ANNUAL REPORT 2026

Quayside Holdings Limited

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Invested in Our Future | Mauri Ora Roa

CONTENTS

2026 HIGHLIGHTS

$54.2m

TOTAL 2026 DIVIDEND

Investment returns enable an annual dividend to the Bay of Plenty Regional Council. This year a $54.2m dividend was delivered, which was comprised of a forecast $48m and $6.2m special dividend paid in June 2026.

12.9% increase from 2025

$405

AVERAGE RATES REDUCTION

Quayside impact on Bay of Plenty ratepayers 2025/26. Dividend reduces the average general rates paid by 34% per rateable unit.

$26K

VALUE PER RATEPAYER

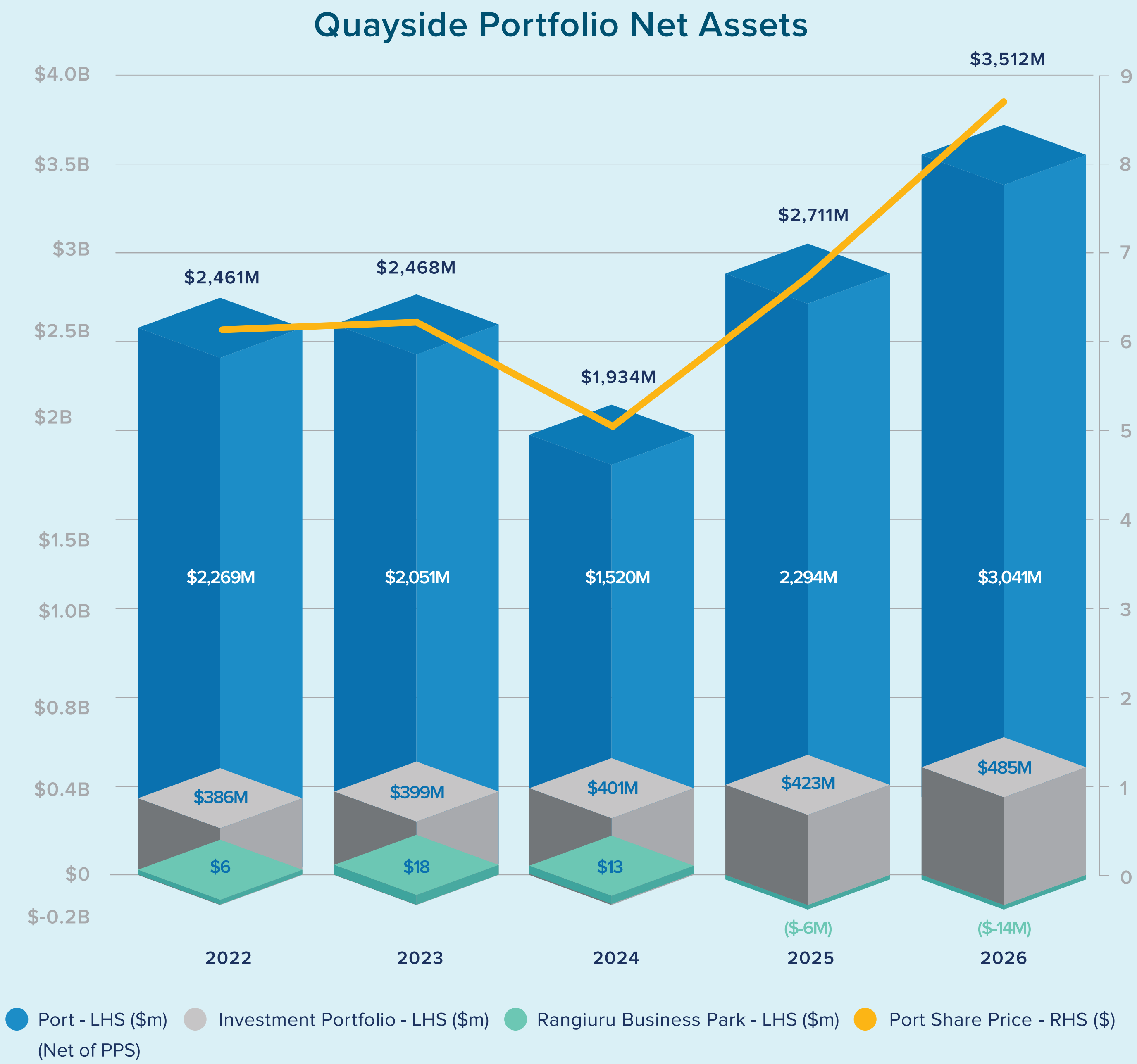
Quayside manages a $3.5 billion fund on behalf of the Bay of Plenty Regional Council, with the community as the ultimate beneficiaries — equating to around $25,699 in value per ratepayer.

$575.8m

TOTAL DIVIDENDS

paid from Quayside to Council since inception. Excludes Perpetual Preference Shares ($200m)

[1] Data source: Bay of Plenty Regional Council



$3.9b TOTAL ASSETS

RECORD PROFIT

25% Total Asset Growth

Portfolio figures are non-IFRS measures. They de-consolidate Port of Tauranga and recognise Quayside's 54.14% shareholding at listed market value, with the Perpetual Preference Shares allocated as a portfolio liability. This differs from the audited consolidated financial statements, which consolidate Port of Tauranga and classify the Perpetual Preference Shares as equity under NZ IFRS.

2026 HIGHLIGHTS

QUAYSIDE PORTFOLIO

AT 30 JUNE 2026

Port of Tauranga	Investment Portfolio	Rangiuru Business Park
Gross Assets: **$3,268m**	Gross Assets: **$525m**	Gross Assets: **$128m**
Net Assets: **$3,041m**	Net Assets: **$485m**	Net Assets: **$(14)m**

Investment Portfolio Net Asset annualised

14.3% 1 year return

7.7% 3 year rolling return

5.4% 5 year rolling return

After fees, taxes and internal cost allocation.

PORT OF TAURANGA SHAREHOLDING

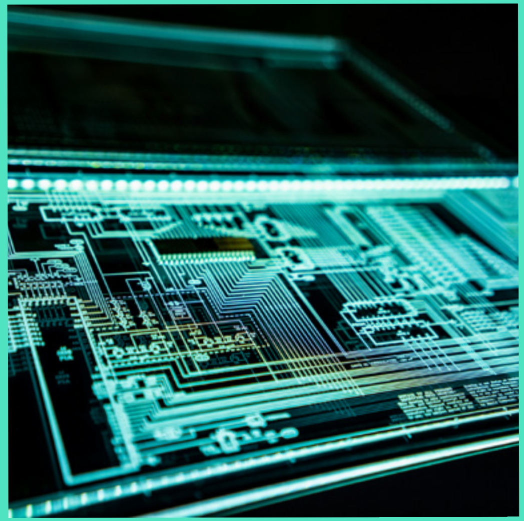
TOTAL SHAREHOLDER RETURN 32.85%

Port of Tauranga delivered a Total Shareholder Return (TSR) of 32.85%, driven by share price appreciation to $8.9 (at 30 June 2026) and the semi-annual distribution.

INVESTMENT PORTFOLIO

GROWTH IN INVESTMENT PORTFOLIO ASSETS

Quayside invests through a wide range of asset classes with multiple strategies including direct, active (via managers), and passive strategies.



56.2% Return on Investment on Global Equities

8.7% Return on Investment on NZ Equities

5.6% Annual return on NZ Fixed Interest

1.8% Annual return on Global Fixed Interest

All gross figures, after fees and taxes.

RANGIURU BUSINESS PARK

9.71HA SOLD

FIRST CULTURAL LANDMARKS

The first cultural landmarks and artworks established within the Business Park, reinforcing identity, pride and an ongoing commitment to Tapuika who are mana whenua.

BIODIVERSITY THRIVES

Native and endangered birdlife return to Te Haukōpūpū wetland

QUAYSIDE GROUP SUMMARY

Quayside operates as a Council Controlled Trading Organisation ("CCTO") under the ownership of the Bay of Plenty Regional Council ("Council"). It serves as the Council's commercial investment arm, annually returning dividends that support the Council's long-term and annual plans.

Quayside holds a majority shareholding of 54.14% in the Port of Tauranga ("Port"), valued at $3.3 billion as at 30 June 2026. Quayside's objective in relation to its investment in the Port is to be a responsible steward and shareholder, delivering long-term value to the Bay of Plenty region into perpetuity. This is achieved through active ownership, robust governance oversight, and the appointment of directors, while maintaining and ensuring the Port's operational independence.

Quayside Board: Keiran Horne, Stuart Crosby, Fraser Whineray, Mark Wynne, Anna Grayling, David Fear, Fiona McTavish

To achieve its purpose, Quayside manages its assets through three distinct portfolios, each with a defined role and measurement approach:

Port of Tauranga Portfolio:

Comprising Quayside's shareholding in the Port and including Quayside's Perpetual Preference Shares ("PPS") obligations. This portfolio's performance is measured by Total Shareholder Return.

Investment Portfolio:

A diversified, intergenerational investment fund made up of private equity, real estate, listed securities, cash & fixed income investments. Performance is assessed using a rolling return.

Rangiuru Business Park:

Defined as a regional benefit asset that contributes to the Bay of Plenty across economic, environmental and social outcomes, and is not expected to meet Quayside's standard investment hurdle rate.

OUR MANDATE

Quayside is the steward of an intergenerational, diversified investment fund, focused on preserving and growing its capital base to deliver a stable and enduring dividend that supports the prosperity of the Bay of Plenty for current and future generations.

When Quayside was established in 1991, its mandate was to act as custodian of the Bay of Plenty Regional Council's majority shareholding in the Port of Tauranga. Starting with a 55 per cent stake valued at $53 million, more than three decades of disciplined investment, Port stewardship and portfolio management have driven significant growth, enabling Quayside to diversify its investment portfolio while continuing to grow long-term value for the region.

Aligned with its mandate, Quayside works closely with the Council to establish annual performance targets outlined in the Statement of Intent.

Achievement of these performance targets supports the financial objectives of the Council's Long-Term Plan. Quayside's investment returns derived from both the Port and the Investment Portfolio contribute directly to the region's development, long-term growth and prosperity.

A commitment to accountability underscores Quayside's commercially focused approach, aimed at cultivating a diversified fund that generates sustainable returns.

Financial transparency is a key priority for Quayside, which reports quarterly to Council and biannually to its Perpetual Preference Shareholders via the NZX. This commitment supports Quayside's purpose of delivering sustainable long-term value and prosperity for the Bay of Plenty.

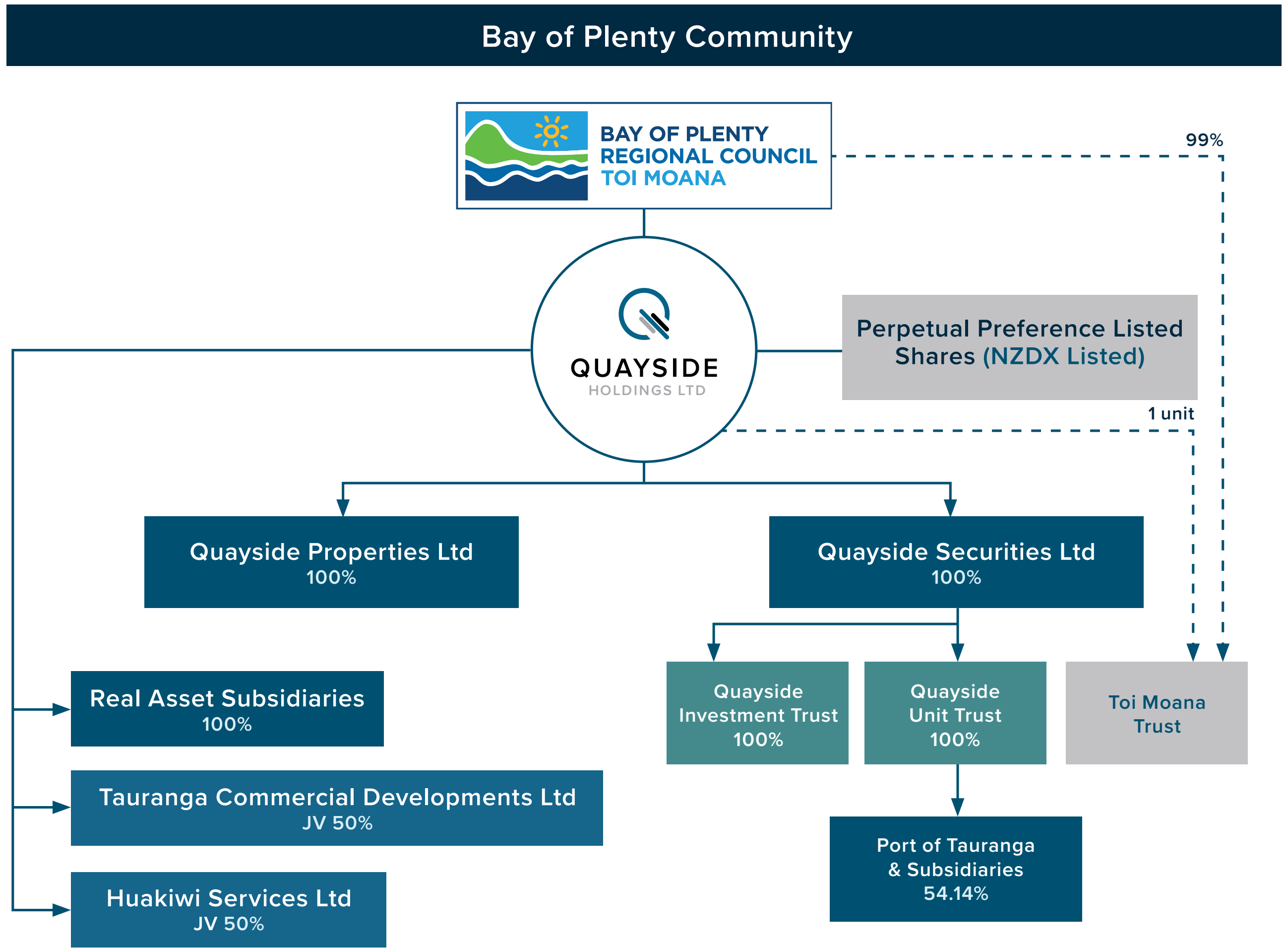
OUR VISION

Invested in Our Future | **Mauri Ora Roa**

OUR PURPOSE

To grow a responsible and diversified fund that generates long term returns to support the growth and prosperity of the Bay of Plenty. We want to have an impact past the generation of today, to provide a resilient dividend for our shareholder for the betterment of our region and its people.

GROUP STRUCTURE



MARK WYNNE
Chair

LYNDON SETTLE
Chief Executive Officer

CHAIR AND CEO REPORT

Quayside faced real pressure this year, on our mandate, our portfolio, and our governance. Geopolitical uncertainty, local government reform, a strained national economy, a tight property market, and the Bay of Plenty Regional Council's Long Term Plan Amendment all made for a difficult operating environment.

At the same time, it brought renewed attention to the scale and importance of the fund we steward. The Bay of Plenty holds an asset many regions envy. That comes with responsibility: protect it, grow it, and make sure it keeps delivering for our region.

Quayside's mandate as stewards of a commercially focused, intergenerational, diversified fund anchored us this year. Our job is to preserve and grow the fund's real capital base while delivering a stable, enduring dividend for the Bay of Plenty. It means thinking beyond short-term cycles, balancing today's distribution needs against the responsibility to protect capital for future generations, and managing complexity, risk, cost, and opportunity across the portfolio with discipline.

A big focus this year was strengthening the systems that support long-term decision-making. The Reference Portfolio continued to bed in, and improved reporting now gives us a clearer view of performance, risk, and strategic alignment. We also reviewed the Treasury and Distribution policies, for a more consistent and transparent approach to managing the fund.

The Distribution Policy connects closely to our Treasury Policy and Statement of Investment Policy and Objectives, supporting a sustainable, growing distribution to our shareholder while protecting the fund's intergenerational nature. We explain how distribution levels are determined later in this report. This year, Quayside delivered a total distribution of $54.2 million to Council, including a $6.2 million special dividend, whilst also servicing the Perpetual Preference Share of $9.0m and associated costs on behalf of Council.

Cost discipline mattered too. We commissioned an independent review of our Cost to Serve and Total Expense Ratio, providing a fuller view of both Quayside's direct operating costs and the fees embedded within externally managed investments. The review confirmed that the Investment Portfolio's overall cost structure was in line with market expectations for its strategy and complexity. That's a good result, but not a reason to ease off. As the portfolio evolves, we'll keep reporting for transparency, accountability, and to ensure the costs stay proportionate to the value created and the responsibilities carried.

The Port of Tauranga remains an exceptional asset at the heart of Quayside's portfolio. Its strategic infrastructure, market position, strong governance and long-term growth outlook continue to support value creation for both Quayside and the Bay of Plenty. This year, we deepened engagement with the Port, at both governance and management levels, reflecting our role as an active shareholder.

Work also continued on a potential partial divestment of our Port of Tauranga shareholding. Reducing the concentration risk associated with the Port of Tauranga shareholding remains an important strategic objective. A future transaction will be carefully timed to optimise long-term value for the fund and its beneficiaries. By realising and reinvesting the proceeds into a diversified portfolio, Quayside will improve the resilience and sustainability of the intergenerational benefits for the Bay of Plenty community.

The Port continued to demonstrate the value of this approach during FY26. Quayside's 54.14% shareholding delivered a Total Shareholder Return of 32.85%, generated approximately $65 million of dividend income and increased in value by approximately $759 million during the year. With the shareholding valued at approximately $3.3 billion at 30 June 2026, these outcomes reinforce the importance of taking a disciplined and patient approach in our divestment process, ensuring value is created for both current and future beneficiaries of the fund.

Across the Investment Portfolio, it was a strong year. The portfolio delivered significant gains, with a 14.3% 1 year return driven largely by gains in global equities and domestic equities.

There were also important developments in private markets. As a cornerstone investor in PF Olsen, we were delighted to support the merger with Forest360 this year, alongside Adamantem Capital's Environmental Opportunities Fund. The combined business, now operating as Stand, brings together more than 75 years of experience, 200 forestry professionals, and around 480,000 hectares of forestry under management across New Zealand and Australia.

Quayside's investment in Tauranga Crossing also continued to add value to both the portfolio and the region, with the successful completion of the Stage 3 extension. The project, representing a total investment by the Crossing of approximately $55.6 million including land, was delivered on time and within budget. The development secured Farmers as a new anchor tenant, expanding the centre's retail offering whilst also increasing its value.

Rangiuru Business Park also continued to make progress in a challenging market. Sales interest remained steady, with circa 10 hectares now sold to businesses across horticulture and manufacturing. Development momentum continued, too. The motorway interchange and internal roads for Stage 1 are complete, and construction of future-stage roading is underway. The first vertical builds have commenced and represent substantial investment by third parties into the Park.

The development is delivering ecological outcomes too. Native wetland bird sightings at the park point to progress beyond the commercial, reflecting the wider outcomes we're pursuing there. This initiative has also delivered substantial infrastructural resilience to the park as proven after several weather events over the past 12 months.

Health and safety remains a key focus across the Group. During the year, Quayside formalised its dedicated Health and Safety Management Framework for Rangiuru Business Park, documenting and strengthening existing practices, procedures and contractor management processes already in place. Ongoing improvements were also made through implementation of recommendations arising from the 2025 independent health and safety review.

We delivered all of this against a backdrop of real disruption. The Bay of Plenty Regional Council's Long Term Plan Amendment consultation required significant time and resource from both management and governance, while central government's local government reforms brought Quayside further into the spotlight and increased visibility across the wider region. Together, they've drawn attention to ownership, governance, structure, how the fund is used, and how it's protected. The full impacts are still emerging, but one thing is clear: there's strong regional and national support for preserving the fund and its ability to deliver benefits to the Bay of Plenty community for future generations into perpetuity.

Through all of this, the role of Quayside's people has been critical. He tangata, he tangata, he tangata. It is the people, it is the people, it is the people.

It's been a demanding year, and at times an uncertain one. What's stood out is the commitment of a small, multidisciplinary team that cares deeply about the fund they steward, the region they live in, and the impact their work can have long term.

That sense of responsibility matters. Quayside's work isn't only about investment returns or annual distributions. It's about the discipline, capability, and judgment needed to protect a regional asset of significant scale, and about making decisions today that leave future decision-makers with more options, not fewer.

As we look ahead, Quayside remains focused on its core priorities: protecting the pūtea, maintaining active ownership of key assets, strengthening portfolio resilience, and delivering sustainable value for the Bay of Plenty.

The environment will keep shifting. Reform, market cycles, and public expectations will keep testing the settings that guide the fund. Our job is to stay clear on our mandate, disciplined in our decisions, and focused on the long-term benefit this fund exists to provide. That's the work ahead that Quayside was built to do.

SUMMARY OF GROUP PERFORMANCE

It's been an exemplary year for the Quayside Group. Total assets grew by 24.9% during FY26, increasing to $3.9 billion at 30 June 2026 across Quayside's three portfolios: the Port of Tauranga shareholding, the diversified Investment Portfolio, and Rangiuru Business Park. In doing so, Quayside continued to deliver on its intergenerational mandate, growing regional wealth, strengthening the fund's long-term resilience, and returning $54.2 million to Bay of Plenty Regional Council.

The Port of Tauranga remained Quayside's largest investment and principal source of the Council dividend. Quayside's 54.14% shareholding delivered a Total Shareholder Return of 32.85% during the year, supported by both share price appreciation and dividend income. The investment continues to provide a strong foundation for the Group while supporting New Zealand's trade infrastructure, supply chain resilience and economic prosperity. It also remains a strategically important regional asset for the Bay of Plenty. Any future partial divestment directly relates to reducing concentration risk and building a more diversified portfolio that is positioned for future growth and prosperity. Quayside intends to remain an active shareholder and steward of the Port for many years to come.

The Investment Portfolio also delivered a strong result, generating a 14.3% one-year return after fees, taxes and internal cost allocation. Performance was driven by gains across listed equities, real assets and property investments, reflecting the benefits of diversification and the portfolio's increasing scale. The portfolio continues to play an important role in supporting future distributions while reducing long-term concentration risk within the Group.

Rangiuru Business Park progressed from infrastructure delivery to active development during the year. Key transport and utility infrastructure is now in place, land sales continued, and the first vertical construction projects commenced. While the Business Park is not expected to deliver returns consistent with Quayside's commercial investment hurdle rates, it continues to provide broader economic, environmental, cultural and social benefits for the Bay of Plenty region.

Cost discipline remained an important focus during the year. Quayside commissioned an independent review of its Cost to Serve and Total Expense Ratio, providing greater transparency over direct operating costs and the underlying investment management costs embedded within externally managed funds. The review confirmed that the Investment Portfolio's overall cost structure is aligned with the market for a portfolio of its scale, complexity and diversification objectives at 1.11%.

The Group delivered a total dividend of $54.2 million to the Bay of Plenty Regional Council during FY26, including a special dividend of $6.2 million. Since inception, Quayside has returned more than $575 million to Council, supporting regional investment and reducing pressure on rates while continuing to grow the underlying capital base for future generations.

Against a backdrop of local government reform, market volatility and ongoing economic uncertainty, Quayside remained focused on its core objective: preserving and growing an intergenerational fund capable of delivering sustainable long-term returns and enduring benefits for the Bay of Plenty community.

Senior Leadership Team: Sam Newbury, Julia Walsh, Lyndon Settle, Michael Jefferies, Christy Hoebers, Davide Caloni.

A CONVERSATION WITH THE BOARD CHAIR

Protecting capital. Growing value. Acting intergenerationally.

After three years of sharper mandate, clearer strategy and more active ownership, Quayside Board Chair Mark Wynne reflects on what it takes to govern a fund built for both today's communities and future generations.

A unique role and what matters most

Ask Mark to describe the role of a Chair, and there's no corporate jargon. "It's like a super-charged director... often described as a dual role". Beyond the standard fiduciary, audit and risk obligations, he sees the real value of the role sitting in four places.

Firstly, ensuring the Board stays on strategy and does not dive into management. Taking a "nose in, fingers out" approach. Next is the ability to draw people out around the board table, ensuring every voice is heard, not just the loudest. "When it gets to a point where it's dominated by one or two, then you're missing out on value and the power of diversity."

Thirdly, a genuine emphasis on stakeholder engagement and relationship building, particularly with Quayside's shareholder and wider network of partners and stakeholders across the portfolio, including the Port of Tauranga, investments and Rangiuru Business Park.

Finally, building a strong relationship with the Chief Executive. "The CE role can be a lonely one. All of management is looking to you, but who does the CE talk to? It is a special relationship and takes time to build trust and confidence, but it's also critical as a foundation for a high-performing team".

The value of independence

Quayside's structure as an investment organisation with a unique civic parentage shapes what it looks for in its independent directors. "The independent directors are brought in for their specialist skills, in terms of investment, commercial and large company management," Mark explains, while council directors play an equally vital role in tabling "the shareholder and owner's desires, direction of travel, priorities and issues." It's a structure he finds dynamic: "It's really quite a unique company, being council-owned and a commercial investment company. So it's quite an exciting and challenging role for an independent."

Governing within a CCTO

Having spent much of his career in cooperatives, Mark is well acquainted with the friction that can occur between elected and appointed governance. When asked how the public ownership structure has impacted the way he governs, he replies, "There is an inherent tension for elected members between receiving benefits today, whether through dividends, rebates, or other returns, and maintaining a long-term strategy that creates greater value over time. And ultimately, it comes down to getting clarity of mandate. When the owner is clear about what they really want from the investment, the rest can follow."

That clarity becomes especially critical when markets turn. "The discipline of the market is a much fiercer teacher than perhaps a discussion with your owner," he says. "Markets are volatile, and when they go down, that's when the pressure is really on to be able to deliver for today, let alone protect for tomorrow." It's this thinking that has driven eighteen months of work tightening Quayside's SIPO, strategic asset allocation, distributions policy and treasury policy, all connected so that when conditions turn difficult, there's a clear process to follow. As Mark puts it: "It cannot be just the loudest shouting person in the room or the biggest opinion. It has to be policy-driven."

