PortTaranaki

Enabling Trade, Fuelling Regional Growth

Annual Report

2026

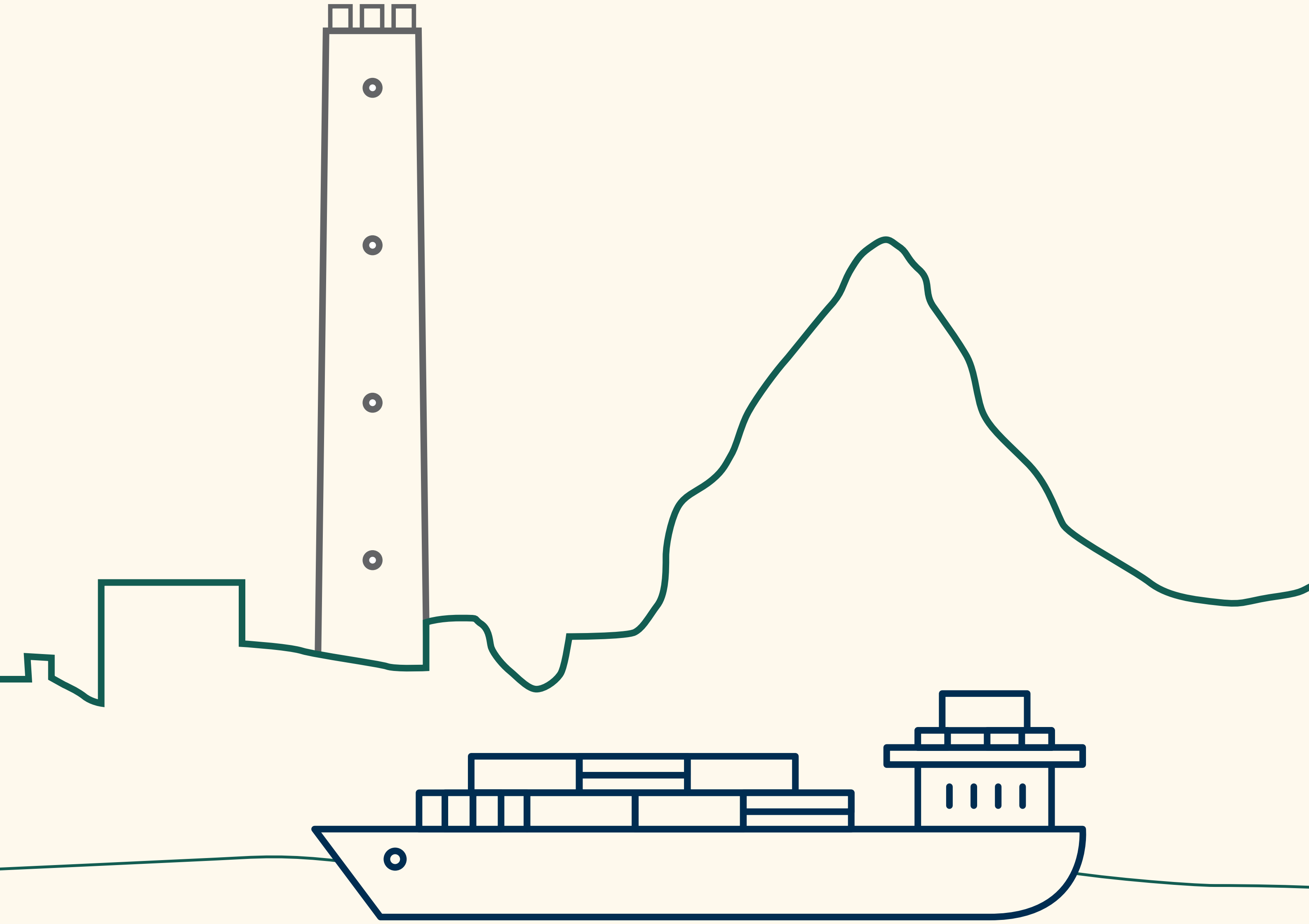
Contents

Our vision

To be The Pride of Taranaki

Our mission

Enabling Trade, Fuelling
Regional Growth

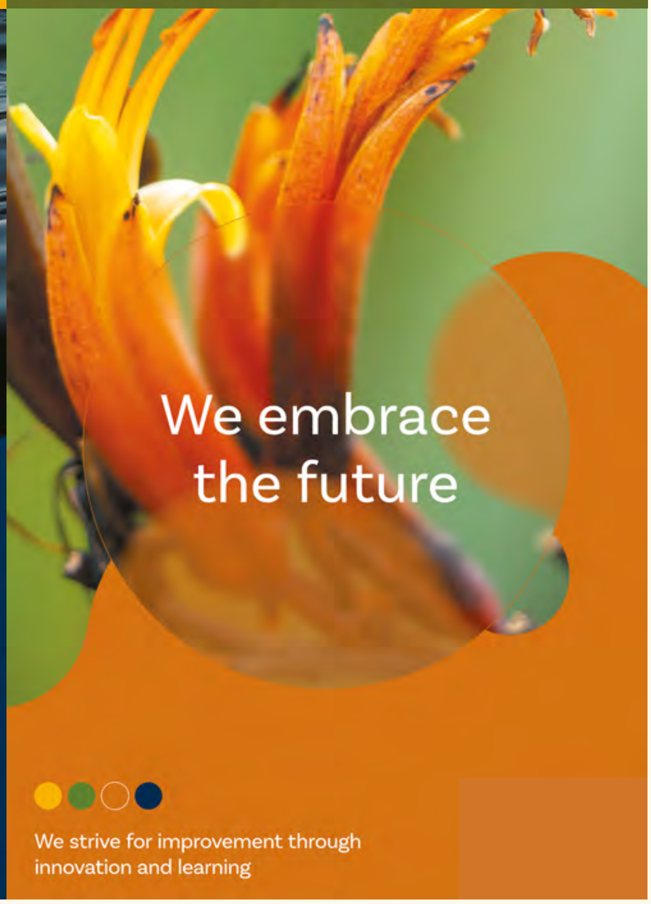


Our values


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


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


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


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

2026 at a glance

$58.7m

Revenue

$8.5m

Dividend paid to
Taranaki community

$13.1m

Net profit
after tax

113

Port Taranaki
team

100%

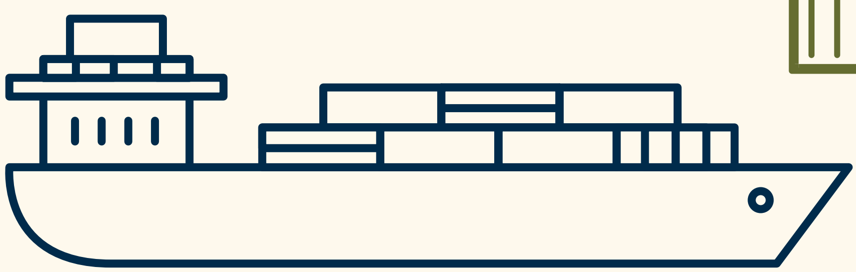
Owned by the community

21

People leaders
(7 female, 14 male)

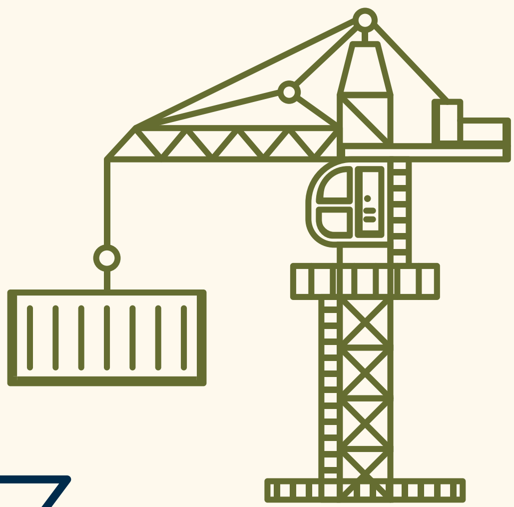
3,671

People accessing
the port
(weekly average)



234

Vessel visits



3.2m

Tonnes of total
trade

Chair & CEO
Report

Building a resilient port

Positioning Port Taranaki for the future has dominated the 2025-26 financial year as step changes in the energy environment have sharpened our focus on maximising the value of our port and seeking out new opportunities.

With oil and gas reserves at New Zealand's ageing gas fields declining more rapidly than forecast, hastening the expected closure of the Maui gas field and, subsequently, the exit of our largest customer Methanex NZ, we have sought new revenue streams in support of the well-performing bulk dry and forestry industries.

This is critical for our port's ongoing viability and sustainability, with overall trade volumes forecast to half in coming years compared with volumes recorded just a handful of years ago.

The energy decline also has a flow-on effect on our regional economy, a large section of which has been built on the success of the oil and gas industry over many decades.

Therefore, being owned by our Taranaki community, with dividends returned to the community via our sole Shareholder the Taranaki Regional Council, we see it as our responsibility to seek new opportunities to remain profitable and help our regional economy weather the current difficulties.

Focus on energy

As the key strategic logistics asset in New Zealand's premier energy production region, our energy assets, location, experience and skills remain our point of difference nationally and are vital to New Zealand maintaining energy resilience, security and affordability.

We are energy agnostic – we are ready to support all energy opportunities, whether they be traditional oil and gas production and supply and/or renewable energy production (we were pleased to see the passing of the Offshore Renewable Energy Bill in late June, which provides the legislative base for offshore wind development).

Our position on energy forms the basis of our plan to become an energy and logistics hub: a multipurpose facility enabling New Zealand's energy future – providing industry and investors with long-term infrastructure that can be leveraged to meet growth and profitability targets; promote regional and national development; support the creation of jobs; and help grow the economy, both regionally and nationally.

During the year, the Government announced it was beginning the procurement process for a liquefied natural gas (LNG) import facility, as security against 'dry years' of low hydro electricity production and to support industry that requires gas for production.

We promoted the merits of Port Taranaki as the location of an import facility, and were pleased

Jeff Kendrew Chair **Simon Craddock** CEO in June when the Government confirmed the procurement process had shortlisted two potential providers, with both proposed facilities located at Port Taranaki.

To support the large amount of work the shortlisted providers have required in the preparation of their detailed proposals, we have established an LNG development project team within our business, which has worked with the Ministry of Business, Employment and Innovation (MBIE) and the potential developers providing port-specific information.

At the time this Annual Report 2026 was published, we awaited the Government's decision on a preferred provider and whether the project would go ahead following strict safety and environmental assessments.

While discussion about the cost and financing of a facility and the LNG itself has prompted widespread debate, complicating the process further, and adding uncertainty and political risk, is the November general election.

Deindustrialisation is a major concern. With industry closures becoming a regular occurrence because of high energy costs and supply difficulties, we believe the criticality of quickly settling on an energy solution must trump political party ideology and electioneering. Without affordable and secure energy, the New Zealand economy has a significant handbrake.

Therefore, we urge all political parties to consider the wider economic and societal requirements and consequences when setting out their energy stall for 2027 and beyond.

We also recognise and acknowledge there are some concerns in the New Plymouth community about the establishment of an LNG import facility at Port Taranaki, particularly regarding safety and environmental matters.

As an energy port, safety is our priority, and before any operation proceeds at Port Taranaki we need to be satisfied that all health, safety and environmental matters have been addressed.

Before the facility can be built and operated, safety cases covering hazard analysis, prevention, and emergency response, alongside environmental impact analysis, will be prepared and assessed by regulators.

Port Taranaki will also put the safety cases under scrutiny.

There is further information in the article 'The LNG solution' in this Annual Report 2026.

