Port of Auckland
Tāmaki Herenga Waka

Annual Report 2025
Mahere ā-Tau

Investing for the future

Te haumi mō te anamata

PORT OF AUCKLAND
TĀMAKI HERENGA WAKA

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Ko ngā kaupapa whānui me
Ngā kaupapa whāiti

Our Vision
Te Ara Ki Tua

Since the 1850s, when Queen Street wharf first extended into the Waitematā, Auckland's port has been a vital link between Auckland and the world. Today, as New Zealand's largest import port, we continue to grow alongside the city we serve. We bring in the goods that fuel our economy and support our way of life.

Being located in the heart of Auckland is a privilege that carries a deep responsibility. We are more than a gateway for trade. We are part of the city's fabric. That means being a good neighbour, a trusted partner and a careful steward of the waterfront.

From Singapore to Sydney, Rotterdam to Shanghai, the world's most dynamic cities rely on resilient port infrastructure.

Auckland is no different.

As an island nation, New Zealand depends on ports to connect us to global markets, create jobs, reduce emissions and support regional prosperity. In Auckland, our port also delivers a dividend to the city, supporting public services and infrastructure for all Aucklanders.

Most of what we bring in stays right here in Auckland. We are proud of the role we play in the city's economy and the contribution we make to its future. Our focus is on building a port that is resilient, ready for the future and aligned with the evolving needs of our people and our place.

We are shaping a port that will serve generations to come. One that supports sustainable growth, strengthens our mana, and reinforces our commitment to Auckland as a place to live, work and thrive.

We are Port of Auckland.

Strengthening our Mana - Our Strategy
Toitū te Mana

Vision

Port of Auckland Limited will be a port that is sustainably profitable, delivering a fair return to Auckland Council, whilst remaining the preferred port of our customers and our people.

Purpose

Facilitate the sustainable growth of trade for Auckland and the North Island.

Focus Areas

Customer at the Core
- Embed a customer centric culture
- Focus on what our customers value
- Simplify and standardise
- Deliver consistent and reliable operations

Infrastructure for the Future
- Upgrade our core systems and processes (digital and operational)
- Prepare us for future growth
- Build the right things in the right way
- Commercial model delivering a fair return
- Future appropriate business structure

Whanaungatanga
- Operate safely and sustainably
- Invest in and retain our talent
- Celebrate our whānau
- Leverage the power of our people working together
- Make informed decisions

Sustainability Pillars

- Caring for Aucklanders
- Genuine harbour health
- Meaningful climate action
- Driving towards a circular economy
- Sustainable business in Auckland

Financial

FY26	$95m NPAT	FY27	$100m NPAT	FY28	$105m NPAT

Chair and Chief Executive's Review
Te Arotake Matua a Te Tumuaki me te Manahautu

This year has been a defining year of growth for Port of Auckland – one marked by strong financial results, improved safety indicators, accelerated infrastructure investments and strengthened partnerships with our people, customers and communities.

At the heart of this progress is our strategy: Strengthening our Mana.

We are focused on delivering a fair return to Auckland Council as the preferred port of our customers and our people. This strategy also reflects our core purpose to facilitate the sustainable growth of trade for Auckland and the upper North Island.

Delivering strong financial results

FY25 was a year of financial strength and meaningful strategic progress. We achieved underlying net profit after tax (UNPAT) of $85.4 million, achieving our FY26 target a year early.

The result was driven by a significant lift in container volumes, improved throughput, cost management and growing customer confidence in our ability to deliver safe, efficient and reliable service.

Revenue increased to $393 million, up from $339 million in FY24, reflecting both volume growth and the success of our pricing strategy. Container volumes rose by 5%, as customers responded positively to the value we offer – particularly our proximity to market and our low-carbon, high-efficiency offering. We're grateful for the trust our customers have placed in us, and we're proud of the role we play in helping them succeed.

While some trades – such as vehicles and construction materials – were down, overall our business showed resilience in a challenging economic environment. Cruise ship visits declined slightly, but passenger numbers remained strong, with some operators successfully running shorter cruises from Auckland.

The turnaround in our container terminal has been a standout. Much of this year's financial uplift is thanks to the recovery of volumes and increase in our market share. Customers have recognised the improvements we've made and the effort our people have put in to deliver better outcomes; however, we know we still have work to do.

Our Net Promoter Score for this year was 34, up from 22 last year. Feedback highlighted improved communications, performance and customer support. Through our customer centricity programme, we have identified further areas where we can continue to improve how we engage and deliver for our customers.

This year, in addition to declaring a $52 million dividend from trading, we declared a special dividend of $45 million to Auckland Council following the sale of our stake in Marsden Maritime Holdings. The Council has transferred the special dividend to the Auckland Future Fund.

Delivering $1 million a week dividend from our trading results reinforces our position as a valuable asset for Aucklanders. We also paid down $44 million in debt, further strengthening our balance sheet. This brings debt paid down over the past three years to around $120 million, setting us up to fund a generational investment in the port infrastructure.

Auckland Council's Long-Term Plan 2024-2034 has provided assurance that the port will remain operating in its current location, albeit with a smaller footprint, for the next few decades. This certainty enables us to invest for the future and have the long-term strategic conversations with our customers and partners.

This year's results show that we are on the right path – building a port that delivers fair returns, supports the city's and region's growth and creates long-term value for Auckland.

Prioritising safety at every level

Our commitment to health, safety and wellbeing remains paramount. Through our role in the Port Health and Safety Leadership Group we implemented the Approved Code of Practice (ACOP) for loading and unloading cargo, developed in collaboration with our unions, other ports and Maritime NZ.

This initiative has transformed how safety is managed across the industry. It provides guidance on how to comply with regulations and improves outcomes to reduce the number of serious injuries, illnesses and fatalities among workers who load and unload cargo at ports and on ships across the country.

Internally, our approach, which emphasises shared goals, mutual respect, and stakeholder, union and worker participation across the business, continues to drive a culture of shared responsibility for safety.

We've seen measurable improvements in injury reduction. This is supported by proactive measures like on-site physiotherapy and early intervention, now central to our prevention-first approach. Equipment improvements like our new lash trolleys have also enhanced safety measures by reducing manual handling.

This year we have seen a 20% reduction in the number of high-potential near miss incidents. We're pleased with the progress we've made, but safety is a continuous journey – one that will always be a core focus of our operations.

Investing for the future

This year we began investing to shape the future of the Port of Auckland. This work lays the foundation for our next 40 years of growth, resilience and service to the region.

A key milestone was receiving our fast-track consent for construction of a new wharf on the northern end of Bledisloe and an extension to the existing Fergusson North wharf.

These upgrades, and the already consented channel deepening, will make us big ship capable, enabling us to handle larger container and cruise vessels, improve efficiency and reinforce Auckland's role as a key international gateway.

They allow us to create Auckland's premier cruise terminal. We will co-design this terminal with key stakeholders to reflect the cultural, social and economic diversity of Auckland and strengthen the city's position as New Zealand's passenger turn port.

These developments support our long-term strategy to consolidate port operations to the east. They will enable us to sell Captain Cook and Marsden wharves to Auckland Council in the next 2-5 years, increasing public access to the waterfront – a commitment we've been delivering for the last 25 years.

We will begin exiting the ferry basin through these changes, supporting commuters and the continued growth of ferry services to and from downtown.

We recognise that being located in the heart of Auckland is a privilege. It comes with a responsibility to be a good neighbour, a trusted partner and a careful steward of the waterfront.

While fast-track consents for Bledisloe North and Fergusson North wharves have enabled us to move forward at pace, we did not take our public consultation lightly.

During consultation, we conducted over 150 community engagement sessions, engaging directly with local iwi, community and other stakeholders.

We listened, adapted and reengineered aspects of the project to reflect stakeholder feedback. This included shortening the proposed Bledisloe North extension by six metres.

These developments are about more than our capacity and capability, and future proofing our operations. They're about growing Auckland and the upper North Island economy for the long term and strengthening Auckland's position as a key international gateway.

Importantly, confidence in our continuing strong financial performance makes this possible, while still delivering significant dividends in the future.

Beyond our port, it's important that we coordinate infrastructure development with the wider supply chain. Continued investment from partners such as Auckland Transport, NZ Transport Agency (NZTA) and KiwiRail is critical. It ensures strong transport links between Port of Auckland and the rest of New Zealand, particularly the upper North Island.

Customer at the core

During the past year, we've taken meaningful steps to better meet customer needs. We also broadened our definition of 'customer' to include more stakeholders across the supply chain, ensuring a more inclusive and responsive service model.

Through our focus on simplification and standardisation, we're streamlining processes to make it easier for customers to do business with us. This includes a comprehensive review of tariffs and standard contracts, greater clarity around pricing and a stronger alignment of our safety and sustainability goals with those of our customers.

In line with Council expectations, we brought forward peak and off-peak price increases. These were signalled a year ago and reflect the need to reduce ratepayer subsidies for importers and exporters.

We're also deepening engagement across all customer segments, ensuring their voices shape how we operate. A standout example is our Customer Journey Mapping initiative. By mapping every touchpoint, we've gained a shared view of where we can do better and are acting on it. One tangible result to date is a new toilet facility for truck drivers, installed in direct response to customer feedback.

Empowering our people

With more than 30 nationalities represented across our workforce, we are proud of the inclusive and collaborative workplace we're creating. This year, we strengthened our investment in people through initiatives that support wellbeing, development and inclusion.

Our High Performance High Engagement (HPHE) approach has been integral in continuing to build a more inclusive and collaborative workplace culture – one where our people feel heard, respected and empowered to contribute to the port's future.

We've continued to support literacy and numeracy programmes for our people. Empowering individuals with foundational skills builds their confidence and capabilities and helps them feel like a valued member of the team and the wider community.

Our partnerships with organisations such as The Salvation Army and Papakura Marae have enabled youth leadership and community engagement. Our Ngāti Whātua Ōrākei, First Foundation and TIPENE scholarships are helping Māori and Pasifika pursue higher education and workplace opportunities.

As we have been investing in our people, we have also been able to promote internally. We have promoted and upskilled over 100 people internally throughout the year, including Julie Wagener who joined the Executive Team as General Manager Communications, Government and Community Relations.

During the year Craig Sain, General Manager Commercial, decided to leave the port. We subsequently restructured our commercial team to bring all business functions together. Craig was a highly valued member of the Executive Team who managed the port's customer relationship through some challenging times. We wish Craig all the best.

Commitment to sustainability

Our long-term vision is guided by our commitment to sustainability. This year we have made clear progress on our decarbonisation journey.

We have purchased our first electric empty container hoist, invested in our solar array and worked on how we manage our straddle fleet to reduce emissions. Sadly, however our Scope 1 and 2 emissions have increased this year by 3%. This is primarily due to the increase in volume through the container terminal. Total direct emissions (Scope 1 and 2) was 11,410 tCO_2e from 11,000 in FY24. We look forward to reporting next year on the results of the solar array we switched on at the end of June.

Our new solar array is the largest in Auckland CBD and is expected to supply around 6% of the port's electricity, and we will continue to invest in electric and low-emissions equipment.

Our Harbour Health initiatives continue to grow, with mussel nurseries and native reforestation projects helping to restore marine ecosystems and enhance biodiversity. We're proud to work alongside iwi and community groups to protect and regenerate the environment we share.

To reduce the risk biofouling poses to our indigenous marine diversity and help support cruise ships wanting to enter New Zealand, we're underway with a trial to fully capture and contain all material removed from vessel hulls whilst in port. This will make a significant difference for the cruise industry whilst continuing to support biosecurity.

Looking ahead

As we look to FY26 and beyond, our focus remains unwavering. We are committed to delivering on our long-term plan and achieving our $95 million UNPAT target – an ambition shared across our Board and leadership team.

With cruise, cars and multi-cargo volumes expected to recover, and continued demand for agricultural and industrial imports, we are well-positioned to support the sectors that drive our economy.

Our investments today are setting the stage for a stronger, more resilient port – one that plays a vital role in connecting New Zealand to the world.

We thank our team, our customers, our partners and our shareholder for their continued support. We have had a strong year and look forward to another year of safely and reliably delivering for Auckland.

Jan Dawson
Chair

Roger Gray
Chief Executive

[1] Scope 1 emissions refer to direct greenhouse gas (GHG) emissions from sources owned or controlled by an organisation within its operational boundaries. These emissions arise from activities like burning fuel in company-owned vehicles or equipment, or from industrial processes. Scope 2 emissions, in the context of the Ministry for the Environment (MfE), refer to indirect greenhouse gas emissions resulting from the consumption of purchased electricity, heat, or steam by the organisation. These emissions are considered indirect because the organisation doesn't directly produce them, but rather they occur at the source of energy generation due to the organisation's energy consumption.

Results at a Glance
Ko Ngā Puawaitanga

$90.8m
NPAT for FY25

$85.4m
Underlying NPAT for FY25 compared to $55.2m in FY24*

$52m
Operating Dividends

$45m
Special Dividend

883,516
Containers**

3.3m
Tonnes breakbulk excluding cars

104,859
Containers** moved by rail

* Underlying NPAT excludes items such as revaluations and impairments
** TEU (one TEU = one standard 20-foot container)

1,130
Ship calls

331,134
Cruise passengers

78,800
Natives planted at Āwhitu Peninsula

Won
Deloitte Top 200 Diversity and Inclusion Leadership Award

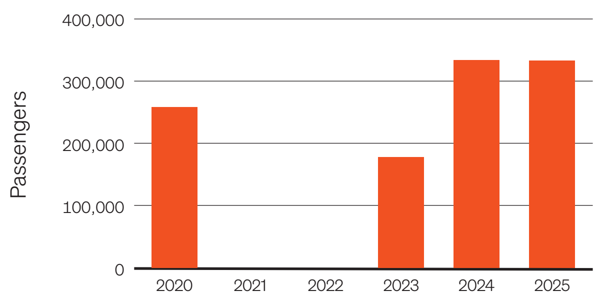
Jan Dawson won Deloitte Top 200 Chairperson of the year

11,400
tCO_2e (market-based scope 1 and 2 emissions)***

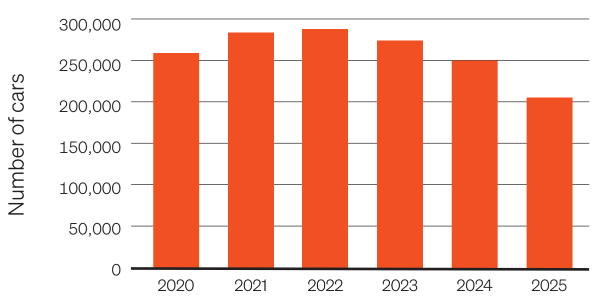
*** tCO_2e: tonnes of carbon dioxide equivalent emissions (a standard unit for counting greenhouse gas (GHG) emissions regardless of whether they're from carbon dioxide or another gas, such as methane)

Results at a Glance

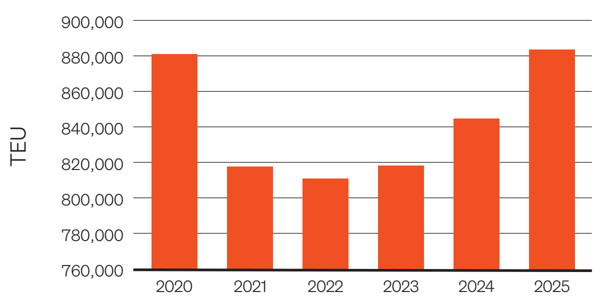
Cruise Ship Passengers



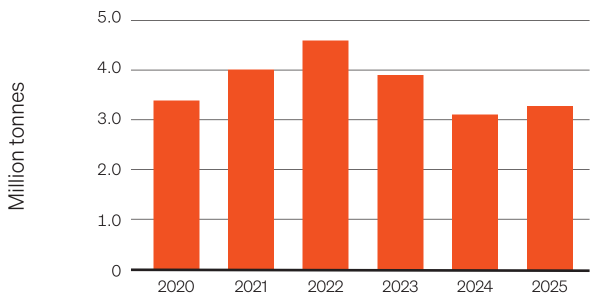
Cars



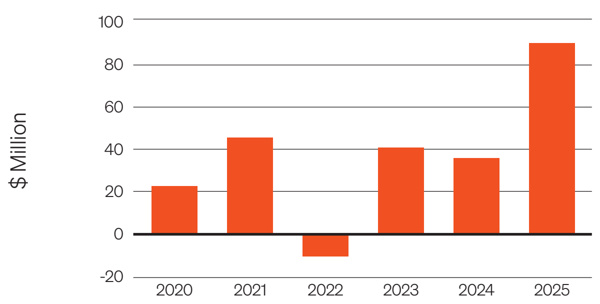
Container Throughput



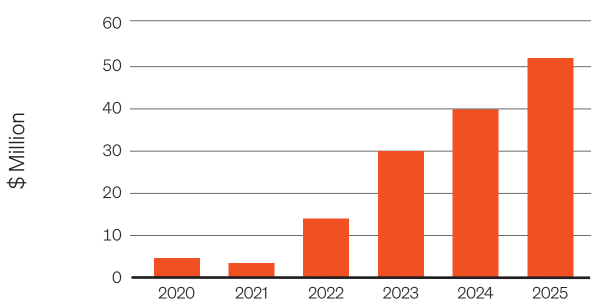
Bulk and Breakbulk excluding cars



Net Profit After Tax



Ordinary Dividends Declared



Value Chain FY25
Rārangi Uara

World

1,130
Ship calls

Five trades

Container handling
883,516
TEU 20FT containers

Multi cargo
3.3m Tonnes bulk and breakbulk

Cruise
331,134
Cruise passengers

Property
$17m In supply chain related rental income

Roll-on, Roll-off (Ro-Ro)
172,063
Cars

Other services

- Bunkering
- Rail services
- Nexus Logistics
- Marine services
- Engineering services
- Strategic partner for Pacific Islands
- Security Services

Outputs

$52m
Operating dividend to Auckland Council

30%
Increase from 2024

$45m
Special dividend to Auckland Council

754
Direct employees*

Around
3,000
People access the port daily for work

3k

$600+m
Economic impact of cruise for Auckland

$80,000+
Provided to staff to support community initiatives

Purchased our first electric empty container hoist

$150k+
Invested into Harbour Health initiatives

117
Cruise ship visits

10,000+
People in Auckland connected to vehicle imports and sales

80
Harbour Health baskets

Main cruise exchange port for New Zealand

* Does not include subsidiaries


K
J
LIGHT VEHICLE LANE
LIGHT VEHICLE LANE

Infrastructure Tūāhanga

During the next three years, we're investing around $400 million to future-proof our operations and continue to deliver for Auckland.

Investing to become big ship capable

As global shipping lines transition to larger, more efficient vessels, we anticipate across the next five years we'll see an increase in the size of the largest container ships visiting from 6,000 to 10,000 TEU.

To accommodate this, we are starting on $200 million of developments which includes:

- **Bledisloe North wharf**
  The construction of a new 330-metre wharf at the northern end of Bledisloe Terminal to handle larger cruise ships and cargo vessels.
- **Fergusson North wharf**
  A 45-metre extension to the existing wharf to improve operational efficiency.