A portfolio diversifying

At the close of FY26 over 85% of Quayside's portfolio sits in its majority shareholding of the Port of Tauranga, a concentration Mark doesn't shy away from discussing. Best-practice portfolio management points firmly toward diversification, he says, acknowledging New Zealand Superannuation Fund, ACC, and offshore endowment funds as examples of the direction of travel. The Bay of Plenty Regional Council approved a managed sell-down to a floor of 28%, with timing at Quayside's discretion. "We are taking our time and ensuring we're not leaving value on the table."

Should a sell-down go ahead, proceeds would flow back across the portfolio within Quayside's pre-set strategic asset allocation bands, with regional investment being weighed on its merits, not sentiment.

Three years of transformation

Mark points to several major changes during his tenure: a clearer mandate, a simpler portfolio and strategy, performance benchmarking, and a more active ownership approach.

On simplification, he says much of the legacy portfolio consumed significant management time for limited value. Smaller holdings were divested, and the business was reorganised into three portfolios: the Port of Tauranga shareholding, the Investment Portfolio, and Rangiuru Business Park. Time, costs and debt were allocated to each to improve transparency and accountability. Performance is now measured against a Reference Portfolio (a low-cost alternative) and a Strategic Asset Allocation (an enhanced active portfolio providing improved risk and return benefits).

The third shift was becoming a more active investor. "There is a big difference between being active, rather than an activist." With the Port of Tauranga, this has meant deeper engagement with management and governance, building mutual understanding of aspirations, challenges and opportunities while working within NZX disclosure obligations.

The same approach has been adopted across the Investment Portfolio, with investment partners presenting to the Investment Committee and Board. "It's real people talking to real people. The performance, opportunities and concerns are shared as we try to drive value together."

The same ethos applies at Rangiuru Business Park. Mark notes, "We've got the biggest man-made wetland in New Zealand, land sales are going well in a tough market, and the first vertical build has commenced."

A CONVERSATION WITH THE BOARD CHAIR

Insourcing, cost to serve, and discipline

Quayside currently keeps its investment function in-house, a model Mark believes is justified by its scale and its focus on the region. "If you have the scale to add more value in-house, then that's the right model. That's where Quayside is today, and I think it's the right call." But he sees it as a question that should be tested continuously to ensure it's the right fit for the strategy being deployed.

For now, the numbers support the approach. The Investment Portfolio returned 14.3% this year. The Port typically delivers a dividend yield of 2% to 3%, although Mark notes both dividends and long term capital growth have always driven the Port's value. If a partial divestment goes ahead, proceeds would be reinvested into the Investment Portfolio, increasing the scale and cost effectiveness of Quayside's operating model.

Risks and opportunities on the horizon

When asked about the next five to ten years, Mark doesn't understate the uncertainty. "There is a risk around what happens as a result of the local government reforms, but throughout it's important that the capital base is protected and grows (at a minimum) of inflation plus some, so that the future generations can enjoy the dividends in perpetuity. The elected members, whatever that looks like post-government and local government reforms, can decide how to spend those dividends. That's not Quayside's role."

But the opportunities, in his view, outweigh the risks. "The opportunities in front of Quayside are enormous as we diversify the portfolio and continue to evolve and improve the operating model." We want to give Council that opportunity, and the only way we can do that for future generations is by protecting the capital through these changes."

The secret sauce

"Quayside is blessed with really, really good people,"

he says, crediting the organisation's uniqueness and the opportunity to truly make a difference to the people of the Bay of Plenty as being two main drawcards for employee and governance attraction.

"You need smart, passionate, committed, honest, high-value people driving the performance. It is the same at the governance table, but extremely important at the management level. So far, we've been able to attract that talent within the Bay. The people are our secret sauce, and that's something that's got to be nurtured forever."

PORT OF TAURANGA

Building capacity for New Zealand's future

The Port of Tauranga is currently the largest investment in Quayside's portfolio, comprising over 85% of the total portfolio at 30 June 2026. Even following a sell-down, Quayside will retain a substantial shareholding and remain a major long-term investor in the Port. It is also one of New Zealand's most important pieces of economic infrastructure and one of regional significance for the Bay of Plenty. Every day, the Port connects New Zealand producers to international markets, supports the flow of essential imports, and is foundational to the resilience of our national supply chain.

As trade patterns evolve and freight networks become increasingly interconnected, the Port's future value lies in its ability to strengthen New Zealand's entire logistics system. Through investment in capacity, technology, environmental performance and supply chain integration, the Port of Tauranga is positioning itself to support New Zealand's economic growth for decades to come.

The impact on NZ Inc.

Often referred to as NZ Inc., New Zealand's economy relies on a connected system of exporters, producers, freight operators, infrastructure assets and global trade networks working together to move goods to international markets. Port of Tauranga is a vital part of that system. As New Zealand's largest port, it helps connect businesses across the country with the world, supporting trade competitiveness, supply chain resilience and economic activity far beyond the Bay of Plenty.

Through long-term partnerships with major exporters and freight operators such as Kotahi, products from across the country are consolidated and connected to international markets efficiently and reliably. Kotahi represents Fonterra, Silver Fern Farms and more than 50 primary sector exporters, together accounting for approximately one-third of New Zealand's containerised exports.

The kiwifruit industry provides another example of the Port's contribution to NZ Inc. Zespri recently launched its 2035 strategy, which is focused on growing international demand, strengthening supply chain resilience and expanding market presence around the world. Achieving these ambitions relies on a trade network capable of moving increasing volumes of high-value exports efficiently and reliably.

Port of Tauranga Supporting NZ Inc.

31%
of New Zealand cargo by volume

38%
of New Zealand container trade

49%
of New Zealand exports by value

17%
of New Zealand imports by value

The Future of Port of Tauranga

As trade volumes grow and supply chains evolve, Port of Tauranga is positioning itself for the next chapter of New Zealand's trade future. Infrastructure investment, expanded shipping capacity, and networks are designed to strengthen the Port's role as a nationally significant freight hub, creating the foundations for greater resilience, efficiency and long-term economic growth.

As New Zealand's largest freight gateway, investment in additional berth capacity is not simply a Port initiative. It is a response to growing pressure across the national supply chain and the need to support future export growth, trade resilience and international connectivity.

Stella Passage: enabling capacity & trade

Stella Passage is a key component that has the ability to unlock greater capacity and value. The project proposes extending the Sulphur Point container berth by 385 metres and the Mount Maunganui wharves by 315 metres within the Port's existing footprint, alongside associated reclamation and dredging works.

The need for additional capacity is immediate. Existing berth constraints are increasingly limiting the Port's ability to accommodate additional shipping services & efficiently support future growth in trade volumes. Stella Passage provides the critical link between today's limitations and tomorrow's opportunities.

The project also aligns with broader investments aimed at enhancing productivity throughout the supply chain. Stage 2 of the Port's consented capital dredging programme is underway to deepen and widen shipping channels within Te Awanui Tauranga Harbour, enabling access for larger vessels such as the next generation of Post-Panamax container vessels.

The Stella Passage development will help position New Zealand's freight network to accommodate larger vessels over time, supporting greater shipping efficiency, improved connectivity to key export markets and lower emissions per unit of freight transported.

Hub and Spoke Model

Industry trends also point towards an emerging hub-and-spoke model across Oceania. Under this approach, a small number of major international container terminals would be supported by regional feeder ports connected through coastal shipping and inland freight networks. Many industry participants view this evolution as a natural response to growing trade volumes, emissions reduction requirements and changing shipping economics.

Port of Tauranga is uniquely positioned to play a leading role in this transition. Its deep-water capability, inland freight infrastructure, rail connectivity and national logistics network provide a strong foundation to support larger vessels, increased transhipment volumes and greater supply chain resilience. Additional capacity also provides operational flexibility and resilience, helping accommodate fluctuations in trade volumes, vessel schedules and future freight demand

Stella Passage is viewed by many industry participants as important enabler of this evolution, helping ensure New Zealand's freight network can accommodate changing vessel deployment patterns while supporting greater use of inland freight hubs and coastal shipping connections.

Quayside Board and Executive visit Ruakura Inland Port.

Building a Network

The Port is building a network rather than simply expanding a port. Investments such as Ruakura Inland Port, Timaru and Northport support a long-term strategy focused on integrating regional freight movements into a more efficient national system. Ruakura Inland Port, developed in partnership with Tainui Group Holdings, has become a significant inland freight hub since opening in 2023 and illustrates how inland terminals can support growth while reducing pressure on traditional port infrastructure.

Northport further strengthens optionality within the Upper North Island freight network, creating opportunities to support future trade growth through improved collaboration and investment across multiple locations.

Growing value beyond financial returns

In April 2026, the Port completed a new stormwater treatment facility at the Mount Maunganui wharves. The system includes a one-million-litre storage tank designed to capture and treat runoff from the log yard before it enters Te Awanui Tauranga Harbour. Using first-flush capture technology, real-time monitoring systems and high-capacity pumping infrastructure, the facility is specifically designed to improve stormwater quality in a complex port environment.

The Port is investing in fully electric automated stacking cranes, which are expected to double the current container throughput, improve workplace safety and reduce carbon emissions by approximately 75% compared with a traditional straddle carrier operation. Also supporting the reduction in the Port's Scope 1 emissions. Many of these productivity and emissions-reduction initiatives are interconnected, with additional berth capacity providing the platform for future terminal automation and more efficient cargo handling.

Digital twin technologies continue to advance terminal emulation and provide operational gains. Automated planning strategies now manage a growing proportion of yard operations, while targeted optimisation has reduced the number of refrigerated container rehandling movements - supporting greater productivity, reduced fuel use and more efficient use of existing infrastructure.

32.85%

TOTAL SHAREHOLDER RETURN

Port of Tauranga delivered a Total Shareholder Return (TSR) of 32.85%, driven by share price appreciation to $8.9 (at 30 June 2026) and the semi-annual distribution.

A TOTAL ORDINARY DIVIDEND OF

20.5

cents per share has been declared by the Port compared to 16.7 cents per share in 2025, which is a 22.8% increase.

FINANCIAL PERFORMANCE

- TEUs increased by 0.4% to 1,213,494
- Total trade decreased 3.0% to 24.560 million tonnes
- Ship visits increased 0.2% to 1,445
- Health & Safety: Total Recordable Incident Frequency Rate (TRIFR) decreased to 3.9 per million hours worked for the Port of Tauranga, and 19.5 per million hours worked for Port of Tauranga and contractors combined, an increase on 2025.

Trading Performance and Market Confidence

Financially, the Port delivered a strong result, with Group Net Profit After Tax reaching $156.1 million for the year ended 30 June 2026. Revenue increased to $486.5 million, up 4.7% on the prior year. Investor confidence remains high, with the Port continuing to trade at a premium to its sector peers, reflecting its strong fundamentals, strategic positioning and disciplined capital management.

Governance

Quayside is the majority shareholder in the Port and while the Port operates independently as an NZX-listed company, Quayside fulfils its duties as a responsible long-term shareholder through strong governance, performance monitoring, strategic oversight and ongoing regular engagement.

INVESTMENT PORTFOLIO HIGHLIGHTS

It was a strong year for Quayside's Investment Portfolio. Listed equities, as well as real assets, drove returns, and real estate values recovered. We continued to build a more diversified and resilient portfolio for the years ahead.

Global markets had real momentum, especially in sectors tied to artificial intelligence and digital infrastructure. But it wasn't a smooth ride. Geopolitical shocks, trade tensions and shifting interest rate expectations kept volatility high throughout the year.

Real Assets and Real Estate also turned a corner. Investor confidence improved, interest rates eased, and cap rates (the rate of return expected on a property investment, based on its income) began to firm, lifting values across our well-located, well-leased assets. Real Assets, which is predominantly exposure into the kiwifruit sector, provided strong financial results on the back of another strong kiwifruit season.

Over the year, we continued broadening the base of the investment portfolio, adding global bonds and rebalancing during the year.

As an intergenerational investor, that's the point: generate strong returns, but build a portfolio that holds up through different market conditions. One that gives us a platform to keep growing.

Private Equity

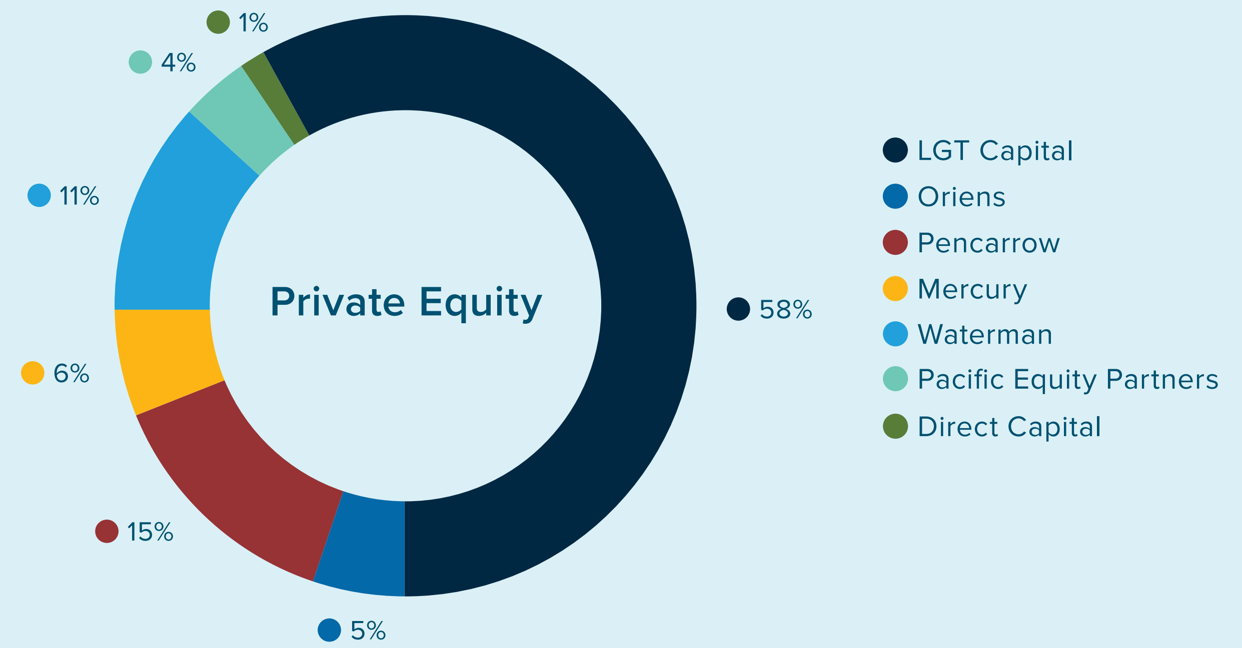
Private equity remains an important component of Quayside's portfolio. The asset class offers the potential for strong long-term value creation and provides diversification benefits through exposure to specialist managers and businesses whose performance is less reliant on public market movements. As a patient, long-term investor, Quayside believes the benefits of private equity are best realised over extended time horizons.

Quayside's managed Private Equity portfolio performed moderately over the period, and it was a slower year for realising returns. Whilst activity levels recovered over the period, liquidity pressures persisted, resulting in delayed timing of returns. This dynamic was reflective of market conditions rather than any weakening in the underlying companies, which generally continued to trade well.

The focus remains on taking a portfolio approach: partnering with high-quality managers, building a laddered vintage profile (investments made across different years to smooth out exposure to market cycles), and broadening geographic exposure over time. Quayside also continued to refine its Private Equity investment strategy during the year and undertook due diligence on Allegro Funds Ltd, which was added to the portfolio post balance date.

Some key activities that occurred with Quayside's managers in the year were:

- Waterman Capital, a key NZ-based PE manager for Quayside saw significant M&A activity for it's portfolio company New Zealand Clinical Research.
- Mercury Capital acquired a significant stake in leading financial services business Forsyth Barr.
- Another portfolio highlight was continued growth from Tend Health, a portfolio company in Pencarrow Private Equity. During the year, Tend committed to acquiring Green Cross Health's medical division, The Doctors. The transaction is expected to significantly expand Tend's patient base and strengthen its position in the primary health sector.
- PF Olsen and Forest360 merged during the year, in a transaction supported by Quayside as PF Olsen's cornerstone investor, alongside Adamantem Capital's Environmental Opportunities Fund. The merger created Australasia's largest independent forestry management company.



Listed Assets

Listed equities were a significant contributor to portfolio performance during FY26 supported by strong returns from both global and domestic equities. While investor attention remained focussed on artificial intelligence, semiconductors, data centres and digital infrastructure, the year was also characterised by increasing market concentration with a relatively small number of companies generating a disproportionate share of global equity returns.

At the same time, markets experienced significant volatility. Conflicts in the Middle East, ongoing trade tensions and uncertainty around global growth all affected investor sentiment during the year. Higher risk-free rates also affected bond prices during the period, with tariffs and geopolitical shocks also being contributing factors.

Against this backdrop, Quayside continued implementing refinements to its listed equities strategy developed during late 2025. The review reflected a shift away from a thematic ETF approach towards a more direct portfolio construction framework, aligning capital with areas where earnings growth was most compelling. This included reducing exposure to Australian equities and increasing exposure to global opportunities.

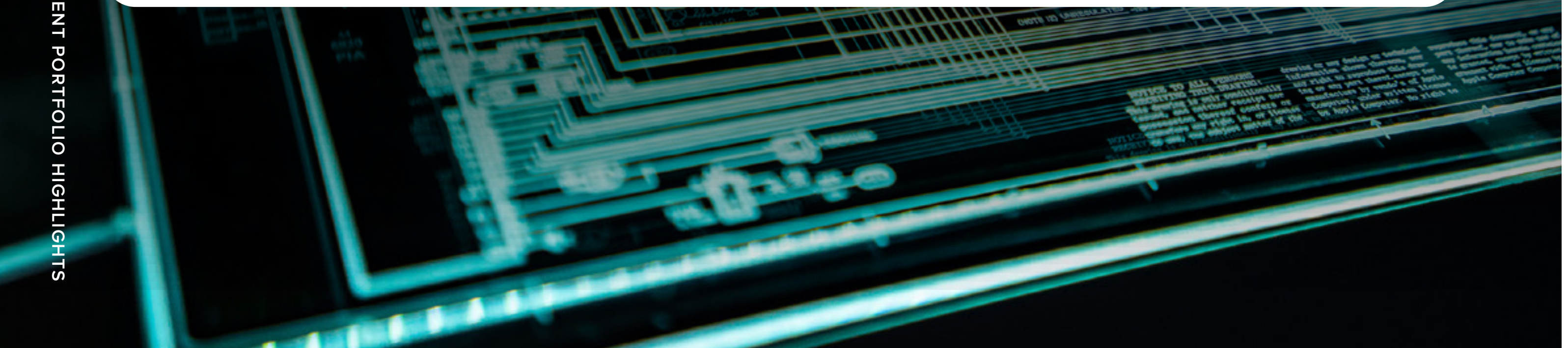
The revised strategy performed strongly during the year. The Global Equities portfolio was a standout contributor, delivering a return of 56.2% for the year compared with 28% for its benchmark.

Performance was led by holdings including Micron, Samsung and Taiwan Semiconductor, all of which benefited from growing demand for advanced semiconductor and data centre infrastructure. The results reflected both favourable market conditions and active investment decisions by the Quayside team.

Domestic equities also contributed positively despite a challenging economic backdrop. Higher interest rates and weaker economic conditions created challenges for households and businesses. However, the portfolio benefited from holdings in companies with resilient business models, strong balance sheets and attractive long-term growth prospects. In particular, Infratil was a significant contributor supported by strong operational performance and continued investment in digital infrastructure.

Fixed income also remained an important part of the portfolio. Higher interest rates provided more attractive income opportunities for fixed income investors than in recent years, while bonds continued to play a role in providing stability, income and diversification. During the year Quayside added global fixed income as a strategy, providing additional resilience and liquidity to the portfolio. This strategy is delivered by external managers to get access to deep global debt and credit markets, also supporting and enhancing the domestic exposure.

Asset Class	Return	Benchmark Return
Domestic Equities	8.7%	8.8%
Global Equities	56.2%	28%
NZ Fixed Interest	5.6%	5.5%
Global Fixed Interest	1.8%	1.7%



Property & Real Assets

Quayside's Property and Real Assets portfolio has endured a challenging market this year. The New Zealand commercial property market gradually recovered during the year, with easing interest rates and improving investor confidence supporting increased transaction activity, particularly for well-located and well-leased properties.

Tauranga Crossing reached a major milestone with the completion of Stage 3. This added Farmers as a second anchor tenant, alongside multiple key tenants. The asset maintained and grew value through its active development programme, reinforcing its role as a strong foundation within Quayside's portfolio and supporting the growth of one of the Bay of Plenty's key growth corridors.

Panorama Towers also delivered value gains over the financial year, supported by further leasing activity. The investment continues to show the benefits of Quayside's strategic partnership approach and its ability to work with high-quality partners to reposition assets into higher and better use.

Across the balance of the property portfolio, static assets remained steady, with progress continuing under Quayside's capital balancing and recycling programme. Key activities included the divestment of the Tauriko landholding to NZTA, supporting improved transport outcomes for the Bay of Plenty, and securing a major long-term lease with GEA at Portside Drive, strengthening income security within the portfolio. Quayside also completed the sale of its Fenton Street property in Rotorua, occupied by Bay of Plenty Regional Council, to Te Arawa Group Holdings, reflecting an ongoing desire for authentic and meaningful relationships with iwi partners.

Huakiwi enjoyed a strong year, supported by another positive kiwifruit season and continued operational improvements across its orchard portfolio. The business is now generating positive annual cashflow, with a cumulative $9.3 million distributed to the joint venture partners since inception, including 50% to Quayside through its ownership interest. Performance was underpinned by solid orchard yields, with SunGold production averaging 18,832 trays per hectare and green orchards returning to profitability following targeted management initiatives.

Key Performance Metrics:

Investment Portfolio Return

14.3% 1 year return

7.7% 3 year rolling return

5.4% 5 year rolling return

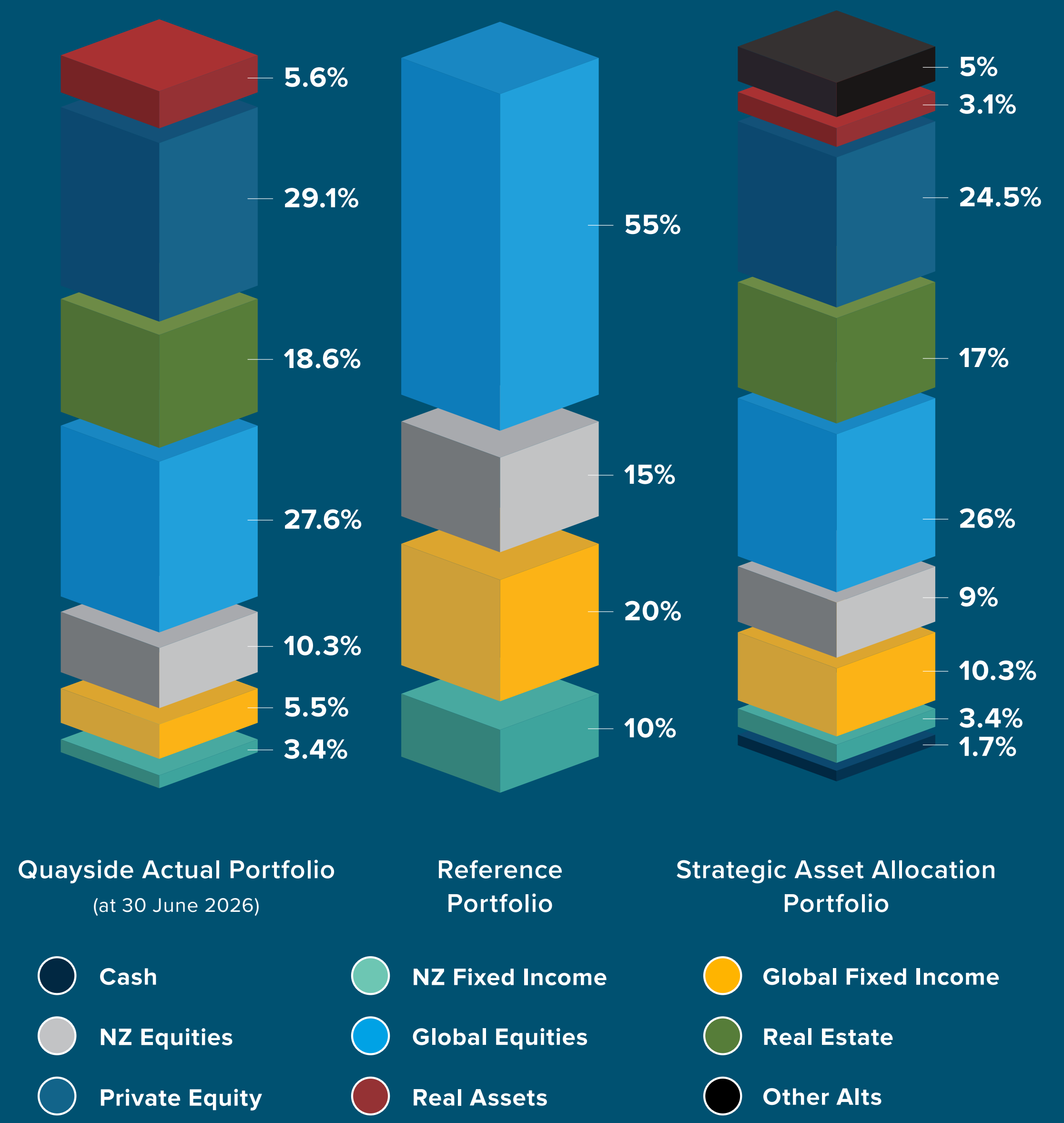
Portfolio Valuation

$484.9 million

After fees and internal cost allocation.

Asset Allocation Comparison

(Net Assets)



The Quayside Portfolio shows how funds were invested at 30 June 2026. The Reference Portfolio is a simple model used to compare investment performance. The Strategic Asset Allocation Portfolio reflects Quayside's preferred long-term mix of investments, taking account of its objectives, risk profile and cash flow needs.

UNDERSTANDING THE TOTAL COST OF INVESTING

For the Bay of Plenty community, the important question is not just what Quayside costs to run, but whether those costs help protect and grow the regional investment fund that supports Council and helps reduce pressure on rates over time.

Two different measures help answer that question. Cost to Serve reflects the direct cost of running Quayside, including people, systems and governance.

However, this does not capture the full cost of managing the Investment Portfolio. Some investment costs are charged within externally managed funds and are deducted before investment returns are reported.

