

Annual Report

FOR THE YEAR ENDED 30 JUNE

20 25

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2025 Results at a glance



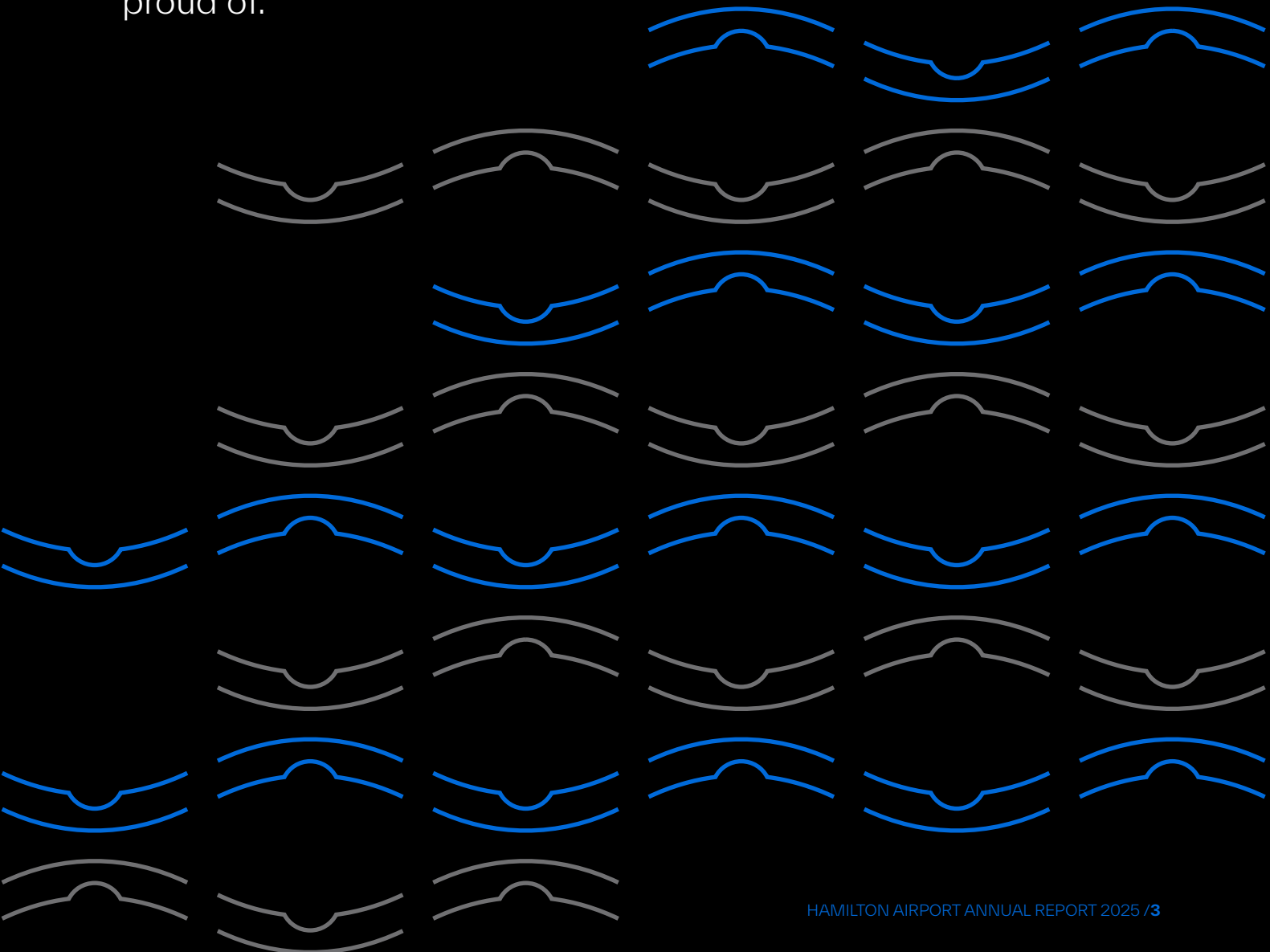
Five Year Summary

All amounts in '000

	2021	2022	2023	2024	2025
Aeronautical income	\$4,015	\$3,200	\$5,398	\$6,134	\$7,025
Operating revenue	\$17,324	\$17,686	\$18,090	\$18,845	\$19,823
EBITDA excluding Land sales	\$6,931	\$5,996	\$5,674	\$5,843	\$5,955
Net profit before tax	\$37,141	\$25,129	\$18,581	\$3,618	\$31,580
Passenger Activity	358	283	378	371	356
Activity Aircraft movements	73	34	31	32	34
Total Assets	\$197,801	\$243,990	\$272,767	\$274,058	\$328,428
Shareholder Funds	\$173,192	\$210,725	\$233,932	\$229,944	\$267,500
Shareholder Funds Ratio	88%	86%	86%	84%	81%
Net Asset Backing per Share	\$34.82	\$42.37	\$47.04	\$46.23	\$53.78

Chair's introduction

"Attracting a new international service for our region and delivering everything required on time and on budget is an achievement I am deeply proud of."



This past year has marked a significant chapter in Waikato Regional Airport Ltd's long-term journey, with continued solid progress made on the implementation of our 10-Year Strategic Plan and achievement beyond what this contemplated.

A standout milestone this year was the reintroduction of international services between Hamilton, the Gold Coast and Sydney. While the inaugural Jetstar flights only launched shortly before balance date, the vast majority of the year in review was dominated by the enabling of international services after their resumption was announced in September 2024. This work included a \$7 million refurbishment of the international terminal - undertaken in collaboration with multiple government agencies - as well as a wide range of start-up and operational preparations.

I am exceedingly proud that our small airport team created an environment which attracted a new international service for our region and then delivered everything required on time and on budget in order for the service to successfully launch. A forward-thinking approach to the international terminal refurbishment also created the opportunity to reinstate domestic jet services at the airport for the first time in 25 years. Air NZ jet services between Hamilton and Christchurch will start in September 2025 and we are cautiously optimistic this signals the potential for sustained growth in passenger volumes.

One of the most notable milestones during the year was the \$27.9 million valuation gain driven largely by Precinct North. This followed nearly five years of dedicated work to rezone 100 hectares of land adjacent to the airport. With titles expected by mid-2026, we are now set to unlock the long-term value of this development. During the year, we broke ground on the first major building in Precinct North, the design and build of a 5,000 square metre facility for Asmuss. To meet our obligations associated with Titanium Park, we also completed the planting of 45,000 native trees across 11 hectares at a nearby ecological site, providing a habitat for the endangered pekapeka long-tailed bat. We look forward to seeing this investment become a cherished recreational facility for the wider community.

More than \$30 million will be invested over the coming year to activate the first stage of Precinct North, marking a strategic pivot for Titanium Park from a pure land sale model to a long-term property investor. This major land project will have a flow-on effect, far beyond the airport boundaries. It goes to our core purpose of operating an airport which is financially self-sustaining and provides value to the wider community. It is also notable that during the year we enhanced our aero-medical

facilities through the repurposing of an existing training centre. This has increased both the scale and quality of available space for critical medical operations. This is hugely important to our regional community and reflects the obligations we have as a publicly owned entity.

