

Quayside Holdings Limited and Subsidiaries
Income Statement
For the year ended 30 June 2023

| | Note | 30 June 2023 \$000 | 30 June 2022 \$000 |
|--|------------|-----------------------|-----------------------|
| Income | | | |
| Trading revenue | 4(a) | 425,036 | 380,131 |
| Other income | 4(b) | 6,053 | 6,042 |
| Other gains | 4(c) | 17,145 | 25,374 |
| Operating income | 4 | 448,233 | 411,547 |
| Expenses | | | |
| Employee benefit expenses | 5 | (53,975) | (49,851) |
| Trading and other expenses | 6(a) | (166,210) | (140,334) |
| Other losses | 6(b) | (8,226) | (12,146) |
| Operating expenses | | (228,411) | (202,331)) |
| Results from operating activities | | 219,822 | 209,217 |
| Depreciation and amortisation | 10, 11, 12 | (41,315) | (37,965) |
| Operating profit before finance costs, share of profit from equity accounted investees and taxation | | 178,507 | 171,251 |
| Finance income | 7(a) | 3,192 | 923 |
| Finance expenses | 7(b) | (24,128) | (18,219) |
| Net finance costs | | (20,936) | (17,296) |
| Impairment of investment in equity accounted investees | 14 | (9,679) | (599) |
| Share of profit/(loss) from equity accounted investees | 14 | 13,824 | 17,561 |
| Profit before income tax | | 161,716 | 170,917 |
| Income tax benefit/(expense) | 8 | (40,833) | (45,052) |
| Net profit after tax | | 120,884 | 125,865 |
| Attributable to: | | | |
| Equity holders of the parent | | 67,819 | 75,573 |
| Non controlling interest | | 53,065 | 50,293 |
| | | 120,884 | 125,865 |

Quayside Holdings Limited and Subsidiaries
Statement of Comprehensive Income
For the year ended 30 June 2023

| | Note | 30 June 2023 \$000 | 30 June 2022 \$000 |
|--|------|-----------------------|-----------------------|
| Net profit after tax | | 120,884 | 125,865 |
| Other comprehensive income | | | |
| <i>Items that will be reclassified to profit or loss when specific conditions are met:</i> | | | |
| Cash flow hedge - changes in fair value, net of tax* | | 2,293 | 15,165 |
| Cash flow hedge - reclassified to profit or loss, net of tax* | | (44) | 4,382 |
| Share of net change in cash flow hedge reserves of equity accounted investees | | 209 | 862 |
| | | 2,458 | 20,409 |
| <i>Items that will not be reclassified to profit or loss:</i> | | | |
| Bearer plant revaluation, net of tax * | | (232) | (4,136) |
| Kiwifruit licence revaluation, net of tax * | | (571) | 1,115 |
| Asset revaluation, net of tax* | | 23,530 | 625,137 |
| Share of net change in revaluation reserve of equity accounted investees | | 16,283 | 13,865 |
| | | 39,010 | 635,981 |
| Total other comprehensive income | | 41,468 | 656,390 |
| Total comprehensive income / (loss) for the period | | 162,352 | 782,255 |
| Attributable to: | | | |
| Equity holders of the parent | | 90,138 | 434,044 |
| Non-controlling interest | | 72,214 | 348,212 |
| | | 162,352 | 782,255 |

* Net of tax effect is disclosed in notes 8 and 9

Quayside Holdings Limited and Subsidiaries
Statement of Changes in Equity
For the year ended 30 June 2023

