including estimated interest payments) and derivatives:

	Statement of Financial Position	Contractual Cash Flows	6 Months or Less	6 – 12 Months	1 – 2 Years	2 – 5 Years	More Than 5 Years
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Group 2025							
Non derivative financial liabilities							
Loans and borrowings	(685,004)	(707,288)	(476,070)	(62,605)	(21,592)	(146,793)	(228)
Trade and other payables	(18,281)	(18,281)	(18,281)	-	-	-	-
Total non derivative liabilities	(703,285)	(725,569)	(494,351)	(62,605)	(21,592)	(146,793)	(228)
Derivatives							
<i>Interest rate derivatives</i>							
- Cash flow hedges outflow	(2,533)	(3,322)	(380)	(598)	(1,058)	(1,286)	-
- Cash flow hedges inflow	5,694	6,911	684	757	1,664	3,208	598
- Fair value hedges - outflow	(2,154)	(2,334)	(267)	(189)	(497)	(1,381)	-
Total derivatives	1,007	1,255	37	(30)	109	541	598
Total	(702,278)	(724,314)	(494,314)	(62,635)	(21,483)	(146,252)	370

Quayside Holdings Limited and Subsidiaries
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16. Financial Instruments (continued)

	Statement of Financial Position	Contractual Cash Flows	6 Months or Less	6 – 12 Months	1 – 2 Years	2 – 5 Years	More Than 5 Years
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Group 2024							
Non derivative financial liabilities							
Loans and borrowings	(619,092)	(662,459)	(343,641)	(2,827)	(139,965)	(176,027)	-
Trade and other payables	(14,223)	(14,223)	(14,223)	-	-	-	-
Contingent consideration	(28)	(39)	(39)	-	-	-	-
Total non derivative liabilities*	(633,343)	(676,721)	(357,903)	(2,827)	(139,965)	(176,027)	-
Derivatives							
<i>Interest rate derivatives</i>							
- Cash flow hedges outflow	(224)	(364)	-	-	-	(330)	(34)
- Cash flow hedges inflow	12,209	14,331	2,482	1,854	3,509	5,754	732
- Fair value hedges - outflow	(7,020)	(8,056)	(1,510)	(1,285)	(1,840)	(3,421)	-
<i>Foreign exchange derivatives</i>							
Cash flow hedges - outflow	(82)	(3,529)	(3,529)	-	-	-	-
Cash flow hedges - inflow	-	3,446	3,446	-	-	-	-
Total derivatives	4,882	5,828	889	569	1,669	2,003	698
Total	(628,461)	(670,893)	(357,014)	(2,258)	(138,296)	(174,024)	698

*Lease liabilities are not financial instruments; accordingly, they have been removed from the financial instruments note and comparatives have been updated.

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The *Quayside Group* is exposed to equity securities price risk because of investments held by the Group. This risk is managed through diversification of the portfolio. Refer to further information in Note 14. The *Quayside Group* has no exposure to commodity price risk.

The *Port of Tauranga Group* uses derivative financial instruments such as interest rate swaps and foreign currency options to hedge certain risk exposures. All derivative transactions are carried out within the guidelines set out in The *Port of Tauranga Group's* Treasury Policy which have been approved by the Board of Directors. Generally the *Port of Tauranga Group* seeks to apply hedge accounting in order to manage volatility in the income statement.

Interest rate risk

Interest rate risk is the risk of financial loss, or impairment to cash flows in current or future periods, due to adverse movements in interest rates on borrowings or investments. The *Port of Tauranga Group* uses interest rate derivatives to manage its exposure to variable interest rate risk by converting variable rate debt to fixed rate debt.

The *Port of Tauranga Group's* policy is to keep its exposure to borrowings at fixed rates of interest between parameters as set out in the its treasury policy.

The *Port of Tauranga Group* enters into derivative transactions into International Swaps Derivatives Association (ISDA) master agreements. The ISDA agreements do not meet the criteria for offsetting in the balance sheet for accounting purposes.

The *Quayside Group* has deposits and borrowings that are subject to movements in interest rates.

Quayside Holdings Limited and Subsidiaries
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16. Financial Instruments (continued)

At reporting date, the interest rate profile of the Group's interest-bearing financial assets /(liabilities) were:

	30 June 2025	30 June 2024
	\$000	\$000
<i>Carrying amount</i>		
<i>Fixed rate instruments</i>		
Fixed rate bond	(197,884)	(192,962)
Lease liabilities	(55,934)	(57,021)
Total	(253,818)	(249,983)
<i>Variable rate instruments</i>		
Commercial papers	(175,000)	(170,000)
Standby revolving cash advance facility	(95,000)	(100,000)
Interest rate derivatives	1,007	4,965
Westpac borrowings	-	(43,500)
ASB borrowings	(41,520)	-
Bay of Plenty Regional Council Borrowings	(175,600)	(112,102)
Cash balances	15,863	27,756
Total	(470,250)	(392,881)

Sensitivity analysis

Interest rate movements have been applied to the Group's variable rate debt to demonstrate the sensitivity to interest rate risk. If, at reporting date, bank interest rates had been 100 basis points higher/lower, with all other variables held constant, the result would increase/(decrease) post tax profit or loss and the hedging reserve by the amounts shown below. The analysis is performed on the same basis used for the year ended June 2024.

The effect on equity is the movement in the valuation of derivatives that are designated as cash flow hedges due to an increase or decrease in interest rates. All derivatives that are effective as at 30 June 2025 are assumed to remain effective until maturity. Therefore, any movements in these derivative valuations are taken to the cash flow hedge reserve within equity and they will reverse entirely by maturity date.

