Annual Report
2025

PortTaranaki
the west gate

Contents


Our people come first
We take care of each other and our communities


Integrity guides us
We trust each other and act with respect and honesty, even when it is challenging


We collaborate to succeed
We work as a team, helping each other succeed


We embrace the future
We strive for improvement through innovation and learning

2025 **at a glance**

$54.9m
Revenue

$7m
Dividend paid to Taranaki community

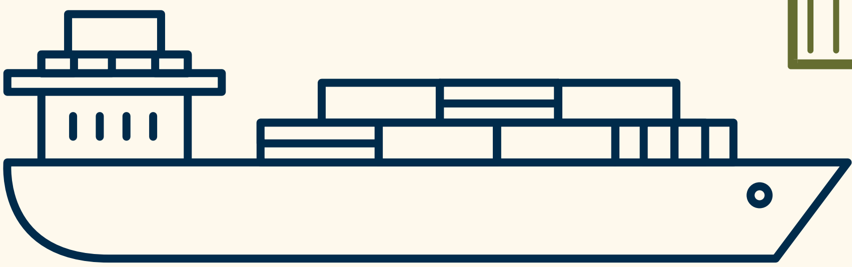
$9.5m
Net profit after tax

115
Port Taranaki team

100%
Owned by the community

21
People leaders
(7 female, 14 male)

4,500
People accessing the port
(weekly average)



241
Vessel visits

3.1m
Tonnes of total trade

Chair & CEO
Report

Proactive approach in challenging times

As a business tied largely to the energy sector, Port Taranaki has been impacted by uncertainty in the 2024-25 financial year – uncertainty around future volumes of energy trade through the port, and continued uncertainty about solutions to address New Zealand energy security, resilience and affordability concerns.

Despite this, or rather because of it, we're taking a proactive approach – engaging with potential energy developers and investors, talking with Government ministers, planning the future shape of our port, and improving our asset management to free up capital for the development of multi-use infrastructure that supports large future energy opportunities.

This ensures that when the regulatory settings are in place and the commercial arrangements have been agreed, our port is ready to play a key supportive role, shortening the lead-time for project delivery.

We are formulating a port development plan, which sets out a number of options for shaping Port Taranaki into a multi-use energy and logistics hub. This includes possible infrastructural and engineering development to support long-life uses across a range of sectors, including new renewable energy (eg offshore and onshore wind), LNG imports, oil and gas exploration, production and decommissioning, forestry, agriculture, tourism, and industrial and commercial development.

Our aims are to enable New Zealand's energy future:
Help ensure energy security, resilience and affordability for New Zealanders; provide industry and investors with long-term infrastructure that can be leveraged to meet growth and profitability targets; promote regional and national development; support the creation of jobs; and help grow the economy, both regionally and nationally.

Through increasing asset utilisation and developing multi-use capabilities for short and long-term energy security, resilience, and affordability, our port will remain a key hub in the New Zealand supply chain, and continue to be a critical economic asset for the Taranaki region.

With this in mind, during the year we broadened our company mission to better encapsulate our focus and direction. It is now 'Enabling trade, fuelling regional growth', which sits under our vision to be 'The Pride of Taranaki'.

You can read more about our plans to become a multi-use energy and logistics hub in 'Enabling New Zealand's energy future' on page 20 of this report.

Jeff Kendrew Chair **Simon Craddock** CEO

Trade and financial result for 2024-25

We're pleased to announce an improved result for the financial year 2024-25. However, as mentioned, it comes with a caveat regarding forecast reduced future bulk liquids volumes through the port.

For the year ended 30 June 2025, Port Taranaki recorded net profit after tax (NPAT) of $9.50 million, up $910,000 on the previous year's normalised NPAT[1] of $8.59m. Revenue was $54.9m, an increase of $892,000 on the $54.01m recorded in 2023-24, driven by strong revenues from bulk dry products and log exports.

A final dividend for the year of $4.00m has been declared by the Board of Directors. This brings to $7.00m the total dividends paid to sole shareholder the Taranaki Regional Council for the 2024-25 year. These dividends help reduce the rates demand for regional ratepayers.

Through targeted cost savings, operating expenses for the year were down $689,000, or 2.1%, to $31.72m. Although personnel costs were higher due to restructuring costs, reductions in insurance, professional services, and repairs and maintenance spend helped to tighten operating expenses further.

While the year-end result is pleasing, and is a reflection of the hard work and resilience of the port team and business, Port Taranaki is focused on containing costs and improving asset management to ensure it is in a strong position to weather forecast reduced bulk liquids volumes and capture new trade opportunities.

Where just a few years ago bulk liquids volumes were at 3.0 million tonnes, making up 60% of total port trade, in 2024-25 bulk liquids were 1.31m tonnes, about 42% of total trade.

While we expect this to stabilise across the next three years, the longer-term forecast is for significant reductions, and we must prepare our port and business for that.

Therefore, we are focused on reducing our costs through smart and targeted changes, containing stay-in-business capital expenditure without compromising safety or infrastructure requirements, and protecting our financial performance.

At the same time we aim to deliver expanded marine services, further diversify revenue streams, enable our business to be in a position to be able to develop multi-use infrastructure, and strengthen and build our team capabilities and cross-team support.

This is underway, as during the year we realigned our landside operations structure to adapt to long-term changes in trade and operations. Eleven new general port operator positions were created – a multi-skilled tiered role that covers wharf services operations, site patrol tasks, and gatehouse services. These new roles align with our aim to be a flexible, agile and efficient business and team.

Like all businesses, we are facing increased costs, and have therefore introduced an infrastructure levy on trade-related infrastructure investment, and revised our commercial arrangements with bulk liquids customers, reflecting reduced liquids volumes through port.

Our prices generally recognise the impact of cost increases on our business and help us maintain an equitable recovery of direct costs associated with port assets, such as insurance, cleaning costs related to trading products, and maintenance costs of Port Taranaki infrastructure.

We thank all our customers for their continued support, and acknowledge that, commercially, it's not easy for our customers as our business gets smaller but unit costs rise.

Trade sector numbers

Total trade through the port for the 2024-25 year was 3.10m tonnes, which was 810,000 tonnes, or 20.7%, down on 3.91m tonnes the previous year.

Trade volumes were heavily impacted by lower bulk liquids volumes, which were down 846,000 tonnes, or 39.2%, to 1.31m tonnes, with methanol down 762,000 tonnes, from 1.28 million tonnes to 518,000 tonnes.

Bulk liquids trade continues to be impacted by declining gas reserves and the pressure on the overall energy sector, which resulted in Methanex idling methanol production for periods during

[1] Normalised NPAT excludes the 28 March 2024 tax changes that removed tax deductions of industrial and commercial buildings with original estimated lives of 50 years or more.

winter 2024 and winter 2025 to sell gas for electricity production.

Ongoing energy security and affordability remain crucial issues that are vital to economic growth, prosperity and social wellbeing. If solutions are not found and enacted quickly, New Zealand risks deindustrialisation, further business closures, and deepening energy hardship.

We welcome the Government's $200 million investment in new gas exploration and hope this provides the industry confidence and rejuvenates offshore activity, as gas remains vital to New Zealand's energy mix.

We continue to work with interested parties to plan how Port Taranaki can utilise its existing infrastructure, and connectivity with national energy assets and pipelines, to enable the importation of LNG, which would provide energy security during dry periods, and provide confidence to businesses dependent on gas.

Commercial considerations, including a market for the gas, are much broader and more complex than the physical infrastructure and operations, and will ultimately determine whether a project proceeds.

At 821,000 tonnes, bulk dry trade for the 2024-25 year was up 67,000 tonnes, or 8.9%, on the previous year. This was a record trade year for bulk dry, outperforming the 819,000 tonnes recorded in 2022. It was driven by the dry summer, which saw increased amounts of animal feed brought in to support the region's farms.

Log trade was up 3,000 Japanese Agricultural Standard (JAS) tonnes, to 948,000 JAS, halting a three-year drop in log throughput.

The decline in total trade, particularly bulk liquids, impacted vessel visits, with 241 recorded in 2024-25, which was 11 fewer than 252 in full year 2024.

During the year, we welcomed four cruise ships across five visits to port. This was two fewer than the previous year, and was a reflection of a nationwide drop in cruise vessel visits because of increased costs, geopolitical issues, and biosecurity regulation pressures.

The reduction is to continue in the 2025-26 season, with just one vessel confirmed to visit Taranaki next summer.

Health and safety

Operating in a dynamic port environment, health and safety is always our top priority, with continuous improvement our focus as we work to ensure all port users get 'safely home – every day'.

In the past year, we have continued to embed our Switch On programme principles and lifesaving rules through regular communication across the business. These are aimed at enhancing our overall safety culture.

We worked through the second phase of our critical risks and critical controls work programme, which included creation of visual risk assessments, or bow ties, for all 12 of our critical risks, identification of our critical controls, and development of draft performance standards for each critical control.

This work caught a significant amount attention from health and safety professionals from a broad range of industries and we have been sharing our journey and learnings widely.

We completed an end-to-end review and update to our

hazard management processes; completed a review and reset of the intent and expectations around our use of the common permit to work system; and navigated the change in regulator for ports landside to Maritime New Zealand.

We're never complacent about health and safety, and our work to improve our processes continues in the new financial year.

Forestry movements

There have been commercial changes in the export forestry sector on-port during the past 12 months.

China Forestry Group New Zealand (CFG), which traded through Port Taranaki, exited the export market to focus on forest ownership and harvesting, selling the on-port debarker to C3. The debarker continues to be operated by McCarthy Transport, and provides efficiencies for exporters who are able to top-load vessels at port.

We thank CFG for their valued custom during the past few years, and their help in growing the export log trade at Port Taranaki, which has developed into a key part of port trade.

We have welcomed a new exporter to port – Mount Pacific Group – and look forward to building a strong relationship with them.

During the fourth quarter, following a comprehensive review encompassing operations, location, and safety protocols, and after consultation with log sector stakeholders, we made the decision to close the Port Taranaki-owned on-port truck gantry service.

