

Notice is given that an ordinary meeting of the Joint Shareholders Committee will be held on:

**Date:** **Tuesday 21 April 2026**

**Time:** **9.30am**

**Meeting Room:** **Heaphy & Wangapeka Rooms**

**Venue:** **189 Queen Street, Richmond**

**Zoom Invite link:**

<https://us02web.zoom.us/j/87459109252?pwd=T6a1ziPbsD90OookmpM8d8jYHCwwQd.1>

Meeting ID: 874 5910 9252

Passcode: 795141

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## **Joint Shareholders Committee**

### **Komiti Joint Shareholders**

## **AGENDA**

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### **MEMBERSHIP**

<b>Council</b>	<b>Tasman District Council</b>	<b>Nelson City Council</b>
<b>Members</b>	Mayor T King (Chair)	Mayor N Smith
	Deputy Mayor B Maru	Cr L Austin
	Cr J Ellis	Cr T Brand
	Cr M Kininmonth	Cr M Courtney
	Cr K Maling	Cr K Paki Paki
	Cr P Morgan	Cr N Skeggs

(Quorum 6 members)

Contact Telephone: 03 543 8400

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Website: [www.tasman.govt.nz](http://www.tasman.govt.nz)



## AGENDA

**1 OPENING, WELCOME, KARAKIA**

**2 APOLOGIES AND LEAVE OF ABSENCE**

**Recommendation**

**That the apologies be accepted.**

**3 PUBLIC FORUM**

- 3.1 Idea for installation of an additional Nelson Airport southern pedestrian/cycling bridge & airport bus stop..... 4

**4 DECLARATIONS OF INTEREST**

**5 LATE ITEMS**

**6 CONFIRMATION OF MINUTES**

There are no minutes to confirm

**7 REPORTS**

- 7.1 Half Yearly Report and Draft Statement of Intent 2026/2027 - Tasman Bays Heritage Trust..... 5
- 7.2 Half Yearly Reports to 31 December 2025 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited..... 32

**8 CONFIDENTIAL SESSION**

- 8.1 Procedural motion to exclude the public..... 79
- 8.2 Infrastructure Holdings Limited - Draft Statement of Intent 2026/2027 ..... 79

**9 CLOSING KARAKIA**

### **3 PUBLIC FORUM**

#### **3.1 IDEA FOR INSTALLATION OF AN ADDITIONAL NELSON AIRPORT SOUTHERN PEDESTRIAN/CYCLING BRIDGE & AIRPORT BUS STOP**

**Report To:** Joint Shareholders Committee

**Meeting Date:** 21 April 2026

**Report Number:** RJSC26-04-1

##### **1. Public Forum / Te Matapaki Tūmatanui**

Larry Blair will speak in public forum regarding his idea for installation of an additional Nelson Airport southern pedestrian/cycling bridge & airport bus stop.

##### **2. Attachments / Tuhinga tāpiri**

Nil

## 7 REPORTS

### 7.1 HALF YEARLY REPORT AND DRAFT STATEMENT OF INTENT 2026/2027 - TASMAN BAYS HERITAGE TRUST

<b>Report To:</b>	Joint Shareholders Committee
<b>Meeting Date:</b>	21 April 2026
<b>Report Author:</b>	Martin Croft, Strategic Adviser People and Customer Experience, Nelson City Council
<b>Report Authorisers:</b>	Bridget Jolly, Executive Director People and Customer Experience, Nelson City Council
<b>Report Number:</b>	RJSC26-04-2

#### 1. Purpose of Report

- 1.1 To receive the Tasman Bays Heritage Trust (TBHT) half yearly performance report 1 July to 31 December 2025.
- 1.2 To receive the TBHT draft Statement of Intent 2026/27 and provide shareholder comments to the Trust.
- 1.3 Chief Executive, Lucinda Jimson and Chair Venus Guy will attend the meeting to present the Half Yearly Report and Draft Statement of Intent.
- 1.4 Please see the attached report.

#### 2. Recommendation

**That the Joint Shareholders Committee**

- 1. receives the Half Yearly Report and Draft Statement of Intent 2026/2027 - Tasman Bays Heritage Trust , RJSC26-04-2 report; and**
- 2. receives the Half Yearly Report to 31 December 2025 and Draft Statement of Intent 2026/27 – Tasman Bays Heritage Trust and its attachments; and**
- 3. notes the delivery of the Tasman Bays Heritage Trust Draft Statement of Intent 2026/27 as required under the Local Government Act 2002; and**
- 4. notes that the Tasman Bays Heritage Trust Draft Statement of Intent 2026/27 meets the Committee’s expectations, as set out in the letter of Expectations dated 15 December 2025.**

#### 3. Attachments

1. [↓](#) Half Yearly Report and Draft Statment of Intent 2026-27 - Tasman Bays Heirtage Trust

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6.2 Half Yearly Report and Draft Statement of Intent 2026/27 - Tasman Bays  
Heritage Trust

**Joint Shareholders Committee**

**21 April 2026**

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<b>Report Title:</b>	<b>R26-23 Half Yearly Report and Draft Statement of Intent 2026/27 - Tasman Bays Heritage Trust</b>
<b>Report Author:</b>	<b>Martin Croft (Strategic Adviser People &amp; Customer Experience)</b>
<b>Report Authoriser:</b>	<b>Bridget Jolly (Executive Director People and Customer Experience)</b>

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**1. Purpose of Report**

- 1.1. To receive the Tasman Bays Heritage Trust (TBHT) half yearly performance report 1 July to 31 December 2025 (Attachment 1).
- 1.2. To receive the TBHT draft Statement of Intent 2026/27 and provide shareholder comments to the Trust (Attachment 2).

**2. Summary**

- 2.1. This report provides an opportunity for both Councils to review the TBHT half yearly and draft Statement of Intent (SOI).

**3. Recommendation**

**That the Joint Shareholders Committee**

- 1. Receives the Half Yearly Report to 31 December 2025 and Draft Statement of Intent 2026/27 – Tasman Bays Heritage Trust and its attachments; and**
- 2. Notes the delivery of the Tasman Bays Heritage Trust Draft Statement of Intent 2026/27 as required under the Local Government Act 2002; and**
- 3. Notes that the Tasman Bays Heritage Trust Draft Statement of Intent 2026/27 meets the Committee’s expectations, as set out in the letter of Expectations dated 15 December 2025.**

**4. Background and Discussion**

**Half Yearly Report**

- 4.1. TBHT is a joint Council Controlled Organisation

6.2 Half Yearly Report and Draft Statement of Intent 2026/27 - Tasman Bays Heritage Trust

- 4.2. Under the Local Government Act 2002, s66 TBHT must report to the shareholding Councils, a half yearly report within two months after the end of each financial year.
- 4.3. Each report must include information included in TBHT's Statement of Intent.
- 4.4. The joint shareholding Councils must make the report available within one month of having received it.
- 4.5. TBHT's half yearly report covers the period 1 July 2024 to 31 December 2025 (Attachment 1)
- 4.6. This report details the strategic goals of TBHT, and the actions planned to achieve these goals. TBHT report that all of these have been achieved or are on target to be achieved.
- 4.7. The Statement of Comprehensive Income shows a net profit of \$329,812 for the period, against a projected profit of \$4,236,227.
- 4.8. Some of the highlights in this period for TBHT include:
  - 4.8.1. Significant progress has been made on the Archives, Research and Collections project.
  - 4.8.2. Three exhibitions have been delivered: Toi Koru; Hou Rongo; and Te Ao Kanapa.
  - 4.8.3. 100% teacher satisfaction rate for education programmes delivered.
- 4.9. TBHT Board changes have included the appointment of Ropata Taylor and Eva Lawrence in November 2025.

**Draft Statement of Intent**

- 4.10. Under the Local Government Act 2002, TBHT is required to provide a draft Statement of Intent (SOI) to the shareholding Councils, no later than 1 March each year. This requirement has been met.
- 4.11. The Councils have an opportunity to provide comments to TBHT within two months of this date, and TBHT has until 30 June 2026 to deliver the final SOI to the Councils. The draft SOI is included as Attachment 2.

A Statement of Expectations (SOE) was sent to TBHT on 15 December 2025 to assist TBHT in preparing its SOI. The SOE is available on Council's website at

<https://www.nelson.govt.nz/repository/libraries/id:2r883m1me1cxbyryo0mp/hierarchy/1Your%20Council/Council%20Organisations/Statements%20of%20Expectation%2C%20Intent%2C%20Annual%20and%20Half-Yearly%20Reports/Expectations/2026->

6.2 Half Yearly Report and Draft Statement of Intent 2026/27 - Tasman Bays Heritage Trust

[27/Statement%20of%20Expectations%20-%20Tasman%20Bays%20Heritage%20Trust%20-%202025%20-%20signed%20pdf.pdf](#)

- 4.12. The SOE did not include any specific expectations.
- 4.13. The Committee should note that TBHT has assumed a 3.1% increase in Nelson City Council funding and a 3.1% increase in Tasman District Council funding from this financial year.
- 4.14. The Committee should note that TBHT has in forecast a \$431,933 deficit in its net result from operating activities to June 2027.
- 4.15. A new goal (goal eight) has been added in this draft SOI – to ‘Rename the Museum to better reflect wider Nelson Tasman region’.
- 4.16. Chief Executive, Lucinda Jimson and Chair Venus Guy will attend the meeting to present the Half Yearly Report and Draft Statement of Intent.

**5. Options**

- 5.1. There is no decision to be made on the half-yearly report. TBHT has complied with the legislation in preparing and presenting the report to the shareholding Councils.
- 5.2. The Committee could, by resolution, require the board to modify the SOI if the modification is consistent with the constitution and lawful. Before making a resolution, the TBHT Board must be consulted with.
- 5.3. The Committee may decide to:

<b>Option 1: Note TBHT’s Draft SOI 2026/27 meets the Committee’s expectations (Recommended)</b>	
Advantages	<ul style="list-style-type: none"> <li>• Gives clarity to the TBHT and the Committee on the direction for the period 2026/27</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• None obvious.</li> </ul>
<b>Option 2: Provide comments to the TBHT Board on its Draft SOI 2026/27.</b>	
Advantages	<ul style="list-style-type: none"> <li>• TBHT will have an opportunity to make changes to the draft SOI to reflect the Committee’s comments.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• TBHT would be delayed in being able to have planning certainty.</li> </ul>

6.2 Half Yearly Report and Draft Statement of Intent 2026/27 - Tasman Bays Heritage Trust

<p><b>6. Important considerations for decision making</b></p>
<p>6.1. Fit with Purpose of Local Government</p> <p>The preparation of a draft Statement of Intent and delivery of the half yearly report is a requirement of Schedule 8 of the Local Government Act.</p>
<p>6.2. Consistency with Community Outcomes and Council Policy</p> <p>TBHT contributes to the outcomes 'Our communities have opportunities to celebrate and explore their heritage, identity and creativity' and Our communities have access to a range of social, educational and recreational facilities and activities'.</p>
<p>6.3. Risk</p> <p>There is a risk that expectations of funding for the Archives, Research and Collections (ARC) facility referred to in the draft SOI may not be realised.</p>
<p>6.4. Financial impact</p> <p>The provision of the museum is a budgeted activity for both Councils.</p>
<p>6.5. Degree of significance and level of engagement</p> <p>The Half-Yearly report and draft SOI are of low significance. However, the ARC project referred to in the SOI has a high level of public interest. The ARC project has been consulted on in the Council's Long-Term Plans 2024-2034 and so no further consultation is proposed.</p>
<p>6.6. Climate Impact</p> <p>Climate impact is addressed through the strategic objective of sustainability performance.</p>
<p>6.7. Inclusion of Māori in the decision-making process</p> <p>No engagement with Māori has been undertaken in preparing this report. Iwi are represented on the TBHT Board and through an advisory komiti.</p>
<p>6.8. Delegations</p> <p>The Joint Shareholders Committee has the following delegations to consider:</p> <p><i>Areas of Responsibility:</i></p> <ul style="list-style-type: none"> <li>• <i>All matters relating to jointly owned Council Controlled Organisations and Council Controlled Trading Organisations and port companies, including statements of intent, statement of</i></li> </ul>

6.2 Half Yearly Report and Draft Statement of Intent 2026/27 - Tasman Bays Heritage Trust

*corporate intent, half yearly reports, the appointment of directors and setting of directors' fees.*

*Powers to Decide:*

- *All matters relating to jointly own Council Controlled Organisations and Council Controlled Trading Organisations and port companies including statements of intent, statements of corporate intent, half yearly reports, the appointment of directors and setting of directors' fees.*

**7. Conclusion and next steps**

- 7.1. TBHT has submitted the draft Statement of Intent 2026/27 and Half Yearly Report July to December 2025 as required by the Local Government Act.
- 7.2. The Committee has an opportunity to provide comments to TBHT Board on the draft SOI for consideration.
- 7.3. The TBHT Board must be submit a final SOI 2026/27 to the shareholding councils by the end of June 2026.
- 7.4. Both NCC and TDC must make the final SOI and Half Yearly Report available on their websites within one month of having received them.

**Attachments**

1. TBHT Half Yearly Report 1 July to 31 December 2025
2. TBHT Draft SOI 2026-2027

Attachment 6.2.1

**Nelson Provincial Museum**  
**Half-Year Report**  
**1 July – 31 December 2025**

1

## Introduction

Nelson Provincial Museum (the Museum), governed by the Tasman Bays Heritage Trust, is pleased to present its half-year report for the period 1 July to 31 December 2025. This period reflects strong performance across visitor engagement, exhibitions, education, collections, and strategic infrastructure development.

## Strategic Progress: ARC Facility

Significant progress has been made on the Archive and Research Collections facility.

Following high community support demonstrated through NCC consultation, funding has now been approved for the Richmond West site by both Councils. Confirmation of location has allowed completion of developed design, the site to be purchased, the old site divested, and a fixed-price build design and build contract signed with Scott Construction for \$7.15m, as approved by stakeholders. Resource consent has been granted and Building Consent will be lodged by the end of March 2026.

In February 2027 a dawn Whakatō Mauri ceremony was held at the new site with the eight iwi o Te Taihū. This symbolizes the life essence of the new building and the protection of the collection, staff and visitors.

A Fundraising Manager has been appointed and eight applications requesting \$1.3m in total have been submitted. Community fundraising initiatives include a Name-a-Shelf campaign being launched in April 2026 and a fundraising gala (Gala Royale) to be held in June 2026.

## Visitor Experience and Engagement

The Museum continues to deliver a high-quality visitor experience grounded in manaakitanga, supported by consistently positive visitor feedback.

Visitor numbers for the reporting period (1 July – 31<sup>st</sup> December 2025) were:

- Museum visitors: 22,206
- Isel visitors: 155
- Outreach participants: 108
- Education attendees (including adults): 2,559
- Total visitation: 25,028

This puts the Museum on track to meet its annual target of 60,000, noting the high-visitation month January fell outside the reporting period. The total rose to 40,486 by the end of February.

Visitor satisfaction remained high, with 92% satisfaction ratings recorded across major exhibitions, exceeding the target.