Despite these significant milestones throughout the year, our trading environment overall remained tough. Generally, the year saw steady but modest growth across most trading areas of the business, although overall earnings remained largely flat. Broader economic pressures, ongoing government austerity and high airfares have impacted consumer and business travel alike. Connectivity, affordability, and future-proofed infrastructure remain top priorities for us. This includes ensuring our airport is positioned to respond to future needs such as alternative fuels, roading access and power supply.

Challenging economic conditions have also impacted Hamilton & Waikato Tourism. During the year, this body has sought to be nimble and refresh its approach, with a strong focus on delivering greater impact through deeper regional partnerships and smarter use of funding. We are confident the potential for growth in the visitor economy remains strong with the right support and collaborative leadership.

On reflection, it is clear that having a well understood and focused strategy has been instrumental in enabling us to deliver on key initiatives, positioning the business to respond to both immediate opportunities and long-term growth. The completion of a company-wide strategic review during the year provided a renewed sense of clarity and purpose. During the year, we also did significant work to update our aeronautical and property strategies to guide our next decade of development.

As always, I wish to acknowledge the work of my fellow directors, along with the entire WRAL team, for their hard work and deep commitment to doing what is best for our region. Our achievements this year reflect the strength of their efforts, and their shared belief in the future of our airport and our wider community.

We look forward to building on this year's momentum and continuing to deliver long-term value for our shareholders and those they represent.



Barry Harris
Chair

Consolidated Statement of **COMPREHENSIVE REVENUE AND EXPENSE**

YEAR ENDED
30 June
2025

		2025 \$'000	2024 \$'000
Revenue			
Operating revenue	2A	19,823	18,845
Land sales		5,710	3,623
Other gains	2B	27,962	1,817
		<u>53,495</u>	<u>24,285</u>
Expenses			
Operating expenses		(8,299)	(7,474)
Cost of land sales		(1,124)	(764)
Employee benefits expense		(5,569)	(5,528)
Depreciation & amortisation	3A, 3B	(4,902)	(4,809)
Other losses	2B	(439)	(581)
Finance costs		(1,582)	(1,511)
		<u>(21,915)</u>	<u>(20,667)</u>
Net Surplus/(deficit) before tax		31,580	3,618
Tax (expense)/credit	4A	(1,966)	(7106)
Net surplus/(deficit) after tax		29,614	(3,488)
Other comprehensive revenue & expense			
Revaluation of property, plant & equipment	3A	11,030	
Tax (expense)/credit	4A	(3,088)	
Total other comprehensive revenue & expense		7,942	
Total comprehensive revenue & expense		37,556	(3,488)

The accompanying notes form part of these financial statements

Consolidated Statement of CHANGES IN EQUITY

YEAR ENDED
30 June
2025

	SHARE CAPITAL \$'000	RETAINED EARNINGS \$'000	REVALUATION RESERVES \$'000	TOTAL \$'000
Opening Balance - 1 July 2023	14,860	114,596	104,476	233,932
Net profit/(loss) after tax		(3,488)	-	(3,488)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	(3,488)	-	(3,488)
Dividends paid to shareholders	-	(500)	-	(500)
Closing Balance - 30 June 2024	14,860	110,608	104,476	229,944
Opening Balance - 1 July 2024	14,860	110,608	104,476	229,944
Net profit/(loss) after tax	-	29,614	-	29,614
Other comprehensive income			7,942	7,942
Total comprehensive income		29,614	7,942	37,556
Dividends paid to shareholders	-	-	-	-
Closing Balance - 30 June 2025	14,860	140,222	112,418	267,500

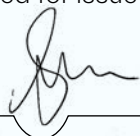
The accompanying notes form part of these financial statements

Consolidated Statement of FINANCIAL POSITION

AS AT
30 June
2025

		2025 \$'000	2024 \$'000
Current Assets			
Cash and cash equivalents	5B	95	394
Trade and other receivables		2,261	1,927
Inventories		192	129
Development property	3C	20,877	16,516
		23,425	18,966
Non-Current Assets			
Property, plant and equipment	3A	176,189	159,647
Investment property	3D	126,815	94,590
Intangible & other non-current assets	3B	1,999	855
		305,003	255,092
Total Assets		328,428	274,058
Current Liabilities			
Trade and other payables	4B	13,174	3,596
Employee entitlements		796	711
		13,970	4,307
Non-Current Liabilities			
Provisions	4C	5,782	5,391
Borrowings	5B	31,450	22,790
Deferred tax liability	4A	9,726	11,626
		46,958	39,807
Total Liabilities		60,928	44,114
Net Assets		267,500	229,944
Equity			
Share capital		14,860	14,860
Retained earnings		140,222	110,608
Revaluation reserves	5A	112,418	104,476
Total Equity		267,500	229,944

Authorised for issue by the Board of Directors on 19 September 2025



Barry Harris
Chairperson



Peter Stubbs
Audit & Risk Committee Chairperson

The accompanying notes form part of these financial statements

Consolidated Statement of CASH FLOWS

YEAR ENDED
30 June
2025

	2025 \$'000	2024 \$'000
Operating activities		
Receipts from operations	20,344	18,325
Receipts from land sales	5,248	3,779
Payments to suppliers and employees	(13,421)	(12,720)
Payments for construction of development property	(4,282)	(4,030)
Payment of interest	(1,584)	(1,480)
Payment of income taxes	(1,603)	(2,626)
Net cash from/(used in) operations	4,702	1,248
Investing activities		
Receipts from sale of property, plant and equipment	20	55
Purchases of property, plant and equipment	(9,194)	(3,140)
Purchases of investment properties	(4,123)	(153)
Purchases of intangible and other assets	(50)	(71)
Net cash from/(used in) investment activities	(13,347)	(3,309)
Financing activities		
Receipts from/(repayments of) borrowings	8,660	2,570
Payments of dividends	-	(500)
Net cash from/(used in) financing activities	8,660	2,070
Net change in cash for the period	15	9
Add opening cash and cash equivalents balance	80	71
Closing cash and cash equivalents attributable to the Group	95	80
Closing cash and cash equivalents attributable to the Group	95	80
Cash and bank balances held in capacity as agent	-	314
Total cash and cash equivalents	95	394

5B

5B

The accompanying notes form part of these financial statements

Notes to the **CONSOLIDATED FINANCIAL STATEMENTS**

YEAR ENDED
30 June
2025

Section One: About our annual report

This section of notes explains how we have prepared the financial statements and the general accounting policies we have applied. More specific policies and judgements we have made are explained in sections 2–4.

1A Reporting entity

Waikato Regional Airport Limited owns and operates Hamilton Airport. Its consolidated financial statements include the results of the Company and its wholly owned subsidiaries:

- Titanium Park Limited (TPL) conducts commercial and industrial property development around the airport precinct.
- Hamilton & Waikato Tourism Limited (HWT) is the Waikato region's official Regional Tourism Organisation and promotes the region as a business and leisure tourism destination both nationally and internationally.
- Waikato Regional Airport Hotel Limited (WRAHL) trading as JetPark Hamilton Airport Hotel & Conference Centre.

