Queenstown Airport Corporation Limited

Disclosure Financial Statements

for the financial year ended
30 June 2026

Directors' Report

The Directors have pleasure in presenting the Disclosure Financial Statements of Queenstown Airport Corporation Limited (the Company) for the year ended 30 June 2026. These statements present the results of the Identified Airport Activities of the Company and additional information and have been prepared for the purposes of; and in accordance with; the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999; as amended in 2021.

1. Principal Activities of the Company

The principal activity of the Company during the year was airport operator.

2. Board of Directors

The Directors of the Company during the year under review were:

Simon R Flood

Michael QM Tod

Jacqueline M Cheyne

G Andrew Blair

Don Elder

Mary-Liz Tuck

On Behalf of the Board





Chair

Director

Financial Statements

Income Statement

for the year ended 30 June 2026

	Note	2026 $ 000's	2025 $ 000's
Income			
Revenue from contracts with customers	3	52,288	47,990
Rental and other income	3	656	1,021
Total income		**52,944**	**49,011**
Expenses			
Operating expenses	3	10,380	10,257
Employee renumeration and benefits	3	9,639	8,984
Total expenses		**20,019**	**19,241**
Earnings before interest, taxation, depreciation and amortisation (EBITDA)		**32,925**	**29,770**
Depreciation	8	11,307	8,042
Amortisation	9	517	146
Loss on disposal of assets	3	-	(11)
Lot 6 Compensation		17,735	-
Earnings before interest and taxation		**3,366**	**21,593**
Finance costs	4	9,190	6,770
Profit before tax		**(5,824)**	**14,823**
Income tax expense	5	5,697	5,300
(Loss) / Profit for the period		**(11,521)**	**9,523**

The notes and accounting policies on page 8 to 22 form part of and are to be read in conjunction with the Financial Statements.

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Financial Statements

Statement of Changes in Equity

for the year ended 30 June 2026

	Ordinary shares $ 000's	Asset revaluation reserve $ 000's	Cash flow hedge reserve $ 000's	Retained earnings $ 000's	Total equity $ 000's
At 1 July 2025	18,892	139,590	(232)	9,704	167,954
(Loss) for the period	-	-	-	(11,521)	(11,521)
Other comprehensive income	-	-	240	-	240
Total comprehensive income for the period	-	-	240	(11,521)	(11,281)
Dividends paid to shareholders	-	-	-	(8,369)	(8,369)
At 30 June 2026	**18,892**	**139,590**	**8**	**(10,186)**	**148,305**

	Ordinary shares $ 000's	Asset revaluation reserve $ 000's	Cash flow hedge reserve $ 000's	Retained earnings $ 000's	Total equity $ 000's
At 1 July 2024	**18,892**	**120,444**	**550**	**6,398**	**146,284**
Profit for the period	-	-	-	9,523	9,523
Other comprehensive income	-	19,146	(782)	-	18,364
Total comprehensive income for the period	-	19,146	(782)	9,523	27,887
Dividends paid to shareholders	-	-	-	(6,217)	(6,217)
At 30 June 2025	**18,892**	**139,590**	**(232)**	**9,704**	**167,954**

The notes and accounting policies on page 8 to 22 form part of and are to be read in conjunction with the Financial Statements.

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Financial Statements

Statement of Comprehensive Income

for the year ended 30 June 2026

	Note	2026 $ 000's	2025 $ 000's
(Loss) / Profit for the period		**(11,521)**	**9,523**
Other comprehensive income			
Items that may be subsequently reclassified to the income statement			
Gain/(loss) on cash flow hedging taken to reserves	16C	334	(1,086)
Income tax relating to gain/(loss) on cash flow hedging	16C	(94)	304
Items that may not be subsequently reclassified to the income statement			
Gain on revaluation of property, plant and equipment	8	-	21,671
Deferred tax on property, plant and equipment		-	(2,525)
Other comprehensive income for the year, net of tax		**240**	**18,364**
Total comprehensive income for the year, net of tax		**(11,281)**	**27,887**

The notes and accounting policies on page 8 to 22 form part of and are to be read in conjunction with the Financial Statements.

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Financial Statements

Statement of Financial Position

as at 30 June 2026

	Note	2026 $ 000's	2025 $ 000's
Current assets			
Cash and cash equivalents	6	636	1,086
Trade and other receivables	7	2,802	3,689
Prepayments		381	483
Total current assets		**3,819**	**5,258**
Non-current assets			
Property, plant and equipment	8	319,548	303,023
Intangible assets	9	3,308	4,441
Derivative financial instruments	12	82	-
Total non-current assets		**322,938**	**307,464**
Total assets		**326,757**	**312,722**
Current liabilities			
Trade and other payables	10	38,659	14,848
Employee entitlements	11	1,324	1,791
Current tax payable		1,318	2,832
Derivative financial instruments	12	70	101
Term borrowings (secured)	14	-	53,000
Total current liabilities		**41,371**	**72,572**
Non-current liabilities			
Derivative financial instruments	12	-	220
Deferred tax liability	5	26,537	24,972
Term borrowings (secured)	14	110,544	47,004
Total non-current liabilities		**137,081**	**72,196**
Equity			
Share capital	15	18,892	18,892
Retained earnings	16	(10,186)	9,704
Asset revaluation reserve	16	139,590	139,590
Cash flow hedge reserve	16	9	(232)
Total equity		**148,305**	**167,954**
Total equity and liabilities		**326,757**	**312,722**

The notes and accounting policies on page 8 to 22 form part of and are to be read in conjunction with the Financial Statements.

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Financial Statements

Statement of Cash Flows

for the year ended 30 June 2026

	Note	2026 $ 000's	2025 $ 000's
Cash flows from operating activities			
Cash was provided from:			
Receipts from customers		53,831	55,034
Interest received		-	108
Cash was applied to:			
Payments to suppliers and employees		(19,172)	(20,870)
Interest paid		(4,326)	(4,317)
Income Tax payments and GST		(5,454)	(12,978)
Net cash flows from/(to) operating activities	20	**24,879**	**16,977**
Cash flows from investing activities			
Cash was provided from:			
Cash was applied to:			
Purchases of property, plant and equipment		(27,832)	(34,490)
Purchases of intangible assets		616	(2,710)
Net cash flows from/(to) investing activities		**(27,215)**	**(37,200)**
Cash flows from financing activities			
Cash was provided from:			
Bank borrowings		10,255	25,815
Cash was applied to:			
Repayment of bank borrowings			
Dividends paid		(8,369)	(6,217)
Net cash flows from/(to) financing activities		**1,887**	**19,598**
Net increase/(decrease) in cash and cash equivalents		(450)	(625)
Cash and cash equivalents at the beginning of the period		1,086	1,711
Cash and cash equivalents at the end of the period	6	**636**	**1,086**

The notes and accounting policies on page 8 to 22 form part of and are to be read in conjunction with the Financial Statements.

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Notes to the Financial Statements

for the year ended 30 June 2026

1 CORPORATE INFORMATION

Queenstown Airport Corporation Limited (the Company or Queenstown Airport) is a company established under the Airport Authorities Act 1966 and registered under the Companies Act 1993. The Company is a reporting entity for the purposes of the Financial Reporting Act 2013.

The Company provides airport facilities and supporting infrastructure in Queenstown, New Zealand, and aeronautical services in Queenstown, Wanaka and Glenorchy, New Zealand. The Company earns revenue from aeronautical activities, retail and rental leases, car parking facilities and other charges and rents associated with operating an airport and also earns revenue from providing management services for the operation of airports.

The registered office of the Company is Level 1, Terminal Building, Queenstown Airport, Sir Henry Wigley Drive, Queenstown 9300, New Zealand.
These financial statements for the Company were authorised for issue in accordance with a resolution of the directors on 29th Ocxtober 2026.
The Disclosure Financial Statements have been prepared on a voluntary basis following the Company's registration under the Civil Aviation Act 2023, which resulted in Queenstown Airport Corporation no lomger being subject to the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999.

The disclosure financial statements are for the reporting entity's Identified Airport Activities. Identified Airport Activities are defined as:
Airfield activities means the activities undertaken (including the facilities and services provided) to enable the landing and take-off of aircraft and includes:

a) The provision of any one or more of the following:
- airfields, runways, taxiways, and parking aprons for aircraft
- facilities and services for air traffic and parking apron control
- airfield and associated lighting
- services to maintain and repair airfields, runways, taxiways and parking aprons for aircraft
- rescue, fire, safety and environmental hazard control services
- airfield supervisory and security services

b) The holding of any facilities and assets (including land) acquired or held to provide airfield activities in the future (whether or not used for any other purpose in the meantime).

Specified passenger terminal activities (specified terminal) means the activities undertaken (including the facilities and services provided) in relation to aircraft passengers while those passengers are in a security area or areas of the relevant airport; and includes:

a) The provision, within a security area or security areas of the relevant airport of any one or more of the following:
- Passenger seating areas, thoroughfares and air bridges
- Flight information and public address systems
- Facilities and services for the operation of customs, immigration and quarantine checks and control
- Facilities for the collection of duty-free items
- Facilities and services for the operation of security and police services

b) Any activities undertaken (including the facilities and services provided) in a passenger terminal to enable the check-in of aircraft passengers, including services for baggage handling.
c) The holding of any facilities and assets (including land) acquired or held to provide specified passenger terminal activities in the future (whether or not used for any other purpose in the meantime); but does not include the provision of any space for retail activities.