## Exhibitions and Public Programmes

The Museum delivered a strong exhibition programme including

- *Toi Koru: Sandy Adsett* stunned visitors with a major retrospective of one of New Zealand's most significant Māori artists
- *Hou Rongo – Moriori, Music and Manawa* a groundbreaking exhibition developed by Hokotehi Moriori Trust in partnership with the University of Otago, offering visitors an immersive experience of the rich cultural heritage of the indigenous Moriori people of Rēkohu Chatham Islands.
- *Te Ao Kanapa – the Wonder of Light, Colour and Pattern* an interactive hands-on children's exhibit which drew significant repeat visits from families over summer.

Public programmes such as *Miharo! Twenty Years of Wonder*, *Box City* holiday programme, and *Toi Ahiahi* after-school art sessions strengthened community engagement and repeat visitation.

## Education

Education programmes engaged over 2,100 students, with total participation exceeding 2,400 including adults. A total of 438 lessons were delivered, including outreach across both Tasman and Nelson. Teacher satisfaction remained at 100%.

The education programme is largely funded by the Ministry of Education under Experiences Beyond the Classroom (EOTC). This is confirmed for the 2026 calendar year. It is hoped the programme will be confirmed for future years.

## Collections and Research

Over 2,200 records were added to the online collection, improving public access and preparing for the temporary research pause from April 2026 due to the relocation. The Museum also acquired significant new items and maintained strong research services demand.

## Partnerships and Regional Leadership

The Museum continues to support iwi and regional organisations, exceeding targets for sector support and collaboration. Over 50 hours of support were given to regional cultural organisations including Isel House, the Suter Art Gallery, Willowbank, Motueka Museum, Founders Heritage Park and Whakatū Marae.

## Retail and Commercial Performance

Retail performance improved with a new POS system, expanded product range with a alignment with exhibition and events, leading to sales lift of 38% against budget to December 2025.

### **Financial Sustainability**

The Museum continues to diversify revenue through sponsorship, grants, and fundraising initiatives. The focus is currently on ARC fundraising (see above). When these goals have been achieved fundraising efforts will pivot to expanding operational funding.

### **Governance and Organisational Performance**

Governance objectives have been met, including trustee evaluation and compliance requirements. Workforce initiatives are ongoing, including a Strategic Pay review to ensure equitable staff remuneration.

The budget for the 2025/26 financial year included ARC capital costs incurred during the year of \$9m. The budget for ARC project is now forecast as \$3.466m income (SOI Budget \$9m), Capital cashflow is \$3.387m (SOI Budget \$9m). The balance of other costs for ARC project will be incurred in 2026/2027 financial year, \$6.334m income, \$6.378m Capital.

### **Conclusion**

The Museum has demonstrated strong performance across all strategic areas and is well positioned to continue delivering value to the Nelson Tasman community.

Attachment 6.2.1

Tasman Bays Heritage Trust - Strategic Goals 2025-2026 - December 2025 progress

Strategy	Strategic goal	Action	Actions	KPI	Measures / KPI	Status	Notes
1	To establish a permanent solution to care for the Nelson Tasman Regional Heritage Collection	1.1	To confirm plans, stakeholder commitment, funding and timeline for the ARC Facility	1.1.1a	To begin construction on the new facility by 30 July 2026	On Track	NCC and TDC support confirmed. * Site purchased and Church St sold, both unconditional with settlement on 30 January 2026. * Developed design completed after consultation with iwi. * Fixed-price construction contract with Scott Construction signed 30 January 2026.
		1.1	To confirm plans, stakeholder commitment, funding and timeline for the ARC Facility	1.1.1b	Or; Temporarily relocate to a safe and secure short-term alternative	Not Required	* Resource consent submitted December 2025 and granted February 2026
2	To be a good employer	2.1	Monitor staff wellbeing	2.1.1	Staff survey indicating 80% or above are very happy or happy in their job	On Track	Staff survey drafted. To be run in third quarter.
		2.2	Ensure pay parity with other similar regional museums	2.2.1	Undertake and implement a strategic pay review	On Track	Strategic Pay Review commissioned, report received December 2025. Review being undertaken in March 2026.
3	To be a highly valued visitor destination, educational provider and venue for cultural and community connection	3.1	Implement a high-quality visitor experience programme which attracts our diverse local communities and visitors to the region	3.1.1	Design and deliver a varied visitor experience including at least three temporary exhibitions	Complete	1. Toi Koru: Sandy Adsett 2. Hou Rongo – Moriori, Music and Manawa 3. Te Ao Kanapa: The Wonder of Light, Colour and Pattern
				3.1.2	Deliver at least one visitor experience initiative in partnership with iwi	On Track	* Regional Gallery Pakohe display to be updated and refreshed * Brian Flintoff taonga puoro display in regional gallery to be moved and refreshed
				3.1.3	Deliver a new display in the regional gallery about Nelson Tasman's multicultural diversity	On Track	In discussion with community cultural organisations, regarding options to replace Cabinet of Curiosities Case in the Regional Gallery. On track for 30 July completion.
		3.2	Consolidate and attain visitation targets	3.2.1	Achieve target visitation of 60,000 visitors including education visits	On Track	TOTAL 1 July – 30 Dec: 25,028
		3.3	Provide high-quality manaakitanga and customer service	3.3.1	Demonstrated by a minimum of two customer surveys with rating of at least 80% satisfaction	On Track	Survey run during July school holidays and Toi koru exhibition completed with 4.6 /5 (92%) customer satisfaction.
		3.4	Provide a high-quality educational service	3.4.1	Teacher satisfaction demonstrated by an average of at least 80% over all teacher evaluations	On Track	100% teacher satisfaction rate maintained 1 July – Dec 2025
				3.4.2	Ensure funding of \$80,000 has been secured for the 2026 calendar year	Complete	Funding confirmed By Ministry of Education until Dec 2026. Applications for next round of funding will open next year with a revised focus.

Attachment 6.2.1

Tasman Bays Heritage Trust - Strategic Goals 2025-2026 - December 2025 progress

Strategy	Strategic goal	Action	Actions	KPI	Measures / KPI	Status	Notes
4	To collaborate with and support cultural heritage organisations, iwi, and education providers within Nelson Tasman.	4.1	Collaborate with and provide support to iwi, galleries, libraries, archives and museums within Nelson Tasman	4.1.1	Provide at least 50 hours of Museum support and assistance on request to Te Taihuhu district museums, iwi and cultural organisations	Complete	<ul style="list-style-type: none"> <li>* 14 hours spent supporting Willowbank, Isel House, and Suter Gallery. Equipment loaned to Motueka Museum and Founders, and hosted visit from Whakatu Marae staff.</li> <li>* Support for mounting and transporting whale jawbone gifted by Te Taihuhu iwi te Aikinu Kuini Nga wai hono i te po – three staff involved, over 50 hours mahi.</li> <li>* Two staff attended Koroneihana to support presentation of whale jawbone at Turangawaewae</li> </ul>
				4.1.2	Collaborate on at least one project with Nelson Tasman organisations	On Track	<ul style="list-style-type: none"> <li>* Collaboration with iwi of Te Taihuhu on presentation of whalebone Te Arikinu Kuini Nga wai hono i te po.</li> <li>* Initial meeting held with Tasman and Nelson Libraries over viability of shared project to collect 2025 Tasman Flood stories</li> </ul>
		4.2	Provide outreach services to schools, early childhood education centres and other educational providers within the Tasman area	4.2.1	Deliver outreach programmes to at least 10 Tasman education providers	On Track	<ul style="list-style-type: none"> <li>* July 2025 – Dec 2025 Appleby, Mahana, Ranzau (3 schools to date)</li> <li>* Kaitiaki Taonga has delivered programmes to Whenua Iti students</li> </ul>
5	To continue to develop and provide appropriate care for a strong Collection which is relevant and accessible to, and valued by, Nelson Tasman communities	5.1	Actively collecting objects that are strongly related to the history and cultural story of Nelson Tasman past, present and future	5.1.1	Acquire at least two items of significance to Nelson Tasman (historical or contemporary)	On Track	Received first donation of images for photos that featured in Quiet Dog Gallery's <i>From Nelson With Love</i>
				5.2	Enhance digital access to the regional heritage collection	5.2.1	Create six new stories on Collections Online
		5.2.2	Promote areas of local interest on our digital platforms			On Track	Promote stories on website and social media when these are published by Collections team

Attachment 6.2.1

Tasman Bays Heritage Trust - Strategic Goals 2025-2026 - December 2025 progress

Strategy	Strategic goal	Action	Actions	KPI	Measures / KPI	Status	Notes
6	To play an active role in Nelson Tasman sustainability initiatives	6.1	Implement actions to support Nelson Tasman sustainability measure	6.1.1	Deliver at least one programme which supports ecological or sustainability messaging to the public	On Track	Planned exhibition on Tikimu
7	Manage our fiscal resources efficiently manage our fiscal resources efficiently	7.1	Ensure funding sustainability	7.1.1	Achieve budgeted targets in shop, sponsorship and grant revenue	On Track	* Nelson Pine sponsored Toi Koru with materials and kind (\$10k) * Ngākahu Ruruhau   National Repatriation Fund – \$10,000 received to support ongoing kōiwi tangata provenance research and repatriation activities. * \$20,000 received in ARC sponsorship from Coman Group
							7.2
		7.2.2	To implement a 10-year maintenance programme including infrastructure and technology	On Track	WIP		
8	Implement good governance and best practice	8.1	Ensure the Trust complies with all legislative requirements	8.1.1	Update our constitution by 5 April 2026 as required by the Incorporated Societies Act 2022	Complete	Not legally required
				8.1.2	Undertake Trustee evaluation by the 2025 Annual Meeting (6 November)	Complete	Complete

## Attachment 6.2.1

Tasman Bays Heritage Trust - Strategic Goals 2025-2026 - December 2025 progress

**STATEMENT OF COMPREHENSIVE INCOME**

For the Period 1 July - 31 December 2025

	<b>Actual</b> 2025	<b>Budget</b> 2025	<b>Actual</b> 2024
Revenue	1,818,821	5,780,116	1,316,386
Less Direct Costs	963,798	1,015,743	955,188
Gross Profit	<u>855,023</u>	<u>4,764,373</u>	<u>361,197</u>
Less Expenses	224,210	231,446	215,258
Operating Profit	<u>630,813</u>	<u>4,532,927</u>	<u>145,939</u>
Less Depreciation	301,001	296,700	293,935
<b>Net Surplus/Deficit</b>	<b><u>329,812</u></b>	<b><u>4,236,227</u></b>	<b><u>(147,996)</u></b>

## Attachment 6.2.1

Tasman Bays Heritage Trust - Strategic Goals 2025-2026 - December 2025 progress

**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2025

	2025	2024
<b><u>Assets</u></b>		
Cash and Bank	627,685	276,055
Debtors and Prepayments	305,990	30,268
Stock on Hand	46,225	56,490
WIP (ARC Project)	168,389	926,599
Non Current Assets	33,661,997	34,130,123
<b>Total Assets</b>	<u>34,810,286</u>	<u>35,419,535</u>
<b><u>Liabilities</u></b>		
Creditors and GST	250,235	88,244
Income in Advance	0	717
Accruals (Annual leave and Wages)	129,645	112,678
Term Liabilities	184,631	365,264
<b>Total Liabilities</b>	<u>564,511</u>	<u>566,903</u>
<b>Net Assets</b>	<u>34,245,775</u>	<u>34,852,632</u>
<b><u>Equity</u></b>		
Current Year Earnings	329,812	(147,996)
Retained Earnings	26,985,451	28,070,115
Revaluation Reserve	6,930,512	6,930,512
<b>Total Equity</b>	<u>34,245,775</u>	<u>34,852,632</u>

## Attachment 6.2.1

Tasman Bays Heritage Trust - Strategic Goals 2025-2026 - December 2025 progress

**CASHFLOW STATEMENT**

For the Period 1 July - 31 December 2025

	2025	2024
<b><u>Cash flows from Operating Activities</u></b>		
Council Operating Grants	1,564,304	1,249,316
Contracts	47,259	41,095
Interest Received	481	4,185
Receipts from Other Revenue	185,428	182,885
Payments to Suppliers (incl GST) and Employees	(1,372,024)	(1,391,079)
Net Cash from Operating Activities	<u>425,449</u>	<u>86,403</u>
<b><u>Cash flows from Investing Activities</u></b>		
WIP - ARC Project	(14,213)	(33,979)
Purchase of Property Plant and Equipment	(89,968)	(27,208)
Net Cash from Investing Activities	<u>(104,181)</u>	<u>(61,187)</u>
<b><u>Cash flows from Financing Activities</u></b>		
Repayment of Council Loans	(100,000)	(100,000)
Net Cash from Financing Activities	<u>(100,000)</u>	<u>(100,000)</u>
Net Increase/(Decrease) in Cash	221,268	(74,784)
Cash at 1 July	<u>406,418</u>	<u>350,840</u>
<b>Cash at 31 December</b>	<b><u>627,685</u></b>	<b><u>276,055</u></b>

Attachment 6.2.2

**Tasman Bays Heritage Trust**  
**SOI 2026/27**

1

## 1. Introduction

Tasman Bays Heritage Trust (TBHT) is a Council Controlled Organisation jointly owned by Nelson City Council and Tasman District Council. The Trust operates Nelson Provincial Museum Pupuri Taonga o Te Tai Ao and is responsible for the care, preservation, research, and interpretation of the Nelson Tasman region's heritage collections.

This Statement of Intent (SOI) sets out the Trust's strategic direction and financial projections for the period 1 July 2026 to 30 June 2027, together with planned activities, and performance measures for the coming financial year. It has been prepared in accordance with Schedule 8 of the Local Government Act 2002 and reflects the expectations of the Trust's shareholders.

The SOI is intended to provide a clear "performance story" that explains the Trust's purpose, the services it delivers, and how success will be measured. It also establishes accountability to the Trust's stakeholders, including councils, iwi, and the wider community.

## 2. Strategic Context

The 2026/27 financial year represents a pivotal period for the Trust, defined by the construction of the Archives, Research and Collections (ARC) facility in Richmond West, and commencing the associated relocation of the regional heritage collection.

The Trust continues to operate within a constrained financial environment, with increasing cost pressures, ageing infrastructure, and growing expectations regarding climate resilience, accessibility, and cultural partnership. The current storage conditions at Isel Park present ongoing risks to the collection until relocation is complete, reinforcing the critical importance of the ARC project. In addition, the Trafalgar St museum is ageing and requires increased investment in building and exhibition maintenance.

At the same time, the Trust remains committed to delivering a high-quality visitor experience at the Trafalgar Street site, maintaining strong education programmes, and contributing to the cultural and social wellbeing of the region.

The Trust also recognises its role as a kaitiaki of taonga and is committed to strengthening partnerships with the diverse iwi of Te Taihū, ensuring that appropriate tikanga and mātauranga Māori are embedded in its practices, particularly during the relocation of collections.

### 3. Strategic Goals

- 1 To establish a permanent solution to care for the Nelson Tasman Regional Heritage Collection
- 2 To be a good employer
- 3 To be a highly valued visitor destination, educational provider, and venue for cultural and community connection
- 4 Prepare the Collection for relocation
- 5 Provide a high-quality educational service
- 6 Prepare impacts of climate change
- 7 Manage our fiscal resources efficiently
- 8 Rename the Museum to better reflect wider Nelson Tasman region

### 4. Performance Framework

The Trust will measure its performance through a combination of financial and non-financial indicators aligned with its strategic goals.