| | Share capital | Hedging reserve | Revaluation reserve | Retained earnings | Non controlling interest | Total equity |
|--|------------------|--------------------|------------------------|----------------------|--------------------------------|------------------|
| | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 |
| Balance at 30 June 2021 | 200,011 | (6,165) | 696,215 | 250,966 | 627,712 | 1,768,739 |
| Profit after tax | - | - | - | 75,573 | 50,293 | 125,865 |
| Net effective portion of changes in fair value of cash flow hedges, net of tax | - | 8,314 | - | - | 6,851 | 15,165 |
| Net change in fair value of cash flow hedges transferred to profit or loss, net of tax | - | 2,402 | - | - | 1,980 | 4,382 |
| Net change in share of Equity Accounted Investees' cash flow hedge reserves | - | 473 | - | - | 389 | 862 |
| Net change in share of Equity Accounted Investees' revaluation reserve | - | - | 7,601 | - | 6,264 | 13,865 |
| Asset revaluation, net of tax | - | - | 342,703 | - | 282,434 | 625,137 |
| Bearer plant revaluation, net of tax | - | - | (4,136) | - | - | (4,136) |
| Kiwifruit licence revaluation, net of tax | - | - | 1,115 | - | - | 1,115 |
| Total Comprehensive Income | - | 11,188 | 347,283 | 75,573 | 348,212 | 782,255 |
| Non-controlling interest adjustment | - | - | - | (11) | (2) | (13) |
| Retained earnings adjustment | - | - | - | 506 | - | 506 |
| Increase / (Decrease) in share capital | - | - | - | (20) | (17) | (37) |
| Shares issued upon vesting of management LTI plan | - | - | - | 126 | (126) | - |
| Equity settled share-based payment accrual | - | - | - | - | 2,021 | 2,021 |
| Dividends to shareholders | - | - | - | (43,542) | (43,661) | (87,203) |
| Balance at 30 June 2022 | 200,011 | 5,023 | 1,043,498 | 283,597 | 934,140 | 2,466,269 |

Quayside Holdings Limited and Subsidiaries
Statement of Changes in Equity
For the year ended 30 June 2023

| | Share capital | Hedging reserve | Revaluation reserve | Retained earnings | Non controlling interest | Total equity |
|--|----------------|-----------------|---------------------|-------------------|--------------------------|------------------|
| | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 |
| Balance at 30 June 2022 | 200,011 | 5,023 | 1,043,498 | 283,597 | 934,140 | 2,466,269 |
| Profit after tax | - | - | - | 67,819 | 53,065 | 120,884 |
| Net effective portion of changes in fair value of cash flow hedges, net of tax | - | 1,254 | - | - | 1,039 | 2,293 |
| Net change in fair value of cash flow hedges transferred to profit or loss, net of tax | - | (24) | - | - | (20) | (44) |
| Net change in share of Equity Accounted Investees' cash flow hedge reserves | - | 114 | - | - | 95 | 209 |
| Net change in share of Equity Accounted Investees' revaluation reserve | - | - | 8,907 | - | 7,376 | 16,283 |
| Asset revaluation, net of tax | - | - | 12,899 | - | 10,631 | 23,530 |
| Bearer plant revaluation, net of tax | - | - | (232) | - | - | (232) |
| Kiwifruit licence revaluation, net of tax | - | - | (571) | - | - | (571) |
| Total Comprehensive Income | - | 1,344 | 21,003 | 67,819 | 72,185 | 162,352 |
| Non-controlling interest adjustment | - | - | - | - | 20 | 20 |
| Increase / (Decrease) in share capital | - | - | - | (39) | (33) | (72) |
| Shares issued upon vesting of management LTI plan | - | - | - | 153 | (153) | - |
| Equity settled share-based payment accrual | - | - | - | - | 1,462 | 1,462 |
| Adjustment for vesting of equity settled share based payment | - | - | - | (3,499) | 3,499 | - |
| Dividends to shareholders | - | - | - | (47,547) | (46,788) | (94,336) |
| Balance at 30 June 2023 | 200,011 | 6,367 | 1,064,501 | 300,483 | 964,333 | 2,535,694 |

Quayside Holdings Limited and Subsidiaries
Statement of Financial Position
For the year ended 30 June 2023