The Company is not deemed to have any material "Aircraft and freight activities".
Each of the Identified Airport Activities also includes an allocation of roading leading to the airport and supporting infrastructure. Also included in each of the above Identified Airport Activities are assets specifically held for use in that activity. This does not include the provision of any space for retail activities.

The numbers presented in these financial statements are for the Identified Airport Activities unless it is stated "for Whole Company".

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) BASIS OF PREPARATION

The disclosure financial statements are presented in accordance with the Airport Authorities Act 1966 as amended by the Airport Authorities Amendment Act 1997 and the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 ("The Regulations"), as amended in 2021, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards ('NZIFRS') and other applicable financial reporting standards as appropriate for profit orientated entities.

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments and certain items of property, plant and equipment which are based on fair
The financial statements are presented in New Zealand dollars. New Zealand dollars are the Company's functional currency.
The financial statements are presented rounded to the nearest one thousand dollars. Due to rounding, numbers presented may not add up precisely to totals provided.

Going Concern

At 30 June 2026 current liabilities exceeds current assets, mostly due to the impact of the provision for payment of the Lot 6 settlement of $26.16 million (refer note 10). Existing banking facilities were drawn and utilised for the settlement of this amount on 01 July 2026. Management has assessed the Company's ability to continue as a going concern, taking into account forecast cash flows, available funding facilities, banking covenant compliance and expected capital commitments. Based on this assessment, Management and the Directors are satisfied that the Company will be able to meet its obligations as they fall due for at least 12 months from the date the financial statements are authorised for issue. Accordingly, the financial statements continue to be prepared on a going concern basis and no material uncertainty has been identified that may cast significant doubt on the Company's ability to continue as a going concern.

(b) CHANGES IN ACCOUNTING POLICIES AND APPLICATION OF NEW ACCOUNTING POLICIES

The accounting policies set out in these financial statements are consistent for all periods presented.
The Company accounts for the changes in accounting estimates prospectively in the financial statements.

New and amended standards and interpretations

All mandatory new and revised standards and interpretations have been adopted in the current year.
New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS') that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2026. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

NZ IFRS 18 (Presentation and Disclosure in Financial Statements) – introduces new requirements including a change in the structure of the profit and loss, management defined performance measures being included in a note to the financial statements, and enhanced aggregation/disaggregation clarification. The new standard amends the classification in the statement of cash flows. The company has not yet made a detailed assessment of the impact of the new presentation requirements in NZ IFRS 18. The standard applies from the 1st of January 2027.

(c) SIGNIFICANT EVENTS

There were no Significant Events during the reporting period.

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(d) **SIGNIFICANT JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

In preparing these financial statements, QAC has made judgements, estimates and assumptions about the future, based on historical experience and other factors. These estimates and assumptions affect the application of QAC's accounting policies, and might differ from the subsequent actual results.

The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- Estimating Lot 6 provision and compensation payable - refer Note 10
- Estimating the carrying value of land and buildings – refer Note 8
- Estimating the useful lives of assets – refer Note 8

3 SURPLUS FROM OPERATIONS

(a) Operating Revenue

The Company derives revenue from the transfer of services over time and at a point in time through three major revenue categories.

Revenue from contracts with customers	Timing of recognition	2026 $ 000's	2025 $ 000's
Scheduled airlines and general aviation	At point in time	51,473	46,916
Aircraft Parking	Over time	454	530
Recoveries	Over time	361	544
Total revenue from contracts with customers		**52,288**	**47,990**
Lease rental revenue		563	1,026
Other revenue		93	(5)
Total revenue from rental and other income		**656**	**1,021**

Operating Revenue

Revenue from Contracts with Customers

Scheduled Airlines and General Aviation

Landing and terminal facilities are provided to airlines. Depending on the service provided, the transaction price is calculated based on a fixed price per landing and take-off, per passenger, or by weight and revenue is recognised when the airport facilities are used. These charges are invoiced monthly and in arrears.

Parking

Aircraft parking is recorded in accordance with the daily parking charges at the time the aircraft leaves the airport. The Company does not consider accrued park charges at a period end to be material based on regular assessment.

Recoveries

Revenue is recognised over time as the lessees are continuously supplied with common areas services, utilities and amenities.

Revenue from rental and other income

Lease Rental Revenue

Rental income from operating leases and licences is recognised on a straight line basis over the term of the relevant lease or licence. Initial direct costs incurred in negotiating and arranging an operating lease or licence are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease or licence term. Contingent rents, such as turnover based rents, are recognised as revenue in the period they are earned.

The Company enters into lease and licence agreements as a lessor/licensor with respect to some of its land and buildings. Leases and licences for which the Company is a lessor are classified as operating leases and licences.

Other revenue

Interest income is recognised as interest accrues using the effective interest method.

(b) Operating Expenses

	2026 $ 000's	2025 $ 000's
Administration and other	4,331	4,171
Professional services	2,876	3,132
Repairs and maintenance	1,159	915
Utilities	2,015	2,039
Total operating expenses	**10,381**	**10,257**
Fees paid to auditor include: (for Whole Company)		
Audit of annual financial statements	157	85
Audit of disclosure financial statements	38	33
Other Services Provided - agreed upon procedures for sustainability linked loans	4	3
Total fees paid to auditor	**199**	**121**

(c) Employee renumeration and benefits

	2026 $ 000's	2025 $ 000's
Salary and wages	9,277	8,700
Directors fees	362	284
Total employee renumeration and benefits	**9,639**	**8,984**

(d) Total impairment and loss on assets

	2026 $ 000's	2025 $ 000's
Loss on disposal of assets	-	(11)
Total impairment and loss on assets	**-**	**(11)**

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4 FINANCE COSTS

	2026 $ 000's	2025 $ 000's
Interest and finance charges paid for financial liabilities not at fair value through profit or loss	7,517	5,035
Interest on internal debt	1,673	1,735
Total finance costs	**9,190**	**6,770**

Capitalised Interest for the year ended 30 June 2026 $0.3m (2025: $0.6m). Finance income from financial assets held for cash management purposes was immaterial and it was classified as revenue in the Income Statement. Finance costs include an estimate of use of money interest of $4.9m (2025: $2.5m) that would be payable in relation to 'Lot 6'.

5 TAXATION

		2026	2025
a)	**Current income tax expense/(benefit)**	$ 000's	$ 000's
	- Current income tax	5,697	6,259
	- Deferred income tax	-	-
	- Prior period adjustment	-	(79)
	- Origination and reversal of temporary differences	-	(880)
	Total income tax expense	**5,697**	**5,300**
b)	**Numeric reconciliation between income tax expense/(benefit) and profit before tax**		
	- Surplus before taxation per the Income Statement	(5,825)	14,823
	- Prima Facie Taxation @ 28%	(1,631)	4,150
	- Adjusted for tax effect of:		
	- Permanent differences	7,248	60
	- Creation/(reversal) of temporary differences	80	1,090
	Income tax expense as per the income statement	**5,697**	**5,300**
c)	**Net deferred tax liabilities**		
	- Balance at beginning of the year	24,972	23,512
	- Deferred tax benefit/(charge) charged to income	1,485	1,539
	- Deferred tax benefit charged to comprehensive income	80	(79)
	Balance at end of year	**26,537**	**24,972**
	The balance of deferred tax liabilities comprises:		
	- Intangible assets	11	(152)
	- Property, plant and equipment	26,358	25,236
	- Derivatives	-	77
		26,369	25,161
	- Employee benefits	(168)	189
		(168)	**189**
	Net deferred tax liability	**26,537**	**24,972**

6 CASH AND CASH EQUIVALENTS

	2026 $ 000's	2025 $ 000's
Cash at bank	636	1,086
Cash on hand	-	-
Cash and cash equivalents	**636**	**1,086**

7 TRADE AND OTHER RECEIVABLES

	2026 $ 000's	2025 $ 000's
Trade receivables	2,759	3,566
less provision for expected credit losses	-	-
Revenue Accrual	43	123
Closing balance	**2,802**	**3,689**
Recognised in the statement of financial position		
Current assets	2,802	3,689
Closing balance	**2,802**	**3,689**

Trade receivables have general payment terms of the 20th of the month following invoice. Movements in the provision for expected credit losses have been included in impairment losses on assets in the income statement. No individual amount within the provision for expected credit losses is material.

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8 PROPERTY, PLANT AND EQUIPMENT

a) Reconciliation of carrying amounts at the beginning and end of the year

	Land	Buildings	Land Improvements	Runways, Taxiways & Aprons	Car Parking	Plant & Equipment	Total
	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	**$ 000's**
Balance at 30 June 2025	**115,838**	**91,289**	**15,634**	**62,460**	**5,397**	**12,405**	**303,023**
Revaluation	0	0	0	0	0	0	-
Additions	0	9,381	0	2,232	927	7,914	**20,455**
Disposal	0	0	0	0	0	(1)	**(1)**
Work in progress movement	0	3,877	(292)	1,992	264	1,538	**7,379**
Depreciation	0	(4,474)	(214)	(3,887)	(369)	(2,364)	**(11,307)**
Movement to 30 June 2026	**-**	**8,784**	**(506)**	**337**	**823**	**7,088**	**16,526**
At fair value	115,838	96,955	14,594	62,747	6,324	-	**296,459**
At cost	-	-	-	-	-	36,794	**36,794**
Work in progress at cost	-	7,591	748	3,937	264	3,542	**16,082**
Accumulated depreciation	-	(4,474)	(214)	(3,887)	(369)	(20,843)	**(29,787)**
Balance at 30 June 2026	**115,838**	**100,072**	**15,128**	**62,797**	**6,220**	**19,492**	**319,548**

The Company's assets are secured by way of a general security agreement with its bank funders.