Performance measures are designed to demonstrate delivery of core services, track progress on strategic priorities, ensure accountability, and support continuous improvement.

Performance reporting to shareholders will occur through quarterly, half-year, and annual reporting, including regular updates on ARC delivery to the ARC Project Liaison Group.

### 5. Nature and Scope of Activities

The Trust delivers exhibitions, collection care, research services, education programmes, and public engagement activities for the Nelson Tasman region. Core measures of the success of these activities are satisfaction levels and visitor numbers.

This coming year the staff focus will be on preparing the collection for relocation. This will have two main impacts. Firstly, a temporary pause has been put on collecting and research requests to enable the collection to be packed. During this phase the museum's significant research resource 'Collections Online' will be available, ensuring the continuation of digital access.

## Attachment 6.2.2

Secondly, because of the relocation project less internal resource will be available to support the exhibition programme. This may mean fewer exhibitions. We have therefore estimated a temporary reduction of 5,000 visitors on the 25/26 target during this period.

## 6. Governance Approach

The Trust is governed by a Board of Trustees appointed by the two Councils, including one trustee nominated by iwi. The Board is responsible for setting the strategic direction of the Trust, overseeing organisational performance, and managing key risks. It reports regularly to its shareholding councils on performance and governance matters.

The Board also undertakes yearly reviews of its own performance and implements actions to support continuous improvement. In carrying out its responsibilities, the Board follows governance best practices promoted by the Institute of Directors and maintains a clear distinction between governance and management roles.

## 7. Financial Overview

The Trust is primarily funded through council contributions, supported by commercial revenue, grants, and fundraising activity. Forecast financial statements for the next three years are provided.

While the Trust budgets for an operating deficit, it continues to maintain a positive cash position. This is due to the impact of non-cash expenses—primarily depreciation. The Trust remains focused on long-term financial sustainability, cost stewardship, and ongoing revenue diversification.

## 8. Risk and Resilience

Key risks include ARC delivery and fundraising, collection relocation, climate-related risks, and operational funding pressures including the future of Ministry of Education funding. These risks are actively managed through governance oversight and mitigation strategies. The Board reviews the top risks at every meeting and the Audit & Risk Subcommittee reviews a full Risk Register quarterly.

ARC Project risks are reported monthly to the Trust Board and are also discussed at the ARC Project Liaison group, which meets monthly and includes representatives of both Councils.

### **9. Climate Change and Sustainability**

The Trust is committed to reducing environmental impact, improving energy efficiency, and enhancing resilience to climate change risks. The new ARC Facility will significantly improve resilience in the face of climate impacts.

### **10. Good Employer**

The Trust is committed to providing a safe workplace, fair pay, equal opportunities, and supporting staff wellbeing. The Museum supports professional development and training for staff, diversity and a respectful, inclusive and family-friendly culture.

### **11. Relationships**

The Trust maintains strong relationships with councils, iwi, and the community, ensuring inclusive and collaborative delivery of services. The iwi advisory board Komiti o Te Taiao is the museum's primary forum for iwi consultation.

The Trust works closely with iwi to develop exhibitions, education and repatriation programmes. A new initiative this year will be developing a temporary exhibition with the Multicultural Society 'Revealing the Sari'.

The Trust also supports the work of the region's whare taonga and district museums with outreach hours, and collaborates with organisations such as MakeShift spaces and Tuku Festival to deliver Nelson Tasman stories to the community.

### **12. Accounting Policies**

Accounting policies follow applicable public sector standards and ensure transparency and accountability.

Attachment 6.2.2

Strategy	Strategic goal	Action	Actions	KPI	Measures / KPI
1	<b>To establish a permanent solution to care for the Nelson Tasman Regional Heritage Collection</b>	1.1	To construct a new Archives, Research and Collections Facility in Richmond West	1.1.1	Complete construction
				1.1.2	Complete Fit-out
				1.1.3	Achieve budgeted fundraising targets
2	<b>To be a good employer</b>	2.1	Monitor staff wellbeing	2.1.1	Staff survey indicating 80% or above are very happy or happy in their job
		2.2	Purposeful professional development	2.2.1	Department “skill swap” days with staff lead workshops for knowledge transfer.
		2.3	Create and promote practical wellbeing resources	2.3.1	Produce guide to managing stress during ARC
				2.3.2	Promote existing wellbeing services

Attachment 6.2.2

3	<b>To be a highly valued visitor destination, educational provider, and venue for cultural and community connection</b>	3.1	Implement a high-quality, family-focused visitor experience programme	3.1.1	Exhibit at least three touring exhibitions.
				3.1.2	Deliver at least two exhibitions targeted at a family audience
				3.1.3	Demonstrated by a minimum of two customer surveys with rating of at least 80% exhibition satisfaction
				3.1.4	Achieve visitation target of 55,000
		3.2	Uphold partnerships with iwi	3.2.1	Deliver at least one visitor experience project in collaboration with iwi
		3.3	Ensure visitor experience reflects Nelson Tasman's diversity	3.3.1	Deliver at least one visitor experience project in collaboration with ethnic communities
		3.4	Increase digital engagement	3.4.1	Increased traffic to website
				3.4.2	Increased social media reach
				3.4.3	Increase awareness about our ARC Project, fundraising projects through our social media channels
				3.4.4	Work with Komiti to increase taonga and iwi narratives online

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Attachment 6.2.2

4	<b>Prepare the Collection for relocation</b>	4.1	Pack and prepare the collection for relocation	4.1.1	Complete project milestones on time to budget
		4.2	Engage Iwi in relocation process	4.2.1	Ensure we follow correct tikanga for the collection relocation as per Komiti guidance
				4.2.2	Ensure appropriate kawa is undertaken for the site and building
		4.3	Ensure safety of collection during relocation	4.3.1	Review collection movement policies and procedures
				4.3.2	Ensure appropriate staff and contractor training is completed
				4.3.3	No collection objects or taonga are damaged during the relocation
				4.3.4	All appropriate environmental controls are fully functional before collections are moved into the new facility
				4.3.5	Complete commissioning and off gassing of the new facility before collections are relocated

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Attachment 6.2.2

5	<b>Provide a high-quality educational service</b>	5.1	Provide outstanding onsite and outreach services to schools, early childhood education centres, and other educational providers within the Nelson Tasman area	5.1.1	Teacher satisfaction demonstrated by an average of at least 80% over all teacher evaluations.		
				5.1.2	Funding for the educational programme secured for the 2027 calendar year		
				5.1.3	Deliver outreach programmes to at least eight Nelson Tasman education providers		
6	<b>Prepare impacts of climate change</b>	6.1	Deliver a new collection facility which will be resilient against impacts of climate changes	6.1.1	Include at least two initiatives to improve resilience against the impacts of climate change.		
				6.2	ARC exterior planting to support environmental and cultural education	6.2.1	Design and install ARC pa harakeke including planting for rongoa, toi and fire resistance
						6.2.2	Develop education programme based on the ARC planting

Attachment 6.2.2

7	<b>Manage our fiscal resources efficiently manage our fiscal resources efficiently</b>	7.1	Ensure funding sustainability	7.1.1	Achieve budgeted targets in shop, sponsorship and grant revenue
		7.2	Undertake maintenance and refreshment of the Trafalgar St building including exhibition and education spaces	7.2.1	Implement maintenance schedule for Trafalgar Street
8	<b>Rename the Museum to better reflect wider Nelson Tasman region</b>	8.1	Ensure full stakeholder and iwi support for the new name	8.1.1	Stakeholders and iwi fully endorse the iwi-gifted name for the Museum.
				8.1.2	Rebrand collateral developed in alignment with Museum's strategic direction

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Attachment 6.2.2

	Actual 2025	Forecast 2026	Budget 2027 3.1%	Budget 2028 2.0%	Budget 2029 2.0%	Budget 2030 2.0%
<b>Revenue</b>						
TDC Operating Grant	1,048,128	1,071,192	1,104,396	1,126,484	1,149,014	1,171,994
NCC Operating Grant	1,037,050	1,059,865	1,092,720	1,114,574	1,137,340	1,160,086
NCC Operating Grant Top Up	87,546	89,472	92,244	94,089	95,971	97,890
<b>Total Councils</b>	<b>2,172,724</b>	<b>2,220,529</b>	<b>2,289,360</b>	<b>2,335,147</b>	<b>2,382,325</b>	<b>2,429,970</b>
Other Contracts	82,190	82,190	82,188	82,188	82,188	82,188
Other Non Exchange Revenue	4,574	24,676	76,800	76,800	76,800	76,800
Exchange Revenue	333,937	247,915	249,240	260,765	267,952	274,651
<b>Total Revenue</b>	<b>2,593,425</b>	<b>2,575,310</b>	<b>2,697,588</b>	<b>2,754,900</b>	<b>2,809,265</b>	<b>2,863,609</b>
Personnel	1,387,567	1,414,479	1,529,685	1,534,307	1,534,393	1,565,080
Property	219,251	280,700	262,347	297,529	278,262	292,175
Other	246,219	180,184	254,345	249,210	248,313	253,279
<b>Total Direct Costs</b>	<b>1,853,037</b>	<b>1,875,363</b>	<b>2,046,377</b>	<b>2,081,045</b>	<b>2,060,967</b>	<b>2,110,534</b>
<b>Gross Profit</b>	<b>740,388</b>	<b>699,947</b>	<b>651,212</b>	<b>673,855</b>	<b>748,297</b>	<b>753,075</b>
Overheads	288,351	318,194	362,142	361,810	365,976	380,615
Trustee Fees	73,512	74,253	76,020	76,020	76,020	78,301
Finance Cost	-	-	-	-	-	-
Depreciation	589,005	600,365	644,982	651,564	651,564	651,564
<b>Total Operating Expenses</b>	<b>950,868</b>	<b>992,813</b>	<b>1,083,144</b>	<b>1,089,394</b>	<b>1,093,560</b>	<b>1,110,480</b>
<b>Net result from Operating Activities:</b>	<b>(210,480)</b>	<b>(292,866)</b>	<b>(431,933)</b>	<b>(415,539)</b>	<b>(345,262)</b>	<b>(357,405)</b>
Fair Value adjustments on Council	19,367	12,225	2,395	-	-	-
<b>Total Comprehensive Net Revenue</b>	<b>(229,848)</b>	<b>(305,091)</b>	<b>(434,328)</b>	<b>(415,539)</b>	<b>(345,262)</b>	<b>(357,405)</b>
<b>ARC Project Income</b>						
Council Funding	-	1,941,000	4,209,000	-	-	-
Grants	-	-	400,000	-	-	-
Fundraising	16,914	384,790	1,070,000	-	-	-
<b>Total ARC Project Income</b>	<b>16,914</b>	<b>2,325,790</b>	<b>5,679,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Direct Costs (ARC)</b>						
ARC Facility Project	871,730	163,959	115,799	-	-	-
Decanting	-	50,000	200,000	-	-	-
<b>Total ARC Project Direct Costs</b>	<b>871,730</b>	<b>213,959</b>	<b>315,799</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net ARC project</b>	<b>(854,816)</b>	<b>2,111,831</b>	<b>5,363,201</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net P&amp;L Result</b>	<b>(1,084,664)</b>	<b>1,806,740</b>	<b>4,928,874</b>	<b>(415,539)</b>	<b>(345,262)</b>	<b>(357,405)</b>
<b>ARC Capital Project</b>						
D&B Construction	-	1,920,757	5,229,525	-	-	-
Fit-out (Shelving)	-	-	870,000	-	-	-
Internal PM/PQS	-	96,000	72,937	-	-	-
Land Purchase	-	1,320,880	-	-	-	-
Land Sale	-	(925,000)	-	-	-	-
<b>Total ARC WIP Capital Project</b>	<b>-</b>	<b>2,412,637</b>	<b>6,172,462</b>	<b>-</b>	<b>-</b>	<b>-</b>

**7.2 HALF YEARLY REPORTS TO 31 DECEMBER 2025 FOR INFRASTRUCTURE HOLDINGS LIMITED, PORT NELSON LIMITED AND NELSON AIRPORT LIMITED**

<b>Report To:</b>	Joint Shareholders Committee
<b>Meeting Date:</b>	21 April 2026
<b>Report Author:</b>	Nikki Harrison, Executive Director Corporate Services, Nelson City Council
<b>Report Number:</b>	RJSC26-04-3

**1. Purpose of Report**

- 1.1 To receive the Infrastructure Holdings Limited (IHL), Port Nelson Limited (PNL) and Nelson Airport Limited (NAL) half yearly reports to 31 December 2025, noting the reports were received prior to the current global oil crisis.
- 1.2 Please see the attached report.

**2. Recommendation**

**That the Joint Shareholders Committee**

- 1. receives the Half Yearly Reports to 31 December 2025 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited, RJSC26-04-3 report and its Attachments.**

**3. Attachments**

1. [↓](#) Half Yearly Reports to 31 December 2025 - IHL PNL and NAL

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6.1 Half Yearly Reports to 31 December 2025 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited

**Joint Shareholders Committee**

**21 April 2026**

**Report Title:** **R26-3 Half Yearly Reports to 31 December 2025 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited**

**Report Author:** **Nikki Harrison (Executive Director Corporate Services)**

**Report Authoriser:**

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**Purpose of Report**

1. To receive the Infrastructure Holdings Limited (IHL), Port Nelson Limited (PNL) and Nelson Airport Limited (NAL) half yearly reports to 31 December 2025, noting the reports were received prior to the current global oil crisis.

**Recommendation**

**That the Joint Shareholders Committee**

- 1. Receives the report half yearly reports to 31 December 2025 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited (R26-3 and its attachments).**

**Background and Discussion**

2. Section 66 of the Local Government Act requires IHL and its subsidiaries to deliver a half yearly report on performance within two months of the end of that period. The Council must publish the half yearly report on its website within one month of receiving it. These requirements have been met. The half yearly reports of the three entities for the period ending 31 December 2025 are included as Attachment 1 (IHL), Attachment 2 (PNL) and Attachment 3 (NAL).
3. The three entities attended the Joint Committee of Nelson City and Tasman District Councils on 17 March 2026 and provided the Committee with a strategic presentation which covered key matters in the six-month reports to 31 December 2025. They provided an update on the impacts of the global oil crisis including the Air New Zealand flight capacity reductions through March to May 2026.

**Infrastructure Holdings Limited**

6.1 Half Yearly Reports to 31 December 2025 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited

4. The Group achieved an interim Net Profit after Tax of \$8.3m, \$3.8m higher than the prior year. This represents a 4.2% Return on Equity.
5. Excluding the impact of the log revenues, the remainder of the Group's revenues were 7.5% higher than the same period last year whilst operating costs rose by 2.9%. The Group continues to invest prudently to maintain critical infrastructure and to ensure that the port and airport are well positioned to support the region as economic conditions improve.
6. The Group is forecasting a strong underlying result in the second half of the financial year driven by continued high log volumes. However, the positive underlying result is likely to be impacted by the additional costs of the Port's slipway project (refer Impairment of Assets note, page 10 of Attachment 1).
7. Commentary on PNL and NAL is covered below.