This funding also supports key upgrades, including deepening the Rangitoto shipping channel, constructing a dedicated cruise terminal and refurbishing our office. It also enables the development of a specialised engineering workshop for taller straddles.

These developments ensure Auckland is big-ship capable by 2028.

Ahead of this investment, we thoroughly assessed the economic impact, safety and navigation, traffic flow, ecological effects, coastal processes and visual impacts on neighbouring communities, harbour users and city users. Additionally, we analysed stormwater management, emissions and airflow circulation.

These improvements extend beyond capacity expansion and operational resilience; they represent a strategic investment in Auckland and the long-term growth of New Zealand. At the same time, they strengthen the position of Auckland as a key international gateway, ensuring we remain well-connected to global trade.

Expanding our cruise capabilities

Cruise ships are evolving and we are seeing a reduction in mid-size vessels operating in the industry, in favour of both large and small-boutique ships.

During the next two years, we'll construct the Bledisloe North wharf and build a new terminal. This will enable us to welcome ships up to 350m, ensuring Auckland remains a premier hub for international cruise operations and helping solidify New Zealand's place on the global cruise map. It also enables us to decrease the number of ships using the downtown ferry basin.

Designed in partnership with the industry and iwi, the terminal will reflect the cultural, social and economic diversity of Auckland.

Once the cruise terminal opens, we can start transitioning out of the ferry basin. These changes will support ferry services to and from downtown.

Streamlining operations

Feedback is extremely important to us, and during FY25, we put up QR codes in areas across the port where customers frequently visit to understand how we can improve their experience.

These feedback forms highlighted a lack of dedicated spaces for truck drivers to pause, park and access basic amenities in the city. In response, we will soon have designated parking spaces for truck drivers and have already installed a new toilet block at the container terminal empty yard.

In the past year, we also made significant upgrades to the empty yard and link facility at our container terminal to improve and streamline traffic flow. This includes installing a new gatehouse and automating our entry system.

With our new eGate functionality, trucks with completed paperwork can skip parking delays and go straight to the yard for container pickup. After a successful trial, we're now rolling it out at container terminal's main gates.

Over the next 12 months, we will continue working closely with customers to ensure our facilities meet industry demands, enhance efficiency and deliver a seamless experience.

Community engagement and consultation

While fast-track consents for Bledisloe North and Ferguson North wharves have allowed us to move quickly, we did not compromise on our commitment to thorough and transparent public consultation.

We conducted 150 community engagement sessions, engaging directly with local iwi and key stakeholders.

We carefully listened to feedback and adjusted plans to reduce the size of Bledisloe North wharf.

These refinements ensure the port expansion aligns with our responsibility to be a good neighbour while delivering long-term economic benefits to the city and our shareholder.

Health, Safety and Wellbeing
Haumaru Hauora me te Oranga

Health, safety and wellbeing is a fundamental value at the port. This year, we've sharpened our focus – simplifying our processes, listening to our people and embedding wellbeing into the way we work.

This commitment is delivering results – from implementing the Approved Code of Practice (ACOP) to strengthening ties with our unions and Maritime NZ. We've improved how safety is managed, delivered improved outcomes and continued to embed a culture of care and accountability across the port.

These outcomes reflect not just our focus, but the strength of our HPHE approach – enabling us to co-design and embed industry-leading practices that are built to last.

Leading with critical risk management

A key focus this year has been transforming how we manage our approach to critical safety risk management. We've taken a comprehensive look at serious hazards across the port, and by working closely with the people who face these risks every day, we've developed a strong, practical understanding of what's needed to keep them safe.

This isn't about producing posters or slogans – it's about doing the work to ensure safe operations in a high-risk environment, in all weather conditions and on vessels that arrive in varying conditions.

We've introduced simple, effective ways to check that critical controls are in place and working each day. And when issues do arise, our new reporting system ensures they're flagged early enough, investigated quickly and resolved efficiently.

Injury prevention and recovery

We've continued to invest in injury prevention and rehabilitation, recognising the difference between everyday injuries and critical risks. Back, neck and hand strains remain the most common, and we're committed to reducing the frequency and impact of these injuries through focused initiatives.

Our on-site physio team remains a key part of our approach. They are now playing a more proactive role in injury prevention. By helping our people understand what they can do to reduce the risk of injury, we're building a stronger, more resilient workforce.

At the same time, we're committed to ensuring that when sprains and strains do occur, our rehabilitation processes are effective, timely and supportive. Ultimately, this helps our people return to work safely and confidently.

Supporting mental wellbeing

In response to feedback from our health and safety representatives, operational leaders, kaiārahi and union partners, we introduced an on-site wellbeing counsellor. This initiative reflects our growing commitment to mental health as a vital part of overall wellbeing.

By having a trusted counsellor on-site, we've made support more accessible and better suited to the unique needs of the port. This has helped remove barriers that previously prevented our people from accessing this kind of support.

This initiative was developed in partnership with our union colleagues. Early feedback, particularly from stevedores, has been reassuring. The quiet uptake reflects growing trust and confidence with the support that is available.

Critical Risk Management

Our approach to the management of critical life safety risks has remained the principal focus of the team. We have sought and adopted best practice to bolster our understanding of the key risks that port workers face, and which mitigations must always be present.

Using the widely accepted bowtie risk assessment methodology and a systematic review of the key hazards across the port sector, we involved our workforce – those closest to the hazards and who therefore have the best knowledge about what's needed for safety – to complete the assessments. We have completed over 60 bowtie assessments to date and will ensure these assessments are kept up to date as advances in technology and more efficient ways of working are adopted.

One of the critical risks is working in or around containers being transported by large plant such as straddle cranes or reach stackers.

Our bowtie assessments have identified the following critical controls:

1. Ensuring there are always exclusion zones between moving plant and pedestrians
2. Where straddles need to drop off containers for inspection, we have installed wheel stops, barriers and procedures so that no one can enter the areas whilst the straddle is moving
3. Emergency stops, LockOut TagOut and regular servicing on all moving plant.

We have designed clear means to check that all critical controls are present before work, thereby ensuring that no works starts without the team being confident the necessary safeguards are present.

Co-designing safety with our people, for our people

Our partnership with unions remains a cornerstone of our health and safety approach. This year, it reached a new level. Together, we have co-designed, co-sponsored and co-led key initiatives that reflect a step change in how we apply HPHE principles in the safety space.

Three joint working groups are now up and running, each focused on tackling long-standing challenges in a collaborative, forward-thinking way.

1. **Fatigue** – addressing the risk and realities of fatigue in demanding shift-based work
2. **Port Wellbeing Te Ara Hauora (wellbeing pathway)** – exploring how we can better support and enable our people to stay healthy as they progress through their careers
3. **Safety leadership** – embedding strong safety leadership into teams so they can lead with confidence in a dynamic and complex operating environment, delivering safe outcomes, every shift.

These groups are not only helping us solve complex issues, they're also setting a new benchmark for industry collaboration and leadership.

Lifting our safety standards with ACOP

Together with our unions and Maritime NZ, we helped lead the development and rollout of the ACOP for safe cargo handling. We've now fully adopted the key requirements of the ACOP and are using it to proactively lift and sustain safety standards across the port.

This initiative is a standout example of how regulators and industry partners can collaborate to drive meaningful change – focused squarely on managing critical risks. We're proud to have played a leading role in making it happen.

Health and Safety Performance Index

Our Health and Safety Performance Index (HSPI) – a balanced set of leading and lagging safety measures – continues to focus and streamline our efforts. Lead indicators improve performance before a safety event occurs. This year we achieved a score of 85%, exceeding our target of 80%.

Our focus on leading safety measures continues to deliver strong results. It is an effective way of ensuring crucial activities to promote and sustain a positive safety culture are firmly embedded.

Safety always

We've refreshed our 'safety always' behaviours to make them sharper and more intuitive.

These behaviours were developed by our health and safety representatives and launched with the support of Dr Paul Wood – a motivational speaker and psychologist known for his work in mental toughness and resilience. He inspired our teams to take ownership of safety and accountability to drive operational improvements. That is, encouraging them to consider safety day-to-day, shift-to-shift.

Our 'port walk and talks', where our leaders work alongside operational colleagues, remain a vital tool for visible engagement. This year, we've focused our leaders on asking some simple but powerful questions – what's dangerous, different, dumb or difficult – to uncover practical insights and simplify how we work. This approach is helping us understand what ongoing refinements we need to make to our procedures and systems to continue to deliver safe outcomes.

Looking forward

Over the next few months we expect to implement a new digital reporting system, making it easier for everyone to be actively involved in reporting safety observations, hazards, risks and incidents.

658
Leadership walk and talks

3,293
Operational safety inspections

625
Critical control verifications

20%
Reduction in the number of high-potential near miss incidents

Operations
Ngā Whakahaere

At Port of Auckland, operational excellence is more than a goal – it's a commitment. In FY25, we delivered standout performance across the container terminal, multi-cargo, cruise and marine operations, achieving solid throughput, enhanced customer engagement and pioneering engineering upgrades.

With a focus on safety, resilience and innovation – from cloud-based systems and AI-driven planning to leadership development and biosecurity trials – the port continues to redefine what it means to be adaptive, efficient and future-ready.

Container terminal

Our container terminal remains the most reliable, lowest carbon option for importers to get goods into the city. We remain focused on operational efficiency and innovation for our customers.

Despite the economic backdrop, we increased volumes which reflects customers valuing what we offer. We've worked hard to improve our throughput, and this remains a focus in the year ahead.

During FY25 we achieved a:

6% increase in container ship calls at port.

23% improvement in on-time vessel departures.

24-minute average turnaround truck time.

Customer roadmaps

We refreshed our customer engagement programme to reshape how we deliver value. We've moved away from treating customers as a uniform group and instead focused on understanding individual needs, pain points and priorities.

We are mapping end-to-end customer journeys; to identify every touchpoint we have with them. This will allow us to introduce targeted improvements, such as a new process for managing missed bookings due to weight inspection delays beyond customers' control. This approach is transforming company culture, actively engaging our stakeholders as valued customers.

Advancing operational efficiency with N4

In FY25 we completed a critical technology upgrade to modernise container terminal operations by upgrading our Terminal Operating System, Navis N4.

The two-year project, driven by over 50 team members, required a carefully phased shutdown and restart to minimise disruption. Their expertise ensured a smooth transition, reinforcing the port's digital resilience.

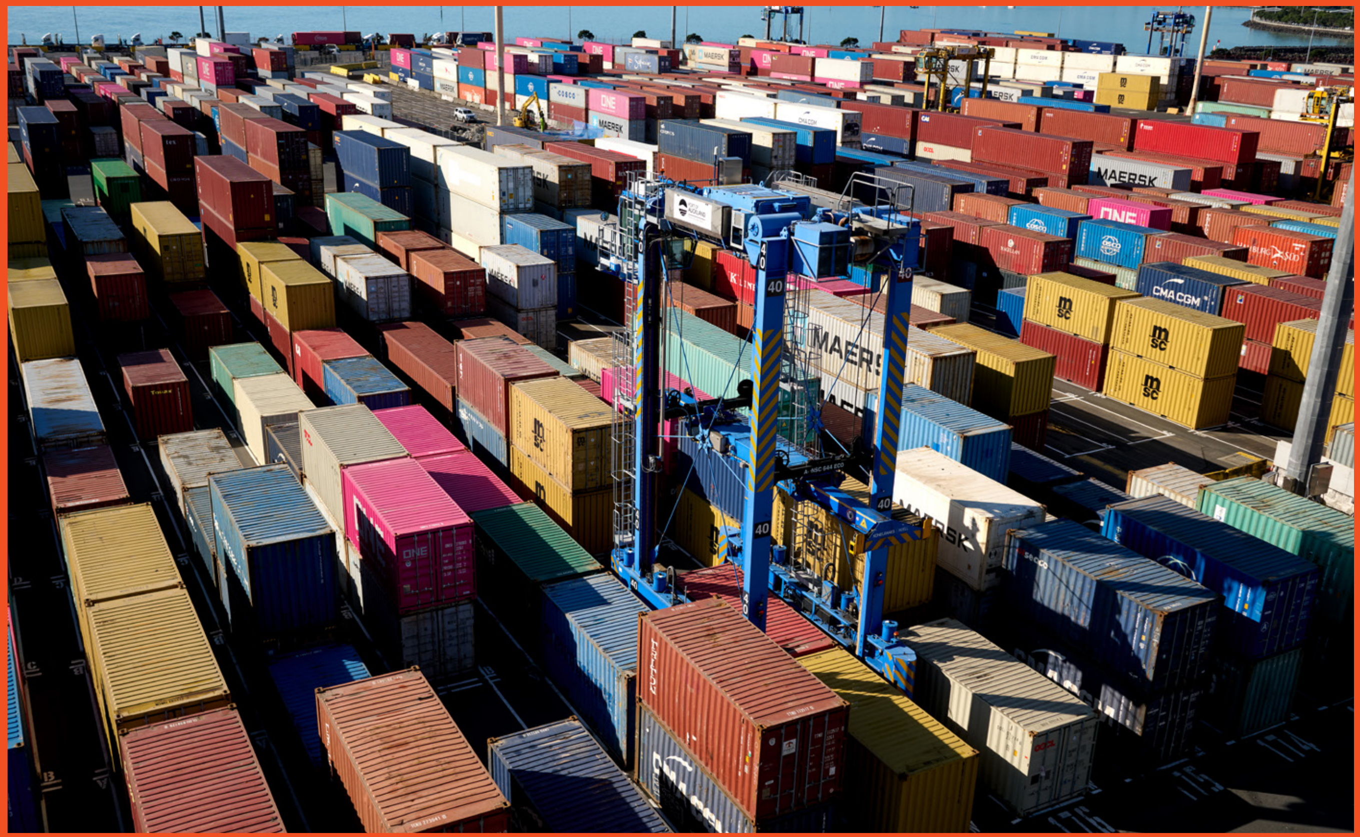
Now, we're advancing our capabilities by exploring AI-driven solutions for vessel planning and yard optimisation. Inspired by other ports, we're adopting proven innovations to boost efficiency and strengthen operational resilience for both our team and customers.

Improving ship inspection efficiencies

The Operational Improvement Team, made up of our workforce and unions, plays a vital role in driving efficiency, while maintaining a safety-first approach. They have continued to develop new initiatives across the container terminal.

During the year, we streamlined ship inspections to reduce delays without compromising safety. By working closely with vessel operators, we've shortened setup times, improved workflow and strengthened customer partnerships.

Closer collaboration between the port and our union partners has shown that efficiency pays off – reflected in a 23% improvement in on-time vessel departures and 5% increased average container volumes.



Engineering innovation

Our engineering team successfully converted 27 blue straddle carriers originally designed for automation, marking a key milestone in FY25.

After the port's automation project was cancelled in 2022, the future of these unused straddles became a topic of public interest. With a substantial investment already made, repurposing them for manual use was the most practical and cost effective solution.

This complex retrofit required adjustments to support the transition to a four-high stacking system, replacing the original three-high stacking system, and a new engineering facility to accommodate the increased machine height.

The project took more than two years to complete and extends the service life of these critical assets, demonstrating engineering innovation while enhancing operational flexibility across the container terminal.

Resilience and safety

This year, we enhanced our weather protocols, response and communication - with safety as a priority - to give our customers better certainty and allow better planning. These measures enable us to safety pause operations when necessary and resume them with minimal disruption.

The ability to make timely, safety-focused decisions reflects a shift in our operational culture, which we will continue to build on in FY26.

Whanaungatanga

Training for straddle and crane operators is highly specialised and technical. During the past year, we increased our investment in recruitment and training to support safe, skilled operations.

The port strategy is anchored in three key pillars, one of which is Whanaungatanga, which incorporates leadership development and nurturing emerging talent. We are committed to building a strong pipeline of future leaders and ensuring our senior leadership reflects the diversity of our workforce.

In FY25, our internal promotion rate within operations increased to 52%, reflecting our commitment to growing great leaders. This has contributed to a reduction in attrition, which decreased from 10.1% in June 2024 to 8.5% in June 2025. We were also proud to see the return of former employees at the container terminal who were drawn back by stronger relationships, cultural improvements and a renewed emphasis on our people and their safety.

Welcoming Queen Anne on its maiden voyage

In FY25, we welcomed 12 maiden calls to New Zealand – including the standout arrival of Queen Anne, Cunard's first new ship in 14 years.

Designed by Adam Tihany, Queen Anne blends art-deco heritage with modern elegance across 14 decks, hosting up to 3,000 passengers and showcasing the largest art collection at sea.

Our prime city-centre location Auckland continues to be a premier destination for high-value cruise travellers. So, while the broader cruise market softened, luxury demand held strong.

Multi-cargo and cruise

During the past 12 months, multi-cargo and cruise operations have remained resilient, effectively adapting to difficult economic conditions.

Despite challenging market trends, our multi-cargo and cruise business units have performed well, demonstrating the port's ability to navigate complexities and support key industries.

Health and safety continue to be a top priority within multi-cargo, with approximately 2,100 trucks passing through weekly. To prioritise the safety of our team, we implemented simplified road rules, improved signage and reduced speed limits, alongside daily port user safety briefings to reinforce protocols.

Adapting to our customer needs

Bulk cargo operations remained strong throughout FY25 at 3.33 million tonnes (excluding cars), with the port maintaining a highly responsive and adaptable approach to customer needs. We have seen an increase in bulk products coming through the port, while construction materials such as steel and cement have remained below previous years volumes.

Roll-on/roll-off capability enhancements

In line with market conditions, roll on/roll off (Ro-Ro) volumes declined, with car trade 27% below budget in FY25.

However, transshipments, where cars sit on the wharf until they're taken on another ship to another port, have increased. We have worked closely with customers to improve this service and vehicle importers have responded with highly positive feedback on our handling and support.

During the year, we have strengthened our vehicle handling capabilities by expanding berth capacity and enabling three Ro-Ro vessels to berth at the same time by utilising Jellicoe wharf. This positions the port to handle more vehicle volume as economic conditions improve.

Investing in cruise

Whilst cruise visits were down 12%, cruise passenger numbers held steady at 331,134 in FY25. Feedback from customers during FY25 was overwhelmingly positive, with our performance rated as world-class.

During the past year, the port worked hard to position New Zealand as open for business.

Cruise is vital to Auckland's economy contributing NZ$604.7 million in economic output and supporting 4,184 jobs in FY24, and we remain committed to investing in cruise infrastructure for the betterment of our business and the country.[1]

In April 2025, our team attended Seatrade in Miami, the world's leading cruise industry event, to showcase New Zealand's offerings and attract new operators. With a strong foundation now in place, we're confident in the sector's recovery in years to come.

To support this growth, the port is investing in infrastructure upgrades, including the new Bledisloe North wharf berth capable of accommodating ships up to 350 metres, and a dedicated passenger terminal which will be developed in partnership with cruise operators.

Looking ahead, we are conducting biofouling trials with industry partners, aiming to develop technology that cleans the niche areas of cruise ship hulls while docked. This initiative will give cruise operators certainty when entering New Zealand's waters, while also maintaining our strict biosecurity standards.