1B Basis of preparation

These consolidated financial statements have been prepared to comply with:

- Companies Act 1993
- Local Government Act 2002
- Airport Authorities Act 1966

The financial statements are prepared in accordance with Generally Accepted Accounting Practice, which in the case of the Group, is the Public Benefit Entity standards for Public Sector organisations that have less than \$33 million annual expenditure. ("Tier 2 PBE Standards"). The Group is eligible to apply Tier 2 PBE Standards, including the Reduced Disclosure Regime as it is not publicly accountable or large.

The financial statements are presented in New Zealand Dollars and rounded to the nearest thousand dollars unless otherwise stated. The Group does not routinely enter into material transactions denominated in foreign currencies.

Except as disclosed in the Notes to the Financial statements, all amounts have been recorded using the historical cost measurement basis, on the assumption the Group is a going concern. All amounts presented are shown exclusive of GST, except for amounts owing or receivable where the balance is inclusive of GST.

In preparing the consolidated financial statements, transactions including revenues, expenses and loans occurring between entities and balances owing/receivable between entities at year end in the Group have been eliminated. Individual entity financial statements are adjusted, if necessary, to comply with the Group's accounting policies upon consolidation.

Hamilton & Waikato Tourism is the lead entity for the Thermal Explorer Regional Events Fund, a central government-funded tourism initiative to boost domestic tourism. HWT acts only as an agent for the fund which represents eight Central North Island RTOs and Local Authorities, therefore revenues and expenses of the fund's trading activity are excluded from the consolidated results of the Group. Any assets and liabilities held by HWT on behalf of the fund in its capacity as an agent are separately identified in the Notes accompanying these financial statements.

Critical estimates and judgements

In preparing financial statements that comply with Tier 2 PBE Standards, the Company has made certain estimates and judgements which have a material impact on the amounts reported, in particular the valuation of Property, Plant & Equipment (Note 3A), carrying value of Intangible Assets (Note 3B); cost of Development Property (Note 3C); valuation of investment Property (Note 3D); and provisions and contingencies in respect of Infrastructure Development (Note 4C).

There have been no material changes in estimate methodologies adopted in the current year.



1C Significant Accounting Policies

Accounting policies adopted by the Group and critical estimates and judgements made in preparing these financial statements are detailed further in the accompanying notes, in addition to those outlined below.

All accounting policies have been applied consistently to both the current reported period balances and the comparative amounts, and there have been no changes in accounting policies in the current or previous year. Additionally, there have been no material changes arising from the adoption of newly effective accounting standards.

(i) Land Sales

Revenue from sale of development property is recognised when the significant risks and rewards of ownership have passed to the purchaser. This ordinarily coincides with settlement by the purchaser. Upon recognising the sale of development property, the cost of that property and any transaction costs are expensed to net surplus/(deficit).

(ii) Employee benefit expense & Employee entitlements

Employee benefit expense includes all salaries, wages, any performance bonuses paid to staff and contributions to in post employment benefit schemes (e.g. Kiwi Saver). The Group's expense also includes PAYE income tax and other deductions made by the Group. Amounts owing to staff, and any deductions collected but not yet paid, are recognised within the Employee entitlements liability. All Employee entitlements including performance bonus schemes are expected to be settled in the next twelve months, so no discounting adjustment is made.

(iii) Finance Costs

Finance costs include interest incurred on borrowings and other similar charges. Finance costs are expensed except to the extent they relate to borrowings specifically incurred to finance construction of qualifying assets, in which case the finance costs are capitalised as part of the asset's

cost. Qualifying assets typically take more than 6 months to construct. Upon completion of the asset construction, capitalisation of further finance costs ceases. During the year ended 30 June 2025, \$20,000 interest costs were capitalised to property, plant & equipment (2024: \$0).

(iv) Trade and other receivables

Trade and other receivables are recorded at their expected realisable value, net of an allowance for balances where collection appears doubtful. Balances receivable by the Group are subject to a provision where there is material uncertainty around collection. No provision was made at 30 June 2025 (2024: none).

(v) Inventory

Inventories include consumables for use in the Group's operations which are recorded at cost, and goods for re-sale in the Group's retail outlets which are recorded at lower of cost or net realisable value when it is identified the selling price will be less than their cost. There have been no material write downs of inventory in the current or previous period.

(vi) Impairment of non-financial assets

All assets not already recorded at fair value are reviewed for indicators of impairment when there are indicators that asset's value may not be recoverable. An impairment loss is recognised when an asset's recoverable value is less than its current carrying value. Impairment losses are recognised in net surplus/(deficit) except to the extent a loss relates to a reduction in the fair value of an asset previously revalued through the Asset Revaluation Reserve, in which case the revaluation reserve is reduced. The recoverable value of an asset is the greater of its disposal value or value in use, being its depreciated replacement cost.

Notes to the CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED
30 June
2025

Section Two: About our performance for the year

This section provides information about how we performed for the year including how we derived our revenue and earnings, and how we performed against our Statement of Intent.

2A Operating Revenue

Operating revenue from exchange transactions is recognised when the underlying goods or services have been provided to the customer. Rental income from property leased to customers by the Group is recognised on a straight line basis over the lease term. Amounts received from customers in advance of the underlying goods or services being delivered are deferred initially and recognised within the revenue in advance liability in Note 4B.

Revenue from non-exchange transactions arise when there is no obligation to deliver goods or services directly in return to the funding provider. Revenue is only deferred if there are other substantive performance obligations yet to be met or conditions to return unspent amounts to the funding provider.

	2025 \$'000	2024 \$'000
Aeronautical, landing and passenger charges	7,025	6,134
Leases, rentals and concessions	4,133	3,673
Car parking & rental	3,360	3,424
Hotel trading	3,712	3,444
Other	284	394
Total exchange revenue	18,514	17,069
Regional Tourism Organisation funding	1,309	1,776
Total non-exchange revenue	1,309	1,776
Total operating revenue	19,823	18,845



2B Other gains and (losses)

		2025 \$'000	2024 \$'000
Other gains			
Gain on revaluation of investment property	3D	27,881	1,817
Gain on acquisition of property, plant & equipment	3A	80	-
Gain on disposal of property, plant and equipment		1	-
		27,962	1,817
Other losses			
Change in provision estimate for infrastructure obligations	4C	(392)	(429)
Impairment expense		(47)	-
Loss on disposal of property, plant and equipment		-	(152)
		(439)	(581)

2C Our performance against our financial targets set in our Statement of Intent (Our Statement of Service Performance)

The Group reviews and sets performance targets annually when publishing its annual Statement of Intent. Targets are set based on the expectations of the Group communicated by shareholders; to measure the progress against long term outcomes of the Group's 10-year strategic plan; and to measure progress of significant workstreams and initiatives that contribute to the long term success of the Group. For this reason some performance metrics will reoccur in each annual Statement of Intent to help measure long term progress whereas others may be specific to a single strategic outcome in one year. Performance targets can be categorised into two categories:

- Financial performance targets which include assessing both annual earnings targets and other non-earnings based targets that allow measurement of the Group's long term financial goals which includes being financially self-sustaining whilst creating long term value for its shareholders

- Non-financial performance targets which assess the operation of the Group across its main areas of operations by each of its four companies. These cover a mixture of operational targets necessary to meet the expectations of shareholders and other targets that evaluate the success of initiatives made in pursuit of longer term strategic goals of the business.