	Land	Buildings	Land Improvements	Runways, Taxiways & Aprons	Car Parking	Plant & Equipment	Total
	$ 000's	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	$ 000's	**$ 000's**
Balance at 30 June 2024	**100,526**	**76,572**	**14,596**	**41,173**	**5,575**	**11,601**	**250,044**
Revaluation	5,952	14,512	509	723	(25)	-	**21,671**
Additions	9,360	2,399	59	22,159	2	1,284	**35,263**
Disposal	-	-	-	-	-	(52)	**(52)**
Work in progress mvmt	-	1,204	692	505	235	1,504	**4,139**
Depreciation	-	(3,398)	(222)	(2,100)	(390)	(1,932)	**(8,042)**
Movement to 30 June 2025	**15,312**	**14,717**	**1,038**	**21,287**	**(178)**	**804**	**52,979**
At fair value	115,838	87,574	14,594	60,515	5,397	-	**283,918**
At cost	-	-	-	-	-	28,880	**28,880**
Work in progress at cost	-	3,715	1,040	1,945	-	2,004	**8,704**
Accumulated depreciation	-	-	-	-	-	(18,479)	**(18,479)**
Balance at 30 June 2025	**115,838**	**91,289**	**15,634**	**62,460**	**5,397**	**12,405**	**303,023**

Valuation of property, plant and equipment (for Whole of Company)

Land, buildings, land improvements, runways, taxiways & aprons and car parking are measured at fair value. Plant and equipment is measured at cost less accumulated depreciation and impairment losses. All revalued asset classes are categorised within Level 3 of the fair value hierarchy in accordance with NZ IFRS 13.

The Company distinguishes between aeronautical and non-aeronautical assets when determining valuation approaches, reflecting the differing cash flow profiles and market participants for these assets.

Revaluation

Fair value is determined based on the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date. Where observable market data is not available, valuation techniques such as the income approach and depreciated replacement cost are applied.

The Company undertakes periodic external valuations. For the current reporting period, a desktop valuation assessment has been performed. Where the assessed fair value does not differ materially (approximately within a 10% range) from the carrying value, no revaluation adjustment has been recognised.

Depreciation

The estimated useful lives and depreciation methods are reviewed at each reporting date and adjusted where appropriate.

	Rate %	Method
Buildings	1.4% - 78.0%	DV or SL
Land Improvements	1.0% - 10.0%	SL
Runways, Taxiways & Aprons	1.0% - 24.0%	SL or DV
Car Parking	1.0% - 26.4%	DV
Plant & Equipment	1.0% - 79.0%	DV

The useful life of several assets has been reduced due to pending development plans, this has accelerated depreciation by $2.3 million in the current year. The carrying value of these assets as at 30 June 2026 is $6.6 million.

Capitalisation of Costs

Labour and funding costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised to the asset as they are incurred. Borrowing costs are capitalised at the weighted average rate of the borrowing costs of the Company during the period the qualifying asset is being brought to intended use. All other labour and funding costs are recognised in the Income Statement in the period in which they are incurred.

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b) Fair value measurement (revaluation of property, plant and equipment) (for Whole of Company)

Land, buildings, land improvements, runways, taxiways & aprons and car parking are measured at fair value. All revalued asset classes are categorised within Level 3 of the fair value hierarchy in accordance with NZ IFRS 13.

The Company distinguishes between aeronautical and non-aeronautical assets when determining valuation approaches, reflecting the differing cash flow profiles and market participants for these assets.

At the end of each reporting period, the Company makes an assessment of whether the carrying amounts differ materially from fair value and whether a revaluation is required.

Valuations are completed in accordance with financial reporting and valuation standards. Management reviews the key inputs, assesses valuation movements and holds discussions with the valuers as part of the process. Discussions about the valuation processes and results are held between the Company's management and the Board.

Land, buildings, roading and car parking were independently valued by JLL, registered valuers, as at 30 June 2025. Runways, taxiways and aprons were independently valued by Beca Valuations Limited (Beca), registered valuers, as at the same date.

For the current reporting period, desktop valuation's were performed by Bayley's (Land, buildings, roading and car parking) and Beca (Runways, taxiways and aprons). Where the assessed fair value does not differ materially (approximately within a 10% range) from the carrying value, no revaluation adjustment has been recognised.

The valuation assessments of Aeronautical and Non-Aeronautical assets have been undertaken in accordance with NZ IAS 16. Fair value is 'The amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction where Fair Value can be determined by reference to the price paid in an active market for the same or similar assets, the value of those assets can generally be determined on the basis of Market Value. Under NZ IAS 16 there is no requirement to assess (and deduct) disposal costs.

The valuation has also been prepared in compliance with NZ IFRS 13 Fair Value Measurement. NZ IFRS 13 Fair Value Measurement applies to reporting standards that require or permit fair value measurements or disclosures and provides a single NZ IFRS framework for measuring fair value and requires disclosures about fair value measurement. The Standard defines fair value on the basis of an 'exit price' notion and uses a 'fair value hierarchy', which results in a market-based, rather than entity-specific, measurement.

The Company's land, buildings, runways, taxiway and aprons and property, plant and equipment are all categorised as Level 3 in the fair value hierarchy. During the year, there were no transfers between the levels of the fair value hierarchy. There were no changes to the valuation techniques of level 3 fair value measurements in the period. The fair value measurement is based on the above item's highest and best use.

The table below summarises the valuation methodology, key valuation assumptions, fair value hierarchy levels and valuation sensitivity analysis for the significant asset classes.

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Asset Classification & Description	Valuation Methodology	Key Valuation Assumptions at June 2025 Valuation	Closing Value ($000's) 30 June 2026 (Whole Company)	Valuation Sensitivity
Aeronautical Land	Market Value – based on zonal use. Direct Sales Comparison based on degree of utility within the airport area.	Airport Use zone land compared to commercial and rural values at an average rate of $87/m2, while Airport terminal land at an average rate of $1,250/m2.	115,838	Airport use +/- $4.8 million, Terminal area +/- $1 million (5% change in land value rates)
Commercial **Commercial land in the south-western area of the airport.**	Market Value on existing airport use. Sales comparisons for land value assessments.	Land areas assessed at $480/m2.	27,480	+/- $1.4 million (5% change in land value rate or discount rate for contestable land)
Industrial **Vacant land zoned industrial at the northern end of the airport.**	Market Value under a Direct Sales Comparison Approach.	Land values range between $500 – $900m².	84,581	+/- $4.3 million (5% change in freehold land rates)
Ground Leases **Land leased to third parties for aeronautical activities where the Lessee owns the improvements.**	Market Value using a Present Value of future rental annuities plus land value, based upon actual current lease agreements with third parties.	Majority of the ground leased sites assessed at a freehold land value of $552m2.	66,074	+/- $3.3 million (5% change in land value rate or discount rate for contestable land)
Carparking **Land accommodating transportation uses including public, rental car and staff parking as well as commercial service operators.**	Market Value, based on zonal use, land value sales due to uncertain revenue forecasting.	Based on land sales comparison on zonal approach at $950/m².	54,935	+/- $2.8 million (5% change in land value rates)
Residential **Various residential sites.**	Market Value under a Direct Sales Comparison Approach.	Adopted land value rate of $1,600/m².	14,472	+/- $0.7 million (5% change in land value
Wanaka - Non-Aeronautical **Pittaway Block and Stevenson Road Blocks (North and East).**	Market Value under Direct Sales Comparison and Hypothetical Subdivision Approaches.	Average adopted land value rate of $8.9/m2.	13,096	+/- $0.70 million (5% change in average land rate)
TOTAL LAND			**376,476**	
Commercial Queenstown **Buildings leased to third parties and surrounding improvements.**	Commercial buildings have been valued on an investment basis, while the various surrounding improvements have been valued using an ODRC approach.	Yield rates of 4.0% applied to contestable buildings. Land values $1,000/m2 - $1,400/m2.	6,051	+/- $0.30 million (5% change in land value rate or discount rate for contestable land)
Buildings **Aeronautical** **Terminal Building.**	Fair Value under an Optimised Depreciated Replacement Cost (ODRC) approach. The cost of constructing an equivalent asset at current market-based input cost rates, adjusted for remaining useful life (depreciation).	Construction cost range $3,000psm to $11,500psm and depreciation rates of circa 2.0% per annum.	119,507	+/- $5.5 million
Residential **Residential improvements.**	Market Value under a Direct Sales Comparison Approach.	Dwelling values of $100,000 - $400,000 depending upon size and quality of presentation. Kerbside values.	2,157	+/- $0.1 million (5% change in value)
TOTAL BUILDINGS			**127,715**	
RESA (Runway End Safety Area)	Fair Value under the Depreciated Replacement Cost (DRC) Approach. It is based upon the principle of substitution, assuming the use of modern materials, techniques and designs.	Reference has been made to inflation indices used and construction rates compiled by Beca's cost estimators and valuations team, who are involved in aviation civil works.	13,169	+/- $0.6 million (5% change in DRC value)
TOTAL LAND IMPROVEMENTS			**13,169**	
Runway, Taxiway & Aprons	Fair Value under the Depreciated Replacement Cost (DRC) Approach. It is based upon the principle of substitution, assuming the use of modern materials, techniques and designs.	Reference has been made to inflation indices used and construction rates compiled by Beca's cost estimators and valuations team, who are involved in aviation civil works.	62,880	+/- $3.0 million (5% change in DRC value)
TOTAL RUNWAYS TAXIWAYS & APRONS			**62,880**	
Carparking improvements	Fair Value under Optimised Depreciated Replacement Cost (DRC).	Reference has been made to inflation indices used and construction rates compiled by cost estimators and valuers for sealed areas and associated barrier arm infrastructure.	19,295	+/- $0.9 million (5% change to replacement rate)
TOTAL CAR PARKING			**19,295**	

