ZQN
Queenstown Airport

ANNUAL REPORT

YEAR ENDING 30 JUNE 2026

A YEAR OF MILESTONES AND MOMENTUM

QAC'S REGISTERED OFFICE
Queenstown Airport Corporation
Sir Henry Wigley Drive
Frankton, New Zealand
Telephone +64 3 450 9031
Email admin@queenstownairport.co.nz
Website www.queenstownairport.co.nz

PHOTO: Joseph Maynard

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CHAIR'S REPORT

On behalf of the board of directors, I am pleased to present Queenstown Airport Corporation's annual report for the year ending 30 June 2026. It has been another year of strong performance and momentum, underlining Queenstown Airport's position as a critical enabler of economic prosperity, connectivity and opportunity for Queenstown, the district, and New Zealand.

In the 12 months to June 2026, a record 2.82 million passengers travelled through Queenstown Airport. The financial and operational performance of the company over the reporting period reflected the balanced approach taken by the business in continuing to drive commercial success, operational excellence, and financial returns.

We are pleased to report an underlying profit* of $34.0 million and an annual dividend of $20.4 million. As the majority shareholder, the Queenstown Lakes District Council will receive $15.3 million, which equates to about $470 per ratepayer. The balance of $5.1 million will be paid to our minority shareholder, Auckland International Airport.

The reporting of this year's results reflects a number of exceptional items that, for accounting purposes, are required to be recognised and have reduced our reported net profit. The reported profit for the year was $9.1 million. This does not affect the company's ability to pay a dividend to shareholders. The exceptional items and their impact are explained the Financial Performance section of this report.

As we look to the future of Queenstown and the district, we are focused on the airport functioning as more than an aviation hub. Queenstown Airport is a critical piece of regional and national infrastructure, enabling connections between people, places, businesses and markets.

The airport supports tourism, trade, investment, employment, emergency services and community life. It also influences about $1 billion in economic activity, underscoring the scale of its contribution and the importance of ensuring the airport continues to be well-planned, well-governed and well-managed for the future.

In August last year, we celebrated the airport's 90th anniversary, a milestone that provided an opportunity to reflect on how far the business has come. From modest beginnings as a rural airfield, Queenstown Airport has grown into one of New Zealand's most important gateways. We are proud of our history, and we've learned a lot in those 90 years, which gives us a solid foundation on which to build for the future.

In September, we welcomed Shane O'Hare as Chief Executive Officer. Shane brings a wealth of global aviation experience and has brought strong focus to operational performance, safety, customer experience, commercial discipline and future planning.

During the year, an organisational review was completed to ensure the business has the right structure, capability and focus to meet the opportunities and challenges ahead. The board strongly supports this work and recognises the commitment shown by management and the wider team as the organisation prepares for its next phase.

A key focus for the board has been ensuring that the airport is well positioned to support the region's growth while remaining a responsible neighbour and trusted community partner. We recognise that aviation connectivity is critical to the prosperity of the Southern Lakes region and maintaining constructive dialogue with our communities and stakeholders about how that growth is managed is crucial.

The airport serves one of the fastest-growing regions in the country so ensuring infrastructure keeps pace will require ongoing collaboration between local government, central government, infrastructure providers and industry. Queenstown Airport has an important role to play, and we welcome the growing central government focus on supporting the regional infrastructure that underpins New Zealand's visitor economy.

Investment will be critical to ensuring communities such as ours can continue to accommodate growing visitor numbers while delivering enduring benefits for residents, businesses and visitors alike. Continued partnership between central and local government, industry and communities is essential to ensure these benefits are realised in a way that is both sustainable and equitable.

We believe it is important to strike the right balance, enabling the region to support growth while enhancing quality of life for local communities and maintaining the high-quality experiences that have earned New Zealand its reputation as a world-class destination.

Our relationship with our shareholders – the Queenstown Lakes District Council and Auckland International Airport – remains fundamental to our success. Throughout the year, we have continued to engage regularly with elected members and council staff on strategic priorities, future infrastructure requirements, and regional planning matters.

These conversations are essential as we work together to support sustainable regional development and ensure the airport continues to deliver value for residents, visitors, businesses and shareholders.

The board was also pleased to see continued progress at Wānaka Airport, which QAC manages on behalf of the owner, the Queenstown Lakes District Council. This year, a dedicated Wānaka Airport Manager was appointed and the programme required by the Civil Aviation Authority to achieve Part 139 certification continues to advance. These initiatives will help ensure Wānaka Airport remains a safe, well-managed and valued aviation asset.

As a board, we remain committed to balancing growth, connectivity and economic opportunity with our responsibilities to shareholders, communities and future generations. Our focus is on the significant infrastructure delivery programme under way across the airfield, terminal and landside precincts to ensure Queenstown Airport is well positioned to continue creating value through safe, sustainable and strategically planned development over the long term. This investment is not only about meeting today's needs. It is about building the resilience, capacity and confidence required for the decades ahead.

On behalf of the board, I want to thank our shareholders, customers, airport partners, mana whenua, community representatives and our dedicated team for their ongoing support. The board is proud of the progress made this year and confident in the direction of the business as we continue to strengthen Queenstown Airport's role as an enabler of prosperity, connectivity and opportunity for the district, the region and New Zealand.

Simon Flood
Chair

* Please refer to p. 9 for a reconciliation between reported profit after tax and underlying profit after tax.

CEO'S REPORT

It has been a stellar year for Queenstown Airport, which was named Large Airport of the Year at the 2025 NZ Airports Awards. This is an honour that reflects not only operational excellence, but also the strength of collaboration across the airport community and our commitment to delivering a safe, efficient and world-class experience for everyone who travels through the airport.

Passenger demand remained strong throughout the year, underlining the enduring appeal of this region. In a significant milestone, we recorded more than one million international passenger movements for the first time, highlighting the importance of Australia as a key market and reinforcing Queenstown Airport's role as a critical international gateway. This growth continues to support the vitality of the tourism sector and the wider national economy, enabling businesses, jobs, and opportunities across the region.

While passenger growth and operational performance remain important measures of success, we are equally focused on the experience we provide and the relationships we build with our community.

This year, our customer experience score increased to 4.32, up from 4.25 in the previous year, reflecting ongoing improvements across the airport and the commitment of our people and partners to delivering a world-class experience. We were also encouraged to see community sentiment increase to 77%, up from 69% the previous year and the highest level recorded since measurement began. These results matter because they reflect the views of the people we serve and provide confidence that our commitment to listening, engaging and delivering positive outcomes for our customers and community is making a difference.

A major focus this year has been advancing a $65 million programme of airfield improvements, with construction of a Code C heavy taxiway as the centrepiece, alongside a runway overlay. These projects are due for completion in late 2027 and will improve operational efficiency, reducing delays on the ground and in the air, and strengthen the resilience of the airfield.

Contractors are also due to start construction of a two-storey office building beside Lucas Place to accommodate Queenstown Airport staff and partner agencies, ensuring we have the space and facilities needed to support an increasingly complex operation.

With the help of leading architectural firms Warren & Mahoney and Hassell, we have made great progress on concept designs for a terminal extension and upgrade, an important step in planning for the long-term needs of our customers, partners, and community.

At the same time, we have continued to invest in the infrastructure that underpins safe, reliable day-to-day operations. Over the past year, this has included a major electrical upgrade to support additional capacity and electrification, a complete overhaul of signage and wayfinding, an extension to provide extra offices for back-of-house airline staff, and seismic strengthening of the terminal.

While much of this work is not visible to passengers, it is critical to ensuring the airport can perform consistently now and into the future.

Collaboration remains central to our approach, and I want to acknowledge our four airline partners, Air New Zealand, Qantas, Jetstar and Virgin Australia, for their ongoing commitment to Queenstown and the important role they play in connecting our region to key domestic and trans-Tasman markets.

We also value the contribution of our general aviation operators, border agencies, Airways and airport tenants, whose work supports the unique mix of aviation activity that defines Queenstown Airport and helps ensure safe, efficient and reliable operations every day.

Beyond our boundary, we are actively engaged with organisations such as NZ Airports, Technology Queenstown, tourism organisations, business chambers, community groups and local stakeholders, contributing to conversations about connectivity, sustainability, economic diversification, regional infrastructure and the future growth of our district.

We also recognise the importance of supporting a more integrated transport system for the region. Our work with Southern Infrastructure and Whoosh to explore alternative modes of transport and improved access to the airport reflects a shared commitment to ensuring the region's growth is well-managed and sustainable.

None of this progress would be possible without the dedication and expertise of our people and the wider aviation community, whose professionalism and teamwork are central to our success.

As I reflect on the past year, I am grateful for the warm welcome I've received since joining the airport company in September 2025. A great deal has been achieved and there are many opportunities before us.

As we look ahead, our goal is clear: to deliver world-class outcomes for our customers while maintaining the trust and confidence of our community. Every decision we make, every investment we undertake, and every improvement we deliver must ultimately create a better experience for the people who travel through our airport and the region we proudly serve.

By keeping customers at the centre of what we do, while remaining a responsible neighbour and long-term partner, we are confident Queenstown Airport is well-positioned for the future.

My sincere thanks to the board of directors, our staff, shareholders, partners, stakeholders and community for their ongoing support as we continue to shape the next chapter in Queenstown Airport's story.