Following discussions with third parties, Qube Ports NZ agreed to establish, manage and operate a temporary trailer lift service on port. We thank Qube for setting up this service while other parties develop options for a permanent offsite trailer lift service.

Marine services

Our marine team again demonstrated their skills and professionalism during the year, supporting our offshore customers, including pilotage and marine services during oil offtakes, supply and personnel deliveries, and retrieval and towage of offtake hoses.

At our future port, supporting large energy projects, the skills, knowledge and experience of our marine and landside teams will be vital, so we continue to broaden our teams through training and up-skilling.

We are also actively working to secure new and different lines of marine services that utilise our west coast location, expertise, and vessel fleet, including three tugs.

Community and environment

Being owned by the community through the Taranaki Regional Council, and as a key economic and strategic asset for the region, we aim to help bolster economic growth and provide community support.

In the past year, we've been proud to continue our sponsorship and support of many local groups, organisations and events, including the New Plymouth Community Foodbank and the Taranaki Foundation, and provide and maintain community assets, such as the Lee Breakwater boat ramp and kids' fishing jetty.

We continue to value our relationships with Ngāti Te Whiti hapū and Te Kotahitanga O Te Atiawa, who we have worked alongside on a number of port projects and who provide valuable input, knowledge and advice as our future port takes shape to support new trade opportunities.

Working within the marine environment, we take our environmental responsibilities seriously, and work to improve our operations to help protect and enhance the environment.

In the past year, this has included the installation of a sixth vortex separator system on Blyde Wharf to help prevent log particles from entering the harbour, and an extensive data gathering and modelling programme to form the basis of our application for the renewal of our maintenance dredging consents.

Leadership changes

At the end of June, a key member of the Executive Leadership Team, general manager infrastructure John Maxwell, retired.

John made a significant contribution during his five years at Port Taranaki – providing experience, leadership, and knowledge that will be missed.

We wish John well in his retirement.

We also say thank you and farewell to Tony Parr, who retired as New Plymouth harbour master at the end of June.

Tony took up the role in 2017, having previously been Rear Admiral and Chief of Navy with the Royal New Zealand Navy.

As harbour master, Tony served with integrity, professionalism, and deep commitment to maritime safety. We're grateful for his years of dedicated service and wish him all the very best for the next chapter.

We welcome new harbour master Graham Emmerson to the role and look forward to building a strong relationship with him.

Directors

Wendie Harvey LLB
Jeff Kendrew BE (Elec), MBA (Engineering)
Steve Sanderson MBA
Kathy Meads BCom (Accountancy), FCA
Jamie Tuuta BSc FCA
Charlotte Littlewood MFin, BA (Hons)

Leadership

Alisha Picard - Health and Safety Manager DipHSM, ProfNZISM
John Maxwell - General Manager Infrastructure BSc, PGDip(Quality Management)
Ross Dingle - General Manager Commercial BBS
Simon Craddock - Chief Executive Officer BE (Hons) (Mech), BCom, CMInstD
Pippa Farrell - HR Manager BBus (Employment Relations and Human Resource Management)
Allan Melhuish - Chief Financial Officer BE (Hons) (Electrical and Electronic), PGDipBA, BCA (Hons)
Alex Park - General Manager Operations BSc (Hons) (Maritime Operations Management (Nautical Science))

Highlights

Breakwater wave wall strengthening a long-term investment

We carried out significant strengthening of the wave wall on the Main Breakwater, further protecting vessels and people, and helping prepare the port for future trade opportunities.

The concrete wave wall, which is 5m tall and stretches 170m, provides protection from the prevailing westerly winds and currents.

Seven, 5m tall, 3m long, 15-tonne steel reinforced concrete panels, which were locally engineer-designed and precast off-site, were installed to replace panels damaged by past weather events.

Concrete footings were also installed and further area-specific strengthening added along the length of the existing wall.

The three-month project involved a number of local contractors and port teams.

This work helps to ensure and maintain the supply chain so that our customers and potential customers can continue to safely trade through our port, both now and in the future.

Offshore support services vital for energy production

Our marine and landside teams continued to provide key support services to the offshore energy industry to ensure production is maintained, supplies are delivered, and workers are safely transported.

The marine team provides pilotage and marine services for offtakes at the floating and production storage vessel Raroa at the Maari oil field; supply runs to the Kupe gas field; and launch transfer services for workers at the Pohokura oil and gas platform.

On two occasions during the year, tug Tuakana motored to the Raroa to bring a 230m long offtake hose back to port, where one of our mobile harbour cranes lifted the hose onto Blyde Wharf. On the first retrieval, the hose was repaired and returned to the Raroa. In May, Tuakana brought the old hose to port and towed a new, replacement hose out to site.

This variety of work highlights the skills and experience of our people and the ability of our vessels to support a range of offshore customers and operations safely and efficiently.

Committed to our community

We are 100% owned by the community through the Taranaki Regional Council and are committed to helping our region and community develop and thrive.

We support a number of Taranaki organisations and events, and carry out engagement that tells our story, promotes our region, and our business, infrastructure and abilities.

During 2024-25, we:

- Became an Operational Supporter of the Taranaki Foundation, helping the foundation carry out its work to build a more vibrant and prosperous Taranaki.
- Spoke at the fifth Offshore Renewable Energy Forum and the Taranaki economic update, affirming our commitment to being part of the long-term energy solution by becoming a multipurpose, flexible facility that supports a range of sectors.
- As a key regional partner of the Taranaki Chamber of Commerce, hosted a Chamber Connections event, where local business people learned about the port business and our future vision.
- Installed a 48m long handrail on each side of the public boat ramp jetty at the Lee Breakwater to improve safety, and carried out annual sand removal from the base of the boat ramp and pontoon.
- Proudly sponsored the Health and Safety Excellence Award at the TSB Taranaki Business Excellence Awards, and sponsored the 'hero' show at the Taranaki Arts Festival Spiegel Fest.
- Welcomed a university student on a 10-week engineering internship, during which he received valuable workplace experience, and we visited New Plymouth Boys' High School and spoke to students about a career in ports, shipping and logistics.
- Ticked over five years as sponsor of the New Plymouth Community Foodbank, providing meat packs for families in need; sponsored the Special Children's Extravaganza; and held our Harry Blyde Golf Tournament, which raised funds for Hospice Taranaki.
- Were involved in Taranaki-based marine search and rescue exercises off Port Taranaki, and provided real-world support during a rescue off New Plymouth.
- Sponsored a range of marine-focused organisations and groups, including as principal sponsor of New Plymouth Yacht Club, Coastguard Taranaki, East End Surf Life Saving Club, Surf Life Saving Taranaki, the Ngā Motu Marine Reserve Society for Seaweek, the annual Flannagan Cup open water swim, and provided the venue for the Weet-bix Kids' TRYathlon.
- As a foundation member of Biosecurity Taranaki, supported the group at events and with efforts to protect our environment from biosecurity incursions.

Further developing leadership

'What does it look like to be a leader?' was the focus of leadership training for 24 of our frontline managers, supervisors, and leading hands. The workshops included looking at how you lead yourself, and then how you lead others and the business.

Another eight of our staff from the executive leadership team and tier three leadership undertook a Dare To Lead programme, which focused on vulnerability and developing the emotional side of leadership.

Regular and ongoing leadership training is an important aspect of our business, particularly as we develop and change as a business.

Dredging keeps channel clear for trade

Our regular campaign of biennial maintenance dredging was carried out during the third quarter to ensure the shipping channel and berth pockets remain clear and safe for trade.

A hydrographic survey was completed ahead of the campaign to establish the areas of focus and the approximate amount of sand and sediment to be removed.

The generally warm, settled autumn weather then provided perfect conditions for dredge Albatros to complete the work on time.

Some data gathered from the dredging campaign has been used in the preparation of an application to renew our maintenance dredging consents, issued by the Taranaki Regional Council.

Detailed scientific studies, assessments and modelling have been carried during the past year to ensure we have the best up-to-date information for our application.

We aim to have our new consents in place in 2026.

Storm water upgrade adds storage space, protects environment

The installation of a sixth vortex separator system on Blyde Wharf has provided added flexibility for log exporters while also further helping to protect the marine environment.

We have carried out a long-running programme of work to upgrade the storm water system to help prevent log particles from entering the harbour and enable the 44,000 JAS-capacity wharf to store a mix of bark-on and debarked logs.

The latest project included the excavation of a 50m long strip of wharf, the installation of a vortex separator system and accompanying slot drain for water run-off, and the upgrade and relining of the connecting outfall pipe. We also upgraded and future-proofed other services in the excavated area, including replacing the sewer line and the water line.

It's a great result for the port, the harbour, and exporters – enabling a section of wharf that holds 4,000 JAS to be used for both bark-on and debarked logs.

Shaping our workplace for trade changes

We have realigned our landside operations structure to adapt to long-term changes in trade and operations.

Eleven new general port operator (GPO) positions have been created – a multi-skilled tiered role that covers wharf services operations, site patrol tasks, and gatehouse services. These new roles provide the business with a flexible, agile and efficient team, while providing the team member a pathway for career progression and ongoing training.

To ensure we created roles that best suit our business, the duties required, and our people, we carried out High Performance, High Engagement Interest-based Problem Solving with union representatives and reps from across the business, who provided input and ideas, and helped develop the GPO role.

This valuable process for solving organisational changes or issues, involved five workshops with a facilitator and included jointly identifying and understanding all stakeholders' interests regarding an issue, and then working together to develop solutions.

Pilot launch Mikotahi refurbished

Pilot launch and personnel transfer vessel Mikotahi is a key member of our fleet, so ensuring she remains fit for operation is vital.

In March, the vessel came out of the water for several weeks to undergo comprehensive repairs and maintenance, and for her annual class inspection.

The work began with the removal of the fenders – the yellow fenders and the black wear fender – and the hull surface was sand blasted and painted.

New yellow fenders, made in the Netherlands to the vessel's hull dimensions, were installed, and the majority of the black wear fender was replaced.

Both Mikotahi's jet units were stripped for servicing, and the bucket and steering controls and steering pump were replaced. The saltwater pipe and navigational radar were also repaired.

The comprehensive programme of work was completed efficiently, and Mikotahi successfully passed her inspection before returning to service.

