CHRISTCHURCH AIRPORT

This Annual Report covers the performance of Christchurch International Airport Limited (CIAL) from 1 July 2025 to 30 June 2026. This volume contains our audited financial statements, a summary of our performance targets information and other required information.

ANNUAL REPORT

FOR YEAR ENDED JUNE 2026

CIAL ANNUAL REPORT **YEAR ENDED JUNE 2026**

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REPORT FROM THE CHAIR & CHIEF EXECUTIVE

Haere mai and welcome to the Christchurch International Airport Limited (CIAL) Annual Report for the year ended 30 June 2026 (FY26). This was a year of strong operating momentum and significant milestone delivery: passenger and commercial growth accelerated, major infrastructure was completed, and we set a clear direction for the next decade through our new Horizon 35 strategy.

These results reflect the strength of our long-term planning, our diversified business and our team's disciplined delivery. We grew our core business of planes and passengers, continued to expand our property and freight platform, improved the customer experience from park to plane, and invested in long-term resilience. We did so in a volatile environment shaped by aircraft and engine constraints, fuel-price uncertainty and geopolitical disruption.

Total operating revenue was $273.0m (up 11.4% on prior year), contributing to an underlying operating surplus after tax of $64.9m (up 30.6% on prior year) — as reconciled on page 6. The Board declared a total annual dividend of $51.5 million for the year. This includes the $24.1 million interim dividend paid in April, with a final dividend of $27.4 million payable following the Annual General Meeting.

FY26 produced a reported record net profit after tax of $96.3m (up 28.8% on prior year). Our balance sheet remained strong, providing resilience and capacity to invest, and S&P Global reaffirmed Christchurch Airport's A-/stable credit rating during the year.

> "This was a year of strong operating momentum and significant delivery"

RECONCILIATION TO UNDERLYING OPERATING SURPLUS AFTER TAX

	FY26	FY25
	$000	$000
Net profit after tax	96,324	74,808
Add: Loss on disposal of assets	65	20
(Less): Fair value gains on investment properties	(36,521)	(25,635)
(Less): Non-cash lease accounting revenue adjustment	(1,753)	(483)
Add: Deferred tax charged to income	6,791	994
Underlying operating profit after tax	**64,906**	**49,704**

1 FY26 RECAP

FUELLING ECONOMIC PROSPERITY

Strengthening our gateway role through growing air connectivity remains the foundation of our business and a major economic driver for Ōtautahi Christchurch, Te Waipounamu the South Island and Aotearoa New Zealand. Full-year passenger performance was up 7.1% to 6.9m with international increasing by 12.6% and domestic by 5.4%. The strength of our aeronautical development was particularly evident across the summer: between November 2025 and March 2026, 3.1 million passengers travelled through the airport, including 316,000 international visitors - 22% more than the previous summer. Those extra international visitors contributed an estimated $948 million to the South Island economy.

Airline partners responded with more capacity, larger aircraft and longer seasons. Singapore Airlines operated up to 11 services a week at peak, while summer capacity from Cathay Pacific and China Southern increased by 24% and 34% respectively. Across the Tasman, capacity grew through Air New Zealand and the Qantas Group, including the first direct Christchurch-Adelaide service. Domestically, both Air New Zealand and Jetstar introduced jet services to Hamilton, Jetstar materially expanded its Christchurch operation, and Originair strengthened regional connectivity. In May, Air New Zealand also launched the first direct Christchurch-Rarotonga service, adding around 19,600 seats across the season.

Connectivity growth was matched by focused work to build demand. Through our South programme and in partnership with regional tourism organisations, key South Island operators, and Tourism New Zealand we continued to promote the South Island in key offshore markets. This coordinated approach helps ensure that new air services translate into sustained visitor flows, trade opportunities and economic value across the island.

These achievements came despite continued headwinds across the global aviation sector. These conditions reinforce the importance of a diversified airline portfolio, disciplined commercial partnerships and sustained demand development.

Not every route will succeed, but our overall network is broader, more competitive and better positioned for long-term growth.

A defining moment came in May, when a sustained programme of strategic engagement with Air New Zealand resulted in the announcement of new non-stop widebody services from Christchurch to Singapore, Tokyo Narita and Perth from late 2026. Alongside the new services, we collaborated on a memorandum of understanding that formalises a ground breaking long-term partnership on network planning, customer experience and sustainable growth. Together, these routes will strengthen Christchurch's role as a long-haul hub, create new options for South Islanders, and open further opportunities for tourism and high-value air freight.

Our city Otautahi Christchurch and wider region also became a more compelling destination during the year. The opening of Parakiore Recreation and Sport Centre and One New Zealand Stadium, alongside Te Pae, the central-city hospitality precincts and the Lyttelton cruise berth, adds to Christchurch's ability to attract major events, visitors, investment and talent. We will continue working with city and national partners to convert that momentum into year-round demand.

The wider airport campus is the South Island's largest employment hub, with more than 7,000 people working across over 250 businesses and organisations. Property occupancy was 99.2% for the year. During FY26 we opened a new $40 million freight apron, an area larger than six rugby pitches that future proofs airfreight capacity for decades to come. We also completed new facilities for DHL and Enatel, progressed expansions for New Zealand Couriers and Pratt & Whitney, welcomed FedEx's commitment to a future campus facility, and brought our advanced-manufacturing opportunity to market. We also supported local innovation by partnering with Whoosh to establish a testbed for its autonomous technology on the airport campus. By providing an environment where emerging technologies can be trialled and refined, we are helping a Canterbury business develop solutions with the potential to scale globally. These investments diversify our earnings and build a platform for trade, technology and higher-value employment.

ENHANCING PEOPLE'S LIVES

In May we completed the first major terminal transformation since 2013. The 20-month programme delivered a redesigned food court, 10 new food and beverage outlets, expanded retail, upgraded bathrooms, three dedicated parent rooms, improved seating and passenger flows, new flight-information displays and an Antarctic-themed family play space. Customer response has been strong, and retail spending increased faster than passenger growth.

Customer feedback helped shape improvements beyond the terminal, new car-parking technology and redesigned ground-transport lanes created a safer, faster, easy to follow journey. These changes form part of a broader focus on making travel safer, simpler and more welcoming, while giving us the operational flexibility to accommodate future growth.

Our role extends well beyond travellers. Through the Christchurch Airport Community Fund, we supported 23 organisations across Canterbury, from volunteer-led conservation on Banks Peninsula, to youth mentoring and outdoor education programmes, to practical support for families experiencing hardship. We also worked with Kairos Food Rescue to redirect suitable food surrendered at aviation security from landfill to people who could use it, demonstrating how practical collaboration can deliver both social and environmental value.

Our people make every part of this possible. During the year we invested in leadership depth through CCHL led Te Puna Manawa, a Women's Leadership Development Programme, and our Altitude accelerated-development programme, alongside cultural-competency and inclusion workshops. We are proud that our Gender Pay Gap continued to close. Health, safety and wellbeing remained fundamental, with increased focus on critical risks, effective controls and assurance. We thank our champion team for the care, resilience and creativity they bring to the airport every day.

FY26 also marked 75 years of scheduled international flights from Christchurch. It was a timely reminder of the airport's enduring role as the South Island's gateway, and of our responsibility to keep creating value for customers, communities, our people and shareholders across generations.

GREAT KAITIAKI OF OUR PLANET

We continued to act on our responsibility as kaitiaki of our campus. Having achieved Airport Carbon Accreditation Level 5, and a 92% reduction in Scope 1 and 2 emissions against our 2015 baseline by FY25, our focus is increasingly on the harder system challenge: helping aviation and the wider transport sector transition, while ensuring resilient, fit-for-purpose energy and infrastructure for the future.

Kōwhai Park moved from construction at scale into final commissioning. By June, all 300,000 solar panels had been installed across the 230-hectare site. The 150-megawatt solar farm is expected to generate around 275 gigawatt-hours of renewable electricity each year - equivalent to the annual needs of approximately 36,000 homes - and creates a foundation for future energy-intensive and low-emission opportunities on campus.

We also hosted New Zealand's first on-airport transfer of liquid hydrogen into composite aviation tanks. This practical trial advanced understanding of the infrastructure, technology and safety systems needed for future low-emission flight. The work was recognised with the 2025 New Zealand Airports Sustainability Initiative of the Year award for a large airport.

