

PrimePort Timaru Annual Report

2025



PRIMEPORT
TIMARU



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Chair and Chief Executive's Review 2024/2025



Scenic Eclipse II alongside No. 1 Wharf.

The success of this past year is a true testament to the operational resilience our team at PrimePort have demonstrated throughout challenging times.

We have adapted accordingly and weathered the trying conditions of this most recent cycle, all the while investing, where it is prudent to do so, in our infrastructure to continue to earn our place in the community as an important global connector for our region's importers and exporters.

We can now look ahead with cautious optimism, amid positive signs of recovery in our business – we are starting to see trade volumes stabilise – and we note improvements in the broader economy.

Reflecting on the partnership with joint venture shareholders Port of Tauranga Limited and Timaru District Holdings Limited, we are grateful to have supportive partners backing us all the way. We look forward to continuing our work together on aligning our long-term strategies.

Our extensive asset improvement programme is now in its second decade and is heading towards the end of the bow wave. Our investment has provided operational flexibility, positioned PrimePort well for the future, has improved resilience and reliability for our customers and provided solid returns for the community.

We are excited about what could be a new phase of growth for PrimePort, as we explore the potential opportunities for a new wharf consent, rail connectivity and available land of four hectares at Evans Bay may bring this year and beyond. With these attractive attributes, PrimePort is well positioned to expand its offering to new or evolving import and export cargos and customers.

Challenges and Highlights

At PrimePort, the wellbeing and safety of our staff is our top priority. This year there were two Lost Time Injuries, which resulted in a combined nine days off work for those involved. Neither of the lost time incidents involved any lasting injury.

After weathering two consecutive years of challenging market conditions, this year trade volumes were up 2% on the previous year, with solid demand for three of the main bulk trade products.

A favourable cargo mix and a one-off early land lease termination payment helped boost revenue 10% on last year, while expense increases were modest compared with the previous two periods.

Expenses rose \$1.38 million or 5% on last year, driven largely by port operating expenses and increased depreciation charges resulting from the Port's significant capital expenditure programme.

With cost increases under control and solid revenue, profit before tax for the 2024/2025 year rose \$1.52 million or 30% on the previous year.

PrimePort also successfully completed its annual insurance renewal following a competitive process, with underwriters providing positive feedback about the depth and quality of engineering and asset management displayed by the company.

Our People

Our workforce numbers total 52 full-time employees and 14 casual employees. Seven new full-time employees joined the PrimePort ranks throughout the year.

Among our casual staff members are university engineering students working for PrimePort during their holiday breaks. The students contribute across a variety of interesting engineering projects and bring a valuable perspective to the work we do, while gaining real world experience across our varied operations.

Membership of our Board of Directors remained unchanged during the year itself. However, during the year, Port of Tauranga Limited appointed Director Tony Reynish retired after serving nine years on the board. His successor is Brodie Stevens, who is also a Director of Port of Tauranga Limited. We would like to express our deep appreciation for Tony's significant contribution over the years, particularly to the infrastructure projects completed during his tenure.

The make-up of our Leadership Team remains the same and we continue to work cohesively to maintain our high operational standards and achieve our goals as a business. Professional development opportunities help to keep our team fresh and two of our leaders undertook residential leadership courses during the year.

Five years on from the establishment of our organisation's values framework, we are pleased to see these values – Teamwork, Adaptable, Care and Kaitiaki – woven into the fabric of daily work life at PrimePort. Our team works hard to reinforce these values and each year, we hold a values awards presentation to recognise and celebrate staff who exemplify these values.

To support our people through illness and injury, all staff are offered company-funded medical insurance through nib. This initiative, in its second year, has been well-received and widely taken up by the team. Several staff members have been able to expedite treatment and surgery through private healthcare providers, which has seen them return to work more quickly than if they had waited for publicly funded care.

The Port Users Health & Safety Forum, which continues to meet quarterly, is a well-attended and valued platform for stakeholders to address key safety and security issues. Recent forums have featured guest speakers from organisations such as Maritime New Zealand, Oceanlaw, Public Health South, and the Ministry for Primary Industries Biosecurity team, enriching discussions with expert perspectives and up-to-date information.

There were two Lost Time Injuries during the 2024/2025 year, which resulted in a combined nine days off work for the people involved. The minor injuries were musculoskeletal injuries such as strains and sprains relating to heavy work. Where possible, PrimePort has implemented engineering controls to reduce the likelihood of these injuries occurring in the future.

PrimePort's Fatigue Risk Management System is working well. The system's policies were developed by a dedicated work group with the aim of reducing workplace fatigue. They include a fatigue leave allowance which is available for employees experiencing sleep disruption due to personal or medical issues.

Over the past year, PrimePort's Wellbeing Committee has introduced a range of initiatives focused on supporting staff health and resilience. These include on-site staff health checks, flu vaccinations, a dedicated mental health awareness workshop, and a guest speaker session on the theme "overcoming adversity".

PrimePort identified and monitored Critical Risks over the past year using bow-tie analysis and risk assessment. The Leadership Team ensured controls stayed effective through audits, inspections, and timely reviews. The Board maintained oversight through process reviews and site audits.

We rely on the Noggin safety management system for incident and hazard reporting and PrimePort has prioritised employee training to ensure effective use of the system and realisation of the benefits it brings.

We are proud to be one of the few Ports in New Zealand to hold ISO45001 health and

safety certification. A recertification audit was successfully completed in November 2024, underscoring the team's ongoing commitment to industry-leading safety standards.

Our Marine Team enhances navigation safety and operational efficiency by utilising simulators and external training opportunities, allowing staff to practise complex manoeuvres in realistic conditions which mirror the local harbour environment. Notably, Pilots took part in several full mission bridge simulator training sessions, conducting emergency drills and supporting Port development activities in advanced facilities such as Brisbane's "SmartShips" and the Netherlands' "Centre for Simulator Maritime Training".

The Marine Team has adopted "Sea-Flux" vessel management software. Sea-Flux is a cloud-based platform aimed at supporting maritime operations, offering features such as real-time tracking of safety checks, equipment maintenance, crew management, and a centralised repository for crew certificates, company SOPs, procedures, and reports.

Another new application proving useful is "Transit Analyst", a tool to help Pilots and management track vessel manoeuvres, optimise pilotage operations, enhance pilot training and mentorship, and support regulatory compliance.

We thank our staff for their unwavering commitment and hard work throughout the year. Your dedication has been instrumental in fostering a safe, supportive, and high-performing environment at PrimePort.



Board



Roger Gower
Chair



Steve Gray
Director



Julia Hoare
Director



Amanda Johnston
Director



Mark Rogers
Director



Brodie Stevens
Director

Leadership Team



Phil Melhopt
Chief Executive Officer



Nick Donaldson
Chief Financial Officer



Emma O'Connell
Operations Manager



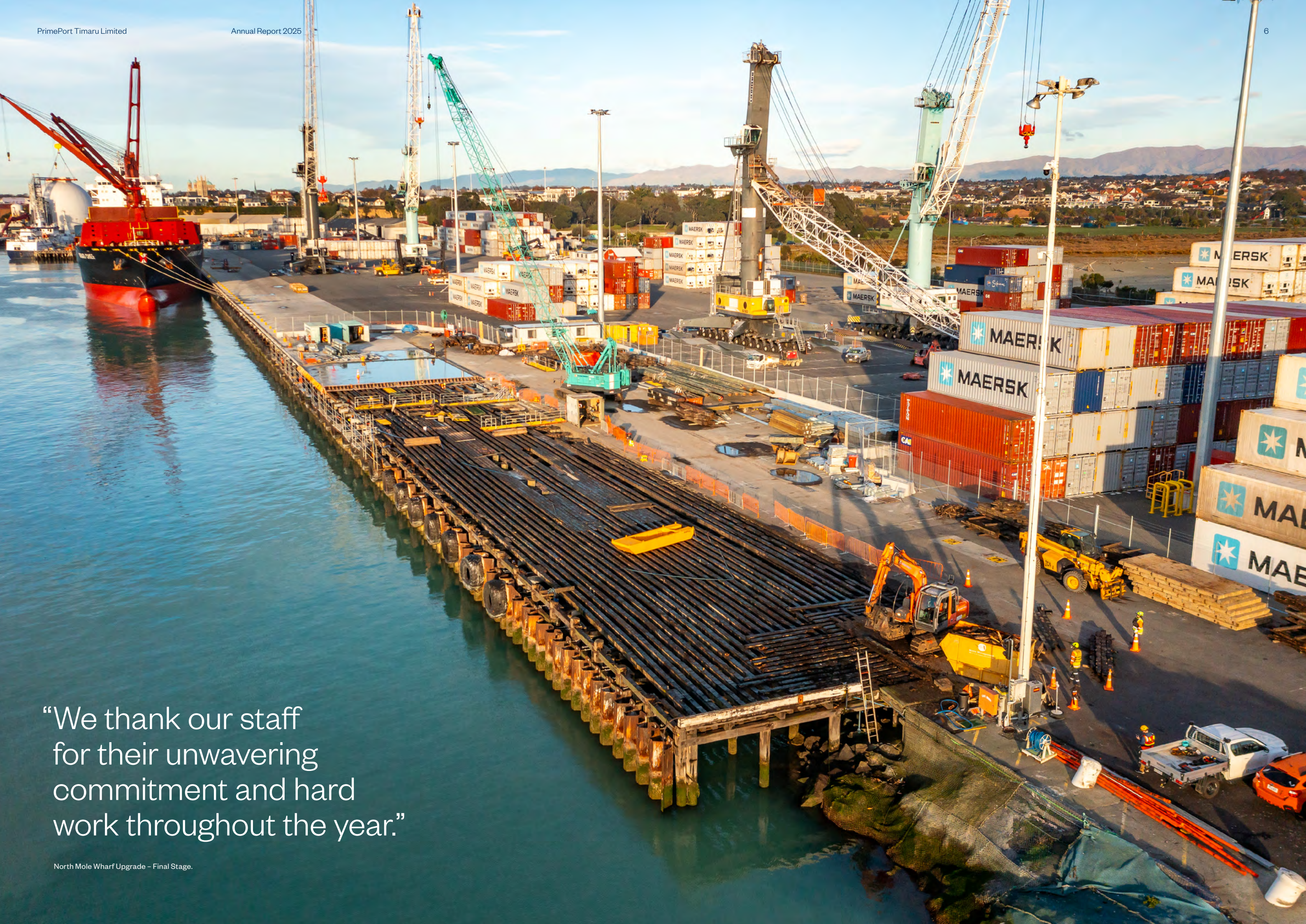
Ben Kleinjan
Port Engineering Manager



Stewart Gollan
Safety & Environmental
Manager



Andrew Pye
Commercial & Marine
Manager



“We thank our staff
for their unwavering
commitment and hard
work throughout the year.”