	Profit or Loss		Cash Flow Hedge Reserve	
	100 bp Increase	100 bp Decrease	100 bp Increase	100 bp Decrease
	\$000	\$000	\$000	\$000
<i>Group 2025</i>				
Variable rate instruments	(3,112)	3,134	-	-
Interest rate derivatives - paying fixed	1,332	(1,280)	8,272	(8,704)
Interest rate derivatives - paying floating	(720)	720	-	-
Total	(2,500)	2,574	8,272	(8,704)
<i>Group 2024</i>				
Variable rate instruments	(2,920)	2,941	-	-
Interest rate derivatives - paying fixed	1,404	(1,352)	5,288	5,563
Interest rate derivatives - paying floating	(720)	720	-	-
Total	(2,236)	2,309	5,288	5,563

Quayside Holdings Limited and Subsidiaries
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For the year ended 30 June 2025

16. Financial Instruments (continued)

Fair values

The fair value of derivatives that are not traded in active markets (for example, over-the-counter derivatives), are determined by using market accepted valuation techniques incorporating observable market data about conditions existing at each reporting date.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable forward price curves. The fair value of forward exchange contracts is calculated as the present value of future cash flows based on quoted forward exchange rates at the reporting date.

All derivative financial instruments held by the Group and measured at fair value are classified as level 2 under the fair value measurement hierarchy (refer to note 2).

Foreign exchange risk

Quayside Group

Foreign currency risk is the risk arising from the variability of the NZD currency values of the Group's assets, liabilities and operating cash flows, caused by changes to foreign exchange rates. The Group held the following foreign equities and cash balances at balance date:

	30 June 2025 \$000	30 June 2024 \$000
Cash – AUD	-	2
Cash – USD, EUR, GBP, CAD	25	169
Equities – AUD	17,093	33,446
Equities – USD, EUR, GBP, CAD, SGD	85,537	75,187
	102,655	108,804

Sensitivity analysis

If at reporting date, a 10% strengthening/weakening of the above currencies against the New Zealand dollar occurred with all other variables held constant, it would increase/decrease post-tax profit or loss and the equity by the amounts shown below. The analysis is performed on the same basis as that used for the year ended June 2024.

	Profit or Loss	
	10% Strengthening \$000	10% Weakening \$000
<i>Group</i>		
Cash – AUD	-	(-)
Cash – USD, EUR, GBP	2	(2)
Equities – AUD	1,709	(1,709)
Equities – USD, EUR	8,554	(8,554)
30 June 2025	10,265	(10,265)
Cash – AUD	-	(-)
Cash – USD, EUR, GBP	17	(17)
Equities – AUD	3,345	(3,345)
Equities – USD, EUR, GBP, CAD, SGD	7,519	(7,519)
30 June 2024	10,880	(10,880)

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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16. Financial Instruments (continued)

Port of Tauranga

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant Group entity. The risk is measured through a forecast of highly probable foreign currency expenditures. The risk is hedged with the objective of minimising the volatility of the NZD cost of highly probable forecast property, plant and equipment purchases.

The Port of Tauranga Group's policy is to hedge between 0% and 50% of foreign exchange exposures for property, plant and equipment purchases following approval from the Board for the capital expenditure, and a minimum of 75% hedging is required at the time a supply contract is signed. The above limits apply to foreign currency imports of capital items exceeding NZD500,000.

Other price risk

Quayside Group is exposed to equity securities price risk because of investments classified as fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group's Statement of Investment Policy Objectives. The Group's investments are in both listed and unlisted equities and managed funds. Equities by nature are subject to volatility. The Group holds equities in a number of markets. The Group held the following equities at balance date:

	30 June 2025 \$000	30 June 2024 \$000
Unlisted private equity and managed funds	102,088	88,281
Listed Equities – NZD	93,510	98,586
Listed Equities – AUD	17,093	33,446
Listed Equities – USD, EUR, GBP, CAD, SGD	85,537	75,187
	298,228	295,500

Sensitivity analysis

The table below summarises the impact of increases/decreases in the equity prices on the Group's pre-tax profit for the year – all movements in equity prices are reflected through profit or loss. The analysis is based on the assumption that the equity prices had increased/decreased by 10% with all other variables held constant and all the Group's equity instruments moved according to the historical correlation with the index.

	10% Increase \$000	10% Decrease \$000
Unlisted private equity and managed funds	10,209	(10,209)
Listed Equities – NZD	9,351	(9,351)
Listed Equities – AUD	1,709	(1,709)
Listed Equities – USD, EUR, GBP, CAD, SGD	8,554	(8,554)
30 June 2025	29,823	(29,823)
Unlisted private equity and managed funds	8,828	(8,828)
Listed Equities – NZD	9,859	(9,859)
Listed Equities – AUD	3,345	(3,345)
Listed Equities – USD, EUR, GBP, CAD, SGD	7,519	(7,519)
30 June 2024	29,551	(29,551)

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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16. Financial Instruments (continued)

Market liquidity risk

Market liquidity risk is the risk that insufficient liquidity in the market for a security will limit the ability of the security to be sold, resulting in the Group suffering a financial loss. The Group is subject to market liquidity risk if investments are made in relatively illiquid securities, such as unlisted investments. The Group seeks to minimise its exposure to this risk through having sufficient liquid investments.

Financial instruments categories and fair value hierarchy

The Group's other equity investments are mandatorily measured at fair value through the income statement. The table below analyses financial instruments carried at fair value, by level of valuation. The following table presents the Group's financial assets and liabilities that are measured at fair value at 30 June 2025 and 30 June 2024.

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
30 June 2025				
<i>Financial assets at fair value through profit or loss</i>				
Listed equity investments	196,140	-	-	196,140
Unlisted direct investments	-	-	2,249	2,249
Unlisted managed funds	-	-	97,029	97,029
Other instruments	-	-	2,809	2,809
	196,140	-	102,088	298,228

	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
30 June 2024				
<i>Financial assets at fair value through profit or loss</i>				
Listed equity investments	207,218	-	-	207,218
Unlisted direct investments	-	-	1,839	1,839
Unlisted managed funds	-	-	83,893	83,893
Other instruments	-	-	2,549	2,549
	207,218	-	88,281	295,500

Transfers between levels in the fair value hierarchy

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Board and management determine whether transfers have occurred between levels in the hierarchy by reassessing categorisation throughout each reporting period. There were no transfers between levels in the current or prior year.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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16. Financial Instruments (continued)

Reconciliation of fair value measurement under Level 3 hierarchy

The table below shows a reconciliation of fair value movements in Level 3 financial instruments.