While the full-year result is very pleasing, the future uncertainty of domestic oil and gas production and its flow-on effects, and the political uncertainty around an LNG import terminal, mean our focus is on ensuring the future stability and viability of our business.

This result provides us with some cushioning as we forecast several years ahead of reduced profitability, with the expected closure of the Maui gas field and subsequent exit of Methanex NZ resulting in a significant reduction in trade and revenue.

Trade and financial result

A combination of increased trade and reduced costs has led to an improved financial result for the 2025-26 financial year.

For the year ended 30 June 2026, Port Taranaki recorded net profit after tax (NPAT) of $13.11 million, up $3.61m on the previous year's NPAT of $9.50m. Revenue was $58.76m, up $3.86m from $54.90m.

A final dividend for the year of $4.50m has been declared by the Board of Directors. This brings to $8.50m the total dividends paid to sole Shareholder the Taranaki Regional Council for the 2025-26 year. These dividends help reduce the rates demand for regional ratepayers.

While for now our business remains profitable and is trading well, declining trade and the need to remain competitive, means we are preparing our business for a different future operating environment.

Business Transformation 2027 (BT27) is a company-wide focus on reducing operational costs, capital expenditure, debt, repairs and maintenance, and personnel costs by being more efficient in our operations and putting a microscope on our asset management and spending, without compromising safety and asset longevity.

This includes moving to a leaner core business model, where we retain critical capability in-house and flex up when needed through specialist contract support, and implementing workstreams

to improve our processes, information management, and provide training support.

Through initial cost-saving changes implemented in the past year, operating expenditure for the year was $30.29m, which was down $1.43m on the previous year; capital expenditure was $4.46m, down $1.16m; debt was $24.28m, a reduction of $12.22m; repairs and maintenance was $3.07m, down $730,000; and personnel costs were $17.88m, a reduction of $511,000.

Implementing further BT27 initiatives continues in the new financial year.

Alongside reduced costs, an increase in total trade volumes has driven our improved performance.

Total trade through Port Taranaki for the 2025-26 year was 3.21m tonnes, which was an increase of 106,000 tonnes on the previous year's total trade volume of 3.10m tonnes.

While trade was up, vessel visits were down, with 234 recorded, which was seven fewer than in the 2024-25 year.

The increase in trade was led by bulk dry trade, which was up 49,000 tonnes to 870,000 tonnes, breaking last year's record trade volume of 820,000 tonnes. Recent on-farm preference for blended stock feed is driving increased demand, with Port Taranaki taking delivery of the component ingredients before they are stored, blended and delivered to farm.

Export log trade was also up, increasing by 57,000 Japanese Agricultural Standard (JAS) tonnes to just over 1.00m JAS. This was the first time since 2023 that log volumes had been above 1.00m JAS.

Several factors drove increased log volumes – we've established surge yards, enabling exporters to store wood when on-port space is constrained and their vessel is due; we've been able to capture more contestable wood volumes from the edges of our traditional hinterland; and there are now two log trains a day, rather than one, coming to port from the Whanganui area, with wagons discharging directly into the KiwiRail yard before the logs are moved to the port log yards, improving efficiency.

While not significantly higher, liquid bulk trade increased by 8,000 tonnes to 1.32m tonnes.

Methanol trade was 36,000 tonnes higher at 554,000 tonnes. As it did in 2025, Methanex idled its Motunui plant during May and June 2026 as it redirected gas for electricity production. With its future uncertain, we were encouraged by Methanex's decision to return to production in July.

Reflecting Taranaki's naturally declining and ageing gas fields, at 538,000 tonnes, crude trade was 41,000 tonnes lower than the previous year. There has been a steady reduction in crude volumes since 2020, when more than 1.0m tonnes came across the wharves.

Offshore activity in support of the energy industry was also down, with revenue at $1.46m, $984,000 lower than the previous year.

This decline in volume and activity, along with the expected closure of Maui, highlights the difficulties facing the oil and gas industry and the impact on our business.

With the sharp reduction in methanol and crude volumes through port in recent years, and Methanex expected to exit New Zealand in 2027, we are forecasting total trade through Port Taranaki at 2.3m tonnes for the next several years – approximately half the total trade volume of 4.7m tonnes recorded in 2023, and well down on the 5.5m tonnes recorded in 2020.

With this in mind, and alongside our focus on cost control and making internal changes to our business, we have had to increase our pricing to ensure we remain sustainable and viable in the long term.

This was not an easy decision to make, as we recognise our customers are also facing challenging trading and economic conditions as international events and market uncertainty impact costs. We thank them for their understanding and ongoing support and custom.

We also thank the Port Taranaki team for their dedication, commitment and professionalism during a challenging period. The very pleasing year-end result is a reflection of their hard work, skill and resilience, and we're appreciative of their continued efforts to help the port, and region, succeed.

Health and safety

The wellbeing and safety of all port users is our top priority, and we continue to review and adjust our systems and processes to ensure our health and safety practices remain at and above industry standards.

In a structural change, during the past year, health and safety (H&S) became health, safety, environment and quality (HSEQ), with our environmental manager moving into the HSEQ team. This saw two separate annual plans combine into a new HSEQ plan, which is designed as a transition to a more considered and assurance-focused continual improvement approach.

We also engaged an external consultant to complete a full review of our H&S approach and performance against our Health, Safety and Environmental Management System. We carry out these reviews every three years to ensure we have an independent analysis of our approach and to provide valuable input into our continual improvement programme.

We operate in a dynamic port environment, where people, large machinery, primary products and open water mix. Therefore, risk is always front of mind. Building on the second phase of our critical risks and critical controls programme, we worked on embedding our critical controls through the development of performance standards, and making system-based adjustments to support the management of critical controls.

We are developing a critical risks and controls assurance programme – resulting in a comprehensive risk management process targeted at managing our most significant risks, and moving our business to the next level of risk management maturity.

To ensure we have a good communication and consultation structure in place when PCBUs (persons conducting a business or undertaking) have overlapping duties, we reviewed our PCBU relationships and developed a management framework that provides a consistent approach to how we manage PCBUs of similar nature.

We're proud our Port Taranaki team has a strong focus on health, safety and wellbeing. H&S came out on top in our annual AHOY staff survey, which follows strong and consistent improvement during the past four years. Our team says they feel confident raising safety concerns and there is a strong leadership commitment to safety.

New harbour master in place

During the year, Port Taranaki harbour master Tony Parr retired after eight years.

We thank Tony for his knowledge, hard work and commitment to harbour safety, and improving the awareness of the harbour master role in his engagement with the public and boaties.

Tony was replaced by Graham Emmerson, a former Lieutenant Commander in the Royal NZ Navy, and previously in the UK's Royal Navy.

Since taking up the role, Graham has been active in the marine community and working alongside us on a number of regulatory issues and projects, including the installation of sector navigation lighting, and harbour safety videos and promotion.

We look forward to continuing our work with Graham on Port Taranaki harbour matters.

In the community

Operating on behalf of the community and as part of the community, we have a desire to help the community succeed. This drives us to achieve our vision of being The Pride of Taranaki.

It was another busy year supporting the Taranaki community through the community groups and events we back (see Supporting our community, page 13).

As well as a visit from HMNZS Aotearoa to her ceremonial home port for a public open day during which more than 4,000 visitors stepped aboard, we also welcomed cruise ship Coral Princess and her circa 1,800 passengers to Port Taranaki.

The one cruise ship visit was a significant reduction on the five visits (four vessels) of the 2024-25 year, but reflects the continued nationwide drop in cruise vessel visits because of increased costs, geopolitical issues, and biosecurity regulation pressures.

We're optimistic New Zealand's cruise industry will pick up and we continue to work alongside Venture Taranaki, New Zealand Cruise Association, and the local tourism industry to promote Taranaki to cruise agents and cruise lines.

We're delighted funding has been secured and work is well underway on Ngāmotu Marae – a community marae, adjacent to Ngāmotu Beach, that will be the first permanent home for Ngāti Te Whiti hapū in more than 150 years.

We work closely with Ngāti Te Whiti hapū, mana whenua of New Plymouth, on a range of environmental, consenting and project work at Port Taranaki, and acknowledge the decades of hard work by generations of the hapū to make this marae a reality.

The land has deep cultural and historical significance, so we are genuinely supportive of Ngāmotu Marae. It will be a cultural and community anchor and provide opportunities for wider ambitions in the future.

Congratulations to Ngāti Te Whiti Whenua Tōpu Trust chairperson and chair of the marae build, Shelton Healey, and all those involved in this project.

Directors

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

Leadership

Alex Park - Chief Operating Officer BSc (Hons) (Maritime Operations Management (Nautical Science))
Alisha Picard - General Manager, Asset Management & Assurance DipHSM, ProfNZISM
Allan Melhuish - Chief Financial Officer BE (Hons) (Electrical and Electronic), PGDipBA, BCA (Hons)
Simon Craddock - Chief Executive Officer BE (Hons) (Mech), BCom, CMInstD
Pippa Farrell - General Manager, People & Capability BBus (Employment Relations and Human Resource Management)
Ross Dingle - General Manager Commercial BBS

Te Hāpai Hoe waka ama

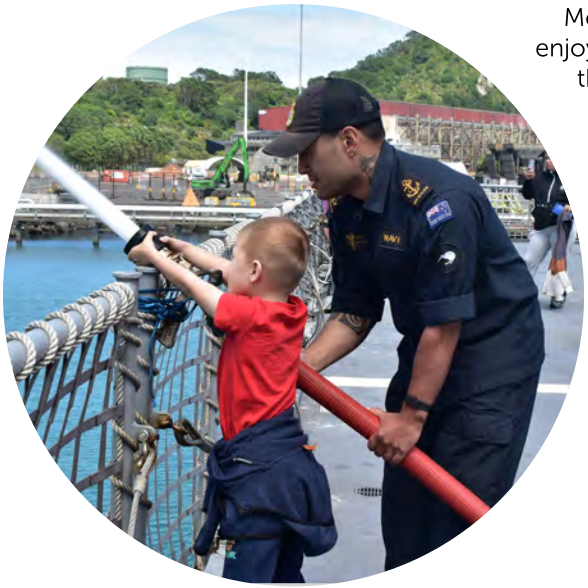
Supporting our community

We're proud Taranakians. We operate for and on behalf of our community.

Being 100% owned by the community through the Taranaki Regional Council, we're committed to helping our region and community develop and thrive.

Through sponsorships and partnerships, we support a number of Taranaki organisations and events that create opportunities for individuals, strengthen the community, and promote community wellbeing and achievement.

These commitments drive us in our vision to be The Pride of Taranaki.



More than 4,000 visitors enjoyed a close-up look at the Royal New Zealand Navy's largest ship, HMNZS Aotearoa, while she visited her home port of Port Taranaki.

A soup lunch was held to raise money for the Staff Emergency Fund. Managed by the Social Club Committee, the fund helps out team members at times of hardship by financing petrol vouchers, frozen meals, gift cards, hampers, and accommodation.

Port Taranaki hosts a number of business and community meetings and events, during which chief executive Simon Craddock updates stakeholders about port developments and the port's important role in the Taranaki economy.

The annual Harry Blyde Cup golf tournament raises money for Hospice Taranaki. In 2026, a record $10,000 was raised to support the hospice's real-time patient care platform that underpins safe, coordinated hospice care.

Port Taranaki takes part in multi-agency marine search and rescue (SAREX) exercises, which provide a valuable opportunity to train and test emergency response plans and systems, and strengthen ties between the agencies.

Port Taranaki general manager commercial Ross Dingle (third on the left) spoke as part of a panel at the Taranaki Tourism Summit, held to explore the power and potential of tourism in Taranaki, including cruise tourism.