All earnings and profitability financial performance targets exclude the effect of other gains and losses unless otherwise stated.

Free cash flow is defined in the Group's dividend policy as the cash flow available after EBITDA including land sales, adjusted for the effect of interest expense and current tax expense, and general asset renewal and replacement capital expenditure.

Performance metrics are denoted n/a (not applicable) if they were not set as performance metric in a particular year's Statement of Intent.

FINANCIAL TARGETS	2025			2024		
EARNINGS PERFORMANCE TARGETS	Actual \$'000	Target \$'000	Met	Actual \$'000	Target \$'000	Met
Net surplus/(deficit) before tax <i>no less than</i>	4,057	2,000	✓	2,382	1,000	✓
Earnings before tax, interest, depreciation & amortisation (EBITDA) excl Land Sales <i>of at least</i>	5,955	4,800	✓	5,843	6,000	✗
Earnings before tax, interest, depreciation & amortisation (EBITDA) incl Land Sales <i>of at least</i>	10,541	8,500	✓	8,702	7,500	✓
Percentage of non-landing charges to total revenue <i>of at least</i>	65%	60%	✓	67%	60%	✓
Land Sales <i>of at least</i>	5,710	4,000	✓	3,623	3,000	✓
Interest coverage ratio <i>of at least</i>	n/a	n/a	n/a	3.9	3.0	✓
Free cash flow	482	1,400	✗	n/a	n/a	n/a
CASH FLOW AND FUNDING PERFORMANCE TARGETS						
Net operating cash flow excl Land Sales <i>of at least</i>	3,736	4,000	✗	1,499	6,000	✗
Net debt <i>a maximum of</i>	31,450	39,000	✓	22,790	35,000	✓
SHAREHOLDER VALUE PERFORMANCE TARGETS						
Shareholder funds to total assets <i>of at least</i>	81%	75%	✓	84%	75%	✓



2C Our performance against our non-financial targets set in our Statement of Intent (Our Statement of Service Performance)

NON-FINANCIAL TARGETS	COMMENT	Met	
		2025	2024
Zero WorkSafe notifiable accidents/injuries.	There were no notifiable incidents as defined in the Health & Safety at Work Act 2015 involving Group employees.	✓	✓
Operate a workplace that fosters employee wellbeing and improving organisational culture, as measured by the Employee Engagement Survey.	The annual staff engagement survey showed positive results in both years when measuring staff satisfaction with company culture, leadership, wellbeing and engagement.	✓	✓
To achieve airport certification standards required by the Civil Aviation Authority (CAA) as evidenced by CAA audit reports.	The airport continues to meet all relevant CAA certification standards, including the increased requirements associated with resumption of international air services during 2025.	✓	✓
Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events).	There have been no incidences of scheduled flights being operationally impacted by controllable events.	✓	✓
Assist airlines to identify opportunities to increase flight schedules and passenger numbers.	The airport secured new scheduled routes during both years including Jetstar services to Sydney and Gold Coast in 2025 and Sunair to Whangarei in 2024.	✓	✓
Identify and activate new development opportunities within the general aviation sector.	The airport continued to pursue opportunities to tenant the former flight school training centre including development of an aero-medical hub during 2025.	✓	✓
Position and protect the airport as an efficient, cost effective international port.	The airport continues to position itself to be an international airport by holding relevant Security, Customs and Biosecurity approvals to receive international flights. The airport maintains itself an efficient and cost-effective port through optimising and enabling infrastructure for multi-use scenarios, such as a single airport terminal that can be used for domestic and international operations.	✓	✓
Remain collaborative with local authorities and central government agencies for joint infrastructure and transport initiatives.	The airport entered into agreements and joint investment around future three waters and roading infrastructure in 2024 and is working with central government to position the airport as an upper North Island diversion/alternate airport by seeking its support for protection of the Runway extension designation.	✓	✓



2C Our performance against our non-financial targets set in our Statement of Intent (Our Statement of Service Performance)

ANNUAL NON-FINANCIAL TARGETS	COMMENT	Met	
		2025	2024
Complete construction of airport infrastructure to support property development and optimisation.	This metric was not set for the 2025 Statement of Intent as the development has been deferred until at least 2027.	n/a	×
Develop a MOU with local iwi organisations that provides for a collaborative relationship to future developments that will embrace Te Ao Māori principles and celebrating the rich cultural history of our rohe.	This metric was not set for the 2025 Statement of Intent.	n/a	×
Reduce Group electricity purchases by at least 20% on prior year levels (measured in kWh used) upon commissioning of the first stage of the solar farm development.	Due to a delay in commissioning the farm, this metric was not met in 2024 however the Airport achieved a 23% reduction on 2024 levels during 2025.	✓	×
Achieve accreditation to the Airport Council International's Airport Carbon Accreditation programme.	The Airport achieved Level 4 accreditation in 2024 (target: level 3). Level 4 was maintained during 2025 but the goal of advancing an application for Level 4+ was not met due to international air service resumption workstreams being prioritised.	×	✓
Reduce landfill waste through reduced usage of non-recyclable single-use materials and improved sustainable material usage in construction.	Airport food and beverage retail moved to using biodegradable and recyclable single use packaging, and construction contractors were engaged with commitments to recycle and re-use construction materials.	✓	✓
Complete detailed design for Stage One of the Precinct North Development.	Design of Precinct North Stage One was consented by local authorities and construction had commenced by 2025 year end. Metric was not set for 2024.	✓	n/a
Complete ecological management plan and commence development of ecological habitat compensation site.	Approval of the ecological management plan was granted by local authorities and development of the ecological compensation site had commenced by 2025 year end. Metric was not set for 2024.	✓	n/a

Notes to the **CONSOLIDATED FINANCIAL STATEMENTS**

YEAR ENDED
30 June
2025

Section Three: About our assets

This section provides information about the assets we own, how much they are worth and how we value and report them on an ongoing basis.

3A Property, Plant and Equipment

Classes of Asset

Property plant and equipment comprises the following classes of assets:

- Land owned by the Group for use in its own operations or retained for strategic purposes
- Buildings owned by the Group for use in its own operations or retained for strategic purposes
- Airport infrastructure, including runways, taxiways, apron areas, reticulated systems, solar generation assets, internal roading and car parking
- Other plant and equipment, including motor vehicles, general plant and equipment, computer & IT equipment and furnishings

Initial recognition

Items of property, plant and equipment are recognised initially at cost. Assets under construction (work in progress) are recognised at cost and are not depreciated until available for use.

Subsequent measurement

- Land is revalued to fair value determined from market-based evidence of similar land.
- Buildings and Airport infrastructure are revalued to fair value. Fair value is determined with reference to market valuations where comparable market data exists for the type of asset being valued. If no market information exists, fair value is estimated using an Optimised Depreciated Cost basis.

Valuations are undertaken when the Group estimates there has been a material change in fair value, or at least every five years.

All valuations are undertaken by independent, professional valuers with experience in the types of assets the Group owns.