North Mole Wharf Upgrade – Final Stage.

Our Financial Performance

PrimePort’s total revenue was up \$2,893,000 (10%) on last year, boosted by an early termination fee resulting from Antarctica New Zealand’s decision to seek alternative to PrimePort lease land for the construction of the new Scott Base.

Operational costs were up \$1.38 million or 5% on the previous year, although the rate of increase has slowed.

There is room now for cautious optimism, with bulk trade volumes showing signs of stabilisation. This year, volumes ticked back into positive territory, up 2% on the previous year.

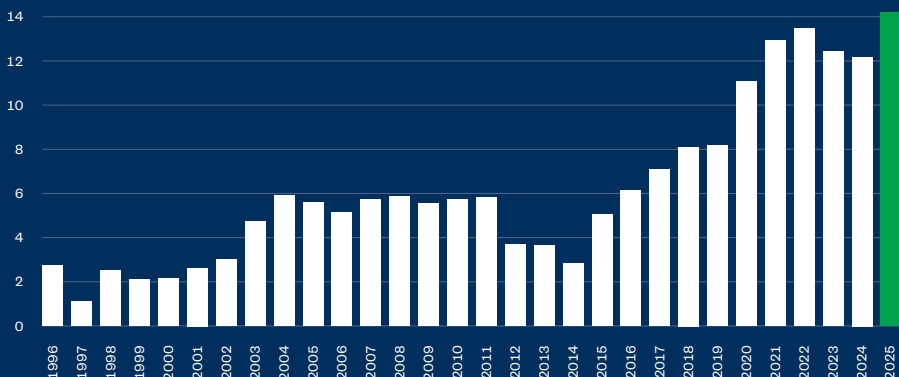
PrimePort has seen solid demand for several categories of bulk trade products, although volumes remain well off post-COVID numbers.

With cost increases somewhat contained and trade volumes showing early signs of recovery, operating profit before tax is up \$1.52 million or 30% on the previous year to \$6.59 million.

Operating land revaluations increased by \$5.57 million to \$63.02 million for the year.

Total comprehensive income for the year was \$9.34 million.

EBITDA Using Normal Port Operating Profits (\$M)



Our Operations

The total number of ship calls increased slightly with 421 ship calls in 2024/2025 compared to 416 in the previous year.

Bulk trades for the year totalled 1.66 million tonnes, reflecting an increase of 32,000 tonnes (2%) on the previous year. However, this remains significantly below the post-COVID record achieved in 2022, when bulk trade volumes peaked at 2.07 million tonnes, which is 414,000 tonnes (20%) higher than this year.

With current demand pressures facing the export log and cement markets, volumes have dropped, but as markets recover, PrimePort has the capacity and infrastructure in place to return to, or even surpass, those record-setting post-COVID levels in the future.

Log export volumes for the current year reached 335,000 jas m³, an increase of 48,000 jas m³ or 17% compared to last year. This growth reflects an increase in demand, including the revival of log exports to India and modest improvements in wharf gate pricing for forest growers.

Cement volumes were down further on last year but appear to have stabilised. Fertiliser and stock feeds saw notable increases, up 15% and 12% respectively on last year, with these gains significantly influenced by

improved returns for the dairy sector. Fuel was 11% behind last year, reflecting a subdued economy and decreased demand for diesel.

PrimePort welcomed nine cruise ships during the 2024/2025 cruise season, which was four ships fewer than the previous season, and reflected an overall decline in cruise ship calls to New Zealand. Timaru is the only destination in New Zealand to be forecasting increasing numbers of cruise ships calls, with 14 scheduled for next season.

Timaru Container Terminal Limited moved 86,285 TEUs through the terminal, which was 4% up on the previous year’s volume of 82,862 TEU. Breakbulk volume with the container terminal, mostly steel, was up 15% to 31,652 tonnes.

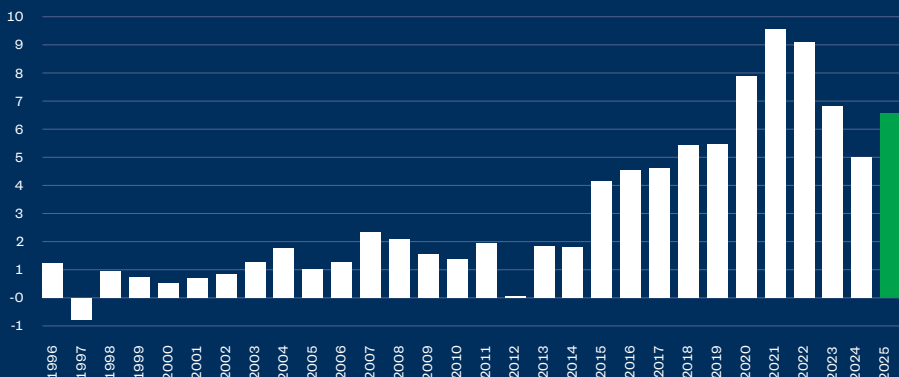
Container line activity at Timaru Container Terminal Limited remained steady throughout the year, with notable changes to service patterns. The Maersk-operated Polaris service transitioned to the Northern Star service during the year, continuing to provide reliable weekly sailings through Timaru. However, and disappointingly, Pacifica Shipping ceased its fortnightly coastal call of the Moana Chief in August 2024, bringing the connection between Auckland, Lyttleton, and Timaru to a close. In terms of infrastructure, the container terminal saw a significant upgrade with the arrival of the new Liebherr 550 Mobile Harbour Crane in November 2024, further enhancing cargo handling capability and operational efficiency.

This year, we provided tug charters to Wellington’s CentrePort by offering the services of Tug Titan while one of their tugs underwent scheduled maintenance. PrimePort’s dedicated Marine staff braved rough weather and managed bouts of sea sickness to ensure Tug Titan’s successful delivery run.

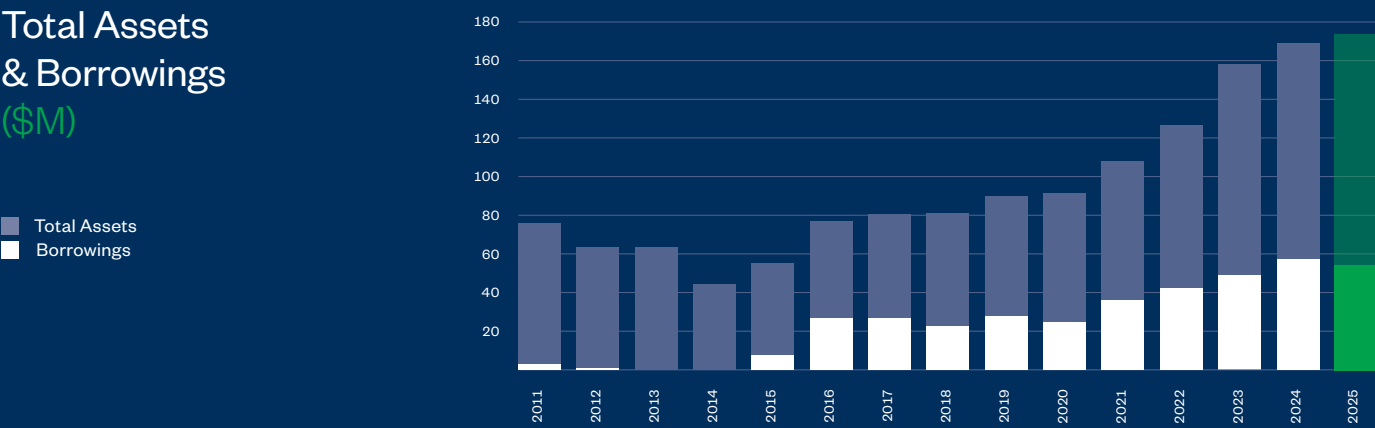
Dutch Dredging continues to provide essential dredging services to PrimePort with their vessel, “Albatross”. During the year, the Albatross completed two campaigns at PrimePort, moving more than 214,000 cubic metres of material. PrimePort extends its sincere appreciation to Dutch Dredging for their swift response and commitment in returning to the Port under urgent circumstances following the significant channel infill caused by the June 2025 storm event. The company’s prompt action ensured the Port’s operations could recover quickly, maintaining safe and efficient access for all users.