Highlights

Light shines on log operations

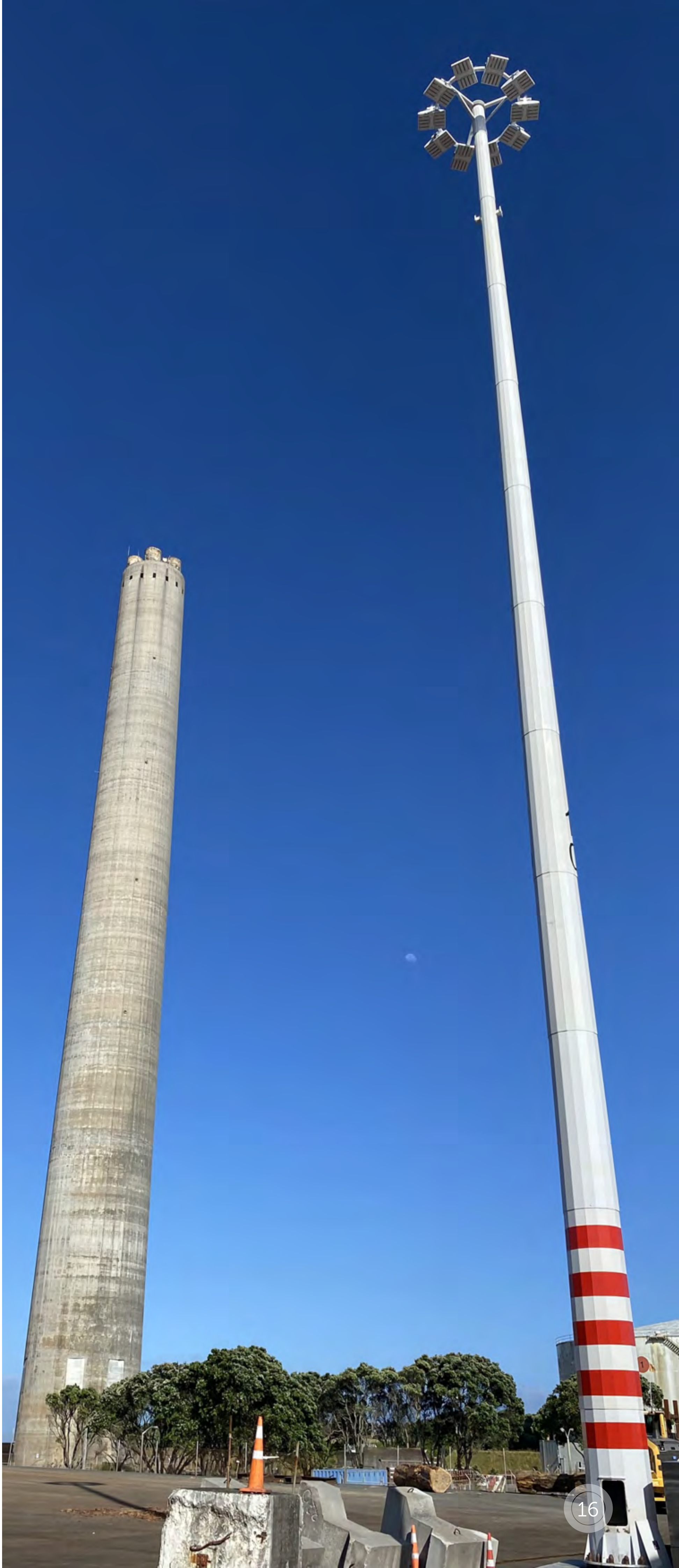
As part of our ongoing programme to increase safety during night operations across the site, and to reduce energy consumption by improving lighting technology, in FY26 we installed a new light tower in the scaling and storage yard of log marshalling and stevedoring company C3.

The 10-LED lamp, 30m light tower is connected to the distributed control system, which uses sensors to turn on and off the lights.

It automatically turns on the lights at dusk to the minimal, security-level illumination. If operations are taking place, then a request is made to place the lights in operational mode and they are switched to maximum output.

A number of port teams and local contractors were involved in the light tower installation, which was carried out smoothly and efficiently.

“The light tower has significantly improved our log operations – enhancing visibility and safety during our 24-hour vessel loading operations,” says C3 New Plymouth branch manager Shannon Wells.



Improving harbour navigation

We have undertaken an upgrade of the navigation system that helps guide vessels into the Port Taranaki harbour to improve safety for commercial vessels and recreational users.

Working alongside the Port Taranaki harbour master, local port users and Maritime NZ, we installed sector lighting on the rear main navigational lead – the fixed navigation mark beside the Port Taranaki building on Bayly Road – and at an elevated position within the port operations area.

Ensuring the safety of commercial, fishing, and recreational vessels in the harbour is a top priority and this work supports all users in achieving that goal.

Sector lighting involves the use of coloured segments, or arcs of light, to indicate to vessels entering the harbour where they are positioned in the channel – whether the vessel is in an area that is safe to navigate, an area where a course adjustment should be made, or an area of danger.

Swell and wind conditions can, at times, make the harbour challenging to negotiate for large and small vessels, so the addition of sector lighting is vital, including when turning ships in and out of port.

The colours align with international navigational guidelines.

Supporting the log supply chain

As part of our aim to make trade easy for our customers, during the year we held an industry-wide forum to understand how Port Taranaki can better help the export log sector.

A number of solutions were developed to optimise the port's available land areas and existing yards for log storage, and the first was implemented immediately – a new surge yard.

Weather conditions or other factors can sometimes mean a log vessel is unable to come to port when scheduled, which results in logs sitting on log yards longer without being cleared and greater demand being put on existing log storage, which can impact the whole supply chain.

The surge yard is outside the log storage allocation model for exporters. It's controlled by Port Taranaki, and we assign its use to a particular exporter when space is constrained and their vessel is due.

A cross-port team, including engineering, maintenance and operations, transformed the concrete pad on the site of the former Moturoa store into the surge yard.

During trials, it stored 2,000 JAS (Japanese Agricultural Standard) tonnage, which equates to about 60 trucks – a substantial amount of cart-in wood. It is now successfully in full usage and providing valuable capacity support during constrained periods.

Safety the focus of trailer lift changes

The relocation of log truck trailer lift services outside our busy operations area has completed a project that focused on improving on-port safety and efficiency.

Following a comprehensive review of our log operations late in FY25, which encompassed operations, location, and safety protocols, and included consultation with log sector stakeholders, we made the decision to close the Port Taranaki-owned on-port truck gantry service.

In the interim, while investigations were made into the establishment of an external trailer lift service, and following discussions with third parties, Qube Ports NZ set up, managed and operated a temporary trailer life service on-site and adjacent to the port gantry.

In April, Taranaki Trailer Lifting was established outside the port operations area and at a site on a neighbouring road close to the port. The service is operated independently of Port Taranaki.

As well as removing a safety risk and improving vehicle flow, the relocation of trailer lift services has enabled us to repurpose the on-port area as a safe sweep down space for log trucks.

Thanks to all those who have provided input into these important changes, and our log transporting and exporting customers for their support throughout.

Promoting harbour safety

Our harbour is a busy 24-7, mixed use area, where commercial and port vessels operate alongside recreational boats, watercraft and swimmers.

During busy periods there can be congestion, and on occasions there have been close calls between the public and commercial or port vessels.

To educate the public about harbour safety, including the harbour rules, two summers ago we launched the 'Stay safe on the water this summer' safety campaign, using social media videos to highlight key safety aspects.

This year, we refreshed the videos, utilising key people from community organisations that use the harbour – recreational fishing/boating and yachting, as well as the harbour master and a port marine pilot to provide safety messaging.

The videos generated valuable online engagement, and it's hoped they have helped educate all port users to ensure the harbour is a safe space.

Helping increase tsunami knowledge

As a lifeline utility, Port Taranaki has a key role to play prior, during and post natural events, so having technology on-site that will help give our community vital information and contribute to time critical advice is invaluable.

During the year, we partnered with Earth Sciences New Zealand's GeoNet programme in the installation of a tsunami gauge at the port, which fills a critical gap in coverage in New Zealand's Tsunami Monitoring Network along the west coast of the North Island.

The installation is a vital step towards improving our national resilience to tsunami hazards, providing enhanced visibility of real-time and future tsunami risk in the region.

The gauge serves two key functions: Monitoring and delivering real-time data to assess current conditions and support emergency response and de-escalation; and providing detailed information on wave arrival times, amplitudes, and propagation to improve scientific models and forecasting.

The installation builds on previous work at Port Taranaki, where a GNSS station was installed in 2024 as part of Toitū Te Whenua Land Information New Zealand's 3D coastal mapping project.

Building a strong team

Building a skilled, experienced and knowledgeable team is central to our business being efficient, providing quality services and developing solutions to serve our customers.

We have a focus on developing talent from within – giving our people the training and opportunities to move within Port Taranaki.

In FY26, two of our team moved into new leadership roles – one taking the chance to shift from marine manager to a commercial role as business development manager, and the other progressing from an administrator role three years ago to now being operations manager marine, overseeing a team of 20.

Other changes included, a heavy diesel mechanic moving into a marine technician position and now being on the pathway to becoming a tug engineer; two deck crew stepping into hybrid tug master/deck crew positions following external and internal training; and deck crew members achieving skipper restricted limits and marine engineer class three qualifications.

In addition, to bolster our marine pilot team and to enable better support and fatigue management, we recruited a fourth marine pilot.

Key to building a strong business is ensuring we're engaging with and listening to our team.

Each year, we carry out our AHOY staff survey, which measures how we're doing across a range of topics, including company culture, leadership, health and safety, and customer service.

This year, 80% of the Port Taranaki team took part, up 3% on the previous year. We had improvement across all our categories, with a particularly strong result in health, safety and wellbeing, where there is high confidence in leadership's commitment to safety and team members' ability to raise concerns.

The survey also highlighted opportunities for further improvement, and we'll be working with our team to develop solutions and act on those.

We work better when we work together and collaborate, which was the drive behind redesigning our workspace and creating an open-plan office environment at our Port Taranaki Centre; we've refreshed our internal intranet communication tool to make it more user-friendly and responsive for our team; and carried out a data management project within SharePoint to improve document management.

Data key to protecting harbour

Alongside health and safety, the environment and its protection and enhancement, is an ongoing priority for Port Taranaki.

A healthy harbour is much more than just a consenting requirement that enables us to operate. The harbour is our means of doing business, a key community asset, and, most importantly, the home of marine and bird life, so we want to ensure it is healthy and safe for all.

In recent years, we have invested heavily in upgrading the storm water system on our log yards to help prevent log particles from entering the harbour, and in FY26 we began increased monitoring to get a clearer picture of the quality of water in the harbour.

This has included carrying out a study to determine stormwater variability, involving the use of auto sampling machines to take multiple samples throughout rainfall events and measure the total suspended solids (TSS). TSS are non-dissolved particles in water, including sediment, algae, bacteria, and organic matter, such as log bark and particles.

To date, the data has shown that log yard stormwater TSS concentrations are highly variable and that averaging the TSS level across multiple tests is a more accurate method of determining compliance than using singular, random monitoring assessments.

The data will be used for future consent considerations and to further help protect the harbour.

During the year, we also began independent chemical testing of harbour water and sediment.

Across two testing days, six months apart, and in various places in the harbour, we were pleased the monitoring showed no evidence of any adverse effects from our stormwater discharges.

In parallel to this, we are working closely with Ngāti te Whiti hapū to develop a monitoring programme that will enable the health of the harbour to be assessed from a cultural perspective.