Investing in marine infrastructure

In FY25, the marine team safeguarded the harbour, ensured safe vessel movements and supported the Harbourmaster's daily operations. They also coordinated multiple rescues, prioritising public safety.

With infrastructure investment growing, marine remains a strategic focus. Upgrades to mobile plant, including pilot boats and tugs, are underway. A dedicated HPHE team is leading the development of a new pilot boat, reinforcing operational excellence with strong employee involvement.

This investment supports the port's sustainability roadmap, with future tugboat replacements set to feature hybrid technology. Employee involvement continues to drive innovation and engagement as the team prepares for the next phase of marine upgrades.

[1] Data from NZ Cruise Association economic 2023/24 report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Sustainability
Kia Tūpapa Ai Te Ihu Waka

During the past year, we strengthened our commitment to sustainability, focusing on consolidating existing work and embedding sustainability more deeply across operations.

Progressing our emissions reduction

A significant milestone this year has been the integration of our Emissions Reduction Roadmap into our business forecasting system, ensuring all future investment and operational decisions will now automatically factor in their long-term emissions impact.

We continue to make consistent progress toward our 2050 net zero emissions goals. However, ongoing refinements to our business strategy and adjustments to capex plans may impact interim timelines, influencing the pace of our decarbonisation efforts.

2030 targets

10% reduction in CO_2 emissions per TEU handled from our 2017 baseline.

45% reduction in total CO_2 emissions from marine operations from our 2017 baseline.

As at the end of FY25, we achieved a 23% reduction in CO_2 emissions per TEU handled and a 25% reduction in total CO_2 emissions from marine operations, measured against our 2017 baseline. However, the 2030 marine target is at risk due to adjustments to the timing of planned equipment changes.

Machinery continues to be the primary driver of our Scope 1 and 2 emissions[1]. In FY25, we took another step toward long-term decarbonisation by introducing seven new electric vehicles, resulting in 52% of our light vehicle fleet now being electric.

The port had three minor sea spills. One involved less than one litre while a second released approximately 20 litres of biodegradable hydraulic oil into the water. The third spill involved the discharge of 50 litres of thermal oil from our barge bunker Awanuia. In all cases, the onboard spill kits were deployed promptly to contain and clean up the spills as effectively as possible.

Scope 3 emissions development

We are working on expanding the reporting of our Scope 3 emissions through a new reporting guideline, developed in collaboration with ports nationwide, to be reported from FY26.

By standardising emissions reporting across New Zealand ports, we're streamlining national data and strengthening climate accountability across the sector.

Improving waste management

In FY25, the port continued to strengthen its waste management practices through several key initiatives.

Fencing was installed around Fergusson rubbish areas to reduce public dumping and contamination from non-recyclable waste. Internally, waste stream tracking was enhanced via improved reporting, and a full Personal Protective Equipment (PPE) take-back programme was implemented to ensure accountability, even for non-recyclable materials.

Waste and diversion processes are now embedded in the whakatau and new staff induction, ensuring all employees and contractors understand proper disposal procedures from day one.

Landfill waste rose by 7.9% in FY25, increasing from 106.3 tonnes to 113.98 tonnes and exceeding our 5% annual target. This reinforces the importance of sustained efforts and targeted strategies to reduce waste volumes in FY26 and beyond.

[1] Scope 1 emissions refer to direct greenhouse gas (GHG) emissions from sources owned or controlled by an organisation within its operational boundaries. These emissions arise from activities like burning fuel in company-owned vehicles or equipment, or from industrial processes. Scope 2 emissions, in the context of the Ministry for the Environment (MfE), refer to indirect greenhouse gas emissions resulting from the consumption of purchased electricity, heat, or steam by the organisation. These emissions are considered indirect because the organisation doesn't directly produce them, but rather they occur at the source of energy generation due to the organisation's energy consumption.

Partnering for safer futures

Approximately 10% of the port's cargo is classified as dangerous goods. During the year, we refreshed our Dangerous Goods Code of Practice, enhancing safety protocols and ensuring continued compliance. Following this update, we launched an internal training programme, ensuring all relevant personnel understand the changes. A new learning module on biosecurity awareness was also rolled out across the port.

We work closely with the Ministry for Primary Industries (MPI) to manage biosecurity risks at the border. As a result of regular audits consistently confirming our full compliance, MPI has maintained our audit frequency to once a year, reinforcing confidence in our strong biosecurity practices.

Driving sustainable energy

Committed to a circular, sustainable economy, we installed and commissioned a solar array on our car handling facility in FY25. Now fully operational, it is expected to generate around 6% of our annual electricity consumption.

Looking ahead, the port aims to generate 20% of our electricity on-site by 2030. As part of its refreshed long-term plan, solar will be retrofitted where suitable and integrated into all new builds, with a 6–7-year payback period and a design life of 30–35 years.

We're now focused on maximising on-site power usage, the objective being all generated energy is utilised on-site, none being exported to the grid. This includes harnessing crane regeneration power, which will no doubt require a unique solution to help us achieve. During the next 12 months, we will focus on ensuring that peak generation times align with our highest on-site usage periods. To meet future demand, investments are underway in cables, substations, feeders and expanded on-site generation capacity.

Partnering for positive outcomes

In FY25, we continued our partnership with Ngāti Te Ata Waiohua in restoring Mahanihani (South Head) on the Āwhitu Peninsula to native bush, planting an additional 8.5ha with 78,800 plants.

To date we have planted approximately 16ha, with approximately 14ha planned for future planting.

The planting plan also includes walking trails and scenic viewpoints, which will be open to the public once the access road has been restored.

Strengthening harbour health through restoration and biodiversity initiatives

Drawing on mātauranga and marine science knowledge, we accelerated our marine restoration work this year. This strengthened the port as a marine nursery, aimed at boosting biodiversity in the lower Waitematā Harbour and beyond.

Beneath Captain Cook wharf, we've installed specially designed structures to encourage mussel spat to settle and develop. The structures are also designed to encourage the growth of seaweed and provide refuge for juvenile fish. Once established, the juvenile mussels will be relocated to permanent mussel lines across the port to increase mussel biomass over time.

Dredged material from our upcoming capital dredging will be used to make artificial reefs in Judges Bay and in the Rangitoto Channel. These new reefs will in turn help support the recolonisation of these areas.

In response to the spread of Exotic Caulerpa, we partnered with the Council's biodiversity team to undertake a baseline survey of the port, the navigation channel and vessel anchorages. While no detections were found, we developed an ongoing monitoring plan and a rapid response strategy based on containment and removal to be used in future if needed.

Advancing electrification at the port

In mid-May, the port took part in a major step toward decarbonisation by commissioning our first electric empty container hoist. Now fully operational, the hoist is in a three-month testing phase to fine-tune performance so we can understand efficiency compared to its diesel counterparts.

Three trained operators are leading the charge - evaluating functionality, refining a training guide and assessing charging needs to inform impacts on future operations as we continue to electrify our fleet. The hoist fully charges in just two and a half hours and early indications are that this, along with top up charges during breaks, is enough to last an entire 12 hour shift.

The environmental impact is significant: projected annual savings of 65,000 litres of diesel and a reduction of 61,000kg in CO_2 emissions. Building on this progress, we're actively exploring additional electric empty hoists to further reduce emissions.


KEN HARU

People and Culture
Ngā Pou Tāngata me Ngā Pou Ahurea

Our people are at the heart of our business. Over the past year we have advanced the strategic pillar of Whanaungatanga.

Whanaungatanga is not just a value on the wall – it's a core part of how we work. It informs how we engage with our people, how we develop leaders and how we embed Māori and Pasifika outcomes into our operations.

This year, our approach was recognised nationally, with Port of Auckland receiving the 2024 Deloitte Top 200 Diversity and Inclusion Leadership Award.

Strengthening our Mana through culture

We have been on a culture transformation at the port and at the core of this has been HPHE.

Built on Interest-Based Problem Solving (IBPS) and a commitment to open communication, HPHE has reshaped how we work – bringing frontline teams, union reps and leaders together to co-create solutions.

It's empowering our people, strengthening engagement and delivering better outcomes for our workforce, customers and business.

This approach has delivered measurable results including record container throughput, improved safety outcomes and higher employee engagement.

Lasher taskforce using HPHE

As part of our Whanaungatanga strategy to build a safe, collaborative and future-ready workforce, Port of Auckland continues to embed the approach across the organisation. HPHE is built on respectful collaboration and empowers those closest to the work to identify opportunities and lead meaningful change.

Working groups are equipped with HPHE principles and IBPS techniques to assess the impact and effort of proposed improvements. By drawing on diverse perspectives and lived experience, they co-create practical, lasting solutions – driving stronger engagement and better operational outcomes.

A standout example is the Lash Taskforce, a front-line led working group focused on both operational and cultural improvements in lashing. Using HPHE, the group is tackling key areas such as task rotation, inclusivity, leadership development, collaboration, process improvement and safety. This pilot is shaping the blueprint for future front-line led initiatives at the port.

Through HPHE, we're investing in our people – retaining talent, developing internal leaders and ensuring everyone feels valued, respected and equipped to contribute to the port's success.

Damian Smart: Leading with purpose and Whanaungatanga

Damian Smart, recipient of this year's Mana Award at the Ka Pai Awards, is a standout leader whose actions consistently reflect the spirit of Whanaungatanga at Port of Auckland.

Since joining the port in 2022 as an Operations Officer, Damian has progressed through every marine role – from linesman to pilot boat driver to tug operator, and is currently training to become a marine pilot.

Damian's journey at the port reflects a deep commitment to teamwork, respect and shared success. Growing up on Waiheke Island, his passion for ships began early – sparked by daily ferry rides past the port on his way to school.

Years at sea, including seven aboard NIWA's research vessel Tangaroa, laid the foundation for his career in marine operations.

He credits Port of Auckland for nurturing his leadership through opportunity and recognition. "The port isn't run by one person – it's a team sport," he says, reflecting his belief in collective strength.

Damian's advice to others is simple but powerful: bring your best every day, go above and beyond what's expected and trust that it will be seen and valued.

Celebrating our people and diversity

We love to celebrate the diversity of our workforce through various events and celebrations. Highlights include our Pasifika, Lunar New Year, Diwali, Pride and Matariki celebrations. These are wonderful opportunities for port employees to learn about different cultures and celebrate our people.

We also continued our journey to be a more inclusive workplace. While women are increasingly represented in our Executive and Senior Leadership Teams, we recognise they remain underrepresented in operational roles. To address this, we launched a targeted recruitment drive to encourage more women to apply for roles within the port.

Our Taura Herenga Waka (Māori Outcomes Framework) and our Pasifika Workforce Strategy has led to better outcomes for these groups within the business and our wider community. We ran te reo Māori classes, welcomed new starters with a whakatau, led cultural awareness leadership workshops and a Pasifika leaders breakfast series. Our engagement with iwi continues to shape how we engage with mana whenua. We have had more than 33 hui this year, including wānanga, board engagements and supporting environmental initiatives that reflect our shared values and responsibilities.

During the year, we refreshed our Taumata to better represent the diversity of the organisation and bring more alignment to the activities of our diverse workforce. We also established a Rununga which will support our Māori Outcomes Manager to deliver key events and activities.

We undertook our first Pride Pledge stocktake. This has helped us understand the opportunities for us to be more inclusive for the LGBTQIA+ community at the port, including where we can take action that is meaningful.

Leadership that builds culture

At Port of Auckland, we believe that leadership drives culture, and culture drives performance. That's why we have invested in our leaders – current and emerging. We continue to deliver our frontline leadership programme, Tumu Herenga Waka, to 16 leaders. A further 21 people did our emerging leaders programme, Te Ara Rangatira.

We also had 10 senior leaders complete external courses that support their growth and internal succession planning.

Strengthening pathways and partnerships

As we look forward to the next generation of talent and leaders, we have embarked on our first year supporting TIPENE School and First Foundation with scholarships. These scholarships support five Māori and Pasifika students in their high school and tertiary studies.

We also continued our partnership with Ngāti Whātua Ōrākei and welcomed two interns through a co-designed programme that offers hands-on experience, cultural connection and professional development.

Engagement and recognition

This year, we continued our employee reward and recognition programme, Ka Pai. We have quarterly awards, and the winners of those awards are recognised at an end of year annual Ka Pai awards night. Congratulations to all our Ka Pai category winners, and to Damian Smart who won the Mana Award for the year.

It's important to us that we celebrate the success of the port as a company. This year, as well as paying those eligible for individual short-term incentives, we recognised 426 eligible employees on collective contracts with a $1,500 company performance bonus.

This was for the improvements we saw in safety in FY24, and recognising their contribution to our strong FY24 performance.

Looking ahead

As we embark on FY26, we look forward to continuing to invest in our people and recognise their contributions and success. We will continue to develop strong connections with our communities - both within and outside the port - and work on becoming a more inclusive place to work.

Key statistics

People and Culture by the numbers

754 total employees includes casuals, fixed term and permanent*

Gender split

18% female

82% male

0.1% other or not disclosed

Role split

79% operational staff

21% office-based

Ethnic employee breakdown

33.4% NZ European

9.4% Māori

11% Samoan

11.4% Tuvaluan

5.5% Indian

29.3% other/ not specified

* Does not include subsidiaries

Board of Directors
Ko Ngā Kahika Whakarei

Jan Dawson

CNZM, BCom, FCA (CAANZ), CFInstD
Chair

Jan Dawson was appointed as a Director and Chair in September 2021. Jan is a highly experienced Director and Chair, whose previous roles include Chair of Westpac New Zealand Limited and Deputy Chair of Air New Zealand Limited. She is currently a director of Serko Limited and Mitre 10.

Jan was the Chair and Chief Executive for KPMG New Zealand for five years until 2011, following a career spanning 30 years specialising in audit, consulting and accounting services in the United Kingdom, Canada and New Zealand.

Her previous board appointments also include AIG Insurance New Zealand Limited, Beca Limited, Goodman Fielder Limited and Meridian Energy Limited. She was elected as a Vice President of World Sailing for the four years ending in November 2020 and was the President and Board Chair of Yachting New Zealand for six years until October 2013.

Peter Chrisp

BA, MA
Director

Peter is the Chief Executive of New Zealand Trade and Enterprise, New Zealand's international business development agency.

Prior to this, Peter spent 20 years in the engineering, manufacturing, and pulp and paper industries.

Peter has international experience as Senior Vice President Norske Skog Global, based in Norway, and Australasian Regional President based in Sydney. Peter is also on the Advisory Board of Te Ara Poutama, NZ Corrections, and is a member of the Institute of Directors.

Peter is Chair of the Board's People, Remuneration and Culture Committee.

Hazel Armstrong

BA/LLB, Barrister and Solicitor of the High Court of New Zealand
Director

Hazel Armstrong was appointed a Director of Port of Auckland on 1 February 2021.

Hazel is a partner in Armstrong Thompson, a law firm specialising in ACC, employment, and health and safety, where she works on behalf of workers and ACC claimants. She was previously a director of KiwiRail Holdings Limited.

Hazel has acted as an expert witness in health and safety matters and been involved in inquiries into health and safety.

Stephen Reindler

BE(Hons), AMP, FIPENZ, CFInstD
Director

Stephen is a professional director and mechanical engineer with extensive experience in heavy industry, large infrastructure, and workplace health and safety. Current directorships are Steel and Tube Holdings, Te Kaha Project Delivery Limited and Broome International Airport Group.

Stephen also provides advisory services to Te Papa Museum of New Zealand on infrastructure builds and is Chair of the Westland District Council CCO Oversight Committee.

He was previously on the boards of Z Energy Limited, Port of Napier, Meridian Energy, Naylor Love, WorkSafe NZ and was Chair of D&H Steel Construction, Clearwater Construction and Waste Disposal Services JV. He is a past President of the Institution of Professional Engineers.

Stephen is Chair of the Board's Health, Safety and Wellbeing Committee.

Geoff Plunket

BCom, FCA (CAANZ)
Director

Geoff is a professional director, a Fellow of Chartered Accountants Australia and New Zealand and a Member of the Institute of Directors.

Geoff worked for Coopers & Lybrand (now PwC) and KPMG in Dunedin and the United Kingdom through the 1980s, before joining Port Otago Limited in 1988 as Chief Financial Officer.

Geoff spent nearly three decades with the Port Otago Group, working across the business in a variety of roles, culminating as CEO in 2004, and retiring in 2017. He is currently Chair of Blis Technologies Limited.

Dr Andrew Flavell

BE(Hons), ME, Dr. Eng.
Director

Andrew Flavell was appointed a Director of Port of Auckland effective 1 June 2022. Andrew is currently an Independent Director of Steel and Tube, and the Chair of ASB Bank's Technical Advisory Group.

Andrew has extensive international experience in Information Technology, having worked at Microsoft and Nike in senior technology roles, and as Chief Technology Officer at Laybuy and Plexure.

He has experience in leading large teams, driving digital transformations, delivering compelling consumer experiences, personalisation and loyalty, privacy and security, AI and machine learning, and has contributed significantly to risk management and governance in the application of digital technologies in his career.

He also advises ASB Bank, Steel and Tube NZ, and Les Mills International, and he is a member of the Institute of Directors.

Paul Chambers

BSc, CA (CAANZ), FCA (ICAEW)
Director

Paul was appointed Director effective 1 November 2023. Paul is the CFO and COO of Kiwibank and a Chartered Accountant.

He was previously CFO of Meridian Energy and has worked in Engineering Services, Ports, Fashion and Manufacturing Industries in New Zealand, the UK and France.

He has wide experience in leading large teams with a focus on people and well-being, business transformation, operations and strategy.

Paul is Chair of the Board's Audit and Risk Committee.

Noel Coom

Director

Noel commenced his directorship on 1 November 2023.

His extensive sector experience includes more than 45 years with international container shipping lines in New Zealand, Australia and the USA, as well as senior management roles within the rail sector.

Prior Governance roles include KiwiRail and Mondiale Freight, and he was appointed for both the Auckland Port Study and the Upper North Island Supply Chain Study.

Corporate Governance
Ko Ngā Pou Arataki o Te Rūnanga Whakahaere

We believe that effective corporate governance is the foundation for a sustainable business.

We are committed to ensuring that we apply and adhere to good governance practices by monitoring our performance and reviewing it against best practice codes. Our Board regularly reviews and assesses our governance policies, procedures and practices to ensure they are appropriate and effective.

This section of our Annual Report provides an overview of our corporate governance for the year, including any key developments, based on the 8 Principles in the NZX Corporate Governance Code (January 2025). For more information about Corporate Governance refer to the Corporate Governance Statement on our website.

Principle 1
Ethical Standards

Our Board has adopted a Code of Conduct which documents the standards of ethical behaviour to which its directors and employees must adhere and is available on our website. In addition, we have policies for managing conflicts of interest, accepting gifts and hospitality, approving sponsorship and donations, fraud and corruption reduction, bullying and harassment, workplace relationships, and whistle blowing (Speak Up Policy).