Our environmental programme continued across circularity, biodiversity, water and climate resilience. We progressed our waste and biodiversity planning, strengthened diversion and recycling activity, and continued to use the airport campus as a place where partners can test and scale practical solutions. This is how we turn long-term ambition into measurable action.

LOOKING AHEAD - HORIZON 35

During FY26 the Board approved our new 10-year strategy, Horizon 35. Its ambition is for Christchurch Airport to be Infrastructure of Impact for Te Waipounamu: a high-performing, resilient and increasingly diversified platform that creates enduring economic, social and environmental value.

Horizon 35 is organised around four priorities: accelerating core growth in planes, passengers and freight; expanding our property and partnership portfolio; lifting margins and productivity through digitisation, operating leverage and cost discipline; and building long-term optionality and resilience through future aviation infrastructure, energy and sustainability initiatives.

The strategy is underpinned by our champion team, strong partnerships, digitisation and brilliant basics. It provides a clear framework for capital allocation and execution while retaining the flexibility needed to navigate a sector that will remain volatile.

Our priorities for FY27 include converting announced airline capacity into sustainable demand, completing and activating major campus investments, progressing the next phase of our property and advanced-manufacturing portfolio, and continuing to explore future aviation opportunities. We will pursue these opportunities with the same discipline applied to safety, service, resilience and shareholder returns.

> "The strategy is underpinned by our champion team, strong partnerships, digitisation and brilliant basics."

BOARD

The Board and Management remain strongly aligned on the airport's purpose and strategic direction. The stability of the Board during FY26 supported a productive year of governance, including approval of Horizon 35 and oversight of significant investments in connectivity, freight, property, energy and the customer experience.

We are grateful to our directors for the breadth of experience and constructive challenge they bring, and to our shareholders - Christchurch City Holdings Limited on behalf of the city, and the Crown - for their continued support and long-term perspective.

We farewell 2 directors as they rotate from the CIAL Board - Kate Morrison and Ed Sims.

The successful CCHL Associate Director Program introduced Kate to the CIAL Board in 2016, who then transitioned to a full director in 2017. Kate's deep international experience in investment and finance and her positive, focused approach on building a better, more valuable future for the airport, everyone who works here, and our stakeholders, will be sorely missed. We thank Kate for her ten and a half years of service.

Ed Sims joined the Board in 2023 from a successful career in Airline and Aviation Executive leadership. Ed immediately provided outstanding governance in the delivery of our aeronautical partnerships and planning and also in Health and Safety Delivery and Assurance, for which CIAL stands in a stronger place to meet the challenges of the future. We thank Ed and wish him well.

SUMMARY

FY26 was a year in which momentum became delivery and results. We grew connectivity, improved the passenger experience, opened infrastructure that will support trade for decades, advanced one of New Zealand's largest renewable energy projects and set our direction to 2035. The environment ahead will remain uncertain, but our diversified business, strong balance sheet, clear strategy and capable people position Christchurch Airport to continue strengthening the South Island's prosperity by connecting people, markets and opportunities for generations to come.

Ngā mihi nui.

Justin Watson Chief Executive	**Sarah Ottrey** Chair

L-R: Ed Sims, Meg Matthews, Andrew Barlass, Kate Morrison, Paul Reid, Sarah Ottrey (Chair).

2 DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for ensuring that the financial statements give a true and fair view of the financial position of the company as at 30 June 2026, and the financial performance, cash flows and reporting against the Statement of Intent for the year ended on that date.

The directors consider that the financial statements of the company have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgments and estimates, and that all relevant financial reporting and accounting standards have been followed.

The directors consider that proper accounting records have been kept, which enable, with reasonable accuracy, the determination of the financial position of the company and facilitate compliance of the financial statements with the Financial Reporting Act 2013 and Financial Markets Conduct Act 2013.

After reviewing the current results and detailed forecasts, taking into account available credit facilities and availability of further funding and making further enquiries as considered appropriate, the Directors are satisfied that the company has adequate resources to enable it to continue in business for the foreseeable future. For this reason, the directors believe it is appropriate to adopt the going concern basis in preparing the financial statements.

The directors consider they have taken adequate steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors have the pleasure in presenting the consolidated financial statements of the group, set out on pages 12-67, and the governance and performance information of the group set out on pages 68-92, of Christchurch International Airport Limited for the year ended 30 June 2026.

The Board of Directors of Christchurch International Airport Limited authorise these financial statements for issue on 25th August 2026.

For and on behalf of the Board:

Sarah Ottrey
Chair

Andrew Barlass
Director

3 FY26 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026	2025
		$000	$000
INCOME			
Operating revenue	4	272,994	245,064
Fair value gain on investment properties	11	36,521	25,635
Interest income		472	460
Total income		**309,987**	**271,159**
EXPENSES			
Operating costs	4	105,337	96,717
Financing and interest costs	4	30,428	29,459
Depreciation, amortisation and impairment	4	48,197	45,020
Total expenses		**183,962**	**171,196**
Surplus before tax		**126,025**	**99,963**
Tax expense	6a	29,701	25,155
Net surplus after income tax		**96,324**	**74,808**

The accompanying notes and policies form part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026	2025
		$000	$000
Net surplus after income tax		**96,324**	**74,808**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss:			
Fair value gain on revaluation assets	14a	-	74,726
Deferred tax on revaluation	7	-	(20,923)
Total items that will not be reclassified to profit or loss		**-**	**53,803**
Items that may subsequently be reclassified to profit or loss:			
Fair value (losses)/gains recognised in the cash flow hedge reserve	14a	(190)	(10,095)
Realised gains transferred to the profit or loss	14a	(816)	(4,649)
Deferred tax on revaluation on cash flow hedge reserve	7	282	4,128
Total items that may subsequently be reclassified to profit or loss		**(724)**	**(10,616)**
Total other comprehensive (loss)/income for the year, net of tax		**(724)**	**43,187**
Total comprehensive income for the year		**95,600**	**117,995**

The income tax relating to each component of other comprehensive income is disclosed in Note 14a.

The accompanying notes and policies form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Share capital	Reserves	Retained earnings	Total equity
		$000	$000	$000	$000
Balance as at 1 July 2025		**57,600**	**1,030,282**	**525,941**	**1,613,823**
Net surplus after income tax		-	-	96,324	96,324
Other comprehensive loss for the year		-	(724)	-	(724)
Dividends paid to shareholders	13	-	-	(47,529)	(47,529)
Balance as at 30 June 2026		**57,600**	**1,029,558**	**574,736**	**1,661,894**
Balance as at 1 July 2024		**57,600**	**987,095**	**491,095**	**1,535,790**
Net surplus after income tax		-	-	74,808	74,808
Other comprehensive income for the year		-	43,187	-	43,187
Dividends paid to shareholders	13	-	-	(39,962)	(39,962)
Balance as at 30 June 2025		**57,600**	**1,030,282**	**525,941**	**1,613,823**

The accompanying notes and policies form part of these financial statements

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Notes	2026	2025
		$000	**$000**
EQUITY			
Share capital		57,600	57,600
Reserves	14a	1,029,558	1,030,282
Retained earnings	14b	574,736	525,941
Total equity		**1,661,894**	**1,613,823**
CURRENT ASSETS			
Cash and cash equivalents		3,494	3,373
Trade and other receivables	18	22,715	21,550
Inventories		284	265
Total current assets		**26,493**	**25,188**
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,621,299	1,598,971
Investment properties	11	943,547	858,269
Intangible assets	10	2,368	2,793
Right of use assets	20b	4,925	4,843
Trade and other receivables	18	5,574	6,135
Derivative financial instruments	16	9,547	10,568
Total non-current assets		**2,587,260**	**2,481,579**
Total assets		**2,613,753**	**2,506,767**
CURRENT LIABILITIES			
Trade and other payables	17	38,506	41,373
Current portion of borrowings	15	50,000	25,000
Taxation payable	6c	13,427	20,833
Lease liabilities	20b	2	2
Derivative financial instruments	16	223	526
Total current liabilities		**102,158**	**87,734**
NON-CURRENT LIABILITIES			
Term borrowings	15	585,446	547,682
Derivative financial instruments	16	2,890	2,700
Deferred taxation	7	256,284	249,775
Lease liabilities	20b	5,005	4,876
Trade and other payables	17	76	177
Total non-current liabilities		**849,701**	**805,210**
Total liabilities		**951,859**	**892,944**
Total equity and liabilities		**2,613,753**	**2,506,767**