**Port Nelson Limited**

8. PNL delivered a very strong first half result with an interim Net Profit after Tax of \$6.3m. This was \$3.3m ahead of last year. The strong result was driven by record log export volumes from the clearance of windthrow logs following the July 2025 storms and higher container throughput (4% up on last year). The higher log and container revenues were partly offset by lower property income and softer QuayConnect activity, reflecting both sector specific challenges and broader economic conditions.
9. The half yearly report shows how PNL is tracking against its Statement of Corporate Intent performance measures for 2025/26 (see page 7 to 8 of Attachment 2).
10. PNL is forecasting underlying NPAT for the full year to be in the range of \$10.1m - \$11.1m. The company expect increased log throughput to continue for the remainder of the 2026 calendar year but this will create a revenue hole in future years. Most other bulk and containerised cargoes are expected to be close to budget in the second half of the financial year, although the closure of the Eves Valley sawmill will also result in lower sawn timber throughput. Sealord's rationalisation of their Nelson landside operations will impact property revenue.

**Nelson Airport Limited**

11. NAL's performance for the first six months of the 2026 financial year has been largely positive across the business. Passenger volumes at 424,143, were down 1% year-on-year. Seat capacity at 510,971 increased marginally on the same time last year but, as a result, the average load factor reduced from 84% to 83%.

6.1 Half Yearly Reports to 31 December 2025 for Infrastructure Holdings Limited, Port Nelson Limited and Nelson Airport Limited

12. NAL delivered a strong first half Net Profit after Tax result of \$1.9m, 39% higher than the same period last year. The improved result was attributable to a combination of factors including revenue growth, lower interest rates and the tax benefit accruing from the government's Investment Boost tax policy which came into effect on 22 May 2025.
13. NAL continued to reinvest to maintain and upgrade its facilities. The highlight for the period was the successful completion of the \$10m Apron Renewal Project. This was completed, within budget, in December 2025. Other notable achievements include significant progress on the planning phase of the runway extension project (Project 2-Zero) and the introduction of ticketless carparking to enhance the customer experience.
14. The half yearly report shows that NAL is on target to meet the majority of its Statement of Intent objectives for 2025/26 (see page 5 to 6 of Attachment 3).
15. The company had expected passenger numbers to remain flat over the next six months, with some growth returning next financial year. The impact of the global oil crisis and Air New Zealand flight capacity reductions will impact full year performance, and an assessment of the impact is underway.

**Attachments**

1. Infrastructure Holdings Limited - Interim Report FY26 - December 2025
2. Port Nelson Limited - Interim Report FY26 - December 2025
3. Nelson Airport Limited - Interim Report FY26 - December 2025

# IHL

Infrastructure Holdings Limited

## Interim Report

For the six months ended 31 December 2025

**PORT  
NELSON**

**NELSON  
AIRPORT**

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## Performance Commentary

### Nelson Airport Limited

Nelson Airport's performance for the first six months of the 2026 financial year has been largely positive across the business. Passenger volumes at 424,143, were down 1% year-on-year. Seat capacity at 510,971 increased marginally on the same time last year but, as a result, the average load factor reduced from 84% to 83%.

Nelson Airport delivered a strong first half Net Profit after Tax result of \$1.9m, 39% higher than the same period last year. The improved result was attributable to a combination of factors including revenue growth, lower interest rates and the tax benefit accruing from the government's Investment Boost tax policy which came into effect on 22 May 2025.

Nelson Airport continued to reinvest to maintain and upgrade its facilities. The highlight for the period was the successful completion of the \$10m Apron Renewal Project. This was completed, within budget, in December 2025. Other notable achievements include significant progress on the planning phase of the runway extension project (Project 2-Zero) and the introduction of ticketless carparking to enhance the customer experience.

Looking ahead the Airport expects financial performance in the second half of the year to be slightly down on the first six months due to the timing of repairs and increased depreciation costs associated with the new apron.

### Port Nelson Limited

Port Nelson also delivered a very strong first half result with an interim Net Profit after Tax of \$6.3m. This was \$3.3m ahead of last year. The strong result was driven by record log export volumes from the clearance of windthrow logs following the July 2025 storms and higher container throughput (4% up on last year). The higher log and container revenues were partly offset by lower property income and softer QuayConnect activity, reflecting both sector specific challenges and broader economic conditions.

Major capital investments included the redevelopment of the slipway and the retrofitting of an electric motor into Crane 4. The slipway project has faced technical challenges and scope changes which have materially increased the cost of this regionally significant project. The project is now well advanced and scheduled for completion in April 2026.

Port Nelson continues to invest to make the port a safer and better place to work, along with improving its environmental performance and community engagement. The safety initiatives include a new digital safety system. The community initiatives include events to celebrate the Port's 125 anniversary in February 2026 and an Open Day in March 2026.

Port Nelson expects the benefit of higher log export revenues to continue throughout the second half of the financial year with a positive impact on the full year underlying financial results.

### Group Performance

The Group achieved an interim Net Profit after Tax of \$8.3m, \$3.8m higher than up the prior year. This represents a 4.2% Return on Equity. The Return on Equity is below industry benchmarks and the Group is focused on steadily closing this gap to achieve a fair return for the regions ratepayers.

Excluding the impact of the log revenues, the remainder of the Group's revenues were 7.5% higher than the same period last year whilst operating costs rose by 2.9%. The Group continues to invest prudently to maintain critical infrastructure and to ensure that the port and airport are well positioned to support the region as economic conditions improve. The Group also continues to optimise its Treasury and Funding operations. The funding initiatives included issuing a \$15m Green Bond and streamlining the Group's liquidity facilities. The Group expects to declare a \$1.5m interim dividend.

The Group is forecasting a strong underlying result in the second half of the financial year driven by continued high log volumes. However, the positive underlying result is likely to be impacted by the additional costs of the Port's slipway project (refer Impairment of Assets note, Page 10).

## Statement of Intent Measures

The table below summarises the IHL Group’s performance against the metrics set out in its Statement of Intent. Apart from safety, the non-financial metrics are measured on an annual basis and a full commentary on these will be provided in the 30 June 2026 Annual Report.

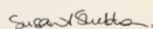
**Financial Performance Metrics:** During the first half of the financial year the IHL Group returned a strong performance against its Financial metrics. The drivers of this are covered in the Performance Commentary on the previous page.

**Non-Financial Performance Metrics:** The Group is committed to ensuring that its people have a safe working environment and tracks safety performance on a continual basis. Port Nelson’s Lost Time Injury Frequency Rate is running slightly higher than the prior year. The Port also experienced one high-potential-risk event, however this did not result in any injury. The Group is continuing to invest in enhanced safety systems.

	Interim Actual Dec-25	Full Year Projection Per SOI 2026
<b>GROUP PERFORMANCE MEASURES - FINANCIAL</b>		
<b>Funding &amp; Investment</b>		
Interest Saved (\$m)	0.6	1.5
Capital Investment (\$m)	15.9	22.3
<b>Financial Returns</b>		
Net Profit After Tax (\$m)	8.3	10.9
Dividends – Interim + Final for the Year (\$m)	1.5	8.0
Return on Equity	4.2%	2.8%
<b>GROUP PERFORMANCE MEASURES – NON-FINANCIAL</b>		
<b>People</b>		
Staff Satisfaction, Nelson Airport	Measured annually	+10%
Safety (Lost Time Injury Frequency Rate per 200,000 hours worked) – Port Nelson	2.9	<2.6
- Nelson Airport	0	0)
<b>Customer</b>		
Customer Satisfaction, Nelson Airport (Net Promoter Score)	Measured annually	Excellent
<b>Environment &amp; Sustainability</b>		
Greenhouse Gas Emissions (Reduction in Gross Scope 1 & 2 by 2035)	Measured annually	33% (Port Nelson) 80% (Nelson Airport)

The Directors are pleased to present the following interim group financial statements, for the six months ended 31 December 2025 and authorises them for issue on 24 February 2026.

Signed on behalf of the Board by:



Sue Sheldon CNZM  
Chair



Gerrard Wilson  
Director

## Attachment 6.1.1

## Consolidated Statement Of Comprehensive Income

FOR THE 6 MONTHS ENDED 31 DECEMBER 2025

	Unaudited 6 Months Dec-25 \$000	Unaudited 6 Months Dec-24 \$000
<b>REVENUE</b>		
Operating Revenue	57,382	50,787
<b>TOTAL REVENUE</b>	<b>57,382</b>	<b>50,787</b>
<b>EXPENSES</b>		
Employee Remuneration	15,988	14,750
Operating Costs	18,617	18,702
<b>Earnings before Interest, Tax, Depreciation and Amortisation</b>	<b>22,777</b>	<b>17,335</b>
Depreciation and Amortisation	8,547	8,121
Net Financing Costs	2,724	2,996
<b>NET PROFIT BEFORE INCOME TAX</b>	<b>11,506</b>	<b>6,217</b>
Income Tax	3,249	1,748
<b>NET PROFIT AFTER INCOME TAX</b>	<b>8,257</b>	<b>4,469</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Movements in Hedging Reserves	306	(229)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>8,563</b>	<b>4,240</b>
<b>Attributable To:</b>		
Equity Holder of the Parent	8,582	4,304
Non-Controlling Interest	(19)	(64)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>8,563</b>	<b>4,240</b>

Infrastructure Holdings Limited – Interim Report 2026 – Page 5

## Attachment 6.1.1

## Consolidated Statement Of Changes in Equity

FOR THE 6 MONTHS ENDED 31 DECEMBER 2025

	Issued Capital	Retained Earnings	Revaluation Reserve	Reorganisati on Reserve	Hedging Reserve	Non- Controlling Interest	Total Equity
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>BALANCE AT 1 JULY 2024</b>	<b>379,400</b>	<b>(4,155)</b>	<b>263,213</b>	<b>(253,958)</b>	<b>(477)</b>	<b>-</b>	<b>384,023</b>
Net Profit	-	4,533	-	-	-	(64)	4,469
Other Comprehensive Income	-	-	-	-	229	-	229
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>4,533</b>	<b>-</b>	<b>-</b>	<b>229</b>	<b>(64)</b>	<b>4,698</b>
Non-controlling interest from sale of shares in subsidiary	-	-	-	-	-	3,250	3,250
Dividends Paid	-	(4,200)	-	-	-	-	(4,200)
<b>BALANCE AT 31 DECEMBER 2024</b>	<b>379,400</b>	<b>(3,823)</b>	<b>263,213</b>	<b>(253,958)</b>	<b>(248)</b>	<b>3,186</b>	<b>387,770</b>
<b>BALANCE AT 1 JULY 2025</b>	<b>379,400</b>	<b>586</b>	<b>263,201</b>	<b>(253,958)</b>	<b>(150)</b>	<b>3,157</b>	<b>392,236</b>
Net Profit	-	8,276	-	-	-	(19)	8,257
Other Comprehensive Income	-	-	-	-	306	-	306
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>8,276</b>	<b>-</b>	<b>-</b>	<b>306</b>	<b>(19)</b>	<b>8,563</b>
Dividends Paid	-	(5,800)	-	-	-	-	(5,800)
<b>BALANCE AT 31 DECEMBER 2025</b>	<b>379,400</b>	<b>3,062</b>	<b>263,201</b>	<b>(253,958)</b>	<b>156</b>	<b>3,138</b>	<b>394,999</b>

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## Attachment 6.1.1

## Consolidated Statement Of Financial Position

AS AT 31 DECEMBER 2025

	Unaudited Dec-25 \$000	Audited Jun-25 \$000
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	7,564	11,684
Trade and Other Receivables	15,182	14,545
Inventories	1,558	1,283
Prepayments	2,956	1,579
Assets Held for Sale	1,750	-
<b>TOTAL CURRENT ASSETS</b>	<b>29,010</b>	<b>29,091</b>
<b>NON-CURRENT ASSETS</b>		
Property, Plant and Equipment	507,853	500,074
Right of Use Assets	11,879	12,663
Intangible Assets	7,433	7,078
Borrower Notes	3,450	3,075
Financial Derivatives	217	-
Investment Properties	32,675	34,425
<b>TOTAL NON-CURRENT ASSETS</b>	<b>563,507</b>	<b>557,315</b>
<b>TOTAL ASSETS</b>	<b>592,517</b>	<b>586,406</b>
<b>CURRENT LIABILITIES</b>		
Trade and Other Payables	8,321	8,808
Employee Benefit Entitlements	4,301	4,250
Borrowings	37,500	25,000
Tax Payable	1,409	1,549
Current Lease Liabilities	910	1,248
<b>TOTAL CURRENT LIABILITIES</b>	<b>52,441</b>	<b>40,855</b>
<b>Non-Current Liabilities</b>		
Employee Benefit Entitlements	126	136
Deferred Tax Liability	44,336	44,621
Borrowings	89,348	96,800
Financial Derivatives	-	209
Provisions and Other Liabilities	322	322
Lease Liabilities	10,945	11,227
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>145,077</b>	<b>153,315</b>
<b>TOTAL LIABILITIES</b>	<b>197,518</b>	<b>194,170</b>
<b>NET ASSET</b>	<b>394,999</b>	<b>392,236</b>
<b>EQUITY</b>		
Share Capital	379,400	379,400
Non-Controlling Interest	3,138	3,157
Retained Earnings	3,062	586
Reserves	9,399	9,093
<b>TOTAL EQUITY</b>	<b>394,999</b>	<b>392,236</b>

Infrastructure Holdings Limited – Interim Report 2026 – Page 7

## Attachment 6.1.1

## Consolidated Statement Of Cash Flows

FOR THE 6 MONTHS ENDED 31 DECEMBER 2025

	Unaudited 6 Months Dec-25 \$000	Unaudited 6 Months Dec-24 \$000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Cash was provided from:</b>		
Receipts from Customers	56,542	50,405
Interest Received	161	71
	<b>56,703</b>	<b>50,476</b>
<b>Cash was applied to:</b>		
Payments to Suppliers and Employees	36,456	37,889
Interest Paid (Net of Capitalised Interest)	2,987	3,571
Taxes Paid	3,793	2,733
Net GST Paid / Received	(85)	431
	<b>43,151</b>	<b>44,624</b>
<b>NET OPERATING CASH INFLOWS</b>	<b>13,552</b>	<b>5,852</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Cash was provided from:</b>		
Grants Received	200	-
Sale of Property, Plant and Equipment	11	449
	<b>211</b>	<b>449</b>
<b>Cash was applied to:</b>		
Purchase of Property, Plant and Equipment	15,605	20,411
Purchase of Intangibles	113	60
	<b>15,718</b>	<b>20,471</b>
<b>NET INVESTING CASH OUTFLOWS</b>	<b>(15,507)</b>	<b>(20,022)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Cash was provided from:</b>		
Issue of Shares in Subsidiary to Non-Controlling Interest	-	3,250
Loans Borrowed	5,000	12,150
	<b>5,000</b>	<b>15,400</b>
<b>Cash was applied to:</b>		
Dividend Paid	5,800	4,200
Borrower Notes	375	500
Payment of Lease Liabilities	990	659
	<b>7,165</b>	<b>5,359</b>
<b>NET FINANCING CASH INFLOWS</b>	<b>(2,165)</b>	<b>10,041</b>
<b>NET INCREASE IN CASH HELD</b>	<b>(4,120)</b>	<b>(4,129)</b>
Cash and Cash Equivalents at beginning of period	11,684	9,909
<b>CASH AT PERIOD END</b>	<b>7,564</b>	<b>5,780</b>

Infrastructure Holdings Limited – Interim Report 2026 – Page 8

## Summary of Significant Accounting Policies

### Reporting Entity

The financial statements presented are for Infrastructure Holdings Limited ("the Company") and its subsidiaries ("IHL" or "the Group"). Infrastructure Holdings Limited is a Council Controlled Trading Organisation under the Local Government Act 2002. The company is jointly, and equally, owned by Nelson City Council and Tasman District Council.