PrimePort had prepared and leased a 2.1 hectare site at Evans Bay for the Scott Base building redevelopment. However, following a project review by the Government, and a subsequent change in building scope, Antarctica New Zealand ultimately decided not to utilise the Evans Bay site. As a result, both parties have agreed to an early termination of the land lease.

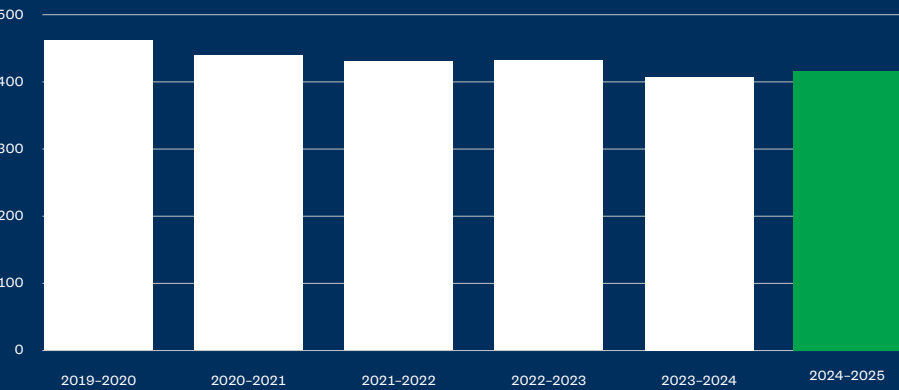
Normal Port Operating Profits (\$M)



Total Assets & Borrowings (\$M)

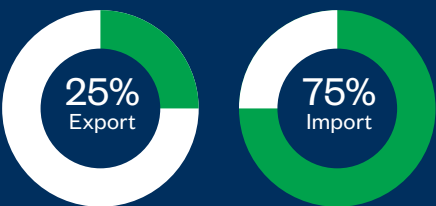


Ship Numbers



EBITDA	PROFIT BEFORE TAX	TOTAL EQUITY	TOTAL ASSETS
↗17%	↗30%	↗8%	↗5%
to 14.390 M	to 6.592 M	to 111.177 M	to 174.903 M

2025 Total Cargo Mix (Tonnes)





Our Infrastructure and Property

This year saw PrimePort follow through on our commitment to invest in and future-proof our infrastructure assets, despite some of the challenging conditions we have experienced in recent years.

Above:
No. 1 Extension Wharf pipeline realignment.

Below:
Timaru Container Terminal operations with Caroline Bay in the background.



In May 2024, our Leadership Team decided to proceed with the upgrade of the remaining 125m of the North Mole timber wharf, known as Stage 5, after a 12 month pause. This marks a positive step forward, especially in light of bulk trade headwinds, post-COVID cost pressures, and the uncertain economic outlook that had previously delayed major wharf upgrade works.

The completion of Stage 5 will be a significant milestone, retiring the last operational timber-decked wharf in our network, and one that will certainly be celebrated. It also complements our earlier investment in a new access point from Unwin Street to the North Mole Wharf Outer berth.

This facility will provide deep-sea fishing companies with an additional berth for unloading cargo, particularly when No. 1 Wharf is occupied with log and bulk fertiliser operations. It will also serve as an excellent facility for cruise vessels, allowing passengers to disembark and walk directly into the Caroline Bay area or even into town, enhancing the visitor experience. Completion is scheduled for early 2026.

During the year, PrimePort’s own Repairs & Maintenance Team have focused on upgrades to the No. 3 Wharf northern berth and to No. 1 Extension Wharf pile replacements. Additionally repairs and maintenance to the No. 1 Wharf in the form of pile jackets and replacement piles was undertaken with the assistance of contractors. This work will continue in 2025/2026.

The No. 1 Extension Wharf Pipeline Relocation project was completed in early 2025. Ewing Construction and Rooney Earthmoving Limited worked closely with PrimePort and our bulk liquid customers to limit disruption to the pipeline owner’s businesses while the new pipelines were installed, and the old ones unstitched off the wharf. The project expanded to include replacement of the old timber support truss and upgrade of the fire monitor foundations. The completion of this work significantly improves the resilience and robustness of the pipeline assets and puts us in a good position for further hardstand and wharf developments in the future.

PrimePort and IXOM successfully negotiated a new lease in the 2023/2024 year, requiring an extension to the IXOM site for construction of a new caustic tank. The construction of the tank and bund walls occurred at the same time as the pipeline relocation project. The new lease has the added benefit of improving the width of the Log Yard Haul Road, bringing further safety improvements to the log export operation.

Safety and security improvements were made to the Fisherman’s Wharf with the installation of a new security gate in late 2024. We are working closely with Talley’s and Sanford about future plans for repairs and maintenance to the wharf.

The North Mole Outer Breakwater and the Eastern Extension breakwater received significant maintenance during the period, with the import of rock to ensure these assets remain fit-for-purpose.

In respect to buildings, the Watchhouse received a renovation with a new roof and double-glazed windows, Hayes Street had a section of roof replaced and the PrimePort reception received a minor freshen-up.

In April 2025, PrimePort’s Chief Financial Officer and Port Engineering Manager travelled to London and Singapore to present to a range of insurance underwriters as part of the annual insurance renewal process.

The presentations, held at the offices of global insurer Howden, introduced PrimePort to new underwriters in London and Singapore, leveraging Howden’s reach to strategically position PrimePort as a desirable placement in the international insurance market. Underwriters offered positive feedback, praising the depth of engineering detail and asset management showcased. The engagement increased capacity and competition for PrimePort’s insurance programme and resulted in a successful 2025/2026 insurance renewal.

Our Environment



PrimePort’s harbour and surrounding areas are regularly visited by a variety of native wildlife, including Little Blue Penguins, Southern Black Back Gulls, Spotted Shags, White Fronted Terns, New Zealand Fur Seals, and Hector’s Dolphins. We are committed to ensuring our operations do not disturb these important species.

Protective penguin-proof fencing has been installed around the Log Yard, effectively keeping Little Blue Penguins safe from Port activities. Much to our delight, this year a young humpback whale was observed swimming in the inner harbour. A wonderful reminder of the rich natural environment that surrounds our Port.

PrimePort has invested further in the protection of the local penguin population by funding the purchase of additional rat traps placed throughout the penguin nesting areas. This important trapping operation is overseen by the South Canterbury Deerstalkers Association, supporting the safety of penguins in their natural habitat. In addition, there is a PrimePort installed and operated camera that allows members of the community to view the Caroline Bay penguin nesting area. The camera can be accessed via the Timaru District Council website.

Within our operations, the sealed Log Yard enables effective environmental management for log export operations by using dust and stormwater controls. Collected bark residue is recycled into garden compost.

We regularly audit and review our Air Quality Management Plan to ensure control measures effectively minimise environmental impact, maintaining our commitment to environmental responsibility.

PrimePort maps Scope 1, 2 and 3 carbon emissions. We continue to monitor the development of technology overseas, including shore power and renewables and consider how they might be applied to our operations.

An ongoing project aims to replace all Metal Halide light towers with LEDs as part of efficiency and energy reduction initiatives. This year the lights on No. 2 Wharf were upgraded to LED.

PrimePort Timaru's Eastern Extension Breakwater with a seal relaxing in the foreground.

Our Community

Timaru’s sometimes unpredictable weather did not stop the tenth annual PrimePort Ocean Swim from making waves in January 2025.

This year, a record 85 enthusiastic swimmers took part in the event, the highest number of competitors to date. Participants were able to choose from a range of distances, with courses spanning 500m, 1.5km 2.5km, and a demanding 5.0km long swim.

We remain the lead sponsor of Timaru’s Christmas Parade. Our continued support helps ensure the event is a success year after year, bringing joy and festive spirit to the community.

The public fishing pontoon, which officially opened in December 2023, is proving to be a hit and marks an exciting chapter in PrimePort’s ongoing commitment to the community. It has been especially heartwarming to see families casting their lines from the new pontoon, sharing in the thrill of their catches together. We extend again our sincere thanks to everyone whose support made this community asset possible.

PrimePort is now in the second year of its sponsorship of the Fraser Park Community Trust and is delighted to be part of this important community initiative. It was especially rewarding to see the grounds officially opened on Saturday, 21 September 2024. It was a milestone celebration featuring a spirited match between South Canterbury and Ngāti Porou East Coast.

PrimePort continues to provide modest support to several local charities and has previously supported The Kids Foundation, The Cancer Society, Penguins First, Caring for Families, Heart Kids NZ, Autism NZ, Aoraki Foundation, and Hadlow to Harbour.

Information Centre and Timaru Market on a cruise ship day.



Our Thanks

We are grateful to all those who make our operations possible – our community, our customers, our shareholders and above all, our staff and their families.

Thank you for your contribution and we look forward to continuing our work together to build the future of PrimePort Timaru Limited. We are proud of the unique place we hold in the South Canterbury region and the wider central South Island.

Competitors at the start of the PrimePort Timaru Ocean Swim.



PrimePort Timaru sponsors the Fraser Park Community Trust – Official Opening Game.