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Sensitivity of Inputs	
Land	The critical elements in establishing the 'market value existing use' of land is the market rate prevailing for similar land. - An increase in demand for land will increase the fair value, vice versa - Rezoning, servicing upgrades or reconfiguring land can result in an increase in the fair value, vice versa
Runway, Taxiway & Aprons and Land Improvements	The critical elements in establishing the fair value of civil assets is the movement in the average cost rates for concrete, asphalt, base course and foundations, as well as the estimated remaining useful life of the assets. - An increase to any of the average cost rates listed above will increase the fair value, vice versa - An reduction in the estimated remaining useful life of the assets will reduce the fair value, vice versa
Buildings, Plant & Equipment and Car Parking	- An increase in modern equivalent asset replacement cost will increase the fair value, vice versa - A reduction in the estimated remaining useful life of the assets will reduce the fair value, vice versa - An increase in the cashflow from an asset will increase the fair value, vice versa

9 INTANGIBLE ASSETS

	2026 $ 000's	2025 $ 000's
Cost		
Opening balance	8,052	5,694
Additions from internal developments	334	2,357
Transfer to Property Plant and Equipment Projects	(951)	-
Total cost closing balance	**7,435**	**8,051**
Accumulated amortisation		
Opening balance	3,610	3,464
Amortisation expense	517	146
Total accumulated amortisation	**4,127**	**3,610**
Total carrying value of intangible assets	**3,308**	**4,441**

Intangible assets acquired separately (including noise mitigation on residents' properties) are initially recognised at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The following useful lives are used in the calculation of amortisation:

Pricing Project	- 1 to 3 years
Noise boundaries	- 10 years
Planning	- 10 years

10 TRADE AND OTHER PAYABLES

	2026 $ 000's	2025 $ 000's
Trade payables	3,770	2,384
Other creditors and accruals	390	563
Lot 6 Provision	34,499	11,901
Closing balance	**38,659**	**14,848**

Trade Payables

Recognised initially at fair value. These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The financial liabilities are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation.

The company recognises a provision for future expenditure of an uncertain amount or timing when there is a legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Significant judgements and uncertainties (for Whole of Company)

Lot 6 compensation & fair value assessment

As described in previous financial statements, QAC has been involved in a dispute with Remarkables Park Limited (RPL) for several years regarding the amount of compensation payable for the compulsory acquisition of the land known as Lot 6 under the Public Works Act 1981 (PWA). QAC acquired this land for the enablement of its aeronautical activities and paid $18.34 million for this land in 2021. The dispute relates to differences in property valuations and was referred to the Land Valuation Tribunal (LVT) in November 2023. In 2025, a provision of $11.9million was raised in relation to management's best estimate at that time of the amount payable.

During FY26, the LVT determined compensation payable for Lot 6 at $44.5 million (inclusive of the $18.34 million already paid). QAC was also required to pay to RPL use of money interest and costs, which is standard in PWA compensation cases.

Following the LVT determination, the independent valuer engaged for the preparation of the financial statements, confirmed that the value presented in its FY26 valuation report remains materially consistent with the amount recognised in FY25.

The LVT compensation determination reflects a different basis of valuation from that used to determine fair value for financial reporting purposes. Financial reporting requires the fair value to reflect what is legally permissible, which in this case needs to reflect the current aeronautical designation. Accordingly, QAC has concluded that the LVT compensation determination does not change the fair value of Lot 6 for financial reporting purposes.

RPL has appealed the LVT compensation decision to the High Court, maintaining their claim that compensation should stand at $71.2 million. QAC vigorously disputes the total compensation sum claimed by RPL and has cross-appealed. With the appeal ongoing, there still remains significant uncertainty regarding the ultimate compensation payable, and the final settlement may differ materially from the amounts recognised. A hearing of the appeal has been scheduled for 29 June 2027.

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The amounts recorded in the financial statements in relation to this matter are as stated below.

- A provision has been disclosed in the statement of financial position to recognise the best estimate of the total amount payable to RPL of $34.5 million (2025 $11.9 million) for compensation and costs
- Total expenses of $22.6 million (2025: $2.5 million) have been disclosed in the income statement, comprising:
  Lot 6 Compensation & estimate of Claimant costs (disclosed separately) – $17.7 million being:
  - The difference between the LVT compensation determination and the carrying value of Lot 6 of $16.8 million, which is treated as a compensation payment rather than an adjustment to value of the land.
  - Costs payable to RPL ($0.9 million), which were agreed post balance date.
  - Use of Money Interest (disclosed in Finance Costs) – The balance of the estimate of interest payable agreed to be paid to RPL of $4.9 million (FY25: $2.5 million). Use of money interest of $7.4 million was agreed to be paid to RPL post balance date.

11 EMPLOYEE ENTITLEMENTS

	2026	2025
	$ 000's	$ 000's
Accrued salary, wages and incentives	772	979
Annual & Alternative Leave	552	812
Closing balance	**1,324**	**1,791**

12 DERIVATIVES (for Whole Company)

	2026	2025
Derivative financial assets (liabilities)	$ 000's	$ 000's
Interest rate swaps	70	(234)
Foreign exchange forward contracts	(58)	(88)
Closing balance	**12**	**(322)**
Recognised in the statement of financial position		
Current asset	-	-
Non - current asset	82	-
Current liabilities	(70)	(101)
Non-current liabilities	-	(220)
Total derivatives	**12**	**(322)**

13 FINANCIAL INSTRUMENTS (for Whole Company)

The Company is exposed to a variety of financial risks through its use of financial instruments.
The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets. The most significant financial risks to which the Company is exposed to are:

Specific risks
- Market risk - currency risk and interest rate risk
- Credit risk
- Liquidity risk

(a) Categories of financial assets and financial liabilities (for Whole Company)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels of fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Amortised cost		Fair value through other comprehensive income	
Financial assets	**2026**	**2025**	**2026**	**2025**
	$ 000's	$ 000's	$ 000's	$ 000's
Cash and cash equivalents	1,047	1,086	-	-
Trade and other receivables	4,668	4,198	-	-
Derivative financial instruments	-	-	82	-
Total financial assets	**5,715**	**5,284**	**82**	**-**

	Amortised cost		Fair value through other comprehensive income	
Financial liabilities	**2026**	**2025**	**2026**	**2025**
	$ 000's	$ 000's	$ 000's	$ 000's
Trade and other payables	41,708	16,179	-	-
Derivative financial instruments	-	-	70	322
Term borrowings (secured)	56,586	53,000	-	-
Total financial liabilities	**98,294**	**69,179**	**70**	**322**

(b) Risk management framework (for Whole Company)

When managing capital, management ensures that the Company continues as a going concern, the Company has access to sufficient capital to fund investments, capital can be accessed at a competitive cost ensuring optimal returns are delivered to shareholders.
The Company is not subject to any externally imposed capital requirements apart from covenants in respect of bank facilities.

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(c) Market risk (for Whole Company)

Market risk arises from the Company's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates (currency risk) and interest rates (interest rate risk).

Foreign exchange risk

The Company undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the Company's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

Financial Assets & liabilities	**Assets**		**Liabilities**	
	2026	**2025**	**2026**	**2025**
	$ 000's	$ 000's	$ 000's	$ 000's
USD	6	3		
Total financial assets & liabilities	**6**	**3**	**-**	**-**

At 30 June 2026, if the foreign exchange rates had changed by +/- 1%, with all other variables held constant, the impact on profit before tax would have been $65 (2025: $34) lower/higher, with the impact of hedging factored into the calculation. A sensitivity of 1% has been selected as this is considered reasonable given the current level of foreign exchange rates and the trend observed both on a historical basis and market expectations for future moves.

Foreign exchange forward contracts

In order to protect against exchange rate movements, the Company has entered into forward foreign exchange contracts to cover committed foreign currency payments and receipts over $0.5 million by at least 80% of the exposure generated.

The following tables detail the foreign currency forward contracts outstanding at the end of the reporting period, as well as information regarding their related hedged items. Foreign currency forward contract assets and liabilities are presented in the line 'Derivative financial instruments' (either as asset or as liabilities) within the statement of financial position.