The Group consists of Nelson Airport Limited and Port Nelson Limited, and its subsidiaries, Nelson Marine Precinct Limited (69% owned) and Quay Connect Limited. All of these are 100% owned unless otherwise stated.

The primary objective of the Group is to operate infrastructure providing marine, logistics, airport and property services in the top of the South Island.

### Basis of Preparation

The financial statements have been prepared in compliance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting. The financial statements are condensed and do not include all the information required for full financial statements. They should be read in conjunction with the financial statements and related notes for the Group and its subsidiaries as published for the year ended 30 June 2025.

The interim financial statements are for the six-month period ended 31 December 2025 and are unaudited.

### Basis of Measurement

Business combinations, under common control, have been prepared using the predecessor value method. Assets and liabilities acquired from subsidiaries are recorded at their existing carrying value before acquisition.

The financial statements have been prepared based on historical cost, modified by the revaluation of land, buildings, airfield infrastructure, wharves, investment property and financial instruments.

The financial statements are presented excluding Goods and Services Tax (GST), except for receivables and payables which include GST. Unrecoverable GST is recognised within related assets or expenses.

Amounts are presented in New Zealand dollars rounded to the nearest thousand.

### Foreign Currency

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. Monetary items outstanding at balance date are converted at the exchange rate ruling at balance date or the forward exchange contract rate where derivatives have been used to hedge the exposure.

### Standards And Interpretations Issued and Not Yet Adopted

In May 2024, the External Report Board issued NZ IFRS 18 Presentation and Disclosure in Financial Statements, effective for reporting periods from 1 January 2027, with early adoption available. The Company has not yet assessed the impact of NZ IFRS 18.

There are no other accounting pronouncements which have become effective during the period that have a significant impact on the Group's consolidated financial statements.

### Critical Judgements and Estimates

In applying the accounting policies, management are required to make estimates, assumptions, and judgements. Estimates and assumptions are based on historical experience and other factors, including expectations or future events that are expected to be reasonable under the circumstances. Actual results may differ from the estimates and assumptions.

There are no estimates and assumptions in the view of the Directors that have a risk of causing a significant adjustment to the carrying amounts of assets and liabilities within the next financial year.

### Accounting Policies

The accounting policies used for the interim period are consistent with those used in the annual financial statements, of the Group and its subsidiaries, for the year ended 30 June 2025.

## Attachment 6.1.1

## Impairment of Assets

The Group regularly reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment. Where such an indication exists, the recoverable amount of the asset is assessed to determine the extent of any impairment loss.

During the period, Port Nelson Limited identified an indicator of impairment in respect of the Slipway Redevelopment Project arising from increases in cost and scope relative to the original approved business case. The assets are not yet available for use, and an estimation of recoverable amount is subject to significant judgement, including assumptions regarding future capital expenditure, project completion timelines, operating performance and market conditions.

Management has assessed that, at the reporting date, the recoverable amount of the redevelopment or the related cash-generating unit (CGU) cannot be reliably estimated, as key inputs necessary to determine value in use or fair value less costs of disposal are subject to significant uncertainty and are still being finalised.

Based on the current status of the project, no impairment loss has been recognised at the reporting date. The project will continue to be closely monitored, and a full impairment assessment will be performed once sufficient information is available and the CGU is established, or once a reliable estimate of the recoverable amount can be made.

## Capital Commitments

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

### Port Nelson Limited

The Group via Port Nelson Limited has capital commitments of \$0.4m at 31 December 2025 in relation to the Slipway redevelopment project.

### Nelson Airport Limited

The Group via Nelson Airport Limited has capital commitments of \$1.2m at 31 December 2025 in relation to the Apron project.

## Non-Controlling Interest

On 20<sup>th</sup> September 2024, the subsidiary of Port Nelson Limited, Nelson Marine Precinct Limited, issued 3,250,000 shares, at a value of \$1 each, to Crown Regional Holdings Limited.

Set out below is summarised financial information for Nelson Marine Precinct Limited. The amounts disclosed are before inter-company eliminations and revenue includes inter-company subvention receipts. No dividends have been paid to Non-Controlling Interests in the period.

	Unaudited 6 Months 31 Dec 2025	Unaudited 6 Months 31 Dec 2024
<b>Summarised Balance Sheet</b>	<b>\$000</b>	<b>\$000</b>
Current Assets	663	2,379
Current Liabilities	(344)	(230)
Non-Current Assets	9,025	7,349
Non-Current Liabilities	-	-
<b>Net Assets</b>	<b>9,344</b>	<b>9,498</b>
<b>Non-Controlling Interest</b>	<b>3,138</b>	<b>3,186</b>
<b>Summarised Statement of Comprehensive Income</b>		
Revenue	823	497
Net Profit / (Loss) After Income Tax	(62)	(207)
<b>Net Profit / (Loss) After Income Tax Allocated to Non-Controlling Interest</b>	<b>(19)</b>	<b>(64)</b>
<b>Summarised Cash Flow</b>		
Net Cash Flows from Operating Activities	(20)	9
Net Cash Flows from Investing Activities	(1,700)	(4,680)
Net Cash Flows from Financing Activities	-	7,050
<b>Net Increase / (Decrease) in Cash Held</b>	<b>(1,720)</b>	<b>2,379</b>

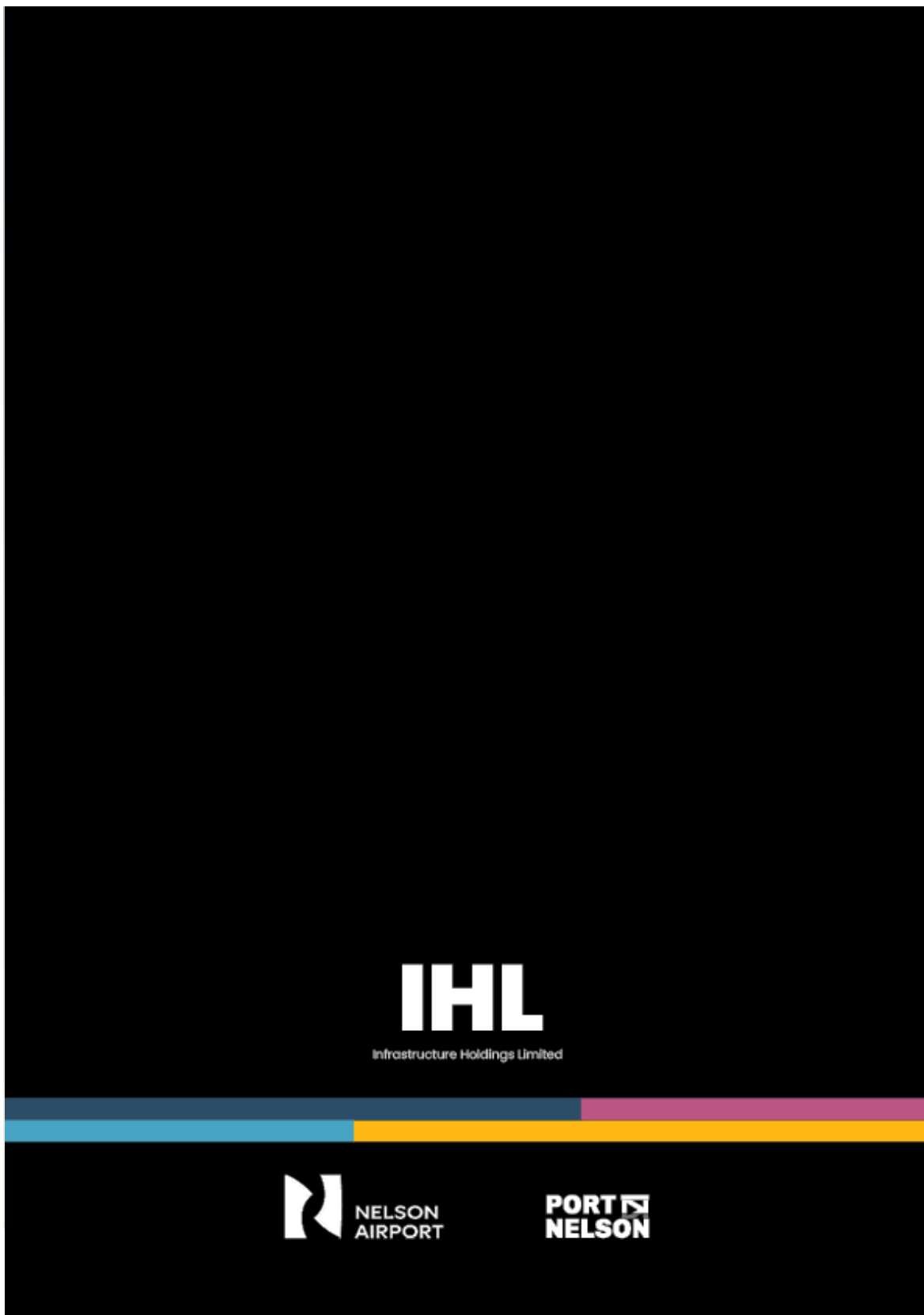
### **Share Capital**

At 31 December 2025, the Company has 6,124,000 ordinary shares. 3,794,000 shares are fully paid, and the remaining 2,330,000 shares are uncalled and unpaid. The value per share is \$100 and the total shares are divided equally between Tasman District Council and Nelson City Council.

### **Events After Balance Date**

There were no other significant events after balance date.

Attachment 6.1.1







E aronui ana ki ō tātou tāngata  
kei te manawa pātuki o Whakatū,  
me mihi ka tika hoki.

Mai i ngā pae maunga ki  
Tangaroa takapou whāriki,  
Papatūānuku e hora ake nei.

Ko tā tātou i Te Taiuhu, he  
tautoko i ngā wawata, he hāpai  
anō hoki i te oranga o te hāpori.

E kōkiri whakamua ana te kounga  
hei painga mā ō tātou kiritaki.

E aronui ana ki te taiao, kia tū, kia  
oho, kia mataara ki te anamata.

E kaha whakaputa mai ana i ngā  
hua mā te hunga whaipānga.

E mahi ngātahi ana, e aro ngātahi  
ana 'ki te hāpai i te puawaitanga  
ā-rohe'.

We acknowledge our people, who  
are at the heart of Port Nelson.

We honour the mountains, the  
sea and the land under, in, and  
upon which we operate.

We recognise our role within  
Te Taiuhu and support the  
aspirations and wellbeing of our  
community.

Driving excellence across the  
supply chain for our customers.

Respecting the environment in  
which we operate and pushing  
towards a sustainable future.

Delivering strong and sustained  
returns for our shareholder.

Working and striving together 'to  
facilitate regional prosperity'.



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# → Strategic Framework

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**Purpose**

Facilitate regional prosperity, kia āhei ki te kōkiri whakamua ki te taumata ā-rohe

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**Strategy**



**Strong Port**

Delivering operational excellence through safe, efficient and profitable port services.



**Diverse Growth**

Broadening our business to create alternative revenue streams that build long-term resilience.

---

**Pillars**

				
<b>Customers Kiritaki</b>	<b>Environment Taiao</b>	<b>People Whānau</b>	<b>Community Hapori</b>	<b>Infrastructure Tūāhanga</b>
Deliver reliable port and logistics services that meet customer needs and drive satisfaction through service excellence and innovation.	Minimise our environmental impact by reducing emissions and managing our operations responsibly.	Create a supportive workplace where safety, wellbeing, inclusion, and high performance are embedded in our culture.	Be a trusted partner who works with the community, iwi, and Māori to support our social licence to operate.	Build long-term value through smart capital investment and effective management of our assets and technology.

---

**Values**

Our values are traits that we continually exhibit on a day-to-day basis to drive us to achieve our purpose:

					
<b>Accountability</b>	<b>Safety</b>	<b>Passion</b>	<b>Integrity/ Honesty</b>	<b>Respect</b>	<b>Excellence</b>



## Performance Commentary

The Port has performed strongly for the first six months of the 2026 financial year, driven by record log throughput.

The redevelopment of the slipway has been a significant focus for the port. The opening of the new boat hoist and hard stand facility is scheduled for April 2026. We have also been focused on making the port a safer place to work through our critical risk control verification programme.

### Financial Performance

Revenue for the six-month period was \$47.8m, which was 14% ahead of last year. This was primarily driven by increased log throughput. Operational expenditure is \$0.1m lower than the same period last year.

The Port has achieved an interim Net Profit After Tax (NPAT) for the half year of \$6.3m, significantly ahead of last year's half year result of \$3.0m. An interim dividend of \$1.5m has been approved.

### Customers, Cargo & Shipping

During the first half of 2026FY, the total cargo volume was 1.78 million revenue tonnes, 18% ahead of last year. Container throughput was 49,600 TEU, 4% ahead of last year.

Vessel visits for the period were 6.5% ahead of last year, driven by increased log, bulk mineral and fishing vessel calls.

**// The Port has achieved an interim NPAT for the half year of \$6.3m, significantly ahead of last year's half year result of \$3.0m. An interim dividend of \$1.5m has been approved.**

Log throughput for the period was 54% ahead of expectations due to a combination of the recovery of windthrow from storm events in July and October, and the closure of the Eves Valley sawmill. Wine throughput has outperformed expectations; however, supply chain changes in the industry have impacted off-port activity for our QuayConnect business. Apple exports for the 2025 export season dropped off more rapidly than expected in the July-September period.

### Capital Investment

The slipway redevelopment project has made significant progress during the six-month period, with completion of the berth pocket and concrete hardstand. A combination of technical challenges and scope changes has added cost to this regionally significant project. However, we remain focused on completing the redevelopment with operations scheduled to commence in April.

Retrofitting of the electric motor into Crane No.4 was completed, which was the final investment stage of the Port's project to electrify container crane operations.



### People & Safety

The Port has been focused on implementing a new critical risk control verification programme, and we have revised our critical risks as part of this work. We have continued to progress other safety improvement initiatives, including the replacement of our digital safety system. The Port experienced one high-potential-risk event during the first half of 2026FY; however, no injuries resulted. Visible safety leadership events are well ahead of target. Our Lost Time Injury Frequency Rate (LTIFR) is above our target of 2.6.

Engagement with our people to support mental health and wellbeing was a particular focus in October.