The Total Expense Ratio (TER) combines both Quayside's direct costs and these embedded investment costs to provide a more complete picture of the total cost of investing. As a result, TER is the more meaningful measure when assessing the efficiency of the Investment Portfolio and comparing costs against long-term investment performance.

For FY26, Quayside's Investment Portfolio TER was **1.11%**. This provides the Bay of Plenty community with greater transparency about the total cost of managing the fund and helps assess whether those costs are delivering value over time.

Cost to Serve | 0.50%

People, systems, governance and other direct operating costs

+

Embedded investment costs | 0.61%

External manager fees and costs deducted within investment returns

=

Total Expense Ratio | 1.11%

Total investment cost as a percentage of assets under

Cost is driven by the chosen investment strategy, not just overheads

STAND: GROWING NATURAL CAPITAL FOR LONG-TERM VALUE

Since acquiring PF Olsen in 2022, Quayside has viewed the business as a high-quality platform with strong market presence, deep industry relationships and significant long-term growth potential. From the outset, Quayside recognised that scale and strategic partnerships would be important to unlocking the full value of the investment and strengthening its position in a rapidly evolving forestry and natural capital sector.

The merger of PF Olsen and Forest360, supported by Adamantem Capital's Environmental Opportunities Fund, is the result of that strategy. The transaction transforms PF Olsen from a successful forestry services business into a larger, more capable platform with greater scale, enhanced governance, broader service offerings and improved access to growth capital.

The newly formed Stand is now Australasia's largest independent forestry management company, bringing together more than 75 years of experience, over 200 forestry professionals and approximately 480,000 hectares of forestry under management across New Zealand and Australia.

For Quayside, the merger is about creating long-term value from an investment we have backed with conviction since 2022. We believe the combination positions the business to capitalise on emerging opportunities across forestry, carbon markets and the broader natural capital sector, while building a more resilient platform capable of delivering sustainable growth over the long term.

PF Olsen and Forest360 merger

The merger of PF Olsen and Forest360 was announced in late 2025, supported by Adamantem Capital's Environmental Opportunities Fund, alongside Quayside as PF Olsen's cornerstone investor.

The transaction brought together two established New Zealand forestry businesses with complementary strengths. It created a single platform with deeper operational capability, a broader service offering and a stronger base from which to grow across New Zealand and Australia.

It also simplified PF Olsen's previous ownership structure, with over 90 shareholders, into a new co-owned structure with clearer governance, better aligned incentives and access to capital to support growth.

The transaction was recognised at the May 2026 INFINZ Awards, where the Forest360 and PF Olsen merger won the BDO Mid Market M&A Transaction of the Year. For Quayside, that recognition reflected the complexity of the transaction and the disciplined execution required to align strategic and financial objectives while protecting long-term investment interests.

Stand: growing natural capital for good

The June 2026 launch of Stand marked the point where the merger became visible as a single business, name and identity together. The name carries meaning. In forestry, a stand is a unit of trees. It also speaks to taking a position and standing for something. For Stand, that position is clear: forestry with purpose, growing natural capital for good.

The business positions itself as Australasia's most experienced and commercially astute forestry team, providing an integrated seed-to-sale consulting and management solution to investors, owners and managers of forestry assets. That proposition reflects a broader shift underway across the sector.

Forestry is no longer defined solely by harvest volumes and traditional forest management. Carbon, biodiversity, environmental resilience and responsible land use are becoming increasingly important drivers of value. As landowners and investors look to optimise the full potential of their assets, Stand is positioning itself at the centre of this transition, helping clients realise both financial and environmental outcomes from natural capital.

To do this, the business combines deep forestry expertise with advanced technology and an integrative stewardship approach. Across New Zealand and Australia, its people apply technical capability, commercial discipline and practical experience to ensure every hectare of land is optimised for its natural potential.

Combining two former competitors gives Stand more depth than either had alone: shared capability, people and culture within a single platform. For clients, that means continuity and confidence, along with access to a wider pool of expertise without losing local knowledge.

That breadth also helps the business through market cycles. Forestry continues to be influenced by fluctuating demand, freight costs, fuel prices and international market conditions. A broader base provides greater resilience while enabling continued investment in people, science, technology and innovation.

Carbon represents one of the most significant growth opportunities ahead. Stand is expanding its carbon consulting capability across New Zealand and Australia and has introduced a carbon joint venture model that enables farmers and landowners to partner with specialist Emissions Trading Scheme expertise. The business also sees growing opportunities across the wider natural capital landscape, where forestry, environmental stewardship and commercial outcomes increasingly intersect.

Aligned for the long term

For Quayside, the appeal is the alignment: commercial performance, environmental stewardship and a capital partner built for the transition to net zero. Adamantem's Environmental Opportunities Fund backs exactly that kind of growth. That fit is what makes the investment compelling.

PANORAMA TOWERS

As windows are installed and the new lift shaft bursts through the Tauranga CBD skyline, day-by-day we see Panorama Towers is set to redefine the area's commercial landscape with its 13-storey high-rise structure. A joint venture between Carrus Group, Watts Group Investments, and Quayside Holdings, the Panorama Towers building is scheduled for completion in late 2026, aligned with tenancy fit-outs and the building being fully operational in 2027.

The mixed-use development with the lower storeys and a basement dedicated to 330 car parks, including 200 publicly available spaces accessible from Harrington Street. Above the parking area, 7 levels of commercial and office space spanning approximately 9,000m^2 of net lettable area will be available, catering to a variety of businesses.

Panorama Towers anchor tenant, Asclepius Surgical, will provide a modern healthcare facility headed by internationally renowned local urologist Dr. Mark Fraundorfer. Occupying floors 6 to 12, the facility will provide a full range of surgical services, including radiology, urology, and oncology treatments for both private and public patients. Asclepius Surgical will offer six state-of-the-art operating theatres, two procedure suites, and 60 beds. It will address the critical shortage of surgical capacity in the Bay of Plenty region, providing much-needed relief to both the public and private healthcare sectors.

Under the joint venture partnership, the project has benefited from tens of millions of dollars of investment, countless hours of effort, and significant construction ingenuity. Together, these have transformed the building into a world-class medical facility that is expected to increase healthcare capacity across the Bay of Plenty by up to a third, improving access to care for the region's growing population.

Delivering the project required six separate building consents, guiding its progression from deconstruction and structural strengthening through to construction of the tower itself. The development includes more than 2,500 tonnes of reinforcing steel, 1,500 tonnes of structural steel and 9,000 m3 of concrete, ensuring resilience to natural hazards and achieving a 100% NBS seismic rating under the New Zealand Building Code.

The regional property asset will continue to provide value across measures – financially, socially and at a regional economic level.

TAURANGA CROSSING

Sitting within Quayside's Property and Real Assets portfolio, Tauranga Crossing is a large-format regional shopping centre in Tauriko, Tauranga, strategically located within a high-growth corridor and serving a growing Bay of Plenty catchment. The centre now comprises multiple stages with a combined lettable area of approximately 43,700 sqm, anchored by national tenants including PAK'nSAVE, The Warehouse, Event Cinemas, Farmers and JB HiFi supported by over 100 specialty retailers.

From a portfolio perspective, Tauranga Crossing plays a dual role. It provides relatively stable, inflation-linked rental income, while also delivering value through active asset management, development and expansion. FY26 saw the completion of a multi-year project to expand the centre. The project has generated significant value for the centre since the first investment was made. This reflects Quayside's strategy of backing high-conviction real estate assets where it can influence growth and capture uplift through scale, development and operational improvements.

Recent initiatives include a 714-panel solar array, which generates an average of 883 kWh of electricity each day and produces around 322 MWh of renewable electricity annually.

Near-term focus is on leasing, tenant mix optimisation and converting this scale into sustainable cashflow. While market conditions are presenting some leasing challenges, the asset remains a high-conviction holding within the portfolio, supported by its strategic location, anchor tenancy and long-term growth fundamentals.

RANGIURU BUSINESS PARK

The Rangiuru Business Park is a transformative regional development with a 20+ year legacy, built on shared values and a commitment to intergenerational outcomes that span financial, social, cultural, and environmental dimensions. Through leveraging the strength of the Council's balance sheet, alongside specialist property development expertise, Quayside has funded and led the development to where it is today.

It is an enabler for the Bay of Plenty community and exemplifies a shared commitment to regional economic growth, technical excellence, and meaningful cultural and ecological outcomes that will have a lasting impact.

Development & Sales Update

Rangiuru Business Park transitioned from early-stage delivery to active use this year.

Key bulk infrastructure is now in place. The motorway interchange is operational, internal roads are complete in Stage 1, and core utilities have been delivered. We continue to construct roading networks that will enable future stages of the Business park to develop.

Sales have followed with the first land parcels in Stage 1, which have been transacted, including an 8.7 ha site for a high loading packhouse and cool storage facility for Jace Group. The site will see a large-format industrial facility with high logistical, stacking, and transportation needs, with construction underway, we will see development coming out of the ground in the coming year. Additionally, Super Yacht Coatings purchased Lot 81 with motorway visibility and Lot 82 purchased by Acacia Land Holdings, to join as their neighbours. Titles have been issued and vertical development on the sites has begun.

Rangiuru Business Park has evolved in response to market-driven changes. Unlike residential developments, where lot layouts are typically fixed, industrial developments must remain flexible to accommodate purchaser demands. This required the entire team — developer, consultants, and contractors — to be agile and ready to pivot quickly and at any time.

These changes were frequent and sometimes occurred during the course of construction, necessitating rapid adjustments across supply chains while minimising impacts on cost and programme.

The Rangiuru Business Park team on the ground has expanded and contracted to meet the needs of the development activities. Last year, we had seven main contractors operating within the site simultaneously, which was an unusually high level of integration for a project of this scale. This year, due to the work schedule, there are 7 – Higgins, Bay Civil, HEB Construction, JMC Civil Construction, Tree Wise Men, Treeline and Tapuika Iwi Authority. The team have cultivated a culture of shared responsibility, particularly around health and safety and environmental management, where contractors were encouraged to think collectively rather than individually. This has been reinforced through fortnightly all-contractor meetings focusing on environmental performance, site logistics and interface, along with site wide H&S events and reward recognition.

With multiple contractors working simultaneously across different fronts, the team navigated overlapping work areas and scopes and high interdependency through disciplined coordination and proactive engagement with regulatory bodies like the Western Bay of Plenty District Council and Bay of Plenty Regional Council.

People & Relationships

For Quayside, relationships are central to the way we work. This is expressed through our organisational values: Our People, Our Strength, Authentic Relationships and Purposeful Stewardship. At the business park, those relationships have been built across every part of the development: with mana whenua, contractors, consultants, local authorities, purchasers, tenants and the wider regional community.

The scale of the project is evident in the number of people and businesses it has touched. For Mike Speed, General Manager of Bay Civil, Rangiuru Business Park has had a direct impact on local workers, subcontractors and their families. “Across our direct staffing group, over three-quarters would have spent some time out at Rangiuru. On top of this, there would be another 50-60 subcontractor resources who have also been involved. Think of the families that this supports.” That impact was particularly meaningful in a difficult market. Mike described Rangiuru Business Park Stage 1a Civils as “a lifeline for our business,” noting that the timing came “just as the market entered a downturn” and helped support the team and their families through that period.

The project’s delivery model also created opportunities for local and medium-sized contractors to participate in a development of regional significance. Mike Speed said Quayside’s decision to award works in modest-sized packages “enabled medium sized contractors to put their hands up to be involved,” ensuring local resources benefited from the project works.

For Higgins, the motorway interchange became more than a piece of infrastructure. Dean Taylor, Regional Manager, Higgins Bay of Plenty, said: “Our team of almost 200, over the life of the project, not only delivered a piece of transport infrastructure but they created a critical gateway to a development that will help shape the future of the region.”

The same theme of partnership carried through the wider contractor group. Andrew Hiscox, Area Manager at HEB Construction, said the project helped establish “a strong new working relationship with the Quayside team” and reinforced that “the value of collaboration far exceeds working in isolation.”

Many of the contractors and consultants have been involved from the beginning, including local Bay of Plenty contractor JMC. Jason Mather says, “Across the programme, JMC and Quayside have worked closely to maintain high standards of environmental control, including erosion and sediment management, dust suppression, stormwater controls and site stabilisation. It has required practical problem-solving across changing ground conditions, weather events and multiple contractor interfaces.” He adds, they’re proud to have contributed to the physical platform that will support future investment, employment and regional growth at Rangiuru Business Park.

Long-standing partnerships have also been critical to navigating a project that has evolved over more than two decades. Harrison Grierson, Head of Clients & Markets, Andrew Collins shares, “The opening of the interchange was a proud moment because it reflected the contribution of so many people over such a long period of time. We’ve worked alongside Quayside on Rangiuru Business Park since the earliest feasibility and planning stages, and what has always stood out is the commitment to creating lasting benefits for the region. Projects of this scale don’t happen without strong relationships, shared goals and the willingness to adapt as the project evolves.”

The relationship with Tapuika Iwi Authority has been central to the development of Rangiuru Business Park. Since formalising a Relationship Agreement in 2021, Quayside and Tapuika have worked together to advance cultural, environmental and economic outcomes. During the past two years, this has included the naming of roads and infrastructure assets, employment and training opportunities, cultural storytelling, wetland planting and cultural monitoring, alongside ongoing engagement and cultural inductions for contractors.

Tapuika Iwi Authority Kaiwhakahaere / General Manager, Te Hingatū Marsh shares, “Over time, the relationship between Tapuika and Quayside has grown into one based on mutual respect and a genuine commitment to achieving meaningful outcomes together. It is important to Tapuika that we honour the whakapapa and stories of our whenua while working to fulfil our aspirations, uplift our people and create opportunities for future generations. The Quayside team have demonstrated that commitment through contracts and employment opportunities, leaving an everlasting impression on Tapuika because of their authentic and genuine desire to see our people succeed. One example that stands out was when Quayside team members joined us for our Waitangi Day, Tūhono ki te Awa nui o Tapuika, River Day. It opened minds from the iwi’s perspective and helped put a face to the business park.”

Ecological Outcomes

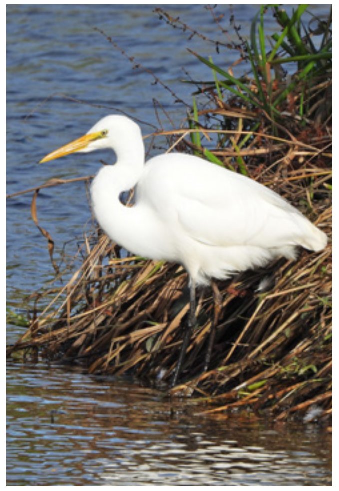
The Te Haukōpūpū wetlands at Rangiuru Business Park are continuing to demonstrate the environmental value of integrating ecological infrastructure into development.

For the project team, planting over 360,000 eco sourced plants into Te Haukōpūpū has been the achievement of a goal set back in 2021 when the Business Park's first sod was turned. The intention to design a stormwater pond that reflects the repo of the past generations, bringing back both plant and animal species that once called this region home, including the Kahikatea and the Matuku hūrepo, while improving the water quality as it tracks its way back to the Kaituna River. Seeing that vision realised has been deeply satisfying for Quayside.

During the past year, Tapuika completed its first six months of maintenance, caring for two seasons of planting and focusing on early pest plant control and monitoring the health of native species. Despite challenging weather conditions, the diverse mix of sedges, grasses and native trees is establishing well, providing natural stormwater filtration while creating habitat for new wetland ecosystems. The results are already visible, with biodiversity increasing and a growing number of native bird species making the wetlands their home.

For Te Hingatū Marsh, the wetland development shows what the partnership means in practice. "For Tapuika, it is working in collaboration to develop the stormwater pond and seeing biodiversity, flora and fauna returning to the land. This is significant for us all."

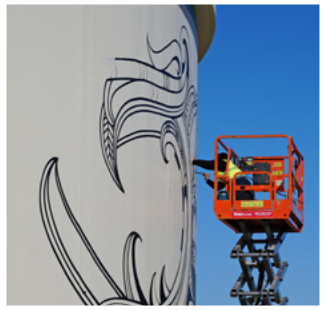
Among the species recorded are the Royal Spoonbill (Kōtuku ngutupapa), White-faced Heron (Matuku moana) and, most notably, the nationally threatened Australasian Bittern (Matuku hūrepo), a species whose numbers have declined significantly as wetland habitats have been lost across Aotearoa.

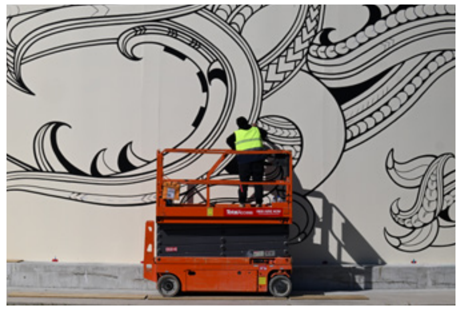


More recently, kōtuku (white heron) have also been observed within the wetlands. With only a small population (approximately 150 – 200) remaining in Aotearoa New Zealand, sightings of this rare and revered bird are significant and reflect the value of restoring and protecting wetland environments.

A joint medium-term goal between Quayside and Tapuika is to initiate a cultural environmental monitoring programme within the wetlands. This will involve regular and ongoing observations of the natural environment, blending mātauranga Māori, traditional concepts, and Western science to be able to assess and report on changes in the environment and ecosystems providing a basis for any potential adaptations of approach and maintenance. This will be an iwi-led long-term programme that will feed into the history of the Rohe for future generations.

The ecological success of Te Haukōpūpū is the result of a partnership between Quayside and Tapuika, combining infrastructure delivery with kaitiakitanga and mātauranga Māori. Together, the wetlands are improving water quality, strengthening biodiversity and creating a lasting environmental asset that will benefit the region for generations to come.





Cultural Outcomes

Cultural elements are woven into the places, spaces and experiences across the development, giving the business park depth, identity and meaning.

One example is the design of the bridge abutments, which draws on a traditional puhoro pattern unique to Te Arawa. Historically used on the hulls of waka, the pattern represents speed and agility through movement across water. Reinterpreted for Rangiuru Business Park, it reflects the movement of vehicles along the Tauranga Eastern Link and the transition as they enter the business park. Beyond its visual impact, the design provides a visible expression of mana whenua identity, ensuring Tapuika can see themselves reflected in the landscape and reinforcing a sense of belonging and connection to place.

The partnership is also creating opportunities for cultural expression beyond the built infrastructure. During stormwater works, native logs were uncovered and carefully removed from site. Tapuika Iwi Authority staff undertook NZQA-accredited training in load slinging to support the work, with the logs now being retained for carving and the creation of cultural features that will become part of the wider business park landscape.

That same commitment to cultural expression has informed the evolution of the Rangiuru Business Park brand. Developed in collaboration with Tapuika, the refreshed identity better reflects the significance of the name Rangiuru and the history of the whenua. The new logo includes elements that draw inspiration from the wetland Pukaingataru, referencing the harvesting of kūmara and the enduring relationship between people and land. It speaks to nourishment, cultivation, and abundance. It's also inspired by the Poutama pattern, symbolising growth, learning, achievement, and continual advancement. Together, the forms represent the connection between past, present, and future generations, and the partnership between Tapuika and Quayside as kaitiaki and stewards of the region's future.

Cultural storytelling is also being incorporated into the development's built environment through public artwork, including the water reservoir where local Tapuika artist Robyn Williams will bring to life the story of Whakaotirangi, who brought the seed of the kūmara to Aotearoa on her voyage on the Te Arawa canoe.

The result is a business park that reflects more than economic development. It demonstrates how cultural identity, partnership, and long-term stewardship can be woven into the fabric of a major regional asset, creating a place that honours the stories of the past while supporting prosperity for future generations.

INVESTING FOR EVERY GENERATION

How our new Distribution Policy works — and what it means for you.

In 2025, Quayside and the Bay of Plenty Regional Council undertook a thorough, collaborative review of how distributions to Council are calculated. Independent experts were engaged. Scenarios were modelled. Principles were debated and agreed. The result — adopted by the Quayside Board in February 2026 — is the clearest, most transparent distribution framework we have ever had.
This article explains how it works, and what it means for every community member in the region.

$54.2m
FY26 distribution to Council
reducing rates by an average of **$405** per rateable unit

$485m
Quayside's investment portfolio
as at 30 June 2026

$25,699
Value per ratepayer
total fund of **$3.5 billion**

An intergenerational fund for the Bay of Plenty

Our purpose is to grow and preserve the fund across generations — an endowment model in which the capital base is maintained in real terms, so that the returns it generates keep flowing to Council and the community indefinitely. Not just today. Not just for the next Council Long-Term Plan. Forever.

A process built on collaboration and independent expertise

The revised Distribution Policy is the product of a detailed, structured process carried out across 2025, collaboratively with Quayside's Board and leadership team, the Bay of Plenty Regional Council, and independent external experts to review and adapt the policy to ensure it was fit for purpose now and into the future.

Designing Quayside's distribution policy is more complex than for many investment funds because the portfolio has several different objectives and sources of return.

At the centre of the portfolio is Quayside's majority shareholding in Port of Tauranga. While the investment has delivered exceptional long-term capital growth, the cash dividend yield is relatively modest compared to the size of the holding. As a long-term strategic investor, Quayside cannot simply sell shares to fund annual distributions, meaning the policy needs to recognise the difference between value being created and cash being received.

Quayside also has existing obligations, including annual interest payments on the Perpetual Preference Shares that were issued to fund a special dividend to Council. As a result, not all dividends received from the Port are available to be distributed directly to Council.

At the same time, much of the Investment Portfolio is invested in growth-oriented assets, including international equities, where a significant proportion of returns are generated through capital appreciation rather than cash income. Other assets, such as Rangiuru Business Park, are intended to deliver long-term regional benefits and are not yet producing income.

The challenge was therefore to design a policy that reflects how Quayside's portfolio actually generates returns, while still providing Council with a stable and sustainable income stream. This is particularly important given Quayside contributes around a quarter of Council's revenue. The new framework helps manage concentration risk, improve resilience and support more predictable distributions, while preserving the long-term value of the fund for future generations.

The policy was adopted by the Quayside Board on 3 February 2026, following a final briefing to Councillors. It replaces the previous Distribution Policy with a framework that is simpler, more transparent, and explicitly anchored to the long-term stewardship obligations that Quayside holds on behalf of the community.

> *"We are pleased with where the framework has landed. It reflects the unique characteristics of our portfolio, provides greater certainty around future distributions, and helps protect the fund for future generations. Just as importantly, it reflects a shared view between Quayside and the Regional Council about how the community's assets should be managed over the long term."*
>
> Sam Newbury, Chief Investment Officer

Three principles, one policy

The policy was built around three principles agreed by Quayside and Council, and importantly, helped shape the policy and mechanisms used to move forward.

Principle	What it means in practice
Intergenerational Equity	The fund belongs to future Bay of Plenty communities as much as it belongs to people alive today. The real, inflation-adjusted value of our capital must be preserved — not just maintained in name but genuinely protected against the eroding effect of inflation over time.
Transparency and Structure	How we calculate the annual distribution is written down, public, and applied consistently. There are no judgment calls or backroom adjustments. Every year's payment follows the same formula, and Council — and our community — can verify every step.
Stability and Predictability	The Regional Council plans its budget years ahead. Distributions need to be steady and foreseeable. The policy is designed to smooth out the natural ups and downs of investment markets, so Council can plan with confidence.

The foundation of protecting future generations: The Real Capital Floor

The most important protection built into the new policy is what we call the Real Capital Floor — set at $350 million as at 30 June 2025, and adjusted for annual inflation, it represents the inflation-adjusted value of the Port of Tauranga dividends that Quayside has retained and reinvested over its lifetime. In simple terms, it is the minimum level of capital that must be preserved to help ensure future generations benefit from the fund in the same way current generations do.

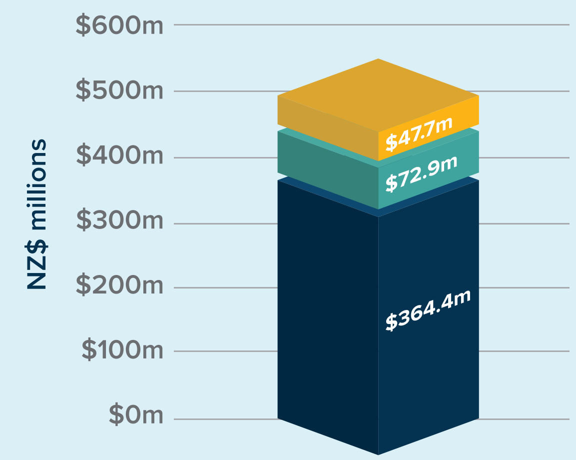
As at 30 June 2025, Quayside's investment portfolio was valued at approximately $427 million — $77 million above the floor. The floor will rise each year with inflation, so it always reflects real purchasing power.

A cushion for difficult years: The Distribution Buffer

Between the capital floor and our current portfolio sits what the policy calls the Target Distribution Buffer — approximately $70 million of additional headroom above the minimum.

Investment markets are not perfectly smooth. Port dividends can vary year to year. The buffer exists so that a difficult market environment doesn't automatically translate into an immediate cut to Council's funding. It absorbs the impact, maintaining stable distributions while Quayside navigates through.

Only if the buffer were to fall significantly, to less than half its target level, would a staged distribution reduction be considered. This is a proactive, transparent mechanism, not a reactive one. Council and the community will always have clear visibility of where the buffer sits.



Capital Adequacy

Floor + Target Buffer + Excess = NAV $485m

- Excess Buffer
- Target Buffer
- Required Floor

How the annual distribution is calculated

The annual distribution is calculated using a transparent three-part formula: a sustainable return on Quayside's diversified investment portfolio, plus 80% of the net Port of Tauranga dividend, less the independently assessed costs of strategic regional assets, such as the Rangiuru Business Park. This approach balances a reliable return to Council today while retaining capital to grow and diversify the portfolio for the future.