The accompanying notes and policies form part of these financial statements

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026	2025
		$000	**$000**
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Receipts from customers		270,823	249,178
Interest received		472	460
		271,295	**249,638**
Cash was applied to:			
Payments to suppliers and employees		(105,321)	(92,962)
Financing and interest costs		(30,143)	(30,254)
Net goods and services tax paid		(248)	(1,306)
Net income tax paid	6c	(30,315)	(11,400)
Subvention payments	6c	-	(5,598)
		(166,027)	**(141,520)**
Net cash flows from operating activities	**5**	**105,268**	**108,118**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Proceeds from sale of property, plant and equipment		-	14
		-	**14**
Cash was applied to:			
Purchase of property, plant and equipment		(68,636)	(36,901)
Purchase of investment properties		(52,625)	(42,254)
Purchase of intangible assets		(114)	(874)
		(121,375)	**(80,029)**
Net cash flows for investing activities		**(121,375)**	**(80,015)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			
Borrowings		130,000	108,000
		130,000	**108,000**
Cash was applied to:			
Dividends paid	13	(47,529)	(39,962)
Borrowings		(66,000)	(97,000)
Repayment of lease liabilities	20b	(243)	(180)
		(113,772)	**(137,142)**
Net cash flows from financing activities		**16,228**	**(29,142)**
Net increase/(decrease) in cash held		121	(1,039)
Cash and cash equivalents at beginning of the year		3,373	4,412
Cash and cash equivalents at the end of the year		**3,494**	**3,373**

The accompanying notes and policies form part of these financial statements

4 NOTES AND ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2026

1. GENERAL INFORMATION

Christchurch International Airport Limited (the company) owns and operates Christchurch International Airport. The company is owned 75% by Christchurch City Holdings Limited, a wholly owned subsidiary of Christchurch City Council, and 25% owned by the New Zealand Government.

The company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is Level 4 Car Park Building, Christchurch International Airport, Christchurch.

The company operates predominantly in the business of providing airport facilities and services to airline and airport users. All airport operations are currently based at Christchurch International Airport.

These financial statements have been approved for issue by the Board of Directors on 25th August 2026.

The Board of Directors has the power to amend the financial statements after issue.

The principal accounting policies adopted in the preparation of the financial statements are designated by text in green box.

These policies have been consistently applied to all periods presented, unless otherwise stated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand. They comply with the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS), the International Financial Reporting Standards and other applicable Financial Reporting Standards, as appropriate for for-profit entities.

Entity reporting

The financial statements are for Christchurch International Airport Limited and its wholly owned subsidiaries:

CIAL Holdings Number 1 Limited

CIAL Holdings Number 2 Limited

CIAL Holdings Number 3 Limited

CIAL Holdings Number 4 Limited

CIAL Holdings Number 5 Limited

As the wholly owned subsidiaries were not trading and held no assets and liabilities during and at the end of the period of review, the financial statements for the group are the same as that of the parent.

The company is designated as a for profit entity for financial reporting purposes.

Statutory base

Christchurch International Airport Limited is a company registered under the Companies Act 1993. The company is an FMC reporting entity under part 7 of the Financial Markets Conduct Act 2013 and a climate reporting entity. Parliament is currently progressing the Financial Markets Conduct Amendment Bill which proposes to increase the thresholds that require reporting. The company would cease to have Climate Reporting obligations under the Financial Market Conduct Act if the amendment is finalised.

The Financial Market Authority (FMA) recognised that the company would be impacted by the uncertain timeframe in which the amending legislation might be enacted and have issued a 'no action' relief. This means that the FMA will not take action against the company for electing not to prepare a Climate Statement as at 30 June 2026 based on an expectation that Climate Statement reporting obligations will crease once this legislation is passed.

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, the Financial Reporting Act 2013, the Companies Act 1993 and the requirements of Part 7 of the Financial Markets Conduct Act 2013 and the NZX Listing Rules (31 January 2025).

Functional and presentation currency

These financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($1,000). The functional currency of the company is New Zealand dollars.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities to fair value as identified in specific accounting policies.

(B) SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions based on known facts at a point in time. It also requires the company to exercise its judgement in the process of applying the accounting policies. The resulting accounting estimates will, by definition, seldom equal the related actual outcome. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

i. Identification of Property, Plant and Equipment to be reclassified to Investment Property

The company makes a decision on the assets to be included in Investment Properties based on their "interim use" as outlined in the Investment Property policy contained in note 11. A key factor of this classification is that the "interim use" of such property is not for aircraft related activities. The classification of property between categories gives rise to different accounting treatments which can impact the Statement of Financial Performance or Statement of Comprehensive Income.

ii. Fair Value of Investment Property

The company uses independent registered valuers to determine the fair value of investment properties. The valuation process requires the use of assumptions and estimates which are based on market conditions at the time. Changes to market conditions or to assumptions made in the estimation of fair value may result in changes to the fair value of investment property recorded within the Statement of Financial Performance. For further information on the estimates and assumptions used in determining fair value of these assets see the Investment Property policy contained in note 11 in the financial statements.

iii. Carrying Value of Property, Plant and Equipment and Impairment Assessments

Judgement is required to determine whether the fair value of land, buildings, terminal facilities, sealed surfaces, infrastructure and car parking assets has changed materially from the last revaluation. The determination of fair value at the time of the revaluation requires estimates and assumptions based on market conditions at that time. Changes to estimates, assumptions or market conditions are considered each year in assessing if there is a risk of a material movement, if there is, a formal revaluation is performed and any movement in the carrying value is reflected in the Statement of Comprehensive Income.

The company uses its own judgement, previous experience and advice from independent registered valuers to make the necessary determinations.

For further information on the estimates and assumptions used in determining fair value of these assets see the Property, Plant and Equipment policy contained in note 9 to the financial statements.

Impairment assessments are completed annually for appropriate cash generating units (CGU) and individual assets. An impairment assessment measures the recoverable amount of an asset based on projections and estimates of future cash flows specifically related to the relevant group of assets. An impairment charge is recognised for any asset with a carrying value in excess of its recoverable amount. Changes to estimates or assumptions within each impairment assessment may result in a different assessment conclusion.

New and amended standards

The accounting policies set out in these financial statements are consistent for all periods presented.

There were no new accounting standards, interpretations or amendments with a material impact on these financial statements. The new standards and amendments that are not yet effective and have not been adopted by the company for the year ended 30 June 2026 are:

NZ IFRS 18 – 'Presentation and Disclosure in Financial Statements'

It will replace NZ IAS 1 'Presentation of Financial Statements' for reporting periods beginning on or after 1 January 2027, with early adoption permitted. The new standard aims to improve consistency and therefore comparability in the presentation of the profit and loss, cash flow statement and related notes. It also requires disclosure of management-defined performance targets and provides enhanced guidance on aggregation and disaggregation of financial information across the financial statements. The company is currently assessing the impact of NZ IFRS 18 on the presentation of its financial statements.

Any other new accounting standards, interpretations, and amendments to standards issued, but not yet effective, have not been early adopted by the company and are not expected to have a material impact on these financial statements when adopted.

3. SEGMENT INFORMATION

Reportable segments

The company's reportable operating segments have been based on the monthly internal reporting that is received by the Chief Executive, as the chief operating decision maker. This information is used to assess performance and determine the allocation of resources.

The operating segments are based on the type of services rendered. Discrete financial information is presented to the Chief Executive to a Net Profit Before Tax level, which is used to assess segment performance. An allocation of all corporate revenues and expenses (except tax), is included within each operating segment.

Operating segments – services provided

Planes

This area of the business offers services that facilitate the movement of aircraft, cargo and passengers on the airfield.

Passengers

The passenger operating segment provides services to the terminal retailers, provides ground transport solutions to staff and the public and includes the terminal facilities portion of the aeronautical charge.

Property

The property operating segment earns revenues from the provision of investment properties to landside airport campus tenants and operating the Novotel Christchurch Airport.

Income reported represents income generated from external customers. There was no inter-segment income in the period (30 June 2025: nil).

Major customers

The company has a number of customers that it provides services to. The most significant customer in the current year accounted for 24% (2025: 25%) of total segmented income. Revenue associated with this customer was included in the Planes, Passenger and Property operating segments.

Geographical spread

All revenue generated by the company is initiated in New Zealand. All company assets are located in New Zealand.