Enhancing our IT capability

Operating a dynamic business that spans scheduling, planning, servicing, infrastructure, logistics, and projects, requires state-of-the-art software and tools that help ensure efficiency, accuracy and cost savings.

During the year, we adopted portfolio, programme, and project management software PM0365 to enable real-time project planning and tracking, resource allocation, risk management, and financial reporting, by centralising project data into a unified dashboard.

It provides a 'single source of truth', addressing project inefficiencies, reducing the reliance on fragmented reporting tools and templates, and enhancing the visibility and alignment of projects with our strategic business goals.

It has enabled data-driven prioritisation of projects, and established common processes for the delivery of our projects, supporting a collaborative approach across departments.

We also strategically upgraded our Maximo asset management system from Version 7.6 to IBM Maximo Application Suite (MAS), ahead of the discontinuation of support for 7.6.

Maximo is vital for managing our assets from acquisition to retirement, and this upgrade allows us to advance our strategic asset maintenance programme, utilising features such as mobile work, digital inspection forms, and advanced scheduling to boost productivity and ensure accurate data capture in the field.

The platform also opens doors to the likes of AI-powered predictive maintenance, providing real-time asset insights and failure forecasting.

Enabling NZ's energy future

Port Taranaki – an energy and logistics hub

New Zealand relies on a mix of energy sources to keep the power on to homes and help businesses and industry grow the economy.

However, the decline in gas supply – central to industrial production – is putting pressure on the electricity market, causing power price rises and threatening long-term deindustrialisation.

Solutions are needed to maintain energy security, resilience and affordability, help meet environmental and sustainability goals, and enable New Zealand's export and industrial economy to grow.

As New Zealand's energy hub, Taranaki must play a key role, and Port Taranaki, as New Zealand's energy gateway, is critical to the delivery of the solutions that will secure our energy future.

We believe there is an opportunity to develop a national energy and logistics hub, here at Port Taranaki, that will help deliver energy security and affordability, while also enabling economic growth, job creation and national prosperity.

Through low-cost capital expenditure on the development and enhancement of our existing port infrastructure, this facility will be a multipurpose, flexible, and critical national hub, supporting:

- Energy product imports and exchange, such as LNG and oil and gas products
- New renewable energy production projects, such as offshore wind production
- Oil and gas exploration and production
- Decommissioning and processing of oil and gas assets
- Mining exports
- Roll-on, roll-off services, potentially providing national resilience for rail ferries and car imports

It will also provide the opportunity for the development of:

- Industrial expansion and national connectivity, via shipping and rail links
- Iwi and hapū partnership and business opportunities
- Forestry exports
- Agribusiness
- Cruise tourism

We are formulating a port development plan that sets out the various options, including detailed engineering requirements and future possible land uses.

To inform this plan, we have engaged with offshore energy developers, international ports that have similar existing infrastructure, and industry specialists to understand the requirements.

We have also engaged with Government, emphasising with ministers the importance and urgency of creating regulatory conditions and providing other means of support that ensure developers and investors can begin planning projects with confidence. This includes minimal initial funding to enable port planning and pre-consenting work to take place.

Ultimately, it will not be Port Taranaki that decides if one or more of these industries proceeds. However, we are out in the community advocating for them and doing work today, including minimal capital investment, that will provide us with a real option to support and enable these industries when they are ready to commit to our region.

Resilience and prosperity through flexibility

Becoming a multipurpose and flexible energy and logistics hub to enable New Zealand's energy future will ensure the long-term sustainability of our port asset, while keeping capital infrastructure costs and investment to a minimum.

The four focus areas of our port development plan are:

- **Wharf and wharfside enhancement**

  Develop wharves and infrastructure to support new industry across multiple sectors, providing economic growth and job creation for Taranaki and New Zealand.

- **Energy infrastructure development**

  Enhance and develop energy facilities and pipeline infrastructure to enable gas importation and integration with the national transmission pipeline (Maui), helping ensure national energy security, resilience and affordability.

- **Land development and optimisation**

  Clear, develop, and procure land for storage, laydown, and industry/business development, enabling new industry, economic growth and job creation.

- **Logistics, connectivity, and inland port development**

  Increase rail line utilisation, develop an inland hub with national supply chain links, and connect and partner with key stakeholders, iwi and hapū on business opportunities.

Through the realisation of this opportunity, we will:

- Help ensure energy security, resilience and affordability.
- Align with the national competitive strategy of promoting the establishment of new enterprises and exports from New Zealand.
- Provide industry and investors long-term infrastructure that can be leveraged to meet growth and profitability targets.
- Promote regional and national development.
- Support the creation of jobs.
- Grow the economy.
- Enhance the national supply chain.
- Help achieve net-zero 2050 energy goals.

The economic and social benefits will be generational and wide-ranging, with new industries established that create jobs, utilise existing skills-based businesses, and help attract further regional and national investment.

Our plans are ambitious, but New Zealand can no longer delay – as a nation we need energy resilience and security quickly, while developing long-term solutions that support wealth and job creation, and help New Zealand achieve a bright and prosperous future.

Port Taranaki is ready to be part of the solution.

Governance

Governance Disclosure

Port Taranaki's Board of Directors is accountable to its Shareholder, the Taranaki Regional Council, regarding how it runs the business, manages risks, reviews and improves performance, and delivers on its promise as set out in the Statement of Corporate Intent.

In discharging its duties, the Board of Directors is committed to high standards of corporate governance and has adopted the following governance objectives:

- To lay solid foundations for management and oversight.
- To structure itself to add value through its composition, size and commitment.
- To promote ethical and responsible decision-making and act ethically and responsibly.
- To safeguard the integrity of its corporate reporting.
- To respect the rights of its Shareholder.
- To recognise and manage risk.
- To remunerate fairly and responsibly.
- To ensure that Port Taranaki acts as a good corporate citizen.
- To promote a company culture that embraces diversity and inclusion.

The Board's conduct, responsibilities and commitments are guided by its Board Charter, which can be found on the Port Taranaki website, and key company policies.

Port Taranaki's Directors are appointed by the Shareholder, and the role of the Board is to effectively represent and promote the interests of the company considering the interests of all stakeholders, with a view to adding long-term value to the company. Having regard to its role, the Board directs and supervises the management of the business and affairs of the company.

Board structure

In accordance with its Board Charter, Board committees are formed when it is efficient or necessary to facilitate decision-making. Each Board committee has a written charter approved by the Board. The members of each Board committee are appointed by the Board based upon the needs of the company, relevant legislative and other requirements, and the skills and experience of the individual Directors. The role, function, charter, performance, and membership of each committee are reviewed by the Board on an annual basis.

The Board has two standing committees: The Audit and Risk Committee (ARC) and the Health, Safety and Environmental Governance Committee (HSEGC).

The primary objective of the ARC is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in all matters related to overseeing the accounting, reporting, audit, compliance, and risks of the company. The members of the ARC are Kathy Meads (Chair), Steve Sanderson, Charlotte Littlewood and Jeff Kendrew (ex officio).

During the year, the Board determined that the HSEGC would comprise all Directors. The HSEGC considers health, safety, and environmental matters. Charlotte Littlewood chairs the HSEGC.

The Board seeks to ensure that any new Directors are appropriately introduced to the Executive Leadership Team and the Company's business, and that all Directors are acquainted with relevant industry knowledge and receive appropriate company documents to enable them to perform their role as a Director.

We recognise the value of professional development, and the need for Directors to remain current in industry and corporate governance matters. Port Taranaki assists Directors with professional development in a number of ways, including an induction programme for new Directors.

The Board Work Plan includes briefings from external parties to upskill the Board on new developments and/or key issues. In FY25, Directors received external presentations covering health and safety (PCBU obligations, Officer obligations and the Institute of Directors' Health and Safety Good Practice Guide), the New Zealand energy market, and the Government's key policy workstreams.

The Board has determined that to operate effectively and to meet its responsibilities, it requires a mix of skills, perspectives, knowledge and competencies. The current mix of skills and experience is considered appropriate for governing the Company.

Attendance at Board meetings

Directors attended the following Board and committee meetings during the year.

Director	Full Board meetings	Audit and Risk Committee	Health, Safety and Environmental Governance Committee
Meetings held	**9**[1]	**3**	**3**[3]
Jeff Kendrew	9	3[2]	3
Kathy Meads	9	3	2
Charlotte Littlewood	9	3	3
Jamie Tuuta	9	-	2
Wendie Harvey	9	-	3
Steve Sanderson	9	3	2

[1] Two Board meetings were limited agenda meetings.
[2] Ex-officio/non-committee members also in attendance.
[3] During the year the Board determined that the HSEGC would comprise all Directors.

Director length of service

Directors' current length of tenure is:

	< 3 years	3-6 years	6+ years
Number of Directors	2	2	2

Director remuneration

At the 2024 Annual Meeting, the Shareholder approved a total Directors' fee pool of $387,000.

During the year ended 30 June 2025, the Board allocated the Directors' fee pool as follows:

Annual fee structure	Financial year 2025	Financial year 2024
Chair	$100,250	$100,250
Sub-committee Chairs	$62,750	$62,750
Director	$53,750	$53,750

Directors' remuneration in respect of the years ended 30 June 2025 and 30 June 2024 paid by the company were as follows:

Directors' remuneration	Financial year 2025	Financial year 2024
Jeff Kendrew	$100,250	$100,250
Charlotte Littlewood	$62,750	$62,750
Kathy Meads	$62,750	$62,750
Jamie Tuuta	$53,750	$53,750
Wendie Harvey	$53,750	$53,750
Steve Sanderson	$53,750	$53,750
	$387,000	**$387,000**

Interests Register

The company maintains an Interests Register in which the Directors' declared interests are recorded. The Directors of the company have declared interests in the following identified entities, as at 30 June 2025.