During the year, our application for renewal of our maintenance dredging consent was lodged following detailed scientific assessments and modelling, and in consultation with iwi and hapū.

Regulator, the Taranaki Regional Council, publicly notified the application, with only one submission received.

We are in the process of discussing proposed consent conditions with the Taranaki Regional Council.

Upkeep ensures ongoing tug excellence

Two of our tug fleet underwent key maintenance during the year to ensure they're fit-for-service for the long term.

Karoo sailed to dry dock in Lyttelton for her five-yearly, out-of-water full warrant of fitness, during which she was assessed, and maintenance work was carried out.

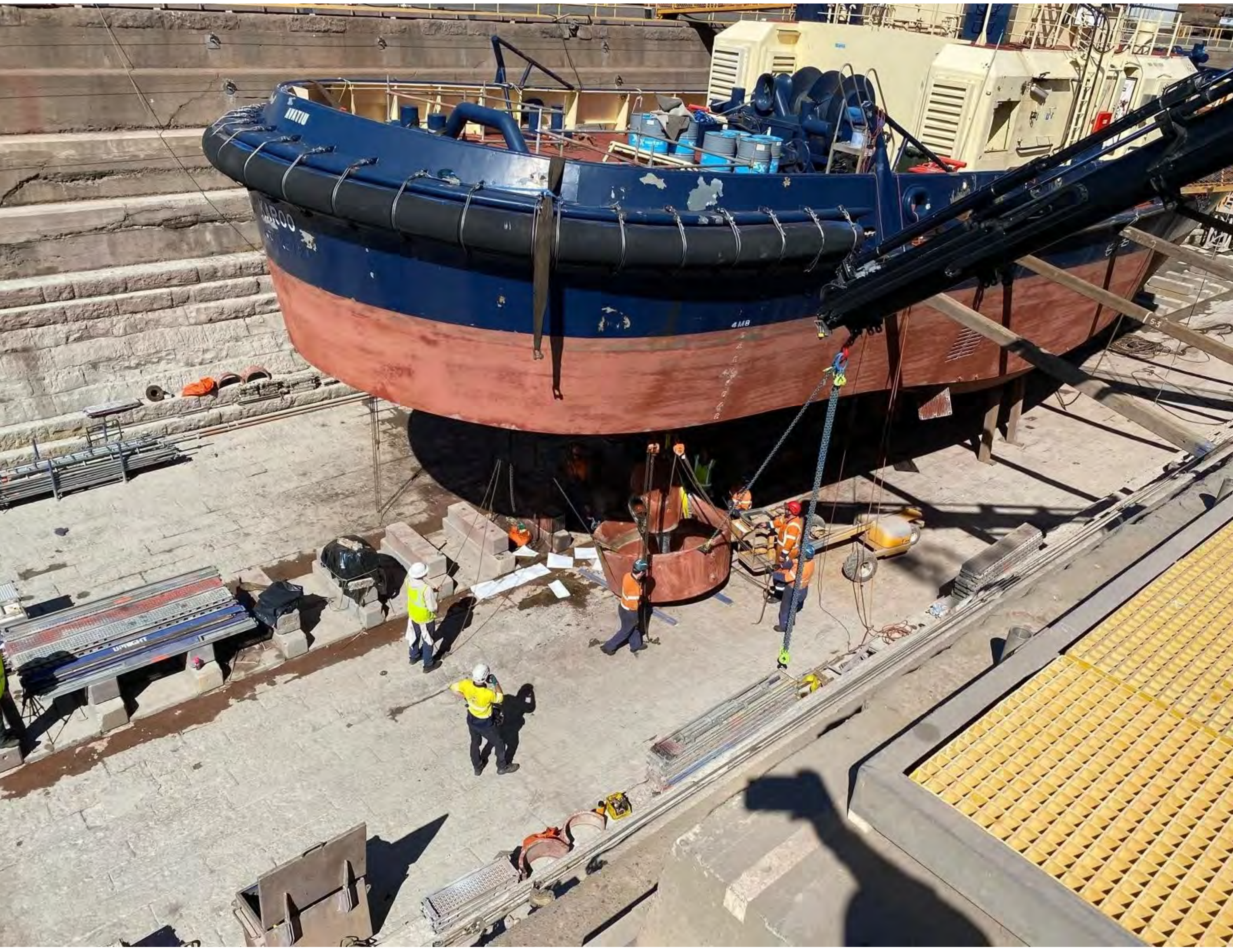
During 37 days in dry dock, a range of work was completed, including blasting and painting; applying anti-foul to the hull to help prevent marine growth; maintenance on the forward winch, thrusters, and anchors; cleaning the tanks; and checking all safety equipment. Two specialist technicians from the United States disassembled and inspected both propellers with assistance from Port Taranaki staff and workers from Lyttelton Engineering.

Following a final inspection, her certification of class and survey was renewed for another five years.

Tuakana, which turned 30 in FY26 and is Port Taranaki's longest serving tug, had both main engines overhauled as preliminary vessel refurbishment work ahead of a spell in drydock in September 2026.

During the in-water, four-week project, the vessel's engines were stripped and the O-rings and perishables replaced. Our marine team was very pleased with the condition of Tuakana's engines, with the work carried out ensuring she remains operational for another 15 years.

The ability to have one tug out of service for periods for servicing, surveying and certifying without disrupting our customers' requirements, is a key reason we maintain a three-tug fleet and scheduled servicing.



Long-term wharf work completed

Our wharves and breakwaters are our critical assets.

Without structurally sound, fit-for-purpose wharves and breakwaters, our port would not be able to operate and support regional and national trade.

In FY26, our maintenance team completed a number of multi-year works programmes on these key structures – work that is largely unseen but vital to their ongoing performance and longevity.

Since 2020, we have placed 230 akmons along the Main Breakwater, bolstering the armour of the breakwater and replacing akmons that have deteriorated, been damaged, moved, or washed over the breakwater during storms.

We've now shifted to a monitoring phase, using biannual LADAR (laser detection and ranging) scanning to identify changes in akmon profile and slumping.

Bollards are critical to safe vessel mooring across our main wharves.

Since 2020, we have refurbished 154 bollards on our Blyde, Moturoa and Newton King Tanker Terminal (NKTT) wharves, replacing existing bolts with high tensile steel bolts to increase bollard strength to the 70 tonnes modern vessels require.

We've also now moved to a monitoring phase by testing bollard strength with a hydraulic test rig. This will confirm each bollard remains fit-for-purpose throughout its 50-year design life.

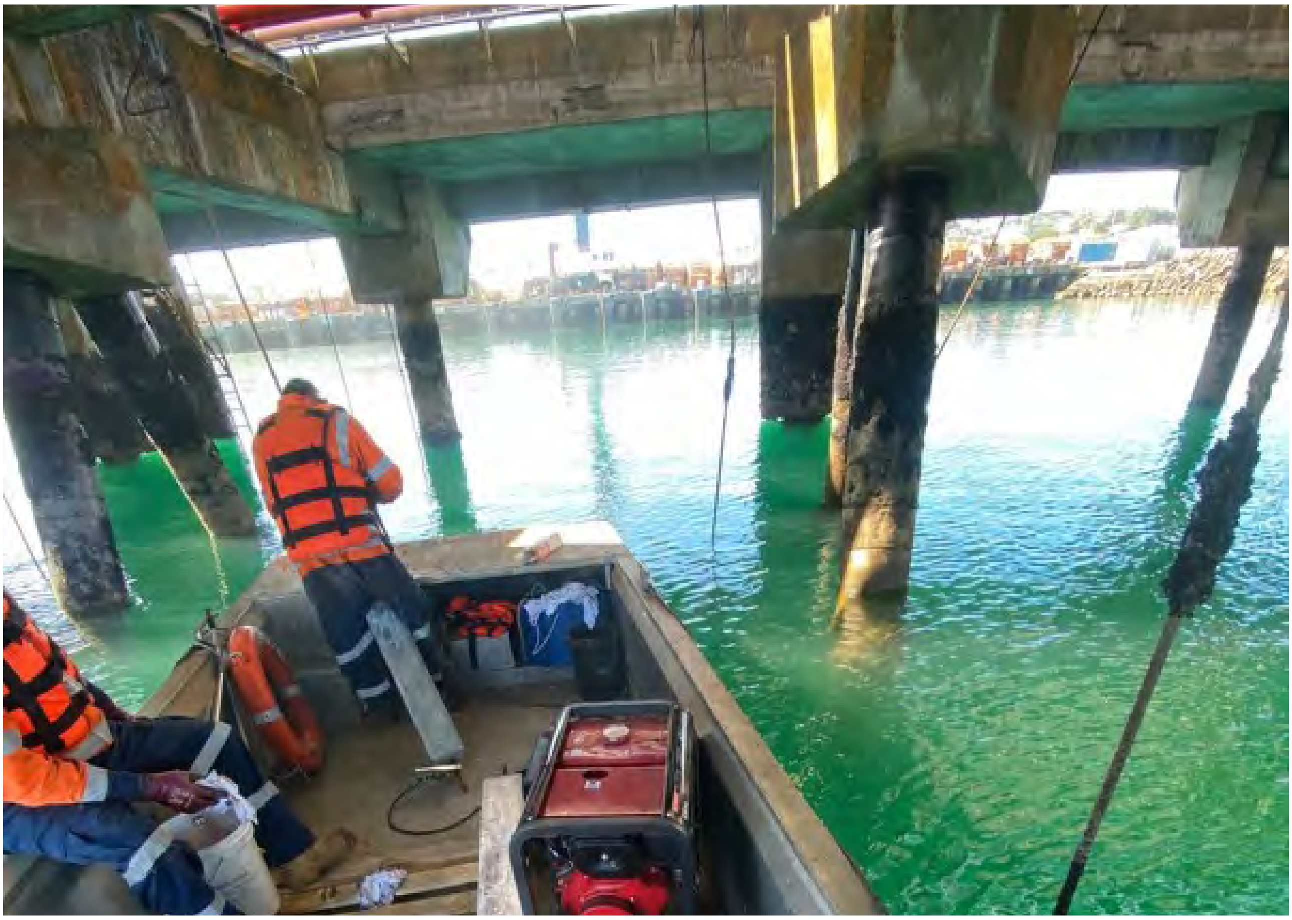
The fenders are an important part of the wharf protection system, absorbing energy from a vessel's movement alongside the wharf, and helping protect both the ship and the wharf during operations. Since 2020, we have refurbished 54 wharf fenders, increasing the remaining life of all fender components across our three main wharves.

Finally, we have carried out a major upgrade to the cathodic protection system on the NKTT.

The metal structure and piles of the NKTT are protected by 286 sacrificial anodes. These anodes along with their hanger and dropper have all been replaced during the past five years, equating to approximately 25 tonnes of material changed out.

Again, we have now shifted to a monitoring phase, with two-yearly testing to be carried out on the piles and other exposed metal to ensure the cathodic protection is at the required level to preserve the life of the wharf.

Thanks to the maintenance team for their perseverance and unrelenting focus to complete these multi-year projects and ensure our wharves and breakwaters can safely support trade for the long term.



The LNG solution

New Zealand's energy dilemma

New Zealand's energy transition is proving far from straightforward.

While New Zealand generates a high proportion of electricity from renewable sources, we still require other forms of energy to meet our needs and provide crucial electricity generation back-up when, in particular, the hydro dams are low in dry years.

Complicating the matter has been the rapid decline in gas reserves at New Zealand's producing fields – all in Taranaki.

Gas-fired generation provides flexible, dispatchable electricity that can be ramped up quickly when renewable sources are insufficient.