	30 June 2025 \$000	30 June 2024 \$000
Opening Balance	88,281	86,389
Purchases	12,466	17,319
Sales	(3,199)	(6,797)
Interest Income	170	623
Transfers	-	160
Unrealised gains and losses recognised in net fair value gains / (losses) on financial instruments held at fair value through profit or loss	4,370	(9,413)
Closing Balance	102,088	88,281

For recurring fair value measurements categorised within Level 3 of the fair value hierarchy the amount of the total gains or losses for the period included in income that is attributable to the change in unrealised gains or losses relating to those assets and liabilities held at the end of the reporting period was a \$4.4m gain (2024: \$9.5m loss), and these amounts are recognised as part of the 'Other Gains' (Note 4c) or 'Other Losses' (Note 5b) line item of the income statement.

Fair value sensitivity

	Non-market observable input	Movement %	Impact on fair value measurement input	
			Increase \$000	Decrease \$000
2025 –Group				
Unlisted direct investments	(i)	(i)	450	(450)
Unlisted managed funds	(i)	(i)	19,406	(19,406)
2024 –Group				
Unlisted direct investments	(i)	(i)	368	(368)
Unlisted managed funds	(i)	(i)	16,779	(16,779)

(i) The Group's investments that have been categorised as private equity and are held either directly or via externally managed investment vehicles. The Board and management have assessed that the reasonably likely movement in fair value in a one-year period is: 20% for direct private equity investments and 20% for managed funds based on internal risk modelling.

Valuations for these investments are provided by investment managers or administrators if held via a managed structure. The Group does not always have access to the underlying valuation models to fully disclose sensitivities to specific assumptions.

Quayside Holdings Limited and Subsidiaries
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17. Related Party Transactions

Parent and ultimate controlling entity

The Group is 100% owned by the Bay of Plenty Regional Council – refer Note 1.

Transactions with key management personnel

The below disclosure refers to Quayside Group and Port of Tauranga Group. The Group does not provide any non-cash benefits to Directors in addition to their Directors' fees. Key management personnel compensation comprised the following:

	30 June 2025 \$000	30 June 2024 \$000
Directors		
Directors' fees recognised during the period (Quayside Group and Port of Tauranga Group)	1,548	1,425
Executive Officers		
Executive officer's salaries and other short-term employee benefits recognised during the period (cash settled) (Quayside Group and Port of Tauranga Group)	5,577	4,402
Executive officer's share based payments (equity settled) recognised during the period (Port of Tauranga Group only)	1,311	129
Total	8,436	5,956

All *Port of Tauranga Group* Executive Management Team participate in Management Long Term Incentive Plans and may receive cash or non cash benefits as a result of these plans (refer note 18).

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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17. Related Party Transactions (continued)

Other related entities

Other related parties include subsidiaries in the Group – refer Note 1. During the year, the Group entered into transactions with companies in which directors hold directorships. These directorships have not resulted in the Group having a significant influence over the operations, policies or key decisions of these companies.

Quayside Group transactions with related parties:

Transactions with Ultimate Controlling Entity

Bay of Plenty Regional Council

	30 June 2025 \$000	30 June 2024 \$000
Interest paid by Quayside Holdings Limited	5,359	796
Interest payable by Quayside Holdings Limited	2,047	3,394
Dividends paid by Quayside Holdings Limited	47,000	45,000
Loan payable by Quayside Holdings Limited	175,600	112,102

Quayside Group transactions with related parties:

Transactions with Equity Accounted Investees

	30 June 2025 \$000	30 June 2024 \$000
Directorship fees received by Quayside Holdings Limited	71	95
Accounts receivable by Quayside Holdings Limited	33	27
Advances to equity accounted investees	17,262	26,488
Loan repaid by equity accounted investees	2,239	855
Distributions from equity accounted investees	2,669	1,888

Quayside Holdings Limited and Subsidiaries
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17. Related Party Transactions (continued)

Further information on investment in to, and distributions from Equity Accounted Investees, can be found in note 11.

In the *Quayside Group*, interest is on charged on intercompany loans at the actual rate of interest incurred by Quayside Holdings Limited. No related party debts have been written off, forgiven or provided for as doubtful during the year. The Parent has issued Perpetual Preference Shares on the NZX. The following transactions were recorded by directors:

	30 June 2025	30 June 2024
	\$000	\$000
<i>Port of Tauranga Group</i> transactions with related parties:		
Transactions with equity accounted investees		
Services provided to Port of Tauranga Limited	5,511	3,244
Services provided by Port of Tauranga Limited	6,806	7,561
Accounts receivable by Port of Tauranga Limited	151	1,187
Accounts payable by Port of Tauranga Limited	351	90
Advances by Port of Tauranga Limited	41,089	1,400
Services provided to Quality Marshalling (Mount Maunganui) Limited	1	1
Services provided by Quality Marshalling (Mount Maunganui) Limited	1,335	1,007
Accounts receivable by Quality Marshalling (Mount Maunganui) Limited	141	72
Services provided to Timaru Container Terminal Limited	3,695	3,893
Services provided by Timaru Container Terminal Limited	309	635
Accounts receivable by Timaru Container Terminal Limited	46	19
Accounts payable by Timaru Container Terminal Limited	240	188

In March 2013, the Ultimate Controlling Party granted Port of Tauranga Limited a resource consent to widen and deepen the shipping channels. As a condition of this consent, an environmental bond to the value of \$1.0 million is be held in escrow in favour of the Ultimate Controlling Party. The bond is to ensure the remedy of any unforeseen adverse effects on the environment arising from the dredging. The resource consent expires on 6 June 2027.

Quayside Holdings Limited and Subsidiaries
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18. Management Long Term Incentive Plan

Port of Tauranga

Members of the Port of Tauranga Group's executive management team participate in an equity settled Long Term Incentive (LTI) plan. Under this LTI plan, share rights are issued to participating executives and have a three-year vesting period. The vesting of share rights, which entitles the executive to the receipt of one Port of Tauranga Limited ordinary share at nil cost, is subject to the executive remaining employed by Port of Tauranga Limited during the vesting period and the achievement of certain earnings per share (EPS) and total shareholder return (TSR) targets.

For EPS share rights granted, the proportion of share rights that vest depends on the Port of Tauranga Group achieving EPS growth targets.

For TSR share rights granted, the proportion of share rights that vests depend on the *Port of Tauranga Groups* TSR performance ranking relative to the NZX50 index less Australian listed stocks.