Part 1 · Return on investment portfolio

Global equities | Fixed income | Property | Private equity | Other

3-year average value → × (inflation + 2%)

+

Part 2 · Port of Tauranga dividend

80% to Council | 20% retained

Net of Quayside's own Port-related operating costs
Net of PPS dividend and associated cost

−

Strategic asset costs

Rangiuru Business Park

Deducted before distribution

=

Annual distribution

Why we retain 20% of the Port Dividend

One of the most carefully considered decisions in the new policy was the payout ratio on the Port of Tauranga dividend. At 30 June 2026, approximately 85% of Quayside's total portfolio value is currently concentrated in a single asset: the Port. That level of concentration is something our Board and the Regional Council are committed to reducing over time.

Retaining 20% of the net Port dividend each year allows Quayside to reinvest the 20% and reduce concentration risk.

The appropriate payout ratio was one of the central considerations as part of the independent review in assessing how different ratios affect both the size of Council's distributions over time and the probability of breaching the Real Capital Floor.

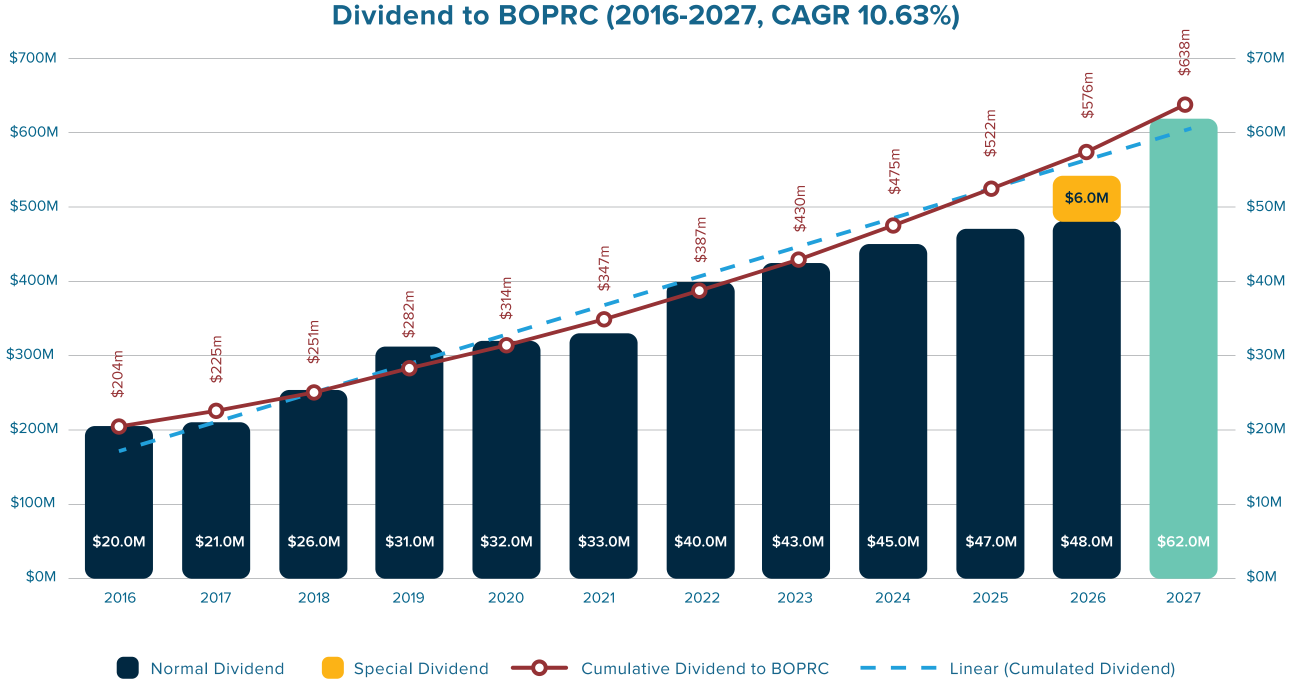
Payout ratio	What the modelling showed
90% to Council	Median annual payment reaches $99.5m by FY2035 — but carries a 21.8% probability of breaching the capital floor within 10 years. A modest income gain for a disproportionate increase in capital risk.
80% to Council	Median annual payment reaches $93.4m by FY2035, with a 17.1% probability of breach. Delivers strong, sustainable distributions while retaining capital for diversification.
70% to Council	Median annual payment of $87.3m by FY2035, with a 12.6% breach probability. Stronger capital protection, but $6m less per year for Council — not consistent with Council's strategy.

COUNCIL DISTRIBUTIONS

This year Quayside delivered a $54.2m total dividend to Council, which includes a $6.2m special dividend in June 2026.

We're proud to highlight that the total dividend distributed to the Council has now reached $575.8m.

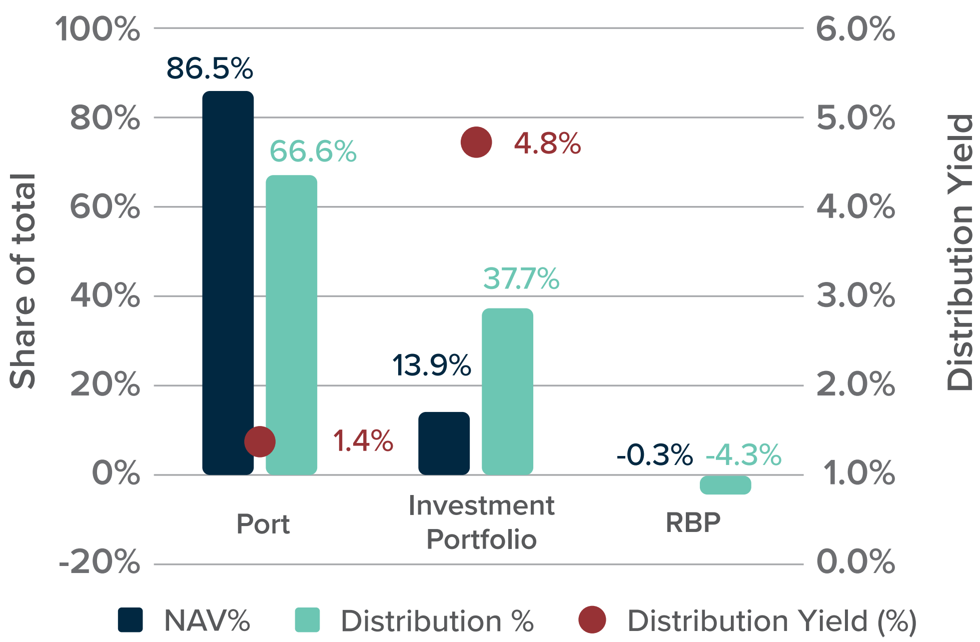
Dividend to BOPRC (2016-2027, CAGR 10.63%)



How our different assets contribute to future distributions

This graph highlights the significant contribution the Investment Portfolio is forecast to make to the total Council Distribution in 2027, based on the SOI forecasts and a distribution yield of 4.76%.

NAV Share vs Distribution Share, with Distribution Yield



NAV % (Net Asset Value %)
The percentage of Quayside's total asset value represented by each investment. It shows where Quayside's funds are invested.

Distribution %
The percentage of the total Council distribution contributed by each investment. It shows which investments generated the cash returned to Council.

Distribution Yield
The cash distribution received from an investment as a percentage of its value. A higher yield means the investment generated more cash relative to its size.

FY27 Council Distribution Allocation by Portfolio

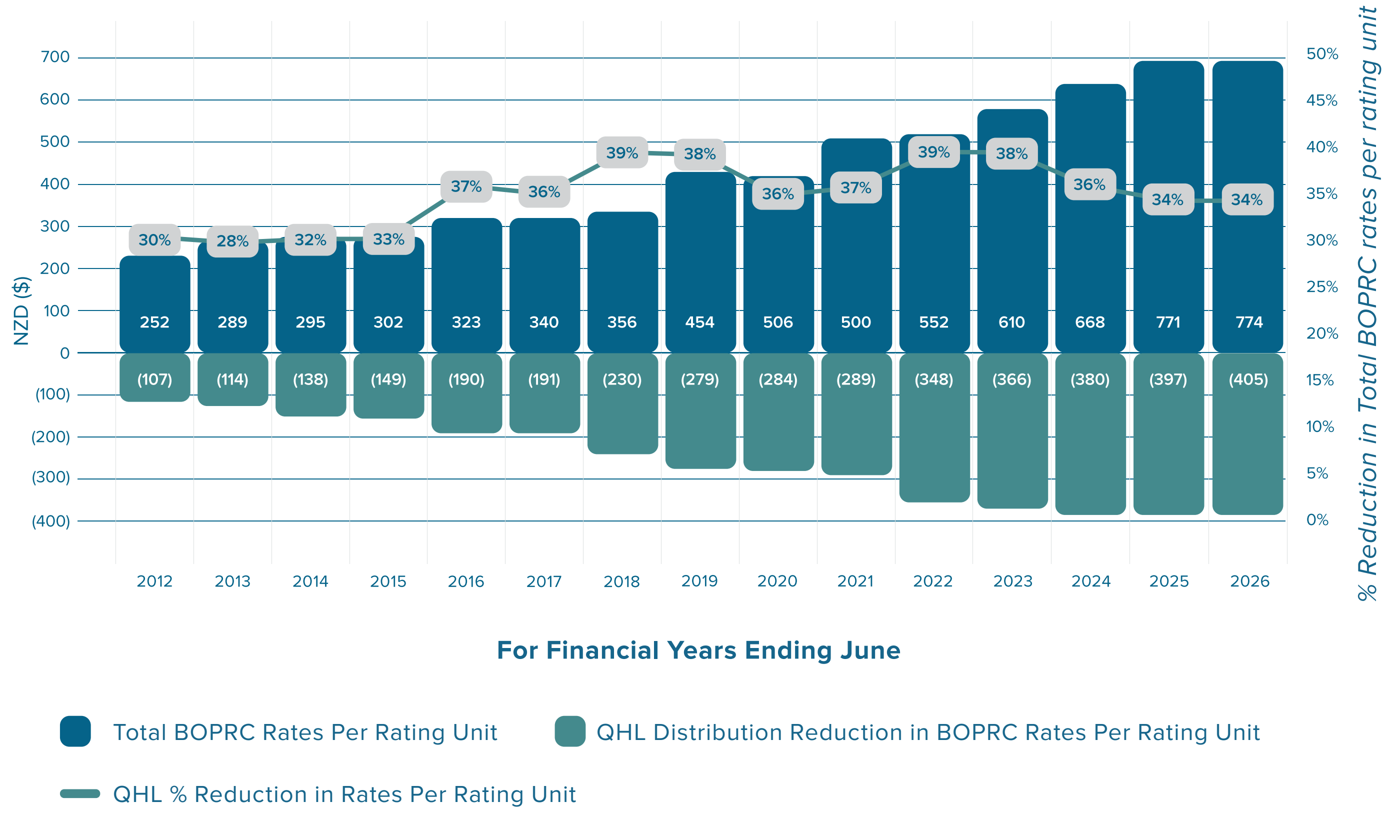
Port of Tauranga	Investment Portfolio	Rangiuru Business Park
$41.2m	$23.3m	$(2.6)m

The FY27 distribution amounts shown are indicative only and remain subject to approval by the Quayside Board.

How the Council Distribution contributes to general rates reduction

For the FY26, the average general rates bill was offset by $405 per rating unit as a direct result of the Quayside distribution. The 2026 rates reduction is calculated from a planned dividend of $48 million when rates are set. This has increased from the previous year, but as the region is still growing, so has the number of properties, continuing to benefit from this offset.

Average BOPRC general rates decrease per property incl GST - 2012 - 2026



Note: The 2026 rates reduction is calculated from a planned dividend of $48 million when rates are set. The additional $6.2 million special dividend that Quayside paid Council in June was retained in Council reserves to fund Regional Benefit Projects as part of Annual Plan 2026/27. All rates figures include gst.

*Data source: Bay of Plenty Regional Council

ESG & CLIMATE TRANSITION

Quayside has spent the past two years responding to the requirements of the Climate-Related Disclosures framework. That work has strengthened our understanding of where climate-related risks and opportunities are most material across the portfolio, particularly in relation to real assets, investment manager practices, insurance, regulation and long-term asset values.

In late 2025 the New Zealand Government confirmed that the mandatory climate-reporting threshold for listed issuers would rise to $1 billion, taking Quayside out of scope. Ahead of the enabling legislation, the Financial Markets Authority has adopted a no-action approach, and Quayside is not preparing a mandatory climate statement for the year ended 30 June 2026.

While the obligation to report has changed, the need to manage material climate-related financial risk has not. This shift has allowed us to focus our climate-related work on the area's most relevant to investment decision-making, capital preservation, portfolio resilience and sustainable distributions to Bay of Plenty Regional Council.

This is a deliberate change in emphasis to a risk framework built to protect capital applying climate-related insight where it is most decision-useful and where it best supports Quayside's long-term, intergenerational investment mandate.

Retaining what protects long-term value

Several elements of the existing programme are fundamental to sound investment and risk management and will continue.

First, Quayside maintains a Climate Risk Register as a core internal control, providing an ongoing view of material physical and transition risks across the portfolio and ensuring emerging risks are actively monitored and managed.

Second, the organisation continues physical-risk assessments across the material holdings in its real-asset portfolio, including exposure to flooding, coastal erosion and other relevant hazards. These assessments directly inform insurance, capital expenditure planning and asset-management decisions, and are essential to protecting long-term balance-sheet resilience.

Third, climate considerations remain embedded in investment (active) manager selection and monitoring. Managers are assessed on a materiality basis, using established industry frameworks, with attention concentrated on the exposures that account for the majority of assets under management in each class.

Finally, Quayside continues to use emissions and carbon data, but with a more targeted purpose. Rather than aggregating portfolio-wide metrics for disclosure, this information is used through targeted screening of the highest-emitting exposures to assess potential exposure to regulation, carbon pricing and transition-related impacts on company performance.

A more targeted approach

Alongside these retained elements, Quayside has refocused its effort so that climate activity is proportionate and decision useful. Analysis is directed toward identifying the assets and sectors most exposed to physical damage or to becoming "stranded" as the economy transitions. Rather than managing to an absolute portfolio carbon figure, Quayside assesses whether an asset is at risk of losing value before the end of its economic life, and whether its risk-adjusted return remains acceptable.

Consistent with this, the revised Climate Transition Plan approved by the Board in March 2026 moves away from a fixed long-term portfolio emissions-reduction target, replacing it with a qualitative stranded-asset risk appetite. Full-portfolio carbon aggregation and external assurance over climate disclosures have been discontinued, as activities designed primarily to support external reporting rather than investment decision-making. This is a reallocation of effort toward what most directly protects capital and income, not a lower priority on climate risk.

Climate-related risks continue to be managed through Quayside's broader risk-management and investment frameworks. Material risks are monitored through the Climate Risk Register and considered as part of relevant investment, insurance, capital-planning and asset-management decisions. Where climate-related matters are material to portfolio value, resilience or strategic decision-making, they are reported through established governance channels, including the Board and its Audit and Risk Committee.

Aligning ESG with an intergenerational mandate

Quayside's evolution in this area is grounded in its role as a long-term, intergenerational investor. Climate risk is expected to influence asset values, earnings resilience and insurance availability over time, and managing it well remains essential to maintaining a sustainable distribution to Bay of Plenty Regional Council and supporting regional prosperity.

By moving from mandatory disclosure to targeted climate risk management, Quayside is reinforcing a consistent position: climate and ESG considerations add the most value when integrated into core investment processes rather than treated as an overlay. This allows the organisation to continue acting responsibly while keeping a clear focus on its primary objective to grow and protect the value of the portfolio for current and future generations.

AUDIT & RISK EVOLUTION

Interview with the Audit and Risk Committee Chair

Since joining the Board in 2019, Keiran Horne has helped oversee a significant evolution in how Quayside manages its reporting and risk. From strengthening governance and assurance frameworks to embedding climate-related financial risk into decision-making, the organisation has developed a more mature approach to protecting and growing regional wealth.

A broader view of risk and value

As Chair of the Audit and Risk Committee (ARC), Keiran shares that the role has expanded well beyond traditional audit oversight and preparation of financial statements. "It has evolved into a commercial value-add part of the governance ecosystem," she says. "Today, the committee's terms of reference have widened to include a focus on cybersecurity, climate-related disclosures and assurance, over how effectively the organisation's controls are working in practice. It's no longer just a protective committee; it's a value-add committee."

That framing reflects where audit and risk governance is heading more broadly. Many boards still start by staffing the committee with accountants, and financial literacy remains essential. But an audit and risk committee is really a risk and assurance committee. Its core job is giving the Board confidence that the organisation's most significant risks are identified, understood and managed in a way that supports strategy and long-term performance. Financial reporting sits at the centre of that, but it's only one part of it.

Risk, in this sense, is anything that could get in the way of Quayside delivering on its strategy and sustaining enterprise value. Keiran is clear that good risk oversight isn't just about spotting downside. Done well, it points to opportunity as well and whether that's where to lean into the portfolio or where the returns aren't worth the exposure.

As the Audit and Risk Committee has an increasing portfolio across the likes of cybersecurity, data governance, climate reporting, regulatory change, insurance and fraud risk. It all now sits inside the committee's remit alongside financial statements and controls testing, not as occasional add-ons. Enterprise risk management runs through the committee's oversight as a matter of course, and Keiran expects the ARC to understand how each of these risks may eventually show up within the organisation, not just how they look on a risk register. That breadth is what turns oversight into genuine assurance rather than a compliance checkbox.

Assurance over comfort

The same logic explains why external reviews and independent testing of controls matter so much to Keiran. It's not enough for management to say controls are in place. Effective oversight means someone at the table who understands the difference between a control that exists on paper and one that actually holds under pressure, whether that's a cyber incident, a climate-driven asset shock, or a breakdown in financial reporting discipline.

Keiran comments, "Risk and assurance go hand in hand. External advisor John Creagh helped us build the foundations of how we manage risk here, and assurance is the natural next step. You identify a risk, put controls in place, and then you have to ask: how effective are those controls, really?

That's what assurance is for. It's evolving here as our risk maturity evolves, and I think a mature approach to assurance is one of the best tools an organisation has for continuous improvement. Bringing in a fresh, external eye gives governors confidence the systems are working, and it often points to a better way of doing things."

The committee itself has to work the same way. It's a safe forum for genuine challenge between management and directors, not a rubber stamp. That's harder to build than it sounds. It requires independence, a willingness to ask uncomfortable questions, and enough trust in the room that management brings problems forward early rather than managing them quietly. That's the culture Keiran has built as ARC Chair.

A constrained portfolio

As a regional investment fund, Quayside operates with a significantly concentrated asset base. "Quayside's biggest risk in the portfolio is concentration risk," says Keiran. "This is why the Council's decision in 2024 to enable a partial sell-down of Quayside's Port of Tauranga shareholding is so important. A transaction of this scale, that is reinvested, will reduce the concentration risk and has the potential to provide greater returns, which benefits our shareholder and the community."

Over time, Quayside has sought to diversify its holdings, broaden its exposure, and build a more balanced portfolio. "You can put your money in the bank, and it will be really safe, but you won't earn much," she says. "Or you can invest for higher returns, but you need to understand the risks and whether you're being rewarded for them."

"The Board defines clear risk appetites across different areas of the business. Some risks are tightly controlled. Others are taken deliberately and managed to support returns."

That discipline is central to the ARC's contribution. The committee helps ensure risk is not considered separately from performance, but as part of how Quayside makes investment decisions, protects the balance sheet and maintains sustainable distributions to Bay of Plenty Regional Council.

Risk management maturation

One of the most visible shifts at Quayside has been the maturation of its internal capability. When Keiran first joined the Board, the organisation was growing quickly but systems and processes were still catching up. She describes it as "a bit like a lanky teenager that had grown pretty quickly." Since then, that gap has closed. Risk management frameworks are now embedded across the business, with staff at all levels actively considering risk in their decision-making. Explaining the practicalities of the framework, Keiran provides an example "We have a low risk tolerance for health and safety, but in contrast for some aspects of the investment portfolio we're more prepared to take on a little more risk to earn a higher return."

ARC's governance has helped drive better visibility of material risks, clearer ownership of controls, and a stronger link between risk appetite and assurance.

Climate risk beyond disclosure

When the mandatory climate-reporting threshold for listed issuers rose to $1 billion last year, Quayside was no longer required to prepare a mandatory climate statement for the year ended 30 June 2026. From here, the focus shifted to targeted climate risk management, with a revised Climate Transition Plan approved by the Board in March 2026. "A good strategy helps you focus on that destination in the future," Keiran says. "But it's also underpinned by clear values and understanding why we're here." The point is not that climate risk has become less important. It is that the work is now more clearly aligned with Quayside's role as a long-term investor: protect capital, understand material exposures, and focus effort where it is most decision-useful. "We now understand the risks and opportunities," Keiran says. "The question is what we're going to do about them."

People enabling performance

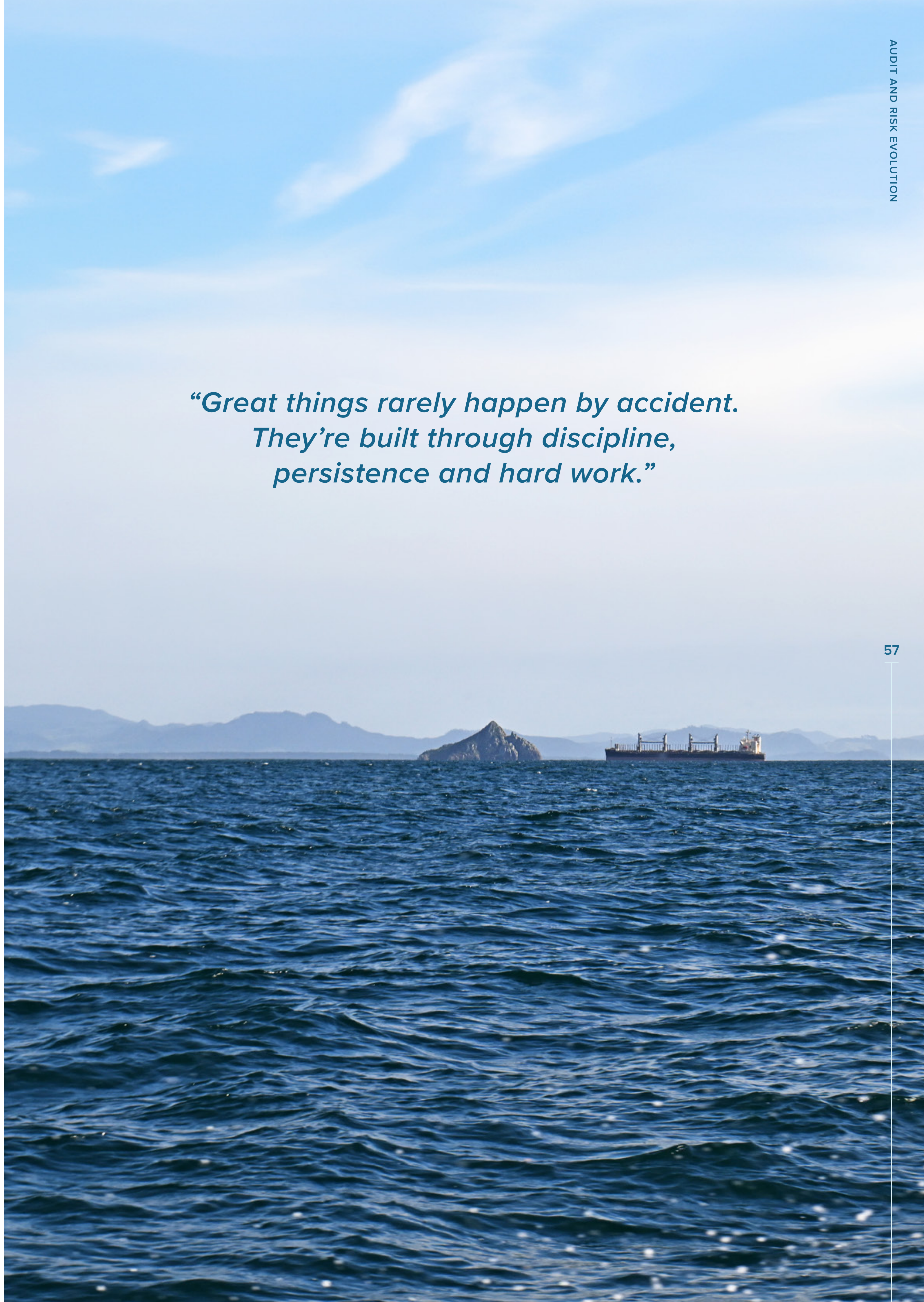
When asked what has stuck with her most from her time on the Board, Keiran doesn't point to a framework or a policy. She points to people. "I'm an accountant by background, but I hadn't had a lot to do with financial markets before this appointment. I've learned a huge amount from my fellow independent directors, particularly Fraser, on financial markets and on governance more broadly. And I've immensely enjoyed working with Lyndon, seeing him lead by truly living the organisation's values and bringing his team along with him. If there's one lesson that's stuck with me from this Board, it's that it's difficult to achieve anything of significance if you haven't got the right people around the table, governors and management both."

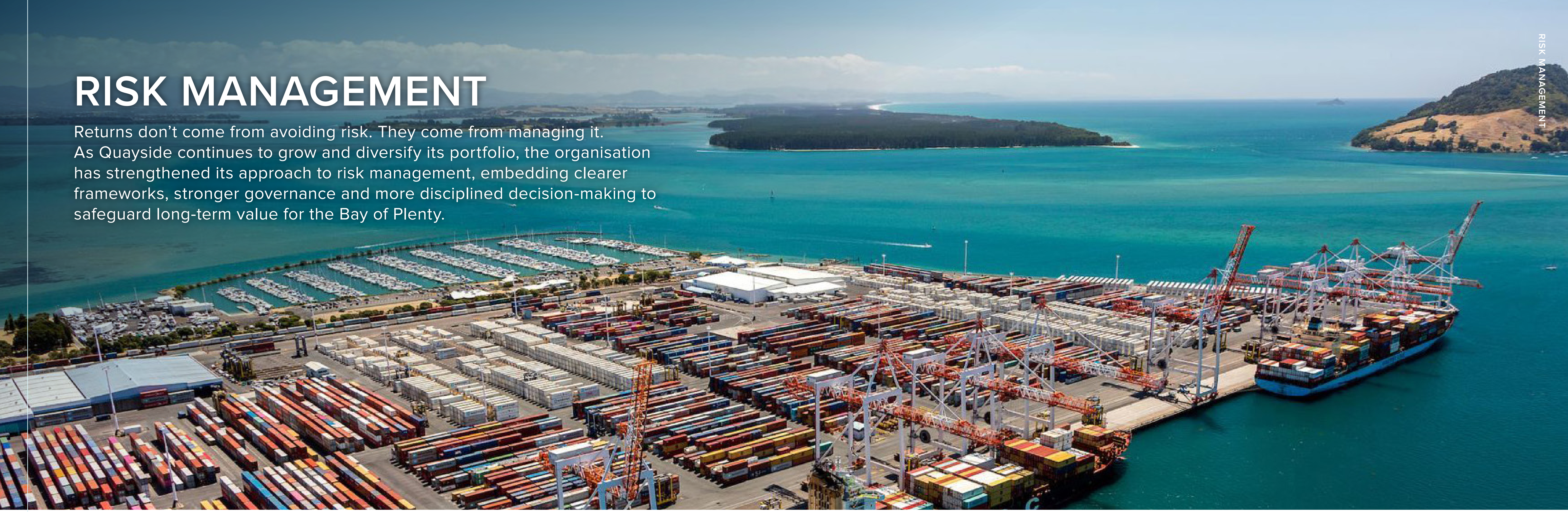
That's the thinking behind how Quayside's governance actually works. "A thought partnership model is always the best," Keiran says. Governors and management working together, with mutual respect, clear roles, and a shared focus on performance.