During the year we also published our first Corporate Social Responsibility Statement.

During the year our Board received no requests from Directors to use company information received in their capacity as Directors which would not otherwise have been available to them.

Principle 2
Board Composition and Performance

Our Board of Directors has responsibility for our strategic direction and performance, ensuring that shareholder value is protected and enhanced, and stakeholder interests are taken into account. The Board operates under a written charter which is available on our website.

As at 30 June 2025 our Board has eight Directors, all of whom are independent professional directors, and none perform any management function. There have been no changes in Directors during the year. Five Directors have had their term expire during the year, and all have been reappointed by the Shareholder.

Our Board considers that individually and collectively, the Directors have an appropriate mix of skills, qualifications and experience to enable them to discharge their duties effectively. Directors are encouraged to keep up to date on governance matters and trends, and those that impact our business or industry. All Directors have access to Executive members and Executive members frequently present to the Board. Biographies of our Directors are provided on page 40 and on our website.

We believe diversity and inclusivity are essential to driving sustainable commercial success and creating a high performing, values driven culture. Our Board and Executive aim to have a diversity of skills, experience, knowledge, length of service and gender. We consult subject matter experts when additional expertise is required. We recognise the benefits of bringing greater diversity to the boardroom and throughout the organisation. Our Diversity and Inclusion Policy helps us drive these practices throughout the business and is available on our website. For more information on our diversity, please see page 37.

Under the Memorandum of Understanding with the shareholder, the Board is required to perform an annual review of its performance, and every second year the review is to be conducted by an external provider. The last review was an external review undertaken in July 2024.

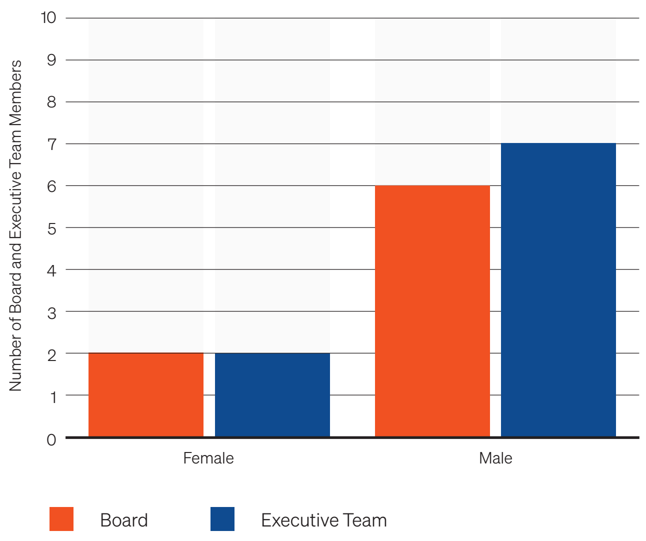
Principle 3
Board Committees

Our Board is supported by three Committees:

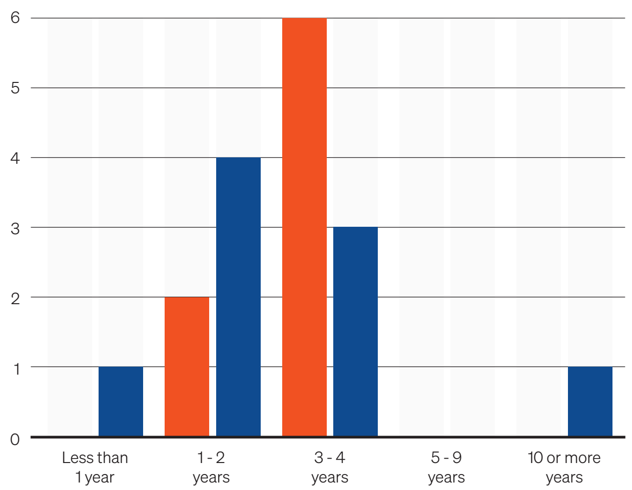
- The Audit and Risk Committee supports our Board in fulfilling its responsibilities with respect to financial reporting, external audit, risk management, compliance and internal audit. This Committee also oversees our climate-related risks and disclosures.
- The Health, Safety and Wellbeing Committee provides leadership and policy in discharging its health, safety and wellbeing governance responsibilities within the organisation.
- The People, Remuneration and Culture Committee supports our Board in fulfilling its responsibilities with respect to all matters related to human resources, culture and remuneration.

Our Board Committees have charters that set out their authorities, responsibilities and processes and these are available on our website.

Gender



Length of service



Director	Meeting attendance: Board meetings	Audit and Risk Committee	People, Remuneration and Culture Committee	Health, Safety and Wellbeing Committee	Total remuneration paid for the year	Comments
Jan Dawson	9/9	5/5	4/4	5/6	$132,000	Appointed 1 September 2021 Board Chair
Hazel Armstrong	9/9	-	4/4	6/6	$66,000	Appointed 1 February 2021
Paul Chambers	8/9	4/5	-	-	$81,000	Appointed 1 November 2023 Audit and Risk Committee Chair
Peter Chrisp	8/9	-	4/4	5/6	$81,000	Appointed 1 December 2020 People, Remuneration and Culture Committee Chair
Noel Coom	9/9	-	-	5/6	$66,000	Appointed 1 November 2023
Andrew Flavell	9/9	5/5	4/4	-	$66,000	Appointed 1 June 2022
Geoff Plunket	9/9	5/5	-	6/6	$66,000	Appointed 1 November 2021
Stephen Reindler	9/9	4/5	-	6/6	$81,000	Appointed 1 November 2021 Health, Safety and Wellbeing Committee Chair

Note that all Directors are invited to attend all Committee meetings. The above table only sets out each Director's attendance at Committee meetings that they are a member of.

Principle 4
Reporting and Disclosure

Under Auckland Council's Disclosure Policy, we are required to formally report to the Council any material information, or information of an exceptional or extraordinary nature. Our Board considers this requirement during a standing board agenda item.

We maintain www.poal.co.nz, a website where stakeholders can access financial and operational information, media announcements, customer communications and key corporate governance information.

We ensure our quarterly and annual reports contain a balanced, transparent public disclosure of our financial, social and environmental performance.

Principle 5
Remuneration

The total Board remuneration is approved by our shareholder as set out in its Appointment and Remuneration Policy for Board Members of Council Organisations. The Board, acting under POAL's constitution, determines the amount of remuneration payable to each Director. Board remuneration has not changed since November 2017.

Total remuneration paid to our Directors for the year was $639,000.

Director remuneration and attendance at the formal Directors' meetings for the year ending 30 June 2025 is set out in the accompanying tables.

Our Directors undertake site visits, meet with management for briefings, attend Council meetings, as well as attend POAL Board and Board Committee meetings. During the year the Board undertook nine meetings, and there were 15 Committee meetings.

Members of our executive team are appointed as Directors to our subsidiaries, associates and joint ventures. This is considered as part of their role, and they do not receive director fees for these appointments.

Garrie Hoddinott is a Director of both Nexus Logistics Limited and Conlinxx Limited and is not an employee. Mr Hoddinott was paid director fees totalling $60,000 for the year ending 30 June 2025.

We have granted indemnities, as permitted by the Companies Act 1993, in favour of each of our Directors and Officers. Directors' and Officers' liability insurance is also maintained.

Principle 6
Risk Management

Our Enterprise Risk Management Policy sets out our approach – to enable us to pursue business opportunities and grow shareholder value, while developing and protecting our people, assets, reputation and the environment.

We have an Enterprise Risk Management Framework to ensure a comprehensive approach across our business with oversight by our Executive and our Board. Risk assessments are ongoing within each area of our business to identify, evaluate and manage risks. Significant risks are reported to our Executive who maintain and regularly review our Key Risk Register. This register is subject to a formal twice-yearly review by our Audit and Risk Committee.

Good management of health and safety risks are a priority for us. We have a Board Committee focused solely on this. Management reports monthly to the Board on the company's health and safety performance. The report includes a Health and Safety Performance Index that contains a balanced mix of lead and lag indicators.

Directors, individually and collectively, regularly visit sites to view our operations and meet with managers and workers to ensure familiarity with all aspects of the business; including how we meet stakeholder expectations and mitigate risk, especially safety risks.

Principle 7
Auditors

Our external auditor is the Auditor-General, who appointed Bruno Dente, a partner at Deloitte, to carry out the audit of our financial statements.

Total fees payable to Deloitte in its capacity as auditor for the financial year were $506,648. $7,000 was also paid to Deloitte for staff training.

Our internal audit function is provided by KPMG.

Principle 8
Shareholder Rights and Relations

Port of Auckland has a range of engagement with our shareholder Auckland Council, as well as other stakeholders who make up the community we operate in.

The port plays a vital role in New Zealand's economy, and we recognise that due to our central location in Auckland, many stakeholder groups are both interested and affected by our operations and developments. We are committed to transparency, so that stakeholders can better understand how our business operates and the value we add. We are committed to engagement with stakeholders on any significant construction of new infrastructure on the port.

We engage stakeholders through regular meetings with various groups and independent surveys to understand what matters to them and how they assess our performance. Our Board monitors stakeholder engagement to ensure the behaviour is appropriate.

As well as our Annual Report, Port of Auckland provides our shareholder, Auckland Council, with quarterly reports which include financial updates and performance against Statement of Corporate Intent (SCI) targets. In addition, representatives from our Board and Executive regularly meet with Council representatives to discuss strategic issues and business performance.

POAL and our sole shareholder, Auckland Council, have a Memorandum of Understanding (MOU) which:

- reaffirms that our principle objective is to operate as a successful business and that our Shareholder must support that objective;
- requires that both parties respect the role and responsibilities of the other party and work constructively with each other;
- acknowledges that all decisions relating to our business are made by our Board of Directors in accordance with our Statement of Corporate Intent; and
- sets out processes for Board appointments, Director remuneration, Board reviews, dispute resolution, and the monitoring, reporting and disclosure of information. The MOU is a public document and is available on our website.

On 7th May 2024, the Mayor of Auckland, Maritime Union of New Zealand, and POAL signed a Heads of Agreement. This formed a new formal tripartite relationship based on long-term collaboration, good faith, and strategic alignment to deliver new Council objectives for the port as incorporated into the 2024 Long-Term Plan.

POAL Group Remuneration Table

Remuneration*			Current	Redundancy/ Severance**	Resigned	Current and Terminated
$100K	>	$110K	74		6	80
$110K	>	$120K	72			72
$120K	>	$130K	78		5	83
$130K	>	$140K	67			67
$140K	>	$150K	63		4	67
$150K	>	$160K	45		2	47
$160K	>	$170K	27			27
$170K	>	$180K	25		2	27
$180K	>	$190K	17			17
$190K	>	$200K	12			12
$200K	>	$210K	7			7
$210K	>	$220K	8			8
$220K	>	$230K	5		1	6
$230K	>	$240K	2			2
$240K	>	$250K	2			2
$250K	>	$260K	4			4
$260K	>	$270K	3			3
$270K	>	$280K	3			3
$280K	>	$290K	3			3
$290K	>	$300K	2		1	3
$300K	>	$310K	5			5
$310K	>	$320K	1			1
$320K	>	$330K	2			2
$330K	>	$340K	1			1
$360K	>	$370K	1			1
$370K	>	$380K	2			2
$380K	>	$390K	1			1
$390K	>	$400K	1			1
$430K	>	$440K	2			2
$440K	>	$450K	1			1
$470K	>	$480K	2			2
$530K	>	$540K	1			1
$580K	>	$590K	1			1
$770K	>	$780K	0		1	1
$1,440K	>	$1,450K	1			1
			541		**22**	**563**

* Total remuneration including incentives, overtime and shift allowances
** Redundancy amounts were provided for in the prior year and paid out in the current year

Key performance targets

Key performance measure	FY24 actual	FY25 actual	FY25 target	Status	Commentary
Safety					
Number of fatalities and serious work-related illnesses or injuries	0	0	0	**Achieved**	
Health and Safety Performance Index (HSPI) annual average	New	85%	≥80%	**Exceeded**	The HSPI is a balanced set of primarily leading indicators, which provides comprehensive insight into the Port's safety performance. Performance is above target and has progressively improved over the financial year.
Financial Deliverables					
Underlying Net Profit After Tax (excluding revaluations and unusual items)	$55.2m	$85.4m	$65m	**Exceeded**	FY25 statutory profit $90.8m as per financial statements, less Investment Property revaluation $2.7m, less PPE revaluation net of tax impact $0.5m, minus credit for Deferred tax on building reclassified from PPE to Investment Property $2.2m, equals Underlying NPAT $85.4m.
Dividend (subject to trading and solvency requirements)	$40.0m	$97.0m	$45m	**Exceeded**	Interim dividend of $25m was paid March 2025. Special dividend of $45m to be paid in August 2025 following sale of POAL's investment in Marsden Maritime Holdings Limited. Final dividend of $27m has been declared and will be paid September 2025.
Free Cash Flow to Sales (revenue) ((EBITDA-Capex)/Revenue %)	24.2%	26.9%	8.2%	**Exceeded**	Cashflow assisted by lower capex spend and higher profits.
Revenue Growth (year on year revenue % growth)	6%	16.3%	10%	**Exceeded**	
Return on Assets (EBIT/Total Assets)	4.9%	7.3%	7.2%	**Exceeded**	
Return on Equity (Underlying NPAT/average equity)	5.6%	8.5%	6.5%	**Exceeded**	
Ratio of consolidated shareholders' funds to total assets	63.5%	66.4%	65%	**Exceeded**	
Capital Expenditure	$39.4m	$49.6m	$84m	**Under spent**	Timing and key projects commence FY26.
Net debt (prior to any capital recycling)	$375.8m	$288m	$400m	**Exceeded**	

Operational metrics

Key performance measure	Key performance measure		FY25 actual	Commentary
Customer at the Core	Berth window performance		72%	12 month average.
	Customer Experience Performance Index (CXPI)		87%	12 month average. Includes overall customer satisfaction score, berth window, gross crane rate, net berth rate, truck turn time and import vehicle dwell time performance.
Infrastructure for the Future	Container Terminal	Berth Rate (Number of containers moved per hour while the vessel is available to be worked by operations excluding any berth delays (Breakbulk/OOG/Weather, etc.))	39.3	Average Net Berth Rate.
		Terminal truck turn time under 30 minutes	24 mins	12 month average.
		Time of use (Peak vs non-peak: % is peak/total)	47.6% peak 52.4% off-peak	
	Multi-Cargo	Import car dwell time (calendar days, excluding Toyota BLDG)	2.18 days	
	Cruise	Cruise ship calls	117 vessels	
Whanaungatanga	Number of staff Iwi Engagements		33	Over the year POAL undertook 33 engagements with mana whenua, mātāwaka, and Houkura (the Independent Māori Statutory Board). These engagements spanned resource consent processes, Te Taiao-related hui, sponsorships, and scholarships, reflecting meaningful Māori participation in decisions that impact the moana, whenua and community.
	Participation in Te Ara Rangatira Emerging Leaders programme		14	14 leaders completed Te Ara Rangatira, 3 were Māori (21%), including both Iwi interns.
	Participation in Te Ara Ahurea Wananga Tiriti Training		75	75 leaders completed Tiriti wānanga, deepening their understanding of Te Tiriti principles.
	Participation in Te Reo Māori training:		78%	56 participants, representing 7.8% of staff, engaged in four learning programmes: two online-EP (digital platform) and Kōrero Online (tutorial series); and two in-person-AMA Training Group (NZQA-accredited) and Kia Kaha te Reo Māori (internal mihi training for leaders).
	Kia kaha te reo – internal mihi for beginners		10	
	AMA Training group – NZQA level 2 Māori		10	
	Education Perfect – Online learning		26	
	Kōrero Online		10	
	Number of Iwi internships		2	2 fixed-term roles (January 2025 – January 2026) providing work experience across Container Terminals, Customer Experience, Marine and Multi-Cargo operations.
Kaitiakitanga – Sustainability Framework	Average carbon emission per TEU 12.72(kg CO_2)		11.1 (kgCO_2)	Achieved.
	5% reduction in waste disposed of to Landfill		7.6% increase	Reviewing options to reduce and manage engineering and construction waste.
	Number of Community Reference Group Meetings		5	5 regular quarterly meetings held at the port, Devonport and RNZYS, exceeded target of 4.

INDEPENDENT AUDITOR'S REPORT

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

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

Opinion

We have audited the financial statements of the Group on pages 52 to 103, that comprise the statement of financial position as at 30 June 2025, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include material accounting policy information and other explanatory information.

In our opinion, the financial statements of the Group:

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

Our audit was completed on 27 August 2025. This is the date at which our opinion is expressed.

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

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements

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

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

In preparing the financial statements, the Board of Directors is responsible on behalf of the Group for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Port Companies Act 1988.

Responsibilities of the auditor for the audit of the financial statements

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

Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the audited information of the entities or business units within the Group as a basis for forming to an opinion on the consolidated audited information. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 2 to 47, but does not include the financial statements, and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, half year review procedures, negative pledge trustee reporting, facilitation of one business training programme and climate related procedures performed for the purpose of the parent's consolidated climate statement, we have no relationship with, or interests in, the Group.

B Dente

Bruno Dente
for Deloitte Limited
On behalf of the Auditor-General
Hamilton, New Zealand

Group Financial Statements

Ko ngā whakapaunga-a-ngā pūtea

For the year ended
30 June 2025

Income statement
For the year ended 30 June 2025

	NOTES	2025 $'000	2024 $'000
Revenue	A1	**392,697**	339,043
Expenses			
Operating expenses	A2	**(236,516)**	(214,660)
Depreciation and amortisation	B1, B4, B5	**(45,687)**	(46,384)
Finance costs	A2	**(18,088)**	(20,191)
Total expenses		**(300,291)**	(281,235)
Revenue less total expenses		**92,406**	57,808
Net reversal of impairment/(impairment) of assets	B1	**556**	432
Fair value change to investment property	B3	**2,660**	1,422
Assets vested to local council	B3	**-**	(9,549)
Share of profit from equity accounted investments	F1	**3,477**	4,653
Profit/(loss) before income tax		**99,099**	54,766
Income tax expense	A3	**(8,267)**	(18,872)
Profit/(loss) for the period attributable to the owners of the Parent		**90,832**	35,894

Statement of Comprehensive Income
For the year ended 30 June 2025

	NOTES	2025 $'000	2024 $'000
Profit/(loss) for the period		**90,832**	35,894
Other comprehensive income			
Items that will not be reclassified to the income statement:			
Net change in fair value of land, buildings and wharves, net of tax	E1	**48,844**	(134)
Net change in fair value of equity securities (at fair value through other comprehensive income)	F3, E1	**17,671**	(12,493)
Items that will not be reclassified to the income statement		**66,515**	(12,627)
Items that may be reclassified subsequently to the income statement:			
Other comprehensive income net of income tax		**66,515**	(12,627)
Total comprehensive income for the period net of tax attributable to the owners of the Parent		**157,347**	23,267

Statement of Financial Position
As at 30 June 2025

	NOTES	2025 $'000	2024 $'000
Current assets			
Cash and cash equivalents	D1	**980**	1,896
Trade and other receivables	D2	**49,407**	50,287
Inventories	D3	**5,366**	5,813
Total current assets		**55,753**	57,996
Non-current assets			
Property, plant and equipment	B1	**1,312,525**	1,272,296
Intangible assets	B4	**18,696**	20,223
Investment properties	B3	**165,836**	141,537
Right of use assets	B5	**11,275**	10,457
Equity securities	F3	**-**	28,355
Investments in other entities	F1	**4,430**	4,237
Total non-current assets		**1,512,762**	1,477,105
Total assets		**1,568,515**	1,535,101
Current liabilities			
Trade and other payables	D4	**94,171**	41,498
Tax payable		**187**	-
Provisions	D5	**17,333**	19,156
Lease liabilities	E4	**934**	1,521
Deferred income		**22**	22
Other current liabilities		**682**	1,829
Total current liabilities		**113,329**	64,026

	NOTES	2025 $'000	2024 $'000
Non-current liabilities			
Borrowings	E3	**288,887**	377,662
Provisions	D5	**1,134**	1,107
Lease liabilities	E4	**11,453**	9,915
Deferred income		**427**	451
Deferred tax liabilities	A3	**111,548**	107,550
Total non-current liabilities		**413,449**	496,685
Total liabilities		**526,778**	560,711
Net assets		**1,041,737**	974,390
Equity			
Share capital		**146,005**	146,005
Reserves		**402,990**	365,113
Retained earnings		**492,742**	463,272
Total equity	E1	**1,041,737**	974,390

These financial statements were approved by the Board on 27 August 2025.