### Environment

Scope 1 & 2 emissions are forecast to be in line with the targeted reductions by the end of the 2026FY. Climate-Related Disclosure reporting for the 2025FY was published in October 2025. Performance targets relating to noise, dust, and oil spills have been achieved, reflecting our commitment to minimising our impact on the environment.

### Community

Our annual charity golf tournament raised a record \$47k for Victory Boxing. A new sponsorship agreement with Whenua Iti Outdoors was another highlight for the period. We are on track to meet our sponsorship programme commitments.

### // Our annual charity golf tournament raised a record \$47k for Victory Boxing.

We have continued to make progress with our iwi and Māori partnership plan. Highlights for the first half year have been completing te reo signage across the port and engaging with iwi ahead of the 125th anniversary of the Nelson Harbour Board.

### Outlook

We are forecasting underlying NPAT for the full year to be in the range of \$10.1m - \$11.1m. Our expected full-year dividend remains consistent with our SOCI target of \$6.5m.

We expect increased log throughput to continue for the remainder of the 2026 calendar year. Most other bulk and containerised cargoes are expected to be close to budget in the second half of the financial year, although the closure of the Eves Valley sawmill will also result in lower sawn timber throughput. Sealord's rationalisation of their Nelson landside operations will impact property revenue.

Celebrating our Nelson Harbour Board anniversary in February and our planned Open Day in March are important events in the Port's calendar for the second half of 2026FY.



# Statement of Corporate Intent Measures

The Port’s performance measures detail how the Port will deliver its strategic intent in the 2026 financial year.

The below interim results are for the 6 months up to 31 December 2025. The final outcomes of these measures will be reported on in our 2026 Annual Report.

## Performance Measures

Performance Measure	2026 Financial Year	
	Full Year Target	Interim Result
<b>Financial</b>		
Underlying* revenue	\$90.2m	\$47.8m
Underlying earnings before interest and taxes	\$17.6m	\$10.9m
Underlying net profit after tax	\$9.0m	\$6.3m
Underlying return on assets	2.2%	2.6%
Underlying return on equity	3.2%	3.9%
Gearing (debt/equity)	23.7%	23.2%
Dividend S (% underlying NPAT)	\$6.5m (72%)	\$1.5m

*\*Underlying financial performance excludes recognition of investment property revaluation.*

Attachment 6.1.2

Performance Measure	Full Year Target	Interim Result
<b>Customers</b>		
Revenue tonnes (000)	3,243	1,783
Container throughput (TEU - twenty-foot equivalent units - thousands)	110	50
Vessel visits	714	376
Average container crane moves (per hour)	>20	20
Average container truck waiting time (mins)	<16	14
<b>Environment</b>		
Gross reduction on FY19 scope 1 and 2 carbon emissions (cumulative)	25%	On target
Gross reduction on FY19 levels in scope 3 carbon emissions (PNL originated)	70%	Not on target
Port's significant noise events >89 dbA LMAX	0	0
Dust events external complaint	0	0
Port substance spills >10L reach harbour	0	0
<b>People</b>		
High potential risk events	<=2	1
Serious harm*	0	0
Lost time injury frequency rate (LTIFR)**	<=2.6	2.9
Visible safety leadership events	400	364
	*Serious harm definition is fatality or notifiable injury (HSWA 2015)	**LTIFR is calculated as LTIs per 200,000 hours
<b>Community</b>		
Deliver on Sponsorship commitments	Complete sponsorship programme	On target
Deliver on iwi and Māori partnership plan	Complete actions set in third year of plan	On target

## → Statement of Comprehensive Income

For the six months ended 31 December 2025

	Unaudited 6 months Dec 2025	Unaudited 6 months Dec 2024
	\$000	\$000
<b>Revenue</b>		
Port operations	43,894	37,715
Property	3,865	4,051
Other income	41	41
<b>Total revenue</b>	<b>47,800</b>	<b>41,807</b>
<b>Expenses</b>		
Employee benefit expenses	14,293	13,376
Other operational and property expenses	16,350	16,560
<b>Earnings before interest, tax, depreciation and amortisation</b>	<b>17,157</b>	<b>11,045</b>
Depreciation and amortisation	6,277	5,591
<b>Earnings before interest and tax</b>	<b>10,880</b>	<b>6,280</b>
Financing costs	2,108	2,064
<b>Net profit before income tax</b>	<b>8,772</b>	<b>4,216</b>
Income tax	2,472	1,190
<b>Net profit after income tax</b>	<b>6,300</b>	<b>3,026</b>
<b>Other comprehensive income</b>		
Movements in hedging reserve	-	436
<b>Total other comprehensive income</b>	<b>-</b>	<b>436</b>
<b>Total comprehensive income</b>	<b>6,300</b>	<b>3,462</b>
<b>Attributable to:</b>		
Equity holder of the parent	6,319	3,526
Non-controlling interest	(19)	(64)
	<b>6,300</b>	<b>3,462</b>

## → Statement of Changes in Equity

For the six months ended 31 December 2025

	Issued Capital	Retained Earnings	Asset Revaluation Reserve	Hedging Reserve	Non- Controlling Interest	Total
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Balance at 1 July 2025</b>	<b>6,046</b>	<b>97,792</b>	<b>174,195</b>	<b>-</b>	<b>3,157</b>	<b>281,190</b>
Profit for the period	-	6,319	-	-	(19)	6,300
Other comprehensive income	-	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>6,319</b>	<b>-</b>	<b>-</b>	<b>(19)</b>	<b>6,300</b>
Dividends paid	-	(4,400)	-	-	-	(4,400)
<b>Balance at 31 December 2025 (unaudited)</b>	<b>6,046</b>	<b>99,711</b>	<b>174,195</b>	<b>-</b>	<b>3,138</b>	<b>283,090</b>
<b>Balance at 1 July 2024</b>	<b>6,046</b>	<b>95,123</b>	<b>174,195</b>	<b>(436)</b>	<b>-</b>	<b>274,928</b>
Profit for the period	-	3,090	-	-	(64)	3,026
Other comprehensive income	-	-	-	436	-	436
<b>Total other comprehensive income</b>	<b>-</b>	<b>3,090</b>	<b>-</b>	<b>436</b>	<b>(64)</b>	<b>3,462</b>
Non-controlling interest from sale of shares in subsidiary	-	-	-	-	3,250	3,250
Dividends Paid	-	(3,000)	-	-	-	(3,000)
<b>Total equity at 31 December 2024 (unaudited)</b>	<b>6,046</b>	<b>95,213</b>	<b>174,195</b>	<b>-</b>	<b>3,186</b>	<b>278,640</b>

# → Statement of Financial Position

As at 31 December 2025

	Unaudited 31 Dec 2025	Audited 30 Jun 2025
	\$000	\$000
<b>Current assets</b>		
Cash and cash equivalents	1,116	3,009
Trade and other receivables	13,144	13,031
Inventories	1,463	1,198
Prepayments and accrued income	2,522	1,657
Assets held for sale	1,750	-
<b>Total current assets</b>	<b>19,995</b>	<b>18,895</b>
<b>Non-current assets</b>		
Property, plant and equipment	344,422	339,120
Intangible assets	3,608	3,908
Investment properties	32,675	34,425
Right of use assets	11,876	12,659
<b>Total non-current assets</b>	<b>392,581</b>	<b>390,112</b>
<b>Total assets</b>	<b>412,576</b>	<b>409,007</b>
<b>Current liabilities</b>		
Trade and other payables	5,360	4,995
Employee benefit entitlements	3,787	3,778
Tax payable	1,066	1,154
Lease liabilities	907	1,244
<b>Total current liabilities</b>	<b>11,120</b>	<b>11,171</b>
<b>Non-current liabilities</b>		
Employee benefit entitlements	126	136
Deferred tax liability	21,375	21,511
Borrowings	3,848	3,800
Related Party Loan	81,750	79,650
Noise mitigation	322	322
Lease liabilities	10,945	11,227
<b>Total non-current liabilities</b>	<b>118,366</b>	<b>116,646</b>
<b>Total liabilities</b>	<b>129,486</b>	<b>127,817</b>
<b>Net assets</b>	<b>283,090</b>	<b>281,190</b>
<b>Shareholders' funds</b>		
Issued capital	6,046	6,046
Retained earnings	99,711	97,792
Asset revaluation reserve	174,195	174,195
Non-controlling interest	3,138	3,157
<b>Total shareholders' funds</b>	<b>283,090</b>	<b>281,190</b>

# → Statement of Cash Flows

For the six months ended 31 December 2025

	Unaudited 6 months Dec 25	Unaudited 6 months Dec 24
	\$000	\$000
<b>Cash flows from operating activities</b>		
<b>Cash was provided from:</b>		
Receipts from customers	43,621	37,538
Rent received	3,865	4,051
Interest received	14	45
	<b>47,500</b>	<b>41,634</b>
<b>Cash was applied to:</b>		
Payments to suppliers and employees	31,726	33,531
Interest paid (net of capitalised interest)	2,075	2,109
Taxes paid	2,695	992
Net GST paid/(received)	(52)	562
	<b>36,444</b>	<b>37,194</b>
<b>Net operating cash inflows</b>	<b>11,056</b>	<b>4,440</b>
<b>Cash flows from investing activities</b>		
<b>Cash was provided from:</b>		
Sale of property, plant and equipment	11	447
Grants received	200	-
	<b>211</b>	<b>447</b>
<b>Cash was applied to:</b>		
Purchase of property, plant and equipment	9,858	17,707
Purchase of intangibles	13	60
	<b>9,871</b>	<b>17,767</b>
<b>Net investing cash inflows/(outflows)</b>	<b>(9,660)</b>	<b>(17,320)</b>
<b>Cash flows from financing activities</b>		
<b>Cash was provided from:</b>		
Issue of shares in subsidiary	-	3,250
Loans borrowed	2,100	16,050
	<b>2,100</b>	<b>19,300</b>
<b>Cash was applied to:</b>		
Dividend paid	4,400	3,000
Payment of lease liabilities	989	659
	<b>5,389</b>	<b>3,659</b>
<b>Net financing cash inflows/(outflows)</b>	<b>(3,289)</b>	<b>15,641</b>
<b>Net increase/(decrease) in cash held</b>	<b>(1,893)</b>	<b>2,761</b>
Cash and cash equivalents at 1 July	3,009	1,413
<b>Cash at 31 December</b>	<b>1,116</b>	<b>4,174</b>



# Summary of Significant Accounting Policies

About this report

## Reporting Entity

The financial statements presented are for Port Nelson Limited (the Company) and its subsidiaries (together, Port Nelson or the Group). Port Nelson is a for-profit entity, the Company is incorporated under the Companies Act 1993 and pursuant to the Port Companies Act 1988. The Group consists of Port Nelson Limited, Nelson Marine Precinct Limited and Quay Connect Limited.

The financial statements have been prepared in compliance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting. Therefore, the financial statements do not include all the information required for full financial statements and should be read in conjunction with the financial statements and related notes as presented in the Port Nelson Limited Annual Report for the year ended 30 June 2025.

The interim financial statements are for the six-month period ended 31 December 2025 and are unaudited.

## Basis of Measurement

The financial statements have been prepared under the historical cost method, modified by the revaluation of land, buildings, wharves, investment property and financial instruments. They are presented in New Zealand dollars rounded to the nearest thousand.

## Judgements and Estimates

In preparing these financial statements, estimates and assumptions concerning the future are made, which may differ from the subsequent actual results. The estimates and assumptions utilised in these interim financial statements are consistent with the annual financial statements for the year ended 30 June 2025. There are no estimates and assumptions in the view of the Directors that have a risk of causing a significant adjustment to the carrying amounts of assets and liabilities within the next financial year.

## Foreign Currency

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. Monetary items outstanding at balance date are converted at the exchange rate ruling at balance date or the forward exchange contract rate where derivatives have been used to hedge the exposure.



### Standards and Interpretations Issued and Not Yet Adopted

In May 2024, the External Report Board issued NZ IFRS 18 Presentation and Disclosure in Financial Statements, effective for reporting periods from 1 January 2027, with early adoption available. The Company has not yet assessed the impact of NZ IFRS 18.

There are no other accounting pronouncements which have become effective during the period that have a significant impact on the Group's consolidated financial statements.

### Accounting Policies

The accounting policies used for the interim period are consistent with those used in the annual financial statements for the year ended 30 June 2025.

### Revenue and Expenses

Port operations revenue is recognised over-time as Port Nelson performs the service and the client simultaneously benefits from that service. Progress towards complete satisfaction of each service is estimated based on the service portion performed to the customer, determined using the percentage completion method.

Revenue is measured based on the service price specified in the specific customer contract. Due to the way our contracts are negotiated and structured, the stated contract price for each service performed reflects the value transferred to the customer.

Property lease revenue is accounted for on a straight-line basis. Rentals are payable in advance.

Administration and other expenses are recognised as an expense when they are incurred.

### Impairment of Assets

Port Nelson regularly reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment. Where such an indication exists, the recoverable amount of the asset is assessed to determine the extent of any impairment loss.

During the period, the Group identified an indicator of impairment in respect of the Slipway Redevelopment

Project arising from increases in cost and scope relative to the original approved business case. The assets are not yet available for use, and an estimation of recoverable amount is subject to significant judgement, including assumptions regarding future capital expenditure, project completion timelines, operating performance and market conditions.

Management has assessed that, at the reporting date, the recoverable amount of the redevelopment or the related cash-generating unit (CGU) cannot be reliably estimated, as key inputs necessary to determine value in use or fair value less costs of disposal are subject to significant uncertainty and are still being finalised.

Based on the current status of the project, no impairment loss has been recognised at the reporting date. The project will continue to be closely monitored, and a full impairment assessment will be performed once sufficient information is available and the CGU is established, or once a reliable estimate of the recoverable amount can be made.

### Financing Costs

Net financing costs include interest income and finance costs. Interest income is recognised on a time proportionate basis using the effective interest method. Finance costs are expensed as incurred unless related to the acquisition and development of a qualifying asset, in which case they are capitalised.

### Taxation

Income tax expense is the tax payable on the current financial year's taxable income based on the income tax rate and adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are recognised at the rate expected to apply when the assets are recovered, or liabilities are settled.

Deferred tax is charged or credited to the profit or loss, except where it relates to items charged or credited directly to equity, in which case the tax is dealt with in other comprehensive income.

### Property, Plant, Equipment and Depreciation

Property, Plant and Equipment is initially measured at cost and subsequently measured at fair value. Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefit will flow to Port Nelson and the items can be reliably measured. Dredging is not amortised. The cost of maintaining the dredged depth is expensed. Port Nelson measures all Property, Plant and Equipment as a single unit using the income-based approach. Port Nelson has assessed that there has been no material movement in the fair value of Property, Plant and Equipment from the amounts reported in the annual financial statements for the year ended 30 June 2025.

Depreciation is written off depreciable assets on a straight-line basis over the estimated economic lives of the assets, ranging as follows:

Asset	Depreciation Rate
Plant, Furniture and Equipment	2 to 50 years
Infrastructural Assets	5 to 50 years
Wharves and Berths	5 to 67 years
Buildings	5 to 55 years

### Capital Commitments

The company has undertaken an independent review of the Calwell Slipway project, which has led to an increased scope of works above that approved at 30 June 2025. Capital commitments at 31 December 2025 are \$0.4m. This relates to the Slipway Redevelopment Project and represents the Group's contractual commitments.