CBRE undertake land valuations (last full valuation: 2023), Beca Valuations Limited undertake building

and airport infrastructure (last full valuations: buildings 2023, infrastructure 2023), except for the airport hotel buildings which are valued by Jones Lange LaSalle (last valuation: 2023) and other buildings than can be valued with reference to an active market, which are valued by CBRE (last full valuation 2023). The revaluation adjustment to buildings made during 2025 were made with reference to index-based desktop valuation assessments only.

In applying the optimised depreciated replacement cost basis for determining fair value of buildings, assets in relation to Hamilton Airport's former handling of international air services had been previously optimised to nil fair value as the Group had no confirmed plans to realise the economic benefits and service potential of these assets in previous periods. In the year ended 30 June 2025, the recommencement of international flights resulted in a valuation adjustment of \$11,030,000 to again recognise these assets associated with the international passenger terminal.

Changes in fair value including impairment losses are recognised within Other comprehensive revenue & expense except where a revaluation results in a carrying value below the asset's cost, in which case decreases below cost are recognised in net surplus/(deficit) for the period.

Depreciation

Except for land, the cost or valuation of all items of property, plant and equipment are depreciated over their estimated useful lives on a straight line basis

- Buildings - 4–60 years
- Airport infrastructure - 5–100 years
- Other plant and equipment - 3–50 years

Disposals

Upon disposal of an asset, any gain or loss arising between the disposal proceeds and carrying value is recognised in net surplus/(deficit). Any revaluation reserve attributable to the asset is transferred directly to retained earnings.

3A Property, Plant and Equipment (continued)

	Land \$'000	Buildings \$'000	Airport Infrastructure \$'000	Other Plant & equipment \$'000	Total \$000
Cost/Valuation					
Cost/Valuation at 1 July 2023	82,193	54,466	27,436	6,905	171,000
Additions	-	436	1,610	314	2,360
Disposals	-	-	-	(551)	(551)
Revaluation	-	-	-	-	-
Cost/Valuation at 30 June 2024	82,193	54,902	29,046	6,668	172,809
Cost/Valuation at 1 July 2024	82,193	54,902	29,046	6,668	172,809
Additions	872	5,746	2,304	1,331	10,253
Disposals	-	-	(24)	(373)	(397)
Revaluation	-	8,855	-	-	8,855
Cost/Valuation at 30 June 2025	83,065	69,503	31,326	7,626	191,520
Accumulated Depreciation & Impairment					
Accumulated Depreciation 1 July 2023	-	(5,530)	-	(3,528)	(9,058)
Depreciation Expense	-	(1,612)	(2,345)	(665)	(4,622)
Disposals	-	-	-	518	518
Revaluation	-	-	-	-	-
Accumulated Depreciation 30 June 2024	-	(7,142)	(2,345)	(3,675)	(13,162)
Accumulated Depreciation 1 July 2024	-	(7,142)	(2,345)	(3,675)	(13,162)
Depreciation Expense	-	(1,679)	(2,470)	(569)	(4,718)
Disposals	-	-	3	371	374
Revaluation	-	2,175	-	-	2,175
Accumulated Depreciation 30 June 2025	-	(6,646)	(4,812)	(3,873)	(15,331)
Carrying Value					
30 June 2024	82,193	47,760	26,701	2,993	159,647
30 June 2025	83,065	62,857	26,514	3,753	176,189

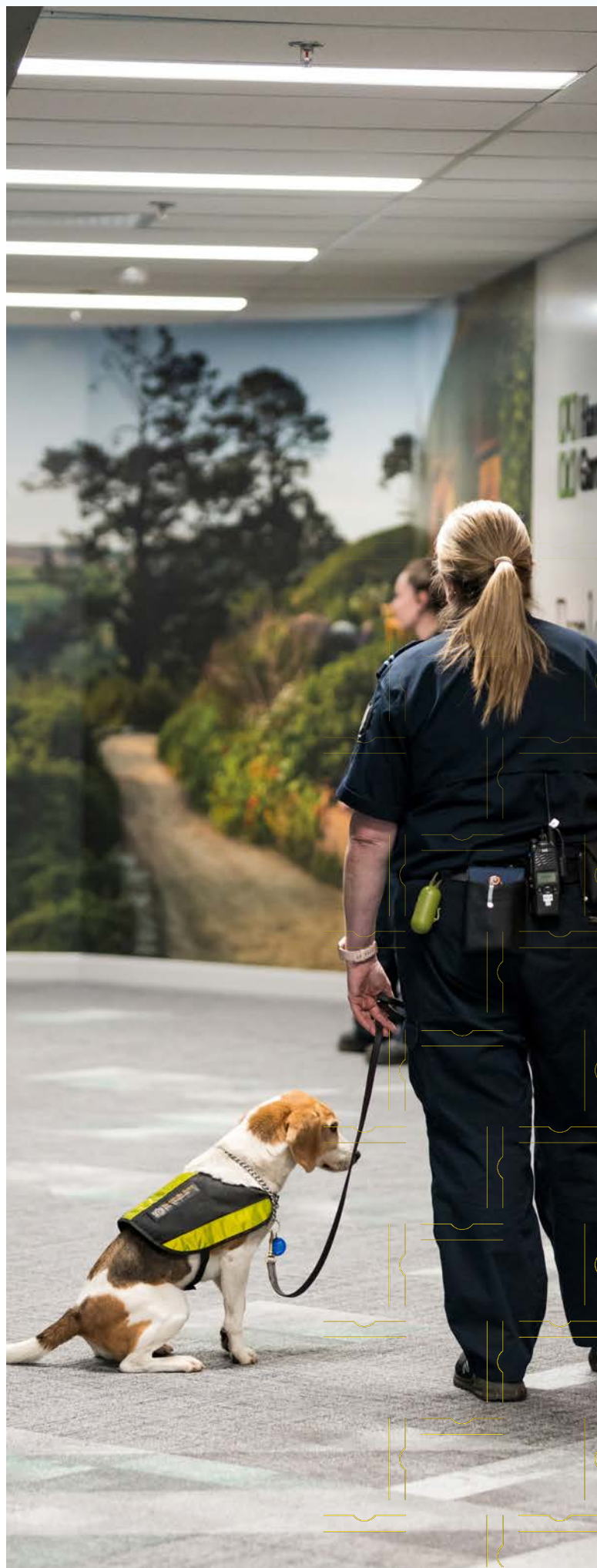
At 30 June 2025, assets of \$352,000 remained under construction and were not in use or depreciated. (2024: \$424,000).

Included in additions to land for year ended 30 June 2025 were \$872,000 of assets transferred from Development Property during the year (2024: none); and buildings recognised initially at fair value of \$80,000 based on their optimised depreciated replacement cost that were acquired for no consideration.