Shane O'Hare
Chief Executive Officer

OUR COMPANY

MISSION	VISION
Why we exist	Where we want to be
PROUDLY CONNECTING OUR HOME WITH NEW ZEALAND AND THE WORLD	**AN INNOVATIVE AIRPORT THAT PEOPLE LOVE TO TRAVEL THROUGH, AND THE COMMUNITY TAKES PRIDE IN**

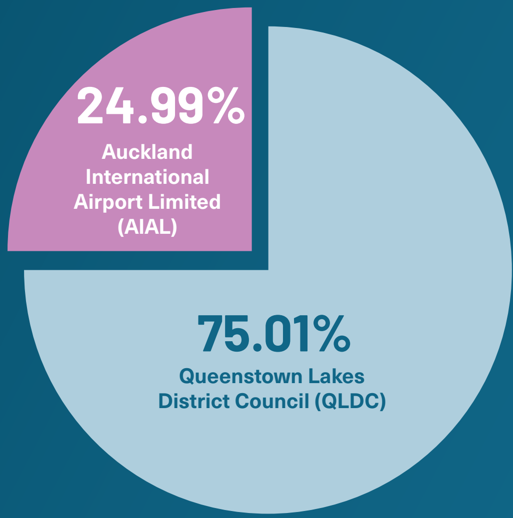
STRATEGIC PILLARS

EXPERIENCE
Exceed expectations at every touch point

RESILIENCE
Strong and capable

COMMUNITY
Respect for people and place

The Queenstown Airport Corporation (QAC) is a council-controlled trading organisation (CCTO) for the purposes of the Local Government Act 2002. The company is owned by one majority and one minority shareholder.



NATURE AND SCOPE OF ACTIVITIES

QAC's purpose is to create long-term value and benefits for its shareholders, business partners and the communities of the Queenstown Lakes District, measured against social, environmental, economic and cultural wellbeing.

QAC's primary activity is the safe and efficient operation of Queenstown Airport, facilitating air connectivity through the provision of infrastructure in the region, to meet the needs of our customers, the residents of, and visitors to the lower South Island.

This includes the provision of appropriate and sound aeronautical and associated infrastructure and facilities for the operations at the airport.

QAC also manages Wānaka Airport and the Glenorchy Aerodrome on behalf of the Queenstown Lakes District Council.

QAC:

- ensures effective stewardship of the airports, including meeting all relevant statutory obligations
- provides airfield, airside, terminal and landside facilities and infrastructure that deliver the required outcomes for all operators and users
- ensures the operational resilience of Queenstown Airport as a lifeline utility, as required under the Civil Defence Emergency Management Act 2002.

QUEENSTOWN AIRPORT

At Queenstown Airport, we provide for scheduled domestic and international air services, commercial and private general aviation operations and the Lakes District base for the Otago Rescue Helicopter service.

WĀNAKA AIRPORT

Wānaka Airport is owned by QLDC. QAC manages Wānaka Airport under a Management Services Agreement with QLDC. Wānaka Airport facilitates both commercial and private general aviation operations.

GLENORCHY AERODROME

Glenorchy Aerodrome is owned by QLDC. QAC provides grounds maintenance services and airstrip management at Glenorchy under a Management Services Agreement with QLDC.

REGULATORY OBLIGATIONS

Under the Airport Authorities Act (AAA) and Resource Management Act (RMA), QAC has statutory responsibilities and obligations related to land use and planning and operates in accordance with these obligations. QAC will continue to monitor and maintain regulatory compliance with the obligations set out in the district plan, QAC's designation and resource consents associated with the operation of Queenstown Airport. QAC will continue to monitor regulatory compliance at Wānaka Airport and highlight any issues to QLDC.

OUR YEAR AT A GLANCE

NO LOST-TIME INJURIES

LARGE NZ AIRPORT OF THE YEAR

90TH BIRTHDAY CELEBRATIONS

COMMUNITY SENTIMENT SCORE INCREASED TO 77%*

CUSTOMER SATISFACTION SCORE OF 4.32 ACHIEVED**

NEW BRISBANE SERVICES

TERMINAL CONCEPT DESIGN UNDER WAY

RECORD INFRASTRUCTURE INVESTMENT

STRONG COMMERCIAL REVENUE

SUBSTANTIAL DIVIDEND FOR SHAREHOLDERS

REMARKABLES STATION BIODIVERSITY PARTNERSHIP

airport carbon accredited TRANSITION

ACA 4+ TRANSITION ACCREDITATION MAINTAINED

*FY25 community sentiment score was 69%   **FY25 customer satisfaction score was 4.25

OUR FINANCIAL PERFORMANCE

We are pleased to report another strong financial performance, underpinned by record passenger numbers every month and sustained demand on international routes.

The board of directors was pleased to declare a total annual dividend to shareholders of $20.4 million.

For the first time in a financial year, Queenstown Airport recorded more than a million international passenger movements. In total, 2.82 million passengers travelled through the airport during the year – 220,260 more than in FY25. About 38% of those were international passengers, up from 36% the previous year.

All international routes recorded year-on-year growth. Sydney delivered the largest increase in passenger volumes, while Brisbane achieved the strongest percentage growth. The introduction of seasonal services by Air New Zealand and Jetstar means Brisbane is now served by all four of our partner airlines.

Domestic passenger numbers increased by 97,817 compared with FY25, although route-level performance was mixed, with growth on Auckland services offset by softer demand on Wellington services.

Queenstown Airport's general aviation operators also experienced another busy year.

Total revenue for the reporting period was $87.1 million – up 9% from $79.9 million in FY25. Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 8% from $57.3 million to $61.8 million, reflecting a strong commercial performance, as well as growth in passenger numbers.

Total operating expenditure was $25.3 million, up 12% on the previous year. The increase reflects a combination of inflationary pressures and investment in organisational capacity, including an increase in the size of our workforce to build operational strength and support a significant infrastructure development programme.

FINANCIAL SNAPSHOT

REVENUE

$87.1m
▲ 9%

EBITDA

$61.8m
▲ 8%

REPORTED PROFIT

$9.1m

UNDERLYING PROFIT*

$34.0m

* see table on p. 9

Underlying profit for the year was $34.0 million. Reported profit for the period was $9.1 million.

$000'S	FY26	FY25
Reported Profit	9.1	29.4
Adjusted for:		
Lot 6 Compensation, Interest & Legal Costs	22.6	2.5
Accelerated Depreciation	2.3	-
Underlying Profit	**34.0**	**31.9**

The underlying profit reflects adjustments made for costs associated with compensation for 'Lot 6' land which was acquired under the Public Works Act, as well as accelerated depreciation, following a review of the expected replacement timing and remaining useful lives of some infrastructure assets.

These adjustments do not affect EBITDA, operating cash flows, or the company's underlying financial performance.

As at 30 June 2026, term debt was $57 million. The company's balance sheet remains well-positioned to support planned infrastructure investment while maintaining a prudent approach to financial management.

PHOTO: Joseph Maynard

AIRCRAFT AND PASSENGER MOVEMENTS

TOTAL AIRCRAFT MOVEMENTS

1 July 2025 to 30 June 2026, compared with the previous year

SCHEDULED AIRCRAFT MOVEMENTS	19,678	▲ 4%
HELICOPTER MOVEMENTS	31,764	▲ 6%
FIXED-WING MOVEMENTS	16,540	▲ 2%
PRIVATE JET MOVEMENTS	481	▲ 5%

TOTAL PASSENGER MOVEMENTS

1 July 2025 to 30 June 2026, compared with the previous year

DOMESTIC MOVEMENTS	1,755,475	▲ 6%
INTERNATIONAL MOVEMENTS	1,066,668	▲ 13%
TOTAL	2,822,143	▲ 8%

AIRCRAFT AND PASSENGER MOVEMENTS EXPLAINED

Airports report passengers and aircraft as movements. A plane arriving in Queenstown and then departing counts as two aircraft movements. Similarly, about half of the total passenger movements are arrivals and half are departures.

SAFETY

SAFETY

SAFETY

Safety is everyone's responsibility and this year that collective commitment helped us achieve an important result – zero lost-time injuries.

BUILDING A STRONG SAFETY CULTURE

Safety is built through collaboration, vigilance, and a commitment to continuous improvement. Across the airport community, a strong reporting culture, regular Health and Safety Committee meetings, and close cooperation between airport partners help ensure risks are identified, discussed and addressed. During the year, our Airport Safety and Security Week attracted strong participation, with presentations and demonstrations from organisations including Emergency Management Otago, the Aviation Security Service, Customs, the Ministry for Primary Industries, mental health and fatigue management specialists, and emergency defibrillator trainers.
A safety-focused Kai and Kōrero session also encouraged practical discussions about workplace safety and responsibilities under New Zealand's Health and Safety at Work Act. Together, these initiatives help strengthen the shared safety culture that underpins everything we do.

READY FOR AN EMERGENCY

Preparedness is critical in aviation. During the year, we ran a two-phase, multi-agency emergency exercise that tested the response capability across the entire airport community. The exercise focused on both an immediate emergency response and the processes for confirming the whereabouts and status of all passengers following a major incident, bringing together airlines, emergency services, border agencies, ground handlers and airport teams. The sessions provided valuable opportunities to strengthen coordination, test procedures, and identify areas for improvement.