Signed on behalf of the Board by:

J. Dawson
Chair

P. Chambers
Chair – Audit and Risk Committee

Statement of Changes in Equity
For the year ended 30 June 2025

	NOTES	Attributable to equity holders of the Group			
		Share capital $'000	Other reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2023		**146,005**	**377,811**	**462,307**	**986,123**
Profit/(loss) for the period		-	-	35,894	35,894
Other comprehensive income	E1	-	(12,627)	-	(12,627)
Total comprehensive income		-	(12,627)	35,894	23,267
Transactions with owners in their capacity as owners					
Dividends paid	E2	-	-	(35,000)	(35,000)
Other movements					
Revaluation reserve reclassified to retained earnings on disposal of assets		-	(71)	71	-
Total other movements		-	(71)	(34,929)	(35,000)
Balance at 30 June 2024	E1	**146,005**	**365,113**	**463,272**	**974,390**
Profit/(loss) for the period		-	-	90,832	**90,832**
Other comprehensive income	E1	-	66,515	-	**66,515**
Total comprehensive income		-	66,515	90,832	**157,347**
Transactions with owners in their capacity as owners					
Dividends paid and payable	E2	-	-	(90,000)	**(90,000)**
Other movements					
Revaluation reserve reclassified to retained earnings on disposal of assets	E1	-	(36)	36	**-**
Revaluation reserve reclassified to retained earnings on disposal of equity securities	E1	-	(28,602)	28,602	**-**
Total other movements		-	(28,638)	(61,362)	**(90,000)**
Balance at 30 June 2025	E1	**146,005**	**402,990**	**492,742**	**1,041,737**

The notes and accounting policies form part of and are to be read in conjunction with these financial statements

Statement of Cash Flows
For the year ended 30 June 2025

	NOTES	2025 $'000	2024 $'000
Cash flows from operating activities			
Receipts from customers		**462,617**	394,446
Payments to suppliers and employees		**(304,140)**	(271,149)
Dividends received		**3,761**	4,567
Interest received		**184**	199
Interest paid		**(17,581)**	(19,516)
Income taxes paid		**(6,471)**	(3,219)
Net cash flows from operating activities		**138,370**	105,328
Cash flows from investing activities			
Payments for investment property		**(52)**	(165)
Payments for intangible assets		**(6,545)**	(5,439)
Payments for property, plant and equipment		**(43,310)**	(31,499)
Proceeds from sale of property, plant and equipment		**36**	618
Proceeds from sale of equity securities		**46,025**	-
Net cash flows from investing activities		**(3,846)**	(36,485)
Cash flows from financing activities			
Proceeds from borrowings		**185,107**	146,161
Repayment of borrowings		**(273,932)**	(177,174)
Repayment of lease principal		**(1,615)**	(2,034)
Dividends paid	E2	**(45,000)**	(35,000)
Net cash flows from financing activities		**(135,440)**	(68,047)
Net cash flows		**(916)**	796
Cash at the beginning of the year		**1,896**	1,100
Cash at the end of the year	D1	**980**	1,896

Reconciliation of profit after income tax to net cash flows from operating activities

	2025 $'000	2024 $'000
Profit for the period	**90,832**	35,894
Adjusted for:		
Depreciation and amortisation	**45,687**	46,384
Movements in borrowings allocated to interest paid	**49**	49
Movement in deferred revenue	**(1,169)**	1
Net loss on sale of other non-current assets	**1,097**	422
Fair value movements in land, buildings and wharves	**(556)**	(432)
Fair value adjustment to investment property	**(2,660)**	-
Reversal/(impairment) of investments	**-**	8,127
Change in operating assets and liabilities:		
Trade and other receivables	**884**	33
Trade and other payables	**2,432**	3,237
Income tax payable	**5,370**	3,456
Deferred tax liability	**(3,575)**	12,197
Other provisions	**(1,199)**	(2,014)
Other operating assets	**446**	18
Movement in associates and joint ventures	**(193)**	(1,200)
Capital items included in working capital movements	**925**	(844)
Net cash flows from operating activities	**138,370**	105,328

Reconciliation of liabilities arising from financing activities to cash flows

	2025 $'000	2024 $'000
Interest bearing liabilities		
Opening interest bearing liabilities (excluding overdraft)	**389,099**	420,067
Lease additions	**2,023**	381
Other non-cash movements	**543**	1,649
Establishment fees (classified as interest paid under operating activities)	**49**	49
Cash movements		
Repayment of bank debt	**(273,932)**	(177,174)
Proceeds from borrowing	**185,107**	146,161
Repayment of lease principal	**(1,615)**	(2,034)
Closing interest bearing liabilities (excluding overdraft)	**301,274**	**389,099**

Notes to the Financial Statements

Reporting entity and nature of operations

The financial statements presented are those of Port of Auckland Limited (the Company), its subsidiaries and the Groups interest in associates and joint ventures (Port of Auckland Group, or the Group).

The Company operates Auckland's main seaport on the Waitematā harbour. The Group operates regional freight hubs in South Auckland and the Waikato, and has joint interests in a marine towage business at Northport, and an online cargo management system.

Statutory base

Port of Auckland Group is a designated for-profit entity.

Port of Auckland Limited is a company domiciled in New Zealand, is a Port Company under the Port Companies Act 1988 and registered under the Companies Act 1993.

All subsidiaries are incorporated in New Zealand.

These Group financial statements have been prepared in accordance with the Financial Reporting Act 2013 and Companies Act 1993.

The address of its registered office is Port of Auckland Building, Sunderland Street, Mechanics Bay, Auckland 1010.

Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

These financial statements comply with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

The Group financial statements were approved by the Board of Directors on 27 August 2025.

Basis of measurement

The Group financial statements have been prepared on the historical cost basis, modified by the revaluation of property, plant and equipment, financial assets measured at fair value through other comprehensive income, derivative financial instruments and investment properties and are presented in New Zealand dollars which is the Company's functional currency. All values are rounded to the nearest thousand dollars ($'000).

Accounting policies

Accounting policies that summarise the measurement basis and are relevant to the understanding of the financial statements are included in the accompanying notes.

Going concern

The Board of Directors have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The Group financial statements incorporate the assets, liabilities and results of the subsidiaries, accounted for using the acquisition method, and the results of its associates and joint ventures, accounted for using the equity method.

All material intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Unrealised gains on transactions between the Group, associates and joint ventures are eliminated to the extent of the interest in the associates and joint ventures.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Foreign currency transactions are converted into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges.

Goods and services tax (GST)

The income statement has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities is classified as part of operating activities.

New and amended international financial reporting standards

All mandatory standards, amendments and interpretations have been adopted in the current year. None had a material impact on these financial statements.

The following new standards, amendments or interpretations that are effective after balance date and will have a material impact when adopted have not been early adopted by the Group in these financial statements.

NZ IFRS 18 Presentation and Disclosure in Financial Statements aims to improve how information is communicated in the financial statements – particularly in the statement of profit or loss. NZ IFRS 18 replaces NZ IAS 1 Presentation of Financial Statements when applied.

Section A: Our Performance

This section explains the financial performance of the Group by:

a) displaying additional information about individual items in the Income statement;

b) providing analysis of the components of the Group's tax balances and the imputation credit account.

A1. Revenue

	2025 $'000	2024 $'000
Revenue		
Revenue from contracts with customers	**374,362**	323,280
Rental income	**17,052**	13,798
Gain on disposal of property, plant and equipment	**52**	239
Dividend income	**477**	1,113
Interest income	**184**	199
Other income	**570**	414
Total revenue	**392,697**	339,043

Recognition and measurement

Revenue from contracts with customers

A summary of the Group's performance obligations are outlined below. The Group has not disclosed the aggregate amount of the transaction price allocated to the performance obligations that are partially satisfied at year-end as they relate to contractual obligations of an expected duration of less than a year, and thus meet the practical expedient requirement within the standard. Payment terms for all revenue from contracts with customers are typically the 20th of the following month.

The determination of the transaction price, including the estimation of variable consideration, where applicable, is calculated in line with contractual arrangements.

Marine services revenue

Contracts are entered into with vessel operators for the provision of marine services and berthage. The performance obligations identified include vessel arrival, departure and berthage. The identified performance obligations are satisfied over time, and revenue is recognised based on labour hours expended (vessel arrival and departure) and time elapsed (berthage). Consequently, the methods used to record this revenue are based on inputs. The transaction price is determined by the contract, and typically is an all-inclusive rate which is apportioned across each performance obligation based on these input methods.

Container terminal revenue

The performance obligations identified for shipping lines which berth at the Fergusson container terminal include marine services (as identified above), and the ship exchange (load and/ or discharge of containers, which include the services required to support the handling of containers).

Container terminal revenue is recognised over time based on the number of containers loaded or discharged (an output method). This method is considered appropriate as it allows revenue to be recognised based on the Group's effort to satisfy the performance obligation.

The transaction price is adjusted by variable consideration (i.e. customer rebates), and revenue is only recognised on the basis that it is highly probable that a significant reversal will not occur.

Multi-cargo revenue

Contracts are entered into with vessel operators for the provision of marine services and berthage (as identified above) and goods wharfage. The stevedoring services are provided by third-party operators. Goods wharfage (being the provision of space) is satisfied over time, and therefore revenue is recognised based on time elapsed, from the point that cargo is transferred from vessel to land (or vice versa), being an output method. The transaction price for goods wharfage is determined by the contract.

Container transportation revenue

Contracts are entered into with cargo owners or freight forwarders to collect and transport containers to or from the port. There are predictable legs for each container which have the same pattern of transfer (typically 3-4 legs in each containers life-cycle), and as such meet the criteria for revenue recognition over time as the obligation to provide transportation services is satisfied. As such, each contract is accounted for as a single performance obligation, and the transaction price is determined by the contract.

Disaggregation of revenue from contracts with customers

	2025 $'000	2024 $'000
Container terminal	224,703	181,861
Multi-cargo	51,230	53,371
Marine services	48,657	48,491
Container transportation	49,772	39,557
Total revenue from contracts with customers	374,362	323,280

The categories of disaggregated revenue above represent the segments where the financial performance of the Group is evaluated. These revenue items are of a similar nature and timing.

Rental income

Rental income is recognised on a straight line basis over the lease term.

Dividend and other income

Dividend and other income is recognised when the right to receive payment is established.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

A2. Expenses

Operating Expenses

	2025 $'000	2024 $'000
Employee benefit expenses		
Salaries and wages	117,804	111,357
Restructuring costs	317	273
Pension costs	5,165	4,671
Other	3,771	3,296
Total employee benefit expenses	127,057	119,597
Other operating expenses		
Contracted services	43,049	39,207
Repairs and maintenance	26,158	21,823
Fuel and power	9,373	9,996
Loss on disposal of property, plant and equipment	1,149	661
Other expenses	29,216	22,891
Auditor's fees		
Current year audit and review of statutory financial statements (including disbursements, technology fees and OAG on-charge costs)	497	485
Agreed-upon procedures engagement	10	-
Attendance of training course	7	-
Total other operating expenses	109,459	95,063
Total operating expenses	236,516	214,660
Finance costs		
Interest on bank overdraft and bank loans	21	21
Establishment and line fees	49	49
Interest on fixed rate notes	8,777	8,779
Interest on related party term loan (unsecured)	8,698	10,777
Interest on lease liabilities	543	565
Total finance costs	18,088	20,191

Donation expenses are $7,000 (2024: $nil) and are recognised within other expenses.

Recognition and measurement

Employee expenses

Provision is made for benefits owing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when earned by employees at rates expected to be incurred when the benefit is utilised.

Provisions for long service leave and sick leave entitlements that are expected to be paid in future periods, but have not yet vested, are recognised reflecting the probability that benefits will vest.

Contributions to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to contributions.

Bonus plans are recognised as a liability and an expense based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments. The provision is recognised where contractually obliged or where there is a past practice that has created a constructive obligation.

Finance costs

Finance costs include bank interest, amortisation of costs incurred in connection with borrowings facilities, and interest on lease liabilities. Finance costs are expensed immediately as incurred unless they relate to acquisition and development of qualifying assets, in which case the finance cost is capitalised.

A3. Taxation

	2025 $'000	2024 $'000
Income statement		
Current income tax		
Current year	**11,774**	6,403
Adjustment for prior years	**67**	272
Deferred income tax		
Temporary differences	**(1,370)**	(1,251)
Tax effect of removal of building depreciation	**-**	13,424
Tax effect of transfer of operational land and buildings to investment property	**(2,238)**	-
Adjustment for prior years	**34**	24
Income tax expense	**8,267**	18,872
Other comprehensive income		
Property, plant and equipment	**7,573**	6,009
Income tax reported in equity	**7,573**	6,009

Reconciliation of effective tax rate

	2025 $'000	2024 $'000
Profit before income tax	**99,099**	54,766
Tax at 28%	**27,748**	15,334
Adjustments		
Non-taxable income	**(320)**	(1,421)
Non-deductible expenses	**245**	840
Adjustment for prior years	**101**	296
Loss offset utilisation	**(15,808)**	(7,826)
Tax effect of removal of building depreciation	**-**	13,424
Tax effect of transfer of operational land and buildings to investment property	**(2,238)**	-
Dividend imputation credits	**(1,461)**	(1,775)
Income tax expense	**8,267**	18,872

The Group had tax losses brought forward which were used up in the prior year. Auckland Council has a subvention payment agreement and loss offset election with Watercare Services Limited which will be utilised for any residual taxable income. $11,586,707 (2024: $6,402,970) has been provided for payment to Watercare Services Limited for this subvention agreement.

In the prior year, the Group showed a $13.4 million recognition of deferred tax expense in the Income Statement and corresponding increase of deferred tax liability related to operational buildings. This was as a result of the Taxation (Annual Rates for 2023–24, Multinational Tax, and Remedial Matters) Act 2024 receiving royal assent on 28 March 2024.

In the current year, the Group transferred a property from operational land and buildings to investment property. This resulted in a partial reversal of adjustment made in the prior year.

Imputation credits

	2025 $'000	2024 $'000
Imputation credits available for subsequent reporting periods	**76,909**	75,805

Movement in deferred tax balance

	Property, plant and equipment $'000	Investment property $'000	Intangible assets $'000	Provisions $'000	Deferred revenue $'000	Other $'000	Total $'000
Balance at 30 June 2023	91,095	2,054	3,353	(7,727)	2,008	(1,439)	**89,344**
Recognised in income statement	13,057	250	(899)	(135)	(28)	(48)	12,197
Recognised in other comprehensive income	6,009	-	-	-	-	-	6,009
Balance at 30 June 2024	**110,161**	**2,304**	**2,454**	**(7,862)**	**1,980**	**(1,487)**	**107,550**
Recognised in income statement	(3,539)	682	(1,007)	(396)	(28)	713	**(3,575)**
Recognised in other comprehensive income	7,573	-	-	-	-	-	**7,573**
Balance at 30 June 2025	**114,195**	**2,986**	**1,447**	**(8,258)**	**1,952**	**(774)**	**111,548**

Recognition and measurement

Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised on the income statement, except to the extent that it relates to items recognised in the statement of comprehensive income or directly in equity. In this case, the tax is also recognised in the statement of comprehensive income or directly in equity, respectively.

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the income tax rate. This is then 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 and by unused tax losses.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only to the extent it is probable they will be utilised.

Deferred tax amounts recognised in other comprehensive income relate to buildings and wharves.

The purchase of losses from related parties under commercial arrangements is debited to income tax in the income statement.

Tax losses received from entities within the Auckland Council tax group flow through equity as a contribution by the shareholder.

Imputation credits

The amounts represent the balance of the imputation account as at the end of the reporting period, adjusted for:

a) Imputation credits that will arise from the payment of the amount of the provision for income tax;

b) Imputation debits that will arise from the payment of dividends recognised as a liability at the reporting date; and

c) Imputation credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

Section B: Capital Assets Used to Operate Our Business

This section explains the capital assets such as property, plant and equipment that the Group uses to operate the business. It also includes detail on the revaluation methodologies used to value different types of capital assets.

B1. Property, plant and equipment

	Freehold land $'000	Wharves $'000	Freehold buildings $'000	Plant and equipment $'000	Pavement $'000	Other $'000	Total $'000
Net book value at 1 July 2023	**465,011**	**358,669**	**105,381**	**209,493**	**106,005**	**25,688**	**1,270,247**
Movement							
Work in progress additions	-	502	5,897	12,277	9,219	5,851	33,746
Disposals	-	-	(104)	(27)	-	(561)	(692)
Revaluations - Reserves	(16,198)	16,573	5,500	-	-	-	5,875
Reversal of Impairment	(146)	545	33	-	-	-	432
Reclassifications/Transfers	-	-	-	-	-	(450)	(450)
Depreciation charge	-	(5,254)	(2,989)	(20,391)	(3,899)	(4,329)	(36,862)
Movement to 30 June 2024	(16,344)	12,366	8,337	(8,141)	5,320	511	2,049
Balances							
Cost and/or fair value	448,667	367,817	108,882	366,764	141,399	53,756	1,487,285
Work in progress at cost	-	4,292	6,975	11,403	3,296	4,740	30,706
Accumulated depreciation	-	(1,074)	(2,139)	(176,815)	(33,370)	(32,297)	(245,695)
Net book value at 30 June 2024	**448,667**	**371,035**	**113,718**	**201,352**	**111,325**	**26,199**	**1,272,296**
Movement							
Work in progress additions	-	3,791	15,186	18,293	357	5,498	43,125
Disposals	-	-	(135)	(1,025)	-	(41)	(1,201)
Revaluations - Reserves	29,336	22,967	4,114	-	-	-	56,417
Reversal of Impairment	139	573	(156)	-	-	-	556
Reclassifications/Transfers	(7,329)	-	(14,258)	-	-	(580)	(22,167)
Depreciation charge	-	(5,444)	(3,111)	(19,709)	(4,168)	(4,069)	(36,501)
Movement to 30 June 2025	22,146	21,887	1,640	(2,441)	(3,811)	808	40,229
Balances							
Cost and/or fair value	470,813	386,061	96,922	375,692	144,926	49,534	1,523,948
Work in progress at cost	-	8,083	21,021	15,909	126	5,186	50,325
Accumulated depreciation	-	(1,222)	(2,585)	(192,690)	(37,538)	(27,713)	(261,748)
Net book value at 30 June 2025	**470,813**	**392,922**	**115,358**	**198,911**	**107,514**	**27,007**	**1,312,525**

Recognition and measurement

Property, plant and equipment

Properties held for use in the supply of services for port operation purposes are classified as property, plant and equipment.