Director	Interest	Entity
Jeff Kendrew	Shareholder and Director	Sage Investments NZ Limited
	Director	Argon NZ Investments Limited
	Director	Argon NZ Holdings 1 Limited
	Director	Argon NZ Holdings 2 Limited
	Director	Argon NZ Holdings 3 Limited
	Director	Argon NZ Holdings 4 Limited
	Deputy Chair	KiwiRail Holdings Limited
Charlotte Littlewood	Councillor	Taranaki Regional Council
	Trustee	Pukeiti Trust Fund
	Employee	Enable Networks Limited
Kathy Meads	Chair	NZPM Group Limited
	Director/Chair ARC	Shipowners Mutual Protection and Indemnity Association (Luxembourg)
	Director/Chair ARC	2Degrees Group Ltd
	Chair	Burgundy HoldCo Limited (StraitNZ Group)
	Shareholder and Director	Kathy Meads Limited
Jamie Tuuta	Chair	Sealord Group Limited
	Director	Ōtamarākau Ventures GP Limited
	Director	Taranaki Mounga Project Limited
	Director	Dairy Holdings Limited
	Director	Ruapehu Alpine Lifts Limited
	Director	Taranaki Iwi Claims Management Limited
	Director	Te Pakihi O Maru Management Limited
	Director	Pūainuku Vines General Partner Limited
	Director	Pūainuku Pastures General Partner Limited

Director	Interest	Entity
	Director	Pūai Tangaroa General Partner Limited
	Director	Ngaa Rauru Entities
	Director	Te Ātiawa o Te Waka-a-Māui Entities
	Director	Taranaki Whanui Entities
	Director	Ka Uruora Entities
	Shareholder and Director	Ngāti Mutunga Custodian Company Limited
	Shareholder and Director	Māui Toa GP Limited
	Shareholder and Director	Māui Toa Investment Manager Limited
	Shareholder and Director	Ka Uruora Aotearoa Trustee Limited
	Shareholder	Piermont Holdings Limited
	Shareholder	TWL Trust Limited
Wendie Harvey	Director	Aurora Energy Limited
	Director	Eastland Infrastructure Limited
	Director	TAB NZ Limited
	Board Member	Hawke's Bay Regional Recovery Agency
	Director	Unison Networks Limited
	Director	Counties Energy Limited
	Shareholder and Director	Excellence in Business Solutions Limited
Steve Sanderson	Chair and Shareholder	Mitchell Daysh Limited
	Director	Top Energy Limited
	Director	Te Puna Hihiko Risk Limited

Insurance

The company has arranged Directors' and Officers' liability insurance cover for $30.00m to indemnify the Directors against the loss as a result of actions undertaken by them as Directors, provided they operate within the law.

The company has also arranged separate insurance cover for $5.00m for Directors' defence costs in the event any claim against Directors as a result of actions undertaken by them as Directors, provided they operate within the law.

In addition, the company has indemnified Directors for claims made against them to the extent possible in accordance with the Companies Act and the Company's Constitution.

Comparative review

	2025	2024	2023	2022	2021
Operations					
Trade (millions of freight tonnes)					
Imports	0.94	0.89	0.93	1.11	1.18
Exports	2.16	3.02	3.76	3.63	3.92
Total	3.10	3.91	4.69	4.74	5.10
Cargo vessel visits	241	252	293	284	265
Total gross tonnage (GT)(millions)	4.36	5.02	5.86	6.67	6.08
Permanent fulltime employees	115	116	119	115	111
Financial ($millions)					
Revenue	54.90	54.01	57.43	51.46	50.84
Net finance expense	1.82	1.55	1.03	0.60	0.93
Earnings before interest, tax, depreciation, amortisation, maintenance dredging, changes in fair value of hedges, impairments, and gain/loss on assets (EBITDAF).	23.18	21.60	27.46	21.69	21.13
Earnings before interest, subvention payments and taxation (EBIT)	15.05	12.79	20.26	14.62	13.71
Taxation	3.72	4.37	5.36	4.11	3.60
Profit after taxation	9.50	6.88	13.87	9.91	9.18
Dividends	7.00	8.00	8.00	8.00	8.00
Capital expenditure	5.62	11.30	17.02	8.11	5.89
Equity	164.75	163.12	165.04	160.07	156.80
Interest bearing debt	36.50	42.24	37.99	32.33	36.90
Total tangible assets	212.89	216.74	213.14	201.41	202.03
Earnings per share (¢)	18.27	13.21	26.67	19.06	17.64
Ordinary dividends per share (¢)	13.46	15.38	15.38	15.38	15.38
Net assets per share (¢)	316.83	313.69	317.39	307.83	301.53
Average equity (%)	75.75	75.13	77.29	77.63	76.05
Average return on equity (%)	5.80	4.06	8.53	6.26	6.00
Average return on assets (%)	4.42	3.16	6.69	4.86	4.57
Operating cashflow	17.60	16.09	19.44	19.76	15.61
Interest cover (times by profit after taxation)	5.22	4.43	13.47	13.94	9.40

Statement of Corporate Intent

A comparison of the performance targets in the Statement of Corporate Intent for the period 1 July 2024 to 30 June 2025 against actuals for the period 1 July 2024 to 30 June 2025 as required by Section 164 (4) (a) of the Port Companies Act 1998 is shown below.

2024/2025	Target	Actual	Achieved
Total trade volumes (MT)	≥ 3.0	3.1	✓
Non-liquid bulk (MT)	≥ 1.0	1.8	✓
EBITDAF[1] on average total assets (EBITDAF/ATA)	≥ 9.5%	10.6%	✓
Return (NPAT) on average total assets (NPAT/ATA)	≥ 3.9%	4.4%	✓
Return (NPAT) on average shareholder's funds (NPAT/ASF)	≥ 5.3%	5.8%	✓
Equity percentage (ASF/ATA)	≥ 65%	75.7%	✓
Interest coverage ratio (EBITDAF/Total net interest)	≥ 5x	12.7	✓
Dividends $m (minimum p.a)	≥ 8.0	7.0	✗
Environment incidents of harbour pollution	Nil	Nil	✓
Environment compliance with all resource consents	Yes	Yes	✓

ATA - Average Total Assets
NPAT - Net Profit After Tax
ASF - Average Shareholder Funds

[1]EBITDAF is Earnings before interest, tax, depreciation, amortisation, maintenance dredging, changes in fair value of hedges, impairments, and gain/loss on assets. EBITDAF is a non-GAAP profit measure that provides a consistent measure of PTL's operating performance and is closely monitored by Management and the Board.

Financial statements

FOR THE YEAR ENDED 30 JUNE 2025

KEY

Subsequent events

Key estimates and judgements

Key risks

These financial statements

These financial statements are grouped into broad categories the Directors consider the most relevant when evaluating the performance of Port Taranaki Limited (PTL, also referenced to as the Parent Company) and its subsidiary (together referred to as the Group or PTL Group).

The sections are: 'Financial statements'; 'About this report'; 'Significant matters in the financial year'; 'Our performance'; 'Our assets'; 'Our funding'; 'Our financial risk management'; and 'Other disclosures'.

Each section sets out the accounting policies applied in producing the relevant statements and notes, along with details of any key judgements and estimates used.

The text boxes provide commentary on each section or note.

Contents

Financial statements

FOR THE YEAR ENDED 30 JUNE 2025

Consolidated statement of profit or loss

	Note	2025 $000	2024 $000
Total operating revenue	A1	54,903	54,011
Total operating expenses	A2	31,719	32,408
Earnings before interest, tax, depreciation, amortisation, maintenance dredging, changes in fair value of hedges, impairments, and gains or losses on sale of assets (EBITDAF)	**A3**	**23,184**	**21,603**
Depreciation, amortisation, and maintenance dredging	A3	8,120	8,808
Impairment of property, plant and equipment	A3	-	-
Net (gain) / loss on sale of property, plant and equipment	A3	15	7
Earnings before interest and tax		**15,049**	**12,788**
Net finance expense	A3	1,824	1,545
Profit before tax		**13,225**	**11,243**
Tax expense	A4	3,724	4,368
Profit after tax		**9,501**	**6,875**
Earnings per share from operations attributable to the shareholder			
Profit after tax		9,501	6,875
Number of ordinary shares ('000's)		52,000	52,000
Basic and diluted earnings per share (cents)		18.27	13.22

Consolidated statement of comprehensive income

	Note	2025 $000	2024 $000
Profit after tax		**9,501**	**6,875**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Revaluation of property, plant and equipment (net of tax)	C4	-	-
Change in cash flow hedge reserve (net of tax)	C4	(869)	(799)
Total other comprehensive income		**(869)**	**(799)**
Total comprehensive income		**8,632**	**6,076**

The notes to the financial statements form an integral part of these financial statements

Financial statements

AS AT 30 JUNE 2025

Consolidated statement of financial position

	Note	2025 $000	2024 $000
Cash and cash equivalents		1,465	1,567
Trade and other receivables	B10	7,664	7,497
Non-current assets held for sale	B3	-	530
Inventories	B11	1,003	985
Pre-paid taxation		-	1,124
Total current assets		**10,132**	**11,703**
Property, plant and equipment	B1	202,740	205,034
Right of use assets		1,271	626
Intangible assets	B2	155	260
Derivative financial instruments	D2	-	1,266
Total non-current assets		**204,166**	**207,186**
Total assets		**214,298**	**218,889**
Trade and other payables	C7	4,175	6,744
Employee benefit provisions		1,797	1,796
Lease liability		62	72
Borrowings	C5	75	133
Taxation payable		1,344	-
Total current liabilities		**7,453**	**8,745**
Borrowings	C5	36,425	42,111
Employee benefit provisions		453	443
Lease liability		1,318	631
Derivative financial instruments	D2	37	-
Deferred tax liability	A5	3,863	3,842
Total non-current liabilities		**42,096**	**47,027**
Total liabilities		**49,549**	**55,772**
Share capital	C2	26,000	26,000
Reserves	C4	67,423	68,292
Retained earnings		71,326	68,825
Shareholder's equity		**164,749**	**163,117**
Total liabilities and shareholder's equity		**214,298**	**218,889**

For and on behalf of the Board of Directors who authorised the issue of these financial statements on 14 August 2025.