To the extent that performance hurdles are not met, or executives leave Port of Tauranga Limited prior to vesting, the share rights are forfeited. The share-based payment expense relating to the LTI plan for the year ended 30 June 2025 is \$0.8m (2024: \$0.2m) with a corresponding increase in the share based payments reserve.

At the beginning of the year, there were approximately \$0.5m share rights outstanding. During the year, \$0.3m new rights were granted, 1,038 rights vested, and \$0.1m rights were forfeited.

This resulted in a closing balance of approximately \$0.7m share rights on issue as at 30 June 2025. These rights are subject to performance hurdles based on Earnings Per Share (EPS) and Total Shareholder Return (TSR) and have various vesting dates through to June 2027.

Quayside Holdings Limited

The members of Quayside Holdings Limited Senior Leadership Team participate in a 3-year, cash-settled long-term incentive plan linked to Investment Portfolio performance over CPI. Expense and closing liability for the year was \$0.2m. The plan is accounted for under NZ IAS 19; given immateriality, no separate movement table is presented, with amounts included within Group totals and Corporate (Note 3).

Policies

The Port of Tauranga group provides benefits to the Port of Tauranga Limited's Executive Management Team in the form of share-based payment transactions, whereby executives render services in exchange for rights over shares (equity settled transactions) or cash settlements based on the price of the Port of Tauranga Limited's shares (cash settled transactions). The cost of the transactions is spread over the period in which the employees provide services and become entitled to the awards.

Equity Settled Transactions

The cost of the equity settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The cost of equity settled transactions is recognised in the income statement, together with a corresponding increase in the share-based payment reserve in equity.

Quayside Holdings Limited and Subsidiaries
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19. Investment Properties

	30 June 2025 \$000	30 June 2024 \$000
Balance at 1 July	167,838	100,057
Additions – Work in progress (at cost, net of attributed PGF funding)	39,890	55,512
Capitalised interest	3,636	1,447
Sales	(4,200)	-
Fair value gains / (losses) on valuation	(17,808)	10,822
Balance at 30 June	189,356	167,838
<i>Classified as:</i>		
Investment property – Held for sale – current	51,261	4,200
Investment Property – Non current	138,095	163,638
	189,356	167,838
Rental / lease income from investment properties	3,286	3,044
Expenses from investment property generating income	1,569	759

Description of investment properties

Investment properties held include the following:

Asset type	Location	Current use
Carparking	Tauranga CBD	Carparking
Commercial Building	Rotorua CBD	Commercial Lease
Industrial Building	Rotorua CBD	Commercial Lease
Industrial Building	Mount Maunganui	Commercial Lease
Industrial Building	Hamilton, Te Rapa	Commercial Lease
Residential Rural Block	Tauriko	Residential Rental
Industrial Zoned Land under development as a 'Rangiuru Business Park'.	Rangiuru, Te Puke	Kiwifruit orchards, leased dairy grazing land and residential rentals.
Commercial Building	Sala Street, Rotorua	Commercial Lease

The office building located in Rotorua CBD is under contract and is unconditional from 7 August 2025.

8.7ha of stage 1A of the Rangiuru Business Park is under contract and unconditional from 26 July 2025. Hence these investment properties have been classified as non-current asset held for sale as at 30 June 2025.

Rangiuru Business Park classification

Management have run an assessment in order to determine the classification of Rangiuru Business Park as at 30 June 2025. The decision to classify the land as investment property instead of inventory requires a high degree of judgement from Management.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

19. Investment Properties (continued)

In 2005 the Group undertook a plan change which changed the land from rural to industrial. There has been no change in designation of the land since this time. In parallel, the Group obtained a number of long-term consents for the park. All are deemed operative, by virtue of the Tauranga Eastern Link development.

As at balance date, buildings and vines had been removed from stage one land while the development is ongoing. Earthworks are being carried out and the works for the other relevant infrastructure as disclosed in the plan are ongoing.

Management is still evaluating a range of options around timing and actions to be taken with the plan plots and the development of the Business Park. The Company is currently seeking expressions of interest in the development and is evaluating to sell the land, lease the land or develop vertical builds.

Due to the existing uncertainties disclosed above, Management believes that the classification of the land as investment property is appropriate.

Financial Contribution expense (refer to Note 5)

As at 30 June 2025, the Group has spent \$113.1m in Financial Contributions for the development of the enabling infrastructure at the Rangiuru Business Park.

The development of the Rangiuru Business Park is disciplined by the Western Bay of Plenty District Council Operative District Plan ("the Plan"). In line with the Plan, Quayside must fund a portion of the enabling infrastructure that for Stage 3 and 4.

The Financial Contributions spent as at 30 June 2025 not attributable to Stage 1 and 2 are expensed and payable to the Company by owners of Stage 3 and 4. These Financial Contributions are recoverable, but the recoverability is not wholly within the control of the Group and as such are disclosed as contingent assets. Refer to Note 5. The amounts expensed include interests calculated as outlined in the plan (OCR plus 1.5%).

Provincial Growth Fund ("PGF") classification

The total amount of PFG received as at 30 June 2025 is \$18m. The funding was attributed (netted off) to work in progress for the portion allocated to Quayside land (\$12.2m) and to "Financial contribution expense for the portion allocated to third-party landowners (\$5.8m), refer to Note 5.

Valuation of investment properties

Investment properties are revalued annually to fair value. The fair value measurements have been categorised as a level 3 fair value based on the inputs to the valuation technique. The valuation of all investment property was internally assessed based on external market data. With the exception of Rangiuru Business Park and Sala Street which were externally valued. The valuers are experienced valuers with extensive market knowledge in the type of investment properties owned by the Group. Investment properties were valued based on open market evidence and 'highest and best use' currently for the land. Improvement values have been assessed with regard to their income producing capacity, depreciated replacement cost and discounted cash flow.