Property, plant and equipment are initially recognised at cost. The cost of property, plant and equipment includes expenditure that is directly attributable to bring the item to working condition for its intended use.

Costs may include materials used in construction, direct labour, transfers from equity of gains/losses on qualifying cash flow hedge reserves of foreign currency purchases and associated borrowing costs.

Borrowing costs may be capitalised where they are directly attributable to the acquisition or construction of a qualifying asset. A qualifying asset is deemed as having significant expenditure and takes more than six months to bring the item to working condition for its intended use. The capitalisation rate used to determine the amount of borrowings to be capitalised is the weighted average interest rate applicable to the entity's outstanding borrowings during the year.

Expenditure on an asset is recognised as an asset if it is probable that the future economic benefits will flow to the entity, and if the cost of the asset can be measured reliably. This principle applies for both initial and subsequent expenditure. All other repairs and maintenance are charged to the income statement during the period in which they are incurred.

Plant and equipment, pavement and other assets are carried at cost less accumulated depreciation and impairment losses.

Revaluations

Land, buildings and wharves are carried at fair value as determined by an independent registered valuer, less accumulated depreciation and any impairment losses recognised after the date of any revaluation.

Land, buildings and wharves acquired or constructed after the latest revaluation are carried at cost, which approximates fair value. Revaluations are carried out with sufficient regularity, at least triennial, to ensure that the carrying amount does not differ materially from fair value at balance date.

Revaluation increments are recognised in other comprehensive income and accumulated as a separate component of equity in the property, plant and equipment revaluation reserve, except to the extent that they reverse a revaluation decrease of the same asset previously recognised in the income statement, in which case the increase is recognised in the income statement.

Revaluation decreases are recognised in the income statement, except to the extent that they offset a previous revaluation increase for the same asset, in which case the decrease is recognised in other comprehensive income and accumulated as a separate component of equity in the property, plant and equipment revaluation reserve.

Accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the assets and the net amounts are restated to the revalued amounts of the assets.

Depreciation

Depreciation is calculated on a straight line basis to allocate the cost or revalued amount of an asset, less any residual value, over its estimated useful life. Land is not depreciated.

The estimated useful lives of property, plant and equipment are as follows:

Buildings	20 – 50 years
Wharves	50 – 100 years
Plant and equipment	5 – 20 years
Pavement	25 – 85 years
Other assets	3 – 20 years

Disposals

An item of property, plant and equipment is derecognised upon disposal or when no further future benefits are expected from its use.

Gains or losses arising on derecognition of an asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, are included in the income statement in the year the asset is derecognised.

Any revaluation reserve relating to the particular asset being disposed or derecognised is transferred to retained earnings.

B2. Property, plant and equipment valuation

Valuation approach

At the end of each reporting period the Group makes an assessment of whether the carrying amounts differ materially from fair value and whether a revaluation is required. For the year ended 30 June 2025, all freehold land was revalued as at 30 June 2025 in accordance with the New Zealand Institute of Valuers asset valuation standards.

Freehold land is the land used as part of the core port operations (Port Operations Land) or is required to be held for other operational purposes (Other Operations Land). The valuation of Port Operations Land was undertaken by CBRE, registered valuers. The Other Operations Land valuation was undertaken by Colliers International, registered valuers.

Port Operations Land has been valued using the income approach by way of a discounted cash flow model, as the primary basis. Other Operations Land is valued with a combination of the market approach using a comparable sales model and the income approach using a capitalised market income model.

The valuations of the independent valuers are reviewed by management and adopted as the carrying value in the financial statements. Management verifies all major inputs to the valuation, assesses valuation movements when compared to the prior year and holds discussions with the independent valuers as part of the process.

This valuation approach has been undertaken in order to provide an independent assessment of the current value of the assets.
The market value is based on events and evidence up to valuation date and the current economic conditions and latent potential volatility should be factored into future considerations when referring to this valuation.

The valuations have proceeded on the basis that where contamination is known, allowance has been made for contamination remediation using high level estimates. There remains uncertainty as to the extent of any contamination which has not been noted by Valuers to date in estimates to date. The valuation has been prepared on the best estimate of studies to date. There is a possibility that further contamination may exist.

The Group's land, buildings and wharves are all categorised as Level 3 in the fair value hierarchy as described in the note G1 financial risk management - fair value note.

During the financial year there were no transfers between the levels of the fair value hierarchy.

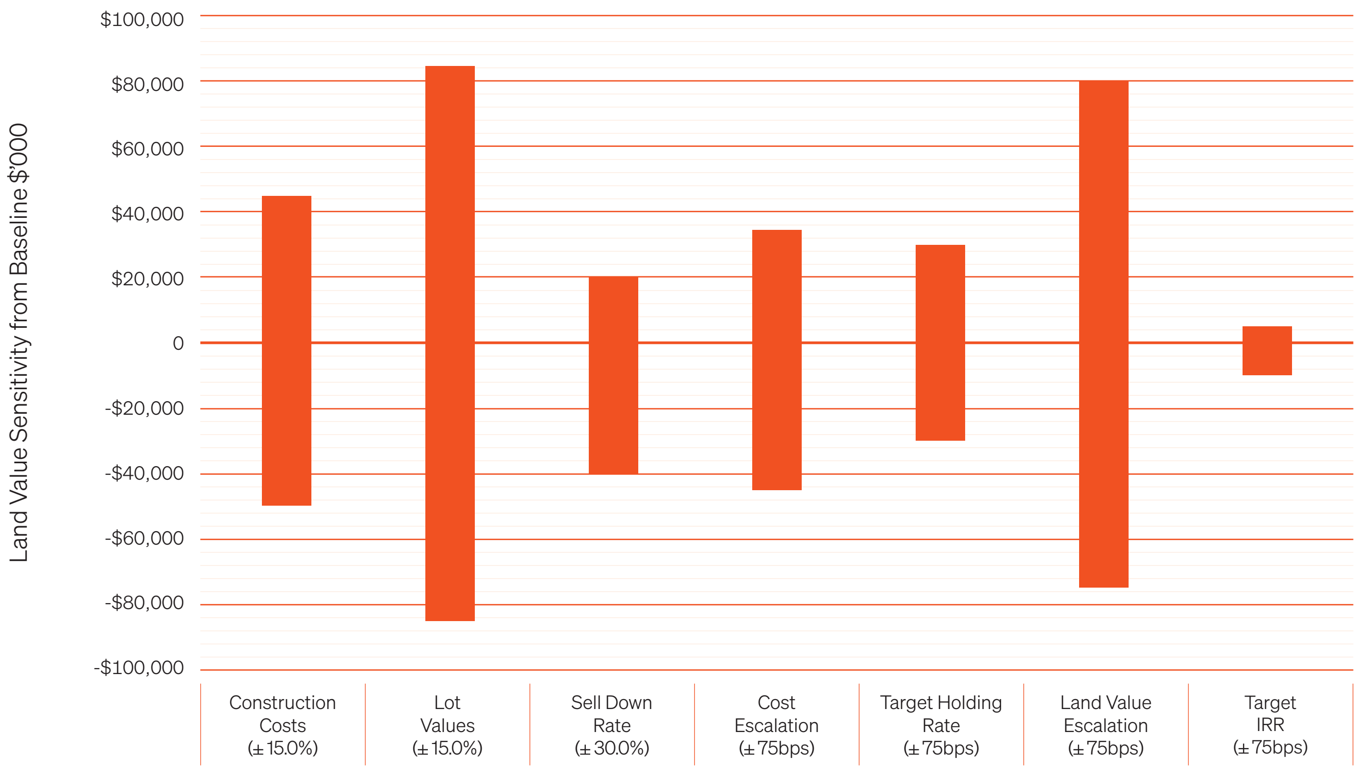
Port Operations Land Valuation

The following table summarises the valuation techniques and key assumptions used by the valuers to arrive at fair value for Port Operations Land:

Asset valuation technique	Inputs used to measure fair value	2025 Range of significant unobserved inputs	2024 Range of significant unobserved inputs
Discounted Cash Flow model Given the size and location of the land, the discounted cash flows are based on the assumption that the land will be developed and sold in six stages. Stage 1 has a consenting time of 5 years with stages two to six consisting of 16 superlots with an average lot size of 5,000 sqm, with consenting to take 12 years and the sell down over 19 years (31 year period). The Port Precinct Framework Plan April 2024 sets out a high level vision for long-term redevelopment and a west to east development sequence which has changed the approach to assessing land value.	Land sales price The rate is based on site intensity and height being lower than that in the CBD because of the zoning of the port precinct	$6,150 per sqm, for a 5,000 sqm allotment	$6,100 per sqm, for a 5,000 sqm allotment
	Site development costs have been estimated based on work undertaken by Beca Group, engineering consultants	Beca Group applied an escalation rate of 2% to cost assumptions used in June 2024 valuation	Beca Group development costs updated in May 2023 with an escalation rate of 6%
	Discount rate	10.95%	10.99%
	Sales price escalation	1% - 3.0% over the term	0% - 3.0% over the term
	Cost escalation	2.50% over the term	2.50% over the term
	Occupancy rate for holding income	50%	50%

Port Operations Land value discounted cash flow sensitivity

The chart below highlights the extent to which the valuation of the Port Operations Land varies relative to changes in key variables. Each variable is flexed by an amount not considered unreasonable in a market context and the resulting swing in value relative to this flex is presented in isolation of changes to the other variables. To accumulate the impact of these independent sensitivities would typically not be appropriate, as changes in one will commonly be offset by changes in another.



The baseline assumption on Port Operations Land value, for the planning and consenting period, is 12 years. The table below indicates the sensitivity on land value, given different timeframes.

Value sensitivity to planning timeframes

	Indicated value increase/(decrease) $'000
15 year planning and consenting period	(14,000)
18 year planning and consenting period	(30,000)

Other operations land valuation

The following table summarises the valuation techniques and key assumptions used by the valuers to arrive at fair value for significant Other Operations Land:

Asset valuation technique	Inputs used to measure fair value	2025 Range of significant unobserved inputs	2024 Range of significant unobserved inputs
Comparable sales model	Land sales price CBD	$5,090 per sqm to $13,442 per sqm	$5,090 per sqm to $13,427 per sqm
	Land sales price non CBD	$275 per sqm to $693 per sqm	$313 per sqm to $693 per sqm

Port operations wharves and freehold buildings valuation

Port operations wharves and buildings are valued at least every three years and were revalued at 30 June 2025 by John Foord (International), industrial valuers and Ortus International, registered Quantity Surveyors, to fair value.

The fair value for the wharves, buildings, structures, civil works and support assets was derived using the Depreciated Replacement Cost (DRC) methodology. The calculation of fair value has been prepared using straight line depreciation.

In preparing the financial values for wharves, buildings, structures, civil works and support assets, the valuers have researched estimated Gross Current Replacement Costs (GCRC), these are required in order to calculate the depreciation amounts to arrive at the Depreciated Replacement costs (DRC).

The following table summarises the valuation technique and key assumptions used by the valuers to arrive at fair value:

Asset valuation technique	Inputs used to measure fair value	2025 Range of significant unobserved inputs	2024 Range of significant unobserved inputs
Depreciated replacement cost derived from modern equivalent asset rate	Wharve's economic life	100 years	100 years
	Wharf buildings' economic life	50 years	50 years
	Residual value at the end of economic life	15%	15%
	Depreciation	Straight line	Straight line
	Piles unit cost of construction per sqm	$1,339 - $2,787	$1,305 - $2,716
	Wharf Platform unit cost of construction per sqm	$2,112 - $4,411	$2,058 - $4,299
	Fenders unit cost of construction per sqm	$110 - $232	$107 - $226
	Services unit cost of construction per sqm	$150 - $309	$146 - $301
	Total unit cost of construction per sqm	$3,710 - $7,738	$3,616 - $7,542

The following table shows the impact on the fair value due to a change in significant unobservable inputs for Land, Buildings and Wharves:

		Fair value measurement sensitivity to significant: Increase in input	Decrease in input
Land			
Land sales price	The rate per square metre of recently sold properties of a similar nature.	Increase	Decrease
Discount rate	The rate, determined through analysis of comparable market-related sales transactions, which is applied to a property's future net cash flows to convert those cash flows into a present value.	Decrease	Increase
Sale price escalation	The annual escalation rate applied to property sales prices over an assumed holding period.	Increase	Decrease
Site development costs escalation	The annual escalation rate applied to site development costs over an assumed holding period.	Decrease	Increase
Market capitalisation rate	The rate used to calculate market value from the property's deemed annual market rental.	Decrease	Increase
Buildings and Wharves			
Unit cost of construction	The costs of constructing various asset types based on a variety of sources including recent local competitive tendered construction works, published cost information, the valuer's database of costing information and experience of typical industry rates and indexed historical cost information.	Increase	Decrease

B3. Investment properties

	2025 $'000	2024 $'000
At fair value		
Balance at 1 July	**141,537**	149,375
Capitalised subsequent expenditure	**52**	166
Disposals	**-**	(40)
Assets vested to local council	**-**	(9,549)
Reclassifications/Transfers (refer note B1)	**21,587**	163
Net gain/(loss) from fair value adjustment	**2,660**	1,422
Balance at 30 June	**165,836**	141,537

During the current financial year a property was transferred from Operational Land and Buildings to Investment Property.

Lease income from investment properties amounted to $5,541,394 (2024: $4,495,449) and operating expenses amounted to $521,908 (2024: $276,085).

The Group's investment properties are all categorised as Level 3 in the fair value hierarchy as described in the financial risk management - fair value note G1. At the end of the reporting period there were no transfers of investment properties between the levels in the fair value hierarchy.

Recognition and measurement

Investment properties

Investment properties includes properties which are not intended for port operation purposes and are held with the principal objective to earn rental and/or capital appreciation or both (including property being constructed or developed for future use as investment property). Investment properties are carried at fair value, representing open market value determined annually by an independent registered valuer. Changes in fair values are recorded in the income statement in the year in which they arise. Investment properties are not depreciated for financial accounting purposes.

Transfers are made to or from investment properties when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of a change in use.

A transfer to investment properties may be evidenced by ending owner occupation, commencement of an operating lease to another party or commencement of construction or development for future use as investment property. This includes commencement of owner occupation, or of development with a view to owner occupy.

A transfer from investment properties may be evidenced by the commencement of a contractual arrangement which allows the property to offer more to the Group than solely rental returns and/or capital appreciation. This includes commencement of owner occupation, or of development with a view to owner occupy.

Investment properties will be measured at cost until a fair value can be reliably determined.

Investment properties are derecognised when they have been disposed of. The net gain or loss on disposal is calculated as the difference between the carrying amount of the investment property at the time of the disposal and the proceeds on disposal and is included in the income statement in the reporting period in which the disposal settled.

Valuation approach

The Group's accounting policy is for investment properties to be measured at fair value, which reflects market conditions at the balance date. To determine fair value, the Group obtain an investment properties valuation annually by an independent registered valuer.

The valuations as at 30 June 2025 and 30 June 2024 were performed by Colliers International. The valuers are registered valuers and have experience in the location and category of the investment properties being valued.

The valuations of the independent valuers are reviewed by management and adopted as the carrying value in the financial statements subject to any specific adjustments required. Management verifies all major inputs to the valuation, assesses valuation movements when compared to the prior year and holds discussions with the independent valuers as part of the process.

The Group's investment property portfolio comprises a mixture of lessor's interest in both terminating and perpetual ground leases together with freehold land.

The value of the lessor's interest in the land is essentially only the right to receive the rental income and the right to review the income periodically when scheduled reviews and renewals occur.

The valuation is based on market evidence at the date of valuation. The valuation methodologies used were based on direct sales comparison, or a direct capitalisation of rental income using market comparisons of capitalisation rates, supported by a discounted cash flow approach.

The following table summarises the valuation techniques and the key assumptions relating to the major inputs used in establishing the fair values of significant properties:

Asset valuation technique	Inputs used to measure fair value	2025 Range of significant unobserved inputs	2024 Range of significant unobserved inputs
Market capitalisation A valuation technique which determines fair value by capitalising a property's sustainable net income at an appropriate, market derived rate of return with subsequent capital adjustments for near-term events, typically including letting up allowances, capital expenditure and the difference between contract and market rentals.	Market capitalisation rate – rental income	2.97% to 6.58%	2.77% to 5.93%
Direct sales comparison A valuation technique whereby the subject property is compared to recently sold properties of a similar nature with fair value determined through the application of positive and negative adjustments for their differing attributes.	Industrial land sales per sqm	$275 to $1000 per sqm	$275 to $1,000 per sqm

The following table shows the impact on the fair value due to a change in a significant unobservable input:

		Fair value measurement sensitivity to significant:	
		Increase in input	Decrease in input
Unobservable inputs within the market capitalisation valuation approach			
Gross market rent or licence fee	The annual amount for which a tenancy or licence within a property is expected to achieve under a new arm's length leasing or licensing transaction, including a fair share of property operating expenses.	Increase	Decrease
Market capitalisation rate	The rate of return, determined through analysis of comparable, market-related sales transactions, which is applied to a property's sustainable net income to derive value.	Decrease	Increase
Unobservable inputs within direct sales comparison valuation approach			
Rate per sqm	The rate per square metre of recently sold properties of a similar nature.	Increase	Decrease

B4. Intangible assets

	Computer software $'000
Net book value at 1 July 2023	**22,730**
Movement	
Work in progress additions	5,442
Reclassifications/Transfers	(51)
Amortisation charge	(7,898)
Movement to 30 June 2024	(2,507)
Balances	
Cost	61,814
Work in progress at cost	5,558
Accumulated amortisation and impairment	(47,149)
Net book value at 30 June 2024	**20,223**
Movement	
Work in progress additions	6,377
Reclassifications/Transfers	77
Amortisation charge	(7,981)
Movement to 30 June 2025	(1,527)
Balances	
Cost	61,615
Work in progress at cost	3,519
Accumulated amortisation and impairment	(46,438)
Net book value at 30 June 2025	**18,696**

Recognition and measurement

Computer software

Computer software licences are capitalised and are recognised as intangible assets. The internal costs directly attributable to the development of business software are only recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits.