3B Intangible and other non-current assets

Intangible and other non-current assets comprise three categories:

- Aeronautical consents are consents issued by local authorities that provide regulatory protection for the Group to undertake activities such as extend the airport runway, install approach lighting on neighbouring properties and emit noise. Additionally, the Group capitalised the costs of acquiring regulatory consents and approvals from government border agencies necessary to operate international flights and domestic flights requiring passenger security screening. These assets are recognised initially at the cost of obtaining consent from authorities, and amortised on a straight line basis over the period of the consents which are between 5 and 15 years (3–5 years remaining). These assets have been designated as being held in non-cash generating units as the principal purpose is to protect and enhance the future service potential of the airport, over and above generating an economic return.
- Other intangibles have arisen primarily from the acquisition of other business around the airport. They reflect the benefit to the Group of acquiring these businesses with standing contracts and customers and are amortised on a straight line basis over the length of the remaining lives of the contracts which are normally up to 3–6 years. These assets are designated as being held in cash generating units as these businesses were acquired for the primary purpose of generating a profit, rather than to enhance the service potential of the aeronautical business.
- Other assets are recognised initially at the cost of acquisition and amortised on a straight line basis over the expected life of the underlying asset if they have a finite life. Other assets also include investments in other entities where the Group has neither control nor significant influence. Investments are revalued to fair value through other comprehensive revenue and expense where material changes in valuation exist, and the valuation can be reliably estimated. Included in other assets is a 1.40% shareholding acquired during 2023 by the Group in Pyper Vision Limited, a company researching and developing unmanned aerial vehicle (UAV/Drone) and fog dispersal technologies.





3B Intangible and other non-current assets (continued)

	AERONAUTICAL CONSENTS \$'000	OTHER INTANGIBLES \$'000	OTHER ASSETS \$'000	TOTAL \$'000
Cost				
Cost at 1 July 2023	1,346	1,118	250	2,714
Additions	58	-	-	58
Disposals	-	-	-	-
Cost at 30 June 2024	1,404	1,118	250	2,772
Cost at 1 July 2024	1,404	1,118	250	2,772
Additions	1,364	8	-	1,372
Disposals	-	-	-	-
Cost at 30 June 2025	2,768	1,126	250	4,144
Amortisation				
Accumulated Amortisation 1 July 2023	(773)	(959)	-	(1,732)
Amortisation Expense	(95)	(90)	-	(185)
Impairment Expense	-	-	-	-
Disposals	-	-	-	-
Accumulated Amortisation 30 June 2024	(868)	(1,049)	-	(1,917)
Accumulated Amortisation 1 July 2024	(868)	(1,049)	-	(1,917)
Amortisation Expense	(116)	(65)	-	(181)
Impairment Expense	-	-	(47)	(47)
Disposals	-	-	-	-
Accumulated Amortisation 30 June 2025	(984)	(1,114)	(47)	(2,145)
Carrying Value				
30 June 2024	536	69	250	855
30 June 2025	1,784	12	203	1,999

Included in Aeronautical Designations are costs capitalised toward future and in-progress consent applications of \$403,000 (2024: \$345,000). These costs are not amortised until such time as consents take effect. The Group considers there is low risk of these consents not being granted and therefore no impairment loss is recognised at 30 June 2025 (2024: none).

3C Development Property

The Group, through its subsidiary Titanium Park Limited, undertakes the development of commercial and industrial property for sale. Land held by the Group for development is recognised initially at cost, or carrying value on the date it is designated for development if previously held as Investment property, or Property, plant and equipment. The balance of Development Property includes the costs of land plus costs such as roading and utilities infrastructure as well as consents from regulatory authorities needed to develop subdivisions and interest capitalised on borrowings used to finance development.

Development property is carried at the lower of its cost or its fair value less cost to sell. Fair value less cost to sell is determined by the Group based on contracted future sales prices, and estimates of market value of land not committed to future sale, taking into account sales activity of comparable properties and typical costs incurred in completing sales.

		2025 \$'000	2024 \$'000
Opening balance		16,516	13,833
Development costs capitalised		6,235	3,434
Reclassification (to)/from investment property	3D	(251)	-
Reclassification (to)/from property, plant and equipment	3A	(872)	-
Less cost of development property sold		(751)	(751)
		20,877	16,516

At 30 June 2025, the Group has 19.0 hectares (2024: 7.4 hectares) available for development and sale.



3D Investment Property

Investment properties are land and buildings owned by the Group and held for capital appreciation, or primarily for earning rental income under operating leases. Investment properties are recognised initially at cost then subsequently measured to fair value annually, with changes recognised in net surplus/(deficit).

Fair value is determined by independent, professional valuers CBRE who have experience in the type of Investment properties owned by the Group. Valuations are derived from comparable market data for similar properties.

Included within the Group's portfolio are properties that have been valued based on proposed future subdivision developments. These valuations require a significant degree of judgement and estimate to be made about future events in the process of determining a fair value. Such factors requiring estimate and judgment include assumptions in relation to the following key inputs:

- future private plan change (re-zoning) applications and similar resource consent applications being successful
- future costs of subdivision and development and future market sales prices
- timelines to develop and sell and market rates of return on property development

The outcome of these valuations can be materially sensitive to changes in one or more of the key inputs and assumptions, which are reviewed annually by the Group's independent valuer.

		2025 \$'000	2024 \$'000
Opening balance		94,590	92,620
Acquisitions & additions		4,093	153
Reclassification (to)/from development property	3C	251	-
Changes in fair value	2B	27,881	1,817
		126,815	94,590





Notes to the **CONSOLIDATED FINANCIAL STATEMENTS**

YEAR ENDED
30 June
2025

Section Four: About our obligations and commitments

This section details the future liabilities and commitments we have, and how we have measured and calculated them.

4A Income Tax

Income tax is recognised in net profit/(deficit) except to the extent it relates to items recognised in equity. Income tax expense for the period comprises current tax and deferred tax. Current tax is the estimated income tax payable based on the current period taxable income, plus any adjustments to income tax payable in respect to prior periods.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax losses used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

During the year ended 30 June 2024, changes in income tax legislation were enacted meaning the Group will no longer be able to claim a deduction for depreciation on buildings for tax purposes, where buildings have useful lives of 50 years or more. This change took effect from 1 July 2024. This change in legislation has resulted in an increase to deferred tax liability of \$6,522,000 that has been reflected in Tax Expense for the year ended 30 June 2024, and Deferred Tax Liabilities attributable to Property, Plant & Equipment as at 30 June 2024.



RECONCILIATION OF EFFECTIVE TAX RATE

		2025 \$'000		2024 \$'000
Net surplus/(deficit) before tax		31,580		3,618
Income tax at Group's tax rate	28.0%	(8,842)	28.0%	(1,013)
Effect of tax exempt income	(41.7%)	13,184	(20.0%)	722
Effect of expenditure non-deductible for tax	2.7%	(862)	5.7%	(206)
Effect of intercompany transactions		(5,152)	0.0%	-
Change in recoverable depreciation of building assets	0.0%	-	180.3%	(6,522)
Adjustments in respect of prior periods	0.9%	(294)	2.4%	(87)
Total tax expense/(credit)	(10.1%)	(1,966)	196.4%	(7,106)

Tax expense composition

	2025 \$'000	2024 \$'000
Current tax	(6,954)	(1,002)
Deferred taxes	4,988	(6,104)
Total tax expense/(credit)	(1,966)	(7,106)

Movement in Deferred Tax Assets/ (Liabilities)

	1 July 2023 \$'000	Recognised in Surplus \$'000	Recognised in OCRE \$'000	30 June 2024 \$'000
Property, plant and equipment	(6,614)	(6,121)	-	(12,735)
Provisions	1,090	80	-	1,170
Employee entitlements	103	7	-	110
Investment Property	-	-	-	-
Other	(101)	(70)	-	(171)
	(5,522)	(6,104)	-	(11,626)

Movement in Deferred Tax Assets/ (Liabilities)

	1 July 2024 \$'000	Recognised in Surplus \$'000	Recognised in OCRE \$'000	30 June 2025 \$'000
Property, plant and equipment	(12,735)	(234)	(3,088)	(16,057)
Provisions	1,170	109	-	1,279
Employee entitlements	110	9	-	119
Investment Property	-	5,102	-	5,102
Other	(171)	2	-	(169)
	(11,626)	4,988	(3,088)	(9,726)



4B Trade and other payables

Trade and other payables are recorded initially at their fair value. All amounts are interest free, and expected to be settled in the next accounting period.