WILDLIFE MANAGEMENT

Managing wildlife is a vital part of maintaining a safe operating environment. To give this dedicated attention, we have appointed a Wildlife and Airfield Safety Manager and progressed our Wildlife Management Plan through detailed vegetation surveys and the management of bird attractants. We have also established a local wildlife forum, bringing together key community stakeholders to share knowledge and support a coordinated approach to wildlife risk management beyond our airfield.

Wildlife and Airfield Safety Manager Rob Cowles

KEEPING PASSENGERS SAFE

Queenstown Airport's spectacular alpine setting creates a memorable arrival experience, but it can also be a distraction for passengers moving across the tarmac. During the year, we introduced passenger integrated guidance systems at every aircraft stand, providing clearly defined pathways between aircraft and the terminal. Consistent equipment and processes across all stands help keep passengers, staff, vehicles and aircraft safely separated in a busy operating environment, while supporting efficient aircraft turnaround times.

PREPARING FOR GROWTH

With a significant capital investment programme under way, strong contractor management is a priority. We have undertaken a comprehensive review of contractor management and prequalification processes to ensure robust systems are in place during major infrastructure projects. This work will help maintain high safety standards as activity across the airport increases.

CARING FOR OUR CUSTOMERS

CARING FOR OUR CUSTOMERS

As the gateway to one of New Zealand's fastest-growing regions and most popular visitor destinations, we are welcoming more customers than ever before.

PUTTING CUSTOMERS FIRST

We are committed to making every journey as smooth and enjoyable as possible. Over the past year, we have strengthened our frontline customer service and operations team, ensuring we have the people and capability needed to support customers through busy periods, while maintaining the friendly welcome for which our airport is known.

MAKING A BOLD ENTRANCE

Big, bold, and impossible to miss, the new three-dimensional ZQN sign at the entrance to Queenstown Airport is already turning heads. The giant metal letters were installed on the embankment beside Lucas Place as part of our recent wayfinding upgrade. We hope the sign, set against the magnificent Remarkables, becomes a much-loved landmark that encourages people to stop, connect and perhaps snap a photo as a reminder of their Southern Lakes journey.

Why ZQN? ZQN is the unique three-letter International Air Transport Association code used to identify Queenstown Airport on airline tickets and luggage. But around here, it's become much more than that. For many people, "ZQN" is simply shorthand for Queenstown Airport and everything it represents: adventure, connection, arrivals, departures, holidays, and homecomings.

DRIVEN BY INSIGHT

Creating a great experience starts with understanding where improvements are needed. We use customer feedback, operational data and performance insights to identify pinch points, inform decision-making and continuously improve the passenger journey. This approach helps us respond quickly to changing customer needs and emerging challenges. LiDAR technology provides real-time insights into passenger flow and processing times, enabling airport and airline teams to respond quickly and keep queues moving efficiently. Weekly operational meetings with airlines, border agencies and other airport partners further strengthen collaboration and support collective problem-solving. This focus on data, technology and teamwork is delivering results. It has never been quicker to check in at Queenstown Airport, pass through security screening, and reach the gate, ready to relax before a flight.

IMPROVING EVERY JOURNEY

We use the globally recognised Airport Service Quality (ASQ) programme to monitor the experience of passengers at Queenstown Airport and benchmark this against similar airports around the world. Quarterly ASQ surveys provide insights into what travellers value most and allow us to track our performance over time. We're proud to report that customer satisfaction improved during the year, reflecting enhancements to terminal amenities, smoother journeys through key touchpoints, and, most importantly, the professionalism and friendliness of our people.

MORE COMFORT WHERE IT MATTERS

Creating a great airport experience means paying attention to the details that matter most to travellers. During the year, we completed a significant upgrade of bathroom facilities in the domestic departures lounge, including adding another block of toilets and a dedicated parenting room. The project responded directly to customer feedback and was designed to improve comfort, convenience and accessibility for passengers waiting for domestic flights, particularly during peak travel periods.

NAVIGATING THE AIRPORT

One of the most significant customer experience projects undertaken during the year was a comprehensive upgrade of wayfinding and signage across the airport. Covering roading, parking areas, passenger pick-up and drop-off zones, pedestrian routes, and the terminal interior, the project is designed to make navigating the airport simple and intuitive. Developed with specialist designers, the wayfinding includes a new zoning system, with outdoor areas divided into Zones A, B, C and D, making it easier for customers and staff to identify and communicate locations across the airport. New illuminated signs, updated road signage, and internationally recognised pictograms improve visibility and consistency throughout the airport environment. Together, these improvements help remove the guesswork from navigating the airport, supporting smoother journeys from the moment customers arrive through to boarding their flight.

INVESTING IN INFRASTRUCTURE

INVESTING IN INFRASTRUCTURE

We are undertaking the largest infrastructure investment programme in our history, ensuring Queenstown Airport is ready to serve the region and New Zealand for decades to come.

PLANNING FOR THE FUTURE

Detailed planning for infrastructure improvements across the entire airport has been happening behind the scenes and we are now preparing to ramp up construction. Our investment programme is focused on modernising facilities, enhancing safety and resilience, creating simpler passenger journeys, and delivering an airport experience that befits our role as the gateway to one of the world's most extraordinary tourism destinations.

SHAPING THE FUTURE TERMINAL

Leading architects Warren & Mahoney (WAM) and Hassell have been engaged to help develop the concept design for a substantial expansion and upgrade of our terminal. This is the largest and most complex programme of works in our Master Plan but, arguably, also the most exciting, offering a once-in-a-generation opportunity to transform the heart of the airport. The aim is to create a more spacious, efficient, and comfortable terminal that supports passenger growth and makes the most of our beautiful setting.

OUR BIGGEST-EVER AIRFIELD INVESTMENT

A $65 million programme of airfield improvements – incorporating the construction of a Code C heavy taxiway and a complete overlay of the main runway – has just started. It is unusual for an airport of our size to operate without a heavy taxiway, and this project will significantly enhance safety and operational efficiency, reducing aircraft delays both on the ground and in the air. It will also lower aircraft fuel usage and reduce wear on the runway. This investment follows the recent installation of Australasia's first engineered materials arresting system (EMAS) on our airfield. This innovative safety feature is designed to safely stop an aircraft in the unlikely event one overshoots the runway.

Artist's impression

CREATING SPACE FOR OUR TEAM

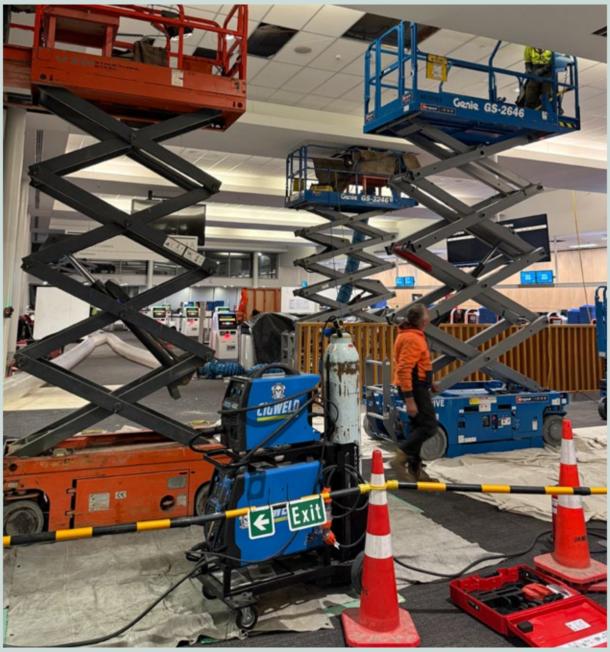
With passenger numbers rising and infrastructure development accelerating, the number of people employed at Queenstown Airport is also growing, and we are investing in more spacious and modern workspaces. Construction of Airport House, our new Green Star-certified head office building beside Lucas Place, is scheduled to begin in September. We are working closely with mana whenua, through Aukaha, to incorporate a cultural narrative into the building's design, creating a workplace that reflects both our sustainability ambitions and the unique identity of Tāhuna Queenstown and the Whakatipu Basin. Meanwhile, significant progress has been made on building additional office and operational space for airline staff and Aviation Security.

REDESIGNING THE LANDSIDE PRECINCT

Work on the future redevelopment of the areas around the terminal is also under way, supported by design experts from Stantec and WAM. This programme of works is focused on how people access and move through the airport, creating better connections between ground transport, parking, commercial services, and the terminal, while providing flexibility for the future. It will also support more use of public transport, and better cycling and walking pathways.

BUILDING RESILIENCE

Investing in resilience is a key part of preparing the airport for the future. During the year, we completed seismic strengthening of the terminal. We also continued modernisation of the system that heats, cools and ventilates the building, and upgraded electrical infrastructure to increase capacity and reliability. Together, these improvements help ensure safe, efficient and resilient operations, while enabling increasing electrification.



ECONOMIC CONTRIBUTION

ECONOMIC CONTRIBUTION

We are undertaking the largest infrastructure investment programme in our history, Queenstown Airport plays a vital role in supporting both the regional and national economy.

Independent analysis by Arrowtown-based economist Benje Patterson shows the airport supports thousands of jobs and influences more than $1 billion in economic activity each year. The benefits extend well beyond the airport boundary, flowing through to businesses across the tourism, hospitality, retail, transport, and professional service sectors.