The redevelopment project, in partnership with the Crown, will revitalise the Slipway area through the construction of a new facility to accommodate a 550-tonne capacity marine boat hoist. The project also includes the development of an environmental treatment facility and the removal of contaminated silts from the harbour basin adjacent to the slipway.

### Intangible Assets

Intangible assets comprised of software, licences, and Goodwill. Software and licences have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses. Goodwill is measured at cost less any accumulated impairment losses.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by Port Nelson are recognised as intangible assets only if the expenditure can be measured reliably, the product or process is technically

and commercially feasible, future economic benefits are probable, and if Port Nelson intends to and has sufficient resources to complete development and to use or sell the asset. Directly attributable costs that are capitalised as part of the software include employee costs.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. After initial recognition, development costs are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight-line basis over a period of 3-13 years.

The amortisation expense of intangible assets is included in the depreciation and amortisation expense total disclosed in the Statement of Comprehensive Income.

### Investment Properties

Investment Property is property held to earn rentals and capital appreciation and is measured at its fair value. Gains or losses from changes in the fair value of investment property are included in the profit or loss in the period in which they arise.

### Valuation Basis

Investment properties are revalued every year. Investment properties were valued on 30 June 2025 by Ian McKeage, Registered Valuer, FNZIV, FPINZ of Telfer Young. The valuer's have recent experience in the location and category of the item being valued.

### Financial Risk Management

Port Nelson is exposed to various financial risks due to its operations. To manage these risks, it follows its Treasury Policy which guides management on undertaking appropriate financial risk management activities. This includes the use of derivative financial instruments to manage the risks. Port Nelson does not engage in speculative trades.

### Interest Rate Risk

Port Nelson is exposed to interest rate risk on the cash flows arising from its variable rate borrowings provided by, its parent company, Infrastructure Holdings Limited.

Interest rate exposures of this nature are managed by Infrastructure Holdings Limited in accordance with the Group Treasury Policy. The policy outlines borrowing parameters which require the fixing of interest rates for specified portions of borrowings based upon the term remaining and outlines the approved derivative instruments that can be used to do this. Refer to the financial statements of Infrastructure Holdings Limited for more information.

Attachment 6.1.2



**Credit Risk**

Port Nelson is exposed to credit risk on its cash and cash equivalents from the possibility of counterparties failing to perform their obligations. This risk is represented by the carrying value in the Statement of Financial Position. Port Nelson considers this risk to be not material.

**Trade and Other Receivables**

Trade and Other Receivables arise in the ordinary course of Port Nelson's business and are initially valued at fair value and subsequently measured at amortised cost using the effective interest method less any provision for impairment. Port Nelson invoices for services as they are performed, monthly. They are typically non-interest bearing. Our standard payment terms are 20th of the month following receipt of invoice.

**Currency Risk**

Port Nelson is exposed to currency risk on purchases of plant and equipment from overseas which it undertakes from time to time. Management actively monitors the currency risk exposure and will enter forward foreign exchange contracts to hedge this risk where required by the Treasury Policy.

**Liquidity Risk**

Liquidity risk is the risk that Port Nelson will encounter 'difficulty' raising funds to meet commitments as they fall due. Liquidity risk is managed by maintaining sufficient cash.

This is achieved by ensuring the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

**Borrowings**

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method where this differs from face value. Port Nelson classifies its borrowings as non-current unless it does not have the right to defer payment for over 12 months, in which case they are classified as current.

Trade and other payables are recognised at fair value on receipt of goods and services. Payment normally occurs within 30 days. These are non-interest bearing.

**Provisions**

**Employee Entitlements**

Provisions for wages, salaries, annual leave, and long service are made when earned by the employee. Provision for gratuities are recognised as expenses when employees have rendered services entitling them to the contributions.

Annual leave and long service leave provisions have been calculated on an actual entitlement basis at current rates of pay. Retirement gratuities are calculated at current rates of pay assuming the payment will be made upon retirement.

Attachment 6.1.2



### Non-Controlling Interests

The Group has a non-controlling interest with Crown Regional Holdings Limited, via subsidiary, Nelson Marine Precinct Limited.

Set out below is summarised financial information for the subsidiary that has non-controlling interest. The amounts disclosed are before inter-company eliminations and revenue includes inter-company subvention receipts. No dividends have been paid to Non-Controlling Interests in the period.

	<b>Unaudited 6 months Dec 2025</b>	<b>Unaudited 6 months Dec 2024</b>
<b>Summarised Balance Sheet</b>	\$000	\$000
Current Assets	663	2,379
Current Liabilities	(344)	(230)
Non-Current Assets	9,025	7,349
Non-Current Liabilities	-	-
<b>Net Assets</b>	<b>9,344</b>	<b>9,498</b>
<b>Non-Controlling Interest</b>	<b>3,138</b>	<b>3,186</b>
<b>Summarised Statement of Comprehensive Income</b>		
Revenue	823	497
Net Profit / (Loss) After Income Tax	(62)	(207)
<b>Net Profit / (Loss) After Income Tax Allocated to Non-Controlling Interest</b>	<b>(19)</b>	<b>(64)</b>
<b>Summarised Cash Flow</b>		
Net Cash Flows from Operating Activities	(20)	9
Net Cash Flows from Investing Activities	(1,700)	(4,680)
Net Cash Flows from Financing Activities	-	7,050
<b>Net Increase / (Decrease) in Cash Held</b>	<b>(1,720)</b>	<b>2,379</b>

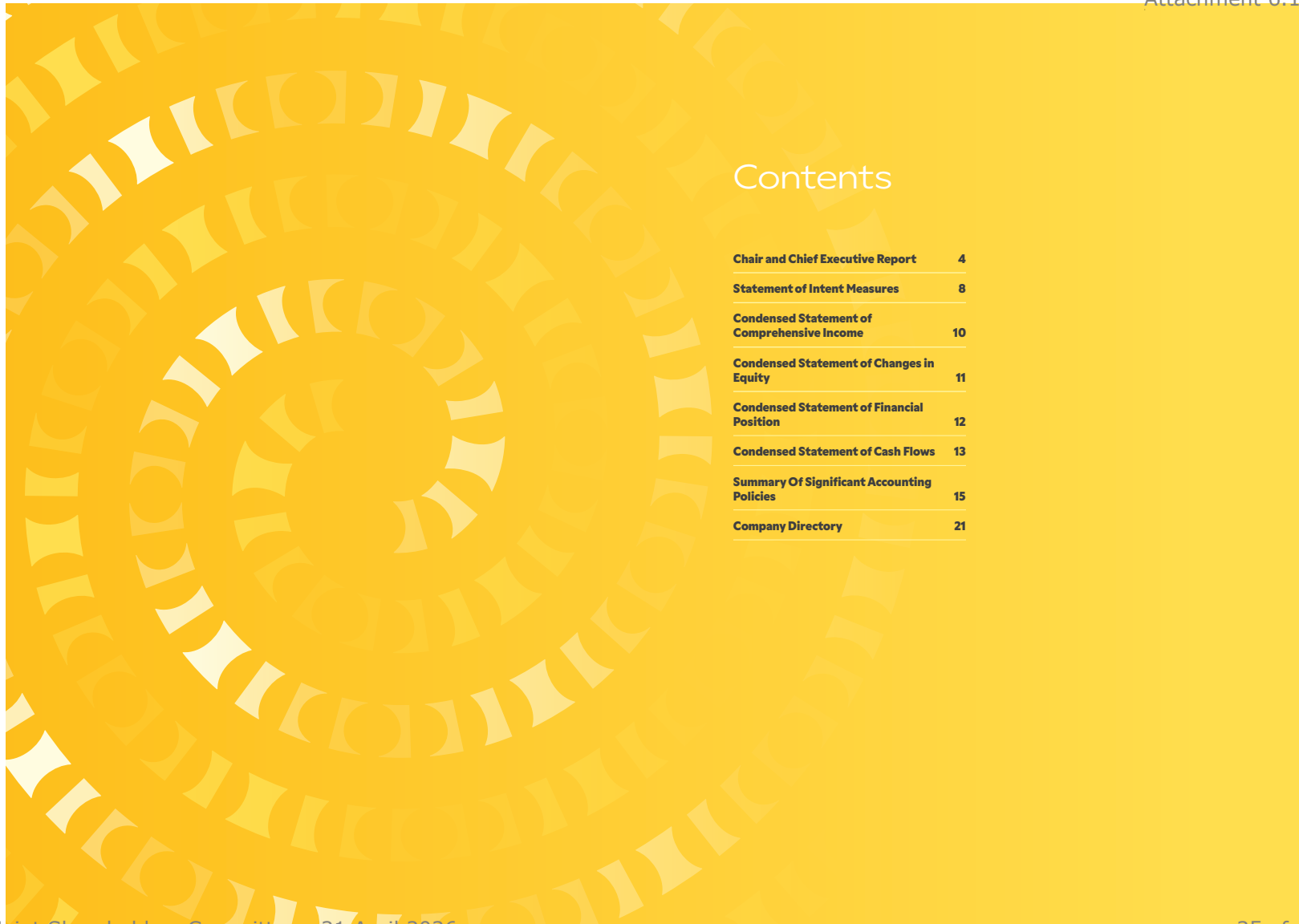
### Events after Balance Date

There were no other significant events after balance date.

Attachment 6.1.2







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# Chair and Chief Executive Report

For the Six-Month Period Ended 31 December 2025

Kia ora,

We're pleased to present this Interim Report for the six months to December 2025. This report provides performance commentary and financial results achieved by Nelson Airport in the first half of the FY2026 financial year.

## Financial Performance

The airport's performance for the first six months of the 2026 financial year has been largely positive in spite of a range of challenges.

Passenger volumes were steady at 424,143, down 1% year-on-year. Seat capacity at 510,971 increased marginally on the same time last year but, as a result, the average load factor reduced from 84% to 83%.

The past six months have been challenging for airlines due to fleet availability and a challenging economic backdrop. This is expected to continue into the second half of the year.

Despite the flat passenger environment, revenue reached \$9.5m, meeting budget and increasing 6.6% on last year. This contributed to increased EBITDA over the period, up 3.4% to \$5.61m. Net profit after tax was \$1.95m, a strong increase from \$1.4m in December 2024.

Financial performance in the second half of the year is expected to be slightly down on the first six months due to the timing of repairs and increased depreciation costs associated with the new apron.

## Infrastructure

The \$10 million apron renewal and expansion project reached a major milestone during the period with practical completion before the busy Christmas rush.

There has been significant progress on the Project 2-Zero private plan change and notice of requirement process. Nelson Airport reached agreement with the

Tāhuna Beach Holiday Park and Nelson Golf Club, leading to the withdrawal of two of the three appeals lodged with the Environment Court. This process will enable the future extension of the airport's runway in support of greater resilience, future activity and new aircraft types.

## Customer and Community

Ticketless carpark entry and online booking and payment have improved ease of access and payment options for customers since its introduction in December.

The airport has continued to pursue initiatives supporting customer experience, including terminal installations such as the Nelson Arts Festival display and the Nelson Airport Trees of Remembrance display over the Christmas period.

Our annual end of year stakeholder barbeque was an opportunity for airport tenants and partners to connect before Christmas. Our sponsorship programme supported a wide range of community organisations including Nelson Tasman Hospice, Big Brothers Big Sisters of Nelson Tasman, the Nelson Arts Festival, the Brook Waimārama Sanctuary, the Nelson Giants and the Tāhunanui Community Hub.

The Perimeter Walkway reopening event in December invited the community to a fun day out to enjoy the upgraded publicly-accessible walking track.

## Our Environment

We have continued to develop our understanding of our impacts on the environment. Highlights include delivery of our second climate report, which covers aeronautical emissions for the first time. We have also purchased our first low-emission vehicle, a plug-in hybrid for airfield operations.

## Our People

The airport achieved Great Place to Work certification in October. The internationally recognised certification recognises employers who create an outstanding employee experience. Certification is gained via a benchmarking survey based on staff feedback. The results showed 92% of staff rated Nelson Airport a great place to work, with strengths identified as the friendly, welcoming environment, teamwork and communication.

## Looking Ahead

We expect passenger numbers to remain flat over the next six months, with some growth returning next financial year. Our commitment to improvements in the customer experience will continue, including development of an extended covered walkway for passengers as well as improvements in food and beverage facilities.



Brendan Cook  
Chief Executive

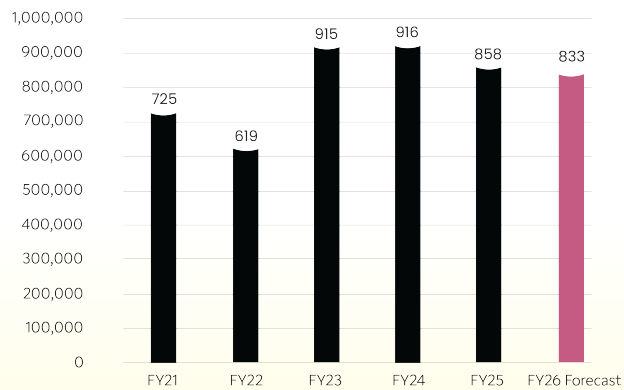
Quinton Hall  
NAL Board Chair

## Overview

Six-month period ended 31 December	2025 000s	2024 000s	Variance
Total Revenue	\$9,623	\$9,021	7%
EBITDA	\$5,601	\$5,359	5%
Net Profit before Tax	\$2,721	\$1,981	37%
Net Profit after Tax	\$1,947	\$1,397	39%
Total Assets	\$169,803	\$165,806	2%
Equity	\$111,451	\$110,904	0%
Passenger Numbers	424	428	-1%

### Passenger Numbers

The following graph shows a comparison of total passengers by financial year for the last five years compared to the current year forecast.