FOR THE YEAR ENDED 30 JUNE 2026

	Planes	Passengers	Property	Total
	$000	$000	$000	$000
Segment income				
Revenue from contracts with customers:				
Landing and terminal charges	40,664	55,039	-	95,703
Ground transport and other trading activities	7	25,464	25,880	51,351
Total revenue from contracts with customers	**40,671**	**80,503**	**25,880**	**147,054**
Other Income				
Rent and lease income	-	46,456	61,790	108,246
Other revenue	106	2,361	15,227	17,694
Fair value gain on investment properties	-	-	36,521	36,521
Interest	47	239	186	472
Total other income	**153**	**49,056**	**113,724**	**162,933**
Total segment income	**40,824**	**129,559**	**139,604**	**309,987**
Segment Expenses				
Staff	11,457	13,091	5,489	30,037
Asset management, maintenance and airport ops	2,335	12,959	4,477	19,771
Rates and insurance	1,756	5,081	10,260	17,097
Marketing and promotions	149	3,185	857	4,191
Professional fees and levies	1,351	1,756	1,498	4,605
Commercial entity running costs	-	-	16,145	16,145
Other	1,730	5,852	5,909	13,491
Financing and interest costs	4,457	12,988	12,983	30,428
Depreciation, amortisation and impairment	15,559	25,993	6,645	48,197
Total segment expenses	**38,794**	**80,905**	**64,263**	**183,962**
Segment net surplus before tax	**2,030**	**48,654**	**75,341**	**126,025**

FOR THE YEAR ENDED 30 JUNE 2025

	Planes	Passengers	Property	Total
	$000	$000	$000	$000
Segment income				
Revenue from contracts with customers:				
Landing and terminal charges	38,094	49,156	-	87,250
Ground transport and other trading activities	6	24,788	21,885	46,679
Total revenue from contracts with customers	**38,100**	**73,944**	**21,885**	**133,929**
Other income				
Rent and lease income	-	40,350	55,169	95,519
Gain on disposal of assets	4	-	-	4
Other revenue	151	2,246	13,215	15,612
Fair value gain on investment properties	-	-	25,635	25,635
Interest	55	277	128	460
Total other income	**210**	**42,873**	**94,147**	**137,230**
Total segment income	**38,310**	**116,817**	**116,032**	**271,159**
Segment expenses				
Staff	10,635	12,023	5,518	28,176
Asset management, maintenance and airport ops	2,608	12,720	3,839	19,167
Rates and insurance	1,668	5,293	10,018	16,979
Marketing and promotions	139	2,354	783	3,276
Professional fees and levies	1,210	1,755	1,181	4,146
Commercial entity running costs	-	-	14,204	14,204
Other	1,523	4,994	4,252	10,769
Financing and interest costs	3,756	13,495	12,208	29,459
Depreciation, amortisation and impairment	10,771	27,181	7,068	45,020
Total segment expenses	**32,310**	**79,815**	**59,071**	**171,196**
Segment net surplus before tax	**6,000**	**37,002**	**56,961**	**99,963**

4. OPERATING REVENUE AND EXPENSES

OPERATING REVENUE

	2026	2025
	$000	$000
Revenue from contracts with customers		
Landing and terminal charges	95,703	87,250
Ground transport and other trading activities	51,351	46,679
Total revenue from contracts with customers	**147,054**	**133,929**
Other income		
Rent and lease income	108,246	95,519
Gain on disposal of assets	-	4
Other revenue	17,694	15,612
Total other income	**125,940**	**111,135**
Total operating revenue	**272,994**	**245,064**
Rental and lease income includes:		
Variable lease payments	32,721	28,860

OPERATING COSTS

	2026	2025
	$000	**$000**
Staff	30,037	28,176
Asset management, maintenance and airport ops	19,771	19,167
Rates and insurance	17,097	16,979
Marketing and promotions	4,191	3,276
Professional services and levies	4,605	4,146
Commercial entity running costs	16,145	14,204
Other	13,491	10,769
Total operating costs	**105,337**	**96,717**
Other includes:		
Expected credit losses – change in provision	(226)	261
Staff costs comprise:		
Wages and salaries	26,676	25,366
Payroll related expenses	2,913	2,361
Contributions to defined contribution schemes	14	15
Directors' fees	434	434
Total staff costs	**30,037**	**28,176**

	2026	2025
	$000	**$000**
Professional services and levies include:		
Audit of financial statements (current year)	284	248
Audit of financial statements (prior year)	-	12
Other assurance services:		
- Audit of disclosure regulations	53	49
- Audit of climate statement	-	32
- Review of compliance with bond conditions	7	7
Total fees paid to auditors	**344**	**348**

	2026	2025
	$000	**$000**
Key management personnel compensation		
Short term employee benefits	4,135	4,299
Post-employment benefits	109	134
Total key management personnel compensation	**4,244**	**4,433**

The key management personnel include six Board members (2025: six) and the CEO with eight direct reports (2025: seven).

	2026	2025
	$000	**$000**
Finance and interest costs		
Interest costs	30,213	29,275
Fair value hedge ineffectiveness	(28)	5
Interest on lease liabilities	243	179
Total finance costs	**30,428**	**29,459**

	Notes	2026	2025
		$000	**$000**
Depreciation, amortisation and impairment			
Depreciation	9	47,608	44,401
Right of use asset depreciation	20b	50	37
Amortisation of intangibles	10	539	582
Total depreciation, amortisation and impairment		**48,197**	**45,020**

REVENUE RECOGNITION

Revenue comprises the fair value of the provision of services, excluding Goods and Services Tax, rebates, incentives and discounts, and is recognised when the associated performance obligations are satisfied.

Revenue captured within the scope of NZ IFRS 15 requires disclosure as revenue from contracts with customers. Revenue streams outside of the scope of NZ IFRS 15 are also contracted under agreements, including rental and lease arrangements.

Revenue is recognised as follows:

I. Provision of services

Landing and terminal facilities services are provided to airlines on demand under the published regulatory prices, and revenue is recognised when the airport facilities are used. Where applicable, separate incentive agreements are signed with individual airlines. These charges are invoiced monthly and in arrears.

Rent and lease income is recognised on a straight-line basis over the term of the lease where the airport is the lessor. Variable concession income is recognised as revenue on an accrual basis based on the turnover of the concessionaire and rental agreement.

Ground transport income is recognised over time as the car park or transport facilities are used. Billing and payment are completed on exit from the car park or monthly in arrears. The transaction price charged varies depending on the length of services provided and how the services have been booked.

Other revenue includes the recovery of operating costs associated with leases where the airport is the lessor.

II. Interest income

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

5. RECONCILIATION OF SURPLUS AFTER INCOME TAX WITH NET CASH FLOW FROM OPERATING ACTIVITIES

	2026	2025
	$000	$000
Net operating surplus after tax	**96,324**	**74,808**
Non-cash items		
Depreciation, amortisation and impairment	48,197	45,020
Amortisation of lease inducement and incentives	607	(2,344)
Gain on revaluation of investment properties	(36,521)	(25,635)
Accrued interest within derivatives	(320)	838
Fair value hedge ineffectiveness	(28)	5
Items not classified as operating activities		
Net loss on asset disposals	65	20
Capital items included in trade payables and accruals	1,657	(7,693)
Deferred taxation	6,791	994
Movements in working capital		
(Increase)/decrease in trade and other receivables	(4,638)	6,733
(Increase)/decrease in inventories	(19)	25
Increase/(decrease) in trade and other payables	558	8,184
(Decrease)/increase in taxation payable	(7,405)	7,163
Net cash flows from operating activities	**105,268**	**108,118**

6. INCOME TAX

A) INCOME TAX EXPENSE

	2026	2025
	$000	$000
Operating surplus before income tax	**126,025**	**99,963**
Prima facie taxation at 28%	35,287	27,990
Plus/(less) taxation effects of:		
Revenue not assessable for tax purposes	(6,302)	(357)
Expenses not deductible for tax purposes	776	108
Income tax attributable to operating surplus	**29,761**	**27,741**
Under provision in prior years	(57)	(356)
Deferred tax adjustment from prior periods	(3)	(2,230)
Total taxation expense	**29,701**	**25,155**

B) COMPONENTS OF TAX EXPENSE

	2026	2025
	$000	$000
Current tax expense	22,967	24,517
Adjustments to current tax of prior years	(57)	(356)
Deferred tax expense - current year	6,794	3,224
Prior period adjustments - deferred tax	(3)	(2,230)
Total tax expense	**29,701**	**25,155**

C) TAXATION PAYABLE

	2026	2025
	$000	$000
Balance at beginning of the year	**20,833**	**13,670**
Prior year adjustment	(57)	(356)
Current tax expense	22,967	24,517
	43,743	**37,831**
Payments to:		
Inland Revenue Department	(30,316)	(11,400)
Subvention payments to members of the CCC tax group (note 19)	-	(5,598)
Taxation payable	**13,427**	**20,833**

Christchurch International Airport Ltd is a member of the Christchurch City Council (CCC) Tax group. The company pays subvention payments to other members of the CCC tax group, where loss offsets are available. There were no subvention payments made in 2026 (2025: $5,598,000). These payments are treated as if they were payments of income tax and are reflected as part of the taxation payable amount.