| | Note | 30 June 2023 \$000 | 30 June 2022 \$000 |
|---|------|-----------------------|-----------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | | 39,362 | 45,680 |
| Receivables and prepayments | 15 | 72,031 | 65,599 |
| Inventories | | 1,986 | 2,185 |
| Derivative financial instruments | 19 | 35 | 350 |
| Loans to Equity accounted investees | 17 | 400 | 2,930 |
| Total current assets | | 113,814 | 116,744 |
| Non-current assets | | | |
| Intangible assets | 12 | 25,676 | 27,430 |
| Property, plant and equipment | 10 | 2,425,734 | 2,396,124 |
| Investments in equity accounted investees | 14 | 274,760 | 250,590 |
| Investment property | 23 | 100,057 | 97,308 |
| Biological assets | 24 | - | 807 |
| Other financial assets | 17 | 300,554 | 262,025 |
| Right-of-use assets | 11 | 50,853 | 40,407 |
| Deferred tax asset | 9 | 1,107 | 719 |
| Derivative financial instruments | 19 | 15,514 | 11,957 |
| Receivables and prepayments | 15 | 18,890 | 18,612 |
| Total non-current assets | | 3,213,145 | 3,105,978 |
| Total assets | | 3,326,959 | 3,222,722 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 20 | 45,004 | 42,313 |
| Revenue in advance | | 2,951 | 3,283 |
| Loans and borrowings | 18 | 181,875 | 125,000 |
| Lease liability | 11 | 1,039 | 864 |
| Employee benefit provisions | 5 | 4,371 | 3,350 |
| Derivative financial instruments | 19 | 7 | 67 |
| Contingent consideration | | 359 | 368 |
| Current taxation | | 13,540 | 13,746 |
| Total current liabilities | | 249,147 | 188,991 |
| Non-current Liabilities | | | |
| Loans and borrowings | 18 | 354,877 | 389,499 |
| Lease liability | 11 | 52,621 | 41,659 |
| Employee benefit provisions | 5 | 1,524 | 1,627 |
| Deferred tax liabilities | 9 | 123,824 | 124,587 |
| Contingent consideration | | 30 | 2,688 |
| Derivative financial instruments | 19 | 9,242 | 7,403 |
| Total non-current Liabilities | | 542,118 | 567,463 |
| Total liabilities | | 791,265 | 756,453 |
| NET ASSETS | | 2,535,694 | 2,466,269 |

Quayside Holdings Limited and Subsidiaries
Statement of Financial Position
For the year ended 30 June 2023

| | Note | 30 June 2023 \$000 | 30 June 2022 \$000 |
|---|-------|-----------------------|-----------------------|
| EQUITY | | | |
| Paid up capital | 16(a) | 200,011 | 200,011 |
| Reserves | 16(c) | 1,070,869 | 1,048,521 |
| Retained earnings | | 300,483 | 283,597 |
| <hr/> | | | |
| Total equity attributable to equity holders of the parent | | 1,571,362 | 1,532,129 |
| Non-controlling interest | 16(e) | 964,333 | 934,140 |
| TOTAL EQUITY | | 2,535,694 | 2,466,269 |

Quayside Holdings Limited and Subsidiaries
Statement of Cash Flows
For the year ended 30 June 2023

| | Note | 30 June 2023 \$000 | 30 June 2022 \$000 |
|---|------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Receipts from customers | | 418,509 | 397,173 |
| Dividends received | | 5,255 | 5,681 |
| Interest received | | 2,217 | (72) |
| Other income | | - | 906 |
| Payments to suppliers and employees | | (214,576) | (198,540) |
| Taxes refunded | | 137 | 33 |
| Taxes/subvention paid | | (42,995) | (36,447) |
| Interest paid | | (22,136) | (18,431) |
| Net cash flow from operating activities | | 146,411 | 150,303 |
| Cash flows from investing activities | | | |
| Proceeds from sale of investments | | 54,467 | 66,299 |
| Purchase of investments | | (64,627) | (50,695) |
| Distributions from equity investments | | 649 | 3,951 |
| Finance lease payments received, including interest | | - | (13) |
| Advances to equity accounted investees | | (4,990) | (2,627) |
| Investment in equity accounted investees | | (23,875) | (30,165) |
| Distributions from equity accounted investees | | 20,681 | 20,314 |
| (Purchase) / Sale of intangible assets | | (582) | (135) |
| Purchase of investment property | | (13,582) | (8,808) |
| Improvements to investment property | | (1,524) | (5,720) |
| Purchase of property, plant and equipment | | (44,860) | (21,345) |
| Proceeds from sale of property, plant and equipment | | 109 | 33 |
| Interest capitalised on property, plant and equipment | | (335) | (102) |
| Payment of contingent consideration | | (3,136) | (488) |
| Net cash flow from investing activities | | (81,605) | (29,501) |
| Cash flows from financing activities | | | |
| Proceeds from borrowings | | 49,288 | 110,768 |
| Repurchase of shares | | - | (931) |
| Repayment of lease liabilities | | (1,060) | (874) |
| Repayment of borrowings | | (25,000) | (138,029) |
| Dividends paid | 16 | (94,334) | (87,204) |
| Net cash flow from financing activities | | (71,105) | (116,270) |
| Effects of exchange rate changes on cash and cash equivalents | | (19) | 484 |
| Net increase/(decrease) in cash and cash equivalents | | (6,318) | 5,016 |
| Cash and cash equivalents at the beginning of the year | | 45,680 | 40,664 |
| Cash and cash equivalents at the end of the year | | 39,362 | 45,680 |