PrimePort Timaru Limited

Statement of Comprehensive Income

for the year ended 30 June 2025

	Note	2025 NZ\$000	2024 NZ\$000
Operating revenue	2	33,237	30,344
Operating expenditure			
Staff		8,695	8,711
Port operating		8,295	7,688
Depreciation and amortisation	3,5	4,518	3,704
Finance		3,280	3,505
Dredging		1,358	1,273
Director fees		293	276
Operating leases		117	30
Audit services - audit	6	89	83
		26,645	25,270
Operating profit/(loss) before tax		6,592	5,074
Profit/(loss) before tax		6,592	5,074
Taxation	7	(1,865)	(2,574)
Profit/(loss) for the year		4,727	2,500
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Operating land revaluations	3	5,570	685
Financial instrument hedging	10	(1,336)	(752)
Income tax relating to financial instrument hedging	10	374	211
Other comprehensive income for the year		4,608	144
Total comprehensive income for the year attributable to equity holders		9,335	2,644

PrimePort Timaru Limited

Statement of Changes in Equity

for the year ended 30 June 2025

	Note	Issued Shares	Hedging Reserve	Revaluations	Retained Earnings	Total
Equity at the beginning of the year		8,450	685	47,207	47,000	103,342
Total comprehensive income for year attributable to equity holders		-	(962)	5,570	4,727	9,335
Distributions - dividends paid		-	-	-	(1,500)	(1,500)
Equity at the end of the year 2025	8,9,10	8,450	(277)	52,777	50,227	111,177
Comparatives for 2024						
Equity at the beginning of the year		8,450	1,226	46,522	46,015	102,213
Total comprehensive income for year attributable to equity holders		-	(541)	685	2,500	2,644
Distributions - dividends paid		-	-	-	(1,515)	(1,515)
Equity at the end of the year 2024	8,9,10	8,450	685	47,207	47,000	103,342

PrimePort Timaru Limited

Statement of Financial Position

as at 30 June 2025

	Note	2025 NZ\$000	2024 NZ\$000
Equity			
Issued shares	8	8,450	8,450
Retained earnings	9	50,227	47,000
Reserves	10	52,500	47,892
Total equity		111,177	103,342
Represented by long term assets			
Operational fixed assets	3	160,765	156,343
Operational fixed assets under construction	4	7,853	3,646
Right of use assets	5	479	22
Derivative financial instruments	14	-	357
Total long term assets		169,097	160,368
Current assets			
Cash and cash equivalents		233	884
Trade and other receivables	11	4,500	3,118
Inventory	12	1,073	1,149
Derivative financial instruments	14	-	591
Total current assets		5,806	5,742
Total assets		174,903	166,110
Term liabilities			
Money market loans	13	16,500	59,000
Leases	5	510	-
Deferred taxation	7	1,018	1,089
Derivative financial instruments	14	306	-
Current liabilities			
Money market loans	13	40,000	-
Trade and other payables	16	3,656	1,748
Employee entitlements	17	1,024	974
Tax payable/(receivable)		558	(69)
Leases	5	73	26
Derivative financial instruments	14	82	-
Total current liabilities		45,393	2,679
Total liabilities		63,727	62,768
Net assets		111,177	103,342

For and on behalf of the Board of Directors
22 August 2025

Roger Gower
Chair

Steve Gray
Director

PrimePort Timaru Limited

Statement of Cash Flows
for the year ended 30 June 2025

	2025 NZ\$000	2024 NZ\$000
Cash flows from operating activities		
Sources		
Cash received from customers	31,708	30,041
Disbursements		
Payments to suppliers	(6,862)	(8,622)
Payments to employees	(8,938)	(8,813)
Net GST movements	(133)	180
Income tax	(923)	(1,861)
Finance cost payments	(3,337)	(3,494)
Dredging	(1,211)	(1,476)
	(21,404)	(24,086)
Net cash inflow from operating activities	10,304	5,955
Cash flows from investing activities		
Sources		
Receipt of government grant	-	500
Disbursements		
Purchase of fixed assets	(6,938)	(14,527)
Total net cash used in investing activities	(6,938)	(14,027)
Cash flows from financing activities		
Sources		
Loans raised	10,100	20,363
Disbursements		
Loans repaid	(12,600)	(10,363)
Dividends paid	(1,500)	(1,515)
Lease liabilities paid	(17)	(38)
	(14,117)	(11,916)
Net cash from/(used) in financing activities	(4,017)	8,447
Net increase/(decrease) in cash held	(651)	375
Opening cash and cash equivalents balances	884	509
Closing cash and cash equivalents balances	233	884
Represented by		
Cash and cash equivalents	233	884

The accompanying policies and notes form part of and should be read in conjunction with these financial statements.



Cement ship unloading at No. 2 Wharf.

PrimePort Timaru Limited

Notes to the Financial Statements

for the year ended 30 June 2025

1. Statement of Accounting Policies

Reporting Entity

PrimePort Timaru Limited is a company registered under the New Zealand Companies Act 1993. PrimePort Timaru Limited and its non-trading subsidiaries which are all 100% owned and domiciled in New Zealand.

Statement of Compliance

The financial statements of PrimePort Timaru Limited are prepared in accordance with the Companies Act 1993 and with New Zealand equivalents to International Financial Reporting Standards. PrimePort Timaru Limited is a Port Company within the provisions of the Port Companies Act 1988.

The Company is a profit-oriented entity. The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities.

These financial statements of PrimePort Timaru Limited are for the year ended 30 June 2025. The financial statements were authorised for issue by the Board on 22 August 2025.

The Company has adopted External Reporting Board Standard A1 Accounting Standards Framework (For-profit Entities Update) (XRB A1). XRB A1 establishes a for-profit tier structure and outlines which suite of accounting standards entities in different tiers must follow. The Company is eligible and has elected to report in accordance with Tier 2 For-profit Accounting Standards (NZ IFRS RDR) on the basis that it does not have public accountability and is not a large for-profit public sector entity.

Basis of Preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

Standards and Interpretations Issued

There were no new standards applied in the current year.

Changes in Accounting Policies and Disclosures

The accounting policies detailed have been applied in the preparation of these financial statements for the year ended 30 June 2025 and have been consistently applied throughout the year.

Measurement Base

The financial statements are presented in New Zealand dollars. The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the group, with the exception that the following assets and liabilities are stated at their fair value: derivative financial instruments, and operational land. Non current assets held for sale are valued at the lower of carrying amount and fair value less costs to sell.

Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period on which the estimate is revised and in any future periods affected. Our key assumptions are outlined in the following accounting policies.

Specific Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

A. Basis of Consolidation

The financial statements are for PrimePort Timaru Limited. The financial statements show no investment in subsidiaries as no share capital has been issued for the non-trading subsidiaries.

B. Dredging

Dredging expenditure is categorised into maintenance dredging and capital dredging.

Maintenance dredging is expenditure incurred to restore the channel to a previous condition and depth. On average the Port dredges the channel every 10 months. At the completion of maintenance dredging the channel has an average service potential of 10 months. Maintenance dredging expenditure is recorded as a prepayment and amortised evenly over this period.

Capital dredging is expenditure which deepens or extends either the channel or the swing basin. This expenditure is not amortised as our maintenance programme ensures that channel and swing basin depth remains at dredged levels.

All dredging is reviewed for impairment when it is felt by management that events occurring may have diminished the depth of any previous dredging.

C. Goods & Services Tax

All items in the financial statements are exclusive of Goods & Services Tax (GST), with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

D. Impairment

The carrying amount of the Company's assets are reviewed each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. If the estimated recoverable amount of an asset not carried at devalued amount, is less than it's carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in profit or loss.

For revalued assets the impairment loss is recognised against the revaluation reserve for that asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in profit or loss.

Estimated recoverable amount of receivables is calculated as the present value of estimated cash flows discounted at their original effective interest rate. Receivables with short duration are not discounted. Other assets estimated recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount.

For assets not carried at revalued amounts, the reversal of an impairment is recognised in the profit or loss.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an important loss for that asset was previously recognised in profit or loss, a reversal of the impairment loss is recognised in profit or loss.

E. Dividends

Dividends are recognised as a liability in the period in which they are declared.

F. Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates and where appropriate, the risks specific to the liability.

G. Expenses

Operating lease payments are recognised in the profit or loss on a straight line basis over the term of the lease.

All borrowing costs except for borrowing costs related to a qualifying asset are recognised as an expense in the period they are incurred using the effective interest rate method.

H. Government Grants

Government grants received on capital expenditure are generally deducted in arriving at the carrying amount of the asset purchased. Grants for revenue expenditure are netted against the cost incurred by the Company. Where retention of a government grant is dependent on the Company satisfying certain criteria, it is initially recognised as a deferred local government grant. When the criteria for retention have been satisfied, the deferred local government grant balance is released to the consolidated statement of comprehensive income or netted against the asset purchased.

I. Statement of Cash Flows

Cash and cash equivalents includes cash on hand, funds within our cheque account, deposits held on call with banks, and bank overdrafts.

Investing activities are those activities relating to the acquisition, holding and disposal of property, plant and equipment and investments.

Financing activities are those activities that result in changes in the size and composition of the capital structure of PrimePort Timaru Limited. This includes both equity and debt. Dividends paid are included in financing activities. Loans raised and paid are netted off when they are part of the roll-over of money market borrowings covered in the Company's long-term finance facilities.

Operating activities includes all transactions and other events that are not investing or financing.

2. Revenue

	2025 NZ\$000	2024 NZ\$000
Port Operations	27,618	25,831
Other property rentals	5,619	4,513
	33,237	30,344

Included in other property rentals in the 2025 year is an early termination of land lease for \$1,256,000 from Antarctica New Zealand. PrimePort had prepared and leased a 2.1 hectare site at Evans Bay for the Scott Base Redevelopment Project. Following a project review by the Government, Antarctica New Zealand ultimately decided not to utilise the Evans Bay site. As a result, both parties agreed to an early termination of the land lease.