INCOME TAX EXPENSE

In relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax 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 the rates that have been enacted or substantively enacted by balance date.

7. DEFERRED TAX

	Balance 1 July 2025	Charged to income	Charged to equity	Balance 30 June 2026
	$000	$000	$000	$000
Deferred tax liabilities				
Property, plant & equipment	176,466	(2,733)	-	173,733
Intangible assets	95	43	-	138
Investment properties	73,274	8,491	-	81,765
Provisions and payments	(578)	990	-	412
Derivatives	518	-	(282)	236
Total deferred tax	**249,775**	**6,791**	**(282)**	**256,284**

	Balance 1 July 2024	Charged to income	Charged to equity	Balance 30 June 2025
	$000	$000	$000	$000
Deferred tax liabilities				
Property, plant & equipment	160,565	(5,022)	20,923	176,466
Intangible assets	84	11	-	95
Investment properties	67,291	5,983	-	73,274
Provisions and payments	(600)	22	-	(578)
Derivatives	4,646	-	(4,128)	518
Total deferred tax	**231,986**	**994**	**16,795**	**249,775**

DEFERRED TAX

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

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, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax are charged or credited to the Statement of Financial Performance, except when it relates to items charged or credited directly to other comprehensive income, in which case the tax is dealt with in the Statement of Comprehensive Income.

8. IMPUTATION CREDIT MEMORANDUM ACCOUNT

	2026	2025
	$000	$000
Balance available for use in subsequent reporting periods	24,107	19,541

Imputation credits are not earned on subvention payments made to other members of the CCC tax group. No adjustments have been made for credits/debits associated with tax payable/receivable due to uncertainty regarding the utilisation of group losses.

9. PROPERTY, PLANT AND EQUIPMENT

REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

The methods of valuation applied by independent valuers are as follows:

Land

Specialised assets: where there is no market-based evidence of the sale of such land the value has been determined taking into account:

- benchmark selling prices for land in the local commercial, industrial, service, residential and rural markets;
- its existing zoning;
- 'chance of change' methodology considering the chance of changing land zoning to an airport zone;
- adjustments to reflect the unique features of the land which includes its size, location, titles, easements and services;
- the overall land use plan for the relevant campus site.

Commercial portfolio: with valuations taking reference to the wider market for sales evidence of land zoned for similar permitted activities, with adjustments made for the size, location and physical characteristics of these assets.

Buildings

At market value based on the estimated amount for which a property would exchange on the date of valuation between a willing buyer and willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgably, prudently, and without compulsion, but with the explicit assumption that the existing use of the asset is ignored.

Where a building is a specialised asset then it will be valued at optimised depreciated replacement cost (ODRC). ODRC measures the minimum cost of replacing or replicating the service potential embodied in the assets with modern equivalent assets in the most efficient way practicable, given the service requirements, the age and condition of the existing assets and replacement in the normal course of business.

Terminal facilities

Terminal facilities are a specialised asset and are valued using ODRC as described in Buildings above.

Hotel business assets

Hotel business assets (included in the Buildings classification) are valued using a discounted cash flow and income capitalisation rate approach. The discounted cashflow valuation takes into account forecast financial performance, including capital expenditure, using a ten-year investment horizon, to create a terminal value. The income capitalisation approach determines the fair value by capitalising an asset's sustainable net income at an appropriate, market derived capitalisation rate based on an analysis of sales of comparable assets.

Car parking assets

Car parking assets are valued using a discounted cash flow valuation approach, using a forecast ten-year discount period and an allowance for an appropriate terminal value reflecting an estimate of their residual estimated life. The valuation adopted a mid-year discount approach within both the forecast cashflows as well as the terminal value assessment. The approach to the allocation of the car park valuation is to assess the ODRC based valuation of the car parking assets and then apportion the additional value over and above this to the underlying land value. The car parking class includes all assets associated with carparking: the building, at grade parks and land.

Sealed surfaces and infrastructure assets

The ODRC approach is utilised to value sealed surfaces and infrastructure assets. The optimisation process minimises the cost of replacing the services offered, given the age and condition of the existing assets and recognising the incremental process (brownfield) associated with airport development.

Costs reflect the replacement of current assets with modern equivalents, an optimised construction sequence and adjustment to allow for the difficulties associated with a "brownfield" environment. Where appropriate, adjustments have been made to eliminate surplus assets, obsolescence and over design. The valuation methodology considers the asset inventory (description and quantity of assets), relevant optimisation, estimation of the current replacement cost and depreciation to reflect remaining life expectancy.

Summary of revaluations

There were no independent external revaluations performed as at 30 June 2026.

At 30 June 2026, fair value assessments were performed for each asset class – summarised below.

Land

A fair value assessment was completed by management, using recognised valuation techniques. Based on this assessment, there is no material change in the estimated fair value of land when compared to the prior year ended 30 June 2025. Land was last revalued by Colliers at 30 June 2024.

Car parking assets

A fair value assessment of the car park assets was carried out by management, using recognised valuation techniques. Based on this assessment, there is no material change in the estimated fair value of the car park when compared to the prior year ended 30 June 2025. Car park assets were last revalued by Colliers as at 30 June 2024.

Hotel business assets

A fair value assessment of the hotel assets was carried out by management, using recognised valuation techniques. Based on this assessment, there is no material change in estimate fair value of the hotel assets when compared to the prior year ended 30 June 2025. The hotel assets were last revalued at 30 June 2022 by CBRE Ltd.

Buildings

A fair value assessment of the buildings assets was carried out by management, using recognised valuation techniques. Based on this assessment, there is no material change in estimate fair value of the buildings assets when compared to the prior year ended 30 June 2025. The buildings assets were last revalued at 30 June 2022 by WSP New Zealand Ltd.

Sealed surfaces and infrastructure assets

A fair value assessment of sealed surfaces and infrastructure assets was carried out by management, using recognised valuation techniques. Based on this assessment, there is no material change in estimated fair value of sealed surfaces and infrastructure assets when compared to the prior year ended 30 June 2025. The sealed surfaces and infrastructure assets were last revalued at 30 June 2025 by WSP New Zealand Ltd.

Terminal facilities

A fair value assessment of the terminal facilities assets was carried out by management, using recognised valuation techniques. Based on this assessment, there is no material change in estimated fair value of the buildings assets when compared to the prior year ended 30 June 2025. The terminal facilities assets were last valued at 30 June 2025 by WSP New Zealand Ltd.

IMPAIRMENT

The company assessed that it has one core cash generating unit which comprises all of its terminal facilities and airfield assets together and three other cash generating units – the hotel, car parking assets and investment property portfolio (noting that the hotel, car park assets and investment property have been revalued using valuation techniques that factor in the future discounted cashflows for those assets).

Terminal Facilities & Airfield CGU

The company has also performed an impairment assessment of its core terminal facilities and airfield CGU using its overall enterprise-wide commercial valuation as a base. This applied a discounted cashflow approach and included the following inputs:

- The most recent revenue and expenses budgets for the company taken from the FY27 Business Plan.
- A terminal growth rate of 2%, which reflects a prudent estimate of the historical long- term growth rate of CIAL's revenue and operating costs over the last 20 years.
- A discount rate of 8.35% which is based on the company's enterprise-wide commercial valuation.

The discounted cashflow valuation utilising the above variables highlighted no indication of impairment of this cash generating unit. With no change in any other variables a WACC in excess of 8.91% would result in an impairment being recognised.