	2025 \$'000	2024 \$'000
Trade payables and accrued expenses	6,145	1,989
Revenue received in advance	1,274	974
Thermal Explorer Regional Events Fund Agency Liability	-	246
Income tax payable	5,755	387
	13,174	3,596

	2025 \$'000	2024 \$'000
Opening balance	5,391	5,634
Additional obligations and commitments capitalised	-	-
Provision utilised	(1)	(672)
Other changes recognised in net surplus/(deficit)	392	429
	5,782	5,391

Presentation in Financial Statements

Current Liability	-	-
Non-Current Liability	5,782	5,391
	5,782	5,391

4C Provision for Infrastructure Development

Due to the nature of property development undertaken by the Group in connection with the Titanium Park commercial and industrial business park, the Group has a number of actual and potential future obligations to construct (or contribute to the construction of) water supply and reticulation, waste water facilities and roading infrastructure around the Hamilton Airport precinct.

Provisions are recognised at the Group's best estimate of future costs in relation to commitments where a present obligation has arisen, discounted for the expected timing of the construction or contribution being made. The initial cost of a provision is capitalised as part of the asset to which it relates with subsequent changes in the provision due to discounting reflected in net surplus/(deficit).

The total movement in provisions recognised in net surplus/(deficit) for the year ended 30 June 2025 was an expense of \$392,000 (2024: \$429,000).

Contingent liabilities are recognised where there is less certainty about the timing, amount or likelihood of a future commitment, and when no present obligation exists. The Group's best estimate of the potential future commitment is disclosed where practicable, but not included within its balance sheet

	2025 \$'000	2024 \$'000
Contingent liabilities		
Waipā District Council - waste and potable water upgrades	3,386	3,287
Precinct North - joint development obligations	6,203	6,022
Waka Kotahi State Highway 21 - intersection upgrade contribution	unknown	unknown

The potential costs in relation to the Waka Kotahi State Highway 21 Intersection cannot be reliably estimated as the eventual intersection design is dependent on future traffic flow and generation which are outside the control of the Group.

During the year ended 30 June 2024, the Group (via subsidiary Titanium Park Limited, with adjacent landowners) were successful in their application to re-zone 130ha of land adjacent to the airport. Under this agreement, TPL has incurred obligations to contribute to joint roading and water initiatives when called on by other parties to do so. TPL had not received any demand by year end.

4D Commitments

At 30 June 2025, the Group had contractual commitments for capital expenditure of \$19,985,000 (2024: \$351,000) in respect of development and construction projects in connection with Titanium Park's Precinct North.

4E Events subsequent to balance date

There have been no material events subsequent to year end.





Notes to the CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED
30 June
2025

Section Five: About how we are funded and our shareholder value

This section gives information about our shareholders including their shareholdings and how their interest in the Group has grown in value.

5A Equity

Share Capital

The shareholding of Waikato Regional Airport Limited at 30 June 2025 was:

	ORDINARY PERCENTAGE SHARES	
Hamilton City Council	2,486,752	50.0%
Waipā District Council	777,110	15.6%
Waikato District Council	777,110	15.6%
Matamata Piako District Council	777,110	15.6%
Otorohanga District Council	155,422	3.2%
	4,973,504	100.0%

There were no changes in shareholding during the year (2024: none). All shares are fully paid and carry equal rights to vote and share the net assets of the Company. The shares have no par value, nor any fixed dividend rights.

Asset Revaluation Reserve

The accumulated, unrealised gains in asset revaluation are accumulated in the Asset revaluation reserve and are attributable the following asset classes:

	2025 \$'000	2024 \$'000
Land	70,273	70,273
Buildings	18,416	10,474
Airport Infrastructure	23,729	3,729
	112,418	104,476

5B Cash and Borrowings

Cash and cash equivalents comprise cash on hand and bank accounts held with reputable retail banks in New Zealand. This balance also includes overdraft facilities used for working capital purposes and set off facilities between account balances among Group entities.

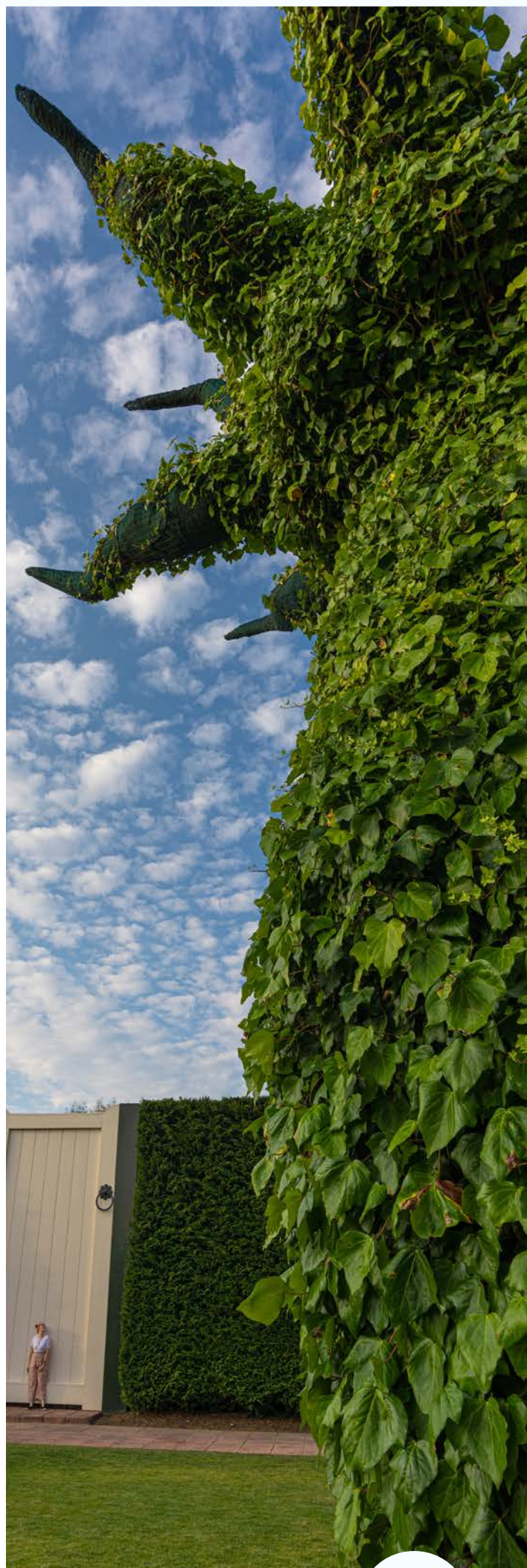
Borrowings are longer term debt facilities held with retail banks in New Zealand used to finance capital and investment requirements.