Revenue from Contracts with Customers

The above revenue includes the following amounts, which are revenue from contracts with customers.

	2025 NZ\$000	2024 NZ\$000
Revenue from port operational contracts	24,510	22,791
Revenue from maintenance recovery contracts	647	632
Revenue from licence agreements	2,461	2,408
	27,618	25,831

All revenue from contract with customers is measured over time. No revenue is measured at point of time.

Rental Revenue

Yields are currently around 5.75% on freehold land value determined at the time of rent review for port related land leases. Leases are a range of land and buildings to a number of customers. A number of leases include rights of renewal for further periods. Ground lease terms and conditions vary between 1 year to 25 years. Direct operating expenses relating to port related properties amounts to \$464,000 (2024 \$239,000).

Operating Lease Receivables

Non cancellable operating lease receivables.

	2025 NZ\$000	2024 NZ\$000
Not later than one year	3,342	3,340
Later than one year but not later than two years	3,342	2,956
Later than two years but not later than five years	6,070	6,026
Later than five years	7,288	7,898
	20,042	20,220

Policies

Revenue from contracts with customers is recognised in revenue when control of a good or service transfers to a customer. Port Operations revenue mainly consists of wharfage, marine services, wharf licence fees and maintenance services. Revenue is recognised as the services are provided by the Port and consumed by the customer simultaneously. Progress towards complete satisfaction is measured based on percentage of completion of the service performed, being quantity of goods moved for wharfage, time at berth for marine services, months provided of wharf availability (out of total months per the contract) for wharf licence fees and months of maintenance services provided for maintenance revenue (out of total months per the contract).

Wharf licence fee revenue is payable monthly in advance. All other revenue from contracts with customers has payment terms of within 30 days from the date of invoice.

Rental income from property is recognised in revenue on a straight line basis over the term of the lease (Note this is not revenue under NZ IFRS 15).

No revenue is recognised if there are significant uncertainties regarding recovery of consideration due.

3. Operational Fixed Assets

	Plant & Equipment	Freehold Building	Wharves	Breakwater / Channel	Improvement to Land	Freehold Land at Valuation	Total
Balance as at 1 July 2024							
At fair value						57,450	57,450
At cost	42,406	14,115	69,894	9,583	12,319	-	148,317
Accumulated impairment	(3,771)	(472)	(7,191)	-	(416)	-	(11,850)
Accumulated depreciation	(20,537)	(3,897)	(11,184)	(354)	(1,602)	-	(37,574)
	18,098	9,746	51,519	9,229	10,301	57,450	156,343
Additions	401	17	1,992	-	891	-	3,301
Revaluation	-	-	-	-	-	5,570	5,570
Depreciation expense	(1,891)	(310)	(1,833)	(11)	(404)	-	(4,449)
Movement to 30 June 2025	(1,490)	(293)	159	(11)	487	5,570	4,422
Balance as at 30 June 2025							
At fair value	-	-	-	-	-	63,020	63,020
At cost	42,807	14,132	71,886	9,583	13,210	-	151,618
Accumulated impairment	(3,771)	(472)	(7,191)	-	(416)	-	(11,850)
Accumulated depreciation	(22,428)	(4,207)	(13,017)	(365)	(2,006)	-	(42,023)
	16,608	9,453	51,678	9,218	10,788	63,020	160,765
Comparatives for 2024							
Balance as at 1 July 2023							
At fair value	-	-	-	-	-	55,200	55,200
At cost	41,414	10,771	47,621	9,422	11,231	-	120,459
Accumulated impairment	(3,771)	(472)	(7,191)	-	(416)	-	(11,850)
Accumulated depreciation	(18,580)	(3,631)	(10,129)	(343)	(1,260)	-	(33,943)
	19,063	6,668	30,301	9,079	9,555	55,200	129,866
Additions	992	3,344	22,273	161	1,088	1,565	29,423
Revaluation	-	-	-	-	-	685	685
Depreciation expense	(1,957)	(266)	(1,055)	(11)	(342)	-	(3,631)
Movement to 30 June 2024	(965)	3,078	21,218	150	746	2,250	26,477
Balance as at 30 June 2024							
At fair value	-	-	-	-	-	57,450	57,450
At cost	42,406	14,115	69,894	9,583	12,319	-	148,317
Accumulated impairment	(3,771)	(472)	(7,191)	-	(416)	-	(11,850)
Accumulated depreciation	(20,537)	(3,897)	(11,184)	(354)	(1,602)	-	(37,574)
	18,098	9,746	51,519	9,229	10,301	57,450	156,343

Total depreciation, as detailed in the Statement of Comprehensive Income, includes \$4,449,000 (depreciation expense) and \$69,000 (Note 5 Leases: depreciation charge of right-of-use assets).

Operational land held by the company has been independently reviewed as at 30 June 2025 by John Pryor ANZIV, SPINZ, a registered valuer with Colliers. Land valuations increased by \$5,570,000 to \$63,020,000 as at 30 June 2025. The review of the land values assessed for financial reporting purposes as at 30 June 2025 is based on fair value which is equivalent to freehold land value. Land is valued using the direct sales comparison or capitalisation method, depending on whether the land constitutes leasehold land.

Operational fixed assets, other than land, which form part of the Port infrastructure are stated at cost or at the value they were acquired from the Timaru Harbour Board in 1988.

There are no operational fixed assets where title is restricted.

Policies

Operational Property, Plant and Equipment

Except for land and capital dredging all owned items of property, plant and equipment are initially recorded at cost less depreciation and impairment losses. Initial cost includes the purchase consideration and those costs directly attributable in bringing the asset to the location and condition necessary for its intended use. Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future benefits or service potential will flow and the cost of the item can be measured reliably. Costs cease to be capitalised when substantially all the activities necessary to bring an asset to the location and condition for its intended use are complete.

Operational land is stated at valuation as determined three yearly. The basis of valuation is fair value as determined by an independent registered valuer. Any increase or decrease in the value of land is recognised directly in other comprehensive income and is accumulated to an asset revaluation reserve account in equity for that asset. Where this would result in a debit balance in the relevant asset revaluation reserve, the balance is not recognised in other comprehensive income but is recognised in profit or loss. Any subsequent increase on revaluation that reverses a decrease recognised in the profit or loss, will be recognised first in the profit or loss up to the amount previously expensed and then recognised in other comprehensive income.

Depreciation

Depreciation is calculated on a straight line basis to allocate the cost of an asset, less any residual value, over its useful life. The estimated useful lives of property, plant and equipment are as follows:

Land	Indefinite	Wharves	10 – 67 years
Sidings and breakwaters	Indefinite	Floating plant	2.5 – 17 years
Capital dredging	Indefinite	Buildings	7 – 50 years
Improvements	10 – 50 years	Plant, machinery and equipment	1.5 – 50 years

Non-Current Assets Intended for Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction within the next financial year. Non-current assets held for sale are valued at the lower of carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the profit or loss. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Non-current assets held for sale are not depreciated or amortised while they are classified as held for sale.

Intangible Assets

Intangible assets acquired by PrimePort Timaru Limited, which have a finite useful life are amortised on a straight line basis over their estimated useful lives of one to 10 years.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

4. Operational Fixed Assets Under Construction

	2025 NZ\$000	2024 NZ\$000
Operational Fixed Assets Under Construction	7,853	3,646

Operational fixed assets under construction are those assets whose activities to bring the asset to the location and condition for its intended use are not complete. The 2025 balance represents the capital investment at balance date associated with wharf improvements and upgrades.

5. Leases

For applicable leases, right of use assets include leases related to buildings and land. Also, included are low-value assets that are not shown as short-term leases and are referenced in Note 16 as operating lease commitments (photocopiers).

- (i) Amounts recognised in the Statement of Financial Position.

The Statement of Financial Position shows the following amounts relating to leases:

	2025 NZ\$000	2024 NZ\$000
Right-of-use assets		
Properties	479	22
	479	22
Lease Liabilities		
Current	73	26
Non-current	510	-
	583	26

Additions to the right-of-use assets during the year were nil.

- (ii) Amounts recognised in the Statement of Comprehensive Income

The Statement of Comprehensive Income shows the following amounts relating to leases:

	2025 NZ\$000	2024 NZ\$000
Depreciation charge of right-of-use assets		
Properties	69	73
	69	73
Interest expense (included in finance expenditure)	31	4
Expense relating to low-value assets that are not shown as short-term leases (included in other expenditure)	23	25

The total cash outflow for leases in 2025 was \$117,000 (2024 \$115,000).

Policies

At inception of a contract, the Company assesses whether a contract is a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Right-of-use assets are not revalued.

Payments associated with leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise office equipment.

6. Auditor's Remuneration

	2025 NZ\$000	2024 NZ\$000
Audit of financial statements - KPMG	89	83
	89	83

7. Taxation

	2025 NZ\$000	2024 NZ\$000
Profit/(loss) before taxation	6,592	5,074
Profit before taxation	6,592	5,074
Tax at 28%	1,846	1,421
Plus/(less) tax effect of:		
Non deductible expenses/(Non assessable income)	19	7
Removal of tax depreciation on buildings*	-	1,145
	1,865	2,574
Components of taxation:		
Current taxation	1,562	1,319
Deferred taxation	303	1,255
	1,865	2,574

*For 2024, the Taxation (Annual Rates for 2023-2024, Multinational Tax, and Remedial Matters) Act passed into law on 28 March 2024. The Act removed tax depreciation deductions for industrial and commercial buildings with an estimated tax useful life of 50 years or more, with effect from 2024- 2025 income tax year. Application of the enacted tax law has resulted in a \$1,145,000 increase in the recognition of deferred tax expense in the Statement of Comprehensive Income and a corresponding increase to the deferred tax liability recognised in the Statement of Financial Position.