	Notional Value (AUD)	**Fair Value**	**Notional Value (USD)**	**Fair Value**
2026	$ 000's	$ 000's	$ 000's	$ 000's
Less than 1 year	(595)	5	250	(58)
1 to 2 years	-	-	-	-
3 to 5 years	-	-	-	-
	(595)	**5**	**250**	**(58)**

2025	$ 000's	$ 000's	$ 000's	$ 000's
Less than 1 year	(78)	(3)	275	(53)
1 to 2 years	-	-	250	(32)
3 to 5 years	-	-	-	-
	(78)	**(3)**	**525**	**(85)**

Interest rate risk

It is the Company policy that the parameters for the percentage of forecast core debt, including any associated derivatives, that have fixed interest rates in any period shall be within the following profiles:

	0-12 Mths	Yrs 2 & 3	Yrs 4 & 5	Yrs 6 & 7
Maximum fixed rate debt	90%	70%	50%	30%
Minimum fixed rate debt	30%	20%	0%	0%

The maximum term for fixing interest rates is 7 years unless specifically approved by the Board.

The Company has interest rate risk resulting from its floating rate borrowings under its debt facility. In order to protect against this risk, the Company has entered into interest rate swaps agreements, under which it has the obligation to transform a series of future variable interest cash flows, attributable to changes in 3 month NZD-BRR-FRA, back to a known fixed interest cash flow based on the relevant swap rate that existed at the inception of the hedge relationship. The hedged item is the forecast variable interest cash flows arising on the Company's floating rate borrowings. Interest rate swap contract assets and liabilities are presented in the line 'Derivative financial instruments' (either as asset or as liabilities) within the statement of financial position: The following table details the notional principal amounts and remaining term of interest rate swap contracts outstanding as at reporting date:

	Contract fixed interest rate (weighted average)	**Notional principal amount**	**Fair Value (Level 2)**
2026	%	$ 000's	$ 000's
Outstanding floating to fixed contracts			
Less than 1 year	3.7%	5,000	(13)
1 to 2 years	3.6%	10,000	(71)
3 to 5 years	3.5%	40,000	154
		55,000	**70**
Cover of principal outstanding (contracts with an effective date before 30 June 2026)		97%	

	Contract fixed	**Notional**	**Fair Value**
2025	%	$ 000's	$ 000's
Outstanding floating to fixed contracts			
Less than 1 year	3.9%	25,000	(45)
1 to 2 years	3.7%	5,000	(37)
3 to 5 years	3.6%	20,000	(151)
		50,000	**(234)**
Cover of principal outstanding (contracts with an effective date before 30 June 2026)		94%	

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At 30 June 2026, if the interest rates had changed by +/- 1%, with all other variables held constant, the impact on profit before tax would have been $220,000 (2025: $425,000) increase/decrease in profit, with the impact of hedging factored into the calculation. A sensitivity of 1% has been selected as this is considered reasonable given the current level of interest rates and the trend observed both on a historical basis and market expectations for future moves.

(d) Credit risk (for Whole Company)

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, favourable derivative financial instruments, deposits with banks and credit exposures to customers, including outstanding receivables.

Credit risk is managed by the senior management and directed by the board. Only independently rated banks with a minimum rating of A- (Standard & Poor's) or equivalent are accepted for derivative exposures, and other counterparty exposures are managed within the rating and exposure limits approved under the Company's Treasury Policy. For parties where there is no independent rating, the financial department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. For some customers the Company may obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets is mentioned in the Note 7 Trade & Other Receivables, and Note 6 Cash and Cash Equivalents. Counterparty exposure limits are managed in accordance with the Company's Treasury Policy, which sets maximum exposure thresholds by external credit rating category.

There are no significant concentrations of credit risk, through exposure to individual customer due to the specifics of the industry. The Company applies the IFRS 9 simplified approach to measuring credit losses, refer to Note 7 Trade & Other Receivables for further discussion.

(e) Liquidity risk (for Whole Company)

Liquidity risk represents the risk that the Company may not have the financial ability to meet its contractual obligations. The Company evaluates its liquidity requirements on an on-going basis and reviews the treasury policy headroom levels on an annual basis. In general, the Company generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has funding in place to cover potential shortfalls.

The table below analyses the Company's financial liabilities and derivative financial liabilities that will be settled on a net basis, into relevant maturity groupings based on the remaining period at year end to the contractual maturity date. The amounts disclosed for non-derivative financial liabilities are the gross contractual undiscounted cash flows, including estimated future interest payments where applicable. Derivative financial liabilities are presented based on the contractual settlement cash flows by maturity bucket. Balances within 12 months equal their carrying balances where the effect of discounting is not material.

2026	Carrying Amount $ 000's	Total Cashflow $ 000's	On Demand $ 000's	< 1 year $ 000's	1 - 2 years $ 000's	3 - 5+ years $ 000's
Non-derivative financial liabilities						
Trade and other payables	41,708	41,708	7,531	34,177	-	-
Borrowings	56,586	64,123	-	2,098	2,512	59,512
Total non-derivative financial liabilities	**98,294**	**105,831**	**7,531**	**36,275**	**2,512**	**59,512**
2025						
Non-derivative financial liabilities						
Trade and other payables	16,179	16,179	4,279	11,900	-	-
Borrowings	53,000	56,763	-	56,763	-	-
Total non-derivative financial liabilities	**69,179**	**72,942**	**4,279**	**68,663**	**-**	**-**

2026	Carrying Amount $ 000's	Total Cashflow $ 000's	On Demand $ 000's	< 1 year $ 000's	1 - 2 years $ 000's	3 - 5+ years $ 000's
Derivative financial liabilities						
Interest rate swaps	(70)	(70)	-	13	(82)	-
Forward exchange contracts	58	58	-	58	-	-
Total derivative financial liabilities	**(12)**	**(12)**	**-**	**70**	**(82)**	**-**
2025						
Derivative financial liabilities						
Interest rate swaps	234	234	-	45	188	-
Forward exchange contracts	88	88	-	56	32	-
Total derivative financial liabilities	**321**	**321**	**-**	**101**	**220**	**-**

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14 BORROWINGS

	Expiry Date	Facility Limit (Whole of Company)	Unused Facility	2026	2025
		$ 000's	$ 000's	$ 000's	$ 000's
Bank Facilities					
ASB	17 June 2031	107,500	88,000	19,500	10,000
Bank of China	17 June 2033	82,500	69,000	13,500	11,500
BNZ	17 June 2031	50,000	33,000	17,000	15,000
Westpac		-	-		16,500
ICBC A	17 June 2031	7,500	500	7,000	-
ICBC B	17 June 2033	82,500	82,500	-	-
Facility Establishment Fees				(414)	-
Internal debt from commercial activities				53,958	47,004
Total borrowings		**330,000**	**273,000**	**110,544**	**100,004**

Recognised in the statement of financial position		
Current liabilities	-	53,000
Non-current liabilities	110,544	47,004
Total borrowings	**110,544**	**100,004**

The bank facilities are secured by a general security agreement over the Company's assets, undertakings and any uncalled capital.
Borrowing costs that are directly attributable to the acquisition or construction of an item of property, plant and equipment or a qualifying asset (an asset that takes a substantial period of time to get ready for intended sale or use and is significant cost) have been capitalised as part of the cost of the asset other borrowing costs are expensed in the period in which they occur.

Loan covenants compliance

The Company is not subjected to any externally imposed capital requirements, other than the covenants required under our borrowing agreements. These covenants over Gearing and Interest Cover are reported to lenders every three months. As of the end of the reporting period, the Company has complied with all covenants. There are no facts or circumstances indicating that the Company may have difficulty complying with these covenants within the next twelve months.

15 SHARE CAPITAL (for Whole Company)

	2026 No.	2026 $ 000's	2025 No.	2025 $ 000's
(a) Authorised share capital				
Ordinary shares – fully paid.	7,142,000	18,892	7,142,000	18,892

(b) Ordinary shares

All ordinary shares have equal voting rights and equal rights to distributions and any surplus on winding up of the Company.

There have been no material changes to the Company's management of capital during the period. Ordinary shares are fully paid and classified as equity. All 16,060,365 shares have equal voting rights and share equally as to dividends and surplus on winding up.

Capital risk management

When managing capital, management ensures that the Company continues as a going concern, the Company has access to sufficient capital to fund investments, capital can be accessed at a competitive cost and optimal returns are delivered to shareholders.

The Company is not subject to any externally imposed capital requirements apart from covenants in respect of bank facilities.
The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Company recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

16 RETAINED EARNINGS AND RESERVES

	2026 $ 000's	2025 $ 000's
(a) **Retained earnings**		
Movements in Retained Earnings were as follows:		
- Balance 1 July	9,704	6,398
- Profit/(loss) for the year	(11,522)	9,523
- Dividends paid	(8,369)	(6,217)
Balance at 30 June	(10,186)	9,704

	2026 $ 000's	2025 $ 000's
(b) **Asset revaluation reserve**		
Movements in the asset revaluation reserve were as follows:		
- Balance 1 July	139,589	120,444
- Increase arising on revaluation of assets	-	21,671
- Deferred tax movement	-	(2,526)
Balance at 30 June	139,589	139,589

The asset revaluation reserve relates to the revaluation of property, plant and equipment.