Commitments

The Company has \$29.1m of commitments in relation to the development of the Rangiuru Business Park.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

19. Investment Properties (continued)

A summary of the valuation methods and significant assumptions applied in the valuation of these assets are:

Asset type	Valuation method adopted	Highest and best use	Significant assumptions
Commercial and Industrial Buildings (internal valuations based on external market data and external valuations)	Income capitalisation approach	Current use	-Sala Street, Rotorua – Capitalisation rate 7.75% (2024: 7.75%) -Barnett Place, Hamilton – Capitalisation rate 6.25% (2024: Net market rent of \$150-240 sqm) - Old Taupo Road, Rotorua – Capitalisation rate 6.25 (2024: Net market rent of \$242.16 sqm) - Portside Drive, Mount Maunganui – Capitalisation rate 5.25% (2024: Net market rent of \$206.85 sqm)
Rangiuru Business Park – External Valuation	Discounted cashflow approach (2024: market approach). <i>Reason for change:</i> Discounted cash flow as it provides a better indication of value for the subdivision, which is well progressed, particularly with limited or no sales evidence for similar partially completed sales being available.	Stage 1 Land – Industrial park development (2024: Industrial park development) Stage 2 land – Industrial park development (2024: Industrial park development)	-Adopted discount rate (2024: Comparable sales) - Stage 1 land - 13.0%. Sales \$/sqm \$509-\$600 increasing by 3%/year -Stage 2 land – 14.5%. Sales \$/sqm 540 increasing by 3%/year. First sale in 2029.

Policies

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. Cost includes any expenditure that is directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Properties leased to third parties under operating leases are generally classified as investment property unless:

- the occupants provide services that are integral to the operation of the Group's business and those services could not be provided efficiently and effectively by the lessee in another location;
- the property is being held for future delivery of services by the Group; or
- the lessee uses services of the Group and those services are integral to the reasons for the lessee's occupancy of the property.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventory, its fair value at the date of reclassification becomes its costs for subsequent accounting.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Any improvements in investment property will be recognised initially at cost whilst the work is in progress, and will subsequently be included in the fair value revaluation once the work is complete.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
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The Group classifies a non-current asset or disposal group as *held for sale* (or *held for distribution to owners*) when its carrying amount will be recovered principally through a sale rather than continued use, the asset is available for immediate sale in its present condition, and the sale is highly probable within 12 months.

Measurement requirements of IFRS 5 do not apply to investment properties which continue to be measured in accordance with their applicable Standards. Subsequent increases in fair value less costs to sell are recognised in profit or loss only to the extent of previously recognised impairments; impairments of goodwill are not reversed.

Assets classified as held for sale are presented as current in separate line items.

If the criteria for classification are no longer met, the Group reclassifies the asset and measures it at the **lower of** (i) the amount that would have been recognised had it not been classified as held for sale, and (ii) its **recoverable amount** at the reclassification date, with any difference recognised in profit or loss.

20. Subsequent Events

A judicial review of Port of Tauranga's Fast-track application for the Stella Passage development has been upheld. In its decision on 27 August 2025, the High Court determined that the Environmental Protection Authority should not have accepted the Fast-track application, as the project was not as described in Schedule 2 of the legislation.

The Fast-track Panel that was due to commence on 1 September has been put on hold pending further direction from the Court.

Management is working with the Government and Ministry for Environment officials to act quickly and rectify the wording in the Fast-track legislation to resolve the situation.

The Group will continue to monitor the situation, and in the unlikely event that approval is not obtained, the amount capitalised to Property, Plant and Equipment Work in Progress of \$13.9 million would be impaired through profit and loss.

On 28 August 2025, an agreement to sell approximately 0.6 hectares of industrial land at Rangiuru Business Park became unconditional. The sale price is \$3.7 million.


Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

21. Quayside Group Performance Information

The Company is a member of the Quayside Group. The Quayside Group is required to prepare a Statement of Service Performance reporting on performance measures and results. Recorded below are the ten targets and results of the Quayside Group's Statement of Intent categorised under five portfolio activities.

Port portfolio

The *Quayside Group* has a majority shareholding in Port of Tauranga.

Objective	Measure	2025 Result	
Hold Port of Tauranga shareholding on behalf of Council.	Maintain at or above a minimum level of shareholding as directed by Council.	Quayside held 54.14% of Port of Tauranga shares as at 30 June 2025.	

Target met: **Yes**

The Port of Tauranga continues to provide the *Quayside Group* and Council with dividend returns and long-term capital growth. The *Quayside Group* is a long-term investor in Port of Tauranga and must maintain a minimum level of shareholding in accordance with Council policy. The *Quayside Group* cannot sell any Port shareholding without the endorsement from Council.

Of significant interest to shareholders of Quayside is the financial performance of the Port of Tauranga and the participation rate of Quayside as shareholder in governance of the Port of Tauranga.

	30 June 2025	30 June 2024
Shareholding		
Issued shares*	680,581,230	680,581,230
Quayside shares	368,437,680	368,437,680
% held By Quayside	54.14%	54.14%
Operations		
Operating revenues	\$464.7m	\$417.4m
Results from operating activities	\$228.4m	\$198.8m
Net profit	\$173.4m	\$90.8m
Underlying profit**	\$126.0m	\$102.7m
Cash flows		
Ordinary dividends paid out	\$106.8m	\$100.7m
Ordinary dividends received by Quayside	\$57.8m	\$54.5m
Ordinary dividends as percent of underlying profit	85%	98%
Dividend declared post balance date	\$66.0m	\$59.2m
Asset Backing		
Share price (last bid price)	\$6.81	\$4.72
Market value of Port	\$4,634.7m	\$3,211.7m
Market value of Quayside Holding	\$2,509.1m	\$1,735.3m
Net tangible assets per share (dollars per share)	\$3.40	\$3.27
Governance		
Number of directors	7	7
Number of Quayside affiliated directors	2	2

*Includes treasury shares


**Underlying profit after tax is a non-GAAP financial measure which excludes items considered to be one-off and not related to core business such as changes to tax legislation and impairment of assets. Underlying profit after tax does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities

Further information on Port of Tauranga's non-financial performance can be found in its Annual Report or on its website www.port-tauranga.co.nz.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

21. Quayside Group Performance Information (continued)

Investment Returns


Performance target	Performance measure	2025 result	
Generate long-term commercial returns across the Investment Portfolio.	Five year rolling gross return target of 7.0% per annum Note the targeted return metric will be reviewed as part of the external SIPO review.	7.1% 5-Year Compound annual growth rate (CAGR) 2024 did not include the same measure	

Target met: **Yes**

The Quayside Group achieved its SOI performance measure for the five years ended 30 June 2025. The portfolio delivered a **7.1% p.a.** gross return on a compound annual growth (CAGR) basis, meeting the SOI target of **at least 7.0% p.a.**

This result is calculated from audited accounting values, adjusted to fair value for equity-accounted investees where the carrying amount is not considered representative of fair value ("Investment Values"), using a five-year CAGR methodology applied to the Investment Portfolio NAV of \$427 million at 30 June 2025.