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Attachment 6.1.3

Statement of Intent Measures

For the Six-Month Period Ended 31 December 2025

Strategic Area	Measure	Target	Result
Health, Safety and Wellness	Employee volunteer leave (2 days) supporting local sustainability projects	25% staff participation	On track
	Conduct audits and inspections to monitor and evaluate the health and safety performance and compliance of the airport	External audit undertaken	On track
	Routine safety walks in collaboration with stakeholders to identify and report hazards and risks	Management to undertake at least one safety walk every month	On track
Financial Performance	EBITDA <sup>1</sup> (based on PAX Forecast)	\$11.1m	On track
	Dividends declared to shareholder (IHL)	\$1.5m	On track
	Stay within NAL's debt credit metrics as set by IHL	Gross leverage ratio <sup>2</sup> ≤ 4.5 Funds from operations / Debt <sup>3</sup> ≥ 11%	On track
Customers and Stakeholders	Refreshed airport website	Website roll out delivered	Achieved
	Refreshed airport brand	Brand roll out delivered	Achieved
	Cultural design framework	Stage 1 installation complete	On track

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Statement of Intent Measures

For the Six-Month Period Ended 31 December 2025

Strategic Area	Measure	Target	Result
Infrastructure and Property	Capital projects approved and delivered on time and on budget	Main Apron project completed	Achieved
People, Culture and Values	Build upon employee engagement	Engagement score increased by 10%	Excellent score and result, incomparable to previous year as process changed.
		Establish employee recognition program	Achieved
	Great Place to Work Certification	Apply for certification	Achieved
Environmental Sustainability	Airports Carbon Accreditation	Develop a Carbon Management Plan	On track
	Review and identify fossil fuel reduction opportunities	Map consumption and identify reduction opportunities	On track
	Review and identify waste reduction opportunities across airport	Conduct waste audit, evaluate opportunities and develop priority plan	On track – planned for Q4

<sup>1</sup>Earnings before interest, taxes, depreciation, amortisation, and other non-operating income/expenses

<sup>2</sup>Total third-party debt at year end/EBITDA before other income and expenses

<sup>3</sup>Total third-party debt at period end/Equity at period end

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Attachment 6.1.3

Condensed Statement of Comprehensive Income

As at 31 December 2025

	Unaudited Dec 2025 \$000s	Unaudited Dec 2024 \$000s
Revenue	9,623	9,021
Subtotal of Revenue	9,623	9,021
Operating Costs	2,777	2,388
Administration Expenses	1,245	1,273
Depreciation and Amortisation	2,270	2,530
Decrease on Asset Revaluation	-	-
Subtotal of Expenditure	6,292	6,191
<b>Profit Before Financing and Investing</b>	<b>3,331</b>	<b>2,829</b>
Interest Revenue	11	14
Finance Costs	(621)	(863)
<b>Net Financing Income</b>	<b>(610)</b>	<b>(849)</b>
Gain on Sale of Fixed Assets	-	-
<b>Investing Income</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) Before Tax</b>	<b>2,721</b>	<b>1,981</b>
Income Tax Expense	774	584
<b>Profit/(Loss) After Tax</b>	<b>1,947</b>	<b>1,397</b>
<b>Other Comprehensive Income</b>		
Gain on Net Asset Revaluation	-	-
Tax on Net Asset Revaluation	-	-
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>	<b>1,947</b>	<b>1,397</b>

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Condensed Statement of Changes in Equity

For the Six-Month Period Ended 31 December 2025

	Note	Unaudited Dec 2025 \$000s	Unaudited Dec 2024 \$000s
<b>Opening Retained Earnings</b>		<b>19,496</b>	<b>16,243</b>
Total Profit/(Loss) for the Year		1,947	1,397
Balance of Disposed Asset Transferred from Asset Revaluation Reserve		-	2
Distributions to Equity Holders		(1,400)	-
<b>Retained Earnings as at Year End</b>		<b>20,043</b>	<b>17,642</b>
<b>Opening Asset Revaluation Reserve</b>		<b>89,008</b>	<b>89,019</b>
Gain on Asset Revaluation		-	-
Balance on Disposed Asset Transferred to Retained Earnings		-	(3)
Movement in Deferred Tax on Disposed Asset Transferred to Retained Earnings		-	1
<b>Asset Revaluation Reserve as at Year End</b>		<b>89,008</b>	<b>89,017</b>
Share Capital	4.1	2,400	2,400
<b>Closing Equity as at Year End</b>		<b>111,451</b>	<b>109,059</b>



Attachment 6.1.3

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Condensed Statement of Financial Position

As at 31 December 2025

	Unaudited Dec 2025 \$000s	Audited June 2025 \$000s
<b>Assets</b>		
<b>Current Assets</b>		
Trade and Other Receivables	2,113	1,357
Cash and Cash Equivalents	311	201
Other Current Assets	120	120
<b>Total Current Assets</b>	<b>2,544</b>	<b>1,679</b>
<b>Non Current Assets</b>		
Property, Plant and Equipment	163,743	160,958
Intangible Assets	3,516	3,170
<b>Total Non Current Assets</b>	<b>167,259</b>	<b>164,128</b>
<b>Total Assets</b>	<b>169,803</b>	<b>165,806</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and Other Payables	2,153	2,974
Current Income Tax Liability	341	424
Employee Entitlements	539	507
Interest Bearing Loans	4	4
<b>Total Current Liabilities</b>	<b>3,036</b>	<b>3,910</b>
<b>Non Current Liabilities</b>		
Deferred Tax	22,917	23,192
Interest Bearing Loans	32,400	27,800
<b>Total Non Current Liabilities</b>	<b>55,317</b>	<b>50,992</b>
<b>Total Liabilities</b>	<b>58,353</b>	<b>54,902</b>
<b>Net Assets</b>	<b>111,451</b>	<b>110,904</b>
<b>Equity</b>		
Issued Share Capital	2,400	2,400
Retained Earnings	20,043	19,496
Asset Revaluation Reserve	89,008	89,008
<b>Total Equity</b>	<b>111,451</b>	<b>110,904</b>

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INTERIM REPORT 2026

Condensed Statement of Cash Flows

As at 31 December 2025

	Unaudited Dec 2025 \$000s	Unaudited Dec 2024 \$000s
<b>Cash Flows from Operating Activities</b>		
<i>Cash was Provided from:</i>		
Receipts from Airport Users	9,189	8,683
Interest Received	11	14
	9,200	8,697
<i>Cash was Disbursed to:</i>		
Payments to Suppliers and Employees	(4,714)	(4,375)
Interest Paid	(621)	(863)
Income Tax Paid	(1,133)	(1,729)
Net GST Movement	24	113
	(6,443)	(6,855)
<b>Net Cash Flows from Operating Activities</b>	<b>2,757</b>	<b>1,842</b>
<b>Cash Flows from Investing Activities</b>		
<i>Cash was Provided from:</i>		
Sale of Property, Plant & Equipment	-	2
	-	2
<i>Cash was Disbursed to:</i>		
Purchase of Property, Plant & Equipment	(5,746)	(2,704)
Purchase of Intangible Assets	(100)	-
	(5,846)	(2,704)
<b>Net Cash Flow from Investing Activities</b>	<b>(5,846)</b>	<b>(2,702)</b>
<b>Cash Flows from Financing Activities</b>		
<i>Cash was Provided from:</i>		
Increase in Term Loans	5,199	2,299
	5,199	2,299
<i>Cash was Disbursed to:</i>		
Dividends Paid	(1,400)	(1,200)
Decrease in Term Loans	(600)	-
	(2,000)	(1,200)
<b>Net Cash Flow from Financing Activities</b>	<b>3,199</b>	<b>1,098</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	110	239
Opening Cash and Cash Equivalents	201	71
Closing Cash and Cash Equivalents	311	310



Joint Shareholders Committee - 21 April 2026

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### REPORTING ENTITY

Nelson Airport Limited is registered under the Companies Act 1993 as an Airport Company pursuant to Section 3 of the Airport Authorities Act 1966. Primary activities include supporting a diverse range of businesses that service passenger or aircraft requirements or require access to air services or airport land and building infrastructure.

The company is a wholly owned subsidiary of Infrastructure Holdings Limited, which is jointly owned by Tasman District Council and Nelson City Council (each holding a 50% share). Neither council has ultimate control over the Company or its parent entity. Nelson Airport is defined as a Council Controlled Trading Organisation (CCTO) under Section 6 of the Local Government Act 2002.

The financial statements have been prepared in compliance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting. Therefore, the financial statements do not include all the information required for full financial statements and should be read in conjunction with the financial statements and related notes as presented in the Nelson Airport Limited Annual Report for the year ended 30 June 2025.

The interim financial statements are for the six-month period ended 31 December 2025 and are unaudited.

#### Basis of Measurement

The financial statements have been prepared under the historical cost method, modified by the revaluation of land, buildings, infrastructure and financial instruments. They are presented in New Zealand dollars rounded to the nearest thousand.

#### Judgements and Estimates

In preparing these financial statements, estimates and assumptions concerning the future are made, which may differ from the subsequent actual results. The estimates and assumptions utilised in these interim financial statements are consistent with the annual financial statements for the year ended 30 June 2025. There are no estimates and assumptions in the view of the Directors that have a risk of causing a significant adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Foreign Currency

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. Monetary items outstanding at balance date are converted at the exchange rate ruling at balance date. The financial statements are prepared on the basis of historical cost with the exception of property, plant and equipment which is measured at fair value.

#### Accounting Standards, Interpretations and Amendments Not Yet Effective

The External Reporting Board (XRB) has introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements, effective from 1 January 2027, which replaces NZ IAS 1 Presentation of Financial Statements. This future standard is not expected to have a material impact on the current or future reporting periods.

Nelson Airport Limited has not adopted any new accounting standards that may have a material impact on its financial statements for the current reporting period.

Attachment 6.1.3



**Significant Accounting Policies**

The accounting policies used for the interim period are consistent with those used in the annual financial statements for the year ended 30 June 2025.

**Revenue and Expenses**

Revenue from operations captured within the scope of Revenue Recognition (NZ IFRS 15) are recognised once the performance obligation is satisfied at the agreed transaction price and control of the goods or services transferred.

Revenue streams from operations that are outside of the scope of Revenue Recognition (NZ IFRS 15) are also contracted under agreements, including lease arrangements.

Administration and other expenses are recognised as an expense when they are incurred.

**Impairment of Assets**

Nelson Airport Limited regularly reviews the carrying amount of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Nelson Airport Limited has assessed that there have been no significant indicators of impairment since the annual review at 30 June 2025.

**Financing Costs**

Net financing costs include interest income and finance costs. Interest income is recognised on a

time proportionate basis using the effective interest method. Finance costs are expensed as incurred unless related to the acquisition and development of a qualifying asset, in which case they are capitalised.

**Taxation**

Income tax expense is the tax payable on the current financial year's taxable income based on the income tax rate and adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are recognised at the rate expected to apply when the assets are recovered, or liabilities are settled. Deferred tax is charged or credited to the profit or loss, except where it relates to items charged or credited directly to equity, in which case the tax is dealt with in other comprehensive income.

**Property, Plant and Equipment and Depreciation**

Property, Plant and Equipment are the assets held by Nelson Airport Limited for the purpose of carrying on its business activities on an ongoing basis. They are initially measured at cost and subsequently measured at fair value. Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefit will flow to Nelson Airport Limited and the items can be reliably measured.

Depreciation is written off depreciable assets on a straight-line or diminishing value basis over the estimated economic lives of the assets, ranging as follows:

Asset Category	Asset	Depreciation Rate	Depreciation Basis
Buildings	Terminal	1.9% - 3.7%	Straight line
Buildings	Hangars and other buildings	1.7% - 33.3%	Straight line
Airfield Infrastructure	Runways, taxiways and aprons	1.3% - 50.0%	Straight line
Landside Infrastructure	Pavements, utilities and other infrastructure	1.3% - 50.0%	Straight line
Equipment	Parking hardware, security and vehicles	8.0% - 67.0%	Diminishing value
Fixtures and Fittings	Furniture, flight information displays, and fittings	10.0% - 80.4%	Diminishing value



Attachment 6.1.3

**Intangible Assets**

Intangible assets comprised of software, branding, licences, and plan and designation change costs. Software, branding and licences have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses. Plan and designation change costs are measured at cost less any accumulated impairment losses.

Asset Category	Amortisation Rate	Amortisation Basis
Software	50.0%	Diminishing value
Branding	10.0% - 12.5%	Straight line
Website	8.0% - 50.0%	Diminishing value



**Financial Risk Management**

Nelson Airport Limited is exposed to various financial risks due to its operations. To manage these risks, it follows its Treasury Policy which guides appropriate financial risk management activities. Nelson Airport Limited does not engage in speculative trades.

**Interest Rate Risk**

Nelson Airport Limited is exposed to interest rate risk on the cash flows arising from its variable rate borrowings provided by its parent company, Infrastructure Holdings Limited. Interest rate exposures of this nature are managed by Infrastructure Holdings Limited in accordance with the Group Treasury Policy. The policy outlines borrowing parameters which require the fixing of interest rates for specified portions of borrowings based upon the term remaining and outlines the approved derivative instruments that can be used to do this. Refer to the financial statements of Infrastructure Holdings Limited for more information.

**Credit Risk**

Nelson Airport Limited is exposed to credit risk on its cash and cash equivalents from the possibility of counterparties failing to perform their obligations. This risk is represented by the carrying value in the Statement of Financial Position. Nelson Airport Limited considers this risk to be not material.

**Trade and Other Receivables**

Trade and Other Receivables arise in the ordinary course of Nelson Airport Limited's business and are initially valued at fair value and subsequently measured at amortised cost using the effective interest method less any provision for impairment. Nelson Airport Limited applies the simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance. The measurement of expected credit losses is a function of the probability of default, loss and the exposure at default.

**Liquidity Risk**

Liquidity risk is the risk that Nelson Airport Limited will encounter difficulty raising funds to meet commitments as they fall due. Liquidity risk is managed by maintaining sufficient cash. This is achieved by ensuring the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

**Borrowings**

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method where this differs from face value. Trade and other payables are recognised at fair value on receipt of goods and services. Payment normally occurs within 30 days. These are non-interest bearing.

**Capital Commitments**

Nelson Airport Limited has \$1.2m worth of contractual capital commitments for property, plant and equipment as at 31 December 2025 (2024: \$9.2m).

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

**Provisions**

**Employee Entitlements**

Provisions for wages, salaries, annual leave, and other entitlements are made when earned by the employee. Annual leave has been calculated on an actual entitlement basis at current rates of pay.

**Events After Balance Date**

There have been no significant events after balance date 31 December 2025 that materially impact Nelson Airport Limited's financial position or viability as a going concern.

**Approval of Interim Financial Statements**

The interim financial statements were approved by the board of directors on 19 February 2026.



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# Company Directory

## Directors

Quinton Hall – Board Chair  
Darren Mark - Audit & Risk Committee Chair and Remuneration Committee Chair  
Emma Ihaia - Health, Safety & Wellness Committee Chair  
Matthew Clarke

## Registered Office

Nelson Airport Management Offices  
Trent Drive, Nelson 7011  
Telephone 03-547-3199  
Email office@nelsonairport.co.nz

## Senior Leadership Team (as at 31 December 2025)

Chief Executive Officer	Brendan Cook
Chief Financial Officer	Adrian Ferris
Head of Corporate Services	Beth Catley
Head of Assets and Projects	Marius Coetzee
Head of Operations	Jesse Woods

## Auditor

Ernst & Young

## Accountant

JAS Accounting & Advisory Services Limited

## Banker

Westpac Banking Corporation

## Lawyer

Ford Sumner Lawyers  
Russell McVeagh

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Attachment 6.1.3





## 8 CONFIDENTIAL SESSION

### 8.1 Procedural motion to exclude the public

The following motion is submitted for consideration:

**That Ms Sue Sheldon and Mr Mark Loveard be permitted to remain for item 8.2 Infrastructure Holdings Limited Update and Item 8.3 Infrastructure Holdings Limited – Draft Statement of Intent 2026/2027 after the public has been excluded because their knowledge of the matters being discussed will be of assistance to the Joint Shareholders Committee when assessing options available to it and in explaining any decision to the community.**

**That the public be excluded from the following part(s) of the proceedings of this meeting. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.**

**This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:**

### 8.2 Infrastructure Holdings Limited - Draft Statement of Intent 2026/2027

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	s48(1)(a)  The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.