However, while New Zealand has been aware natural gas reserves are dwindling and the build-out of renewable alternatives has increased, the rate of the decline in gas reserves has hastened the need to find a short- to medium-term solution to ensure ongoing energy security, sustainability and affordability for all New Zealanders.

In addition, many industries and businesses rely on gas for process heat operations. However, users face difficulties acquiring affordable long-term gas contracts; high and volatile gas prices make production and manufacturing unsustainable; and it is either too difficult or too expensive for many to quickly transition to electricity-based production.

Without a solution, New Zealand risks long-term deindustrialisation and the accompanying loss of jobs, the decay of regional centres up and down the country, and reduced international competitiveness and productivity.

LNG at Port Taranaki

To shore up the energy system, the Government has settled on liquefied natural gas (LNG) imports –parcels of LNG shipped to New Zealand when required, with the LNG regasified and injected into the Maui national gas transmission pipeline.

A Ministry of Business, Innovation and Employment-led (MBIE) procurement process is underway for an LNG import terminal, with two potential providers shortlisted and finalising their applications.

At the time our Annual Report 2026 was published, the Government was still to make a determination on a preferred provider and a final decision on whether a project would go ahead.

Should a project proceed, Port Taranaki has been chosen as the location of an LNG import terminal.

Operating in the energy hub of New Zealand, Port Taranaki has decades of experience in support of the energy sector, including the safe handling of oil and gas products, such as gas condensate, oil, petroleum, methanol, and LPG.

Our port has existing energy infrastructure, deep draft, and is close to the gas transmission pipeline, making it the best fit for an LNG facility.

As well has supporting everyday Kiwis' energy security, resilience and affordability, we believe an LNG import terminal project will:

- Provide an economic boost for Taranaki, with the opportunity for Taranaki's experienced engineering and fabrication skill base to be tapped into and utilised during the build and ongoing operation.
- Provide national industry with a secure supply of gas that will give businesses the confidence to invest and grow.
- Provide an economic boost for New Zealand by enabling new business to develop from and alongside the project.
- Support increased renewable energy development by giving projects the space and time to evolve at scale.

LNG supports port resilience

This is also an important development for our port.

For decades, oil and gas products have been the backbone of our business, with methanol producer Methanex our largest customer. Methanex's key supplier, the Maui natural gas field, which once provided New Zealand with 75% of its gas requirements, is in the final stages of its productive life and expected to discontinue production in late 2026 or 2027. Methanex has stated publicly it will cease production and close when Maui shuts down.

This will be an economic blow to our business and the Taranaki region.

As a key economic asset for Taranaki, providing dividends for our owner the Taranaki Regional Council, and as a strategic gateway for producers, exporters and importers on the west coast of the North Island, we have a responsibility to ensure our business is financially sustainable for the long term, while continuing to operate safely and reliably.

This includes being open and ready to support new opportunities, such as LNG imports.

We have established an LNG development project team within our business to support this potential project, and have been working with MBIE and prospective developers throughout the process, providing port-specific information as required and access to the port for surveying and assessments.

We're ready to play a key supporting role in the build and operation of an LNG import facility, utilising our wharves, energy infrastructure, marine services, and skills and knowledge.

The Government has announced that both shortlisted projects involve:

- A moored/permanently moored vessel that can store LNG and is capable of regasifying and distributing natural gas into the transmission pipeline when required.
- Another vessel that carries LNG from suppliers overseas and delivers the LNG to the moored vessel.

The permanently moored vessel is expected to be located along the Main Breakwater at Port Taranaki.

From initial assessments, it is unlikely that risk management 'buffer' zones around the facility will impact access to Ngāmotu Beach, the Lee Breakwater, or the surrounding community.

However, this will not be confirmed until a quantitative risk assessment is carried out as part of the preferred provider's safety case.

As the commercially competitive procurement was ongoing at the time our Annual Report 2026 was published, we're unable to comment whether infrastructural upgrades will be required, and possible costs.

Safety and environmental considerations

While LNG imports will be a critical addition to the energy system, we appreciate there are some concerns in the community about the safety of LNG and the possible impacts on the environment.

At Port Taranaki, safety is our priority and the marine environment is our means of doing business, a key community asset, and, most importantly, the home of marine and bird life, so we want to ensure it is healthy and safe for all.

We operate on behalf of the community and as part of it, so before any operation proceeds at Port Taranaki we need to be satisfied that all health, safety and environmental matters have been addressed.

At Port Taranaki, the transfer of petrochemicals, such as natural gas and LPG, always follows strict safety procedures and adheres to international safety protocols.

The establishment of an LNG import facility at Port Taranaki will be no different, and will follow strict safety regulations and controls – including for the vessels, transfer, storage, regasification and transmission.

Before we support a particular concept for an LNG facility, we will require assurances from appropriately qualified environmental and safety experts and regulators that it will meet all applicable safety and environmental standards.

We will also put environmental impact analysis, and safety cases covering hazard analysis, prevention, and emergency response, under scrutiny.

MBIE states it will not recommend the Government progresses with an import facility should MBIE or external engineers have any safety concerns.

There has also been confusion regarding LNG incidents internationally, with an often referenced event in Algeria in 2024 occurring at an LNG export terminal, rather than an import terminal.

LNG export terminals are fundamentally different facilities, which perform different functions, use different equipment and operate under different process conditions to what is relevant to New Zealand's proposed LNG import terminal.

While LNG is new to New Zealand, more than 45 countries import LNG – including the United Kingdom, the Netherlands, Germany, the United States, Australia, Singapore, Japan and South Korea.

Multiuse energy and logistics hub

An LNG import facility supports our vision to develop Port Taranaki into a multiuse facility – a national energy and logistics hub that will help deliver energy security, sustainability and affordability, while also enabling economic growth, job creation and national prosperity.

This multiuse facility will support:

- Energy product imports and exports, such as LNG and oil and gas products.
- Oil and gas exploration and production.
- Renewable energy production projects, such as offshore wind and hydrogen.
- Decommissioning and processing of oil and gas assets.
- Heavy lift and roll-on roll-off services.
- Cruise tourism.
- Forestry exports.
- Agribusiness.
- Industrial expansion and connectivity.
- Iwi and hapū partnership and business opportunities.

Potential LNG imports and the development of our port into a multiuse facility are crucial inputs into our Business Transformation 2027 (BT27) project.

At the centre of BT27 is the preparation of our business for a changed operating environment of reduced offshore oil and gas activity and production, resulting in reduced total trade volumes.

A key aspect is moving to a core business model that balances growth opportunities with cost reduction – reducing debt and maintaining resilience for financial sustainability – and refining our workstreams to ensure efficiency without compromising safety and reliability.

We're continuing to work through our BT27 project to ensure we're in the best position possible to accommodate possible LNG imports, provide opportunities to develop new business streams and our multiuse facility, and adapt to a new operating environment.

Governance

Governance Disclosure

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

The Board's primary role is to protect and enhance the value of the Company, having appropriate regard to the interests of all material stakeholders. Having regard to its role, the Board directs and supervises the management of the Company, and its specific responsibilities include:

- Setting and approving the Company's strategic direction.
- Approving major investments.
- Monitoring financial performance.
- Appointing the Chief Executive and monitoring the performance of the Chief Executive and senior management.
- Identifying and controlling significant risks.
- Ensuring appropriate systems are in place to manage risk.
- Overseeing the Company's commitment to the community and environment, and the health and safety of its people.

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

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

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

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

Board structure

In accordance with its Board Charter, Board committees are formed when it is efficient or necessary to facilitate decision-making.

Each Board committee has a written charter approved by the Board. The members of each Board committee are appointed by the Board based upon the needs of the Company, relevant legislative and other requirements, and the skills and experience of the individual Directors. The role, function, charter, performance, and membership of each committee are reviewed by the Board on an annual basis.

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

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

The HSEGC considers health, safety, and environmental matters and comprises all Directors. Charlotte Littlewood chairs the HSEGC.

From time-to-time, the Board may create ad-hoc committees to oversee specific areas on its behalf. During FY26, two Directors (Steve Sanderson and Jeff Kendrew) joined Management on a Steering Committee to oversee the Company's role in the possible establishment of an LNG import facility. Steve Sanderson chairs this Steering Committee. The committee meets fortnightly.

Board performance

We recognise the value of professional development and the need for Directors to remain current in industry and corporate governance matters. The Company assists Directors with their professional development in a number of ways, including an induction programme to ensure that any new Directors are appropriately introduced to the Executive Leadership Team and the Company's business.

Briefings are provided to ensure that all Directors are acquainted with relevant industry knowledge and receive appropriate Company documents to enable them to perform their role as a Director. Port Taranaki assists Directors with professional development, and the Board Work Plan includes briefings from external parties to upskill the Board on new developments and/or key issues.

In FY26, Directors received external presentations covering the issue of overlapping duties as they apply to health and safety obligations, and the state of the New Zealand energy market. In addition, during the year KiwiRail executives presented to the Board and covered:

- KiwiRail's structure and its strategy and priorities.
- The KiwiRail network and services offered in Taranaki.
- Supply chain opportunities that PTL and KiwiRail could jointly pursue.

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

Attendance at Board meetings

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

Director	Full Board meetings	Audit and Risk Committee	Health, Safety and Environmental Governance Committee
Meetings held	**7**	**3**	**3**
Jeff Kendrew	7	3[1]	3
Kathy Meads	7	3	3
Charlotte Littlewood	7	3	3
Jamie Tuuta	6	-	2
Wendie Harvey	7	-	3
Steve Sanderson	7	2	2

[1] Ex officio/non-committee members also in attendance.

Director length of service

Directors' current length of tenure is:

	< 3 years	3-6 years	6+ years
Number of Directors	0	4	2

Director remuneration

At the 2025 Annual Meeting, the Shareholder approved a total Directors' fee pool of $417,000.

During the year ended 30 June 2026, the Board allocated the Directors' fee pool as follows:

Annual fee structure	Financial year 2026	Financial year 2025
Chair	$104,750	$100,250
ARC Chair	$69,500	$62,750
HSEGC Chair	$66,950	$62,750
Director	$58,600	$53,750

Directors' remuneration in respect of the years ended 30 June 2026 and 30 June 2025 paid by the company were as follows:

Directors' remuneration	Financial year 2026	Financial year 2025
Jeff Kendrew	$104,750	$100,250
Charlotte Littlewood	$66,950	$62,750
Kathy Meads	$69,500	$62,750
Jamie Tuuta	$58,600	$53,750
Wendie Harvey	$58,600	$53,750
Steve Sanderson	$58,600	$53,750
	$417,000	**$387,000**

Interests Register

The company maintains an Interests Register in which the Directors' declared interests are recorded. The Directors of the Company have declared interests in the following identified entities, as at 30 June 2026.