Despite the Queenstown Lakes District being home to only 1% of New Zealand's population, Queenstown Airport is the country's fourth busiest airport, connecting the lower South Island to the wider world. It ranks third for international passenger numbers behind Auckland and Christchurch.

An estimated 80% of passenger arrivals are visitors – evenly split between international and domestic visitors – while 20% are local residents.

When a plane touches down here, the impact spreads far beyond the airport. It supports accommodation providers across the region, fills our restaurants and attractions, and contributes to New Zealand's global reputation as a world class destination.

A single full international A321 flight brings more than $400,000 of visitor spending into the region, while a full domestic A321 flight contributes more than $300,000.

The airport is also essential for many residents, providing connections to family, education, healthcare, business opportunities and domestic and international travel. It is also a designated lifeline utility under the Civil Defence Emergency Management (CDEM) Act 2002.

ECONOMIC CONTRIBUTION SNAPSHOT

Queenstown Airport's annual impact

$1.1 BILLION ECONOMIC CONTRIBUTION	**$846 MILLION** RELATED TO SPENDING BY VISITORS WHO ARRIVE BY AIR
7,871 JOBS SUPPORTED	**40+** BUSINESSES AND GOVERNMENT AGENCIES OPERATING AT ZQN

Source: Independent Economic Impact Assessment (Benje Patterson)

COMMUNITY CONNECTIONS

COMMUNITY CONNECTIONS

Strong communities are built on strong connections, and we are proud to support those helping our region to thrive.

MAKING A DIFFERENCE

We invest in our community through carefully selected partnerships, sponsorships and collaborations, and value the relationships we have developed through this. Over the past year, we have continued to support the Whakatipu Reforestation Trust, Coastguard Queenstown, KiwiHarvest, the Wakatipu High School Foundation, and the Lakes District Air Rescue Trust, among others. In addition, the ZQN Community Fund – established in 2025 and administered by the 45South Community Foundation – distributes $50,000 a year to support grassroots organisations that strengthen community wellbeing, connection and resilience across the Queenstown Lakes District and Central Otago. It has been rewarding to see the positive impact of the first year's grants, and to award a further 15 grants during the second funding round.

BACKING LOCAL BUSINESS

A thriving local economy benefits everyone and, as a significant employer and one of the largest businesses in the Southern Lakes region, we have a responsibility to help others to succeed. During the year, we were pleased to host business events that brought people together to share ideas, build relationships, and celebrate success. We also sponsored the new Small Business of the Year category at the Queenstown Business Awards, and were proud to see Queenstown Airport recognised as a finalist in the Excellence in Sustainability and Environmental Business Practice category. The recognition reflects the progress made since launching our Sustainability Strategy in 2021, including a substantial reduction in organisational emissions, achievement of Level 4+ Airport Carbon Accreditation, electrification of operations, and support for biodiversity and native regeneration projects.

PLANNING FOR RESILIENCE

Working in partnership with Queenstown Lakes District Council and Emergency Management Otago, we have continued to progress the Coordinated Air Repatriation and Evacuation (CARE) project as part of Alpine Fault earthquake preparedness planning. The project is exploring how aviation could support the safe evacuation of visitors if road access to the district was disrupted, bringing together the airport community, government agencies, emergency responders and other partners to develop a coordinated and flexible framework for future emergency response.

SUPPORTING INNOVATION AND OPPORTUNITY

As a founding partner of Technology Queenstown, we are supporting efforts to diversify the regional economy and create opportunities in high-value industries. Strengthening connections between business, technology, education and innovation helps build our region's economic resilience and broadens opportunities for future generations.

BRINGING THE FUN

We love supporting community events that bring energy, creativity, and fun to the region. This year, we helped revive the legendary Suitcase Race at Coronet Peak as part of Snow Fest, a new celebration to welcome winter. A much-loved fixture of the former Queenstown Winter Festival, the race sees competitors hurtling downhill in or on suitcases, combining equal parts courage and chaos. Its return delighted locals and visitors alike. We are also proud to be the principal sponsor of the Lake Hayes A&P Show, one of the district's longest-running and most cherished community events. The show celebrates the region's rural heritage and agricultural excellence, bringing together the Whakatipu Basin's rural and urban communities for a day of competition, entertainment and connection.

RESTORING NATIVE BIODIVERSITY

The Remarkables are the first thing passengers see when they step off a plane at Queenstown Airport and are an iconic symbol of our region. During the year, we entered into a long-term partnership with the Remarkables Station National Trust to help restore biodiversity at the foot of this spectacular mountain range. We have committed to providing $25,000 a year, alongside in-kind support, to remove invasive weeds from about 100 hectares, manage pests, and create the conditions for local flora and fauna to thrive. The partnership aligns with our Sustainability Strategy commitment to work with others to actively restore habitats for the benefit of future generations

SUSTAINABILITY

We are working hard to reduce our environmental impact, to become more sustainable, and to share knowledge with partner organisations. We are committed to providing annual verified emissions data and to maintaining Airport Carbon Accreditation, which is a rigorous globally recognised certification programme for airports. We will deliver our annual Sustainability Report, incorporating climate-related disclosures, later this year.

You can read more about our Sustainability Strategy and initiatives at www.queenstownairport.co.nz/corporate/sustainability-community/

Scan to read more

GROWING COMMUNITY TRUST

Independent research shows community sentiment towards Queenstown Airport has reached its highest level since measurement began, with overall satisfaction increasing to 77%, up from 69% the previous year, and well above the original baseline of 64% in 2023.

We are greatly encouraged by this result, particularly because it reflects the views of the community we serve. Strong relationships with our neighbours and the wider community are important to us, and we know trust must be earned and maintained over time.

The improvement reflects the cumulative impact of many initiatives, from investing in infrastructure and safety, to improving the customer experience at Queenstown Airport, and engaging openly with the community about our operations and plans for the future.

We are especially encouraged to see growing confidence in our communication, community focus and long-term vision.

While we do not take community support for granted, these results suggest we are heading in the right direction. We remain committed to listening, engaging constructively, and making decisions that balance the needs of our customers, region, and shareholders.

We are grateful for the trust our community places in us and remain focused on strengthening those relationships as we plan for the future.

WĀNAKA AIRPORT

WĀNAKA AIRPORT

Wānaka Airport plays an important role in the Upper Clutha community, supporting commercial aviation operators, tourism, recreational pilots, and emergency responders.

SUPPORTING SAFE AND EFFICIENT OPERATIONS

QAC is proud to manage the day-to-day operation of Wānaka Airport on behalf of its owner, the Queenstown Lakes District Council. During the year, we strengthened our on-the-ground presence with the appointment of Rachel Sutherland as Wānaka Airport Manager, providing dedicated local leadership for our Wānaka team, and strengthening relationships with airport users, stakeholders, and the wider community. Rachel previously worked as Customer Operations Manager for international courier and logistics business DHL Express at Auckland Airport and is delighted to have found a role in Wānaka where her extensive experience in aviation operations and leadership is being put to good use.

Wānaka Airport Manager Rachel Sutherland

PLANNING FOR THE FUTURE

We are pleased to see progress on long-term planning for Wānaka Airport. This work is being led by Queenstown Lakes District Council, which owns the airport and has appointed independent advisers to undertake community engagement and help inform future master planning. QAC's role is to support the process by providing operational and aviation expertise when requested, while continuing to manage the airport in accordance with the direction set by Council.

ACHIEVING PART 139 CERTIFICATION

Work is also progressing to achieve Part 139 certification, a requirement set by the Civil Aviation Authority following a review of activity levels at the airport. The certification process is intended to ensure Wānaka Airport can continue to safely support its current mix of aviation activity and does not determine the future scale or capacity of the airport. QLDC is responsible for achieving certification, with QAC providing operational support and technical expertise. The required work includes strengthening safety systems, governance and infrastructure to meet modern regulatory standards and maintain existing levels of activity safely.

WARBIRDS OVER WĀNAKA

A highlight of the year was another highly successful Warbirds Over Wānaka airshow during Easter. Behind the scenes, many months of planning and preparation went into supporting the event, with the Wānaka Airport team and other QAC staff working closely with organisers, regulators, emergency services, and other stakeholders to help ensure it was delivered safely and professionally. The event attracted visitors from across New Zealand and overseas, generating significant economic benefits for the region. Independent analysis found the 2026 airshow contributed more than $57 million to the regional economy and generated more than 130,000 visitor bed nights, underlining its importance to the Upper Clutha visitor economy. The next Warbirds Over Wānaka International Airshow is scheduled to be held on 14-16 April 2028.