These assets have a finite life and are amortised on a straight line basis over their estimated useful lives of three to ten years.

Where estimated useful lives have diminished due to technology change, amortisation is accelerated.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (refer to note C2).

B5. Right of use assets

	Leased land $'000	Leased equipment $'000	Leased buildings $'000	Total $'000
Net book value at 1 July 2023	**9,820**	**473**	**324**	**10,617**
Additions	-	131	250	381
Modification to lease term	-	1,338	(255)	1,083
Depreciation charge	(455)	(1,068)	(101)	(1,624)
Movement to 30 June 2024	(455)	401	(106)	(160)
Balances				
Cost	11,595	5,438	250	17,283
Accumulated depreciation	(2,230)	(4,564)	(32)	(6,826)
Net book value at 30 June 2024	**9,365**	**874**	**218**	**10,457**
Movement				
Lease extension and rent review	2,023	-	-	2,023
Depreciation charge	(497)	(631)	(77)	(1,205)
Movement to 30 June 2025	1,526	(631)	(77)	818
Balances				
Cost	13,618	3,813	250	17,681
Accumulated depreciation	(2,727)	(3,570)	(109)	(6,406)
Net book value at 30 June 2025	**10,891**	**243**	**141**	**11,275**

Recognition and measurement

Right of use assets

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement of the lease. The Group applies NZ IAS 36 to determine whether a right of use asset is impaired and accounts for any identified impairment loss as described in the property, plant and equipment policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the right of use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in operating expenses in profit or loss.

Section C: Key judgements made

This section includes the critical judgments, estimates and assumptions made by the Group about the carrying amounts of certain assets and liabilities.

C1. Critical accounting estimates and assumptions

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, and are reviewed on an on-going basis. Actual results may differ from those estimates.

The following are the critical estimates and judgements management has made in the process of applying the Group's accounting policies and that have the most significant impact on the amounts recognised in the financial statements.

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. The determination of the estimated useful lives has a significant impact on the timing of recognition of depreciation expense (refer to note B1).

Fair value of property, plant and equipment and investment property

The Group revalues investment property annually and property, plant and equipment (specifically land, buildings and wharves) at least every three years or when the fair value of a revalued asset differs materially from its carrying amount. The valuation is performed by independent registered valuers. The revaluation requires judgement around the highest and best use of the property, plant and equipment, and an estimation of the amounts for which these assets could be sold in an orderly transaction between market participants at the measurement date (refer to note B2 and B3). The determination of value for these assets has a significant impact on the total asset value reported and in the case of property, plant and equipment the depreciation expense recognised (refer to note B1).

Classification of investment properties

The Group classifies assets as investment property if they are not intended for port operation purposes, and are held with the principal objective to earn rental and/or capital appreciation. At times, the distinction can be subjective and dependent on the particular facts and circumstances of the property in question.

The Group reviews leases entered into, including any related contractual service agreements to determine the nature, if any, of contractual ancillary services provided in helping determine this classification.

Investment properties are held at fair value with revaluations recognised in the income statement, therefore, the determination of whether assets are investment property or property, plant and equipment can have a material effect on both profit or loss, and on the carrying value of the asset (if the alternative classification is not required to be held at fair value).

Fair value of derivative financial instruments

The Group does not hold any derivative financial instruments as at 30 June 2025 or 30 June 2024.

Income tax

The Group has historically utilised tax losses from the Auckland Council Group of companies for nil consideration. The Group had tax losses brought forward which were fully utilised in the prior year. Auckland Council has a subvention payment agreement and loss offset election with Watercare Services Limited which is utilised for any residual taxable income.

C2. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and whenever there is an indication of impairment. At each balance date, the Group reviews the carrying amounts of its other tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation can be identified.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable value. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Section D: Operating assets and liabilities used to operate our business

This section provides further analysis of the operating assets and liabilities of the Group. These comprise the significant working capital balances used by the Group to run its day to day operating activities.

D1. Cash and cash equivalents

	2025 $'000	2024 $'000
Cash and cash equivalents		
Bank balances	**980**	1,896
Total cash and cash equivalents	**980**	1,896
Interest-Bearing Liabilities		
Total cash as per statement of cash flows	**980**	1,896

Recognition and measurement

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

The carrying amount for cash and cash equivalents equals the fair value.

Bank overdraft

Bank overdrafts are shown within interest bearing liabilities in current liabilities on the statement of financial position.

The bank overdraft facility limit and maximum amount of credit to be made available to the Group is $10,000,000, which is primarily used for short term working capital requirements.

The interest rate is based upon the Reserve Bank of New Zealand's "Official Cash Rate" plus a marginal rate of 1.0% (2024: 1.0%) and interest is calculated on the daily balance outstanding refer to note E3.

Risk exposures

Details of the Group's exposure to risks arising from current and non-current borrowings are set out in note G1 and note E3.

Fair value disclosures

Details of the fair value of interest bearing liabilities for the Group are set out in note E3.

Details of the security relating to each of the unsecured liabilities and further information on the bank overdrafts and bank loans are set out in note E3.

Statement of cash flows

The following explains the terms used in the statement of cash flows:

- Operating activities are the principal revenue producing activities of the Group and other activities that are not investing or financing activities.
- Investing activities are the acquisition and disposal of long term assets and other investments not included in cash equivalents.
- Financing activities are the activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

D2. Trade and other receivables

	2025 $'000	2024 $'000
Trade receivables		
Trade receivables	**45,539**	47,262
Related party receivables	**727**	294
Sundry receivables	**(29)**	387
Unprocessed credit notes	**(325)**	(373)
Provision for impairment of trade receivables	**(1,012)**	(680)
Net trade receivables	**44,900**	46,890
Other receivables		
Prepayments	**4,507**	3,397
Total trade and other receivables	**49,407**	50,287

The aging of trade receivables at reporting date was:

	2025 $'000	2024 $'000
Aged receivables		
Current	**34,640**	36,363
30 days	**9,082**	7,308
60 days	**1,953**	1,952
90 days	**432**	839
Over 90 days	**159**	1,094
Total aged receivables	**46,266**	47,556

As at 30 June 2025 current trade receivables of the Group with a value of $153,649 (2024: $79,232) were written off.

Trade receivables of $11,627,277 (2024: $10,802,895) were past due but not impaired as at 30 June 2025.

These relate to a number of independent customers for whom there is no recent history of default, refer to note G1 for credit risk analysis.

Expected credit loss has been updated to take into account the expected recoverability.

In making this assessment, current and prospective economic factors have been considered. The average credit period for trade receivables at 30 June 2025 is 45.11 days (2024: 53.69 days).

Recognition and measurement

Trade receivables

Trade receivables are recognised at fair value, less a loss allowance for expected credit losses.

Trade receivables are generally on terms of the 20th of the following month.

The carrying amount of trade receivables is reduced through the use of a loss allowance for trade receivables and the amount of the loss is recognised in the income statement within 'other expenses'. Subsequent recoveries of amounts previously written off are credited against 'other expenses' in the income statement.

The impairment policy for trade receivables (including the methods, assumptions and information used to measure expected credit losses) is outlined within the credit risk disclosure in note G1.

D3. Inventories

	2025 $'000	2024 $'000
Inventories		
Inventories at cost	**7,826**	7,646
Inventory provision	**(2,460)**	(1,833)
Total inventories	**5,366**	5,813

The cost of inventories recognised as an expense during the year was $10,022,321 (2024: $11,756,622).

Recognition and measurement

Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs.

D4. Trade and other payables

	2025 $'000	2024 $'000
Trade payables	**11,460**	10,411
Related party payables	**11,866**	6,833
Dividend payable	**45,000**	-
Other payables	**5,482**	6,499
Accruals	**20,363**	17,755
Total trade and other payables	**94,171**	41,498

Recognition and measurement

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently at amortised cost using the effective interest method.

The fair value of trade and other payables approximates their carrying value.

Related party payables includes subvention payable to Watercare Services Limited (refer to note A3).

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

D5. Provisions

	Employee benefits $'000	ACC partnership programme $'000	Other provisions $'000	Total $'000
Opening balance	15,664	547	6,943	23,154
Movement				
Additional provisions and increases to existing provisions	10,812	84	2,577	13,473
Amounts used	(11,360)	-	(2,989)	(14,349)
Reversal of previously recognised provisions	-	-	(2,015)	(2,015)
Movement to 30 June 2024	(548)	84	(2,427)	(2,891)
Balances				
Current	14,009	631	4,516	19,156
Non-current	1,107	-	-	1,107
Balance as at 30 June 2024	15,116	631	4,516	20,263
Movement				
Additional provisions and increases to existing provisions	**10,106**	**-**	**749**	**10,855**
Amounts used	**(9,420)**	**-**	**(2,881)**	**(12,301)**
Reversal of previously recognised provisions	**-**	**(163)**	**(187)**	**(350)**
Movement to 30 June 2025	**686**	**(163)**	**(2,319)**	**(1,796)**
Balances				
Current	**14,668**	**468**	**2,197**	**17,333**
Non-current	**1,134**	**-**	**-**	**1,134**
Balance as at 30 June 2025	**15,802**	**468**	**2,197**	**18,467**

Recognition and measurement

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

ACC Accredited Employer Programme

The Group participates in the ACC Accredited Employer Programme (AEP).

The AEP programme allows the Group to make cover and entitlement decisions and manage employees' claims for work injuries and occupational diseases instead of ACC.

The liability for outstanding claims including an allowance for claims management expenses is recognised in provisions and measured as the present value of expected future payments to be made in respect of the employee injuries and claims up to the reporting date using actuarial techniques.

ACC liability valuation

An independent actuarial valuer (AON New Zealand) has calculated the Group's liability, as at 30 June 2025. The valuer has attested satisfaction as to the nature, sufficiency and accuracy of the data used to determine the outstanding liability.

The valuation carried out as at 30 June 2025 produced a value for the ACC reserve of $467,900 (2024: $630,800). Pre valuation date claim inflation has been taken as 50% (2024: 50%) of movements in the CPI and 50% (2024: 50%) of the movements in the Average Weekly Earnings (AWE) Index. Post valuation date claim inflation rates and the discount rates used to value the liabilities are based on Treasury issued future rates and risk free rates as at 31 May 2025.

The Group is not exposed to any significant concentrations of insurance risks as work related injuries are generally the result of an isolated event to an individual employee.

Section E: How we fund our business

This section explains how the Group funds its business and shows the source of other funding facilities that can be used to fund future operational or investing activities.

E1. Equity and reserves

Share capital

	2025 Shares	2024 Shares	2025 $'000	2024 $'000
Ordinary shares				
Balance at 1 July	**156,005,192**	156,005,192	**146,005**	146,005
Balance at 30 June	**156,005,192**	156,005,192	**146,005**	146,005

At 30 June 2025, there were 156,005,192 (2024: 156,005,192) ordinary shares issued, 146,005,192 ordinary shares are fully paid ($1.00 per share) and 10,000,000 ordinary shares remain unpaid at the end of the financial year.

Reserves

	Property, plant and equipment revaluation $'000	Fair value changes of equity securities $'000	Retained earnings $'000	Total $'000
Balance at 1 July 2023	**354,387**	**23,424**	**462,307**	**840,118**
Profit/(loss) for the period	-	-	35,894	35,894
Dividends	-	-	(35,000)	(35,000)
Revaluations	5,875	-	-	5,875
Changes in fair value of investments	-	(12,493)	-	(12,493)
Deferred tax	(6,009)	-	-	(6,009)
Revaluation reserve reclassified to retained earnings on disposal of assets	(71)	-	71	-
Balance at 30 June 2024	**354,182**	**10,931**	**463,272**	**828,385**
Profit/(loss) for the period	-	-	90,832	**90,832**
Dividends paid and payable	-	-	(90,000)	**(90,000)**
Revaluations	56,417	-	-	**56,417**
Changes in fair value of investments	-	17,671	-	**17,671**
Deferred tax	(7,573)	-	-	**(7,573)**
Revaluation reserve reclassified to retained earnings on disposal of assets	(36)	-	36	**-**
Revaluation reserve reclassified to retained earnings on disposal of equity securities	-	(28,602)	28,602	**-**
Balance at 30 June 2025	**402,990**	**-**	**492,742**	**895,732**

Recognition and measurement

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

All ordinary shares rank equally with one vote attached to each fully paid ordinary share; they carry a right to dividends and a share of net assets on a wind up.

Reserves

Property, plant and equipment revaluation reserve

The property, plant and equipment revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. The balance standing to the credit of the reserve may be used to satisfy the distribution of bonus shares to shareholders and is only available for the payment of cash dividends in limited circumstances as permitted by law.

Fair value changes of equity securities

The fair value of equity securities reserve is used to record the fair value changes on listed securities. The fair value movements are recognised in the statement of comprehensive income.

E2. Dividends paid and payable

	Cents per Share	2025 $'000	2024 $'000
2023 Final dividend	10.27	-	15,000
2024 Interim dividend	13.70	-	20,000
2024 Final dividend	13.70	20,000	-
2025 Interim dividend	17.12	25,000	-
2025 Special dividend	30.82	45,000	-
Total dividends paid and payable		**90,000**	**35,000**

Recognition and measurement

Dividends

Any dividend declared on or before the end of the financial year but not distributed at balance date is recognised as dividend payable. A special dividend of 30.82 cents per ordinary share, a total of $45,000,000 will be paid on 29 August 2025. This relates to the sale of the Group's shareholding in Marsden Maritime Holdings (MMH) in June 2025. Refer to note H4 for dividends declared after balance date.

E3. Borrowings

	2025		2024	
	Available $'000	Net drawn $'000	Available $'000	Net drawn $'000
Current				
Unsecured				
Bank overdraft – refer note D1	10,000	-	10,000	-
Total current borrowings	10,000	-	10,000	-
Non-Current				
Unsecured				
Related party term loan (unsecured)	430,000	119,076	430,000	207,900
Fixed-rate notes	170,000	169,811	170,000	169,762
Total non-current borrowings	600,000	288,887	600,000	377,662
Total borrowings	610,000	288,887	610,000	377,662

Recognition and measurement

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

From 1 April 2023 the Group and its parent, Auckland Council, entered into a service level agreement (SLA) for the provision of treasury services and an inter-company loan agreement. Under this agreement the total available facility is $600 million less any Fixed rate notes allocation.

Large scale repayments are not required as long as the Group remains within the debt headroom position agreed with Auckland Council Treasury. Auckland Council Treasury met all of their obligations under the terms of the SLA during the financial year. The key objective of the centralised treasury function is to achieve cost savings and efficiencies. Under the agreement, Auckland Council now provides all of the Group's financing needs.

The current and non-current borrowings are unsecured. The Group borrows under a negative pledge arrangement which requires certain certificates and covenants.

Interest on this loan is based on Auckland Council's weighted average cost of funds on its total debts and hedgebook for each year.

The negative pledge deed sets out a minimum interest cover requirement (1.5:1) and a maximum gearing ratio percentage requirement (65%). There have been no breaches of this negative pledge during the financial year. The Group's risk management policies are disclosed in note G1.

Fixed rate notes

On 21 June 2018, Port of Auckland Limited received long term funding in the form of unsecured notes, via three fixed rate tranches with terms of 10, 12 and 15 years, with final maturities in 2028, 2030, and 2033 respectively.

Each tranche is shared evenly between two investors, Metlife Investments and Pricoa Capital Group.

Interest is paid semi-annually.

The fixed rate notes are subject to the same negative pledge deed as the loans outlined above.

Fair value

The carrying amounts of the bank overdraft and related party term loans approximate their fair values as all debt amounts are based on either floating interest rates or short term (90 days or less) fixed rates.

The fair value of the fixed rate notes is calculated by discounting the future contractual cash flows at current market interest rates that are available for similar financial instruments. Refer to note G1.

E4. Lease liabilities

	2025 $'000	2024 $'000
Current lease liabilities	934	1,521
Non-current lease liabilities	11,453	9,915
Total lease liabilities	**12,387**	11,436

Significant judgement – lease term

The lease term has been determined as the non-cancellable period of the lease, together with options to extend the lease if the lessee is reasonably certain to exercise that option. Judgement has been exercised, to determine the likelihood to exercise any rights of renewal, on a lease by lease basis. The average lease term is six years (2024: six years).

	2025 $'000	2024 $'000
Amounts recognised in profit and loss		
Depreciation expense on right of use assets	**1,206**	1,624
Interest expense on lease liabilities	**543**	565

Maturity analysis – contractual undiscounted cash flows

	2025 $'000	2024 $'000
Within one year	**1,110**	1,550
Greater than one year but not more than five years	**3,979**	3,537
Greater than five years but not more than ten years	**4,657**	3,881
Greater than ten years	**8,924**	8,213
Total undiscounted lease liabilities	**18,670**	17,181

Section F: Group Structure

This section provides information on the legal structure of the Group including how it affects financial performance and the financial position of the Group. It also includes details of acquired businesses.

F1. Investments in other entities

	Investment in joint ventures $'000	Total $'000
Carrying value of equity accounted investments		
Balance at 1 July 2023	**3,037**	**3,037**
Share of profit/(loss) after income tax	4,653	4,653
Dividends received	(3,453)	(3,453)
Balance at 30 June 2024	**4,237**	**4,237**
Share of profit/(loss) after income tax	3,477	**3,477**
Dividends received	(3,284)	**(3,284)**
Balance at 30 June 2025	**4,430**	**4,430**

The PortConnect Limited advance is repayable on demand, and interest may be charged at commercial rates.

Refer to note F2 - Related parties for disclosure on subsidiaries, investments in associates and joint ventures.

Recognition and measurement

Investments and advances

The investments in joint ventures and associates are equity accounted. Refer to F2, for the Group accounting policies.

Advances are held at amortised cost, less provision for impairment.

Note G1 sets out information about the impairment of financial assets and the Group's exposure to credit risk.

F2. Related Parties

Subsidiaries

	Place of business	Class of shares	Equity Holding 2025 %	Equity Holding 2024 %
Bunker Shipz Limited	New Zealand	Ordinary	**100**	100
Seafuels Limited	New Zealand	Ordinary	**100**	100
Waikato Freight Hub Limited	New Zealand	Ordinary	**100**	100
Nexus Logistics Limited	New Zealand	Ordinary	**100**	100
Conlinxx Limited	New Zealand	Ordinary	**100**	100

Associates and joint ventures

	Principal Activity	Place of business	Class of shares	Equity Holding 2025 %	Equity Holding 2024 %
Joint Ventures					
North Tugz Limited	Marine towage	New Zealand	Ordinary	**50**	50
PortConnect Limited	Online cargo management system	New Zealand	Ordinary	**50**	50

Summary financial information of associates and joint ventures

	Aggregate Balance 2025 $'000	Aggregate Balance 2024 $'000
Assets and liabilities		
Current assets	**8,566**	9,880
Non-current assets	**25,862**	25,806
Total assets	**34,428**	35,686
Current liabilities	**10,932**	5,300
Non-current liabilities	**2,905**	10,181
Total liabilities	**13,837**	15,481
Net assets	**20,591**	20,205
Results		
Revenue	**23,743**	24,365
Expenses	**(16,789)**	(15,058)
Net profit after tax	**6,954**	9,307
Total comprehensive income	**6,954**	9,307

The associates and joint ventures had contingent liabilities of $nil as at 30 June 2025 (2024: $nil). Capital commitments as at 30 June 2025 are $nil (2024: $nil).