Jeff Kendrew
CHAIR

Kathy Meads
CHAIR OF THE AUDIT AND RISK COMMITTEE

The notes to the financial statements form an integral part of these financial statements

Financial statements

FOR THE YEAR ENDED 30 JUNE 2025

Consolidated statement of changes in equity

	Note	Issued capital $000	Retained earnings $000	Revaluation reserve $000	Cash flow hedge reserve $000	Total equity $000
As at 1 July 2023		**26,000**	**69,950**	**67,510**	**1,581**	**165,041**
Changes in shareholder's equity for 2024						
Profit after tax		-	6,875	-	-	6,875
Other comprehensive income		-	-	-	(799)	(799)
Transfer of revaluation reserve on asset disposal			-	-		
Dividends	C3	-	(8,000)	-	-	(8,000)
As at 30 June 2024		**26,000**	**68,825**	**67,510**	**782**	**163,117**
Changes in shareholder's equity for 2025						
Profit after tax		-	9,501	-	-	9,501
Other comprehensive income		-	-	-	(869)	(869)
Transfer of revaluation reserve on asset disposal		-	-	-	-	-
Dividends	C3	-	(7,000)	-	-	(7,000)
As at 30 JUNE 2025		**26,000**	**71,326**	**67,510**	**(87)**	**164,749**

The notes to the financial statements form an integral part of these financial statements

Financial statements

FOR THE YEAR ENDED 30 JUNE 2025

Consolidated statement of cash flows

	2025 $000	2024 $000
Cash flows from operating activities		
Receipts from customers	63,111	62,139
Gross interest received	52	1,296
Payments to suppliers and employees	(42,692)	(38,617)
Gross interest paid	(1,870)	(2,784)
Income tax paid	(850)	(5,944)
Net cash flows from operating activities	17,751	16,090
Cash flows from investing activities		
Sale of property, plant and equipment (net of disposal costs)	620	(33)
Purchase of property, plant and equipment, and software	(5,734)	(10,809)
Capitalised labour and interest on purchase of property, plant and equipment	-	(491)
Net cash flows from investing activities	(5,114)	(11,333)
Cash flows from financing activities		
Borrowings drawn	12,200	37,290
Borrowings repaid	(17,800)	(33,090)
Dividends paid	(7,000)	(8,000)
Lease payments	(139)	(68)
Net cash flows from financing activities	(12,739)	(3,868)
Net increase/(decrease) in cash and cash equivalents	(102)	889
Cash and cash equivalents at the beginning of the year	1,567	678
Cash and cash equivalents at the end of the year	1,465	1,567
Reconciliation of profit after tax to net cash flows from operating activities		
Profit after tax	9,501	6,875
Plus: Movements in non-cash items		
Depreciation, amortisation, and maintenance dredging	8,120	8,808
Impairment	-	-
Deferred tax balances	21	2,514
Sale of property, plant and equipment	-	-
Plus: Movements in operating assets and liabilities		
Trade and other receivables	(104)	(257)
Inventories	(18)	(15)
Provisions	11	166
Trade and other payables	(2,687)	2,026
Interest payable	59	187
Tax payable	2,833	(4,221)
Plus / (Less): Movements related to investing activities		
Movement in property, plant and equipment creditors	15	7
Net cash flows from operating activities	17,751	16,090

The notes to the financial statements form an integral part of these financial statements

About this report

FOR THE YEAR ENDED 30 JUNE 2025

In this section

The notes to the financial statements include information which is considered relevant and material to assist the reader in understanding changes in the Group's financial position or performance. Information is considered relevant and material if:

- the amount is significant because of its size and nature;
- it is important in the application of the Group's accounting policies;
- it is important for understanding the results of the Group;
- it helps explain changes in the Group's business; or
- it relates to an aspect of the Group's operations that is important to future performance.

The port

Port Taranaki Limited (PTL, also referred to as the Parent Company) operates the only deep water port on the west coast of New Zealand and services bulk liquids (serving the nation's energy sector), dry bulk (fertiliser, stock feed and cement), logs and general cargo. Commercial activities include the provision of: (i) marine and cargo services; (ii) logistics services (including offshore support); and (iii) property and storage services. These are considered under three integrated performance obligations: (i) marine and cargo services revenue; (ii) logistic services revenue; and (iii) property revenue.

The financial statements of the Group for the year ended 30 June 2025 comprise the Parent Company and its subsidiary (together referred to as the Group).

In accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') Parent Company disclosures are not required.

PTL is a port company under the Port Companies Act 1988 and is incorporated under the Companies Act 1993.

The Group's parent and sole shareholder is the Taranaki Regional Council (TRC) and was, at all times, during the financial year.

The Parent is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 2-8 Bayly Road, Moturoa, New Plymouth 4310.

Key accounting judgements and estimates

In applying the Group's accounting policies and in the application of NZ IFRS, the Group makes a number of judgements, estimates and assumptions. The estimates of underlying assumptions are based on historical experience and various other factors that are considered to be appropriate and reasonable under the circumstances. Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Judgements and estimates which are considered material to understanding the performance of the Group are found in the following notes: A2 Operating expenses; A4 Tax; A5 Deferred tax liability; B4 Impairment of non-financial assets; B5 Recognition and measurement; B8 Depreciation; and B9 Provision.

Basis of preparation

These financial statements have been prepared:

- In accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') and other applicable Financial Reporting Standards, as appropriate for a for-profit entity. These financial statements also comply with IFRS. The Group is a for-profit entity for the purpose of complying with NZ GAAP.
- In accordance with the requirements of the Port Companies Act 1988 and the Financial Reporting Act 2013.
- On the basis that the Group is a going concern.
- On a historical cost basis, except for land, and derivatives held at fair value, as identified in the accompanying notes.
- Using the same accounting policies for all reporting periods presented, unless otherwise stated.
- On a Goods and Services Tax (GST) exclusive basis except receivables and payables, which include GST where GST has been invoiced.
- In New Zealand dollars, rounded to the nearest thousand ($000), unless otherwise stated.

Basis of consolidation

The Group financial statements comprise the financial statements of PTL and its subsidiaries, as contained in Note E5 Subsidiaries. The financial statements of members of the Group are prepared for the same reporting period as the Parent Company, using consistent accounting policies. In preparing the Group financial statements, all material intra-group transactions, balances, income and expenses have been eliminated. Subsidiaries are consolidated from the date on which control is obtained to the date on which control is lost.

Significant matters in the financial year

FOR THE YEAR ENDED 30 JUNE 2025

In this section

Significant matters which have impacted the Group's financial performance.

Electricity market conditions

During the year there were significant periods of low hydro lake storage. As a result of this "hydro stress", coupled with ongoing tightness in the gas markets, Methanex New Zealand Limited (Methanex) sold gas into the power generation market and, for a period, ceased methanol production at its Motunui plant. This impacted PTL's bulk liquids trade and triggered a renegotiation of the Wharfage Services Agreement (WSA) between PTL and Methanex. Under the revised WSA, PTL receives an increased wharfage rate and payment when the Methanex plant is idled to sell gas into the power generation market.

A
Our performance

In this section

This section explains the financial performance of the Group, providing additional information about individual items from the statement of profit or loss, including:

- material accounting policies, judgements and estimates that are relevant for understanding items recognised in the statement of profit or loss; and
- analysis of the Group's performance for the year by reference to key areas including: operating revenue, operating expenses and tax.

A1 Operating revenue

	2025	2024
Marine and cargo services revenue	40,149	40,916
Logistics services revenue	1,949	2,146
Property revenue	10,374	9,667
Other income	2,431	1,282
Total operating revenue	**54,903**	**54,011**

Revenue recognition

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. Payment terms for all revenue from contracts with customers are typically the 20th of the month following invoice. Revenue is shown, net of GST, rebates and discounts. Revenue is recognised as follows:

- Marine and cargo services revenue relates to integrated performance obligations for the provision of channel navigation, towage, mooring, transfer, processing and storage of cargo. Marine and cargo services revenue is recognised over time when the services are rendered. The transaction price for Marine and cargo services is determined by the relevant tariff or specific customer contract. As the Group has the right to payment corresponding to the Group's completed performance, the Group recognises revenue for the amount to which it has a right to invoice.
- Logistics services revenue relates to the provision of logistics services including equipment hire. The identified performance obligations are satisfied when the services are rendered. The transaction price for logistic services is determined by the relevant tariff or specific customer contract. As the Group has the right to payment corresponding to the Group's completed performance, the Group recognises revenue for the amount to which it has a right to invoice.
- Property revenue is from property leased under operating leases and is recognised in the statement of profit or loss on a straight line basis over the term of the lease.
- Other income is recognised when the right to receive payment is established.

A2 Operating expenses

	2025	2024
Employee expenses	18,389	17,404
Repairs and maintenance	3,799	4,128
Other expenses	9,531	10,876
Total operating expenses	**31,719**	**32,408**
Included within other expenses are:		
Auditor's remuneration		
Statutory audit of the financial statements	137	153
Disbursements	20	18
OAG charges	11	11
Other non-assurance		
Climate risk assessment	-	96
Greenhouse gas emissions report assurance readiness	5	20
Total remuneration to auditors	**173**	**298**

Employee expenses

Provisions are made for benefits owing to employees in respect of wages and salaries, annual leave, long service leave and retirement allowances. Provisions are recognised when it is probable that they will be settled and can be measured reliably. They are carried at the remuneration rate expected to apply at the time of settlement.

Contributions to defined contribution plans were $577 thousand in 2025 (30 June 2024: $613 thousand).

A3 EBITDAF reconciliation

	Note	2025	2024
EBITDAF		23,184	21,603
Maintenance dredging (depreciation and other expenses)	B1, B8	948	1,417
Depreciation	B1, B8	7,066	7,155
Amortisation		106	236
Net (gain) / loss on sale of property, plant and equipment		15	7
Interest revenue		(52)	(53)
Interest expense		1,876	1,598
Profit before tax		**13,225**	**11,243**
Tax expense	A4	**3,724**	**4,368**
Profit after tax		**9,501**	**6,875**

EBITDAF definition

EBITDAF is earnings before interest, tax, depreciation, amortisation, maintenance dredging, change in fair value of hedges, impairments, and gains or losses on sale of property, plant and equipment. EBITDAF is a non-GAAP profit measure that is used internally by Management and the Board to provide insight into the Group's operating performance as it allows the evaluation of the Group's operating performance without the non-cash impacts of depreciation, amortisation, fair value movements of hedging instruments and other one-off or infrequently occurring events and the effects of the Group's capital structure and tax position.