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		2026	2025
		$ 000's	$ 000's
(c)	**Cash flow hedge reserve** (for Whole Company)		
	Movements in the cash flow hedge reserve were as follows:		
	- Balance 1 July	(232)	550
	- Gain/(loss) recognised on interest rate swaps	303	(994)
	- Deferred tax movement arising on interest rate swaps	(85)	278
	- Gain/(loss) recognised on forward exchange contracts	31	(92)
	- Deferred tax movement arising on forward exchange contracts	(9)	26
	Balance at 30 June	8	(232)

The cash flow hedge reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative deferred gain or loss on the hedge is recognised in the Income Statement when the hedge relationship is discontinued.

17 DIVIDENDS (for Whole Company)

On 19 August 2025 a final dividend of 73.30 cents per share (total dividend: $11,773,000) for the year ended 30 June 2025 was paid to holders of fully paid ordinary shares.
On 28 February 2026 an interim dividend of 44.97 cents per share (total dividend of $7,222,080) for the year ended 30 June 2026 was paid to holders of fully paid ordinary shares.

18 OPERATING LEASE ARRANGEMENTS (for Whole Company)

Company as Lessor: Operating Lease Rental
Operating leases as at 30 June 2026 relate to the commercial property owned by the Company with lease terms between 1 year to 33 years, the longest of which extends 11 years in the future. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Lease rental revenue earned by the Company from its commercial property is set out in Note 3. The Company has contractual rights under leases to the following Minimum Annual Guaranteed rentals and contracted escalations but excludes at risk receipts such as turnover rents and CPI increases:

	2026	2025
	$ 000's	$ 000's
Less than 12 months	17,325	16,776
1-2 years	7,193	12,851
2-3 years	4,829	4,714
3-4 years	3,582	3,696
4-5 years	1,604	2,977
5+ years	1,250	2,602
Total operating lease rentals receivable	35,783	43,616

The Company does not currently have lessor finance leases.
The company enters into lease agreements as a lessor with respect to space within the terminal facilities and other properties used for aeronautical purposes. The majority of leases have rental payable monthly . Lease payments for some contracts include CPI increase and sale-based concession fees. To manage credit risk exposure, where considered necessary, the company may obtain bank guarantees for the term of the lease.

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19 RELATED PARTY TRANSACTIONS (for Whole Company)

Queenstown Airport is 75.01% owned by the ultimate parent entity, Queenstown Lakes District Council, and 24.99% owned by Auckland Airport Holdings (No 2) Limited.

Related parties of the Company are:
Queenstown Lakes District Council (QLDC) - shareholder

Auckland International Airport Limited (AIAL) - shareholder

Mary-Liz Tuck - Chief Strategic Planning Officer (AIAL) - director of the Company (appointed 1/1/2025)

(a) **Transactions with related parties**

The following transactions occurred with related parties:

	2026 $ 000's	2025 $ 000's
Queenstown Lakes District Council (QLDC)		
Rates paid	516	471
Rental receipts	(43)	(43)
Sundry payments	65	65
Sundry receipts	(29)	(19)
Wanaka Airport - management fee	(457)	(457)
Wanaka and Glenorchy Airport - sundry payments	113	83
Wanaka and Glenorchy Airport - sundry receipts	(14)	(28)
Net payment to QLDC	**151**	**72**
Auckland International Airport Limited (AIAL)		
Director fees/expenses paid	55	46
Net payment to AIAL	**55**	**46**

During the year, Queenstown Airport Corporation paid Wakatipu Community Foundation $68,548 (FY25 $78,000) for sponsorship and administration. Simon Flood is both the Chairman of Queenstown Airport Corporation and a member of the Investment Committee of the Wakatipu Community Foundation.

(b) **Balances with related parties**

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2026 $ 000's	2025 $ 000's
Queenstown Lakes District Council (QLDC)		
Receivables	(44)	(48)
Payables	10	-
Net (receivable) balance (QLDC)	**(34)**	**(48)**

Auckland International Airport Limited (AIAL), outstanding as at reporting date 2026 $nil (2025 $nil)

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(c) **Key Management Personnel Compensation**

Key management personnel compensation for the year's ended 30 June 2026 and 30 June 2025 is set out below. The key management personnel are all the directors of the Company and the executives with the greatest authority for the strategic direction and management of the Company.

	2026 $ 000's	2025 $ 000's
Short term benefits	2,632	2,692
Total	2,632	2,692

20 RECONCILIATION OF CASH FLOWS

a) **Operating Activities**	2026 $ 000's	2025 $ 000's
Net profit after taxation	(11,521)	9,523
Add/(Deduct) non-cash items:		
- Amortisation	517	146
- Depreciation	11,307	8,042
- Lot 6 Compensation & Other	19,492	
Changes in Assets and Liabilities:		
- (Increase)/decrease in trade receivables	887	(842)
- (Increase)/decrease in prepayments	102	13
- Increase/(decrease) in current tax payable	(1,514)	156
- Increase/(decrease) in trade and other payables	6,076	(294)
- Increase/(decrease) in employee entitlements	(467)	233
Net cash flows from operating activities	**24,879**	**16,977**

21 CONTINGENT LIABILITIES (for Whole Company)

a) **Noise mitigation**

The Company has implemented a programme of works to assist homeowners living in the inner and mid noise boundaries to mitigate the effects of aircraft noise exposure. The Company is obligated, on an annual basis, to offer, 100% funding of noise mitigation works for Critical Listening Environments of buildings that existed on 8 May 2013 containing an Activity Sensitive to Aircraft Noise (as defined in the Queenstown Lakes District Plan) that are within the 65 dB Projected Annual Aircraft Noise Contour. The Company is offering 100% of funding of mechanical ventilation for Critical Listening Environments of buildings that existed on 8 May 2013 containing an Activity Sensitive to Aircraft Noise (as defined in the Queenstown Lakes District Plan) that are within the 60 dB Projected Annual Aircraft Noise Contour.

Offers for noise mitigation have been extended to homeowners in line with the projected annual aircraft noise contours for calendar years 2025 and 2026. Property owners have twelve months from the date of offer to determine if they wish to take the offer made by the Company for mitigation works. It is difficult to estimate the future value of the mitigation works due to the uncertainty of the level of uptake from property owners and the differing construction and acoustic treatment requirements necessary to mitigate each property.

22 CAPITAL COMMITMENTS (for Whole Company)

	2026 $ 000's	2025 $ 000's
Committed for Acquisition of Property, Plant and Equipment	33,658	15,644
	33,658	**15,644**

23 SUBSEQUENT EVENTS (for Whole Company)

Dividend

On 17 August 2026, the Directors declared a fully imputed dividend of $13.18 million in respect of the year ended 30 June 2026.

Lot 6 Compensation

During FY26, the LVT determined compensation payable for Lot 6 at $44.5 million (inclusive of the $18.34 million already paid). On 1 July 2026, the Company paid RPL $26.2 million, bringing the total compensation paid to $44.5 million. Refer to note 10 for further information. Costs payable to RPL in relation to the Lot 6 Compensation matter have also been resolved.

Property Covenants

In March 2023, High Court proceedings were served on the Company seeking to modify a restrictive covenant registered against land owned by Remarkables Park Limited (RPL) and two other parties located south of the main runway. The covenant restricted the range of activities that could be undertaken on the affected land for the benefit of airport land while it continued to be operated as an airport.

On 5 August 2026, the Company reached a settlement with RPL. As part of the settlement, the restrictive covenants that were the subject of the High Court proceedings were removed and, in exchange, restrictive covenants, other registerable interests and a First Right of Refusal held by RPL over certain Company land were also removed. The settlement resolved all matters relating to the Covenant Modification proceedings which have formally been discontinued. The impact of the removal of these restrictive covenants and interests from QAC's land is expected to have a positive impact on related QAC land values but this will not be confirmed until the completion of QAC's valuation process in FY 2027.

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Identified Airport Activities Reporting

24 SEGMENT INFORMATION

The preparation of the disclosure financial statements requires the identification and presentation of aeronautical activities. In addition to this the Company is required to present segmented information for Identified Airport Activities. These activities are defined in the Airport Authorities Act 1966 (and subsequent amendments). The Identified Airport Activities are as follows:

i) Airfield activities:
ii) Aircraft and freight activities:
iii) Specified passenger and terminal activities.

Management have assessed the aeronautical activities of the Company against these definitions and allocated them as appropriate. Through this assessment management determined that no material "Aircraft and freight activities" are undertaken by the Company, therefore only the remaining two segments have been reported on.

The Company is located in one geographic segment in Queenstown Lakes District, New Zealand, and operates in the airport industry. The company earns revenue from aeronautical activities and other charges and rents associated with operating an airport.

The Company's top two customers represent 73% (2025 72%) of revenue from substantial customers. This equates to $37,768k (2025: $34,372k).
The next two largest customers represent 27% (2025: 28%) revenue from substantial customers. This equates to $14,299k (2025: $13,264k).