Director	Interest	Entity
Jeff Kendrew	Shareholder and Director	Sage Investments NZ Limited
	Director	Argon NZ Investments Limited
	Director	Argon NZ Holdings 1 Limited
	Director	Argon NZ Holdings 2 Limited
	Director	Argon NZ Holdings 3 Limited
	Director	Argon NZ Holdings 4 Limited
	Deputy Chair	KiwiRail Holdings Limited
	Director	NZ Hotel Holdings Wellington Ltd
	Director	NZ Hotel Holdings Queenstown Ltd
	Director	Papa Rererangi i Puketapu Limited (New Plymouth Airport)
	Director	Te Matakupenga Limited (New Plymouth Airport Solar Farm)
Charlotte Littlewood	Employee	Enable Networks Limited
Kathy Meads	Chair	NZPM Group Limited
	Director/Chair ARC	Shipowners Mutual Protection and Indemnity Association (Luxembourg)
	Director/Chair ARC	2Degrees Group Ltd
	Chair	Burgundy HoldCo Limited (StraitNZ Group)
	Shareholder and Director	Kathy Meads Limited

Director	Interest	Entity
Steve Sanderson	Director	Top Energy Limited
	Director	Te Puna Hihiko Risk Limited
Wendie Harvey	Director	Aurora Energy Limited
	Chair	Eastland Infrastructure Limited
	Director	TAB NZ Limited
	Director	Unison Networks Limited
	Director	Counties Energy Limited
	Chair	Water Hawke's Bay Limited
	Shareholder and Director	Excellence in Business Solutions Limited
Jamie Tuuta	Chair	Sealord Group Limited
	Director	Ōtamarākau Ventures GP Limited
	Director	Taranaki Mounga Project Limited
	Director	Dairy Holdings Limited
	Director	Ruapehu Alpine Lifts Limited
	Director	Taranaki Iwi Claims Management Limited
	Director	Te Pakihi O Maru Management Limited
	Director	Pūainuku Vines General Partner Limited
	Director	Pūainuku Pastures General Partner Limited
	Director	Pūai Tangaroa General Partner Limited
	Director	Ngaa Rauru Entities
	Director	Te Ātiawa o Te Waka-a-Māui Entities
	Director	Taranaki Whanui Entities
	Director	Ka Uruora Entities
	Shareholder and Director	Ngāti Mutunga Custodian Company Limited
	Shareholder and Director	Māui Toa GP Limited
	Shareholder and Director	Māui Toa Investment Manager Limited
	Shareholder and Director	Ka Uruora Aotearoa Trustee Limited
	Shareholder	Piermont Holdings Limited
	Shareholder	TWL Trust Limited

Insurance

The Company has arranged Directors' and Officers' liability insurance cover for $30 million to indemnify the Directors against the loss as a result of actions undertaken by them as Directors, provided they operate within the law.

The Company has also arranged separate insurance cover for $5 million for Directors' defence costs in the event of any claim against Directors as a result of actions undertaken by them as Directors, provided they operate within the law.

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

Comparative review

	2026	2025	2024	2023	2022
Operations					
Trade (millions of freight tonnes)					
Imports	1.10	0.94	0.89	0.93	1.11
Exports	2.11	2.16	3.02	3.76	3.63
Total	3.21	3.10	3.91	4.69	4.74
Cargo Vessel Visits	234	241	252	293	284
Total gross tonnage (GT)(millions)	4.60	4.36	5.02	5.86	6.67
Permanent full-time employees	113	115	116	119	115
Financial ($millions)					
Revenue	58.76	54.90	54.01	57.43	51.46
Net finance expense	1.51	1.82	1.55	1.03	0.60
Earnings before interest, tax, depreciation, amortisation, maintenance dredging, changes in fair value of hedges, impairments, and gain/loss on assets (EBITDAF).	28.47	23.18	21.60	27.46	21.69
Earnings before interest, subvention payments and taxation (EBIT)	19.74	15.05	12.79	20.26	14.62
Taxation	5.12	3.72	4.37	5.36	4.11
Profit after taxation	13.11	9.50	6.88	13.87	9.91
Dividends	8.00	7.00	8.00	8.00	8.00
Capital expenditure	4.46	5.62	11.30	17.02	8.11
Equity	169.63	164.75	163.12	165.04	160.07
Interest bearing debt	24.28	36.50	42.24	37.99	32.33
Total tangible assets	207.48	212.89	216.74	213.14	201.41
Earnings per share (¢)	25.21	18.27	13.21	26.67	19.06
Ordinary dividends per share (¢)	15.38	13.46	15.38	15.38	15.38
Net assets per share (¢)	326.21	316.83	313.69	317.39	307.83
Average equity (%)	79.04	75.75	75.13	77.29	77.63
Average return on equity (%)	7.84	5.80	4.06	8.53	6.26
Average return on assets (%)	6.24	4.42	3.16	6.69	4.86
Operating cashflow	24.33	17.60	16.09	19.44	19.76
Interest cover (times by profit after taxation)	8.68	5.22	4.43	13.47	13.94

Statement of Corporate Intent

A comparison of the performance targets in the Statement of Corporate Intent for the period 1 July 2025 to 30 June 2026 against actuals for the period 1 July 2025 to 30 June 2026 as required by Section 164 (4) (a) of the Port Companies Act 1998 is shown below.

2025/2026	Target	Actual	Achieved
Total trade volumes (MT)	≥ 3.0	3.2	✓
Non-liquid bulk (MT)	≥ 1.0	1.9	✓
EBITDAF[1] on average total assets (EBITDAF/ATA)	≥ 9.5%	13.4%	✓
Return (NPAT) on average total assets (NPAT/ATA)	≥ 3.9%	6.2%	✓
Return (NPAT) on average Shareholder's funds (NPAT/ASF)	≥ 5.3%	7.8%	✓
Equity percentage (ASF/ATA)	≥ 65%	79.0%	✓
Interest coverage ratio (EBITDAF/Total net interest)	≥ 5x	18.9	✓
Dividends $m (minimum p.a)	≥ 8.0	8.0	✓
Environment incidents of harbour pollution	Nil	Nil	✓
Environment compliance with all resource consents	Yes	Yes	✓

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

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

Financial statements

FOR THE YEAR ENDED 30 JUNE 2026

KEY

Subsequent events

Key estimates and judgements

Key risks

These financial statements

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

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

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

The text boxes provide commentary on each section or note.

Contents

Consolidated financial statements

Notes to the consolidated financial statements

Financial statements

FOR THE YEAR ENDED 30 JUNE 2026

Consolidated statement of profit or loss

	Note	2026 $000	2025 $000
Total operating revenue	A1	58,757	54,903
Total operating expenses	A2	30,288	31,719
Earnings before interest, tax, depreciation, amortisation, maintenance dredging, changes in fair value of hedges, impairments, and gains or losses on sale of assets (EBITDAF)	**A3**	**28,469**	**23,184**
Depreciation, amortisation, and maintenance dredging	A3	8,585	8,120
Net (gain) / loss on sale of property, plant and equipment	A3	148	15
Earnings before interest and tax		**19,736**	**15,049**
Net finance expense	A3	1,510	1,824
Profit before tax		**18,226**	**13,225**
Tax expense	A4	5,115	3,724
Profit after tax		**13,111**	**9,501**
Earnings per share from operations attributable to the Shareholder			
Profit after tax		13,111	9,501
Number of ordinary shares ('000's)		52,000	52,000
Basic and diluted earnings per share (cents)		25.21	18.27

Consolidated statement of comprehensive income

	Note	2026 $000	2025 $000
Profit after tax		**13,111**	**9,501**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Revaluation of property, plant and equipment (net of tax)	C4	(250)	-
Change in cash flow hedge reserve (net of tax)	C4	17	(869)
Total other comprehensive income		**(233)**	**(869)**
Total comprehensive income		**12,878**	**8,632**

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

Financial statements

AS AT 30 JUNE 2026

Consolidated statement of financial position

	Note	2026 $000	2025 $000
Cash and cash equivalents		965	1,465
Trade and other receivables	B9	7,018	7,664
Inventories	B10	1,075	1,003
Pre-paid taxation		-	-
Total current assets		**9,058**	**10,132**
Property, plant and equipment	B1	198,406	202,740
Right of use assets		1,179	1,271
Intangible assets	B2	93	155
Total non-current assets		**199,678**	**204,166**
Total assets		**208,736**	**214,298**
Trade and other payables	C7	3,980	4,175
Employee benefit provisions		2,028	1,797
Lease liability		66	62
Borrowings	C5	55	75
Taxation payable		2,814	1,344
Total current liabilities		**8,943**	**7,453**
Borrowings	C5	24,225	36,425
Employee benefit provisions		498	453
Lease liability		1,252	1,318
Derivative financial instruments	D2	128	37
Deferred tax liability	A5	4,063	3,863
Total non-current liabilities		**30,166**	**42,096**
Total liabilities		**39,109**	**49,549**
Share capital	C2	26,000	26,000
Reserves	C4	67,190	67,423
Retained earnings		76,437	71,326
Shareholder's equity		**169,627**	**164,749**
Total liabilities and Shareholder's equity		**208,736**	**214,298**

For and on behalf of the Board of Directors who authorised the issue of these financial statements on 20 August 2026.

Jeff Kendrew
CHAIR

Kathy Meads
CHAIR OF THE AUDIT AND RISK COMMITTEE

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

Financial statements

FOR THE YEAR ENDED 30 JUNE 2026

Consolidated statement of changes in equity

	Note	Issued capital $000	Retained earnings $000	Revaluation reserve $000	Cash flow hedge reserve $000	Total equity $000
As at 1 July 2024		**26,000**	**68,825**	**67,510**	**782**	**163,117**
Changes in Shareholder's equity for 2025						
Profit after tax		-	9,501	-	-	9,501
Other comprehensive income		-	-	-	(869)	(869)
Dividends	C3	-	(7,000)	-	-	(7,000)
As at 30 June 2025		**26,000**	**71,326**	**67,510**	**(87)**	**164,749**
Changes in Shareholder's equity for 2026						
Profit after tax		-	13,111	-	-	13,111
Other comprehensive income		-	-	(250)	17	(233)
Dividends	C3	-	(8,000)	-	-	(8,000)
As at 30 JUNE 2026		**26,000**	**76,437**	**67,260**	**(70)**	**169,627**

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

Financial statements

FOR THE YEAR ENDED 30 JUNE 2026

Consolidated statement of cash flows

	2026 $000	2025 $000
Cash flows from operating activities		
Receipts from customers	67,517	63,111
Gross interest received	68	52
Payments to suppliers and employees	(38,394)	(42,692)
Gross interest paid	(1,438)	(1,870)
Income tax paid	(3,420)	(850)
Net cash flows from operating activities	24,333	17,751
Cash flows from investing activities		
Sale of property, plant and equipment (net of disposal costs)	(34)	620
Purchase of property, plant and equipment, and software	(4,460)	(5,734)
Net cash flows from investing activities	(4,494)	(5,114)
Cash flows from financing activities		
Borrowings drawn	12,200	12,200
Borrowings repaid	(24,400)	(17,800)
Dividends paid	(8,000)	(7,000)
Lease payments	(139)	(139)
Net cash flows from financing activities	(20,339)	(12,739)
Net increase/(decrease) in cash and cash equivalents	(500)	(102)
Cash and cash equivalents at the beginning of the year	1,465	1,567
Cash and cash equivalents at the end of the year	965	1,465
Reconciliation of profit after tax to net cash flows from operating activities		
Profit after tax	13,111	9,501
Plus: Movements in non-cash items		
Depreciation, amortisation, and maintenance dredging	8,585	8,120
Deferred tax balances	199	21
Plus: Movements in operating assets and liabilities		
Trade and other receivables	619	(104)
Inventories	(71)	(18)
Provisions	276	11
Trade and other payables	(169)	(2,687)
Interest payable	20	59
Tax payable	1,615	2,833
Plus: Movements related to investing activities		
Movement in property, plant and equipment creditors	148	15
Net cash flows from operating activities	24,333	17,751

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

About this report

FOR THE YEAR ENDED 30 JUNE 2026

In this section

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

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

The port

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

The financial statements of the Group for the year ended 30 June 2026 comprise the Parent Company and its subsidiary (together referred to as the Group).

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

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

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

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

Key accounting judgements and estimates

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

Judgements and estimates which are considered material to understanding the performance of the Group are found in the following notes: A2 Operating expenses; A4 Tax; A5 Deferred tax liability; B3 Impairment of non-financial assets; B4 Recognition and measurement; B7 Depreciation; and B8 Provisions.