EBITDAF does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities..

A4 Tax

	2025	2024
Profit before tax	13,225	11,243
Tax expense calculated at 28%	3,703	3,148
Tax effect of non-deductible expenses in profit before tax	(106)	14
Timing differences current period	(236)	1,213
Prior year under/(over) provision of income tax expense	363	(7)
	3,724	**4,368**
Current tax expense	3,338	1,592
Deferred tax expense	386	2,776
Total tax expense	**3,724**	**4,368**

Tax

Tax expense comprises current tax expense and deferred tax expense, calculated using the tax rate enacted or substantially enacted at balance date and any adjustments to tax payable in respect of prior years. Tax expense is recognised in the statement of profit or loss except when it relates to items recognised directly in other comprehensive income.

A5 Deferred tax liability

	Property, plant and equipment	Derivative financial	Other	Total
Balance at 1 July 2023	2,039	615	(1,327)	1,327
Recognised in the statement of profit or loss	2,545	-	231	2,776
Recognised in other comprehensive income	-	(261)	-	(261)
Balance at 30 June 2024	**4,584**	**354**	**(1,096)**	**3,842**
Recognised in the statement of profit or loss	275	-	111	386
Recognised in other comprehensive income	-	(365)	-	(365)
Balance at 30 June 2025	**4,859**	**(11)**	**(985)**	**3,863**

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes.

A deferred tax asset and/or liability is calculated using the tax rates expected to apply when the asset is expected to be recovered or the liability settled, based on those tax rates enacted at balance date.

A deferred tax asset is recognised when it is probable that future taxable profit will be available to use the asset. This is reviewed at each balance date and adjustments are made to the extent that it is no longer probable that future taxable profit will be available.

B
Our assets

In this section

This section explains the assets that the Group uses in its business to generate operating revenue. In this section there is information about:

- property, plant and equipment; intangible assets; trade receivables; and inventory; and
- impairment of non-financial assets; provisions; capital commitments; and capitalised interest.

B1 Property, plant and equipment

	Land	Wharves and breakwaters	Buildings	Port services and equipment	Dredging	Capital works in progress	Total
Cost							
Balance at 1 July 2023	97,406	30,365	33,458	117,828	25,620	8,882	313,559
Additions	(530)	3,062	1,311	12,774	-	9,852	26,469
Disposals	-	-	-	(3,366)	-	-	(3,366)
Capitalisation	-	-	-	-	-	(15,918)	(15,918)
Balance at 30 June 2024	**96,876**	**33,427**	**34,769**	**127,236**	**25,620**	**2,816**	**320,744**
Additions	-	744	84	2,859	2,265	5,626	11,578
Disposals	-	(10)	(3,185)	(1,053)	-	-	(4,248)
Capitalisation	-	-	-	-	-	(5,847)	(5,847)
Balance at 30 June 2025	**96,876**	**34,161**	**31,668**	**129,042**	**27,885**	**2,595**	**322,227**
Accumulated depreciation							
Balance at 1 July 2023	-	(20,278)	(18,819)	(65,967)	(5,545)	-	(110,609)
Depreciation reversal from disposals	-	-	-	3,361	-	-	3,361
Depreciation expense	-	(495)	(812)	(5,770)	(1,385)	-	(8,462)
Balance at 30 June 2024	**-**	**(20,773)**	**(19,631)**	**(68,376)**	**(6,930)**	**-**	**(115,710)**
Depreciation reversal from disposals	-	-	3,121	991	-	-	4,112
Depreciation expense	-	(510)	(702)	(5,762)	(915)	-	(7,889)
Balance at 30 June 2025	**-**	**(21,283)**	**(17,212)**	**(73,147)**	**(7,845)**	**-**	**(119,487)**
Carrying value							
At 30 June 2024	96,876	12,654	15,138	58,860	18,690	2,816	205,034
At 30 June 2025	96,876	12,878	14,456	55,895	20,040	2,595	202,740

B2 Intangible assets

	Software
Cost	
Balance at 1 July 2023	4,673
Additions	219
Disposals	(371)
Balance at 30 June 2024	**4,521**
Additions	-
Disposals	-
Balance at 30 June 2025	**4,521**

Accumulated depreciation	
Balance at 1 July 2023	(4,396)
Depreciation reversal from disposals	371
Depreciation expense	(236)
Balance at 30 June 2024	**(4,261)**
Depreciation reversal from disposals	-
Depreciation expense	(105)
Balance at 30 June 2025	**(4,366)**

Carrying value	
At 30 June 2024	260
At 30 June 2025	155

Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software into use. Costs directly associated with the production of identifiable and unique software products that will generate economic benefits beyond one year are also recognised as intangible assets. These costs are amortised over their useful lives on a straight-line basis. Costs associated with maintaining computer software programs and Software as a Service costs are recognised as an expense as incurred.

B3 Non-current assets held for sale

Non-current assets are classified as held for sale if the carrying amount will be recovered through a sales transaction rather than through continuing use.

Land classified as held for sale is measured at fair value.

During the year the Group sold land that was identified as excess to its requirements in FY24. There were no assets held for sale at year end.

B4 Impairment non-financial assets

The Group reviews the recoverable amount of its tangible and intangible assets at each balance date. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of future cash flows expected to be generated by the assets (also known as value in use). If the carrying value of an asset exceeds the recoverable amount, an impairment expense is recognised in the statement of profit or loss. However, if the assets are carried at a revalued amount, the impairment is treated as a revaluation decrease in equity to the extent they reverse. Any reversal of previous losses is recognised immediately in the statement of profit or loss, unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase in equity. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identified cash flows.

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. Dredging is reviewed for impairment when it is considered that events may have diminished the depth of any previous dredging. Carrying value in 2025 is $17.9m (2024 $17.9m).

B5 Recognition and measurement

All property, plant and equipment is initially measured at cost and subsequently stated at either fair value or cost less accumulated depreciation and any impairment losses. Borrowing costs are capitalised as part of a qualifying asset.

Fair value and revaluation of land

Land is measured at fair value, based upon periodic valuations by external, independent valuers. The Group undertakes revaluation reviews with sufficient regularity (typically three-yearly) to ensure the carrying value does not differ significantly from fair value. If there are indicators that the fair value may differ materially from its carrying value, a revaluation outside the typical three-year cycle is undertaken. Inputs used in the valuation are comparable sales evidence for the group's land, and if required, rental earning capacity of the land, which are observable inputs.

Land was revalued at 30 June 2023 by Telfer Young from CBRE, New Plymouth. Telfer Young is an independent valuer. The amount of land used in this report amounts to $97.41 million using a combination of the direct sales comparison approach and the rental returns approach methodology. In regards to fair value hierarchy, this is considered level 2 as defined by NZ IFRS 13. No explicit adjustments in respect of climate change matters were made.

Land assets have been valued on their highest and best use taking into account the existing zoning, potential for utilisation and localised port market. All land holdings are used or held for port operational requirements and as such are valued under the requirements of NZ IAS 16 using fair value (market value).

	2025	2024	2025	2024
	Cost	Cost	Fair Value	Fair Value
Land	29,961	29,961	96,876	96,876

The land valuation approach requires the determination of a price per square metre for different land parcels. This requires judgement. Further judgement is required in determining the quantum of usable land, which determines land value. The accompanying table sets out a sensitivity analysis for the carrying value of land.

Key input to measure fair value	Significant assumption	Sensitivity	Impact on valuation ($000)
Prime quayside	$330/m^2$	+/- 5%	+/- $853
Port operational	$285/m^2$	+/- 5%	+/- $1,047
Eastern reclamation*	$269/m^2$	+/- 5%	+/- $1,291
Ex power station*	$200/m^2$	+/- 5%	+/- $1,163
Road allocation	228,218/m^2	+/- 10%	-/+ $5,212

* weighted average

B6 Commitments

	2025	2024
Capital commitments	2,969	4,070

Estimated capital expenditure contracted for at balance date includes: maintenance dredging.

B7 Capitalised interest

	2025	2024
Capitalised borrowing costs	39	241
Average capitalisation rate	4.91%	4.44%

Borrowing costs incurred during construction/assembly of major capital projects are capitalised as part of the initial cost of the respective assets.

B8 Depreciation

Property, plant and equipment, and intangible assets other than land and capital dredging are depreciated on a straight line basis over their estimated useful lives.

Determining the remaining useful lives requires judgement and estimates. These are reviewed on an ongoing basis and take into account physical, economic and environmental factors, including but not limited to asset condition and obsolescence, technology changes and climate change. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

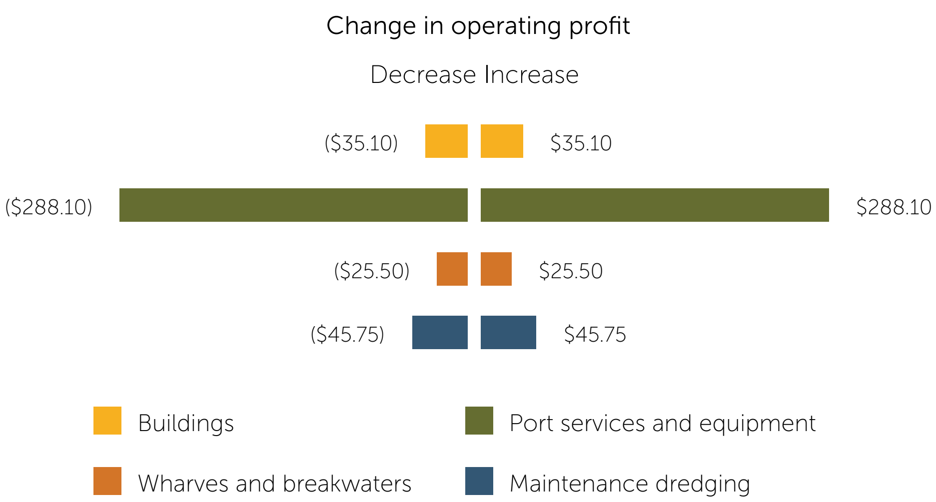
We have considered the impact of climate change on sea level rise and the impact that this may have on our wharves, breakwaters and other assets. Based on current assessment we are not currently anticipating any reduction in the useful lives of those assets.