	Airfield	Specified Terminal	Total
Year ended 30 June 2026	$ 000's	$ 000's	$ 000's
External Income			
- Airport charges	26,169	25,305	51,474
- Licences & aircraft parking	1,126	251	1,377
- Other revenue	25	68	93
Total Income	**27,320**	**25,624**	**52,944**
Expenses			
- Administration and other	1,211	3,120	4,331
- Professional Services	1,968	908	2,876
- Repairs & Maintenance	446	712	1,158
- Utilities	136	1,878	2,014
- Employee renumeration and benefits	3,494	6,146	9,640
- Impairment and Loss/(Gain) On Assets	-	-	-
- Depreciation	5,337	5,970	11,307
- Amortisation	517	-	517
- Finance costs	7,090	2,099	9,189
- Lot 6 Compensation	17,735	-	17,735
Total Expenses	**37,934**	**20,833**	**58,767**
Segment profit before income tax	**(10,614)**	**4,791**	**(5,823)**
Income tax expense/(benefit)			5,697
(Loss) for the period			**(11,520)**
Segment total assets	**324,908**	**1,849**	**326,757**
Additions of property plant and equipment included in segment assets			20,455
Average number of full-time staff equivalents	70.0	14.0	84.0

The split between 'Specified Terminal' and 'Airfield' for the current year is based on the allocation of assets used for determining the aeronautical prices commencing 1 July 2025, after consultatio
There are no significant inter-segment transactions.

Year ended 30 June 2025	Airfield :ified $ 000's	Terminal $ 000's	Total $ 000's
External Income			
- Airport charges	23,277	23,639	46,916
- Licences & aircraft parking	1,339	761	2,100
- Other revenue	(2)	(3)	(5)
Total Income	**24,614**	**24,397**	**49,011**
Expenses			
- Administration and other	1,007	3,164	4,171
- Professional Services	933	2,199	3,132
- Repairs & maintenance	132	783	915
- Utilities	178	1,861	2,039
- Employee renumeration and benefits	2,923	6,060	8,984
- Impairment and Loss On Assets	(11)	-	(11)
- Depreciation	3,030	5,012	8,042
- Amortisation	146	-	146
- Finance costs	3,752	3,018	6,770
Total Expenses	**12,090**	**22,097**	**34,188**
Segment profit before income tax	**12,524**	**2,300**	**14,823**
Income tax expense			5,300
Profit for the period			**9,523**
Segment total assets	**177,131**	**135,591**	**312,722**
Additions of property plant and equipment included in segment assets			35,263
Average number of full-time staff equivalents	28	45	73

The split between 'Specified Terminal' and 'Airfield' for the current year is based on the allocation of assets used for determining the aeronautical prices commencing 1 July 2025, after consultatio
There are no significant inter-segment transactions.

25 ALLOCATION METHODOLOGY USED IN THE PREPARATION OF THESE STATEMENTS

a) **Revenue Categories**

Revenue falls into one of the following categories:

Passenger/landing charges relates to the revenue that is directly attributable to aircraft landings and the associated passenger charge. This revenue is directly allocated to the Identified Airport Activities based on the nature of the charge.

Licenses, leases and aircraft parking is the revenue from aircraft parking and the revenue from licenses and leases relating to aviation services. This revenue is directly allocated to the Identified Airport Activities based on the nature of the customer utilising these services.

b) **Expenditure Categories and Allocation**

Expenditure falls into one of the following categories:

Direct operating costs are those costs which are incurred solely by Identified Airport Activities, or another business unit of the airport, and have been allocated directly to that activity.

Indirect operating costs are either incurred by a number of Identified Airport Activities, or in conjunction with other business units. Indirect costs primarily relate to terminal related activities and an allocation is applied to determine the Specified Terminal (Identified Airport Activity) element of the cost. The company allocates indirect costs on a Revenue basis or a share of space attributable to each activity in the terminal building, consistent with the most recent aero-pricing consultation.

Non-operating costs have been allocated to the Identified Airport Activities on the following basis:

- Depreciation is allocated across Identified Airport Activities consistent with the methodology used for assets (see below).
- Interest expense is allocated across Identified Airport Activities consistent with the methodology used for debt (see below).
- Taxation is allocated across Identified Airport Activities based on a consistent allocation methodology applied to the relevant assessable expenses, for asset allocation (see below) and expenses (see above).

Expense items are generally analysed at the business unit level, however further analysis is conducted where significant costs within a business unit are known to have a different driver.

c) **Allocation of Assets**

The Company maintains a detailed property, plant and equipment register. Each asset has been coded directly to an Identified Airport Activity, other business units (non-Identified Airport Activity) or allocated as follows. Fixed assets have been allocated to the following categories as appropriate:

Direct assets are those assets which are directly allocated to an Identified Airport Activity based on their nature.

Indirect assets are those assets that relate to a number of Identified Airport Activities, or are used in conjunction with other business units of the airport. These assets are allocated using appropriate methodology to determine the portion of the asset that relates to each Identified Airport Activity. Material asset classes and allocation methodologies are:

- Terminal assets, including buildings have been allocated on a mixture of basis including Revenue and an area analysis of terminal usage.
- Land held for future airport development has been allocated between the various activities based on its intended future use.
- Corporate/Office assets including plant, equipment, furniture and fittings have been allocated on the proportions of operating expenditure across the Identified Airport Activities applied in the income statement.

d) **Allocation of Debt**

Debt is allocated between Identified Airport Activities on the assumption that it represents the net position of the activities after all other cash flows. Debt includes both external debt and intra-

e) **Allocation of Equity**

The equity position of the Identified Airport Activities is allocated with reference to the following for those activities:

- The opening level of equity.
- Adjustments for movements due to net profit less dividends.
- Adjustments for any capital issued or repaid.

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26 WEIGHTED AVERAGE COST OF CAPITAL

The Company has estimated the prospective weighted average cost of capital (WACC) for its Identified Airport Activities as at 01 July 2025.

The Company has applied a post-tax WACC model. The post investor tax version of the capital asset pricing model (CAPM) has been used to estimate the appropriate cost of equity capital. The debt premium has been based on the estimated margin over the 10-year swap rate yields. The yield, and therefore the cost of debt, reflects the market conditions as at 01 July 2025. This is consistent with the approach used by the Company in aeronautical pricing.

The following table summarises the key parameters used in the Company WACC model.

	2026 Parameter	2025 Parameter
- Risk free rate – 10 year swap rate yields	4.60%	4.73%
- Market risk premium	7.00%	7.00%
- Company tax rate	28.00%	28.00%
- Debt / (Debt + Equity)	8.98%	8.98%
- Debt premium	1.53%	1.73%
- Business risk factor (asset beta)	0.70	0.70
Calculated WACC	**8.31%**	**8.41%**

The Company revises its WACC periodically to coincide with its aeronautical pricing consultation processes or as required prior to a major aeronautical investment. The calculation of WACC for a particular portion of a company is subject to variables that require expert assessment and judgement.

The Company uses a generally-accepted approach to the calculation of the WACC. This represents the weighted average costs of equity (adopting the simplified version of the Brennan-Lally CAPM) plus the cost of debt, net of corporate tax deductions, as follows:

WACC = rD x (1 – TC) x (D/V) + rE x (E/V)
Where:
rD = The Company's pre-tax cost of debt.
TC = The corporate tax rate.
D = The value of the Company's debt. rE=The Company's post –tax cost of equity. E=The value of the Company's equity.
V = The Company's total enterprise value, i.e. (V = E + D).

27 METHODOLOGY USED TO DETERMINE AIRPORT CHARGES

Airport charges applying for the disclosure period in respect of airfield and terminal building use for Regular Air Transport Operations were reset as of 1st July 2025 covering the period FY26-FY28 (1 July 2025 to 30 June 2028).

The determination setting the charges included the following key features:

Pricing approach:

- Cost-recovery approach that seeks to recover the future costs of operating and investing in ZQN, including a return on assets.
- Includes allocation of shared costs to meet demand and deliver required service levels and assets consistent with accounting-based allocation approach (ABAA)

Pricing structure

- Per passenger price on landing for each service category - International jets, Domestic jets and Domestic turboprops.
- Annual inflationary price increase

Pricing model:

Discounted cashflow method to calculate prices that recover the revenue requirement based on forecast costs.

Volume forecast:

QAC used a negotiated passenger forecast adjusting for actuals with a moderately lower growth rate.

General Aviation and Helicopters:

QAC chose to not increase prices for the operators of the General Aviation and Helicopter activities over FY25 due to the uncertainty around relocation.

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28 SCHEDULE OF AIRPORT CHARGES

a) **Regular Air Transport Operations**

A flight forming part of a series of flights performed by aircraft for the transport of passengers, cargo, or mail between the Airport and one or more points in New Zealand or in any other country or territory, where the flights are so regular and frequent as to constitute a systematic service, whether or not in accordance with a published timetable, and which are operated in such a manner that each flight is open to use by members of the public.

b) **Maximum Certified Take-off Weight (MCTOW**)

For an aircraft the lower of its maximum certified take-off weight as specified by the manufacturer (or as approved by the Civil Aviation Authority) and the maximum authorised operating weight as specified by the Company.

c) **Landing Charge – General Aviation**

A landing charge is payable in respect of each arriving fixed wing aircraft that is not on a Regular Air Transport Operation, based on the MCTOW of the aircraft as set out in the table below.