BOARD OF DIRECTORS

SIMON FLOOD

CHAIR

MIKE TOD

DEPUTY CHAIR

ANDREW BLAIR

DIRECTOR

JACQUELINE CHEYNE

DIRECTOR

DON ELDER

DIRECTOR

MARY-LIZ TUCK

DIRECTOR

COMPANY INFORMATION

LOCATION	Queenstown Airport Corporation Airport Administration, Queenstown Airport Sir Henry Wigley Drive Frankton Queenstown 9300
POSTAL ADDRESS	Queenstown Airport Corporation Airport Administration, Queenstown Airport Sir Henry Wigley Drive Frankton Queenstown 9300 NEW ZEALAND
PHONE	+64 (0) 3 450 9031
EMAIL	admin@queenstownairport.co.nz
WEBSITE	www.queenstownairport.co.nz
SHAREHOLDERS	Queenstown Lakes District Council (75.01%) Auckland Airport Holdings (No.2) Limited (24.99%)
DIRECTORS	Simon Flood (Chair) Mike Tod (Deputy Chair) Andrew Blair Jacqueline Cheyne Don Elder Mary-Liz Tuck
AUDITORS	H Rautjoki of Deloitte Limited (on behalf of the Auditor-General) PO Box 1245 Dunedin
BANKERS	BNZ Queenstown Store 36 Grant Road, Frankton Queenstown Bank of China Level 17 205 Queen Street Auckland ASB ASB House, Level 2 166 Cashel Street Christchurch The Industrial and Commercial Bank of China (ICBC) Level 11 188 Quay Street Auckland

EXECUTIVE LEADERSHIP TEAM	Chief Executive Officer	Shane O'Hare
	Chief of Finance & Corporate Services	Andrew Williamson
	Chief of Aviation & Customer	Todd Grace
	Chief of Infrastructure	Mike Simmers
	Chief of Strategy & Transformation	Recruitment under way
	Chief of Property & Commercial	Recruitment under way
SENIOR PERSONS PER CIVIL AVIATION RULES, PART 139	Chief Executive Officer	Shane O'Hare
	Chief of Aviation & Customer	Todd Grace
	Head of Assets, IT & Airport Emergency Service	Wayne Stiven
	Senior Manager, Regulatory & Compliance	Daniel Dodd

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

GOVERNANCE AND STATUTORY DISCLOSURES

QAC is currently governed by a board of six directors. The board is appointed by the shareholders to govern and direct QAC's activities within the parameters of the Statement of Intent. Auckland International Airport Limited (AIAL) is the minority shareholder and appoints one director. Queenstown Lakes District Council is the majority shareholder and appoints all the other directors, including the Chair and Deputy Chair.

The board is the body responsible for all strategic and operational decision-making within the company. It is accountable to its shareholders for the financial and non-financial performance of the company.

The board of directors and management team are proud to be stewards of these important community assets and are committed to effective governance, ensuring the company meets best practice governance principles and maintains the highest ethical standards.

The board has an established Audit and Financial Risk Committee to oversee the company's financial reporting processes, system of internal control, and the external audit process, and its processes for identifying and managing financial risk, and for monitoring compliance with applicable law and its own policies. The board also has a Safety and Operations Risk Committee to oversee the company's performance and reporting related to health, safety & security and operational activities and monitor compliance with applicable law and its own policies.

An Infrastructure Development Advisory Group has been established to support the company's capital delivery programme at Queenstown Airport.

COMMITMENT

The board of directors will continue to govern the company on behalf of shareholders as a sustainable business enterprise, operating in a manner that is safe, financially stable, customer-focused, well-planned, and environmentally conscious.

ROLE OF THE BOARD OF DIRECTORS

The board is responsible for the strategic direction and oversight of QAC's activities. This responsibility includes:

- approving strategic plans, airport master plans, budgets and the Statement of Intent
- approving capital investments and land acquisitions/disposals
- establishing procedures and systems to ensure the occupational health and safety of the company's people and contractors
- corporate policies, including financial and dividend policies, and delegated authorities
- monitoring financial performance and achievement of the strategic initiatives and SOI objectives appointment and monitoring of the performance and remuneration of the Chief Executive Officer (CEO)
- ensuring that the company adheres to high ethical and corporate behaviour standards
- integrity of management information systems
- assessment of business opportunities and business risks
- internal control and assurance systems
- compliance with relevant regulations and legislation
- ensuring that QAC has appropriate risk management and regulatory compliance policies in place and the company's adherence to these policies
- actively engaging with shareholders and the community to ensure alignment on objectives.

BOARD ATTENDANCE

DIRECTOR	POSITION	MEETINGS ATTENDED	OF A POSSIBLE	COMMITTEE
Simon Flood	Chair	8	8	AFRC, SORC
Mike Tod	Deputy Chair	8	8	SORC Chair
Jacqueline Cheyne	Director	8	8	AFRC Chair, SORC
Andrew Blair	Director	8	8	SORC
Don Elder	Director	8	8	SORC
Mary-Liz Tuck	Director	8	8	AFRC, SORC

AFRC – Audit & Financial Risk Committee **SORC** – Safety & Operational Risk Committee

PRINCIPAL ACTIVITIES OF THE COMPANY

The principal activity of the Company during the year was as an airport operator. The Company provides airport facilities and supporting infrastructure in Queenstown, New Zealand, and aeronautical services in Queenstown, Wānaka, and Glenorchy, New Zealand. There has been no material change to the business over the reporting period.

BOARD OF DIRECTORS

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

Simon R Flood
Michael Q M Tod
Jacqueline Cheyne
G Andrew Blair
Don Elder
Mary-Liz Tuck

DIRECTORS' INTERESTS

There were no director interests that had an impact on the results to declare during the year.

SHARE DEALINGS

No director acquired or disposed of any interest in shares in the Company during the year.

DIRECTORS' REMUNERATION

The following are particulars of directors' remuneration authorised and received during the year:

	Appointment Date	**2026**	**2025**
Simon R Flood	12 December 2019	104,000	75,133
Michael Q M Tod	30 October 2020	79,230	55,200
Jacqueline Cheyne	7 December 2023	67,500	49,833
G Andrew Blair	30 October 2020	58,000	46,000
Don Elder	30 October 2024	58,000	26,833
Mary-Liz Tuck	1 January 2025	58,000	23,000
Adrienne F Young-Cooper	(resigned 30 October 2024)	-	34,500
Mark R Thomson	(resigned 31 December 2024)	-	23,000
		$424,730	**333,500**

REMUNERATION OF EMPLOYEES

There were 49 employees who received remuneration and other benefits totalling more than $100,000 during the reporting period.

BRACKET			2026 Number of employees	2025 Number of employees
$100,000	–	$110,000	11	7
$110,000	–	$120,000	5	7
$120,000	–	$130,000	7	6
$130,000	–	$140,000	3	2
$140,000	–	$150,000	2	3
$150,000	–	$160,000	3	4
$160,000	–	$170,000	4	1
$170,000	–	$180,000	2	2
$180,000	–	$190,000	2	1
$190,000	–	$200,000	1	1
$210,000	–	$220,000	1	-
$220,000	–	$230,000	-	1
$230,000	–	$240,000	1	-
$240,000	–	$250,000	-	1
$250,000	–	$260,000	1	-
$260,000	–	$270,000	1	1
$270,000	–	$280,000	-	2
$280,000	–	$290,000	2	-
$420,000	–	$430,000	-	1
$430,000	–	$440,000	-	1
$440,000	–	$450,000	1	-
$460,000	–	$470,000	1	-
$480,000	–	$490,000	1	-
$750,000	–	$760,000	-	1
			49	**42**

DONATIONS

The Company made donations totalling $2,227 during the year (FY25: $3,165).

USE OF COMPANY INFORMATION

During the year, the Board received no notices from directors of the Company requesting to use company information received in their capacity as directors that would not otherwise have been available to them.

AUDITOR

The Auditor-General is the statutory auditor of the Company in accordance with the Public Audit Act 2001. The Auditor-General has appointed Heidi Rautjoki, of Deloitte Limited, to undertake the audit on his behalf.


ZQN
Queenstown Airport
OPERATIONS

DIRECTORS' RESPONSIBILITY STATEMENT

The directors of Queenstown Airport Corporation Limited are pleased to present the Annual Report and Financial Statements for Queenstown Airport Corporation Limited for the year ended 30 June 2026.

The directors are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice which give a true and fair view of the financial position of the Company as at 30 June 2026 and the results of operations and cash flows for the period ended on that date.

The directors consider the financial statements of the Company have been prepared using accounting policies that have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed or otherwise disclosed.

The directors believe that proper accounting records have been kept which enable with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The directors consider that they have taken adequate steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the Financial Statements.

This Annual Report is dated 17 August 2026 and is signed in accordance with a resolution of the directors.

Simon Flood
Chair

Jacqueline Cheyne
Chair of AFRC

STATEMENT OF SERVICE PERFORMANCE

MEASURE	FY26 TARGET	FY26 ACHIEVEMENT
MASTER PLAN DELIVERY AND DEVELOPMENT PLANNING	Airfield, Terminal and Landside programme delivery commences	Achieved All three programmes are in place and delivery has commenced.
	Key airfield projects approved and initiated	Achieved The Northern Aviation Precinct, Parallel Taxiway, and Runway Overlay projects have been approved and all initiated.
STRATEGIC PLANNING AND REPORTING	Complete three-year review of the company's 10-year Strategic Plan, deliver to shareholders and publish on the Queenstown Airport website	Not Achieved The three-year review has commenced, but has not been completed. An environmental scan and workshop with management was held. A Board-led strategy-setting programme has been developed. This will inform the review of the 10-year strategic plan to be completed during FY27.
	Publish an annual Sustainability Report, including climate-related risks and opportunities, informed by scenario analysis	Achieved The company's Sustainability Report 2025 was published in December and is available on the Queenstown Airport website.
	Deliver interim and annual reports to shareholders and publish them on the Queenstown Airport website	Achieved The company's FY25 Annual Report was published in August, and the company's Interim Report FY26 was published in February. Both are available on the Queenstown Airport website.
FINANCIAL RETURN TO SHAREHOLDERS	Interim and annual dividend paid to shareholders in line with QAC's dividend policy	Achieved An annual dividend payment for FY25 was paid to shareholders in August. An interim dividend payment for FY26 was paid to shareholders in February.