Deferred tax asset/(liability)	Long Term Assets	Right of Use Asset	Lease Liability	Employee Entitle- ments	Other	Hedge Reserve	Total
Balance at 1 July 2023	345	(26)	29	155	(73)	(476)	(45)
Credit/(charge) to profit or loss	(1,204)	20	(22)	(47)	95	-	(1,254)
Credit/(charge) to comprehensive income	-	-	-	-	-	211	211
Balance at 30 June 2024	(859)	(6)	7	202	(168)	(265)	(1,089)
Credit/(charge) to profit or loss	(14)	(128)	156	28	(346)	-	(303)
Credit/(charge) to comprehensive income	-	-	-	-	-	374	374
Balance at 30 June 2025	(873)	(134)	163	230	(513)	(109)	(1,018)

Policies

Taxation comprises current tax and deferred tax.

Current taxation is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted at balance date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

Current tax and deferred tax is recognised against the profit or loss except when it relates to items charged or credited directly to equity or other comprehensive income, in which case the tax is dealt with in equity or other comprehensive income respectively.

GST component of operating activities reflects the net GST paid and received with Inland Revenue. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

8. Share Capital

	2025 NZ\$000	2024 NZ\$000
Ordinary shares	8,450	8,450
Opening balance	8,450	8,450
Closing balance	8,450	8,450

All authorised shares are issued at \$1.00 per share, have equal voting rights and share equally in dividends and any distribution. Dividends of \$1,500,000 at \$0.18 per share were paid during this financial year (2024 \$1,515,000 at \$0.18 per share).

9. Retained Earnings

	2025 NZ\$000	2024 NZ\$000
Opening balance	47,000	46,015
Profit after tax	4,727	2,500
Less dividends paid	(1,500)	(1,515)
Closing balance	50,227	47,000

10. Reserves

	2025 NZ\$000	2024 NZ\$000
Reserves are represented by:		
Asset revaluation reserve	52,777	47,207
Cash flow hedge reserve	(277)	685
	52,500	47,892

(a) Asset Revaluation Reserve

	2025 NZ\$000	2024 NZ\$000
Opening balance	47,207	46,522
Revaluation increase	5,570	685
Closing balance	52,777	47,207

(b) Cash Flow Hedge Reserve

	2025 NZ\$000	2024 NZ\$000
Opening balance	685	1,226
Financial instrument hedging	(1,336)	(752)
Tax effect of financial instrument hedging	374	211
Closing balance	(277)	685

11. Trade & Other Receivables

	2025 NZ\$000	2024 NZ\$000
Trade debtors	2,873	2,521
Prepayments	1,627	597
	4,500	3,118

The company measures the provision for expected credit losses (ECL) using the simplified approach to measuring ECL, which uses a lifetime loss allowance for all trade receivables. The company determines lifetime expected credit losses using a provision matrix of trade receivables that is applied to customers with shared credit risk characteristics. Groupings are based on customer, trading terms and ageing.

Trade debtors are shown net of impairment losses arising from the likely non payment of a small number of customers. As at 30 June 2025 all overdue receivables had been assessed for impairment and appropriate provisions applied. The ageing of receivables are as follows:

	2025			2024		
	Gross NZ\$000	Impairment NZ\$000	Net NZ\$000	Gross NZ\$000	Impairment NZ\$000	Net NZ\$000
Not past due – under 30 days	2,352	-	2,352	2,182	-	2,182
Past due – 30 to 60 days	490	-	490	263	-	263
Past due – 60 to 90 days	10	(10)	-	20	(10)	10
Past due – over 90 days	32	(1)	31	67	(1)	66
	2,884	(11)	2,873	2,532	(11)	2,521

The provision for impairment has been determined on an analysis of bad debts in previous periods and review of specific debtors. The movement in the provision for impairment is as follows:

	2025 NZ\$000	2024 NZ\$000
Balance as 1 July	11	11
Balance as 30 June	11	11

Policies

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method less any provision for impairment.

PrimePort Timaru Limited invoices for services as they are performed. They are non interest bearing and have payment terms of generally 30 days from the date of invoice.

The provision for Expected Credit Loss represents impairment losses on contracts with customers.

PrimePort Timaru Limited measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The allowance is estimated by reference to past default experience of the debtor, an analysis of the debtor’s current financial position as well as forward looking information. PrimePort Timaru Limited writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. None of the trade receivables that have been written off are subject to enforcement activities.

12. Inventory

	2025 NZ\$000	2024 NZ\$000
Inventory	1,073	1,149

Inventory includes consumable stocks, timber, and fuel. Inventory is measured using FIFO. Purchases made during the year not held in inventory at year end are included in port operations expenditure. Inventory at year end is recorded at cost price, less any impairment losses. There is no inventory where title is restricted.

Policies

All inventory on hand is recorded at cost price, less any impairment losses.

13. Money Market Loans

	2025 NZ\$000	2024 NZ\$000
Current facility ends as follows:		
Less than one year	40,000	-
One to two years	16,500	40,000
Two to three years	-	19,000
	56,500	59,000

Money Market

The company has arranged money market facilities with Bank of New Zealand for a maximum amount of \$70.0 million (2024 \$70.0 million). The money market loans include a \$40.0 million and \$30.0 million Customised Average Rate Loan (CARL) facilities. The two year \$40.0 million CARL facility for working capital ends in June 2026. At balance date \$40.0 million was drawn on the facility. The three year \$30.0 million CARL facility to support working capital ends in June 2027. At balance date \$16.5 million was drawn on the facility. To date \$56.5 million has been drawn.

Security

Security for the above loans is by way of an existing registered mortgage over the property situated at Hayes Street, Timaru, and an existing general security agreement between Bank of New Zealand and PrimePort Timaru Limited. Additional security is provided by way of registered mortgages over the properties situated at 7 Charman Street, Timaru, 12 Charman Street, Timaru and 1 Marine Parade, Timaru.

Risk Management

PrimePort Timaru Limited is exposed to business risks that include market and liquidity risks. Information used to measure and manage risk includes staff experience, market commentary, strategic planning, financial planning and forecasting, financial reporting, operating and management systems and risk management audits from external consultants.

Policies

Money Market Loans

Interest-bearing borrowings are recognised initially at fair value less any transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised costs with any difference between cost and redemption value being recognised in the profit or loss over the period of the borrowings on an effective interest rate. Except for borrowing costs that are capitalised on qualifying assets, all other borrowing costs are recognised as an expense in the period in which they are incurred. A qualifying asset is defined as a separate asset whether the construction period exceeds twelve months and costs in excess of one million dollars.

14. Financial Instruments

Liquidity Risk

Liquidity risk is the risk that PrimePort will have difficulty raising funds to meet commitments as they fall due. PrimePort’s short term liquidity is managed by ensuring that there is sufficient committed financing facilities to cover at least 10% above the maximum anticipated peak borrowing requirement as determined by cash flow forecasts. The maximum amount that can be drawn down against our borrowing facility is \$70.0 million (2024 \$70.0 million). There are no restrictions on this with the exception of registered mortgages over the properties situated at Hayes Street, Timaru, 7 Charman Street, Timaru, 12 Charman Street, Timaru and 1 Marine Parade, Timaru.

Interest Rate Risk

The financial instruments at reporting date which are exposed to interest rate risk consist of a bank overdraft, interest rate swaps, forward exchange contracts and wholesale money market borrowings. The company manages its interest rate risk by using interest rate hedging instruments. Interest rate risk is the risk of financial loss, or impairment to cash flows in current or future periods, due to adverse movements in interest rates on borrowings or investments. The company uses interest rate derivatives to manage its exposure to variable interest rate risk by converting variable rate debt to fixed rate debt. The total nominal value of interest rate derivatives outstanding is \$47.3 million. The average interest rate on interest rate derivatives is 3.63%.

There were \$56.5 million of money market borrowings at reporting date (2024 \$59.0 million).

PrimePort’s treasury policy requires set limits for interest rate maturity profile. Hedging instruments are used to manage this profile which is based on projected borrowing requirements. As at balance date \$24.5 million was at call (2024 \$34.0 million).

As at balance date 11 swaps for a total of \$47.3 million (2024 \$42.3 million) have been entered to manage interest rate fluctuation risks including three swaps that are forward starting (indicated by an asterisk) below.

The following table details outstanding interest rate swaps as at the reporting date:

		Notional principal swap amounts		Carrying value asset/(liability)	
	Contracted fixed interest rates %	2025 NZ\$000	2024 NZ\$000	2025 NZ\$000	2024 NZ\$000
Swap maturity dates					
October 2024	2.64	-	5,000	-	49
March 2026	1.23	6,000	6,000	89	387
December 2025	5.24	2,000	2,000	(19)	(2)
December 2026	3.44	3,000	3,000	(12)	98
February 2027	3.49	4,000	4,000	(20)	130
June 2028	2.46	3,000	3,000	73	228
December 2028	3.48	4,000	4,000	(15)	164
March 2029*	3.85	6,000	6,000	(68)	35
October 2029	4.97	5,000	5,000	(304)	(133)
February 2030*	4.17	4,300	4,300	(54)	(8)
December 2030*	3.79	5,000	-	(33)	-
June 2031	3.77	5,000	-	(25)	-
		47,300	42,300	(388)	948

Fair Value

The carrying value of the company’s financial assets and liabilities are recorded at estimated fair value as described in the accounting policies and note. PrimePort Timaru Limited carries certain financial assets and financial liabilities at fair value. In accordance with NZ IFRS 13 – Fair Value Measurement, PrimePort Timaru Limited uses various methods in estimating the fair value of its financial instruments.