The 5-year CAGR reflects cross-funding adjustments, accounting for times when the Investment Portfolio funded or was funded by other Quayside Group segments (Port and Special Purpose Assets). Such adjustments include costs-to-serve, for which 45% of governance costs is assumed to be allocated to the Investment Portfolio.

Performance target	Performance measure	2025 result	
Provide a resilient dividend to Council.	Dividend paid in accordance with Quayside Distribution Policy.	\$47m distributed to BOPRC as dividend, in line with SOI (2024: \$45m)	

Target met: **Yes**

The Quayside Group met its dividend resilience target for the year, with a total distribution of \$47 million, consistent with the expectations set out in the Statement of Intent (SOI) and by the Bay of Plenty Regional Council (BOPRC).

This distribution slightly exceeds the indicative amounts derived from the current Distribution Policy, which remains under review as at 30 June 2025. The outcome reflects our commitment to maintaining stable and reliable returns and demonstrates our ability to deliver on shareholder expectations while supporting long-term financial sustainability.

Performance target	Performance measure	2025 result	
Investment policies that promote a sustainable and diversified fund.	Independent review of Statement of Investment Policy and asset allocations.	SIPO externally reviewed by Mapua Wealth	

Target met: **Yes**


The Quayside Group has met its investment governance target for the year. A comprehensive independent review of the Statement of Investment Policy and Objectives (SIPO) and associated asset allocations was undertaken by Mapua Wealth, with the updated SIPO formally approved by the Board in December 2024.

This review has reinforced the robustness of our investment framework, ensuring continued alignment with strategic objectives, prudent risk management, and best practice governance standards.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

21. Quayside Group Performance Information (continued)


Strategic Assets

Performance target	Performance measure	2025 result
Develop the Rangioru Business Park to create long term benefit for the Bay of Plenty region.	Deliver Stage 1a Rangioru Business Park by late 2025 and Stage 1b by late 2026.	Quayside has sold 8.7ha in Rangioru Business Park, confirming demand. Stage 1a completes in 2025 with Stage 1b in 2026—boosting growth in Bay of Plenty. 

Target met: **Yes**


The Quayside Group has achieved a key milestone with the unconditional sale of 8.7 hectares within Stage 1a of the Rangioru Business Park, validating market demand for this strategically located industrial hub. Leveraging disciplined capital allocation, proactive risk management, and close collaboration with regional stakeholders, Quayside remains on track to complete Stage 1a by late 2025 and reach practical completion of Stage 1b by late 2026. These developments will unlock significant economic value, attract high-quality tenants, and advance Quayside's commitment to sustainable growth for the Bay of Plenty—while upholding the highest standards of safety, quality, and environmental stewardship.

Responsible Investment

Performance target	Performance measure	2025 result
Be a responsible investor that aligns capital with achieving a healthy, sustainable society, environment, and economy.	Independent Review of Responsible Investment Policy. Publish climate related disclosures.	Quayside's Responsible Investment Policy went through an independent review, and its Climate Disclosure was filed on 31 Oct 2024 

Target met: **Yes**

As part of the recent Statement of Investment Policy and Objectives (SIPO) review, Mapua Wealth independently assessed Quayside's Responsible Investment Policy against leading market standards. In addition, Quayside's Climate-Related Disclosure (CRD) statement was filed on 31 October 2024, demonstrating transparency and compliance with emerging regulatory expectations. Together, these actions confirm that the responsible-investment framework meets or exceeds best-practice benchmarks, reinforcing Quayside's dedication to sound governance, environmental stewardship, and long-term value creation.

Performance target	Performance measure	2025 result
Build climate resilience into investment decision-making.	Investment due diligence and decision papers include comprehensive climate resilience consideration.	Quayside includes climate-resilience checks in all investment decisions. 


Target met: **Yes**

The Quayside Group embeds comprehensive climate-resilience analysis in every investment due-diligence and decision paper. While a formal manager-selection framework is still being finalised, each of Quayside's three most recent commitments—Waterman Fund 5, Pacific Equity Partners, and Direct Capital—was approved only after undergoing dedicated climate due-diligence reviews, ensuring alignment with Quayside's responsible-investment objectives.


Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

21. Quayside Group Performance Information (continued)

An Engaging Place to Work

Performance target	Performance measure	2025 result	
Our kaimahi are valued, supported and passionate about their work.	Employee Engagement Survey achieves >78% rating.	2025 is 80%. <i>(2024: n/a this is a new measure)</i>	


Target met: **Yes**

Performance target	Performance measure	2025 result	
Our kaimahi represent our community in an environment of diversity and inclusiveness.	Review of Diversity and Inclusion (D&I) metrics. Annual Report on progress against D&I metrics.	D&I metrics are reviewed annually by the People, Culture and Safety Committee. D&I metrics are reported in the annual report.	

Target met: **Yes**


There is continued focus on Quayside's Employee Value Proposition to encourage diversity and inclusion in its recruitment practices, as well as focussed initiatives to build on Quayside's culture of inclusion.

Social License to Operate

Performance target	Performance measure	2025 result	
Our stakeholder engagement is honest, transparent, and respectful and our community understands and supports our purpose.	Increase Net Promoter Score (NPS) FY25 ≥ 5% of previous year or ≥85%.	NPS score in 2025 was 91%. <i>(2024: 96%)</i>	

Target met: **Yes**

While the Net Promoter Score is a slight decrease from 2024, which yielded a result of 96%, Quayside maintains a target of at or above 85%.

Performance target	Performance measure	2025 result	
Our recognition of Te Tiriti o Waitangi is meaningful and supports decision making.	>40% of our kaimahi are competent in our cultural competency framework	63% of our kaimahi are defined as competent against Quayside's cultural competency framework.	