STATEMENT OF SERVICE PERFORMANCE

MEASURE	FY26 TARGET	FY26 ACHIEVEMENT
ACHIEVE AN ABSOLUTE EMISSION REDUCTION, FROM QAC ORGANISATIONAL ACTIVITIES, OF 85% FROM OUR BASELINE YEAR (2019) BY 2028*	Emit no more than 122 tonnes of Non-Emergency Scope 1 and net Scope 2 emissions	Achieved 21.11 tCO_2-e tonnes of Non-Emergency Scope 1 and net Scope 2 emissions were recorded. Further details are available in the company's Carbon Footprint Report available on the Queenstown Airport website.
	Expand the QAC owned onsite ZQN composting facility to enable the increased diversion of organic waste from landfill as passenger activity increases	Achieved The composting facility has been expanded.
MAINTAIN A POSITIVE CUSTOMER EXPERIENCE SCORE	Quarterly customer experience surveys conducted at ZQN	Achieved Surveys were conducted in the terminal each quarter in accordance with the Airport Council International's Airport Service Quality (ASQ) programme protocols. All compliance metrics were met.
	Achieve a customer satisfaction score of 4.20 or higher	Achieved Four quarterly surveys were completed. The average score was 4.32.
INCREASE OUR COMMUNITY SENTIMENT SCORE	Achieve community satisfaction score of 67%	Achieved An independent community sentiment survey was conducted in April and a community sentiment score of 77% was achieved.
INCREASE THE PERCENTAGE OF PEOPLE TRAVELLING VIA PUBLIC TRANSPORT TO AND FROM THE AIRPORT ANNUALLY**	Achieve 10% increase on previous year	Not Achieved A 6% increase has been achieved. Since our baseline year ending June 2022, patronage has increased by 308%. A step change was achieved in FY24 and FY25 and the rate of growth has since slowed.

STATEMENT OF SERVICE PERFORMANCE

MEASURE	FY26 TARGET	FY26 ACHIEVEMENT
INCREASE NON-AERONAUTICAL REVENUE TO 25% OF OVERALL REVENUE BY 2032	10% increase in revenue from our e-commerce offering on previous year	Not Achieved E-commerce revenue decreased by 20% compared to the previous year. The E-commerce portfolio is relatively small and the focus of commercial activity has been diverted to other opportunities.
	Development of Stage 1 of the Frankton Development Precinct started	Achieved Construction of the relocated Europcar facility is underway. A resource consent application for roading and horizontal infrastructure has been lodged with QLDC, and detailed design has commenced, including integration with the Northern Aviation Precinct.
MANAGE AIRCRAFT MOVEMENTS TO REMAIN WITHIN EXISTING NOISE BOUNDARIES	Noise modelling demonstrates compliance with operative noise boundaries	Not Achieved The 2025 compliance report, published in early 2026, has confirmed a minor breach occurred to the south of the cross-wind runway during 2025. Mitigation measures were established and interim 2026 compliance contours indicate that compliance will be achieved for 2026.
MANAGE THE HEALTH, SAFETY AND SECURITY WELLBEING OF EMPLOYEES AND CONTRACTORS	Zero employee or contractor lost-time injuries	Achieved There were no employee or contractor lost-time injuries recorded this year.
ENSURE THE MANAGEMENT OF THE AERODROME MEETS ALL HEALTH AND SAFETY, REGULATORY, AND OPERATIONAL COMPLIANCE STANDARDS	Full compliance with all internal and external audits	Achieved All regulatory, safety and compliance standards were met.

* Scope 1 and 2, and limited Scope 3 as outlined in the FY26 Statement of Intent. Emergency vehicle use and emergency use of the diesel boiler is excluded.
** QAC collects data regarding public transport bus patronage at Queenstown Airport from the Otago Regional Council to calculate the annual rate of change.
*** E-commerce revenue represents less than one percent of the company's commercial revenue.

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INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2026

	NOTE	2026 $ 000's	2025 $ 000's
INCOME			
Revenue from contracts with customers	3	61,261	56,020
Rental and other income	3	25,811	24,004
Other gains/(losses)		59	(131)
Total income		**87,131**	**79,893**
EXPENSES			
Operating expenses	3	13,821	12,453
Employee remuneration and benefits	3	11,510	10,146
Total expenses		**25,331**	**22,599**
Earnings before interest, taxation, depreciation and amortisation (EBITDA)		**61,800**	**57,294**
Depreciation	8	15,544	10,742
Amortisation	9	517	146
Loss on Disposal of Assets		-	(11)
Lot 6 Compensation	10	17,735	-
Earnings before interest and taxation		**28,004**	**46,417**
Finance costs	4, 10	7,517	5,035
Profit before tax		**20,487**	**41,382**
Income tax expense	5	11,387	11,982
Profit for the period		**9,100**	**29,400**

The notes and accounting policies on pages 50 to 78 form part of and are to be read in conjunction with these financial statements.

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	NOTE	2026 $ 000's	2025 $ 000's
PROFIT FOR THE PERIOD		**9,100**	**29,400**
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 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	-	62,939
Deferred tax on property plant and equipment		-	(5,885)
Other comprehensive income for the year, net of tax		**240**	**56,272**
Total comprehensive income for the year, net of tax		**9,340**	**85,672**

The notes and accounting policies on pages 50 to 78 form part of and are to be read in conjunction with these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	ORDINARY SHARES	ASSET REVALUATION RESERVE	CASH FLOW HEDGE RESERVE	RETAINED EARNINGS	TOTAL EQUITY
	$ 000's	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**
At 1 July 2025	**37,657**	**393,307**	**(232)**	**80,239**	**510,972**
Profit for the period	-	-	-	9,100	9,100
Other comprehensive income	-	-	240	-	240
Total comprehensive income for the period	-	-	240	9,100	9,340
Dividends paid to shareholders	-	-	-	(18,994)	(18,994)
At 30 June 2026	**37,657**	**393,307**	**9**	**70,345**	**501,318**

	ORDINARY SHARES	ASSET REVALUATION RESERVE	CASH FLOW HEDGE RESERVE	RETAINED EARNINGS	TOTAL EQUITY
At 1 July 2024	**37,657**	**336,253**	**550**	**72,044**	**446,504**
Profit for the period	-	-	-	29,400	29,400
Other comprehensive income	-	57,054	(782)	-	56,272
Total comprehensive income for the period	-	57,054	(782)	29,400	85,672
Dividends paid to shareholders	-	-	-	(21,205)	(21,205)
At 30 June 2025	**37,657**	**393,307**	**(232)**	**80,239**	**510,972**

The notes and accounting policies on pages 50 to 78 form part of and are to be read in conjunction with these 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	1,047	1,086
Trade and other receivables	7	4,668	4,198
Prepayments		626	574
Total current assets		**6,341**	**5,858**
NON-CURRENT ASSETS			
Property, plant and equipment	8	630,003	612,216
Intangible assets	9	3,408	5,113
Derivative financial instruments	12	82	-
Total non-current assets		**633,493**	**617,329**
Total assets		**639,834**	**623,187**
CURRENT LIABILITIES			
Trade and other payables	10	41,708	16,179
Employee entitlements	11	1,877	1,856
Current tax payable		3,850	6,106
Derivative financial instruments	12	70	101
Term borrowings (secured)	14	-	53,000
Total current liabilities		**47,505**	**77,242**
NON-CURRENT LIABILITIES			
Derivative financial instruments	12	-	220
Deferred tax liability	5	34,425	34,753
Term borrowings (secured)	14	56,586	-
Total non-current liabilities		**91,011**	**34,973**
EQUITY			
Share capital	15	37,657	37,657
Retained earnings	16	70,345	80,239
Asset revaluation reserve	16	393,307	393,307
Cash flow hedge reserve	16	9	(231)
Total equity		**501,318**	**510,972**
Total equity and liabilities		**639,834**	**623,187**

The notes and accounting policies on pages 50 to 78 form part of and are to be read in conjunction with these financial statements.

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for Identification

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		86,455	79,563
Interest received		50	127
Cash was applied to:			
Payments to suppliers and employees		(22,275)	(23,861)
Interest paid		(2,653)	(2,495)
Income Tax payments and GST		(14,065)	(16,984)
Net cash flows from operating activities	20	**47,512**	**36,350**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was applied to:			
Purchases of property, plant and equipment		(31,805)	(33,762)
Purchase of intangible assets		(338)	(2,508)
Net cash flows from investing activities		**(32,143)**	**(36,270)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			
Drawdown of borrowings		3,586	20,500
Cash was applied to:			
Dividends paid		(18,994)	(21,205)
Net cash flows from financing activities		**(15,408)**	**(705)**
Net increase/(decrease) in cash and cash equivalents		(39)	(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	**1,047**	**1,086**

The notes and accounting policies on pages 50 to 78 form part of and are to be read in conjunction with these financial statements.