Basis of preparation

These financial statements have been prepared:

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

Basis of consolidation

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

Significant matters in the financial year

FOR THE YEAR ENDED 30 JUNE 2026

In this section

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

Land valuation

At 30 June 2026, a valuation of PTL's land was undertaken to determine the fair value of the assets. The valuation resulted in a decrease in PTL's land value by $251 thousand from 30 June 2025 to $96.63 million.

PTL uses an independent registered valuer to determine the value of its land. This valuation was undertaken in accordance with Accounting and Valuation Conventions effective 30 June 2026. The valuer also observed the requirements of New Zealand International Accounting Standard 16, Property, Plant, and Equipment (NZIAS16).

PTL's land has been valued by the direct sales comparison approach which analyses direct sales of comparable land.

Restructuring costs

During the year PTL recognised $282 thousand in redundancy costs associated with a new organisational design. The changes:

- Establish a new Asset Management & Assurance function to bring together asset strategy, lifecycle planning, engineering assurance, infrastructure risk, and HSE assurance.
- Strengthen how we plan, prioritise, and govern investment and maintenance across the full asset lifecycle.
- Separate asset planning and assurance from maintenance delivery.
- Ensure we have the right-sized structure to support our future while maintaining flexibility.

These amounts have been classified as Significant Items and disclosed separately.

A
Our performance

In this section

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

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

A1 Operating revenue

	2026	2025
Marine and cargo services revenue	42,747	40,149
Logistics services revenue	1,710	1,949
Property revenue	11,295	10,374
Other income	3,005	2,431
Total operating revenue	**58,757**	**54,903**

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Payment terms for all revenue from contracts with customers are typically the 20th of the month following invoice. Revenue is shown, net of GST, rebates and discounts. Revenue is recognised as follows:

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

A2 Operating expenses

	2026	2025
Employee expenses	17,878	18,389
Repairs and maintenance	3,069	3,799
Other expenses	9,341	9,531
Total operating expenses	**30,288**	**31,719**
Included within other expenses are:		
Auditor's remuneration		
Statutory audit of the financial statements	141	137
Disbursements	20	20
OAG charges	11	11
Other non-assurance		
Climate risk assessment	-	-
Greenhouse gas emissions report assurance readiness	-	5
Total remuneration to auditors	**172**	**173**

Employee expenses

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

Contributions to defined contribution plans were $625 thousand in 2026 (30 June 2025: $577 thousand).

During the year PTL recognised $282 thousand in redundancy costs associated with a new organisational design.

Restructuring provisions are recognised when PTL is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan.

A3 EBITDAF reconciliation

	Note	2026	2025
EBITDAF		28,469	23,184
Maintenance dredging (depreciation and other expenses)	B1, B7	1,407	948
Depreciation	B1, B7	7,115	7,066
Amortisation		62	106
Net (gain) / loss on sale of property, plant and equipment		148	15
Interest revenue		(68)	(52)
Interest expense		1,578	1,876
Profit before tax		**18,226**	**13,225**
Tax expense	A4	**5,115**	**3,724**
Profit after tax		**13,111**	**9,501**

EBITDAF definition

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

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

A4 Tax

	2026	2025
Profit before tax	18,226	13,225
Tax expense calculated at 28%	5,103	3,703
Tax effect of non-deductible expenses in profit before tax	77	(106)
Timing differences current period	(55)	(236)
Prior year under/(over) provision of income tax expense	(10)	363
	5,115	**3,724**
Current tax expense	4,890	3,338
Deferred tax expense	225	386
Total tax expense	**5,115**	**3,724**

Tax

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

A5 Deferred tax liability

	Property, plant and equipment	Derivative financial	Other	Total
Balance at 1 July 2024	4,584	354	(1,096)	3,842
Recognised in the statement of profit or loss	275	-	111	386
Recognised in other comprehensive income	-	(365)	-	(365)
Balance at 30 June 2025	**4,859**	**(11)**	**(985)**	**3,863**
Recognised in the statement of profit or loss	269	-	(44)	225
Recognised in other comprehensive income	-	(25)	-	(25)
Balance at 30 June 2026	**5,128**	**(36)**	**(1,029)**	**4,063**

Deferred tax

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

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

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

B
Our assets

In this section

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

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

B1 Property, plant and equipment

	Land	Wharves and breakwaters	Buildings	Port services and equipment	Dredging	Capital works in progress	Total
Cost							
Balance at 1 July 2024	96,876	33,427	34,769	127,236	25,620	2,816	320,744
Additions	-	744	84	2,859	2,265	5,626	11,578
Disposals	-	(10)	(3,185)	(1,053)	-	-	(4,248)
Capitalisation	-	-	-	-	-	(5,847)	(5,847)
Balance at 30 June 2025	**96,876**	**34,161**	**31,668**	**129,042**	**27,885**	**2,595**	**322,227**
Additions	-	892	96	4,685	-	4,404	10,077
Disposals	-	-	(106)	(329)	-	-	(435)
Revaluation	(251)	-	-	-	-	-	(251)
Capitalisation	-	-	-	-	-	(5,617)	(5,617)
Balance at 30 June 2026	**96,625**	**35,053**	**31,658**	**133,398**	**27,885**	**1,382**	**326,001**
Accumulated depreciation							
Balance at 1 July 2024	-	(20,773)	(19,631)	(68,376)	(6,930)	-	(115,710)
Depreciation reversal from disposals	-	-	3,121	991	-	-	4,112
Depreciation expense	-	(510)	(702)	(5,762)	(915)	-	(7,889)
Balance at 30 June 2025	**-**	**(21,283)**	**(17,212)**	**(73,147)**	**(7,845)**	**-**	**(119,487)**
Depreciation reversal from disposals	-	-	31	259	-	-	290
Depreciation expense	-	(580)	(671)	(5,772)	(1,375)	-	(8,398)
Balance at 30 June 2026	**-**	**(21,863)**	**(17,852)**	**(78,660)**	**(9,220)**	**-**	**(127,595)**
Carrying value	-	-	-	-	-	-	-
At 30 June 2025	96,876	12,878	14,456	55,895	20,040	2,595	202,740
At 30 June 2026	96,625	13,190	13,806	54,738	18,665	1,382	198,406

B2 Intangible assets

	Software
Balance at 1 July 2024	4,521
Additions	-
Disposals	-
Balance at 30 June 2025	**4,521**
Additions	-
Disposals	-
Balance at 30 June 2026	**4,521**
Accumulated depreciation	
Balance at 1 July 2024	(4,261)
Depreciation reversal from disposals	-
Depreciation expense	(105)
Balance at 30 June 2025	**(4,366)**
Depreciation reversal from disposals	-
Depreciation expense	(62)
Balance at 30 June 2026	**(4,428)**
Carrying value	
At 30 June 2025	155
At 30 June 2026	93

Software

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

B3 Impairment non-financial assets

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

Capital dredging has an indefinite useful life and is not depreciated as the channel is maintained via maintenance dredging to its original depth and contours. Dredging is reviewed for impairment when it is considered that events may have diminished the depth of any previous dredging. Carrying value in 2026 is $17.9m (2025 $17.9m).

B4 Recognition and measurement

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

Property, plant and equipment measured at fair value are classified according to the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value and revaluation of land

Land is measured at fair value, based upon periodic valuations by an external, independent valuer. The Group undertakes revaluation reviews with sufficient regularity (typically three yearly) to ensure the carrying value does not differ significantly from fair value. If there are indicators that the fair value may differ materially from its carrying value, a revaluation outside the typical three-year cycle is undertaken.

An independent valuation to determine the fair value of land was carried out at 30 June 2026 by the independent registered valuer CBRE. This valuation was undertaken in accordance with Accounting and Valuation Conventions effective 30 June 2026. The value of land used in this report amounts to $96.63 million. Land was valued using a combination of the direct sales comparison approach and the rental returns approach methodology. Inputs used in the valuation were comparable sales evidence for the Group's land, and if required, the rental earning capacity of the land. These are observable inputs and in respect of the fair value hierarchy, this is considered level 2 as defined by NZ IFRS 13. No explicit adjustments in respect of climate change matters were made.

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

	2026	2025	2026	2025
	Cost	Cost	Fair value	Fair value
Land	29,961	29,961	96,625	96,876

Key input to measure fair value	Significant assumption	Sensitivity	Impact on valuation ($000)
Prime quayside	$330/m^2	+/- 5%	+/- $853
Port operational	$285/m^2	+/- 5%	+/- $1,047
Eastern Reclamation*	$269/m^2	+/- 5%	+/- $1,291
Ex-power station*	$200/m^2	+/- 5%	+/- $1,163
Road allocation	228,218m^2	+/- 10%	+/- $5,197

** weighted average*

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

B5 Commitments

	2026	2025
Capital commitments	11,088	2,969

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

B6 Capitalised interest

	2026	2025
Capitalised borrowing costs	16	39
Average capitalisation rate	3.68%	4.91%

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

B7 Depreciation

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

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

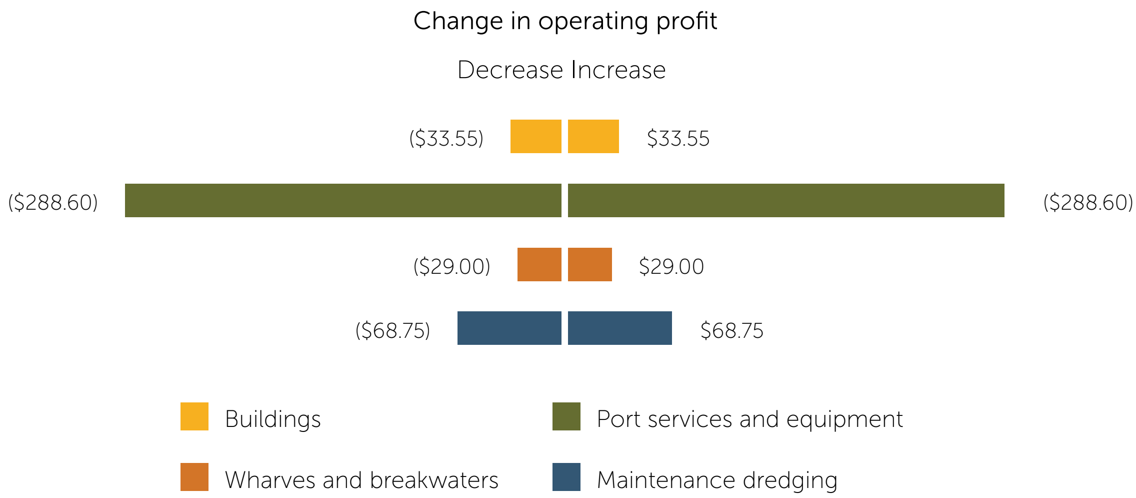
We have considered the impact of climate change on sea level rise and the impact that this may have on our wharves, breakwaters and other assets. Based on current assessment we are not currently anticipating any reduction in the useful lives of those assets.

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

After a successful dredging campaign in FY25 the next maintenance dredging campaign is scheduled for early 2027.

Depreciation sensitivity

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



B8 Provisions

During the year, PTL recognised redundancy costs of $282 thousand associated with an organisational redesign. A restructuring provision is recognised when PTL is committed to a formal detailed plan and has no realistic possibility of withdrawing from the restructuring.

B9 Trade and other receivables

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

In FY25, the Group recognised a $20 thousand provision for three overdue trade receivables. During FY26, one debtor was written off ($5 thousand), another partially settled its balance ($1 thousand), and an additional provision of $21 thousand was recognised for the third debtor. As a result, the provision balance increased to $35 thousand at year end.