Related-party outstanding balances

	2025 $'000	2024 $'000
Current receivables		
Auckland Council Group	**42**	174
Associates and joint ventures	**685**	120
Total current receivables	**727**	294
Non-current receivables		
Associates and joint ventures	**1,400**	1,400
Total non-current receivables	**1,400**	1,400
Current payables		
Auckland Council Group	**56,665**	6,729
Associates and joint ventures	**201**	104
Total current payables	**56,866**	6,833
Non-current liabilities		
Auckland Council Group	**119,076**	207,900
Total non-current liabilities	**119,076**	207,900

Payables to the Auckland Council group includes dividend provided (refer to note E2) and subvention payable (refer to note A3).

Related-party transactions

	2025 $'000	2024 $'000
Auckland Council Group		
Services provided by the Port of Auckland Group	**22**	70
Services provided to the Port of Auckland Group	**6,168**	2,386
Advances to the Port of Auckland Group	**185,107**	146,161
Advance repayments from the Port of Auckland Group	**273,932**	177,174
Interest paid to Auckland Council	**8,697**	10,776
Net dividend paid and payable to Auckland Council	**90,000**	35,000
Subvention payable to Watercare Services Ltd for tax losses	**11,587**	6,403
Associates and joint ventures		
Services provided by the Port of Auckland Group	**850**	382
Services provided to the Port of Auckland Group	**1,029**	880
Net dividends received	**3,284**	3,454

Key management personnel compensation

	2025 $'000	2024 $'000
Directors' fees	639	595
Salaries and other short term employee benefits	5,833	4,974
Total key management compensation	**6,472**	5,569

Recognition and measurement

Related parties

All subsidiaries, associates and joint ventures are related parties to the Group. Auckland Council wholly owns Port of Auckland Limited. All council controlled organisations (CCOs) of Auckland Council are considered related parties to the Group.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

All intra group transactions, balances, income and expenses are eliminated in full on consolidation.

The results of subsidiaries acquired or disposed of during the year are included in the income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between:

i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and

ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under NZ IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

As a result of loss of control of a subsidiary when a joint venture is formed through the contribution of the subsidiary, the Group's Board and management have chosen to account for the loss of control under NZ IAS 28. NZ IAS 28 requires that when non-monetary contributions are made to a joint venture, a gain or loss is recognised only in relation to the portion no longer owned.

Associates and joint ventures

Associates are those entities over which the Group holds a significant but not controlling interest. Joint ventures are entities whose activities are jointly controlled by the Group and the Group has rights to the net assets of the entity. Investments in associates and joint ventures are accounted for using the equity method and are measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets. Goodwill relating to associates and joint ventures is included in the carrying amount of the investment. Dividends reduce the carrying value of the investment.

The amount recognised in the income statement and statement of comprehensive income reflects the Group's share of earnings of associates and joint ventures and its movement in reserves. Investments in associates and joint ventures are carried at the lower of the equity accounted amount and the recoverable amount. When the Group's share of accumulated losses in an associate or joint venture equals or exceeds its carrying value, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group has applied NZ IFRS 11 to all joint arrangements. Under NZ IFRS 11 Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

The interests in North Tugz Limited and PortConnect Limited are accounted for in the Group financial statements using the equity method of accounting.

All joint ventures and associates have a 30 June year end.

Related-party transactions

All services provided by and to Port of Auckland Group entities are entered into in the normal course of business on standard commercial terms.

Auckland Council Group

Auckland Council Group entities include: Auckland Council (Parent), Watercare Services Limited, Eke Panuku Development Auckland, Auckland Transport and Tātaki Auckland Unlimited.

The services provided to Port of Auckland Group entities from Auckland Council Group entities is made up of operating costs such as water and rates charged. The transactions between Port of Auckland Limited and Auckland Council Group entities include Intercompany loan advances and repayments, dividends, tax loss offsets, management fees and port charges.

Associates and joint ventures

The services provided to Port of Auckland Limited from associates and joint ventures are made up of port operating costs. The services provided by Port of Auckland Limited to associates and joint ventures include lease arrangements for property, management fees and port charges.

Port of Auckland Limited receives a dividend stream from North Tugz Limited.

Port of Auckland Limited has advanced funds to PortConnect Limited. Refer to note F1 for further information.

Directors

During the year, the Group entered into transactions with companies in which there are common directorships. These transactions have occurred on an arm's length commercial basis.

Key management personnel compensation

The key management personnel are all the directors of the company, the Chief Executive Officer and his direct reports who have the greatest authority for the strategic direction and management of the company.

The Group provides life insurance to some key management personnel. There are no other non-cash benefits provided to directors and other key management personnel in addition to their fees or salaries.

F3. Equity securities

	2025 $'000	2024 $'000
Balance at 1 July	**28,355**	40,848
Revaluation through reserves	17,671	(12,493)
Sale of shares	(46,026)	-
Balance at 30 June	**-**	28,355

Equity securities in the prior year represented an investment holding of 19.9% in Marsden Maritime Holdings Limited that offered the Group the opportunity for returns through dividend income and fair value gains.

The fair value of these securities was based on quoted market prices. Fair value changes in the investment were recognised in other comprehensive income.

On 12 June 2025, the High Court made final orders approving the scheme of arrangement (Scheme) under which Maritime Marsden Holdings Limited entered into an agreement with a Consortium comprising Northland Regional Council, Port of Tauranga Limited and Ngāpuhi Investment Fund Limited (Tupu Tonu) (together, the Consortium) for the acquisition of all MMH shares other than those already held by Northland Regional Council at a price of NZ$5.60 per share in cash. The Group revalued this investment up to point of sale recognising this change in other comprehensive income.

The Group's equity securities in the prior year were all categorised as Level 1 as described in the financial risk management - fair value note G1.

Recognition and measurement

Equity securities

The Group made an irrevocable election to classify the equity securities at fair value through other comprehensive income (FVOCI). Upon disposal, any related balance within the FVOCI reserve was reclassified to retained earnings.

The gains or losses on the equity securities are recognised in other comprehensive income, except for any impairment losses. Dividends on FVOCI equity instruments are recognised in profit or loss when the entity's right to receive payment is established.

The Group assesses at each balance date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Equity instruments are deemed to be impaired when there is a significant or prolonged decline in fair value below the original purchase price.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

The fair values of quoted investments are based on current bid prices.

Section G: How we manage financial risk

This section describes the financial risks that the Group have identified and how it manages these risks to protect its financial position and performance. Risk management includes the use of financial instruments to hedge against unfavourable interest rate and foreign currency movements.

G1. Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including foreign currency risk, interest rate risk and equity price risk).

This note presents information about the Group's exposure to the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group has a treasury policy which limits exposure to market risk for changes in interest rates and foreign currency, counter-party credit risk and liquidity risk.

The Group uses derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures.

As at 30 June 2025, the Group does not hold any derivative financial instruments.

Credit risk

Credit risk is the potential loss from a transaction in the event of default by a counterparty on its contractual obligations.

Financial instruments which potentially subject the Group to credit risk, principally consist of bank balances, trade and other receivables, advances to equity accounted investees and derivative financial instruments.

Risk management

Credit risk is managed for cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to trade receivables transactions. Derivative counterparties and cash transactions are limited to high credit quality financial institutions who currently have a Standard & Poors long-term credit rating of AA- or better. Limits are placed on the exposure to any one financial institution and the usage of these limits is determined by assigning product weightings to the principal amount of the transaction. The Group minimises its credit risk by spreading such exposures across a number of counterparties.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

The Group's credit risk is also attributable to trade receivables which comprise a large number of customers, spread across diverse industries. The Group only extends credit after performing a credit assessment, which may include a review of their financial strengths, previous credit history with the Group, payment habits with other suppliers, bank references and credit rating agency reports.

Approximately 54% (2024: 52%) of trade receivables at balance date is reflected by the Group's ten largest customers.

At balance date approximately 16% (2024: 15%) of the trade receivables related to one customer. The Group is satisfied with the credit quality of the customer and does not anticipate any non-performance.

Impairment of financial assets

The following financial assets are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade receivables
- Advances to equity accounted investees.

Trade receivables

The Group has applied the NZ IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. When a trade receivable is considered uncollectable, it is written off against the provision.

To measure the expected credit loss, the trade receivables have been grouped in accordance with their shared credit risk characteristics and the days past due. Historical loss rates are adjusted to reflect current and forward-looking information. The Group identified domestic GDP and the unemployment rate, alongside global macroeconomic factors such as global growth, and fuel prices, to be the most relevant credit risk factors. The loss rates are adjusted based on expected changes in these factors.

The trade receivables loss allowance as at 30 June 2025 was determined as follows:

$'000s	Current	30 days past due	60 days past due	90 days past due	120 days past due	Total
30 June 2024						
Expected loss rate	0.84%	0.85%	1.76%	3.91%	21.75%	
Gross carrying amount	36,378	7,302	1,903	839	1,134	47,556
Loss allowance	**305**	**62**	**33**	**33**	**247**	**680**
30 June 2025						
Expected loss rate	**1.66%**	**2.42%**	**6.45%**	**10.70%**	**29.30%**	
Gross carrying amount	**34,640**	**9,082**	**1,953**	**432**	**159**	**46,266**
Loss allowance	**573**	**220**	**126**	**46**	**47**	**1,012**

Advances to equity accounted investees

The advances to equity accounted investees are repayable on demand, and as such the expected credit losses are based on the assumption that repayment of the loan is demanded at reporting date. As at 30 June 2025, there are no expected credit losses related to equity accounted investees (2024: $nil).

Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet obligations as they fall due. The Group manages the risk by targeting a minimum liquidity level by continuously forecasting cash flows and matching the maturity profiles of financial assets and liabilities.

The Group's exposure to liquidity risk based on undiscounted contractual cash flows relating to non-derivative financial liabilities is shown below:

	Less than 6 months $'000	6–12 months $'000	1–2 years $'000	2–5 years $'000	5+ years $'000	Total contractual cash flows $'000	Carrying amount liabilities $'000
Balance at 30 June 2024							
Trade and other payables	46,015	-	-	-	-	46,015	46,015
Borrowings	9,285	9,285	18,571	303,870	126,749	467,760	377,662
Total non-derivative liabilities	55,300	9,285	18,571	303,870	126,749	513,775	423,677
Balance at 30 June 2025							
Trade and other payables	96,368	-	-	-	-	**96,368**	**96,368**
Borrowings	6,927	6,927	13,854	261,180	64,937	**353,825**	**288,887**
Total non-derivative liabilities	**103,295**	**6,927**	**13,854**	**261,180**	**64,937**	**450,193**	**385,255**

The Group does not have any exposure to liquidity risk based on undiscounted contractual cash flows relating to derivative financial assets and liabilities. (2024: Nil)

Market risk

Foreign currency risk

Foreign currency risk is the risk arising from the variability of the NZD currency values of the Group's assets, liabilities and operating cash flows, caused by changes to foreign exchange rates.

The Group does not have any material exposure to currency risk except for the one off purchases of assets (e.g. plant and equipment) denominated in foreign currencies. The main foreign currencies the Group transacts with are EUR and USD. The Group treasury policy requires that foreign exchange contracts must be entered into for the purchase of major items of plant and equipment and that the full amount of the purchase must be hedged.

Foreign exchange instruments approved under the treasury policy are forward exchange contracts and currency options.

As at 30 June 2025, the Group does not hold any Foreign exchange instruments.

Interest rate risk

As at 30 June 2025, the Group does not have any Interest rate swap arrangements.

Effects of hedge accounting on the financial position and performance

There are no effects of foreign currency related hedging instruments or interest rate swaps on the Group's financial position and financial performance.

As at the reporting date, the Group had the following variable rate borrowings outstanding:

	30 June 2025		30 June 2024	
	Weighted average interest rate	Balance $'000	Weighted average interest rate	Balance $'000
Bank overdrafts and bank loans	**6.3%**	**-**	6.5%	-
Related party term loan (unsecured)	**4.4%**	**119,076**	4.7%	207,900

A summary of terms and conditions of bank overdrafts and bank loans is provided in note E3.

Equity price risk

In the prior year, the Group is exposed to equity price risk because of equity securities held in Marsden Maritime Holdings Limited. The fair value of the equity securities was based on quoted market prices from NZX at the end of the financial period. As at 30 June 2025, the Group does not hold equity securities.

The Group is not exposed to commodity price risk.

Summarised sensitivity analysis

At balance date, the Group had the following mix of financial assets and liabilities exposed to interest rate risk, foreign exchange risk and equity price risk after considering hedging instruments.

	2025 $'000	2024 $'000
Financial assets		
Cash and cash equivalents	980	1,896
Equity securities	-	28,355
Total financial assets	980	30,251
Financial liabilities		
Interest-bearing liabilities	288,887	377,662
Total financial liabilities	288,887	377,662
Net exposure	289,867	407,913

A change in the variables below with all other variables held constant, would increase/(decrease) the Group's net exposure by the amounts shown below:

	2025		2024	
	Profit before tax $'000	Balance $'000	Profit before tax $'000	Equity $'000
Interest rate risk				
25 basis point increase	725	-	(939)	-
25 basis point decrease	(725)	-	939	-
Foreign exchange risk				
Equity price risk				
10% increase in equity prices	-	-	-	2,835
10% decrease in equity prices	-	-	-	(2,835)

Fair value

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the financial year end date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily NZX equity investments classified as at fair value through other comprehensive income (PY: available-for-sale).

Level 2

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using the following valuation techniques:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the financial year end date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3

The Group engages external, independent and qualified valuers to determine:

- The fair value of the Group's investment property at the end of every annual reporting period, and
- The fair value of the Group's land, buildings and wharves that are classified as property plant and equipment every three years.

Any transfers in the fair value hierarchy is disclosed in note B2, along with an analysis for the fair value approaches used.

The following table presents the Group's assets and liabilities measured and recognised at fair value on a recurring basis:

	Level	2025 $'000	2024 $'000
Equity securities	1	-	28,355
Non-financial assets			
Investment properties	3	165,836	141,537
Land	3	470,813	448,667
Buildings	3	115,358	113,718
Wharves	3	392,922	371,034
Total non-financial assets		1,144,929	1,074,956

Financial instruments

The Group's financial instruments consist of cash and cash equivalents, trade and other receivables (excluding prepayments), advances to equity accounted investees, equity securities, trade and other payables, interest bearing liabilities.

The total carrying amount of the Group's financial assets and liabilities are detailed below:

	Carried at cost or amortised cost $'000	Fair value through other comprehensive income $'000
Balance at 30 June 2024		
Financial assets		
Cash and cash equivalents	1,896	-
Trade receivables	46,890	-
Joint venture and associate advances	1,400	-
Equity securities	-	28,355
Financial liabilities		-
Trade and other payables	(34,999)	-
Borrowings	(377,662)	-
Lease liabilities	(11,436)	-
Balance at 30 June 2025		
Financial assets		
Cash and cash equivalents	**980**	**-**
Trade receivables	**44,900**	**-**
Joint venture and associate advances	**1,400**	**-**
Financial liabilities		
Trade and other payables	**(43,689)**	**-**
Borrowings	**(288,887)**	**-**
Lease liabilities	**(12,387)**	**-**

The fair value of financial liabilities held at amortised cost are detailed below. This excludes floating rate bank debt, and trade and other payables, as their carrying values approximate their fair values.

	Tranche 1 $'000	Tranche 2 $'000	Tranche 3 $'000	Total $'000
Balance at 30 June 2024				
Interest bearing liabilities - fixed rate notes				
Final maturity date	21 June 2028	21 June 2030	21 June 2033	
Coupon	4.81%	5.06%	5.32%	
Carrying value - refer E3	57,941	55,921	55,900	**169,762**
Fair value	57,155	55,555	55,773	**168,483**
Balance at 30 June 2025				
Interest bearing liabilities - fixed rate notes				
Final maturity date	**21 June 2028**	**21 June 2030**	**21 June 2033**	
Coupon	**4.81%**	**5.06%**	**5.32%**	
Carrying value - refer E3	**57,961**	**55,937**	**55,913**	**169,811**
Fair value	**59,127**	**57,704**	**57,492**	**174,323**

The fair value of the fixed rate notes has been calculated as the present value of the future cash flows.

Capital risk management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors balance sheet strengths and flexibility using cash flow forecast analysis and detailed budgeting processes. In addition, consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital.

Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the Group's statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratio as at 2025 is 22% (2024: 28%).

Section H: Other disclosures

This section includes the remaining information for the Group that is required to be presented to comply with financial reporting requirements.

H1. Capital commitments

	2025 $'000	2024 $'000
Property, plant and equipment		
Property, plant and equipment	**567**	10,955
Intangible assets	**74**	-
Total capital commitments	**641**	10,955

Capital commitments include spend related to HV power upgrade. Prior year balances included conversion of automated straddles to manual operation, plant and equipment purchases and straddle workshop costs.

H2. Lease commitments

	2025 $'000	2024 $'000
Operating lease commitments: Group as lessor		
Within one year	**13,470**	10,277
Greater than one year but not more than five years	**40,510**	28,808
More than five years	**45,541**	30,785
Total operating lease commitments	**99,521**	69,870

The lease commitments of the Group relate to both investment property, and property, plant and equipment owned by the Group. Investment property non-cancellable term ranges from 1-12 years. Property, plant and equipment non-cancellable term ranges from 1 to 25 years.

All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

Recognition and measurement

Lease commitments

Assets leased to third parties under operating leases are included in investment property and property, plant and equipment in the statement of financial position. Rental income (net of any incentives given to lessees) is recognised on a straight line basis over the lease term.

H3. Contingencies

Contingent liabilities

The Group had $nil contingent liabilities at 30 June 2025 (2024: $nil).

Port of Auckland Limited has a performance bond of $810,000 (2024: $810,000) with Auckland Council to ensure that the final finishing of the reclamation of the Fergusson Container terminal is undertaken and that an accessible esplanade reserve is provided. Port of Auckland Limited pays Westpac a premium to take on the bond risk. No event has occurred that would cause this guarantee to be called upon.

Port of Auckland Limited potentially has a liability for aspects of repairs and maintenance on Queens wharf of up to $1.5 million. The expense is likely to be incurred within a ten to fifteen year time horizon.

H4. Events occurring after the reporting period

On 27 August 2025, subsequent to year end the Board of Directors resolved to pay an unimputed dividend of 18.49 cents per ordinary share, a total of $27,000,000. The dividend will be paid on 5 September 2025.


SERVICE
LANE
MAERSK
SEALAND

Port of Auckland Limited

Port of Auckland Building
1 Sunderland Street
Mechanics Bay, Auckland 1010

PO Box 1281
Auckland 1142, New Zealand

www.poal.co.nz