It also relies on a clear separation between the commercial entity and its public shareholder. "It's our job to earn the income," Keiran says. "And for the shareholder to decide how that is used for the community." That model allows the organisation to operate with commercial discipline while still delivering regional outcomes. The ARC's role is to support that discipline, testing whether risks are understood, controls are working, assurance is targeted, and decisions are made with the right information in front of the Board.

"Keiran has played a pivotal role in guiding and elevating the audit and risk function at a governance level. She has brought rigour, a progressive risk-assured approach and measured judgement. In addition to strengthening Quayside's financial reporting, Keiran has led our strategic and enterprise risk management, Climate Related Disclosures work, whilst supporting and challenging management through periods of growth and change."

Lyndon Settle, Chief Executive Officer





RISK MANAGEMENT

Returns don't come from avoiding risk. They come from managing it. As Quayside continues to grow and diversify its portfolio, the organisation has strengthened its approach to risk management, embedding clearer frameworks, stronger governance and more disciplined decision-making to safeguard long-term value for the Bay of Plenty.

Strengthening risk discipline

The Audit and Risk Committee has always provided oversight of Quayside's key risks, including financial, operational, cyber and climate-related risks. Over recent years, the ARC, together with the Board, has led a deliberate strengthening of Quayside's risk discipline, with a greater focus on how risks are identified, assessed, managed and governed in practice.

Today, risk frameworks are embedded across business decisions, controls are regularly tested and strengthened, and external reviews are used to drive continuous improvement.

This has marked an important step in Quayside's risk maturity. The organisation has moved beyond building the systems and processes required to support growth and is now using them to inform decisions, test assumptions, and manage risk more consistently.

The Reference Portfolio role in risk

A central component of Quayside's risk framework is the Reference Portfolio, approved and operational from FY25. It defines the baseline level of investment risk required to support Quayside's long-term objectives and anchors portfolio construction, monitoring and governance over time.

With 70% growth assets and 30% defensive assets, the Reference Portfolio reflects Quayside's intergenerational mandate by accepting short-term volatility in pursuit of stronger long-term returns. It also provides a clear benchmark for assessing portfolio risk and performance through market cycles.

During FY26, Quayside continued to embed the Reference Portfolio as a core reference point for investment decision-making, monitoring and governance.

While it defines the strategic level of risk, Quayside may deviate from this position where there is a clear expectation of improved risk-adjusted returns, with such deviations undertaken in a deliberate and governed manner.

A policy-driven approach

A defining feature of Quayside's maturing risk capability is the increasing emphasis on policy-driven decision making. Significant work has been undertaken to align and integrate:

- the Statement of Investment Policies and Objectives
- treasury and liquidity settings
- distribution policy

Governance and the three lines of defence

Strong governance remains fundamental to Quayside's risk maturity.

The organisation operates a three-lines of defence model, ensuring clear accountability and independent oversight:

- **First line – Investment, Rangiuru Business Park and operational teams**
  Responsible for identifying and managing risks
- **Second line – Internal risk and control functions**
  Provide oversight, challenge and guidance, supported by external expertise
- **Third line – Internal Audit**
  Provides independent assurance over the effectiveness of controls

Internal Audit plays a critical role in supporting the ARC. It is carried out internally, with third-party support where required, providing objective insight into whether frameworks and controls are operating as intended and identifying areas for improvement.

Positioned for long-term resilience

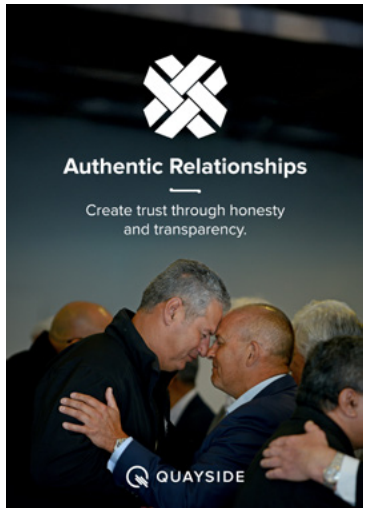
Quayside has made significant progress in building a mature and disciplined risk management capability. The evolution of the ARC, Investment Committee and Board, together with enhancements to the SIPO, Investment Risk Framework, and governance and assurance framework, has strengthened Quayside's ability to effectively identify, assess and manage risk.

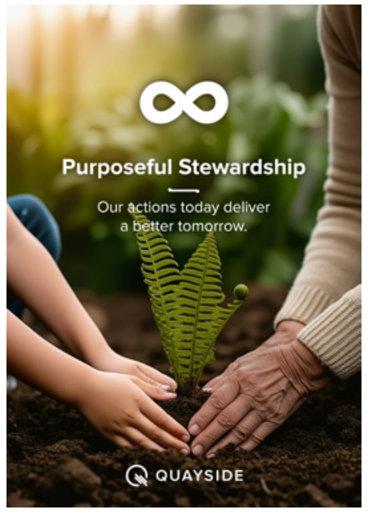
A key risk remains portfolio concentration, particularly Quayside's exposure to the Port of Tauranga. Addressing this risk remains a strategic priority, and the potential partial sell-down of this asset provides an opportunity to improve diversification, rebalance risk and further strengthen long-term resilience.

In an environment of increasing uncertainty, this disciplined and forward-looking approach remains central to protecting real capital, sustaining distributions, and delivering long-term value for the region.

PEOPLE & CULTURE

Living our Values





Frameworks don't live on a page. They live through the people who bring them to life every day.

This year, we saw the Value of Our People, Our Strength in action across the organisation. Defined as standing beside one another and fostering a culture where together, the future is what we make it, this Value was reflected in acts both large and small, from mentoring and supporting colleagues to stepping up during significant periods of change and delivering major strategic projects.

Our monthly Values recognition programme highlighted examples of kaimahi going above and beyond for one another, including mentoring younger team members, supporting the successful Stand transaction, and providing extra leadership and support during the Long Term Plan Amendment process. These moments reinforce a culture where success is shared, people are supported to grow, and the strength of the organisation comes from the collective contribution of its people.

Diversity & Inclusion

We are committed to creating an engaging workplace where our kaimahi (staff) and governors reflect the diverse communities we serve. By fostering an inclusive environment where everyone feels valued and respected, we empower our people to thrive. This year's review of Diversity and Inclusion (D&I) metrics ensures we remain accountable and transparent in our progress, helping us build a culture where belonging is at the heart of everything we do.

Measure	Target 2033	Previous 2025	Current
SLT and Tier 3 diversity:			
Female Diversity	30% - 50% band	33%	31%
Māori Diversity	30% target	11%	14%
Board diversity:			
Female Diversity	30% - 50% band	29%	33%
Māori Diversity	30% target	14%	0%

GOVERNANCE

The Perpetual Preference Shares issued in 2008, are traded on the NZDX under QHLHA, with 1,532 individual shareholders as of 30 June 2026. The PPS are subject to a private binding ruling by the Department of Inland Revenue that was successfully renewed for five years to 2026. Over the course of the year, Quayside made total gross distributions of $12.6 million (Net: $9.0 million) to PPS shareholders.

Statement of Intent

Each year Quayside prepares a Statement of Intent, which is presented to Council in accordance with the Local Government Act 2002. Quayside has successfully achieved all stated objectives it set itself in the 2025/2026 Statement of Intent. The Group has delivered its 2026/2027 Statement of Intent to Council in accordance with the requirements of the Local Government Act 2002. The Statement of Intent for 2026 - 2027 is available on Quayside's website at **www.quaysideholdings.co.nz**

CORPORATE GOVERNANCE

Role of the Board

The Board of Quayside is appointed by Council, as the ordinary shareholder. The Board supports the Executive in achieving Quayside's objective to deliver long term commercial returns through focused investment to our regional community and shareholder. In achieving this, the role of the Board is to govern and act in the best interests of the Company, consistent with its purpose and shareholder mandate.

An important objective is to monitor the performance of the Port of which Quayside is a 54.14% shareholder as at 30 June 2026.

Board Composition

The Board must have at least five (5) Directors, with a minimum of three (3) being independent. As at 30 June 2026 the Board was comprised of six members, including four (4) independent directors. The Council maintains a policy for the Appointment and Remuneration of Directors to Council Organisations which was last updated in 2022.

M Wynne, D Fear, K Horne and F Whineray are independent directors. S A Crosby and A Grayling are Council-appointed directors of the Board. M Wynne is the Chair of the Board.

	Board		Officer	
	Female	Male	Female	Male
30 June 2018	3	4	0	1
30 June 2019	2	5	0	1
30 June 2020	3	4	0	1
30 June 2021	2	5	0	1
30 June 2022	2	5	0	1
30 June 2023	2	5	0	1
30 June 2024	2	5	0	1
30 June 2025	2	5	0	1

	Board		Executive	
	Female	Male	Female	Male
30 June 2026	2	4	2	4

Board and Committees

Quayside's Constitution and Board Charter set out the procedures for the election of a Board Chair, the convening of Board meetings and the establishment of Committees. The directors of QHL met formally eight times during the year while the Board's Committees met as set out in their respective charters. In the period, there were seven formal meetings of the directors of Quayside Securities Limited and seven formal meetings of the directors of Quayside Properties Limited. The Annual Report of the Group and the audited financial statements for the period ended 30 June 2025, together with an unmodified Audit Report, were presented to the voting shareholder on 23 October 2025. The Annual Report incorporating the audited statements for the year ended 30 June 2026, is presented with this report. The following table outlines the number of the Group's formal meetings that were attended by directors during the year.

The Board has four sub committees: an Audit and Risk Committee (ARC), People, Culture and Safety Committee (PCS), Investment Committee (IC) and a Divestment Committee. Each committee's responsibilities and obligations are set out in their respective Terms of Reference.

Board Committee	Full Board	ARC	PCS	IC	Divestment
M Wynne	8	4	4	4	6
S Crosby	8		4		
D Fear	8			4	7
A Grayling*	4		2		
K Horne	8	4		1	6
F McTavish	8	1			
T White	1		1		
F Whineray	8	4	1	2	

The Board has four sub committees: an Audit and Risk Committee, People, Culture and Safety Committee, an Investment Committee and Divestment Committee.

** Appointment pathway through the year.*

CORPORATE GOVERNANCE

Investment Committee

The Investment Committee was established to support the Board in asset allocation and investment decision making, ensuring that the necessary skill and focus are applied to the management of the investment portfolio. The Investment Committee Board members as at 30 June 2026 are D Fear (Chair), F Whineray, M Wynne, plus independent advisors Derek Janssen and Paul Duffy, alongside key executive management.

Audit and Risk Committee

The Committee has been established to focus on audit and risk management with respect to accounting practices, policies and controls. To assist the Board in meeting its responsibilities under the Companies Act 1993, the Financial Reporting Act 2013, the Port Companies Act 1988, the Financial Markets Conduct Act 2013, the Local Government Act 2002 and the NZDX listing rules. The Audit and Risk Committee members as at 30 June 2026 are K Horne (Chair), F Whineray and M Wynne. The Audit and Risk Committee Terms of Reference were last updated in September 2025.

People, Culture and Safety Committee

The Committee's objective is to assist the Board in all aspects of remuneration policy and statutory compliance in respect of both officers and directors. The Committee members for the period were M Wynne (Chair), A Grayling, S Crosby.

Divestment Committee

The Divestment Committee's Terms of Reference outline the objectives, responsibilities and delegations for the possible sale of a portion of QSL's shares in the Port of Tauranga Limited. This Committee meets regularly and as required to ensure appropriate governance frameworks and necessary protocols. The committee members as at 30 June 2026 are D Fear (Chair), M Wynne, K Horne plus independent advisor Mark Averill. The Divestment Committee's Terms of Reference are currently being reviewed.

Board Charter and Code of Ethics

The Board has a board charter, setting out the vision, role, responsibilities, powers, delegations and membership of the board. The Board has a Code of Ethics setting out the ethical and behavioural standards expected of directors and officers. The Board Charter was last updated in October 2025.

Other Matters

Quayside maintains a register of directors' interests in which details of certain transactions and interests of directors must be recorded. Quayside maintains both standard Directors' and Officers' liability and defence cost insurance. The Quayside website facilitates communication of annual and interim reports to the Perpetual Preference Shareholders, as well as the Group's 2026 - 2027 Statement of Intent.

Quayside Holdings Limited and Subsidiaries

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2026

Quayside Holdings Limited and Subsidiaries

For the year ending 30 June 2026

CONTENTS PAGE

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the Shareholder 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 Louden, using the staff and resources of KPMG, to carry out the audit of the consolidated financial statements and performance information on his behalf.

Opinion

We have audited:

- the consolidated financial statements of the Group on pages 75 to 133, that comprise the consolidated statement of financial position as at 30 June 2026, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and its consolidated statement of cash flows for the year then ended and the notes to the consolidated financial statements, including material accounting policy information; and
- the performance information of the Group for the year ended 30 June 2026 on pages 134 to 141.

In our opinion:

- the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards; and
- the performance information of the Group accurately reports, in all material respects, the Group's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026, and has been prepared, in all material respects, in accordance with section 68 of the Local Government Act 2002 (the Act)

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 financial statements and the performance information of the Group section of our report. We are independent of the Group in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of 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 areas of Agreed Upon Procedures and GHG related assurance services for subsidiaries within the Group, which are compatible with independence requirements. Other than in our capacity as auditor and these engagements, we have no relationship with, or interests in, the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements and the performance information of the Group of the current period. These matters were addressed in the context of our audit of the consolidated financial statements and the performance information of the Group 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	
Refer to notes 5 and 20 of the financial statements. RBP was considered a key audit matter due to the significant judgements and estimates involved in accounting for the development, associated infrastructure costs and accounting classification. The key areas of judgement included: • The classification of RBP land as investment property rather than inventory. This assessment requires significant judgement as the Group continues to evaluate a range of development and strategic options for the Business Park, including the nature and timing of future development activities. • The measurement of RBP land at fair value, which involves significant estimation and judgement, including consideration of market evidence, development assumptions and other valuation inputs. • The recognition of Financial Contributions ("FINCOs") recoverable from third-party landowners. As at 30 June 2026, the Group had incurred $131.7 million of FINCO expenditure in developing enabling infrastructure within RBP. A portion of these costs has been capitalised as part of investment property,	When assessing the classification of RBP land as investment property, we have: • Obtained and reviewed Management's assessment of the future objective of the development of RBP. • Engaged KPMG Accounting Advisory Specialists to assess the appropriateness of the accounting treatment adopted. • Evaluated evidence supporting management's intentions, including Board-approved strategy documents, Board meeting minutes, planned development activities and expectations regarding future land sales. • Assessed the adequacy of the related disclosures included in the financial statements. When assessing the valuation of RBP, we have: • Assessed the competence, objectivity and independence of the valuers engaged by Management, including an assessment of their professional qualifications and experience. • Assessed the competence and knowledge of management personnel involved in preparing the internal valuation. • Evaluated the valuation methodologies applied against the requirements of the applicable financial reporting standards. • Obtained, assessed and agreed key observable inputs used in the Investment Property valuations to supporting documentation.
while the remainder has been recognised as an expense. RBP comprises four development stages, with the Group owning land within Stages 1 and 2. FINCO expenditures attributable to infrastructure benefiting land outside Stages 1 and 2 are expected to be recovered from third-party landowners if, and when, those landowners elect to develop their properties. As the timing and extent of such development is outside the Group's control, significant judgement is required in assessing the recoverability and recognition of these amounts.	• Challenged significant assumptions and considering changes in assumptions and valuation outcomes compared with the prior year. • Assessed whether the related valuation disclosures were consistent with the requirements of the applicable financial reporting standard. When assessing the recognition of FINCOs recoverable from 3rd partner landowners, we have: 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 whether the accounting treatment and disclosure of amounts potentially recoverable from third-party landowners, including contingent asset disclosures where applicable, were appropriate. • Assessed the adequacy of the related disclosures in the financial statements. Based on the procedures performed, we are satisfied the classification, valuation and disclosure of RBP related matters is appropriate.

Description of key audit matter	How we addressed this matter
Fair value of property, plant and equipment (PP&E)	
Refer note 9 of the financial statements. The Group has property, plant and equipment ("PP&E") of $2,398 million. The Group has a policy of recording land, buildings, wharves, hardstanding and harbour improvements ("Revalued PP&E") at fair value. Full independent valuations are obtained at least every three years (by an independent valuer) over these asset classes. 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. In the current year the Group have:	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. For land and buildings, we have: • Assessed the competence, capabilities and objectivity of the independent valuer engaged by the Group; • Evaluated the valuation methodologies applied by the valuer and assessed whether they were appropriate and consistent with recognised valuation standards; • Agreed a sample of assets included in the valuation to the fixed asset register to assess the completeness of assets subject to valuation;

Obtained an independent valuation of all of its land assets, resulting in a revaluation adjustment recognised in the financial statements; Performed an assessment of the movement in fair values of buildings based on a sample of independent building valuations (which were subject to a full valuation in 2025); and Using Valuation Specialists, undertook an indexing exercise over wharves, hard-standings and harbour improvements (which were subject to a full valuation in 2024). We considered the valuation of PP&E to be a key audit matter due to the materiality of the balance and the judgement involved in determining its fair value. The valuation is dependent on market-based inputs and assumptions, including comparable sales evidence and adjustments for the specific characteristics of the Group's PP&E, which can have a significant effect on the value recognised in the financial statements.	• Assessed the key assumptions and inputs used in the valuation against available market evidence; • Assessed the reasonableness of movements in fair value compared to prior periods, taking into account observable market and sector trends; and • Evaluated whether the revaluation movements had been appropriately recognised and disclosed in the revaluation reserve and the statement of comprehensive income. For wharves and hardstandings and harbour improvements we have: • Assessed the competence, capabilities and objectivity of the independent valuer engaged by the Group to assess indicators of changes in fair value; • Evaluated the methodology used in the assessment and compared it with that applied in the most recent full valuation; • Assessed the reasonableness of key assumptions and inputs used by management, including unit rates, construction cost escalation factors, price indices and depreciation assumptions, with reference to observable market data; and • Assessed management's conclusion that the carrying values continued to materially approximate fair value. As a result of the above procedures, we are satisfied the carrying value of property, plant and equipment is reasonable. We are also satisfied with the adequacy of disclosures.

Other Information

The Board of Directors is responsible for the other information. The other information obtained prior to the date of this auditor's report comprises the Statutory information and Directory, but does not include the consolidated financial statements and the performance information, and our auditor's report thereon. The other information also includes management commentary, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements and the performance information of the Group 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 financial statements and the performance information of the Group, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the performance information of the Group 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 financial statements and the performance information of the Group

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

In preparing the consolidated financial statements and the performance information of the Group, 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 Local Government Act 2002 and the Financial Markets Conduct Act 2013.

Auditor’s responsibilities for the audit of the consolidated financial statements and the performance information of the Group

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the performance information of the Group, 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 carried out 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 the shareholder taken on the basis of these consolidated financial statements and the performance information of the Group.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the performance information of the Group, 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 Company'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 financial statements and the performance information of the Group 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 financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Evaluate the overall presentation, structure and content of the performance information of the Group, including the disclosures, and assess whether the performance information of the Group achieves its statutory purpose of enabling the Group's shareholder to judge the actual performance of the Group against its objectives in its statement of intent.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information and performance information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements and the performance information of the Group. 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 to 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 financial statements and the performance information of the Group 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.

Ed Louden
KPMG
On behalf of the Auditor-General
Wellington, New Zealand

3rd September 2026

Quayside Holdings Limited and Subsidiaries
Consolidated Income Statement
For the year ended 30 June 2026

	Note	30 June 2026 $000	30 June 2025 $000
Income			
Trading revenue	4(a)	**493,018**	472,492
Other income	4(b)	**5,423**	5,713
Gain on disposal of equity accounted investees	4(c)	**-**	49,245
Other gains	4(c)	**61,703**	14,713
Operating income	4	**560,144**	542,163
Expenses			
Employee benefit expenses		**(75,815)**	(68,514)
Trading and other expenses	5(a)	**(161,316)**	(192,158)
Other losses	5(b)	**(13,266)**	(17,588)
Operating expenses		**(250,397)**	(278,260)
Results from operating activities		**309,747**	263,903
Depreciation and amortisation	9	**(46,667)**	(43,306)
Impairment of property, plant and equipment		**-**	(2,534)
Operating profit before finance costs, share of profit from equity accounted investees and taxation		**263,080**	218,063
Finance income	6(a)	**3,728**	2,352
Finance expenses	6(b)	**(24,176)**	(27,187)
Net finance costs		**(20,448)**	(24,836)
Impairment of investment in equity accounted investees	12	**(5,444)**	(7)
Share of profit from equity accounted investees	12	**16,412**	14,244
Profit before income tax		**253,600**	207,464
Income tax expense	7	**(55,204)**	(35,370)
Net profit after tax		**198,396**	172,094
Attributable to:			
Equity holders of the parent		**127,702**	93,553
Non-controlling interest		**70,694**	78,541
		198,396	172,094

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Comprehensive Income
For the year ended 30 June 2026

	Note	30 June 2026 $000	30 June 2025 $000
Net profit after tax		**198,396**	172,094
Other comprehensive income			
Items that will be reclassified to profit or loss when specific conditions are met:			
Cash flow hedge - changes in fair value, net of tax*		**(809)**	(3,156)
Cash flow hedge - reclassified to profit or loss, net of tax*		**(339)**	(3,045)
Share of net change in cash flow hedge reserves of equity accounted investees		**27**	(332)
Items that will not be reclassified to profit or loss:			
Kiwifruit licence revaluation, net of tax *		**672**	609
Asset revaluation, net of tax*		**1,310**	25,745
Share of net change in revaluation reserve of equity accounted investees		**2,692**	4,557
Deferred tax adjustment arising from reclassification of properties as held for sale		**4,075**	-
Revaluation reserve transferred to retained earnings on disposal of Equity Accounted Investees		**24**	-
Total other comprehensive income		**7,652**	24,378
Total comprehensive income for the period		**206,048**	196,472
Attributable to:			
Equity holders of the parent		**130,787**	108,124
Non-controlling interest		**75,261**	88,348
		206,048	196,472

* 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 2026

	Share capital $000	Hedging reserve $000	Revaluation reserve $000	Retained earnings $000	Non controlling interest $000	Total equity $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 14)	-	-	-	(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 Changes in Equity
For the year ended 30 June 2026

	Share capital $000	Hedging reserve $000	Revaluation reserve $000	Retained earnings $000	Non-controlling interest $000	Total equity $000
Balance at 30 June 2025	**200,011**	**1,339**	**1,078,748**	**370,116**	**1,025,131**	**2,675,345**
Profit after tax	-	-	-	**127,702**	**70,694**	**198,396**
Cash flow hedge – Effective portion of changes in fair value*	-	**(443)**	-	-	**(366)**	**(809)**
Cash flow hedge – Reclassified to profit or loss*	-	**(185)**	-	-	**(154)**	**(339)**
Equity-accounted investees – share of reserves	-	**15**	**57**	-	**2,647**	**2,719**
Asset revaluation*	-	-	**717**	-	**593**	**1,310**
Kiwifruit licence revaluation*	-	-	**672**	-	-	**672**
Deferred tax adjustment arising from reclassification of properties as held for sale	-	-	**2,229**	-	**1,846**	**4,075**
Revaluation reserve transferred to retained earnings on disposal of Equity Accounted Investees	-	-	**24**	-	-	**24**
Total Comprehensive Income	**-**	**(613)**	**3,698**	**127,702**	**75,261**	**206,048**
Non-controlling interest adjustment	-	-	-	**(39)**	**15**	**(24)**
Decrease in share capital: subsidiary	-	-	-	**(385)**	**(318)**	**(703)**
Shares issued upon vesting of management LTI plan: subsidiary	-	-	-	**158**	**(158)**	**-**
Equity settled share-based payment	-	-	-	-	**2,109**	**2,109**
Share based payment reserve: subsidiary	-	-	-	**808**	**(808)**	**-**
Dividends to shareholders (Note 14)	-	-	-	**(63,236)**	**(55,197)**	**(118,433)**
Balance at 30 June 2026	**200,011**	**726**	**1,082,446**	**435,124**	**1,046,035**	**2,764,343**

* 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 2026

	Note	30 June 2026 $000	30 June 2025 $000
ASSETS			
Current assets			
Cash and cash equivalents		**7,865**	15,863
Receivables and prepayments	13	**87,524**	77,414
Taxation		**82**	617
Inventories		**2,584**	2,277
Derivative financial instruments	17	**233**	-
Loans to Equity accounted investees	15	**36,601**	1,276
Non-current assets held for sale	10	**146,842**	51,261
Total current assets		**281,731**	148,709
Non-current assets			
Intangible assets		**25,945**	24,155
Property, plant and equipment	9	**2,398,286**	2,505,044
Investments in equity accounted investees	12	**377,065**	368,951
Loans to Equity accounted investees	15	**35,878**	75,567
Investment property	20	**148,700**	138,095
Other financial assets	15	**364,471**	298,228
Right-of-use assets		**53,452**	51,422
Deferred tax asset	8	**-**	504
Derivative financial instruments	17	**3,895**	5,694
Receivables and prepayments	13	**15,785**	16,282
Total non-current assets		**3,423,477**	3,483,941
Total assets		**3,705,208**	3,632,650
LIABILITIES			
Current liabilities			
Trade and other payables		**62,382**	58,761
Revenue in advance		**178**	260
Loans and borrowings	16	**360,000**	275,000
Lease liability		**1,363**	1,092
Employee benefit provisions		**6,823**	5,392
Derivative financial instruments	17	**84**	65
Current taxation		**31,379**	16,126
Total current liabilities		**462,209**	356,696
Non-current Liabilities			
Loans and borrowings	16	**296,994**	410,004
Lease liability		**57,410**	54,842
Employee benefit provisions		**3,170**	2,049
Deferred tax liabilities	8	**116,981**	129,091
Derivative financial instruments	17	**4,101**	4,622
Total non-current Liabilities		**478,656**	600,608
Total liabilities		**940,865**	957,304
NET ASSETS		**2,764,343**	2,675,345

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Financial Position
As at 30 June 2026

	Note	30 June 2026 $000	30 June 2025 $000
EQUITY			
Paid up capital	14(a)	**200,011**	200,011
Reserves	14(c)	**1,083,172**	1,080,086
Retained earnings		**435,124**	370,116
Equity attributable to owners of the parent		**1,718,307**	1,650,213
Non-controlling interest	14(c)	**1,046,035**	1,025,131
TOTAL EQUITY		**2,764,343**	2,675,345

These financial statements have been authorised for issue by the Board of Directors on 3 September 2026.