Receivables are written off at the point where the Group believes there is no reasonable expectation of recovery, which is typically a combination of an overdue amount, no communication or response from the debtor, and no payments received.

B10 Inventories

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

C
Our funding

In this section

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

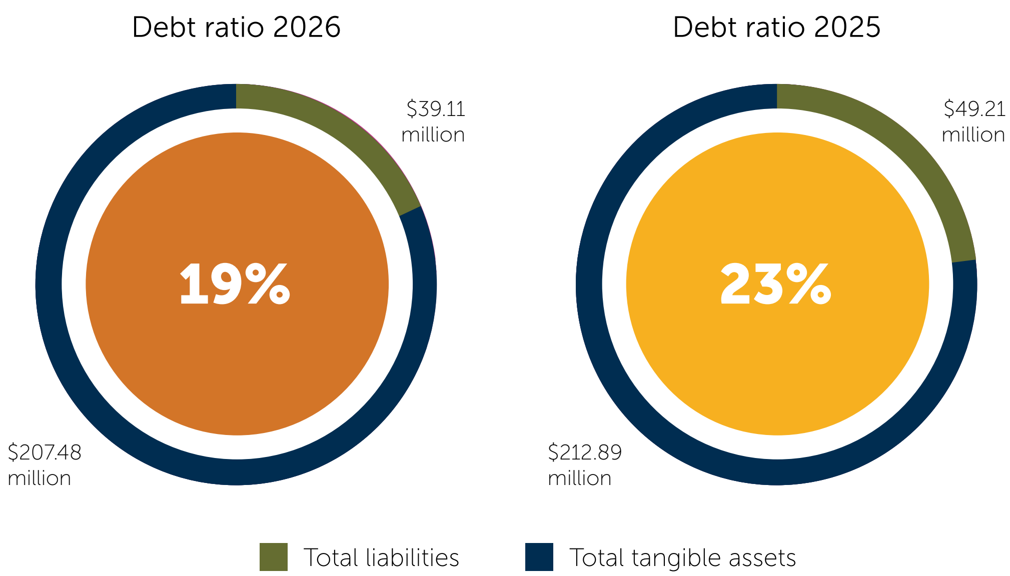
- capital structure;
- Shareholder's equity and dividends;
- borrowings and banking covenants; and
- reserves; and trade payables.

C1 Capital structure

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

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

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



C2 Share capital

	Shares (000) 2026	Shares (000) 2025	Issued capital 2026	Issued capital 2025
Share capital (issued and fully paid)	52,000	52,000	26,000	26,000

C3 Dividends

	Cents per share	2026	Cents per share	2025
Final ordinary dividend	7.69	4,000	5.77	3,000
Interim ordinary dividend	7.69	4,000	7.69	4,000
Total dividends		**8,000**		**7,000**

Subsequent event — dividend declared

On 20 August 2026, the Board resolved to pay a final dividend of $4.5 million at 8.65 cents per share on 8 October 2026. On 20 August 2026, the Company held $37.95 million imputation credits.

Imputation credit account

	2026	2025
Imputation credits available for future use	37,953	33,121

C4 Reserves

	2026	2026	2026	2025	2025	2025
	Revaluation reserve	Cash flow hedge reserve	Reserves	Revaluation reserve	Cash flow hedge reserve	Reserves
Balance 1 July	67,510	(87)	67,423	67,510	782	68,292
Movements in other comprehensive income (net of tax)	(250)	17	(233)	-	(869)	(869)
Transfer from revaluation reserve on asset disposal	-	-	-	-	-	-
Balance 30 June	**67,260**	**(70)**	**67,190**	**67,510**	**(87)**	**67,423**

Nature of revaluation reserve

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

Nature of cash flow hedge reserve

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

C5 Borrowings

	Facility 2026	Drawn 2026	Un-drawn 2026	Facility 2025	Drawn 2025	Un-drawn 2025
Current secured loans	-	55	-	-	75	-
Non-current secured loans	-	24,225	-	-	36,425	-
Total	**65,000**	**24,280**	**40,720**	**65,000**	**36,500**	**28,500**

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

The Group's borrowings with ASB Bank Limited are secured by way of a general security deed granting a security interest over its personal property, a fixed charge over its other property and a mortgage over its land and buildings. The Group's borrowings with ASB Bank Limited comprise three separate facilities all of which expire on 30 June 2029.

The Group recognises as an expense within the statement of profit or loss all borrowing costs incurred, with the exception of interest costs associated with capital projects (refer to Note B6).

C6 Banking covenants

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

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

C7 Trade and other payables

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

D

Our financial risk management

In this section

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

The Group is exposed to the following financial risks:

- Interest rate risk
- Credit risk
- Liquidity risk

D1 Risk management

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

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

D2 Interest rate risk

Nature of the risk

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

Exposure

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

Risk management

The Group has managed cash flow interest rate risk through interest rate swaps. At balance date, active hedges covered 70% (2025: 74%) of the Group's borrowings.

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

Derivative financial instruments

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

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

Sources of hedge ineffectiveness are:

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

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

Fair value	2026 Notional amount	2025 Notional amount	2026 Fair value	2025 Fair value
Interest rate swap asset	17,000	27,000	16,872	26,963
Interest rate swap liability	(17,000)	(27,000)	(17,000)	(27,000)
Forward contract asset	-	-	-	-
Forward contract liability	-	-	-	-
Facility fees	-	-	-	-
Netted derivative instruments	**-**	**-**	**(128)**	**(37)**

Borrowings — measurement and recognition

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

Fair value	2026 Carrying amount	2025 Carrying amount	2026 Fair value	2025 Fair value
Interest bearing loans	24,200	36,400	24,201	33,102
Weighted average interest rate			3.49%	4.54%

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

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

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

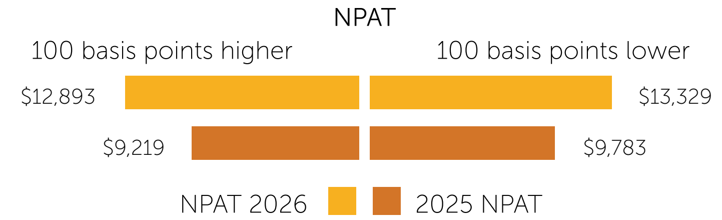
In regards to fair value hierarchy, the Group's calculation of fair value for its fixed rate instruments is considered Level 2 as defined by NZ IFRS 13. The fair value is determined by using mark to market valuation.

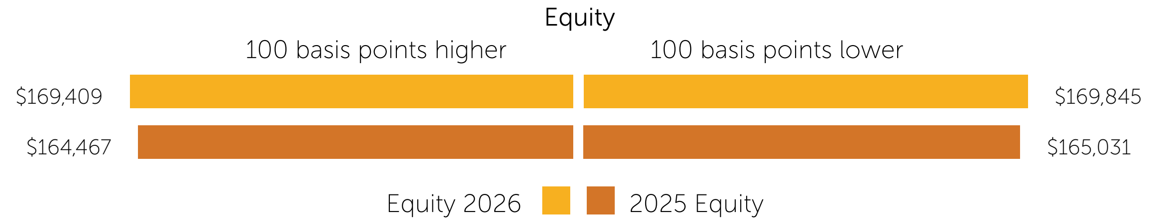
At year end, the Group had two interest rate swaps in place (2025: three interest rate swaps in place).

Interest rate sensitivity

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

D3 Credit risk





Nature of the risk

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

Risk management

The Group monitors credit risk on an ongoing basis. The carrying amount of financial assets recognised in the statement of financial position best represents the Group's maximum likely exposure to credit risk at the date of these financial statements. Refer to Note B9 for a description of how the Group provides for any credit losses.

Exposure

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

D4 Liquidity risk

Nature of the risk

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

Exposure

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

	2026			2025		
Funding maturity	**0-1 year**	**1-2 years**	**2-3 years**	**0-1 year**	**1-2 years**	**2-3 years**
Trade and other payables	3,980	-	-	4,107	-	-
Borrowings	-	-	24,200	-	36,400	-

Risk management

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

D5 Financial instruments

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

	2026 Carried at amortised	2026 Carried at fair value	2026 Total	2025 Carried at amortised	2025 Carried at fair value	2025 Total
Financial assets						
Cash and cash equivalents	965	-	965	1,465	-	1,465
Trade and other receivables	5,440	-	5,440	5,392	-	5,392
Interest rate swaps	-	-	-	-	-	-
Total financial assets	**6,405**	**-**	**6,405**	**6,857**	**-**	**6,857**
Financial liabilities						
Trade and other payables	3,980	-	3,980	4,175	-	4,175
Borrowings	24,280	-	24,280	36,500	-	36,500
Interest rate swaps	-	128	128	-	37	37
Lease liabilities	1,318	-	1,318	1,380	-	1,380
Total financial liabilities	**29,578**	**128**	**29,706**	**42,055**	**37**	**42,092**

E
Other disclosures

In this section

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

E1 Related party transactions

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

a) Transactions with parent	2026	2025
Sale of goods and services to parent	-	-
Purchase of goods and services from parent	204	103

These transactions exclude dividends.

b) Transactions with subsidiary	2026	2025
Loan advances to subsidiary	55	1,527
Management fees	60	60

c) Transactions with key management	2026	2025
Key management short-term employee expenses	2,534	2,169

d) Transactions with Directors	2026	2025
Directors' short-term employee expenses	422	391
Sale of goods and services to Directors	-	14
Purchase of goods and services from Directors	-	-

E2 Operating leases as lessor

Lease commitments due as follows	2026	2025
Within 1 year	6,609	6,213
Between 1-5 years	3,340	8,224
Greater than 5 years	4,016	4,627
Total lease commitments as lessor	**13,965**	**19,064**

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

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

The main properties under leases are NPPS Turbine Hall, Omata Tank Farm and Norgate Store. The carrying amount of these properties as at 30 June 2026 is $15.2 million (2025: $16.3 million) and included as part of property, plant and equipment in Note B1.

E3 Other annual report disclosures

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

During the year the Group made the following donations:

Donations	2026	2025
Donations made	13	3

E4 Subsequent events

Directors declared a dividend on 20 August 2026 (refer to Note C3 Dividends for more information).

E5 Subsidiaries

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

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

E6 New standards, amendments and pronouncements not yet adopted

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

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PORT TARANAKI LIMITED'S GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

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

Opinion

We have audited the financial statements of the Group that comprise the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date and the notes to the consolidated financial statements that include material accounting policy information and other explanatory information on pages 36 to 57.

In our opinion, the financial statements of the group present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with New Zealand in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') IFRS Accounting Standards ('IFRS').

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 for the audit of the financial statements 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 comply with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS').

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 group'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.

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 financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.
- 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 financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review 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 all of the information included in the annual report other than the financial statements, and our auditor's report thereon.

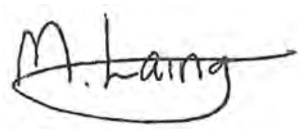
Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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) as applicable for audits of public interest entities issued by the New Zealand Auditing and Assurance Standards Board.

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



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

Board of Directors

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

Executive Leadership Team

Simon Craddock, Chief Executive Officer
Ross Dingle, GM Commercial
Pippa Farrell, GM People & Capability
Allan Melhuish, Chief Financial Officer
Alex Park, Chief Operations Officer
Alisha Picard, GM Asset Management & Assurance

Auditors

Matt Laing for Deloitte Limited on
behalf of the Auditor General

Bankers

ASB Bank Limited

Solicitors

Govett Quilliam The Lawyers

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