Target met: **Yes**

Quayside's cultural competency framework requires assessment of understanding of Te Tiriti o Waitangi (amongst other aspects). Quayside's cultural competency framework—developed internally — defines competence for our organisation, requires staff to self-assess and agree a rating with their manager at year-end, and is finally moderated by GM Operations for consistency and recording on the employee file.

Quayside Holdings Limited and Subsidiaries
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21. Quayside Group Performance Information (continued)

Governance

This activity relates to the policies and procedures the *Quayside Group* will adopt to satisfy governance requirements and expectations and ensures that open dialogue exists between the *Quayside Group* and Council, so that Council are kept informed of all significant matters relating to the *Quayside Group* at the earliest opportunity.

Performance measure	Performance target	2025 result
Quayside operates independently of Council and the Fund is managed in a prudent commercial manner.	Quayside Board has a majority of independent directors.	The Quayside Board has seven appointed Directors, of which four are independents (M Wynne, D Fear, F Whineray, K Horne)
	Quayside Board holds regular meetings.	Regular meetings are held by the Quayside Board throughout the year, with seven meetings held during the period.
	Quayside maintains the following committees that meet regularly: - Audit and Risk - People, Culture and Safety - Investment	The committees met regularly during the period: - Audit and Risk: five meetings - People, Culture and Safety: four meetings - Investment: six meetings
	Quayside reports regularly to Council via publication of annual and interim reports, presentations, briefings, and workshops.	Quayside presented to Council: - 23 October 2024 (Briefing) - 27 March 2025 (Briefing) - 18 June 2025 (Briefing)
	Maintain a robust internal and external audit function.	Quayside has a Board approved internal audit plan which is monitored by Audit and Risk. The external audit is conducted by KPMG.
	Regular review of company policies and frameworks.	All policies are reviewed in accordance with the Policy & Charter Schedule or as directed by our Board.
	Regular internal compliance auditing,	The Board has defined risk appetite statements and has undertaken a review of the risk management framework.
	Defined risk appetite and risk management framework.	An Annual Board Performance review was undertaken during the period.
Annual Board Performance Review.		

Target met: **Yes**

The Group maintains strong governance practices and policies, with regular review.

NZDX Issuer

This activity relates to requirements for the *Quayside Group* to satisfy the New Zealand Exchange Listing Rules as a New Zealand Debt Exchange listed company.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2025

21. Quayside Group Performance Information (continued)

Performance measure	Performance target	2025 result
Quayside maintains regulatory compliance with its obligations as a market issuer.	Financial Reporting in accordance with Financial Markets Conduct Act 2013.	Filing of interim and annual financial statements achieved within legislative timelines.
	Quayside complies with NZX Listing Rules, including Continuous Disclosure obligations.	Board receives regular reporting on PPS compliance in line with NZX requirements.



Targets met: **13/13**

Key



Met



Not met



Not applicable

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2025

Interest register

The company is required to maintain an Interests Register in which the particulars of certain transactions and matters involving the directors must be recorded. The interest register for Quayside Holdings Limited is available for inspection at the registered office. The directors of the Parent Company have made general disclosures of interest in accordance with S140(2) of the Companies Act. Current interests and those which ceased during the year, are tabulated below. New disclosures advised since 1 July 2024 are italicised.

Director	Entity	Position
WYNNE, Mark Douglas	Alliance Group Limited Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited <i>Waipura North Limited (October 2024)</i>	Director / Chair Director / Chair Director / Chair Director / Chair <i>Shareholder</i>
CROSBY, Stuart Alan	Bay of Plenty Regional Council Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited	Councillor Director Director Director
HORNE, Keiran Anne	Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited Screen South Limited Spey Downs Limited University of Canterbury Enable Networks Limited Enable Services Limited <i>The Cooperative Bank Limited (16 January 2024)</i> <i>Antarctica New Zealand (July 2024)</i> <i>Antarctica New Zealand isn't registered on NZ Companies</i>	Director Director Director Director Chair Shareholder Council Member ARC Chair Director ARC Chair <i>Director</i> <i>Director</i>
MCTAVISH, Fiona Catherine	Bay of Plenty Regional Council BOPLASS Limited McTavish – Huriwai Investments Limited Priority One WBOP Inc Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited Regional Software Holdings Limited <i>GLAMB Limited (13 June 2025)</i>	Officer Director Director Shareholder Executive Board Member Director Director Director Director <i>Director</i>

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2025

Interest register (continued)

WHITE, Te Taru	Bay of Plenty Regional Council Noa New Zealand Limited Quayside Holdings Limited Quayside Properties Limited Quayside Securities Limited Te Taru White Consultancy Limited Whenua Fruits Limited Manaakiora Trust Te Tatau o Te Arawa Charitable Trust	Councillor Director Shareholder Director Director Director Director Shareholder Shareholder Director Board Member
WHINERAY, Fraser Scott	Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited Waste Management NZ Limited (and associated) Port of Tauranga Limited Centre for Climate Action Joint Venture Limited Jarden Group <i>WMNZ Holdings Limited was amalgamated into Tui Bidco Limited (31 December 2024)</i>	Director Director Director Director Director Director Director
FEAR, David Graeme	Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited Upstream Poplars Limited NorthWest Water Limited <i>Johnny Appleseed Holdings, Hawke's Bay (March 2025)</i>	Director Director Director Shareholder Shareholder Director

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2025

Information used by directors

During the financial year there were no notices from directors of Quayside Holdings Limited, or any subsidiary, requesting to use information received in their capacity as a director which would not otherwise have been available to them

Indemnification and insurance of directors and officers

The Quayside Group has arranged policies of Directors' and Officers' Liability Insurance and separate Directors' and Officers' defence costs insurance.

Donations

No donations were made by Quayside Holdings Limited during the year ended 30 June 2025.

Directors

The following directors of Quayside Holdings Limited and its subsidiaries held office during the year ended 30 June 2025:

	Remuneration	
	Paid by parent \$000	Paid by subsidiaries \$000
M Wynne (Chair)	77	68
S Crosby	34	34
D. Fear	44	34
K Horne	44	34
F Whineray	34	34
T White	34	34
Total	266	239

The fees above do not include director fees paid by the Port of Tauranga. The fees above are exclusive of GST. F McTavish was remunerated by the Bay of Plenty Regional Council.