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, Wānaka 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 17 August 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

A) BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Financial Reporting Act 2013, the Companies Act 1993 and the Local Government Act 2002, 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 value.

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 ESTIMATES, ACCOUNTING POLICIES AND DISCLOSURES

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.

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 four 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	51,474	46,916
Parking	Over time	5,179	5,034
Recoveries	Over time	863	732
Commercial vehicle access	At point in time	3,745	3,338
Total revenue from contracts with customers		**61,261**	**56,020**
Lease rental revenue		25,291	23,410
Management Fee (Wānaka Airport)		457	457
Other revenue		63	137
Total revenue from rental and other income		**25,811**	**24,004**

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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

Car park revenue is recognised in accordance with the hourly, daily or weekly parking charges, from the time the vehicle enters the car park. For practical reasons the revenue is recorded at the time the car leaves the car park. 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.

Commercial Vehicles Access

Revenue is recognised at the point in time when the vehicles enter the transport area through the barrier. Payment is due upfront.

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.

Management Fee (Wānaka Airport)

The Company provides management services at Wānaka Airport on behalf of Queenstown Lakes District Council (QLDC), for which a management fee is received.

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	6,398	5,464
Professional services	3,582	3,705
Repairs and maintenance	1,330	1,045
Utilities	2,511	2,239
Total operating expenses	**13,821**	**12,453**
Fees paid to auditor include:		
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 remuneration and benefits	2026 $ 000's	2025 $ 000's
Salaries and Wages	11,085	9,812
Directors fees	425	334
Total employee remuneration and benefits	**11,510**	**10,146**

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
Net finance costs	**7,517**	**5,035**

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'.

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5. TAXATION

	2026 $ 000's	2025 $ 000's
(a) Current income tax expense		
Current income tax	11,699	13,896
Prior period adjustment	-	55
Origination and reversal of temporary differences	(312)	(1,969)
Total income tax expense	**11,387**	**11,982**
(b) Numeric reconciliation between income tax expense and profit before tax		
Surplus before taxation per the Income Statement	20,487	41,382
Prima Facie Taxation @ 28%	5,736	11,587
Adjusted for tax effect of:		
Permanent differences	5,518	742
Creation/(reversal) of temporary differences	133	(402)
Adjustments in relation to previous year	-	55
Amortisation of tax component of derivatives	-	-
Income tax expense as per the Income Statement	**11,387**	**11,982**
(c) Net deferred liabilities		
Balance at beginning of the year	34,753	31,166
Deferred tax benefit/(charge) charged to income	(409)	(2,048)
Deferred tax benefit/(charge) charged to comprehensive income	81	5,635
Balance at end of the year	**34,425**	**34,753**
The balance of deferred tax liabilities comprises:		
i Deferred tax liabilities		
Intangible assets	88	152
Property, plant and equipment	34,897	35,581
Derivatives	3	(77)
Trade and other receivables	-	(3)
	34,988	**35,653**
ii Deferred tax assets		
Trade and other payables	(39)	(711)
Employee benefits	(524)	(189)
	(563)	**(900)**
Net deferred tax liability	**34,425**	**34,753**
(d) Imputation Credit Account (ICA) Balances		
Balance at beginning of the year	46,373	40,726
New Zealand income tax paid	11,762	13,893
Imputation credits attached to dividends paid	(7,387)	(8,246)
Balance at end of the year	**50,747**	**46,373**

The Company had an imputation credit account (ICA) balance of $50,747,635 at 30 June 2026 (2025: $46,372,635), which is available to attach to future dividend distributions.

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6. CASH AND CASH EQUIVALENTS

	2026	2025
	$ 000's	$ 000's
Cash at bank	1,046	1,086
Cash on hand	1	0
Cash and cash equivalents	**1,047**	**1,086**

7. TRADE AND OTHER RECEIVABLES

	2026	2025
	$ 000's	$ 000's
Trade receivables	4,600	4,087
less provision for expected credit losses	-	(12)
Revenue accruals and other receivables	68	123
Closing balance	**4,668**	**4,198**
Recognised in the statement of financial position		
Current assets	4,668	4,198
Non-current assets	-	-
Closing balance	**4,668**	**4,198**

Trade Receivables

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 and loss 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 IMPROVE-MENT	RUNWAYS, TAXIWAYS & APRONS	CAR PARKING	PLANT & EQUIP-MENT	TOTAL
	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's
Balance at 30 June 2025	**376,475**	**121,485**	**16,840**	**62,638**	**19,196**	**15,582**	**612,216**
Revaluation	-	-	-	-	-	-	**-**
Additions	-	11,361	-	2,362	924	9,016	**23,663**
Disposals	-	-	-	-	-	-	**-**
Work in progress movement	-	4,860	1	1,817	(149)	3,140	**9,669**
Depreciation	-	(7,255)	(248)	(3,888)	(1,119)	(3,034)	**(15,544)**
Movement to 30 June 2026	**-**	**8,966**	**(247)**	**291**	**(344)**	**9,122**	**17,788**
At fair value	376,475	127,715	13,169	62,880	19,295	-	**599,534**
At Cost	-	-	2,441	-	-	45,988	**48,429**
Work in progress at cost	-	9,991	1,231	3,937	676	5,436	**21,271**
Accumulated Depreciation	-	(7,255)	(248)	(3,888)	(1,119)	(26,721)	**(39,231)**
Balance at 30 June 2026	**376,475**	**130,451**	**16,593**	**62,929**	**18,852**	**24,703**	**630,003**

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

Borrowing costs of $336K were capitalised during the year (2025: $600K); capitalisation rate 4.3% (= total borrowing costs incurred / total principal borrowings outstanding).

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	LAND	BUILDINGS	LAND IMPROVE-MENT	RUNWAYS, TAXIWAYS & APRONS	CAR PARKING	PLANT & EQUIP-MENT	TOTAL
	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's
Balance at 30 June 2024	**325,418**	**101,142**	**15,610**	**41,173**	**19,396**	**14,130**	**516,887**
Revaluation	41,697	19,807	611	723	102	-	**62,939**
Additions	9,360	3,558	66	22,159	42	2,175	**37,360**
Disposals	-	-	-	-	-	(13)	**(13)**
Work in progress movement	-	1,542	788	927	815	1,732	**5,804**
Depreciation	-	(4,563)	(234)	(2,344)	(1,159)	(2,441)	**(10,742)**
Movement to 30 June 2025	**51,057**	**20,343**	**1,231**	**21,464**	**(200)**	**1,452**	**95,348**
At fair value	376,475	116,355	13,416	60,518	18,371	-	**585,134**
At Cost	-	-	2,195	-	-	37,006	**39,201**
Work in progress at cost	-	5,131	1,229	2,120	825	2,296	**11,601**
Accumulated Depreciation	-	-	-	-	-	(23,720)	**(23,720)**
Balance at 30 June 2025	**376,475**	**121,485**	**16,840**	**62,638**	**19,196**	**15,582**	**612,216**

Valuation of property, plant and equipment

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.

(b) Carrying amounts of land, buildings, runway and aprons if measured at historical cost less accumulated depreciation

	LAND	BUILDINGS	LAND IMPROVE-MENTS	RUNWAYS, TAXIWAYS & APRONS	CAR PARKING	PLANT & EQUIPMENT	TOTAL
YEAR ENDED 30 JUNE 2026	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**	**$ 000's**
At historical cost	59,330	104,795	11,826	95,388	13,897	46,472	**331,709**
Work in progress at cost	-	9,991	1,231	3,937	676	5,436	**21,271**
Accumulated depreciation	-	(48,567)	(2,650)	(31,091)	(8,694)	(27,170)	**(118,172)**
Net carrying amount	**59,330**	**66,219**	**10,407**	**68,234**	**5,879**	**24,738**	**234,808**
YEAR ENDED 30 JUNE 2025							
At historical cost	59,330	93,434	11,826	93,026	12,974	37,456	**308,046**
Work in progress at cost	-	5,131	1,229	2,120	825	2,296	**11,601**
Accumulated depreciation	-	(41,312)	(2,402)	(27,202)	(7,575)	(24,136)	**(102,628)**
Net carrying amount	**59,330**	**57,253**	**10,653**	**67,944**	**6,224**	**15,616**	**217,019**

(c) Carrying amounts of land and buildings, split between leased and not leased assets

	LAND NOT LEASED	LAND LEASED	BUILDINGS NOT LEASED	BUILDINGS LEASED	TOTAL
	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's
At fair value	226,906	149,569	65,615	50,740	**492,829**
At cost	-	-	-	-	**-**
Work in progress at cost	-	-	3,109	2,021	**5,131**
Accumulated depreciation	-	-	-	-	**-**
Balance at 30 June 2025	**226,906**	**149,569**	**68,724**	**52,761**	**497,960**
Revaluation	-	-	-	-	**-**
Additions	-	-	6,708	4,653	**11,361**
Disposals	-	-	-	-	**-**
Work in Progress	-	-	2,869	1,990	**4,859**
Depreciation	-	-	(4,283)	(2,971)	**(7,254)**
Movement to 30 June 2025	**-**	**-**	**5,294**	**3,672**	**8,966**
At fair value	226,906	149,569	72,322	55,393	**504,190**
At cost	-	-	-	-	**-**
Work in progress at cost	-	-	5,979	4,012	**9,991**
Accumulated depreciation	-	-	(4,283)	(2,972)	**(7,255)**
Balance at 30 June 2026	**226,906**	**149,569**	**74,018**	**56,433**	**506,926**