30 JUNE 2026

	Land	Infra-structure	Sealed surfaces	Buildings	Terminal facilities	Car park	Vehicles, plant & equipment	Work in progress	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000
Cost or valuation									
Balance at beginning of year	**533,241**	**90,159**	**287,784**	**118,173**	**368,071**	**174,572**	**38,948**	**33,267**	**1,644,215**
Additions	-	-	-	-	-	-	-	69,175	69,175
Transfers between categories	(3,685)	831	42,125	2,482	6,640	11,189	3,489	(63,071)	-
Transfers from Investment Properties	-	-	-	-	-	940	-	-	940
Transfers to Intangible assets	-	-	-	-	-	-	-	(114)	(114)
Disposals	-	-	-	-	-	-	(3,812)	-	(3,812)
Balance at end of year	**529,556**	**90,990**	**329,909**	**120,655**	**374,711**	**186,701**	**38,625**	**39,257**	**1,710,404**
Accumulated depreciation									
Balance at beginning of year	-	-	-	**17,369**	-	**996**	**26,879**	-	**45,244**
Depreciation expense	-	2,518	14,605	5,305	21,440	1,522	2,218	-	47,608
Disposals	-	-	-	-	-	-	(3,747)	-	(3,747)
Balance at end of year	-	**2,518**	**14,605**	**22,674**	**21,440**	**2,518**	**25,350**	-	**89,105**
Net book value as at 30 June 2026	**529,556**	**88,472**	**315,304**	**97,981**	**353,271**	**184,183**	**13,275**	**39,257**	**1,621,299**

The following categories of property, plant and equipment are subject to operating leases:

- Land associated with aeronautical activities, retail facilities within the terminal facilities and other commercial activities carried at $132,009,000 (2025: $132,048,000);
- Buildings & terminal include:
  - Terminal facilities, being 35.4% of total floor area or $132,723,000 (2025: 35.5% of total floor area or $130,702,000);
  - Buildings associated with aeronautical activities carried at $17,814,000 (2025: $18,640,000).

30 JUNE 2025

	Land	Infra-structure	Sealed surfaces	Buildings	Terminal facilities	Car park	Vehicles, plant & equipment	Work in progress	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000
Cost or valuation									
Balance at beginning of year	**531,484**	**141,632**	**241,787**	**117,983**	**351,643**	**174,000**	**32,391**	**10,242**	**1,601,162**
Additions	-	-	-	-	-	-	-	40,229	40,229
Transfers between categories	1,757	1,772	4,203	190	1,114	572	6,722	(16,330)	-
Transfers to intangible assets	-	-	-	-	-	-	-	(874)	(874)
Disposals	-	-	-	-	-	-	(165)	-	(165)
Revaluation adjustments	-	(53,245)	41,794	-	15,314	-	-	-	3,863
Balance at end of year	**533,241**	**90,159**	**287,784**	**118,173**	**368,071**	**174,572**	**38,948**	**33,267**	**1,644,215**
Accumulated depreciation									
Balance at beginning of year	-	**3,392**	**9,783**	**11,880**	**21,760**	-	**25,018**	-	**71,832**
Depreciation expense	-	3,543	9,884	5,489	22,671	996	1,818	-	44,401
Transfers between categories	-	-	-	-	(170)	-	170	-	-
Disposals	-	-	-	-	-	-	(127)	-	(127)
Revaluation adjustments	-	(6,935)	(19,667)	-	(44,261)	-	-	-	(70,863)
Balance at end of year	-	-	-	**17,369**	-	**996**	**26,879**	-	**45,244**
Net book value as at 30 June 2025	**533,241**	**90,159**	**287,784**	**100,804**	**368,071**	**173,576**	**12,069**	**33,267**	**1,598,971**

The carrying amount at which each revalued class of property, plant & equipment, if measured at historical cost less accumulated depreciation and any accumulated impairment losses, is disclosed in the table below:

	2026	2025
	$000	$000
Land	193,412	193,412
Buildings	83,592	86,170
Terminal facilities	108,911	111,763
Sealed surfaces	130,930	94,071
Infrastructure	50,085	52,290
Car park	34,563	31,183
Total carrying value	**601,494**	**568,889**

FAIR VALUE HIERARCHY

Each of the below asset classes are recorded at fair value and, in the absence of significant observable inputs, are classified as Level 3 within the fair value hierarchy (as described in note 23). During the year, there were no transfers between the levels of fair value hierarchy.

Valuation Approach	Key valuation assumptions	Valuation sensitivity	Relationship of unobservable inputs to fair value
Land *Includes land used for airport activities and specialised aeronautical assets and for non-aeronautical purposes e.g. industrial, service, retail and land associated with the vehicle business (revalued 2024).*			
Market value highest and best use approach, with an allowance being deducted to allow for services valued as infrastructure assets and for further costs required to achieve the required zoning. Land included in car parking, hotel and investment property categories are not included in this category.	Adopted rate per hectare (average): Landside $469,000 (2022: $919,000)	+/-$19 million (of a 5% change in adopted rate).	The critical element in establishing the 'highest and best use approach' of land is the market rate prevailing for similar land. An increase in demand for land will increase the fair value and a decrease in demand for land will decrease the fair value.
MVAU (market value alternative use) for airside e.g. elements of airfield land and valued on MVAU.	Average rated value is $125,000 per hectare (2022: $129,000 per hectare).	+/- $7 million (of a 5% change in adopted rate).	The critical element in the MVAU calculation is rate per hectare. An increase to the rate would increase the fair value and decrease to the rate would reduce the fair value.
Infrastructure and sealed surfaces *Infrastructure and sealed surfaces including site services (revalued 2025).*			
Optimised depreciated replacement cost – the cost of constructing equivalent asset at current market-based input cost rates, adjusted for the remaining useful life of the assets (depreciation) and the sub optimal usage of the assets in their current application (optimisation). These inputs are deemed unobservable.	**Sealed Surfaces** Unit costs of combined concrete and asphalt pavement construction sqm: Range of $358 – $635 (2023: $273 - $396) with weighted average of $507 (2023: $350). **Infrastructure** Unit costs of road and footpaths construction sqm: Range of $22 – $122 (2023: $20 – $124) with weighted average of $69 (2023: $81). Unit costs of water and drainage construction m: Range of $251 – $1,539 (2023: $256 – $1,574) with weighted average of $967 (2023: $612).	+/- $18.9 million (of a 5% change of cost estimate).	The critical elements in establishing the fair value of civil assets are the movement in the average cost rates for concrete, asphalt, base course and foundations, as well as the estimated remaining useful life of the assets. An increase to any of the average cost rates listed above will increase the fair value, and a decrease to any of the average cost rates listed above will decrease the fair value. An increase in the estimated remaining useful life of the assets will increase the fair value, and a decrease in the estimated remaining useful life of the assets will decrease the fair value.
Car parking *Assets associated with car parking, taxi, shuttle and bus services - including land (revalued 2024).*			
Discounted cash flow valuation performed by independent valuers based on: Internal management information such as forecast future revenues, costs and capital expenditure. Assumptions such as the discount rate. These are based on management's judgement and arrived at in consultation with external experts. Both the internal management information and the discount rate are deemed to be unobservable inputs.	Revenue Growth per annum 0.5% and 0.5% for the 10-year cashflow period from year 11 (2023: 0.5% and 0.5%). Cost growth per annum 2% for the 10-year cashflow period and 2% from year 11 (2023: 2% and 2%). Discount rate 8.9% post tax, 10-year cash flow period and 8.9% from year 11 (2023: 8.4% and 8.4%).	+/- $8.8 million (of a 5% change in discount rate). +/- $0.8 million (of a change in growth rate to either 0% or 1.0% for year 11 onwards.	An increase in revenue growth would increase the fair value, and a decrease in revenue growth would decrease fair value. An increase in cost growth would decrease fair value, and a decrease in cost growth would increase fair value. An increase in the discount rate used would decrease the fair value, and a decrease in the discount rate used would increase fair value.