Mark Wynne – Chair

Keiran Horne – Chair Audit & Risk Committee

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Cash Flows
For the year ended 30 June 2026

	Note	30 June 2026 $000	30 June 2025 $000
Cash flows from operating activities			
Receipts from customers		**487,816**	472,902
Dividends received		**4,849**	4,270
Interest received		**3,261**	2,164
Other income		**236**	728
Payments to suppliers and employees		**(222,946)**	(248,023)
Taxes refunded		**29**	74
Taxes paid		**(46,115)**	(43,119)
Interest paid		**(27,070)**	(26,152)
Net cash flow from operating activities		**200,060**	162,843
Cash flows from investing activities			
Proceeds from sale of investments		**79,697**	44,559
Purchase of investments		**(88,247)**	(34,976)
Distributions from equity investments		**4,002**	3,124
Advances to equity accounted investees		**-**	(54,875)
Investment in equity accounted investees		**(91)**	(17,344)
Repayment of advances from equity accounted investees		**4,376**	-
Distributions from equity accounted investees		**5,617**	9,044
Repayment of employee share loan		**316**	-
Purchase of intangible assets		**(1,466)**	(716)
Sale of investment property		**54,870**	4,200
Additions to investment property		**(32,352)**	(54,824)
Purchase of property, plant and equipment		**(84,701)**	(28,058)
Proceeds from sale of property, plant and equipment		**19**	14
Interest capitalised on property, plant and equipment		**(628)**	(696)
Payment of contingent consideration		**-**	(568)
Net cash flow used in investing activities		**(58,588)**	(131,116)
Cash flows from financing activities			
Proceeds from borrowings		**148,625**	84,074
Repurchase of shares		**(1,703)**	(636)
Repayment of lease liabilities		**(1,340)**	(1,202)
Repayment of borrowings		**(177,175)**	(20,280)
Capital distributions		**-**	-
Capital contributions		**-**	(73)
Dividends unclaimed		**597**	
Dividends paid	14	**(118,432)**	(105,519)
Net cash flow used in financing activities		**(149,428)**	(43,636)
Effects of exchange rate changes on cash and cash equivalents		**(43)**	16
Decrease in cash and cash equivalents		**(8,000)**	(11,892)
Cash and cash equivalents at the beginning of the year		**15,864**	27,756
Cash and cash equivalents at the end of the year		**7,865**	15,863

Quayside Holdings Limited and Subsidiaries
Consolidated Statement of Cash Flows
For the year ended 30 June 2026

	Note	30 June 2026 $000	30 June 2025 $000
RECONCILIATION OF PROFIT FOR THE PERIOD			
TO CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		**198,396**	172,094
Items classified as investing/financing activities:			
Finance lease interest revenue		**(53)**	(71)
Financial contributions write off		**2,780**	11,599
(Gain) / loss on sale of property, plant and equipment		**127**	(43)
		2,854	11,485
Non cash and non operating items:			
Net gain on investments		**(49,686)**	2,368
Depreciation and amortisation		**46,666**	43,406
Impairment of property, plant and equipment		**-**	2,534
Impairment of assets held for sale		**1,105**	-
Increase / (Decrease) in deferred taxation expense		**(6,719)**	(14,212)
Share of net profit after tax retained by equity accounted investees		**(16,439)**	(14,244)
Impairment of investment in equity accounted investees		**5,444**	7
Increase in equity settled share-based payment accrual		**2,109**	2,738
Gain on disposal of Equity Accounted Investees		**-**	(49,245)
Other items		**11**	470
		(17,509)	(26,178)
Movements in working capital:			
Change in trade receivables and prepayments		**(10,955)**	(14,906)
Change in inventories		**(307)**	(273)
Change in taxation payable		**15,859**	6,466
Change in trade, other payables and revenue received in advance		**11,679**	14,170
Changes in foreign cash deposits		**43**	(15)
		16,319	5,442
Net cash flow from operating activities		**200,060**	162,843

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

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 11 and 12. 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% (2025: 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 have been prepared on a going concern basis. On 25 June 2026, the Council voted in favour of adopting the Long-Term Plan Amendment, which contemplated restructuring the Group. As at the date of these financial statements, no decision has been made to restructure the Group. Our view remains that the going concern basis is appropriate, as any potential restructuring of Quayside remains uncertain and would depend on several sequential events occurring. Accordingly, the Long-Term Plan Amendment and wider local government reform do not give rise to a material uncertainty related to going concern.

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 3 September 2026.

2. Basis of Preparation (continued)

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.

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 12);
- impairment assessment of investments in equity accounted investees (refer to note 12);
- valuation of investment properties (refer to note 20);
- 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

NZ 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 results of 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 2026

3. Segmental Reporting

As of 30 June 2026, 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 2026 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.

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 15% (2025: 27% and 13%).

	Port $000	Investing $000	SPA $000	Corporate $000	Total $000
30 June 2026					
Total segment revenue	486,469	68,043	3,719	-	558,231
Inter-segment revenue	-	(65,213)	-	-	(65,213)
Revenue (from external customers)	486,469	2,830	3,719	-	493,018
Other income/gains	-	66,273	853	-	67,127
Finance income	2,353	1,311	64	-	3,728
Finance costs	(19,595)	(1,826)	(1,620)	(1,134)	(24,176)
Depreciation & amortisation	(46,180)	(211)	(276)	-	(46,667)
Other expenditure/losses	(221,737)	(3,514)	(18,367)	(5,673)	(249,292)
Income tax (expense) / benefit	(55,127)	(77)	-	-	(55,204)
Impairment of assets held for sale	(1,105)	-	-	-	(1,105)
Impairment of equity accounted investees	-	(5,444)	-	-	(5,444)
Share of profit of equity accounted investees	10,974	5,438	-	-	16,412
Net profit after tax	156,052	64,780	(15,628)	(6,808)	198,396

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 2026

3. Segmental Reporting (continued)

	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

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 2026	**2,320,900**	**484,944**	**(14,395)**	**(27,106)**	**2,764,343**
Net assets as at 30 June 2025	2,273,771	423,610	(4,295)	(17,741)	2,675,345

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 2026

4. Operating Income

	30 June 2026 $000	30 June 2025 $000
(a) Trading revenue		
Revenue from contracts with customers		
Container terminal revenue	**295,260**	284,756
Multi cargo revenue	**84,465**	78,054
Marine services revenue	**54,483**	54,185
Sale of goods – kiwifruit	**3,678**	4,722
	437,886	421,717
Other revenue		
Rental income	**54,152**	50,422
Other	**980**	353
Total trading revenue	**493,018**	472,492
Inter segment revenue	**65,213**	57,845
Revenue as reported in Note 3	**558,231**	530,337
(b) Other Income		
Foreign dividends	**1,340**	1,729
New Zealand dividends	**2,770**	2,657
Other income	**1,313**	1,327
Total other income	**5,423**	5,713

Other income includes realised gains of $0.59 million arising from the sale of substation land and $0.24 million in critical infrastructure recognition payments.

	30 June 2026 $000	30 June 2025 $000
(c) Other gains		
Net gains on financial assets through profit and loss	**61,676**	14,713
Gain on disposal of equity accounted investees (Note 12)	**-**	49,245
Change in fair value of bearer plants	**27**	-
Total other gains	**61,703**	63,958

Net gains on financial assets through profit or loss comprise realised and unrealised fair value movements on financial assets measured at fair value through profit or loss. Further information on other financial assets and fair value measurement is included in Notes 15 and 17.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

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 over time, from the point that cargo transferred from vessel to land (or vice versa), being an output method. 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 (berthage), being an input method. 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 gains or in other losses.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

5. Other Expenses

The following items of expenditure are included in other expenses:

	30 June 2026 $000	30 June 2025 $000
(a) Trading and other expenses		
Audit Fees for the audit and review of the financial statements:		
KPMG – audit and review of other Quayside group entities financial statements	**396**	**444**
KPMG – Climate-related assurance and pre-assurance services of other Quayside group entities	**-**	**86**
KPMG - audit and review of the *Port of Tauranga Group* financial statements	**463**	**428**
KPMG – Climate-related assurance of the *Port of Tauranga Group*	**36**	**21**
KPMG – Agreed upon procedures	**29**	**13**
Contracted services for Port operations	**67,082**	93,652
Direct fuel and power expenses	**21,543**	20,164
Maintenance of property, plant and equipment	**22,872**	20,865
Financial Contributions write off (Note 20)	**2,780**	11,599
Orchard expenses	**1,357**	1,423
Directors' fees	**798**	630
Other	**43,960**	42,833
Total trading and other expenses	**161,316**	192,158
(b) Other losses		
Loss on revaluation of investment properties	**12,034**	**16,550**
Loss on sale of property, plant and equipment	**127**	**-**
Impairment of assets held for sale	**1,105**	**-**
Hedging reserve classified 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**
Total other losses	**13,266**	**17,588**

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 20.

Contingent asset
The Financial Contributions written off, including accrued interest, for a total amount of $40.8m, 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 disclosed 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 2026

6. Finance Income and Expenses

	30 June 2026 $000	30 June 2025 $000
(a) Finance income		
Interest income on bank deposits	**488**	460
Interest income on fixed interest investments	**1,182**	923
Interest on advances to equity accounted investees	**2,037**	73
Ineffective portion of changes in fair value of cashflow hedges	**21**	-
Convertible note interest	**-**	170
Interest income other	**-**	726
Total finance income	**3,728**	2,352
(b) Finance expense		
Interest expense on borrowings	**(26,780)**	(28,607)
Less: interest capitalised to property, plant and equipment	**628**	696
Less: interest capitalised to investment property	**4,959**	3,635
	(21,192)	(24,277)
Interest expense on lease liabilities	**(2,750)**	(2,728)
Ineffective portion of changes in fair value of cash flow hedges	**-**	(127)
Loss on commodity derivatives	**(29)**	-
Change in fair value of hedged risk	**(3)**	(56)
Foreign exchange loss	**(202)**	-
Total finance expense	**(24,176)**	(27,187)
Net finance cost	**(20,448)**	(24,836)

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 2026

7. Income Tax

	30 June 2026 $000	30 June 2025 $000
Components of tax expense		
Profit before income tax for the period	**253,600**	207,464
Income tax on surplus at 28% (2025: 28%)	**71,008**	58,090
Tax effect of amounts which are non (deductible)/taxable:		
Fair value loss through profit and loss	**(17,142)**	(4,004)
Share of equity accounted investees after tax income, excluding Coda Group Limited Partnership	**(4,392)**	(4,493)
Deferred tax adjustment arising from reclassification of properties as held for sale	**(1,534)**	0
Gain on disposal of equity accounted investees	**-**	(13,788)
Dividend imputation credits and other tax credits	**207**	(2,172)
Attributed income / loss and foreign dividend regime	**2,787**	2,822
Tax losses not recognised / utilisation of tax losses previously unrecognised	**3,366**	6,368
Prior period adjustment	**-**	(7,750)
Removal of tax depreciation on buildings	**-**	0
Other	**903**	297
Income tax (benefit)/expense	**55,204**	35,370
The income tax (benefit)/expense is represented by:		
Current tax expense		
Tax payable in respect of the current period	**60,967**	49,245
Adjustment for prior period	**900**	145
Total current tax expense	**61,867**	49,390
Deferred tax expense		
Origination/reversal of temporary differences	**(5,722)**	(6,125)
Adjustment for prior period	**(941)**	(7,895)
Total deferred tax expense (note 8)	**(6,663)**	(14,020)
Income tax (benefit)/expense	**55,204**	35,370

	30 June 2026 $000	30 June 2025 $000
Income tax recognised in other comprehensive income:		
Revaluation of property, plant and equipment	**(723)**	(33)
Revaluation of intangibles	**261**	237
Deferred tax adjustment from reclassifiction of properties as held for sale	**(4,075)**	
Cash flow hedges	**(446)**	(2,412)
Total (note 8)	**(4,983)**	(2,208)
Imputation credit account		
Imputation credits available for use in subsequent periods	**167,775**	149,190

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

7. Income Tax (continued)

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. Under the tax position adopted, the relevant expenditure is deductible when the associated land or infrastructure is disposed of or vested. The resulting timing differences are reflected in the Group's deferred tax balances. 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 is progressing an application for a binding ruling in relation to the tax treatment of the relevant transactions. At the date these financial statements were issued, no formal ruling had been obtained

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 2026

8. Deferred Taxation

	Assets		Liabilities		Net	
Group	2026	2025	2026	2025	2026	2025
	$000	$000	$000	$000	$000	$000
Deferred tax (asset)/liability						
Tax losses	**(2,692)**	(504)	**-**	-	**(2,692)**	(504)
Property, plant and equipment	**(43)**	(54)	**123,141**	134,413	**123,098**	134,359
Non current assets HFS	**-**	-	**1,592**	-	**1,592**	-
Investment property	**-**	-	**1,894**	3,310	**1,894**	3,311
Intangible assets	**(528)**	-	**1,044**	1,079	**516**	1,079
Derivatives	**-**	-	**446**	900	**446**	900
Provisions and accruals	**(5,792)**	(4,891)	**-**	-	**(5,792)**	(4,891)
Equity accounted investees	**(816)**	(821)	**-**	-	**(816)**	(821)
Others	**2**	(3,581)	**226**	-	**228**	(3,581)
Right of use of assets	**(23)**	-	**14,944**	14,397	**14,920**	14,397
Lease liabilities	**(16,435)**	(15,662)	**22**	-	**(16,414)**	(15,662)
Total	**(26,328)**	(25,513)	**143,308**	154,099	**116,980**	128,587

Deferred tax balances reflect the Group's filing position for the Rangiuru Business Park, as described in Note 7. The deferred tax effects of the Financial Contributions are reflected within the investment property line above. The Group will reassess the amounts recognised if facts and circumstances change, including upon receipt of a binding ruling.

Group	30 June 2026 $000	30 June 2025 $000
Movement for the year		
Opening balance	**128,587**	144,891
Recognised in the Income Statement	**(6,663)**	(14,020)
Recognised in Comprehensive Income (Note 7)	**(4,983)**	(2,208)
Others	**39**	(76)
Closing balance	**116,980**	128,587

Unrecognised tax losses or temporary differences
At balance date the Group had unrecognised tax losses of $18.5m. 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.

9. Property, Plant and Equipment

	Freehold Land $000	Freehold Buildings $000	Wharves and Hardstanding $000	Harbour Improvements $000	Bearer Plants $000	Plant and Equipment $000	Work in Progress $000	Total $000
Group								
Gross carrying amount:								
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
Balance at 1 July 2025	**1,518,453**	**129,976**	**474,746**	**229,544**	**530**	**286,605**	**26,159**	**2,666,013**
Additions	**-**	**1,816**	**10,021**	**2,303**	**-**	**14,078**	**56,291**	**84,509**
Disposals	**-**	**-**	**-**	**-**	**-**	**(449)**	**-**	**(449)**
Assets reclassified as held for sale	**(104,475)**	**(34,922)**	**(10,860)**	**-**	**-**	**-**	**-**	**(150,257)**
Revaluation	**3,167**	**(2,578)**	**-**	**-**	**(26)**	**-**	**-**	**563**
Balance at 30 June 2026	**1,417,145**	**94,292**	**473,907**	**231,847**	**504**	**300,234**	**82,450**	**2,600,379**
Accumulated depreciation:								
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)
Balance at 1 July 2025	**-**	**(198)**	**(21,293)**	**(1,557)**	**-**	**(137,922)**	**-**	**(160,970)**
Depreciation expense	**-**	**(6,363)**	**(22,069)**	**(2,520)**	**(53)**	**(12,784)**	**-**	**(43,789)**
Disposals	**-**	**-**	**-**	**-**	**-**	**301**	**-**	**301**
Assets reclassified as held for sale	**-**	**1,172**	**1,138**	**-**	**-**	**-**	**-**	**2,310**
Revaluation	**-**	**-**	**-**	**-**	**53**	**-**	**-**	**53**
Balance at 30 June 2026	**-**	**(5,389)**	**(42,224)**	**(4,077)**	**-**	**(150,405)**	**-**	**(202,095)**
Carrying amounts:								
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
Net book value as at 30 June 2026	**1,417,145**	**88,903**	**431,683**	**227,770**	**504**	**149,829**	**82,450**	**2,398,286**

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 2025	119,203	77,960	121,325	60,364	441	-	-	**379,293**
Notional carrying amount 2026	**78,608**	**58,574**	**111,963**	**61,789**	**388**	**-**	**-**	**311,322**

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 16).

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 $29.7m (2025: $5.4m).

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). For buildings, a sample is valued to determine whether a material movement in fair value has occurred since the last valuation. Buildings located at Gateside Industrial Park, Auckland and MetroPort Christchurch, Rolleston were revalued immediately prior to being reclassified as Non-current Assets Held for Sale (refer to note 10). For the remaining buildings, the Group has assessed that there has been no material change in the fair value since the last revaluation. If, based on this assessment, the fair value had materially moved, a full valuation would have been undertaken.

For harbour improvements, and wharves and hardstanding the assessment considers movements in the capital goods price indices and other market indicators since the previous valuations. 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 $3.2m.

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	2026 Range of significant assumptions	2026 $ Weighted average	2025 Range of significant assumptions	2025 $ Weighted average
Direct sales comparison	Tauranga (Sulphur Point) / Mount Maunganui – wharf and industrial land per square metre	182.2	$480-$1,695	778	$480-$1,695	778
	Auckland land – land adjacent to MetroPort Auckland per square metre*	6.8	$1,119	$1,119	$1,113	1,113
	Rolleston land – MetroPort Christchurch per square metre*	15.0	$186	$186	$180	180

**As at 30 June 2026, these properties were classified as Non-current Assets Held for Sale*

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

Excluding buildings located at Gateside Industrial Park, Auckland and MetroPort Christchurch, Rolleston, the last valuation of all buildings was carried out by Colliers International New Zealand Limited on 30 June 2025.

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:

		2026		2025	
Asset valuation method	Key valuation assumptions	Range of significant assumptions	Weighted average	Range of significant assumptions	Weighted average
Capitalised income model	Market capitalisation rate	2.63%-6.50%	4.50%	2.63%-6.50%	4.50%

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.

9. Property, Plant and Equipment (continued)

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

		2026 & 2025	
Asset valuation method	**Key valuation assumptions**	**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	1-38	13
	Wharves remaining useful lives	0-58	16

**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	-141,715	141,715
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

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 2026

10. Non-current Assets Held for Sale

During the year ended 30 June 2026, the Board of the Port of Tauranga Group approved the sale of two industrial property assets comprising the Gateside Industrial Park, Auckland and the MetroPort Christchurch property located at Rolleston.

Accordingly, the properties have been reclassified as Non-current Assets Held for Sale in accordance with NZ IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

The properties have been measured at the lower of their carrying amount immediately prior to classification and fair value less costs to sell.

Carrying amount of assets classified as Held for Sale:

	30 June 2026 $000	30 June 2025 $000
Gateside Industrial Park, Auckland	**89,317**	-
MetroPort Christchurch, Rolleston	**57,525**	-
Investment property	**-**	51,261
Total	**146,842**	51,261

The reduction in carrying value recognised on classification as Held for Sale reflects estimated incremental selling costs of $1.105 million.

The reclassification of the properties as Held for Sale reduced deferred tax liabilities by $5.610 million, with the resulting credit recognised in income tax expense ($1.534 million) and other comprehensive income ($4.075 million) (refer to note 7).

Policies

Non-current assets are classified as held for sale when their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are not depreciated while classified as held for sale.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

11. Investment in Subsidiaries

Investments in subsidiaries comprise:

Name of entity	Principal activity	2026 %	2025 %
Subsidiaries of Quayside Holdings Limited			
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)	Liquidated	-	100.00
Quayside Te Papa Tipu Limited (QTPTL)	Development company	100.00	100.00
Quayside Mystery Valley Limited (QMVL)	Liquidated	-	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)	In solvent liquidation	100.00	100.00
Port of Tauranga Limited (POT)	Port company	54.14	54.14
Subsidiaries of Port of Tauranga Limited			
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.

ANNUAL FINANCIAL STATEMENTS

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

11. 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 2026 $000	30 June 2025 $000
Ownership Interest in Port of Tauranga Limited		
Non current assets	**2,785,310**	2,916,097
Current assets	**267,711**	85,393
Non current liabilities	**(278,916)**	(382,057)
Current liabilities	**(453,205)**	(345,662)
Net assets (100%)	**2,320,900**	2,273,771
Group's share of net assets – 54.14% (2025: 54.14%)	**1,256,535**	1,231,020
Non Controlling Interest – 45.86 % (2025: 45.86%)	**1,064,365**	1,042,751
Accounting adjustment to non-controlling interest (refer note 14)	**(18,329)**	(17,620)
	1,046,035	1,025,131
Port of Tauranga Group – summary of financial performance and cash flow		
Operating revenue	**486,469**	464,161
Profit after income tax	**156,052**	173,373
Total comprehensive income	**166,133**	195,021
Net cash inflow from operating activities	**205,428**	171,981
Ending cash and cash equivalents	**1,735**	8,975

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 2026

12. 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	2026 %	2025 %	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	22.25	21.57	30 Jun
PF Olsen Holdings Limited (A)	Forestry Management	-	44.43	31 Dec*
Stand Forestry Limited (A)	Forestry Management	29.22	-	31 Dec*
Olsen Inventory Limited (JV)	Forestry Assets	44.43	-	31 Dec*
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 Group Limited (JV)	Sea port	50.00	50.00	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
For the year ended 30 June 2026

12. Investments in Equity accounted Investees (continued)

Carrying value of investments in Equity Accounted Investees:

	30 June 2026 $000	30 June 2025 $000
Associates		
Balance at 1 July	**66,460**	48,582
Share of net profit / (loss) after tax	**2,575**	5,953
Share of revaluation reserve	**-**	(213)
Share of total comprehensive income	**2,575**	5,740
New investment during the year (refer to disclosure note below)	**16,776**	7,246
Disposal (refer to disclosure note below)	**(19,936)**	-
Impairment of investment	**(5,444)**	(7)
Distributions received	**(1,112)**	(125)
Transfers	**-**	5,024
Balance at 30 June	**59,320**	66,460
Joint Ventures		
Balance at 1 July	**302,491**	240,155
Share of net profit after tax	**13,837**	8,291
Share of hedging reserve	**27**	(332)
Share of revaluation reserve	**2,692**	4,770
Share of total comprehensive income	**16,557**	12,729
New investment during the year (refer to disclosure note below)	**3,202**	162,010
Disposal	**-**	(104,778)
Distributions received	**(4,505)**	(7,625)
Balance at 30 June	**317,745**	302,491
Total equity accounted investees	**377,065**	368,950

Quayside Group

The Group has uncalled capital commitments in its equity accounted investees of $0.10m (2025: $0.15m).