Aircraft MCTOW (kg)	2026 Charge $ (excl GST)	2025 Charge $ (excl GST)
0 to 1,500	21.25	21.25
1,501 – 2,000	32.00	32.00
2,001 – 4,000	69.25	69.25
4,001 – 5,700	111.75	111.75
5,701 – 8,000	191.50	191.50
8,001 – 10,000	244.75	244.75
10,001 – 15,000	372.50	372.50
15,001 – 20,000	521.50	521.50
20,001 – 25,000	681.25	681.25
25,001 – 40,000	904.75	904.75
40,001 – 45,000	1,011.25	1,011.25
45,001 and greater	2,022.25	2,022.25

d) **Landing Charge – Helicopters**

For each rotary wing aircraft arriving on any part of the Airport including leased and licensed premises, a charge per landing is payable based on the helicopter's MCTOW as set out in the table

Helicopters MCTOW (kg)	2026 Charge $ (excl GST)	2025 Charge $ (excl GST)
0 to 1,100	21.25	21.25
1,101 – 1,500	32.00	32.00
1,501 – 2,000	42.50	42.50
2,001 – 4,000	69.25	69.25
4,001 – 5,700	111.75	111.75
5,701 – 8,000	191.50	191.50
8,001 – 10,000	244.75	244.75
10,001 – 15,000	372.50	372.50
15,001 – 20,000	521.50	521.50
20,001 – 25,000	681.25	681.25
25,001 and greater	904.75	904.75

e) **Aircraft Parking Charge**

For each aircraft parked in a designated aircraft parking area for a period in excess of three hours (aircraft with MCTOW greater than 5,700kg) or twenty four hours (aircraft with MCTOW at or below 5,700kg), an aircraft parking charge based on the aircraft MCTOW is payable per calendar day or part thereof as set out in the table below.

Aircraft MCTOW (kg)	2026 Charge $ (excl GST)	2025 Charge $ (excl GST)
0 to 1,500	20.00	20.00
1,501 – 2,000	30.00	30.00
2,001 – 4,000	55.00	55.00
4,001 – 5,700	90.00	90.00
5,701 – 10,000	250.00	250.00
10,001 – 20,000	500.00	500.00
20,001 – 30,000	1,000.00	1,000.00
30,001 and greater	1,500.00	1,500.00

For the purposes of aircraft parking charges, "designated aircraft parking area" means an aircraft parking area owned or leased by the Company other than an aircraft parking area which is subject to a lease or license granted by the Company.

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f) Passenger Charges Regular Air Transport Operations for the period ending 30 June 2026

i) Passenger Charge – International Jet Services

A charge of $21.14 (excluding GST) per embarking and disembarking passenger (excluding transit passengers, transfer passengers, infants and positioning crew) on fixed wing aircraft operating an international service. (2025: $22.27).

ii) Passenger Charge – Domestic Jet Services

A charge of $15.89 (excluding GST) per embarking and disembarking Passenger (excluding infants and positioning crew) on fixed wing aircraft operating a domestic service. (2025: $15.06).

iii) Passenger Charge – Domestic Turboprop Services

A charge of $13.67 (excluding GST) per embarking and disembarking Passenger (excluding infants and positioning crew) on fixed wing aircraft operating a domestic service. (2025: $13.00).

29 BAGGAGE MAKE UP CHARGES

BMU prices are no longer differentiated. These assets are included in a single asset base and reflected in a single price. See above.

30 LANDING STATISTICS

a) Scheduled Domestic Services

Aircraft MCTOW (kg)	Aircraft Type	2026	2025
0 to 20,000	DH8C	-	3
20,001 – 26,000	ATR72	855	839
26,001 – 56,000		-	-
56,001 – 71,000	B737-300	-	-
71,001 and greater	A320 /B737-800	5,310	5,319

b) Scheduled International Services

Aircraft MCTOW (kg)	Aircraft Type	2026	2025
0 to 71,000		-	-
71,001 and greater	A320 /B737-800	3,586	3,292

c) Other Landings

Aircraft MCTOW (kg)	Aircraft Type	2026	2025
All weights		24,422	23,018

d) Passengers

Class of passenger	2026	2025
Passengers arriving and departing on domestic flights	1,755,475	1,657,658
Passengers arriving and departing on international flights	1,066,668	944,225

31 INTERRUPTIONS TO SERVICES

There were no planned or unplanned disruptions during the period due to the Airport Operations.

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The Audit Office
Te Mana Arotake

Independent Assurance Report

To the Directors of Queenstown Airport Corporation Limited

Report on Queenstown Airport Corporation Limited's Disclosure Financial Statements for the year ended 30 June 2026

The Auditor-General is the auditor of Queenstown Airport Corporation Limited (the company). The company has elected to prepare disclosure financial statements for the company's identified airport activities in accordance with the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 (the Regulations).

Opinion

The Auditor-General has appointed me, Heidi Rautjoki, using the staff and resources of Deloitte Limited, to undertake a reasonable assurance engagement on whether the disclosure financial statements prepared by the company for the year ended 30 June 2026, complies, in all material respects, with the Regulations. The disclosure financial statements comprise:

- financial statements only for the identified airport activities, and not for the other activities of the company, prepared in accordance with the Regulations; and
- the information specified in section 9 and Schedule 2 of the Regulations.

In our opinion the disclosure financial statements are fairly reflected, in all material respects, in accordance with the Regulations, and comply, in all material respects, with generally accepted accounting practice in New Zealand on pages 3 to 26.

The limitations and use of this report is explained below. In addition, we explain the responsibilities of the Board of Directors and our responsibilities, and explain our independence.

Emphasis of Matter – Uncertainties Relating to Lot 6 Provision Estimation

Without modifying our opinion, we draw attention to Note 10 on page 14 and 15, which outlines the significant judgement and estimation uncertainty associated with Lot 6. The Land Valuation Tribunal has determined compensation of $44.5 million in relation to the compulsory acquisition of Lot 6, together with certain related costs. QAC has recognised the related compensation obligation based on management's best estimate of the amount required to settle the obligation. Appeals remain ongoing and the ultimate compensation payable may differ from the amounts recognised in the financial statements. As described in Note 10, management has concluded that the Land Valuation Tribunal determination does not affect the fair value of Lot 6 for financial reporting purposes.

Inherent limitations

Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement or non-compliance when it exists. Because of the inherent limitations of an assurance engagement, together with the inherent limitations of any system of internal control, it is possible that fraud, error, or non-compliance may occur and not be detected.

Further, a reasonable assurance engagement for the disclosure year ended 30 June 2026 does not provide assurance on whether compliance with the requirements of the Regulations will continue in the future.

Restricted use

The Regulations require the disclosure financial statements to include financial statements only for the company's identified airport activities, which are part of the annual financial statements that we have previously audited. Other than as expressly stated below, we have not carried out any additional procedures on the financial statements for the company's identified airport activities since signing our audit report on the company's annual financial statements on 17 August 2026 which contained an unmodified opinion. Explanation of the scope of our audit engagement on the company's annual financial statements and performance information is contained in that audit report.

This independent assurance report has been prepared for the Directors of the Company in accordance with our responsibilities under the terms of the letter of engagement dated 5 August 2026. We disclaim any assumption of responsibility for any reliance on this report to any person other than the Directors of the Company, or for any other purpose than that for which it was prepared.

Responsibilities of the Board of Directors for the disclosure financial statements

The Board of Directors has elected to prepare disclosure financial statements that comply with the guidelines issued under the Regulations, and subject to the Regulations, 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 the preparation of disclosure financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for the publication of the disclosure financial statements, whether in printed or electronic form.

Auditor's responsibility

We have agreed to express an independent conclusion on the disclosure financial statements that the Board of Directors have elected to prepare and to report that conclusion based on our work.

We have carried out our engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and Standard on Assurance Engagements 3100 (Revised) *Compliance Engagements* issued by the External Reporting Board.

Our work has been carried out to obtain reasonable assurance about whether the disclosure financial statements are free from material misstatement, and have been prepared in accordance with the Regulations, in all material respects. Material non-compliance with the Regulations relates to differences or omissions of amounts and disclosures that would affect an overall understanding of the disclosure financial statements. If we had found material non-compliance that was not corrected, we would have referred to the non-compliance in our conclusion.

The Regulations require the disclosure financial statements to include financial statements for the company's identified airport activities.

The financial statements for the company's identified airport activities included in the disclosure financial statements have been extracted from the underlying accounting records of the company, and our work on them was limited to:

- Obtaining an understanding of how the company has met the requirements of the Regulations to determine its identified airport activities.
- Obtaining an understanding of how the company has determined its allocation methodology which has been used to allocate shared expenditure, assets, debt and equity balances.
- Evaluating how the allocation methodology has been applied by testing the allocation of shared expenditure, assets, debt and equity balances.
- Agreeing the amounts and disclosures in the disclosure financial statements to the company's underlying records, and to the company's audited annual financial statements, where appropriate.

We also performed procedures to obtain evidence about the amounts and disclosures in the additional information included in the disclosure financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the additional information, whether due to fraud or error or non-compliance with the Regulations. In making those risk assessments, we considered internal control relevant to the company's preparation of the additional information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We did not examine every transaction, nor do we guarantee complete accuracy of the disclosure financial statements. Also we did not evaluate the security and controls over the electronic publication of the disclosure financial statements.

Independence and quality control

We complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of *Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) as applicable for audits of public interest entities issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The Auditor-General, and his employees, and Deloitte Limited and its partners and employees may deal with the company on normal terms within the ordinary course of trading activities of the company. Other than any dealings on normal terms with the ordinary course of trading activities of the company, this engagement carried out under the Regulations, our audit of the company's annual financial statements and performance information, and agreed-upon procedures relating to the company's sustainability-linked loan, we have no relationship with, or interests in, the company.



Heidi Rautjoki
for Deloitte Limited
On behalf of the Auditor-General
Dunedin, New Zealand
29 October 2026