Quayside Holdings Limited and Subsidiaries
Statement of Cash Flows
For the year ended 30 June 2023

| | Note | 30 June 2023 \$000 | 30 June 2022 \$000 |
|--|----------|-----------------------|-----------------------|
| RECONCILIATION OF PROFIT FOR THE PERIOD TO CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit for the period | | 120,884 | 125,865 |
| Items classified as investing/financing activities: | | | |
| Finance lease interest revenue | 7a | (59) | (41) |
| Net (gain)/loss on investments | | (12,287) | (14,557) |
| Gain on sale of property, plant and equipment | | - | 38 |
| | | 108,262 | 111,305 |
| Non cash and non operating items: | | | |
| Depreciation and amortisation | 10,11,12 | 41,243 | 37,931 |
| Impairment of property, plant and equipment | 10 | 3,456 | - |
| Impairment of property, plant and equipment on revaluation | 10 | | 1,445 |
| (Decrease)/Increase in deferred taxation expense | | (1,760) | 5,874 |
| Ineffective portion of change in fair value of cash flow hedge | | | (51) |
| Movement in derivative taken to P&L | | (38) | - |
| Reversal of previous year deficit | | | 508 |
| Share of net profit after tax retained by equity accounted investees | 14 | (13,824) | (17,560) |
| Impairment of investment in equity accounted investees | | 9,679 | 599 |
| Increase in equity settled share based payment accrual | | 1,462 | 2,021 |
| Loss on disposal of Equity Accounted Investees | | | - |
| Non-cash interest received | | (500) | - |
| Revenue received in advance | | | 2,244 |
| Change in the fair value of contingent consideration | | 551 | 117 |
| | | 40,268 | 33,128 |
| Movements in working capital: | | | |
| Change in trade receivables and prepayments | | (7,685) | 1,683 |
| Change in inventories | | 91 | (1,176) |
| Change in taxation payable | | (188) | 3,734 |
| Change in trade, other payables and revenue received in advance | | 5,703 | 2,108 |
| Changes in foreign cash deposits | | (40) | (479) |
| | | (2,119) | 5,870 |
| Net cash flow from operating activities | | 146,411 | 150,303 |

Dividends

The following dividends were declared and paid during the period by Quayside Holdings Limited:

| | 30 June 2023 \$000 | 30 June 2022 \$000 |
|--|-----------------------|-----------------------|
| Ordinary shares | | |
| Total dividends paid of \$4,250 per share (2022: \$4,000) | 42,500 | 40,000 |
| | 42,500 | 40,000 |
| Perpetual preference shares | | |
| Total dividends paid of \$0.0252 per share (2022: \$0.0177) | 5,047 | 3,542 |
| | 5,047 | 3,542 |
| Total dividends paid | 47,547 | 43,542 |

The dividends are fully imputed. Dividends paid by the Port of Tauranga Limited to non-controlling interests were \$46.8m (2022: \$43.7m)

The Perpetual Preference Shares are subject to a fixed Dividend Rate reset every three years at the Dividend Rate Reset Date. This date occurred on 12 March 2023, where the rate for the following three-year period was set at 6.46%. The next dividend reset date will be 13 March 2026.

Dividends declared subsequent to balance date

The Port of Tauranga approved a final dividend of 8.8 cents per share to a total of \$59.9 million after reporting date.

No other dividends were declared after balance date but prior to the date of signing of these accounts.