Valuation Approach	Key valuation assumptions	Valuation sensitivity	Relationship of unobservable inputs to fair value
Terminal facilities *(revalued 2025)*			
Optimised depreciated replacement cost derived from modern equivalent asset rate, as described for Infrastructure and Sealed Surfaces above.	Unit costs of construction sqm: Range of $3,632 – $5,842 (2023: $3,308 – $5,726) with weighted average of $4,678 (2023: $4,458).	+/- $18.4 million (of a 5% change of cost estimate).	An increase in modern equivalent asset replacement cost will increase the fair value, and a decrease in modern equivalent asset replacement will decrease the fair value.
Other buildings *Buildings for identified airport activities, including office spaces and storage that exist because of the airport activities (revalued 2022).*			
Specialised buildings are valued by optimised depreciated replacement cost derived from modern equivalent asset rate, as described for Infrastructure and Sealed Surfaces above. Buildings that are owned by CIAL that could be leased by a third party are valued on an income valuation approach similar to that used for Investment Properties (see note 11).	Unit costs of construction sqm: Range of $504 – $4,604 (2021 $504 – $4,604) with weighted average of $1,130 (2021: $1,309).	+/- $1.7 million of a 5% change of cost estimate.	An increase in modern equivalent asset replacement cost will increase the fair value, and a decrease in modern equivalent asset replacement will decrease the fair value. An increase in the cashflow from an asset will increase the fair value, and a decrease in the cashflow from an asset will decrease the fair value of the asset.
Hotel business assets *Assets associated with the hotel, including land (revalued 2022).*			
Discounted cash flow and income capitalisation rate approach performed by independent valuers based on forecast trading and capital expenditure estimates, and market evidence.	Discount rate 9.75% (2021: 9.25%). Income capitalisation rate 7.25% (2021: 7.0%) average of $1,130 (2021: $1,309).	+/- $3 million for a change in discount rate by an absolute 0.5%. +/- $3 million for an absolute change in cap rate of 0.25%.	An increase in the discount rate used would decrease the fair value, and a decrease in the discount rate used would increase the fair value. An increase in the capitalisation rate will decrease the fair value, and a decrease in the capitalisation rate will increase the fair value.

PROPERTY, PLANT AND EQUIPMENT

Properties held as part of airport operations are classified as property, plant and equipment. Property, plant and equipment are initially recognised at cost. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Motor vehicles, Office & Computer equipment and Plant & Equipment are carried at cost less accumulated depreciation and impairment losses.

The following remaining asset classes are carried at fair value, as determined by an independent registered valuer, less accumulated depreciation and any impairment losses recognised after the date of any revaluation. Any assets within these classes acquired or constructed after the date of the latest revaluation are carried at cost, which approximates fair value.

Revaluations are carried out with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at balance date (at minimum every five years):

- Land
- Buildings
- Terminal facilities
- Sealed surfaces
- Infrastructure assets
- Car park

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Costs subsequent to revaluation are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance are charged to the Statement of Financial Performance during the financial year in which they are incurred.

Increases in the carrying amounts arising on revaluation are credited to reserves in shareholders' equity through the Statement of Comprehensive Income. To the extent that the increase reverses a decrease previously recognised in the Statement of Financial Performance, the increase is first recognised in the Statement of Financial Performance.

Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the Statement of Financial Performance.

Depreciation

Land is not depreciated. Depreciation of property, plant and equipment is calculated on a straight-line basis so as to expense the cost of the assets over their estimated useful lives. The predominant useful lives are as follows:

- Terminal facilities 10 to 65 years
- Other buildings 10 to 100 years
- Sealed surfaces 10 to 75 years (some components non-depreciable)
- Infrastructure 15 to 80 years (some components non-depreciable)
- Vehicles, plant and equipment 3 to 25 years
- Car park assets (excluding land) 4 to 50 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. These are included in the Statement of Financial Performance. If disposal is made of an asset that has been revalued, any remaining revaluation reserve for that asset included in equity is transferred directly to retained earnings when the asset is derecognised.

Work in progress is measured at cost and reviewed for impairment. No depreciation is charged, or revaluation made, prior to work in progress being capitalised to the appropriate asset category.

Impairment of non-financial assets

Non-financial assets are assessed for indicators of impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

10. INTANGIBLE ASSETS

30 JUNE 2026

	Software	Other	Total
	$000	$000	$000
Cost or valuation			
Balance at beginning of year	**14,466**	**2,360**	**16,826**
Additions	114	-	114
Disposals	(5,952)	-	(5,952)
Balance at end of year	**8,628**	**2,360**	**10,988**
Accumulated amortisation			
Balance at beginning of year	**13,547**	**486**	**14,033**
Amortisation	539	-	539
Disposals	(5,952)	-	(5,952)
Balance at end of year	**8,134**	**486**	**8,620**
Net book value as at 30 June 2026	**494**	**1,874**	**2,368**

30 JUNE 2025

	Software	Other	Total
	$000	$000	$000
Cost or valuation			
Balance at beginning of year	**13,592**	**2,360**	**15,952**
Transfers	874	-	874
Balance at end of year	**14,466**	**2,360**	**16,826**
Accumulated amortisation			
Balance at beginning of year	**13,201**	**250**	**13,451**
Amortisation	346	236	582
Balance at end of year	**13,547**	**486**	**14,033**
Net book value as at 30 June 2025	**919**	**1,874**	**2,793**

FINITE LIFE INTANGIBLE ASSETS

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These have a finite useful life and are amortised on a straight-line basis over the useful economic life of 2 to 6 years. Computer software licences are carried at cost less accumulated amortisation and any accumulated impairment losses. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

11. INVESTMENT PROPERTIES

	2026	2025
	$000	$000
Balance at beginning of year	**858,269**	**785,425**
Investment properties under construction prior year	(46,215)	(7,290)
Fair value opening balance	**812,054**	**778,135**
Additions	82,134	8,284
Transfer to property, plant and equipment	(940)	-
Fair value gain from fair value adjustment	36,521	25,635
Fair Value closing balance	**929,769**	**812,054**
Investment properties under construction	13,778	46,215
Balance at end of year	**943,547**	**858,269**
Rental income	62,673	56,614
Direct operating expenses from property that generated rental income	9,774	9,507

The above values include the land associated with these properties.

VALUATION OF INVESTMENT PROPERTY

The valuation of investment properties is completed each year by Crighton Anderson Property and Infrastructure Ltd, trading as Colliers International Ltd, registered valuers and member of the New Zealand Property Institute. The basis of valuation is fair value, being the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The valuation methodologies used were a direct sales comparison or a direct capitalisation of rental income using market comparison of capitalisation rates, supported by a discounted cash flow approach. The valuation methodologies are consistent with the prior year.

Principal assumptions used in establishing the valuations were:

- Average rental yield rate 6.60% (2025: 6.54%). Rental yield rate 3.56%-12.13% (2025: 0.84%-11.53%).
- Average market capitalisation rate range 6.54% (2025: 6.71%). Market capitalisation rate range 5.00%-9.00% (2025: 4.19%-11.05%).
- Weighted average lease term 5.96 years (2025: 5.43 years).

Rental ranges in aggregate across the different investment property asset types were as follows:

	Rental Range 2026	Rental Range 2025
Asset type		
Office	$160-$280/sqm	$190-$275/sqm
Warehouse	$100-$170/sqm	$100-$175/sqm

FAIR VALUE HIERARCHY

In the absence of significant observable inputs, investment property is classified as Level 3 within the fair value hierarchy (as described in note 23). During the year, there were no transfers between the levels of fair value hierarchy.

Valuation approach	Key valuation assumptions	Valuation sensitivity	Relationship of unobservable inputs to fair value
Investment properties *Investment properties are land and buildings which are owned to earn rental income, for capital appreciation, or both.*			
The income-based valuation is used.	Land is included when infrastructure services are available and future development is expected within the next 3 years.	+$43.2 million / -$39.1 million for a 5% change of capitalisation rate.	An increase in the cashflow from an asset will increase the fair value, and a decrease in the cashflow from an asset will decrease the fair value of the asset.

INVESTMENT PROPERTY

Land is held by the company for long term and strategic purposes and is not held for resale. Investment properties are land and buildings where the building is built to maximise the return on land and buildings as an "interim use", are held for long term rental yield and are not occupied by the company. Investment property also includes property that is being constructed or developed for future use as investment property.

Properties leased to third parties under operating leases are generally classified as investment property unless:

- The occupants provide services that are integral to the operation of the company's business;
- The property is being held for future delivery of services.

Land where there are infrastructure services in place up to its boundary or there is a firm commitment to provide such infrastructure and the further development of that land is signalled within the next 3 years (being the current business planning cycle) is classified as investment property. Buildings that are held for a currently undetermined future use, or that are vacant but held to be leased out under one or more operating leases, are classified as investment properties.