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2025

Port of Tauranga

The following directors of Port of Tauranga Limited held office during the year ended 30 June 2025:

	2025 \$000	2024 \$000
J C Hoare (Chair)	228	214
A M Andrew	136	127
D J Bracewell	136	128
A R Lawrence	21	117
D W Leeder	115	108
R A McLeod	120	35
F S Whineray	115	72
J B Stevens	127	121
Total	997	922

Loans

There were no loans by Quayside Holdings Limited, or the Port of Tauranga Limited, to directors.

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2025

Employees

The number of employees whose total annual remuneration including salary, performance bonuses, an Economic Value Added Based Executive Incentive Scheme, employer's contributions to superannuation and health schemes, and other sundry benefits received in their capacity as employees, was within the specified bands as follows:

Remuneration range \$000	Port of Tauranga Limited		Quayside Holdings Limited	
	Number of employees 2025	Number of employees 2024	Number of employees 2025	Number of employees 2024
100-109	12	21	1	3
110-119	18	20	2	1
120-129	16	26	0	1
130-139	22	36	1	1
140-149	30	15	0	0
150-159	31	16	1	0
160-169	10	13	0	1
170-179	13	10	0	0
180-189	8	9	0	0
190-199	11	7	1	0
200-209	14	3	1	0
210-219	1	5	1	1
220-229	3	0	0	0
230-239	1	3	0	0
240-249	1	1	2	0
250-259	1	3	0	1
260-269	2	0	0	0
270-279	1	1	0	1
280-289	1	5	0	1
290-299	5	2	0	0
300-309	5	1	0	1
310-319	1	2	1	1
320-329	3	0	1	0
330-339	0	1	0	0
340-350	1	0	0	0
380-389	1	1	0	0
420-429	0	0	0	2
440-450	1	0	0	0
490-495	0	1	0	0
501-510	1	0	0	0
550-569	0	1	1	0
630-640	0	0	0	0
700-710	1	0	0	1
730-740	1	0	0	0
790-799	0	1	0	0
810-819	0	1	0	0
1,430-1,439	1	0	0	0
1,460-1,469	0	1	0	0

**Includes vesting of Long Term Incentive Scheme and payment of Short Term Incentive*

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2025

Perpetual Preference Shareholder Information

The Perpetual Preference Shares of Quayside Holdings Limited are listed on the NZDX. The information in the disclosures below has been taken from the Company's share registers as at 30 June 2025.

Twenty largest holders of perpetual preference shares

Rank	Name	Units at 30 June 2025	% of Units
1	CUSTODIAL SERVICES LIMITED <A/C 4>	50,153,000	25.08
2	JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	28,053,000	14.03
3	FNZ CUSTODIANS LIMITED	20,050,000	10.02
4	FORSYTH BARR CUSTODIANS LIMITED <1-CUSTODY>	14,606,000	7.30
5	BNP PARIBAS NOMINEES (NZ) LIMITED - NZCSD <BPSS40>	5,110,000	2.55
6	PUBLIC TRUST - NZCSD <THE ASPIRING FUND>	3,456,000	1.73
7	NZX WT NOMINEES LIMITED <CASH ACCOUNT>	3,191,000	1.60
8	INVESTMENT CUSTODIAL SERVICES LIMITED <A/C C>	2,609,000	1.30
9	TAPPENDEN HOLDINGS LIMITED	2,117,000	1.06
9	FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 E>	2,097,000	1.05
9	ATT INVESTMENTS LIMITED	1,000,000	0.50
9	FAITH PRISCILLA TAYLOR	1,000,000	0.50
9	FLETCHER BUILDING EDUCATIONAL FUND LIMITED	1,000,000	0.50
14	JBWERE (NZ) NOMINEES LIMITED <44626 A/C>	1,000,000	0.50
15	KIA INVESTMENTS LIMITED	1,000,000	0.50
16	FNZ CUSTODIANS LIMITED <DRP NZ A/C>	860,000	0.43
17	JBWERE (NZ) NOMINEES LIMITED <50986 A/C>	700,000	0.35
18	PHILIP MAURICE CARTER	625,000	0.31
19	STEPHEN LEONARD JOHNS	600,000	0.30
20	JONATHAN AYLMER RATTRAY	515,000	0.26
Totals: Top 20 holders of perpetual preference shares		139,742,000	69.87
Total remaining holders balance		60,258,783	30.13
Total		200,000,783	100%

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2025

Distribution of perpetual preference shares

Range of equity holdings	Number of holders	Number of shares held	% of issued equity
1 - 499	0	0	0.00
500 - 999	1	783	0.00
1,000 - 1,999	0	0	0.00
2,000 - 4,999	0	0	0.00
5,000 - 9,999	185	1,055,000	0.53
10,000 - 49,999	1,167	23,561,000	11.78
50,000 - 99,999	284	16,463,000	8.23
100,000 - 499,999	127	19,179,000	9.59
500,000 - 999,999	5	3,300,000	1.65
1,000,000 Over	15	136,442,000	68.22
TOTAL	1,784	200,000,783	100.00

Ordinary shareholder information

Holder	Number held	% of issued equity
Bay of Plenty Regional Council	10,000	100.00

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2025

Registered office

41 The Strand
Tauranga 3110
Ph: (07) 579 5925

Postal address

Level 2 41 The Strand
Tauranga 3110

Auditors

KPMG
On behalf of the Auditor-General
247 Cameron Road
Tauranga 3110
New Zealand

Solicitor

Cooney Lees Morgan
PO Box 143
Tauranga 3110

Share registrar

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
159 Hurstmere Road
Takapuna, Auckland 0622

Managing Your Shareholding Online:

To change your address, update your payment instructions and to view your registered details including transactions, please visit;

www.investorcentre.com/nz

General enquiries can be directed to:

enquiry@computershare.co.nz
Private bag 92119, Auckland 1142
Telephone +64 9 488 8777 Facsimile +64 9 488 8787

Please assist our registrar by quoting your CSN or shareholder number.