The company’s interest rate swaps and foreign exchange contracts are valued in accordance with the Level 2 valuation category.

Credit Risk

Financial instruments which potentially subject the company to credit risk consist principally of bank deposits, accounts receivable, and derivative assets. No collateral is required in respect of these assets. Only reputable financial institutions are used for bank deposits. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The maximum exposure to credit risk at the 30 June 2025 is equal to the carrying amount of these financial assets. The company continuously monitors the credit quality of its major customers and does not anticipate non-performance by those customers.

The company recognises an allowance for the expected credit losses (ECL) for all financial assets. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive discounted at an approximation of the original effective interest rate.

Currency Risk

PrimePort Timaru Limited has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading activities. PrimePort Timaru Limited uses foreign currency forward exchange contracts to manage these exposures. PrimePort’s treasury policy provides for currency management to be restricted to hedging underlying business exposures only. At balance date the principal or contract amounts of foreign currency forward exchange contracts were nil (2024 nil). The carrying value asset/(liability) of the foreign currency forward exchange contracts shown in the Statement of Financial Position at year end were nil (2024 nil).

Cash Flow Hedging

Cash flow hedges cover:

- Foreign exchange – PrimePort Timaru Limited’s Treasury Policy provides that purchases of items in foreign currency with an equivalent at spot rate greater than NZ\$250,000 are to be hedged. As at balance date no foreign exchange contracts had been hedged.
- Interest rate swaps – as at balance date 11 interest rate swaps had been entered into.

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 hedging ratio is 1:1 and is determined by the quantity of the hedging instrument and hedged item. The notional amount of the hedging instrument will match the designated amount of the hedged item.

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. When the hedged item is a non financial asset, the amount recognised in the hedging reserve is transferred to the carrying amount of the asset when it is recognised. In other cases, the amount recognised in the hedging reserve is transferred to the Statement of Comprehensive Income in the same period that the hedged item affects the Statement of Comprehensive Income.

	2025 NZ\$000	2024 NZ\$000
Financial assets & liabilities		
The carrying amount of financial assets and liabilities are as follows:		
Cash & cash equivalents	233	884
Trade debtors	2,873	2,521
Total financial assets at amortised cost	3,106	3,405
Trade & other payables	3,656	1,748
Money market loans	56,500	59,000
Total financial liabilities measured at amortised cost	60,156	60,748
Derivative financial instruments	(388)	948
Total financial assets/(liabilities) measured at fair value	(388)	948

Policies

Foreign Currencies

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. Transactions covered by foreign currency forward exchange contracts are measured and reported at the forward rates specified in those contracts.

At balance date foreign monetary assets and liabilities are translated at the closing rate and exchange variations arising from these translations are included in the profit or loss.

Financial Instruments

The Company uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from its activities. Derivative financial instruments are stated at fair value. The gain or loss on re-measurement to fair value is recognised in the profit or loss. Where the derivatives qualify for hedge account, they are accounted for as set out in policies.

The fair value of interest derivatives is based on market factors the issuer believes to be relevant and in accordance with their policies. The fair value of forward exchange derivatives is their present value of the quoted forward price.

Non-derivative financial instruments comprise bank deposits, receivables and prepayments, borrowings, and accounts payable. Financial assets and liabilities are measured in accordance with their respective policies.

Financial instruments are recognised once the Company becomes a party to the contractual provisions of the instrument. Financial instruments are derecognised once the contractual rights expire or are transferred to another party without retaining control or substantially all risks associated with the instruments. Fair values are determined at balance date when required

Hedging

Where a derivative financial instrument is designated as a cash flow hedge that is a hedge of the exposure to variability in cash flows that is:

- (i) attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction; and
- (ii) could affect profit or loss, the effective part of any movement in fair value is recognised directly in equity.

When the forecasted transaction subsequently results in a non-financial asset or liability the associated gains or losses are included in the carrying value of the non-financial asset or liability. If the hedge subsequently results in a financial asset or liability the associated gains or losses that were recognised in other comprehensive income are reclassified into the profit or loss in the same period. However, if it is expected that all or a portion of a loss recognised in other comprehensive income will not be recovered in one or more future periods, the amount that is not expected to be recovered is reclassified to the profit or loss.

15. Bank Overdrafts

The bank overdraft facility of \$200,000 is secured by way of an existing registered mortgage over the property situated at Hayes Street, Timaru, and an existing general security agreement between Bank of New Zealand and PrimePort Timaru Limited.

The current interest rate at balance date is 6.27% per annum (2024 8.80%). This is a floating rate set by the Bank.

16. Trade & Other Payables

	2025 NZ\$000	2024 NZ\$000
Trade creditors	131	108
Other accrued expenses	3,525	1,640
	3,656	1,748

Trade creditors are non-interest bearing and are normally settled on a 30 day basis, therefore the carrying value approximates their fair value.

Policies

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

17. Employee Entitlements

	2025 NZ\$000	2024 NZ\$000
Accrued pay	202	178
Accrued leave provision	790	758
Long service provision	11	9
Sick leave provision	21	29
	1,024	974

Policies

The key leave provisions have been calculated on an actual entitlement basis at current rates of pay. Long service leave accrued for but not yet earned and sick leave provisions have been estimated based on management assumptions of expected tenure of employment for long service and estimated sick days taken over normal entitlements for sick leave. Obligations for contributions to KiwiSaver and superannuation schemes are recognised as an expense in the profit or loss as incurred. All employer contributions made are to defined contribution schemes.

18. Related Party Transactions

Timaru District Holdings Limited is a shareholder of PrimePort Timaru Limited. Timaru District Holdings Limited is a wholly owned subsidiary of the Timaru District Council. A dividend of \$750,000 (2024 \$757,500) was paid to Timaru District Holdings Limited during this financial year. During the year PrimePort Timaru Limited leased land and buildings from Timaru District Holdings Limited. This amounted to \$110,728, including outgoings (2024 \$105,026). During the year PrimePort Timaru Limited received \$222,522 from Timaru District Holdings Limited for services provided and shared costs related to the review of the Timaru District Plan (2024 nil).

Port of Tauranga Limited is a shareholder of PrimePort Timaru Limited. A dividend of \$750,000 (2024 \$757,500) was paid to Port of Tauranga Limited during this financial year. During the year PrimePort Timaru Limited provided services to Port of Tauranga Limited totalling \$32,840 (2024 nil).

PrimePort Timaru Limited provided services to Parr and Company Limited, a company in which Mr N J G Donaldson is a director and the Chief Financial Officer of PrimePort Timaru Limited. The services amounted to \$9,678 (2024 \$9,730). This included a lease of land and buildings for \$9,600 (2024 \$9,600).

During the year PrimePort Timaru Limited purchased services from Parr and Company Limited. The services amounted to \$3,286 (2024 \$36,889).

PrimePort Timaru Limited provided services to WasteCo Group Limited, a company in which Mr R H Gower is a director and a director of PrimePort Timaru Limited. The services amounted to \$78 (2024 \$209).

PrimePort Timaru Limited leased land to Timaru Container Terminal Limited, a 100% owned subsidiary of Port of Tauranga Limited, a shareholder of PrimePort Timaru Limited. The lease amounted to \$1,879,902 (2024 \$1,658,611). Other services amounted to \$2,039,611 (2024 \$2,009,332).

PrimePort Timaru Limited provided services to Quality Marshalling (Mount Maunganui) Limited, a 100% owned subsidiary of Port of Tauranga Limited, a shareholder of PrimePort Timaru Limited. The services amounted to \$529 (2024 nil).

During the year PrimePort Timaru Limited purchased services from Meridian Energy Limited, a company in which Ms J C Hoare is a director and a director of PrimePort Timaru Limited. These services amounted to \$3,696 (2024 \$6,512). During the year PrimePort Timaru Limited purchased services from WasteCo Group Limited, a company in which Mr R H Gower is a director and a director of PrimePort Timaru Limited. These services amounted to nil (2024 \$28,329).

During the year PrimePort Timaru Limited purchased services from the Timaru District Council. The services amounted to \$400,850 (2024 \$303,398) of total operating expenses. Of the total operating expenses \$387,778 (2024 \$289,449) relates to rates.

During the year PrimePort Timaru Limited purchased services from Timaru Container Terminal Limited. The services amounted to \$1,104 (2024 \$52,385).

The outstanding balances owed by related parties at 30 June 2025 are:

- Timaru Container Terminal Limited \$295,352 (2024 \$232,192)
- Parr and Company Limited \$920 (2024 \$920)
- Quality Marshalling (Mount Maunganui) Limited \$488 (2024 nil)
- Timaru District Holdings Limited \$38,653 (2024 nil)

The outstanding balances owed to related parties at 30 June 2025 are:

- Timaru District Council \$6,755 (2024 \$6,486)
- Timaru District Holdings Limited \$3,565 (2024 nil)
- Parr and Company Limited \$3,778 (2024 nil)

These balances have been paid since balance date. No related party debts have been written off or forgiven during the year (2024 nil).