Asset class	Depreciation method	Useful lives (years)
Land	Nil	Nil
Wharves and breakwaters	Straight line	4 to 66
Buildings	Straight line	5 to 45
Port services and equipment	Straight line	2 to 50
Dredging:		
Maintenance dredging	Straight line	2
Capital dredging	Nil	Nil

After a successful dredging campaign during the year the next maintenance dredging campaign is scheduled for early 2027.

Depreciation sensitivity

The sensitivity below shows the effect of changing the estimated useful life of depreciable assets by 5% on profit after tax.



B9 Provisions

Under their Fire Fighting Chemicals Group Standard 2021 HSR002573, the Group was required by the Environmental Protection Authority to dispose of non-compliant firefighting foam. Disposal of this non-compliant firefighting foam was completed during the year. Consequently at 30 June 2025 there was no provision. At 1 July 2024 the remaining provision was $670 thousand to dispose of the remaining non-compliant foam.

B10 Trade and other receivables

Trade and other receivables are recognised initially at the value of the invoice sent to the customer (fair value) and are subsequently carried at amounts considered recoverable (amortised cost). The collectability of trade and other receivables is reviewed on an on-going basis.

In FY24 the Group made a $180 thousand provision for an overdue trade receivable. During the year the debtor repaid its overdue trade receivable in full. At year end there were no allowances for credit losses. Receivables are written off at the point where the Group believes there is no reasonable expectation of recovery, which is typically a combination of an overdue amount, no communication or response from the debtor, and no payments received.

B11 Inventories

Raw materials and stores, work in progress and finished components are stated at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price upon recognition of obsolescence, degradation or damage to inventory. All inventory is consumed in the Group's operational and capital expenditure programmes.

C
Our funding

In this section

This section outlines how the Group manages its capital structure, its funding sources and how dividends are returned to the shareholder. In this section there is information about:

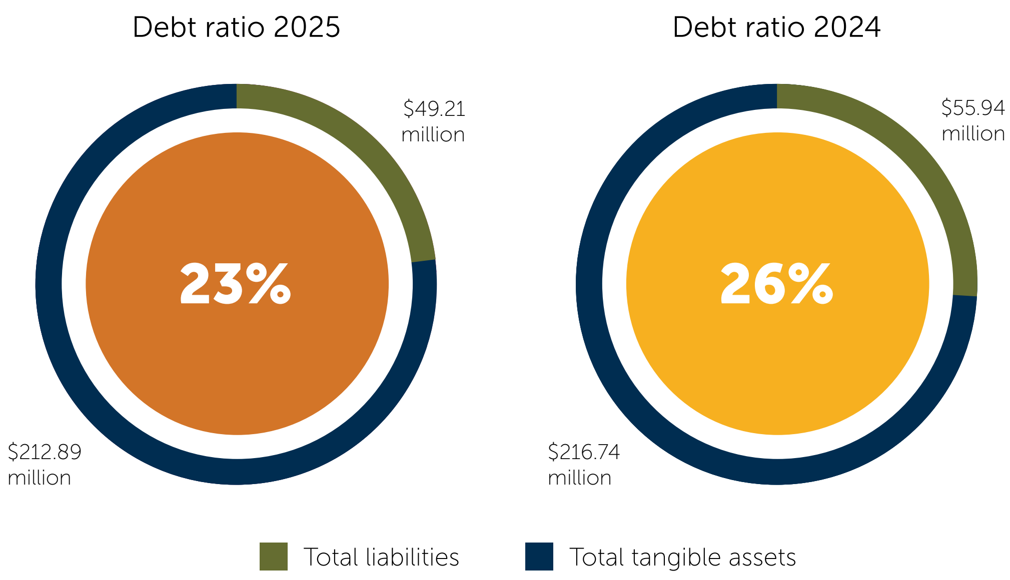
- capital structure;
- shareholder's equity and dividends;
- borrowings and banking covenants; and
- reserves; and trade payables.

C1 Capital structure

The Group's policy is to maintain a stable and strong capital base, so as to maintain investor and creditor confidence and sustain the business development of the Group and safeguard its ability to remain a going concern.

The Group regularly monitors its capital requirements and its compliance with its financial covenants.

To manage its capital base and to comply with its financial covenants, the Group uses various means including: (i) adjusting the amount of dividends paid to shareholder; (ii) amending its capital programme; (iii) selling assets; and/or (iv) raising or repaying debt. The Group is subject to the capital requirements imposed by the Group's Revolving Cash Advances Facility with the ASB Bank Limited. This requires the Group to maintain its debt ratio, one of its funding covenants, at less than 50%. The Group actively manages its debt to its internal treasury policy, which sets a target gearing ratio of less than 35%.



C2 Share capital

	Shares (000) 2025	Shares (000) 2024	Issued capital 2025	Issued capital 2024
Share capital (issued and fully paid)	52,000	52,000	26,000	26,000

C3 Dividends

	Cents per share	2025	Cents per share	2024
Final ordinary dividend	5.77	3,000	8.65	4,500
Interim ordinary dividend	7.69	4,000	6.73	3,500
Total dividends		**7,000**		**8,000**

Subsequent event — dividend declared

On 14 August 2025, the Board resolved to pay a final dividend of $4.0 million at 6.73 cents per share on 10 October 2025. On 14 August 2025, the Company held $33.33 million imputation credits.

Imputation credit account

	2025	2024
Imputation credits available for future use	33,121	30,943

C4 Reserves

	2025	2025	2025	2024	2024	2024
	Revaluation reserve	Cash flow hedge reserve	Reserves	Revaluation reserve	Cash flow hedge reserve	Reserves
Balance 1 July	67,510	782	68,292	67,510	1,581	69,091
Movements in other comprehensive income (net of tax)	-	(869)	(869)	-	(799)	(799)
Transfer from revaluation reserve on asset disposal	-	-	-	-	-	-
Balance 30 June	**67,510**	**(87)**	**67,423**	**67,510**	**782**	**68,292**

Nature of revaluation reserve

The asset revaluation reserve arises from the revaluation of land. Where revalued land is sold, that portion of the asset revaluation reserve which relates to that asset and is effectively realised is transferred directly to retained earnings.

Nature of cash flow hedge reserve

The cash flow hedge reserve comprises the effective portion of the cumulative net change in fair value of cash flow hedging instruments, related to hedged transactions that have not yet occurred.

C5 Borrowings

	Facility 2025	Drawn 2025	Un-drawn 2025	Facility 2024	Drawn 2024	Un-drawn 2024
Current secured loans	-	75	-	-	133	-
Non-current secured loans	-	36,425	-	-	42,111	-
Total	**65,000**	**36,500**	**28,500**	**65,000**	**42,244**	**22,756**

The borrowings in the statement of financial position include accrued interest.

The Group's borrowings with ASB Bank Limited are secured by way of a general security deed granting a security interest over its personal property, a fixed charge over its other property and a mortgage over its land and buildings. The Group's borrowings with ASB Bank Limited comprise three separate facilities all of which expire on 29 June 2027 (refer to Note E4).

The Group recognises as an expense within the statement of profit or loss all borrowing costs incurred, with the exception of interest costs associated with capital projects (refer to Note B7).

C6 Banking Covenants

The Group has complied with all banking covenants in the year.

The Group is subject to two financial undertakings (an interest cover ratio and a debt ratio) under its Revolving Cash Advances Facility with the ASB Bank Limited and an event of default occurs if the Group does not comply with these financial undertakings. The financial undertakings are tested six monthly, within 60 days after the end of the financial half-year and the financial year.

C7 Trade and other payables

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost. The directors consider that the carrying amount of trade and other payables approximates to their fair value due to their short term nature.

D
Our financial risk management

In this section

In its ordinary course of business, the Group is exposed to financial risk. This section explains the financial risks that the Group faces, how these risks can affect the Group's financial performance and position, and how the Group manages these risks.

The Group is exposed to the following financial risks:
- interest rate risk;
- credit risk; and
- liquidity risk.

D1 Risk management

The Board has overall responsibility for establishing, monitoring and overseeing the Group's risk management framework. The Board has established an Audit and Risk Committee whose responsibilities include risk management, statutory compliance and financial management and control.

The Group does not enter into, or trade financial instruments, including derivative financial instruments for speculative purposes.

D2 Interest rate risk

Nature of the risk

Interest rate risk is the risk that movements in interest rates impact the Group's financial performance or the fair value of its financial hedging instruments.

Exposure

The interest rate on the Group's bank debt is floating and therefore the Group is exposed to movements in interest rates and these may impact the Group's financial performance.

Risk management

The Group has managed cash flow interest rate risk through interest rate swaps. At balance date, active hedges covered 74% (2024: 76%) of the Group's borrowings.

The Group can also apply surplus funds against the Group's borrowings or by investing these funds on a short-term basis until they are required.

Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to interest rate risks arising in its activities. Derivative financial instruments are not held for trading purposes. Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the statement of comprehensive income. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the hedging relationship.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in the cash flow hedge reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the statement of comprehensive income. The effective portion of changes in fair value of hedging instruments is accumulated in the cash flow hedge reserve as a separate component of equity. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method. The notional amount of the hedging instrument must match the designated amount of the hedged item for the hedge to be effective.

Sources of hedge ineffectiveness are:
- Material changes in credit risk that affect the hedging instrument but do not affect the hedged item.
- Drawn liabilities that fall below the hedging amount, causing the hedge ratio to exceed 100%.

If the hedging instrument no longer meets the criteria for hedge accounting, expires, or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in the hedging reserve remains there until the highly probable forecast transaction, upon which the hedging was based, occurs.