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, Stand Forestry Limited, Panorama Towers Limited and Tauranga Crossing Limited are presented separately as these are considered material equity accounted investees.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

12. Investments in Equity Accounted Investees (continued)

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

Group	2026 Individually immaterial associates NZ$000	2026 Panorama Towers Limited NZ$000	2026 Tauranga Crossing Limited NZ$000	2026 PF Olsen Group Holdings NZ$000	2026 Stand Forestry Limited NZ$000	2026 Total NZ$000	2025 Total NZ$000
Total current assets	116	1,441	5,958	-	74,389	81,904	57,249
Total non current assets	35,230	95,155	353,073	-	62,396	545,854	408,654
Total assets	35,346	96,596	359,031	-	136,785	627,758	465,903
Total current liabilities	(2)	(2,390)	(8,518)	-	(59,359)	(70,269)	(59,970)
Total non current liabilities	(4,554)	(33,843)	(304,827)	-	(26,803)	(370,027)	(297,399)
Total liabilities	(4,556)	(36,234)	(313,345)	-	(86,162)	(440,296)	(357,369)
Net assets	30,790	60,362	45,686	-	50,623	187,461	108,532
Group's share of net assets	6,087	20,121	16,493	-	14,792	57,493	56,061
Goodwill acquired on acquisition of Associates	-	-	-	-	1,827	1,827	10,398
Carrying amount of Associates	6,087	20,120	16,493	-	16,620	59,320	66,460
Revenues	(4,782)	35	14,346	87,725	101,351	198,675	120,213
Net profit / (loss) after tax	(4,948)	9,809	(1,264)	1,810	(222)	5,185	12,917
Other comprehensive income	-	-	-	-	-	-	(479)
Total comprehensive income / (loss)	(4,948)	9,809	(1,264)	1,810	(222)	5,185	12,438

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

12. Investments in Equity Accounted Investees (continued)

The following table summarises the financial information of Equity Accounted Investees, Northport Group Limited, Northport Limited, PrimePort Timaru Limited, Coda Group Limited Partnership, Ruakura Inland Port Limited Partnership, PortConnect Limited, 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 2026	Northport Group Limited NZ$000	Coda Group Limited Partnership NZ$000	Prime Port Timaru Limited NZ$000	Ruakura Inland Port Limited Partnership NZ$000	Other Equity Accounted Investees NZ$000	Total NZ$000
Total current assets	8,005	30,182	7,121	2,141	21,621	69,070
Total non current assets	496,823	25,207	192,615	69,246	35,038	818,929
Total assets	504,828	55,389	199,736	71,387	56,659	887,999
Total current liabilities	(78,339)	(18,742)	(6,792)	(1,144)	(4,302)	(109,319)
Total non current liabilities	(100,535)	(16,933)	(56,916)	-	(576)	(174,960)
Total liabilities	(178,874)	(35,675)	(63,708)	(1,144)	(4,877)	(284,278)
Net assets	325,954	19,714	136,028	70,243	51,782	603,721
Group's share of net assets	162,977	9,857	68,014	35,122	25,500	301,470
Goodwill acquired on acquisition of Joint Ventures	-	14,557	-	-	-	14,557
Acquisition costs	1,718	-	-	-	-	1,718
Carrying amount of Joint Ventures	164,695	24,414	68,014	35,122	25,500	317,745
Revenues	58,926	156,947	37,433	8,667	13,789	275,762
Net profit / (loss) after tax	15,066	474	4,968	982	6,168	27,658
Other comprehensive income	7,078	-	4,610	-	(6,250)	5,438
Total comprehensive income / (loss)	22,144	474	9,578	982	(82)	33,096

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

12. Investments in Equity Accounted Investees (continued)

Group 2025	Northport Limited	Northport Limited	Coda Group LP	Prime Port Timaru Limited	Ruakura Inland Port LP	Other Equity Accounted Investees	Total
	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
Total current assets	6,922	-	27,490	6,397	1,903	14,524	57,236
Total non current assets	491,549	-	41,988	184,674	71,154	40,039	829,404
Total assets	498,471	-	49,478	191,071	73,057	54,562	886,639
Total current liabilities	(41,017)	-	(22,551)	(5,431)	(1,186)	(4,570)	(74,755)
Total non current liabilities	(153,644)	-	(27,687)	(57,591)	-	(532)	(239,454)
Total liabilities	(194,661)	-	(50,238)	(63,022)	(1,186)	(5,101)	(314,208)
Net assets	303,810	-	19,240	128,049	71,871	49,461	572,431
Group's share of net assets	151,905	-	9,620	64,025	35,936	24,730	286,216
Goodwill acquired on acquisition of Joint Ventures	-	-	14,557	-	-	-	14,557
Acquisition costs	1,718	-	-	-	-	-	1,718
Carrying amount of Joint Ventures	153,623	-	24,177	64,025	35,936	24,730	302,491
Revenues	-	43,198	176,698	32,591	7,531	16,719	276,737
Net profit after tax	-	14,110	(5,302)	2928	342	4,504	16,582
Other comprehensive income	-	4,066	-	142	-	4,668	8,876
Total comprehensive income	-	18,176	(5,302)	3070	342	9,172	25,458

Judgements

It has been determined that the Group has joint control over its Joint Ventures, 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 2026 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 2026, 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.

Management considered independent valuation work prepared by PricewaterhouseCoopers (PwC) in March 2026, which included both a discounted cash flow (DCF) and market-based valuation approach using Coda's updated financial forecasts. PwC's market multiples approach indicated an enterprise value range of approximately $35.9 million to $40.7 million, while the DCF analysis indicated a higher value range of approximately $44.0 million to $48.2 million. Management reviewed the key assumptions underpinning the valuation and concluded that they remained reasonable at 30 June 2026.

In performing the impairment assessment, management also considered Coda's cash balances, working capital position and progress in restructuring the business. Based on this assessment, management concluded that the recoverable amount exceeded the carrying value of the investment and, accordingly, no impairment has been recognised at 30 June 2026.

Coda has one key customer with circa 80% 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
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

12. 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.

Disposal of PF Olsen Holdings Limited and Acquisition of Interests in Stand Forestry Limited and Olsen Inventory Limited

On 25 February 2026, Quayside Holdings Limited's investment in PF Olsen Holdings Limited was derecognised as part of Project Totara, a merger transaction combining PF Olsen and Forest360 under a newly established holding company, Stand Forestry Limited.

As part of the transaction, Quayside received 16,733,644 ordinary shares in Stand Forestry Limited and 809,519 ordinary shares in Olsen Inventory Limited. No cash consideration was received or paid.

Prior to the transaction, Quayside's investment in PF Olsen Holdings Limited was accounted for as an associate using the equity method in accordance with NZ IAS 28. Equity accounting continued until the date Quayside lost significant influence over PF Olsen Holdings Limited. On that date, the carrying amount of the investment was derecognised and the interests received in Stand Forestry Limited and Olsen Inventory Limited were recognised at fair value. Any difference between the carrying amount derecognised and the fair value of the interests received was recognised in profit or loss.

Prior to derecognition, the carrying amount of the investment in PF Olsen Holdings Limited was assessed for impairment. The impairment recognised is included in impairment of investment in equity accounted investees in the income statement.

Following completion of the transaction, Quayside's interest in Stand Forestry Limited was assessed as an associate because Quayside has significant influence through governance participation and Board representation but does not have control or joint control. The investment is accounted for using the equity method in accordance with NZ IAS 28.

Quayside's 44.43% interest in Olsen Inventory Limited was assessed as a joint venture because decisions over the relevant activities require unanimous consent between Quayside and the other shareholders. The investment is accounted for as a joint venture using the equity method in accordance with NZ IAS 28.

The fair value of the interests received in Stand Forestry Limited and Olsen Inventory Limited is included within new investments during the year in the associates and joint ventures movement tables above. The investments are included within investments in equity accounted investees in the statement of financial position.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

13. Receivables and Prepayments

	30 June 2026 $000	30 June 2025 $000
Non-current		
Prepayments and sundry receivables	**15,785**	16,282
Total non-current	**15,785**	16,282
Trade receivables	**76,139**	65,714
Provision for expected credit losses – trade receivables (refer to note 17).	**(29)**	(30)
Trade receivables from Equity Accounted Investees, subsidiaries and related parties	**291**	395
	76,401	66,079
Kiwifruit income receivable	**3,163**	3,813
Prepayments and sundry receivables	**7,961**	7,522
Total current	**87,524**	77,414
Total receivables and prepayments	**103,309**	93,696

Aging of trade receivables		
Not past due	**49,224**	51,295
Past due 0 – 30 days	**15,461**	12,968
Past due 30 – 60 days	**6,774**	1,089
Past due 60 – 90 days	**1,261**	390
More than 90 days	**3,681**	336
	76,401	66,079

Judgements

A provision for expected credit losses is established when the assessment under NZ IFRS 9 deems a provision is required (refer to note 17).

Prepayments

Prepayments are 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 $16.1 million (2025: $17.3 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 2026

14. Equity

(a) Share Capital

Number of shares held	30 June 2026 No. (000)	30 June 2026 $ paid up ($000)	30 June 2026 $ uncalled ($000)	30 June 2025 No. (000)	30 June 2025 $ paid up ($000)	30 June 2025 $ uncalled ($000)
Ordinary share capital						
Balance as at 1 July	10	10	-	10	10	-
Balance as at 30 June	10	10	-	10	10	-
Redeemable preference shares						
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
Perpetual preference shares						
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 2026, the amount uncalled is $81,829,918 (2025: $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, holders 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.

14. Equity (continued)

The arrangement has had the benefit of consecutive private rulings issued by Inland Revenue from 17 September 2007. The current private ruling applies until 16 September 2026. Quayside Holdings Limited and Bay of Plenty Regional Council have applied to Inland Revenue for a renewal of the ruling for future periods.

(b) Dividends

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

	30 June 2026 $000	30 June 2025 $000
Ordinary shares		
Total dividends paid of $5,420 per share (2025: $4,700)	**54,200**	47,000
	54,200	47,000
Perpetual preference shares		
Total dividends paid of $0.0452 per share (2025: $0.0478)	**9,036**	9,562
	9,036	9,562
Total dividends paid	**63,236**	56,562

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 13 March 2026, where the rate for the following three-year period was set at 5.18%. The next dividend reset date will be 13 March 2029.

(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% (2025: 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
For the year ended 30 June 2026

14. Equity (continued)

Policies

The Group's capital is its equity, which comprises paid up capital, retained 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.

15. 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 2026 $000	30 June 2025 $000
Advance to Equity accounted investees	**36,601**	1,276
Total current	**36,601**	1,276
Measured at amortised cost		
Advances to Equity accounted investees	**35,878**	75,567
Mandatorily measured at fair value through income statement		
Listed assets	**235,659**	196,140
Unlisted direct equity investments	**5,408**	2,249
Private equity managed funds	**123,404**	97,029
Convertible Notes	**-**	2,809
Other financial assets	**364,471**	298,228
Total non-current	**400,349**	373,795

Listed assets, for $236m, are valued using quoted market prices (Fair Value Level 1) as received in the custodian report.

All of the Group's unlisted direct equity investments and private equity managed funds are either audited to a balance date earlier than 30 June 2026 (31 December or 31 March) or are unaudited. So unaudited management accounts are utilised for 30 June.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

15. Other Financial Assets (continued)

Management accepts the use of unaudited 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.

Private equity 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 private equity managed funds and unlisted direct 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 private equity managed funds as at 30 June 2026 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 2026 $000	Significant Inputs	Fair value sensitivity to inputs $000
Adjusted share of net assets	31/03/2026	**35,692**	1. Manager audited financial statements 2.Management assessment of the unaudited period 3.Manager quarterly report	Please refer to Note 17 for a sensitivity of the financial assets group.
Adjusted share of net assets	31/12/2025	**81,830**		
Adjusted share of net assets	30/06/2025	**5,882**		
Total private equity managed funds at 30 June		**123,404**		

The Group has uncalled commitments of $73.4 million (2025: $81.3 million) relating to equity managed fund investments. The 2025 comparative has been revised from $84.9 million to $81.3 million to align the calculation with the accrual basis applied in the current year. The revision had no impact on the Group's recognised balances or results.

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 private equity managed funds and unlisted direct 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 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 2026

16. 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 17.

Term and debt repayment schedule

Group 2026	Maturity	Coupon	Committed facilities NZ$000	Undrawn facilities NZ$000	Fair Value Adjustment NZ$000	Carrying value NZ$000
Non current						
Standby revolving cash advance facility	2030	Floating	130,000	130000	-	-
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	3.55%	100,000	-	(1,576)	98,424
Standby revolving cash advance facility	2027	Floating	50,000	50,000	-	-
Bay of Plenty Regional Council	2030	Floating	100,000	-	-	100,000
Bay of Plenty Regional Council	2033	Floating	100,000	39,500	-	60,500
ASB borrowings	2030	Floating	80,000	61,930	-	18,070
ASB borrowings	2028	Floating	20,000	-	-	20,000
Total non current			**730,000**	**431,430**	**(1,576)**	**296,994**
Current						
Standby revolving cash advance facility	2027	Floating	100,000	80,000	-	20,000
Standby revolving cash advance facility	2026	Floating	70,000	30,000	-	40,000
Multi Option Facility	2026	Floating	5,000	5000	-	-
Commercial papers	<3 months	Floating	-	-	-	300,000
Total current			**175,000**	**115,000**	**-**	**360,000**
Total			**905,000**	**546,430**	**(1,576)**	**656,994**

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

16. Loans and Borrowings (continued)

Group 2025	Maturity	Coupon	Committed facilities NZ$000	Undrawn facilities NZ$000	Fair Value Adjustment NZ$000	Carrying value NZ$000
Non current						
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**
Current						
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**

ASB Bank

Quayside Holdings Limited has a $100 million revolving credit facility with ASB Bank Limited (2025: $100 million). It includes an $80 million A Tranche for leverage and bridge financing that expires February 2030 and a $20 million B Tranche for Rangiuru Business Park development contingency needs that expires February 2028.

Bay of Plenty Regional Council

Quayside Holdings Limited has a $100 million (2025: $100 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 (2025: $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 Rangiuru Business Park development and it expires 30 June 2033.

Fixed rate bonds

The Port of Tauranga has issued one $100 million fixed rate bond, 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 2026

16. Loans and Borrowings (continued)

Commercial papers

Commercial papers are secured, short term discounted debt instruments issued by the Port of Tauranga 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 2026 the Port of Tauranga Group had $300 million of commercial paper debt that is classified within current liabilities (2025: $175 million). Due to this classification, 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 and China Construction Bank Corporation, New Zealand Branch (2025: $500 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 (2025: $5 million).

Security

Bank facilities and fixed rate bonds are secured by way of a security interest over certain floating plant assets ($13 million, 2025: $13 million), mortgages over the land and building assets ($1,643 million, 2025: $1,648 million), and by a general security agreement over the assets of the Parent Company ($2,952 million, 2025: $2,919 million).

Quayside Holdings Limited has a $100 million ASB Bank Limited revolving credit facility (2025: $100 million) 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 3.31% at 30 June 2026 (2025: 4.00%) 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
For the year ended 30 June 2026

17. 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:

Group 2026	Fair Value through Profit and Loss $000	Amortised Cost $000	Total Carrying Amount $000	Fair Value $000
Assets				
Cash and cash equivalents	-	7,865	7,865	7,865
Derivative instruments	233	-	233	233
Advances to equity accounted investees	-	36,601	36,601	36,601
Receivables	-	79,564	79,564	79,564
Total current assets	233	124,029	124,262	124,262
Derivative instruments	3,895	-	3,895	3,895
Advances to equity accounted investees	-	35,878	35,878	35,878
Other financial assets	364,471	-	364,471	364,471
Total non current assets	368,366	35,878	404,244	404,244
Total assets	**368,599**	**159,907**	**528,506**	**528,506**
Liabilities				
Loans and borrowings	-	360,000	360,000	360,000
Lease liabilities	-	1,363	1,363	1,615
Trade and other payables	-	32,783	32,783	32,783
Derivative instruments	84	-	84	84
Total current liabilities	84	394,146	394,230	394,482
Loans and borrowings	-	296,994	296,994	297,454
Lease liabilities	-	57,410	57,410	45,465
Derivative instruments	4,101	-	4,101	4,101
Total non current liabilities	4,101	354,404	358,505	347,020
Total liabilities	**4,185**	**748,550**	**752,735**	**741,502**

17. Financial Instruments (continued)

Group 2025	Fair Value through Profit and Loss $000	Amortised Cost $000	Total Carrying Amount $000	Fair Value $000
Assets				
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
Liabilities				
Loans and borrowings	-	275,000	275,000	274,405
Lease liabilities	-	1,092	1,092	923
Trade and other payables*	-	28,852	28,852	28,852
Derivative instruments	65	-	65	65
Total current liabilities	65	304,944	305,009	304,245
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	769,790	774,477	762,702

*Comparative balances have been restated to include accruals within financial liabilities, as these amounts represent contractual obligations to pay cash and therefore meet the definition of a financial instrument under NZ IFRS 9 and IAS 32. The restatement affects presentation only and has no impact on profit, equity or cash flows.

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 2026

17. 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 2026 $000	30 June 2025 $000
Credit risk		
Trade and other receivables	**79,564**	69,892
Loans to equity accounted investees	**72,479**	76,843
Derivative financial instruments	**4,128**	5,694
Cash and cash equivalents	**7,865**	15,863
Total	**164,035**	168,292

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.

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).

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

17. Financial Instruments (continued)

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 64.8% of total Port of Tauranga group revenue (2025: 62.4%). 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 $000	Contractual Cash Flows $000	6 Months or Less $000	6 – 12 Months $000	1 – 2 Years $000	2 – 5 Years $000	More Than 5 Years $000
Group 2026							
Non derivative financial liabilities							
Loans and borrowings	(656,994)	(672,102)	(415,159)	(50,486)	(55,038)	(151,419)	-
Trade payables*	(32,783)	(32,783)	(32,783)	-	-	-	-
Total non derivative liabilities	(689,777)	(704,884)	(447,942)	(50,486)	(55,038)	(151,419)	-
Derivatives							
Interest rate derivatives							
- Cash flow hedges outflow	(2,484)	(3,078)	(887)	(501)	(738)	(952)	-
- Cash flow hedges inflow	3,976	4,590	517	850	1,307	1,770	146
- Fair value hedges – outflow	(1,617)	(1,670)	(26)	(262)	(879)	(503)	-
Foreign exchange derivatives	-	-	-	-	-	-	-
- Cash flow hedges inflow	97	98	17	81	-	-	-
Commodity derivatives	-	-	-	-	-	-	-
- Cash flow hedges outflow	(84)	(105)	(30)	(75)	-	-	-
- Cash flow hedges inflow	55	75	75	-	-	-	-
Total derivatives	(57)	(90)	(334)	93	(310)	315	146
Total	**(689,834)**	**(704,974)**	**(448,276)**	**(50,393)**	**(55,348)**	**(151,104)**	**146**

*Prepayments are excluded from financial instruments as they represent a right to receive future goods or services, rather than a contractual right to receive cash or another financial asset.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

17. Financial Instruments (continued)

	Statement of Financial Position $000	Contractual Cash Flows $000	6 Months or Less $000	6 – 12 Months $000	1 – 2 Years $000	2 – 5 Years $000	More Than 5 Years $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	(28,852)	(28,852)	(28,852)	-	-	-	-
Total non derivative liabilities	(713,856)	(736,140)	(504,922)	(62,605)	(21,592)	(146,793)	(228)
Derivatives							
Interest rate derivatives							
- 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	**(712,849)**	**(734,885)**	**(504,885)**	**(62,635)**	**(21,483)**	**(146,252)**	**370**

(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 15. 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
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

17. Financial Instruments (continued)

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

	30 June 2026 $000	30 June 2025 $000
Carrying amount		
Fixed rate instruments		
Fixed rate bond	**(98,424)**	(197,884)
Lease liabilities	**(58,773)**	(55,934)
ASB borrowings*	**(38,070)**	(41,520)
Bay of Plenty Regional Council Borrowings*	**(160,500)**	(175,600)
Total	**(355,767)**	(470,938)
Variable rate instruments		
Commercial papers	**(300,000)**	(175,000)
Standby revolving cash advance facility	**-**	(95,000)
Interest rate derivatives	**(125)**	1,007
Cash balances	**7,865**	15,863
Total	**(292,260)**	(253,130)

*Comparative information has been reclassified to reflect ASB borrowings and Bay of Plenty Regional Council borrowings as fixed rate instruments. The FY2025 sensitivity analysis below has also been restated accordingly.

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 2025.

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 2026 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 $000	100 bp Decrease $000	100 bp Increase $000	100 bp Decrease $000
Group 2026				
Variable rate instruments	**(2,458)**	**2,497**	**-**	**-**
Interest rate derivatives - paying fixed	**2,052**	**(2,000)**	**7,218**	**(7,549)**
Interest rate derivatives - paying floating	**(148)**	**148**	**-**	**-**
Total	**(554)**	**645**	**7,218**	**(7,549)**
Group 2025				
Variable rate instruments	(1,848)	1,870	-	-
Interest rate derivatives - paying fixed	1,332	(1,280)	8,272	(8,704)
Interest rate derivatives - paying floating	(720)	720	-	-
Total	(1,236)	1,310	8,272	(8,704)

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

17. 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 2026 $000	30 June 2025 $000
Cash – USD, EUR, GBP	**43**	25
Equities – AUD	**-**	17,093
Equities – USD, EUR, GBP	**166,038**	85,537
	166,082	102,655

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 2025.

	Profit or Loss	
	10% Strengthening $000	10% Weakening $000
Group		
Cash – USD, EUR, GBP	**4**	**(4)**
Equities – USD, EUR, GBP	**16,604**	**(16,604)**
30 June 2026	**16,608**	**(16,608)**
Cash – USD, EUR, GBP	2	(2)
Equities – AUD	1,709	(1,709)
Equities – USD, EUR, GBP	8,554	(8,554)
30 June 2025	10,265	(10,265)

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

17. 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 2026 $000	30 June 2025 $000
Unlisted direct equity and private equity managed funds	**128,812**	102,088
Listed Equities – NZD	**69,620**	93,510
Listed Equities – AUD	**-**	17,093
Listed Equities – USD, EUR, GBP	**166,038**	85,537
	364,471	298,228

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 direct equity and private equity managed funds	**12,881**	**(12,881)**
Listed Equities – NZD	**6,962**	**(6,962)**
Listed Equities – AUD	**-**	**-**
Listed Equities – USD, EUR, GBP	**16,604**	**(16,604)**
30 June 2026	**36,447**	**(36,447)**
Unlisted direct equity and private equity 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	8,554	(8,554)
30 June 2025	29,823	(29,823)

17. 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 2026 and 30 June 2025.

	Level 1	Level 2	Level 3	Total
	$000	$000	$000	$000
30 June 2026				
Financial assets at fair value through profit or loss				
Listed equity investments	**235,659**	**-**	**-**	**235,659**
Unlisted direct investments	**-**	**-**	**5,408**	**5,408**
Unlisted managed funds	**-**	**-**	**123,404**	**123,404**
	235,659	**-**	**128,812**	**364,471**

	Level 1	Level 2	Level 3	Total
	$000	$000	$000	$000
30 June 2025				
Financial assets at fair value through profit or loss				
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

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
For the year ended 30 June 2026

17. 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 2026	30 June 2025
	$000	$000
Opening Balance	**102,088**	88,281
Purchases	**20,404**	12,466
Sales	**(4,002)**	(3,199)
Interest Income	**-**	170
Unrealised gains and losses recognised in net fair value gains / (losses) on financial instruments held at fair value through profit or loss	**10,322**	4,370
Closing Balance	**128,812**	102,088

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 $10.3m gain (2025: $4.4m gain), 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	
		20%	Increase $000	Decrease $000
2026 –Group				
Unlisted direct investments	(i)	(i)	**1,082**	**(1,082)**
Unlisted managed funds	(i)	(i)	**24,681**	**(24,681)**
2025 –Group				
Unlisted direct investments	(i)	(i)	450	(450)
Unlisted managed funds	(i)	(i)	19,406	(19,406)

(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
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

18. 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 2026 $000	30 June 2025 $000
Directors		
Directors' fees recognised during the period (Quayside Group and Port of Tauranga Group)	**1,606**	1,548
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)	**6,142**	5,577
Executive officer's share based payments (equity settled) recognised during the period (Port of Tauranga Group only)	**1,408**	1,311
Post employment executive officers' employee benefits recognised during the period	**85**	-
Total	**9,241**	8,436

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 19).

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

18. Related Party Transactions (continued)

Other related entities

Other related parties include subsidiaries in the Group – refer Note 11. 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:	30 June 2026 $000	30 June 2025 $000
Transactions with Ultimate Controlling Entity		
Bay of Plenty Regional Council		
Interest paid by Quayside Holdings Limited	**5,486**	5,359
Interest payable by Quayside Holdings Limited	**1,671**	2,047
Dividends paid by Quayside Holdings Limited	**54,200**	47,000
Loan payable by Quayside Holdings Limited	**160,500**	175,600
Rates paid by other entities of the Group	**45**	46

Quayside Group transactions with related parties:	30 June 2026 $000	30 June 2025 $000
Transactions with Equity Accounted Investees		
Directorship fees received by Quayside Holdings Limited	**48**	71
Accounts receivable by Quayside Holdings Limited	**33**	33
Advances to equity accounted investees	**-**	17,262
Loan repaid by equity accounted investees	**-**	2,239
Distributions from equity accounted investees	**3,512**	2,669
Contributions to equity accounted investees	**42**	-

18. Related Party Transactions (continued)

Further information on investment in to, and distributions from Equity Accounted Investees, can be found in note 12.

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 following transactions were identified:

Port of Tauranga Group transactions with related parties:	30 June 2026 $000	30 June 2025 $000
Transactions with equity accounted investees		
Services provided to Port of Tauranga Limited	**4,165**	5,511
Services provided by Port of Tauranga Limited	**2,895**	6,806
Accounts receivable by Port of Tauranga Limited	**154**	151
Accounts payable by Port of Tauranga Limited	**503**	351
Advances by Port of Tauranga Limited	**36,713**	41,089
Services provided to Quality Marshalling (Mount Maunganui) Limited	**9**	1
Services provided by Quality Marshalling (Mount Maunganui) Limited	**1,175**	1,335
Accounts receivable by Quality Marshalling (Mount Maunganui) Limited	**137**	141
Services provided to Timaru Container Terminal Limited	**3,785**	3,695
Services provided by Timaru Container Terminal Limited	**43**	309
Accounts receivable by Timaru Container Terminal Limited	**-**	46
Accounts payable by Timaru Container Terminal Limited	**133**	240

In March 2013, Bay of Plenty Regional Council granted Port of Tauranga Limited a resource consent to widen and deepen the shipping channels. As a condition of this consent, an environmental bond of $1.0 million is held in escrow in favour of Bay of Plenty Regional Council. 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.

Transactions with the Ultimate Controlling Party during the period include services provided to Port of Tauranga Limited, $1.1 million (2025: $0.2 million).

The Group has an undrawn banking facility of $50.000 million with China Construction Bank Corporation, New Zealand Branch, which is considered a related party due to a common directorship.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

19. 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 2026 is $0.5m (2025: $0.8m) with a corresponding increase in the share-based payments reserve.

At the beginning of the year, there were approximately 0.7 million share rights outstanding. During the year, 0.2 million new rights were granted, 0.1 million rights vested, and 0.1 million rights were forfeited.

This resulted in a closing balance of approximately 0.7 million share rights on issue as at 30 June 2026. 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 $0.4m (2025: $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 Group provides benefits to the Parent Company'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 Parent Company'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.