BORROWINGS	2025 \$'000	2024 \$'000
Current portion - due within 12 months	-	-
Non-current portion - due between 12 and 24 months	10,000	-
Non-current portion - due between 24 and 36 months	21,450	22,790
Total drawn borrowing facilities	31,450	22,790
Undrawn bank overdraft facilities	654	565
Undrawn term borrowing facilities	18,550	16,210
Total unutilised borrowing and overdraft facilities	19,204	16,775

The weighted average interest rate on borrowings at year end was 6.10% (2024: 7.70%). All borrowings and overdraft facilities are held with the Bank of New Zealand and are secured by way of a general security agreement and mortgages over certain land, buildings, and investment properties. The facilities have maturity dates between November 2026 and May 2028.

CASH AND CASH EQUIVALENTS	2025 \$'000	2024 \$'000
Cash and bank/(bank overdraft) balances held by the Group	95	80
Cash and bank balances held in capacity as agent	-	314
Total cash and cash equivalents	95	394

The Group, via its subsidiary Hamilton & Waikato Tourism, held cash of \$314,000 at 30 June 2024 in an agency capacity on behalf of the Thermal Explorer Regional Events Fund. The corresponding liability is recognised as a component of trade and other payables in Note 4B. The fund ceased during the year ended 30 June 2025 and no ongoing agency relationship existed at year end.





Notes to the CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED
30 June
2025

Section Six: Corporate Governance and Management

Section Six provides details about remuneration provided to the Group's Directors and Key Management Personnel, as well as details of transactions that took place with related parties.

6A Related parties

The following transactions took place with entities and individuals related to the Group.

	2025 \$'000	2024 '000
Remuneration		
Directors	399	313
Number of directors	8	7
Key management personnel	1,126	1,061
Number of personnel (full time equivalent)	4	4
Other		
Transactions in which directors declared an interest	1,258	240

Transactions carried out between the Group and its related parties arise from interests declared by directors. These transactions were for purchases of IT-related goods and services (2025: \$237,000, 2024: \$187,000) and utility infrastructure (2025: \$1,004,000, 2024: \$53,000) in the normal course of the Group's business on normal commercial terms.

6B Directors Holding Office

DIRECTOR FEES

	2025 \$'000	2024 \$'000
Waikato Regional Airport Limited		
Barry Harris (Chair)	60	60
Margaret Devlin (retired August 2024)	7	33
Gerard Gilmore	33	33
Kate Searancke (retired November 2023)	-	14
Renae Smart	33	33
Peter Stubbs (Appointed August 2024)	30	-
Anna Cassels-Brown (Appointed August 2024)	30	-
Rachel Winder (Appointed August 2024)	30	-
Titanium Park Limited		
Barry Harris (Chair)	36	33
Margaret Devlin (retired August 2024)	3	17
Gerard Gilmore	18	17
Kate Searancke (retired November 2023)	-	6
Renae Smart	18	17
Peter Stubbs (Appointed August 2024)	17	-
Anna Cassels-Brown (Appointed August 2024)	17	-
Rachel Winder (Appointed August 2024)	17	-
Hamilton & Waikato Tourism Limited		
Richard Leggat	22	22
Steven Gow	14	14
Gerard Gilmore (appointed October 2022)	14	14
Mark Morgan	-	-

The Directors of the Parent Company (WRAL) are also the Directors of subsidiary Waikato Regional Airport Hotel Limited under a common Board of Directors. The Directors of the Parent Company (WRAL) formed a separate Titanium Park Limited Board of Directors from 1 August 2023.

In addition to Director Fees paid, Margaret Devlin received \$1,000 for Chairing the Group's Audit & Risk Committee in 2025 (2024: \$5,500) and Peter Stubbs received \$5,000 in 2025 (2024: \$0).





6C Employee Remuneration

The numbers of employees outlined below received remuneration including salaries and performance bonuses exceeding \$100,000:

	2025	2024
\$440,000-\$449,999	1	-
\$410,000-\$419,999	-	1
\$260,000-\$269,999	1	-
\$250,000-\$259,999	1	-
\$240,000-\$249,999	-	1
\$230,000-\$239,999	-	1
\$160,000-\$169,999	1	-
\$150,000-\$159,999	1	2
\$140,000-\$149,999	1	1
\$130,000-\$139,999	1	1
\$120,000-\$129,999	-	1
\$110,000-\$119,999	-	-
\$100,000-\$109,999	3	3

6D Auditor

Pursuant to the Local Government Act 2002, KPMG is the auditor of the Group on behalf of the Auditor General. KPMG were paid \$238,000 for the audit of the Group and subsidiary financial statements (2024: KPMG, \$224,000).



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF WAIKATO REGIONAL AIRPORT LIMITED'S GROUP FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2025

The Auditor-General is the auditor of Waikato Regional Airport Group (the Group). The Auditor-General has appointed me, Glenn Keaney, using the staff and resources of KPMG, to carry out the audit of the financial statements and the performance information of the Group on his behalf.

Opinion

We have audited:

- the financial statements of the Group on pages 5 to 12 and 16 to 30, that comprise the consolidated statement of financial position as at 30 June 2025, the 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 financial statements that include accounting policies and other explanatory information; and
- the performance information of the Group on pages 13 to 15.

In our opinion:

- the financial statements of the Group on pages 5 to 12 and 16 to 30:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Reporting Standards applying the Reduced Disclosure Regime; and
- the performance information of the Group on pages 13 to 15 presents fairly, in all material respects, the Group's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Group's objectives, for the year ended 30 June 2025.

Our audit was completed on 19 September 2025. This is the date at which our opinion is expressed.

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

Basis for our opinion

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



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

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

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

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

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

In preparing the financial statements and the performance information, 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 there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

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

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

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

Reasonable assurance is a high level of assurance, but 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 decision of readers taken on the basis of these financial statements and the performance information.

For the budget information reported in the performance information, our procedures were limited to checking that the information agreed to the Group's statement of intent.

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

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

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the 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 evaluate the appropriateness of the reported performance information within the Group's framework for reporting performance.
- 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 and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and the performance 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 in our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 2 to 4 but does not include the financial statements and the performance information, and our auditor's report thereon.

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

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



Independence

We are independent of the 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* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Group.

A handwritten signature in blue ink, appearing to read 'G. Keaney', written in a cursive, flowing style.

Glenn Keaney
KPMG
On behalf of the Auditor-General
Tauranga, New Zealand



Hamilton Kirikiriroa Airport, a waharoa,
a vital gateway.

A place where regions come together,
pathways cross and connections are formed.

We're fiercely, proudly mana Waikato.

We unite people through manaakitanga,
care and unity.

Our pulse flows from the waters of the awa,
into the whenua that surrounds it, back
through time and forward into the future.

People and commerce fly in and out of our
gateway, carrying cultural and economic
life beyond our borders, enriching our
communities.

We're master planning te ara – our pathway
to tomorrow – where innovation, fast-paced
growth and sustainable practices will propel
our region to greatness.

Kia ora and welcome to Hamilton Airport: a
vibrant hub with a rich history
and a bold future.