Fair value	2025 Notional amount	2024 Notional amount	2025 Fair value	2024 Fair value
Interest rate swap asset	27,000	32,000	26,963	33,266
Interest rate swap liability	(27,000)	(32,000)	(27,000)	(32,000)
Forward contract asset	-	-	-	-
Forward contract liability	-	-	-	-
Facility fees	-	-	-	-
Netted derivative instruments	**-**	**-**	**(37)**	**1,266**

Borrowings — measurement and recognition

Borrowings are recognised initially at the fair value of the drawn facility amount, net of transaction costs paid. Borrowings are subsequently stated at amortised cost using the effective interest method. Any borrowings which have been designated as hedged items are carried at amortised cost plus a fair value adjustment under hedge accounting requirements. The fair value of the current loans and term loans are estimated based upon the market prices available for similar debt securities obtained from the lender at balance sheet date.

Fair value	2025 Carrying amount	2024 Carrying amount	2025 Fair value	2024 Fair value
Interest bearing loans	36,400	42,000	33,102	41,999
Weighted average interest rate			4.54%	6.46%

Within term borrowings there are fixed interest rate instruments which are not in hedge accounting relationships. The carrying values and estimated fair values of these instruments are noted in the previous table.

In determining the fair value of financial instruments, the Group uses quoted prices and/or a discounted cash flows approach. Fair value measurements are grouped within a three-level fair value hierarchy based on the observability of inputs to the valuation process:

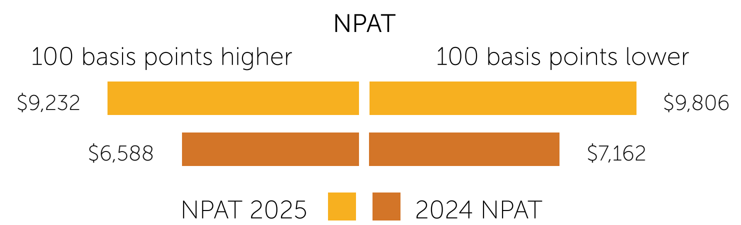
- Level 1 Inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at reporting date;
- Level 2 Inputs: either directly (i.e. as prices) or indirectly (i.e. derived from prices) observable inputs other than quoted prices included in Level 1; or
- Level 3 Inputs: inputs that are not based on observable market data (i.e. unobservable inputs).

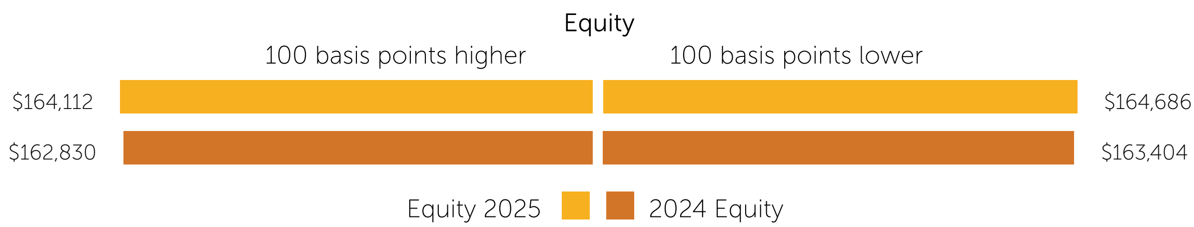
In regards to fair value hierarchy, the Group's calculation of fair value for its fixed rate instruments is considered Level 2 as defined by NZ IFRS 13. The fair value is determined by using mark to market valuation.

At year end, the Group had three interest rate swaps in place (2024: four financial instruments in place).

Interest rate sensitivity

The following sensitivity analysis shows the effect on profit after tax and equity if market interest rates at balance date had been 100 basis points higher or lower with all other variables held constant.





D3 Credit risk

Nature of the risk

Credit risk is the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. The Group is exposed to the risk of default in the normal course of business from its customers, hedging instruments and deposits held at the bank.

Risk management

The Group monitors credit risk on an ongoing basis. The carrying amount of financial assets recognised in the statement of financial position best represents the Group's maximum likely exposure to credit risk at the date of these financial statements. Refer to Note B10 for a description of how the Group provides for any credit losses.

Exposure

The Group monitors credit risk on an ongoing basis. The carrying amount of financial assets recognised in the statement of financial position, net of any allowances for losses, best represents the Group's maximum exposure to credit risk and are recognised.

D4 Liquidity risk

Nature of the risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

Exposure

The following table analyses the Group's financial liabilities into relevant maturity groupings based on the earliest contractual maturity date at balance date. The amounts shown are contractual undiscounted cash flows.

	2025			2024		
Funding maturity	**0-1 year**	**1-2 years**	**2-3 years**	**0-1 year**	**1-2 years**	**2-3 years**
Trade and other payables	4,107	-	-	6,744	-	-
Borrowings	-	36,400	-	-	-	42,000

Risk management

The Group evaluates its liquidity requirements on an ongoing basis by regularly forecasting cash flows and debt levels for the next 12 months under various scenarios. The Group maintains a buffer of undrawn bank facilities of at least 15% over its forecast funding requirements to enable it to meet any unforeseen cash flows. The Group seeks to avoid a concentration of debt maturity by spreading maturities in accordance with its treasury policy.

D5 Financial instrument

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

	2025 Carried at amortised	2025 Carried at fair value	2025 Total	2024 Carried at amortised	2024 Carried at fair value	2024 Total
Financial assets						
Cash and cash equivalents	1,465	-	1,465	1,567	-	1,567
Trade and other receivables	5,392	-	5,392	5,301	-	5,301
Interest rate swaps	-	-	-	-	1,266	1,266
Total financial assets	**6,857**	**-**	**6,857**	**6,868**	**1,266**	**8,134**
Financial liabilities						
Trade and other payables	4,175	-	4,175	6,079	-	6,079
Borrowings	36,500	-	36,500	42,244	-	42,244
Interest rate swaps	-	37	37	-	-	37
Lease liabilities	1,380	-	1,380	702	-	702
Total financial liabilities	**42,055**	**37**	**42,092**	**49,025**	**-**	**49,025**

E

Other disclosures

In this section

This section includes the remaining information which is required to comply with statutory disclosure.

E1 Related party transactions

The Company has a related party relationship with its parent, directors and executive officers.

a) Transactions with parent	2025	2024
Sale of goods and services to parent	-	-
Purchase of goods and services from parent	103	111

These transactions exclude dividends.

b) Transactions with subsidiary	2025	2024
Loan advances to subsidiary	1,527	1,446
Management fees	60	-

c) Transactions with key management	2025	2024
Key management short-term employee expenses	2,169	1,941

d) Transactions with directors	2025	2024
Directors' short-term employee expenses	391	387
Sale of goods and services to directors	14	7
Purchase of goods and services from directors	-	3

E2 Operating leases as lessor

Lease commitments due as follows	2025	2024
Within 1 year	6,213	5,622
Between 1-5 years	8,224	9,684
Greater than 5 years	4,627	4,919
Total lease commitments as lessor	**19,064**	**20,225**

Where the Company is the lessor, assets leased under operating leases are included in property, plant and equipment, in the statements of financial position, as appropriate.

Payments and receivables made under operating leases are recognised in the income statement on a straight line basis over the term of the lease.

The main property under leases are NPPS Turbine Hall, Omata Tank Farm and Norgate Store. The carrying amount of these properties as at 30 June 2025 are $16.3 million (2024: $16.3 million) and included as part of property, plant and equipment in Note B1.

E3 Other annual report disclosures

The shareholder has resolved not to require disclosure of the matters listed in section 211 (1)(g) of the Companies Act 1993.

During the year the Group made the following donations:

Donations	2025	2024
	3	1

E4 Subsequent events

On 9 July 2025, the Group executed an amendment to its Facility Agreement with ASB Bank Limited. This amendment extended the expiry date of its debt facilities to 29 June 2028.

Directors declared a dividend on 14 August 2025 (refer to Note C3 Dividends for more information).

E5 Subsidiaries

Subsidiaries are entities controlled by the Group. The Group has one subsidiary that is involved in the holding of fleet assets.

Subsidiary name	Country of registration	Ownership interest %
PTL TugCo LLC	Cook Islands	100

E6 New Standards, Amendments and Pronouncements Not Yet Adopted

IFRS18 - Presentation and Disclosure in Financial Statements is effective for periods beginning on or after 1 January 2027 and applies retrospectively. The new standard aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. While this will not have a material impact on the Group, it will result in significant changes to how the Group presents the income statement and what information will need to be disclosed on management-defined performance measures.

Deloitte.

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PORT TARANAKI LIMITED GROUP'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

The Auditor-General is the auditor of Port Taranaki Limited group (the Group). The Auditor-General has appointed me, Matt Laing, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements of the Group on his behalf.

Opinion

We have audited the financial statements of the Group on pages 31 to 52, that comprise the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date and the notes to the consolidated financial statements that include material accounting policies and other explanatory information.

In our opinion, the financial statements of the Group:

- present fairly, in all material respects:
  - its financial position as at 30 June 2025; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

Our audit was completed on 14 August 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out 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 Responsibilities of the auditor section of our report.

We have fulfilled our 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.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible on behalf of the Group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible on behalf of the Group for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends 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 Port Companies Act 1988 and the Companies Act 1993.

Responsibilities of the Auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but it 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 are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

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

- We identify and assess the risks of material misstatement of the financial statements, 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We 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.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We plan and performed the Group audit to obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose 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.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 30, but does not include the financial statements, and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, 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.

Independence

We are independent of the Group in accordance with the independence requirements of 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) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out a greenhouse gas emissions inventory report assurance readiness review, which is compatible with those independence requirements. Other than the audit and this engagement, we have no relationship with or interests in the Group.

M. Laing

Matt Laing, Partner
For Deloitte Limited
On behalf of the Auditor-General
Hamilton, New Zealand

Board of Directors

Jeffrey (Jeff) Kendrew, Chair
Wendie Harvey
Charlotte Littlewood
Katherine (Kathy) Meads
Steven (Steve) Sanderson
Jamie Tuuta

Executive Leadership Team

Simon Craddock, Chief Executive Officer
Ross Dingle, GM Commercial
Pippa Farrell, HR Manager
Allan Melhuish, Chief Financial Officer
Alex Park, Chief Operations Officer
Alisha Picard, Health and Safety Manager

Auditors

Matt Laing for Deloitte Limited on behalf of the Auditor General

Bankers

ASB Bank Limited

Solicitors

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