(d) Fair value measurement (revaluation of property, plant and equipment)

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	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 – $900m^2.	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)
Car parking 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/m^2.	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/m^2.	14,472	+/- $0.7 million (5% change in land value rate)
Wānaka 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			**376,475**	

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ASSET CLASSIFICATION & DESCRIPTION	VALUATION METHODOLOGY	KEY VALUATION ASSUMPTIONS AT JUNE 2025 VALUATION	CLOSING VALUE ($000'S) 30 JUNE 2026	VALUATION SENSITIVITY
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**	

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ASSET CLASSIFICATION & DESCRIPTION	VALUATION METHODOLOGY	KEY VALUATION ASSUMPTIONS AT JUNE 2025 VALUATION	CLOSING VALUE ($000'S) 30 JUNE 2026	VALUATION SENSITIVITY
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**	
Car parking 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**	

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 ▪ A 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	8,722	6,214
Additions from internal developments	338	2,508
Transfer to Property Plant and Equipment projects	(1,526)	-
Total cost closing balance	**7,534**	**8,722**
Accumulated amortisation		
Opening balance	3,609	3,463
Amortisation expense	517	146
Total accumulated amortisation	**4,126**	**3,609**
Total carrying value of intangible assets	**3,408**	**5,113**

Intangible Assets

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 Mitigation	-	10 years
Planning	-	10 years

10. TRADE AND OTHER PAYABLES

	2026 $ 000's	2025 $ 000's
Trade payables	5,792	3,115
Other creditors and accruals	1,417	1,164
Lot 6 Provision	34,499	11,900
Closing balance	**41,708**	**16,179**

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.

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Identification

Significant judgements and uncertainties

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 $11.9 million 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 date for a hearing of the appeal has not been set.

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 the fair 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 $ 000's	2025 $ 000's
Accrued salary, wages and incentives	968	956
Annual & Alternative Leave	909	900
Closing balance	**1,877**	**1,856**

12. DERIVATIVES

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

13. FINANCIAL INSTRUMENTS

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

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	
	2026	2025	2026	2025
Financial assets	**$ 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**	**-**
Financial liabilities				
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

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.

(c) Market risk

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:

	ASSETS		LIABILITIES	
	2026	2025	2026	2025
Financial assets & liabilities	$ 000's	$ 000's	$ 000's	$ 000's
USD	6	3	-	-
Total derivatives	**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 assets or as liabilities) within the statement of financial position.

AVERAGE EXCHANGE RATE	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				
Less than 1 year	(78)	(3)	275	(53)
1 to 2 years	-	-	250	(32)
3 to 5 years	-	-	-	-
	(78)	**(3)**	**525**	**(85)**

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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 Mth	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 swap 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:

2026	CONTRACT FIXED INTEREST RATE (WEIGHTED AVERAGE) %	NOTIONAL PRINCIPAL AMOUNT $ 000's	FAIR VALUE $ 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%**	

2025	CONTRACT FIXED INTEREST RATE (WEIGHTED AVERAGE) %	NOTIONAL PRINCIPAL AMOUNT $ 000's	FAIR VALUE $ 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 2025)		**94%**	

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

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

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.

	CARRYING AMOUNT	TOTAL CASHFLOW	ON DEMAND	< 1 YEAR	1 - 2 YEARS	3 - 5+ YEARS
	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's
2026						
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**	**-**	**-**

	CARRYING AMOUNT	TOTAL CASHFLOW	ON DEMAND	< 1 YEAR	1 - 2 YEARS	3 - 5+ YEARS
	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's	$ 000's
2026						
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	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)	-
Total borrowings		**330,000**	**273,000**	**56,586**	**53,000**
Recognised in the statement of financial position					
Current liabilities				-	53,000
Non-current liabilities				56,586	-
Total borrowings				**56,586**	**53,000**

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 of 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

	2026		2025	
	NO.	$ 000's	NO.	$ 000's
(a) Authorised share capital				
Ordinary shares – fully paid.	16,060,365	37,657	16,060,365	37,657

(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	80,239	72,044
Net surplus for the year	9,100	29,400
Dividends paid	(18,994)	(21,205)
Balance at 30 June	**70,345**	**80,239**

	2026 $ 000's	2025 $ 000's
(b) Asset revaluation reserve		
Movements in the asset revaluation reserve were as follows:		
Balance 1 July	393,307	336,253
Increase arising on revaluation of assets	-	62,939
Deferred tax movement		(5,885)
Balance at 30 June	**393,307**	**393,307**

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

	2026 $ 000's	2025 $ 000's
(c) Cash flow hedge reserve		
Movements in the cash flow hedge reserve were as follows:		
Balance 1 July	(231)	550
Gain/(loss) recognised on interest rate swaps	303	(994)
Deferred tax movement arising on interest rate swaps	(85)	278
Gain recognised on forward exchange contracts	31	(91)
Deferred tax movement arising on forward exchange contracts	(9)	26
Balance at 30 June	**9**	**(231)**

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.

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17. DIVIDENDS

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

(a) 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

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	2025
	$ 000's	$ 000's
Queenstown Lakes District Council (QLDC)		
Rates paid	516	471
Rental receipts	(43)	(43)
Sundry payments	65	65
Sundry receipts	(29)	(19)
Wānaka Airport - management fee	(457)	(457)
Wānaka and Glenorchy Airport - sundry payments	113	83
Wānaka 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 the Chairman of Queenstown Airport Corporation and was a member of the Investment Committee of the Wakatipu Community Foundation for part of the reporting period.

(b) Balances with related parties

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

	2026	2025
	$ 000's	$ 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 paid	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	9,100	29,400
Add/(Deduct) non-cash items:		
Amortisation	517	146
Depreciation	15,544	10,742
Lot 6 Compensation	17,735	-
Doubtful Debts	-	11
Deferred Tax	(326)	(1,992)
Changes in Assets and Liabilities:		
(Increase)/decrease in trade receivables	(636)	(465)
(Increase)/decrease in other receivables	8	98
(Increase)/decrease in prepayments	(54)	(30)
Increase/(decrease) in current tax payable	(2,758)	(5,467)
Increase/(decrease) in trade and other payables	8,359	13,197
Increase/(decrease) in employee entitlements	23	70
Items within working capital that are reclassified to investing or financing activities	-	(9,360)
Net cash flows from operating activities	**47,512**	**36,350**

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21. CONTINGENT LIABILITIES

(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

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

23. SUBSEQUENT EVENTS

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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Independent Auditor's Report

To the shareholders of Queenstown Airport Corporation Limited financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of Queenstown Airport Corporation Limited (the company). The Auditor-General has appointed me, Heidi Rautjoki, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the company that comprise the statement of financial position as at 30 June 2026, the income statement and statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include material accounting policy information and other explanatory information on pages 45 to 78; and

- the performance information for the year ended 30 June 2026 as contained in the statement of service performance on pages 41 to 43.

In our opinion:

- The financial statements of the company present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with New Zealand equivalents to International Financial Reporting Standards.

- The performance information of the company accurately reports, in all material respects, the company's actual performance compared against the performance targets and other measures by which the company's performance can be judged in relation to the company's objectives in its statement of intent for the year ended 30 June 2026, and has been prepared in all material respects in accordance with section 68 of the Local Government Act 2002 (the Act).

Basis for 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.

Our audit was completed on 17 August 2026. This is the date at which our opinion is expressed.

Emphasis of Matter – Uncertainties Relating to Lot 6 Provision Estimation

Without modifying our opinion, we draw attention to Note 10 on pages 64 and 65, 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.

Responsibilities of the Board of Directors for the financial statements and the performance information

The Board of Directors is responsible on behalf of the company for preparing:

- Financial statements that are fairly presented and comply with generally accepted accounting practice in New Zealand.
- Performance information in accordance with section 68 of the Act.

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

In preparing the financial statements and performance information, the Board of Directors is responsible on behalf of the company 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 there is an intention to liquidate the company or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and performance information

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit 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 shareholders taken on the basis of these financial statements and performance information.

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

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

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the 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 company'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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company 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 evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the company's shareholders to judge the actual performance of the company against its objectives in its statement of intent.

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 in 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 all of the information included in the annual report other than the financial statements and the performance information, and our auditor's report thereon.

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

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information 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 company in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* as applicable for audits of public interest entities issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit of the financial statements and performance information, undertaken assurance engagement over the company's disclosure financial statements and agreed upon procedures relating to the company's sustainability linked loan reporting requirements. These engagements are compatible with those independence requirements. Other than these engagements, we have no relationship with, or interests in, the company.

Heidi Rautjoki, Partner
for Deloitte Limited
On behalf of the Auditor-General
Dunedin, New Zealand
17 August 2026

QAC'S REGISTERED OFFICE

Queenstown Airport Corporation
PO Box 2641
Queenstown 9349
New Zealand
Telephone +64 3 450 9031
Email admin@queenstownairport.co.nz
Website www.queenstownairport.co.nz