Total key management personnel compensation totalled \$1,849,383 (2024 \$1,803,105). Key management personnel include Directors, Chief Executive, and the remaining members of the management team. All remuneration is classified as salaries and other short-term employee benefits.

19. Contingent Assets & Liabilities

No contingent assets exist at balance date (2024 nil).

No contingent liabilities exist at balance date (2024 nil).

20. Commitments

	2025 NZ\$000	2024 NZ\$000
Capital commitments	-	-
Operating Lease Commitments		
Non cancellable operating lease payables:		
	2025 NZ\$000	2024 NZ\$000
Not later than 1 year	17	12
Later than 1 year but not later than two years	16	1
Later than 2 years but not later than five years	29	-
	62	13

Operating lease commitments are based on current rentals being paid.

21. Staff Expenses

There were no redundancy payments included in staff expenses in 2025 (2024 nil). Included in staff expenses are employer contributions for employee superannuation funds. Payments for the year amounted to \$355,387 (2024 \$337,217).

22. Events After Balance Date

The directors are not aware of the existence of any post balance date events.



Scenic Eclipse II on arrival at PrimePort Timaru.



Hafnia Cheetah alongside No.1 Extension Wharf.



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PRIMEPORT TIMARU LIMITED'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

The Auditor-General is the auditor of PrimePort Timaru Limited (the company). The Auditor-General has appointed me, Peter Taylor, using the staff and resources of KPMG, to carry out the audit of the financial statements of the company on his behalf.

Opinion

We have audited the financial statements of the company on pages 15 to 34 that comprise the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the company:

- present fairly, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime.

Our audit was completed on 22th August 2025. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the Board of Directors for the financial statements

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



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

In preparing the financial statements, the Board of Directors is responsible on behalf of the company for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the company or to cease operations, or there is 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 and auditor's report that includes our opinion.

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company'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 company'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 company 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 communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 14 and 39 to 42, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

We are independent of the company 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 company.

Peter Taylor
KPMG
On behalf of the Auditor-General
Christchurch, New Zealand

Statutory Information

for the year ended 30 June 2025

Principal Operations

PrimePort Timaru Limited operates a commercial port and its activities include ship handling, cargo handling, transit storage and ancillary services to the shipping and freight industries. The company provides quality services to shipping and freight businesses at its centrally located multipurpose and bulk handling port.

Changes in Accounting Policies

All policies have been applied on a consistent basis with the previous year.

Auditors

On their behalf, the Office of the Auditor-General has appointed KPMG to undertake the audit of the company.

Directors

During the year Mr AP Reynish retired as a director in May 2025. Mr JB Stevens was appointed to the Board in May 2025.

Directors and Remuneration — Authorised and paid Directors Fees

R.H. Gower (Chair)	\$81,000
S.G. Gray	\$47,000
J.C. Hoare	\$40,500
A.K. Johnston	\$40,500
A.P. Reynish	\$37,000
M.F. Rogers	\$40,500
J.B. Stevens	\$6,700

Disclosure of Interest by Directors

The following current director’s disclosures were recorded in the interests’ registers of the company:

(a) General Disclosures

Mr R.H. Gower	
Director	Arno Investments Limited
Director	IntoWork Australia Limited
Director	IntoWork New Zealand Limited
Director	Me Today Limited
Director	Roger Gower & Associates Limited
Director	WasteCo Group Limited
Shareholder	Arno Investments Limited
Shareholder	Being AI Limited
Shareholder	Me Today Limited
Shareholder	Roger Gower & Associates Limited

Mr S.G. Gray	
Chair	Quality Marshalling (Mount Maunganui) Limited
Chair	Timaru Container Terminal Limited
Director	Coda GP Limited
Director	Ruakura Inland Port GP Limited
Shareholder	Port of Tauranga Limited

Ms J.C. Hoare	
Chair	Auckland International Airport Limited
Chair	Northport Group Limited
Chair	Port of Tauranga Limited
Director	Marsden Maritime Holdings Limited
Director	Meridian Energy Limited
Director	Northport Limited
Member	Chapter Zero New Zealand Steering Committee
Shareholder	Port of Tauranga Limited

Ms A.K. Johnston	
General Manager	Riverton Dairies Limited
General Manager	Riverton Farm Limited
Trustee/Treasurer	Melanoma New Zealand

Mr A.P. Reynish	
Director	Quality Marshalling (Mount Maunganui) Limited
Director	Ruakura Inland Port GP Limited
Director	Timaru Container Terminal Limited
Shareholder	Port of Tauranga Limited

Mr M.F. Rogers	
Chair	Cumberland Property Group Limited
Chair	Cumberland Rural Properties Limited
Chair	Te Runanga o Arowhenua Limited
Chair	Timaru District Holdings Limited
Chair	Westroads Limited
Director	MVHB Professional Services Limited
Shareholder	Fulton Hogan Limited
Shareholder	MVHB Professional Services Limited
Treasurer	Kingsdown Salisbury Hall Committee Incorporated Society

Mr J.B. Stevens	
Director	Eastland Airport Limited
Director	Eastland Infrastructure Limited
Director	Eastland Investment Properties Limited
Director	Eastland Port Limited
Director	Fliway Group Limited
Director	Maritime Retirement Scheme Nominees Limited
Director	NZ Post Limited
Director	Port of Tauranga Limited
Trustee	Maritime KiwiSaver Scheme
Trustee	Maritime Retirement Scheme
Shareholder	Port of Tauranga Limited

(b) Specific Disclosures

Nil.

(c) Directors’ and Officers Liability Insurance

The company has insured all its directors and officers against liabilities to other parties (except the company or a related party of the company) that may arise from their positions as directors and officers. The insurance does not cover liabilities arising from criminal actions.

(d) Share Dealings by Directors

Nil.

(e) Use of Company Information

During the year the Board received no notices from directors of the company requesting to use company information received in their capacity as directors which would not otherwise have been available to them.

Employees’ Remuneration

During the year the following numbers of employees received remuneration of at least \$100,000:

Remuneration	Number of Employees
\$470,001-\$480,000	1
\$380,001-\$390,000	1
\$340,001-\$350,000	2
\$320,001-\$330,000	1
\$240,001-\$250,000	1
\$230,001-\$240,000	1
\$220,001-\$230,000	1
\$200,001-\$210,000	1
\$190,001-\$200,000	2
\$180,001-\$190,000	2
\$170,001-\$180,000	5
\$160,001-\$170,000	2
\$140,001-\$150,000	1
\$130,001-\$140,000	2
\$120,001-\$130,000	5
\$110,001-\$120,000	3
\$100,001-\$110,000	7

Donations

During the year, the company made donations of \$5,014.

Auditors’ Remuneration

During the year, the following amounts were payable to the auditors of the company:

Audit of the Financial Statements	
PrimePort Timaru Limited	\$89,526

Review of Past Year

The review of activities of the company during the financial year is contained in the Chair and Chief Executive’s review.

Dividend

Directors declared dividends of \$1,500,000 to be paid during the financial year.

State of Affairs

The Directors are of the opinion that the state of affairs of the company is satisfactory.

Statement of Corporate Intent Performance

It is the Directors’ view that objectives have been met this year.

Objective/Outcome	Target	Achieved
(a) To manage and operate PrimePort Timaru Ltd to enhance shareholder wealth through continuously improving performance.		
Earnings (after tax) per share	\$0.44	Yes
Net Assets per share	\$12.69	Yes
Return (after tax) on total assets	2.22%	Yes
Return (after tax) on shareholders funds	3.49%	Yes
Ratio of shareholders funds to total assets	0.64	Yes
(b) To employ the best people and develop staff to their full potential in a safe working environment.		
Lost time incidents	3.00	Yes
(c) To accept responsibility as a user of the coastline and recognise the importance of the environment for future generations.		
Incidents leading to pollution of harbour	Nil	Yes
Compliance with all resource consent conditions	Yes	Yes
Compliance with NZ Maritime Safety Standards	Yes	Yes

Directory

Board of Directors

R.H. Gower	Chair
S.G. Gray	Director
J.C. Hoare	Director
A.K. Johnston	Director
A.P. Reynish	Director <i>(Retired May 2025)</i>
M.F. Rogers	Director
J.B. Stevens	Director <i>(Appointed May 2025)</i>

Shareholders

as at 30 June 2025

Timaru District Holdings Limited	50%
Port of Tauranga Limited	50%

Auditors

KPMG for the Office of the Auditor-General

Registered Office

Marine Parade
Timaru
New Zealand

PO Box 544
Timaru
New Zealand

Telephone
+64 3 687 2700

Website
www.primeport.co.nz

Leadership Team

P.R. Melhopt	Chief Executive Officer
N.J.G. Donaldson	Chief Financial Officer
E.M. O'Connell	Operations Manager
B.J. Kleinjan	Port Engineering Manager
I.S. Gollan	Safety & Environmental Manager
A.C. Pye	Commercial & Marine Manager

Solicitors

Buddle Findlay Christchurch	Oceanlaw New Zealand Nelson
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Bankers

Bank of New Zealand

The Directors are pleased to present the Annual Report of PrimePort Timaru Limited for the year ended 30 June 2025.

For and on behalf of the Board of Directors.



Roger Gower
Chair
22 August 2025



Steve Gray
Director
22 August 2025

Purpose

Connecting our region to the world.

Berge Hakodate being loaded with logs at No. 1 Wharf.





PrimePort Timaru Annual Report 2025

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www.primeport.co.nz