Cash-settled arrangements
Cash-settled long-term incentive arrangements are recognised as employee benefit expenses over the period in which employees provide the related services. A liability is recognised for amounts expected to be settled in cash.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

20. Investment Properties

	30 June 2026 $000	30 June 2025 $000
Balance at 1 July	**189,356**	167,838
Additions – Work in progress (at cost)	**24,650**	39,890
Capitalised interest	**4,959**	3,636
Sales	**(58,231)**	(4,200)
Fair value gains / (losses) on valuation	**(12,034)**	(17,808)
Balance at 30 June	**148,700**	189,356
Classified as:		
Investment property – Held for sale – current	**-**	51,261
Investment Property – Non-current	**148,700**	138,095
	148,700	189,356
Rental / lease income from investment properties	**2,871**	3,286
Expenses from investment property generating income	**1,071**	1,569

Description of investment properties

Investment properties held include the following:

Asset type	Location	Current use
Carparking	Tauranga CBD	Carparking
Industrial Building	Rotorua CBD	Commercial Lease
Industrial Building	Mount Maunganui	Commercial Lease
Industrial Building	Hamilton, Te Rapa	Commercial Lease
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

Rangiuru Business Park classification

Management has assessed the classification of Rangiuru Business Park as at 30 June 2026. The decision to classify the land as investment property rather than inventory requires a high degree of judgement.

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.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

20. Investment Properties (continued)

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 2026, the Group has spent $131.7m 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 incurred for Stage 3 and 4.

The Financial Contributions spent as at 30 June 2026 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 contingent assets accrue interest at OCR plus 1.5%.

Valuation of investment properties

Investment properties are revalued annually to fair value. The fair value measurements have been categorised as Level 3 fair value measurements based on the inputs to the valuation techniques. Barnett Place and Portside Drive were externally valued. The remaining investment properties were internally assessed based on external market data. The valuers are experienced valuers with market knowledge relevant to the types of investment properties owned by the Group. Investment properties were valued based on open market evidence and highest and best use. Improvements have been assessed with regard to their income-producing capacity, depreciated replacement cost and discounted cash flow.

The fair value of the Rangiuru Business Park has been determined using a discounted cash flow valuation prepared by management, supported by external market data obtained from CBRE. The valuation reflects the staged nature of the development, the expected timing of future land sales and the highest and best use of the land as an industrial park development.

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% (2025: 7.75%) -Barnett Place, Hamilton – Capitalisation rate 5.50% (2025: 6.25%) - Old Taupo Road, Rotorua – Capitalisation rate 6.25% (2025: 6.25%) - Portside Drive, Mount Maunganui – Capitalisation rate 5.75% (2025: 5.25%)
Rangiuru Business Park	Discounted cash flow approach. The valuation was prepared internally by management, using external market data obtained from CBRE to support key market inputs. The same valuation methodology has been maintained from the prior year.	Industrial park development	Adopted discount rate 11.25% blended (2025: 13% Stage 1 and 14.5% Stage 2) Forecast land sales: 6 ha per annum through to 2035

20. Investment Properties (continued)

Sensitivity to key valuation assumptions for the Rangiuru Business Park

The key assumptions applied in the valuation of the Rangiuru Business Park include the discount rate, forecast land sale values, sale cadence, development costs and timing of cash flows. The valuation is most sensitive to changes in the discount rate and the timing of forecast land sales. A summary of the valuation method and significant assumptions applied is set out below.

Key assumption	Change in assumption	Increase / (Decrease) in fair value $m
Discount rate	+1%	(5.6)
Discount rate	-1%	+5.9
Sales pace	+1 ha/yr	+8.0
Sales pace	-1 ha/yr	(10.5)

Commitments

The Company has $45.1m (2025: 29.1m) of commitments in relation to the development of the Rangiuru Business Park.

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.

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.

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

21. Subsequent Events

Final dividend from the Port of Tauranga Group

On 28 August 2026, Port of Tauranga Limited declared a final dividend of 12.5 cents per share. The dividend was not recognised as a liability on 30 June 2026.

Refinancing of Standby Revolving Cash Advance Facility

On 27 August 2026, Port of Tauranga Limited, a subsidiary of the Group, refinanced a $70.000 million tranche of its $500.000 million Standby Revolving Cash Advance Facility. The maturity date of the tranche was extended from 31 December 2026 to 31 December 2029.

Draft decision on Stella Passage consent

On 18 August 2026, the Fast-track Expert Panel released a draft decision proposing to grant, subject to conditions, all approvals sought by Port of Tauranga Limited for the Stella Passage development. Port of Tauranga Limited was provided an opportunity to comment on the proposed conditions before the Panel issues its final decision, which is expected in early September 2026.

The Stella Passage development comprises extensions to the Sulphur Point container berth and Mount Maunganui wharves, together with associated reclamation and dredging works. The development is intended to increase port capacity and support future growth.

At the date these financial statements were authorised for issue, the final decision had not been received. Accordingly, no adjustment has been made to the amounts recognised in the financial statements in respect of this matter. The Group has capitalised $16.900 million of costs relating to the Stella Passage development within property, plant and equipment work in progress. Having regard to the draft decision proposing to grant the approvals sought, management concluded that there was no indication of impairment of these capitalised costs at the date the financial statements were authorised for issue.

Changes to Quayside directors

Following the reporting date, Danielle Auld was appointed as an independent director of Quayside Holdings Limited and its subsidiaries, Quayside Properties Limited and Quayside Securities Limited, effective 1 July 2026. Michael Allen was subsequently appointed as an independent director of those entities for a three-year term effective 1 September 2026.

As previously announced, Mark Wynne, Keiran Horne and Fraser Whineray will cease to be directors of Quayside Holdings Limited on 30 September 2026 as part of the transition to the revised Board structure.

These governance changes have no financial effect on the amounts recognised in these financial statements.

There were no other material events between 30 June 2026 and the date the financial statements were authorised for issue that required adjustment to, or disclosure in, these financial statements.

22. 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 measures and results. Recorded below are the targets and results of the *Quayside Group's* Statement of Intent categorised under five portfolio activities.

STRATEGIC PILLAR 1 – COMMERCIAL RESULTS
Segment 1: Port of Tauranga Limited

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

Objective	Measure	2026 Result	
Manage Port of Tauranga shareholding on behalf of Council to deliver value to the region and align with Group objectives	Maintain active monitoring of corporate performance with review by the Executive and Board, as well as review by the Pricing and Valuation Committee, held at a minimum of three times per year.	Port of Tauranga performance was reviewed at each Quayside Board meeting during the year, including financial performance, dividends, share price movement and strategic shareholder matters.	
	Increase Total Shareholder Value (Dividends paid + share price movement)	POT delivered a total shareholder return of 32.9%, comprising a 30.3% share price return and a 2.6% dividend return.	
	Appointment of a minimum of two Directors on the Board.	Quayside maintained two affiliated directors on the Port of Tauranga Board: Fraser Whineray and Ken Shirley.	
	Continually evaluate strategic alternatives for the shareholding in accordance with Council approved parameters, through at least three presentations or workshops to Council by 30 June 2026.	Strategic alternatives were discussed with Council / Councillors on 7 August 2025, 20 August 2025, 24 February 2026 and 26 March 2026.	

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 the governance of the Port of Tauranga.

	30 June 2026	30 June 2025
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	$486.5m	$464.7m
Results from operating activities	$264.7m	$228.4m
Net profit	$156.0m	$173.4m
Underlying profit**	$155.3m	$126.0m
Cash flows		
Ordinary dividends paid out	$120.4m	$106.8m
Ordinary dividends received by Quayside	$65.2m	$57.8m
Ordinary dividends as percent of underlying profit	78%	85%
Dividend declared post balance date	$83.0m	$66.0m

22. Quayside Group Performance Information (continued)

	30 June 2026	30 June 2025
Asset Backing		
Share price (last bid price)	$8.87	$6.81
Market value of Port	$6,036.8m	$4,634.7m
Market value of Quayside Holding	$3,268.0m	$2,509.1m
Net asset backing per share (dollars per share)	$3.46	$3.40
Governance		
Number of directors	7	7
Number of Quayside affiliated directors	2	2

**Includes treasury shares*

2***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.

Segment 2: Investment Portfolio
Investment Returns

Objective	Measure	2026 result	
Generate long-term commercial returns across the Investment Portfolio.	Maintain a five-year rolling gross return target of inflation +5% (nominal 7%). in accordance with the SIPO (forecast as a nominal 7.0% per annum).	*5.4% 5-Year Compound annual growth rate (CAGR)* *(2025 : 7.1%)*	
	Liquid assets are targeted to be >40% of the portfolio that can be easily realised.	Liquid assets make up 45.2% of the portfolio	

Target met: **No**

The Quayside Investment Portfolio closed 30 June 2026 with a five-year rolling gross return of 5.4% p.a., below the SOI target of 7.0% p.a. However, the portfolio preserved and increased value in real terms over the period, despite elevated inflation. Performance has improved, on a rolling 3-year basis, returning 7.7% p.a., and 14.3% in FY2026. Results are based on audited accounting values, adjusted to fair value for equity-accounted investees where carrying value is not considered representative of fair value, and applied to the Investment Portfolio NAV of $485.0 million at 30 June 2026.

Liquidity remains appropriate and within SIPO limits, with liquid assets representing 45.2% of the Investment Portfolio at 30 June 2026. This supports near-term flexibility, while continued exposure to less liquid assets remains consistent with Quayside's long-term investment horizon.

22. Quayside Group Performance Information (continued)

Resilient Dividend

Objective	Measure	2026 result
Provide a stable and sustainable dividend to Council.	Dividends paid in accordance with Quayside's Distribution Policy and the Long Term Plan.	*$54m distributed to BOPRC as dividend, in line with SOI* *(2025: $47m)*

Target met: **Yes**

The *Quayside Group* met its dividend resilience target for the year, with a total distribution of $54 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. 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.

Investment Policy & Risk Management

Objective	Measure	2026 result
Maintain a sustainable and diversified investment approach.	Review the following Investment related policies:	
	• Responsible Investment Policy	Responsible Investment Policy approved 17 April 2026.
	• Managed Investment Policy	Managed Investment Policy review extended from 30 June to 2 December 2026 Investment Committee meeting.
	• Direct Investment Policy	Direct Investment Policy review extended from 30 June to 2 December 2026 Investment Committee meeting.

Target met: **No (1/3)**

The Quayside Group has not met its investment governance target for the year. The Responsible Investment Policy was reviewed in April 2026 , with the remaining two policy reviews originally forecast to be completed by 30 June 2026. However, with recent governance changes of QHL these have been postponed to align with a SIPO review set to be completed in December 2026 with input from new independent directors.

Treasury & Debt Management

Objective	Measure	2026 result
Ensure optimal capital structure and financing strategy.	Review and adoption of Treasury Policy, as per Board-approved policy schedule	• Treasury Policy reviewed and approved 4 December 2025

Target met: **Yes**

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

22. Quayside Group Performance Information (continued)

Responsible Investment

Objective	Measure	2026 result
Align investment decisions with sustainability and long-term economic value.	Review of Responsible Investment Policy by FY26. As per Board-approved policy schedule.	Responsible Investment Policy approved 17 April 2026.

Target met: **Yes**

The scheduled review process reinforces the robustness of our investment framework, ensuring continued alignment with strategic objectives, prudent risk management, and best practice governance standards.

Segment 3: Special Purpose Assets

Rangiuru Business Park

Objective	Measure	2026 result
Develop the Rangiuru Business Park to create long term benefit for the Bay of Plenty region.	Completion of Rangiuru Business Park Stage 1a works by 31 December 2025.	Completed and sales underway.
	Completion of Rangiuru Business Park Stage 1b works late 2026/2027.	On Track to be completed.

Target met: **Yes**

The Quayside Group has achieved a key milestone with total sales of 9.5 hectares (2025: 8.7 hectares) within Stage 1a of the Rangiuru Business Park, validating market demand for this strategically located industrial hub. Leveraging disciplined capital allocation, proactive risk management, and close collaboration with regional stakeholders. These developments support regional economic activity, tenant attraction and Quayside's broader objective of delivering long-term benefit for the Bay of Plenty — while upholding the highest standards of safety, quality, and environmental stewardship.

STRATEGIC PILLAR 2 – CORPORATE AND RELATIONSHIP LEADER

Governance

Objective	Measure	2026 result
Quayside operates independently of Council and the Portfolio is managed in a prudent commercial manner.	Majority-independent Board; four out of seven Board members are independent.	The Quayside Board had seven appointed Directors until Director McTavish resigned on 25 June 2026 when it reduced to six. Of the remaining six directors, four are independents (M Wynne, D Fear, F Whineray, K Horne).
	Meetings as per Board-approved meeting schedule with a minimum of six per year.	Quayside Board meet every 2-3 months with a minimum of six meetings throughout the year. This year **eight** meetings were held during the period.

22. Quayside Group Performance Information (continued)

Governance (continued)

Objective	Measure	2026 result	
Quayside operates independently of Council and the Portfolio is managed in a prudent commercial manner.	Committees meet as per Board-approved meeting schedule, with a minimum of three per year with the exception of the Divestment Committee which meets as required: • Audit and Risk • People, Culture and Safety • Investment • Divestment	The committees met regularly during the period: - Audit and Risk Committee meet every 2-4 months with a minimum of three meetings throughout the year. This year **four** meetings were held during the period. - People, Culture and Safety Committee meet every 3-4 months with a minimum of three meetings throughout the year. This year **four** meetings were held during the period. - Investment Committee met **four** times and Divestment Committee met **six** times during the year.	Green
Quayside operates independently of Council and the Portfolio is managed in a prudent commercial manner.	Quayside reports a minimum of three times to Council via publication of annual and interim reports, presentations, briefings, and workshops. Maintain a robust external audit function with formal engagement of external audit. Continue to develop the internal audit function with approval of the internal audit plan by the Board each year. Review of company policies and frameworks as per the Board-approved policy schedule. Execution of internal compliance auditing	Quayside published 2026 interim report on 06 March 2026. The 2026 annual report will be published after year end, scheduled for early September 2026. Quayside presented to Council: 24 February 2026 26 March 2026 31 March 2026. Quayside operates under a Board-approved Internal Audit Plan overseen by the Audit & Risk Committee. External assurance is provided by KPMG. All policies are reviewed in accordance with the Policy & Charter Schedule or as directed by our Board. Regular internal compliance auditing is actively maintained through monthly or quarterly internal control checks. Progress on internal control reporting is consistently presented to the Audit and Risk Committee (ARC) as a standing agenda item. Implementation of Deloitte's recommendations followed specific timeframes, with ongoing updates documented in the Internal Audit Plan and reviewed at each ARC meeting.	Green

Target met: **Yes**

Quayside Holdings Limited and Subsidiaries
Notes to the Consolidated Financial Statements
For the year ended 30 June 2026

22. Quayside Group Performance Information (continued)

Climate

Objective	Measure	2026 result	
Climate reporting	Publish climate-related financial disclosures in accordance with legislative requirements. CRD report issued by 31 October 2025.	Quayside's Climate Disclosure was approved by the board on 28 October 2025 and publicly issued on 31 October 2025.	Green

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.

Stakeholders

Objective	Measure	2026 result	
Stakeholder engagement	Proactive engagement with community stakeholders with at least 12 engagements per year.	Quayside met the target with 12 community stakeholder engagements during the year. These included presentations given and events run by staff of Quayside excluding the CEO.	Green

Target met: **Yes**

NZDX Issuer

Objective	Measure	2026 result	
Quayside maintains its obligations as a market issuer	Financial Reporting in accordance with Financial Markets Conduct 2013. Quayside complies with NZX Listing Rules, including Continuous Disclosure obligations.	Filing of interim and annual financial statements achieved within legislative timelines. Board receives regular reporting on PPS compliance in line with NZX requirements. A compliance audit identified one breach of NZX Listing Rule 3.20.1 relating to the timing of the announcement of the imminent resignation/removal of director Fiona McTavish which should have been released earlier.	Red

Target met: **No**

22. Quayside Group Performance Information (continued)

Regional Impact

Objective	Measure	2026 result	
Regional Impact	Ensure Quayside's investments contribute to sustainable opportunities in the Bay of Plenty, by providing a sustainable dividend to BOPRC to support regional development.	$54m distributed to BOPRC as dividend, in line with the SOI and Long Term Plan, supporting regional development across the Bay of Plenty.	Met

Target met: **Yes**

Overall, the *Quayside Group* has maintained strong corporate governance, transparent reporting, and active engagement with Council and regional stakeholders throughout the year. The Group continued to operate with a majority-independent Board, regular Board and Committee oversight, external audit assurance, internal compliance monitoring, and timely reporting to Council and the market. These practices support prudent commercial decision-making, reinforce accountability, and demonstrate Quayside's ongoing commitment to effective stewardship of regional assets and long-term value creation for the Bay of Plenty.

STRATEGIC PILLAR 3 – ENGAGING PLACE

Employee Engagement

Objective	Measure	2026 result	
Employee engagement: our kaimahi are valued, supported and passionate about their work	Maintain an Employee Engagement Survey rating of >78%. Conducted annually	2026 is 73% (2025: 80%)	Not met

Target met: **No**

Diversity and Inclusion

Objective	Measure	2026 result	
Our kaimahi represent our community in an environment of diversity and inclusiveness	Complete a Diversity of Thought benchmarking exercise, report on D&I in the annual report.	Diversity of Thought Benchmarking was undertaken for Board, Senior Leadership Team. The results are included in the 2026 Annual Report.	Met

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.

Cultural Competency

Objective	Measure	2026 result	
Cultural Competency	>30% of our kaimahi are competent in the Quayside cultural competency framework.	58% of our kaimahi are defined as competent against Quayside's cultural competency framework. (2025 : 63%)	Met

Target met: **Yes**

22. Quayside Group Performance Information (continued)

Quayside's cultural competency framework requires assessment of understanding of Te Tiriti of 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.

Climate Resilience

Objective	Measure	2026 result	
Integrate climate risk assessments into investment decision-making	Implement climate transition plan.	Allegro was the only new investment during the year, and climate-related due diligence was completed as part of the assessment.	Met

Target met: **Yes**

The Board approved a proportionate, value-for-money climate transition plan in March 2026, reflecting that Quayside is no longer subject to mandatory CRD reporting. Climate risk was considered in the Allegro investment assessment, portfolio transition-risk exposure was reviewed, and a physical climate risk assessment of property assets was completed and remains subject to final review. The amended transition plan and supporting analysis were reported to the ARC on 1 September 2026.

Targets met 12/16

Key

Met *Not met* *Not applicable*

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2026

Interests 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 2025 are italicised.

Director & Appointment	Entity	Position
WYNNE, Mark Douglas	Alliance Group Limited Alliance Co-operative Limited Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited Waipura North Limited	Director Chair Director / Chair Director / Chair Director / Chair Shareholder
CROSBY, Stuart Alan	Bay of Plenty Regional Council Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited *SmartGrowth Leadership Group*	Councillor Director Director Director *Member*
HORNE, Keiran Anne	Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited Spey Downs Limited Enable Networks Limited Enable Services Limited The Cooperative Bank Limited Antarctica New Zealand Voluntary disclosures: *AJ & MJ Horne Family Trust* *CEC Charitable Trust* *Conductive Education Canterbury* *Horne Wildbore Family Trust*	Director Director Director Shareholder Director | ARC Chair Director Director Director *Trustee* *Trustee| Treasurer* *Treasurer* *Trustee*
WHINERAY, Fraser Scott	Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited Waste Management NZ Limited and associated entities Port of Tauranga Limited Centre for Climate Action Joint Venture Limited Jarden Group *TenPeaks Holdco Limited (23 March 2026)*	Director Director Director Director Director Director Shareholder *Chair*

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2026

Interests register (continued)

Director & Appointment	Entity	Position
FEAR, David Graeme	Quayside Holdings Limited Quayside Securities Limited Quayside Properties Limited Upstream Poplars Limited NorthWest Water Limited Neurological Foundation of New Zealand Neptune North (NZ) Limited *Johnny Appleseed Holdings, Hawke's Bay (6 March 2025)* *Jarden Wealth & Asset Management* *First Cape*	Director Director Director Shareholder Shareholder Council Member Board Director *Director* *Shareholder* *Indirect Shareholder*
WHITE, Te Taru *(ceased 20 October 2025)*	Noa New Zealand Limited Te Taru White Consultancy Limited Whenua Fruits Limited Manaakiora Trust Te Tatau o Te Arawa Charitable Trust *Quayside Holdings Limited (Ceased 20 October 2025)* *Quayside Properties Limited (Ceased 20 October 2025)* *Quayside Securities Limited (Ceased 20 October 2025)* *Bay of Plenty Regional Council (Ceased 20 October 2025)*	Shareholder Director Shareholder Shareholder Director *Director* *Director* *Director* *Councillor*
GRAYLING, Anna Margaret (appointed 16 December 2025)	*Quayside Holdings Limited* *Quayside Securities Limited* *Quayside Properties Limited* *Grayling Consulting Limited* *Grayling Consulting Limited* *Vigor & Vitality Limited* Voluntary Disclosures: *Tipu Wai* *RotoruaX* *Lake Okareka Tennis Club*	*Director* *Director* *Director* *Director* *Shareholder* *Shareholder* *Trustee* *Deputy Chair* *Deputy Chair*
MCTAVISH, Fiona Catherine *(resigned 25 June 2026)*	Bay of Plenty Regional Council BOPLASS Limited McTavish – Huriwai Investments Limited Priority One WBOP Inc GLAMB Limited *SmartGrowth Chief Executive Advisory Group* *Quayside Holdings Limited (Ceased 25 June 2026)* *Quayside Securities Limited (Ceased 25 June 2026)* *Quayside Properties Limited (Ceased 25 June 2026)* *Regional Software Holdings Limited (Ceased 27 November 2025)*	Officer Director Director | Shareholder Executive Board Member Director *Member* *Director* *Director* *Director* *Director*

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2026

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 2026.

Directors

The following directors of Quayside Holdings Limited and its subsidiaries held office during the year ended 30 June 2026:

	Remuneration	
	Paid by parent $000	Paid by subsidiaries $000
M Wynne (Chair)	80	70
S Crosby	35	35
D Fear	45	35
K Horne	45	35
F Whineray	35	35
F McTavish* (resigned 25 June 2026)	-	-
A Grayling (Appointed as BOPRC representative 16 December 2025)	19	19
T White (Ceased term as BOPRC Councillor 20 October 2025)	18	18
Total	**277**	**247**

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 2026

Port of Tauranga

The following directors of Port of Tauranga Limited held office during the year ended 30 June 2026:

	2026 $000	2025 $000
J C Hoare (Chair)	**235**	228
A M Andrew	**150**	136
D J Bracewell	**148**	136
A R Lawrence	**-**	21
D W Leeder*	**92**	115
R A McLeod	**140**	120
F S Whineray	**125**	115
J B Stevens	**138**	127
K L Shirley**	**31**	-
Total	**1,058**	997

**Mr D W Leeder retired 1 April 2026.*

***Mr K L Shirley appointed 1 April 2026.*

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 2026

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:

	Port of Tauranga Limited		Quayside Holdings Limited	
Remuneration range $000	Number of employees 2026	Number of employees 2025	Number of employees 2026	Number of employees 2025
100-109	15	12	-	1
110-119	15	18	-	2
120-129	15	16	-	-
130-139	19	22	2	1
140-149	20	30	2	-
150-159	38	31	2	1
160-169	26	10	-	-
170-179	7	13	-	-
180-189	13	8	-	-
190-199	14	11	-	1
200-209	6	14	-	1
210-219	11	1	-	1
220-229	7	3	1	-
230-239	5	1	1	-
240-249	-	1	-	2
250-259	1	1	-	-
260-269	-	2	1	-
270-279	1	1	-	-
280-289	2	1	1	-
290-299	1	5	1	-
300-309	1	5	-	-
310-319	10	1	-	1
320-329	3	3	-	1
340-349	-	1	-	-
340-350	-	-	1	-
350-359	1	-	-	-
370-379*	1	-	-	-
380-389	-	1	1	-
440-449	-	1	-	-
500-509*	1	1	-	-
550-569	-	-	1	1
600-609*	1	-	-	-
610-619	1	-	-	-
700-709	-	1	-	-
710-719*	1	-	-	-
730-739	-	1	-	-
1,000-1,009*	1	-	-	-
1,030-1,039*	1	-	-	-
1,430-1,439	-	1	-	-
2,220-2,229*	1	-	-	-

**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 2026

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 2026.

Twenty largest holders of perpetual preference shares

Rank	Name	Units at 30 June 2026	% of Units
1	CUSTODIAL SERVICES LIMITED <A/C 4>	51,493,000	25.75
2	JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	32,415,000	16.21
3	FNZ CUSTODIANS LIMITED	22,141,000	11.07
4	FORSYTH BARR CUSTODIANS LIMITED <1-CUSTODY>	16,131,000	8.07
5	BNP PARIBAS NOMINEES (NZ) LIMITED - NZCSD <BPSS40>	6,124,000	3.06
6	NZX WT NOMINEES LIMITED <CASH ACCOUNT>	3,925,000	1.96
7	PUBLIC TRUST - NZCSD <THE ASPIRING FUND>	2,800,000	1.40
8	INVESTMENT CUSTODIAL SERVICES LIMITED <A/C C>	2,546,000	1.27
9	FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 E>	1,877,000	0.94
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
9	JBWERE (NZ) NOMINEES LIMITED <44626 A/C>	1,000,000	0.50
14	KIA INVESTMENTS LIMITED	1,000,000	0.50
15	FNZ CUSTODIANS LIMITED <DRP NZ A/C>	686,000	0.34
16	PHILIP MAURICE CARTER	625,000	0.31
17	STEPHEN LEONARD JOHNS	600,000	0.30
18	JONATHAN AYLMER RATTRAY	515,000	0.26
19	CUSTODIAL SERVICES LIMITED <A/C 12>	489,000	0.24
20	CUSTODIAL SERVICES LIMITED <A/C 6>	464,000	0.23
	Totals: Top 20 holders of perpetual preference shares	**147,831,000**	**73.92**
	Total remaining holders balance	**52,169,783**	**26.08**
	Total	**200,000,783**	**100.00**

Quayside Holdings Limited and Subsidiaries
Statutory Information
For the year ended 30 June 2026

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	162	915,000	0.46
10,000 - 49,999	988	19,927,000	9.96
50,000 - 99,999	245	13,976,000	6.99
100,000 - 499,999	118	18,304,000	9.15
500,000 - 999,999	4	2,426,000	1.21
1,000,000 Over	14	144,452,000	72.23
TOTAL	**1,532**	**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
Directory
For the year ended 30 June 2026

Registered office

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

Postal address

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.

ANNUAL FINANCIAL STATEMENTS

QUAYSIDE
HOLDINGS

Quayside Holdings ©

Quayside Holdings Limited
Level 2, 41 The Strand,
Tauranga 3110, New Zealand