The classification of properties is done at the lowest possible level. Thus, where part of a property is occupied by a party other than the company, consideration is given to whether that portion of the building could be classified as an investment property. Classification as an investment property will be indicated if the section of the building could be separately sold or leased under a finance lease.

If the section of the property occupied by a party other than the company is unable to be sold or leased separately from the rest of the building, the building is assessed as a whole and will usually only be classified as investment property if the company occupies an insignificant portion of the total building.

Investment property is carried at fair value, based on valuation methodologies using direct sales comparison or a direct capitalisation of rental income using market comparison of capitalisation rates, supported by a discounted cashflow approach. These values are determined annually by external valuers. Gains or losses arising from a change in fair value are recorded in the Statement of Financial Performance.

Fair value measurement on property under construction is only applied if the fair value is considered to be reliably measurable.

If it is determined that the fair value of an investment property under construction is not reliably determinable but the company has an expectation that the fair value of the property will be reliably determinable when construction is complete, the investment property under construction will be measured at cost until either its fair value becomes reliably determinable, or construction is completed (whichever is earlier).

Transfers are made to investment property when there is a change in use. This may be evidenced by ending of owner occupation, commencement of an operating lease.

12. COMMITMENTS

	2026	2025
	$000	$000
Property, plant and equipment	28,767	54,370
Intangibles	272	353
Investment properties	8,947	36,509
Total	**37,985**	**91,232**

13. DIVIDENDS

	Notes	2026	2025
		$000	$000
2026 Interim dividend paid, $0.42 per share		24,100	-
2025 Final dividend paid, $0.41 per share		23,429	-
2025 Interim dividend paid, $0.37 per share		-	21,304
2024 Final dividend paid, $0.32 per share		-	18,658
Total dividend paid	**14b**	**47,529**	**39,962**

DIVIDEND

Dividend distribution to the company shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are authorised by the directors and notified to the company's shareholders.

14. RESERVES AND RETAINED EARNINGS

A) RESERVES

	2026	2025
	$000	$000
Cash flow hedges reserve	609	1,333
Asset revaluation reserve	1,028,949	1,028,949
Balance at end of the year	**1,029,558**	**1,030,282**

CASH FLOW HEDGES RESERVE

	Notes	2026	2025
Balance at beginning of year		**1,333**	**11,949**
Revaluation to fair value		(190)	(10,095)
Transfer to statement of financial performance		(816)	(4,649)
Deferred tax on revaluation	7	282	4,128
Balance at end of year		**609**	**1,333**

The cash flow hedge reserve is used to record gains and losses on the value of hedging instruments. The fair value is determined by reference to the market value of equivalent instruments at the reporting date and will fluctuate each period as the market variables change and the future cash flows resulting from the instrument reduce. The movement in the fair value from prior year reflects the impact of a change in market interest rates, compared to the underlying fixed hedging instruments currently held by the company. Amounts transferred to the statement of financial performance are included in financing and interest costs.

ASSET REVALUATION RESERVE

	Notes	2026	2025
		$000	$000
Balance at beginning of year		**1,028,949**	**975,146**
Revaluation of assets	9	-	74,726
Deferred tax on revaluation	7	-	(20,923)
Balance at end of year		**1,028,949**	**1,028,949**

Comprising of revaluation on:			
Land		427,450	427,450
Terminal facilities		252,410	252,410
Buildings		15,235	15,235
Sealed surfaces		159,860	159,860
Infrastructure assets		28,451	28,451
Car parking		145,543	145,543
Balance at end of year		**1,028,949**	**1,028,949**

B) RETAINED EARNINGS

	Notes	2026	2025
		$000	$000
Balance at beginning of year		**525,941**	**491,095**
Net surplus after tax for the year		96,324	74,808
Dividends paid	13	(47,529)	(39,962)
Balance at end of year		**574,736**	**525,941**

CAPITAL MANAGEMENT

The company's capital includes share capital, reserves and retained earnings. The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The company recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The company is not subject to any externally imposed capital requirements, other than the covenants required under our borrowing agreements. These covenants cover Guaranteeing Group coverage, Gearing, Interest Cover, Joint Ventures and EBITDA to Senior Debt and are reported to lenders every six months. During the current year, there were no breaches of these covenants.

SHARE CAPITAL

There have been no material changes to the company's management of capital during the period.

Ordinary shares are fully paid and classified as equity. All 57,600,000 shares have equal voting rights and share equally as to dividends and surplus on winding up.

15. BORROWINGS

As at 30 June 2026 the company has a committed bank funding facility for an aggregate $333,000,000 (2025: $385,000,000) with five banks (2025: five banks). In addition, the company has an overdraft facility of $1,000,000 (2025: $1,000,000).

Total bond funding is $375,000,000 (2025: $275,000,000). The company issued a $100,000,000 10-year fixed rate bond in March 2026. This bond is held at amortised cost, adjusted by the fair value of the designated hedge risk. Additionally, a $125,000,000 bond, maturing April 2031, is held at amortised cost, adjusted by the fair value of the designated hedge risk, along with a $50,000,000 bond and a $100,000,000 bond maturing in April 2027 and May 2028, respectively.

The company refinanced $95,000,000 of maturing bank facilities between May and June 2026. The next facility set to mature is in November 2027. Existing facilities include an $85,000,000 Sustainability Linked Loan (SLL), which links loan pricing to CIAL's performance against pre-determined sustainability targets, resulting in a reduction in the loan interest when targets are met and an increase in loan interest when CIAL's sustainability performance deteriorates below an agreed penalty threshold. CIAL has chosen three timebound targets, which are aligned with our existing sustainability strategy, covering reductions in Greenhouse Gas Emissions, ACA level 5 accreditation and Future Fuels initiatives.

All borrowings under the bank facility and overdraft facility are unsecured and supported by a negative pledge deed. The negative pledge deed requires that no security interest is provided over any assets for borrowings, unless an equivalent security interest is created for the borrowing group and bond holders. Interest rates paid during the year, including offsetting interest rate swaps, ranged from 4.34% to 5.18% (2025: 4.35% to 5.01%) The bonds constitute direct, unsecured, unsubordinated obligations and will rank equally with all other unsecured, unsubordinated indebtedness.

During the current and prior years, there were no defaults or breaches on any of the borrowing facilities.

The company was in compliance with all its current financial covenants during the current and prior periods.

The company has two bank facilities and two bonds maturing over the next 24 months. The Board has an approved refinancing strategy in place, with refinancing through the extension of existing bank facilities and the investigation of debt capital market issuance options both domestically and offshore.

The company remains confident that any further refinancing will be secured given current market appetite for corporate debt, positive market engagement and discussions with existing facility providers.

The carrying value of borrowings is considered to approximate their fair value.

MATURITY OF DEBT AS AT 30 JUNE 2026:

	2026 Actual drawn	2026 Total facility	2025 Actual drawn	2025 Total facility
	$000	$000	$000	$000
Maturing in:				
2026	-	-	25,000	25,000
2027	50,000	50,000	60,000	135,000
2028	169,000	205,000	188,000	205,000
2029	43,000	43,000	80,000	80,000
2030	90,000	90,000	90,000	90,000
2031	129,129*	165,000	129,682*	125,000
2033	55,000	55,000	-	-
2036	99,317**	100,000	-	-
Total debt	**635,446**	**708,000**	**572,682**	**660,000**
Current	50,000	50,000	25,000	25,000
Non-current	585,446	658,000	547,682	635,000

* This balance includes $125,000,000 of bond funding and is held at amortised cost, adjusted by the fair value of the designated hedge risk. This bond matures in April 2031.

** This balance includes $100,000,000 of bond funding and is held at amortised cost, adjusted by the fair value of the designated hedge risk. This bond matures in March 2036.

FAIR VALUE BOND

	2026	2025
	$000	$000
Bond principal	225,000	125,000
Cumulative fair value hedge adjustment	3,446	4,682
Bonds fair value	**228,446**	**129,682**

FAIR VALUE HEDGE

At 30 June 2026, the company had two interest rate swap agreements in place with notional amounts of $125,000,000 (2025: $125,000,000) and $100,000,000 (2025: nil), whereby the company receives a fixed interest rate of 5.44% (2025: 5.44%) and 5.08% (2025: nil), respectively, and pays interest at a variable rate on the notional amount. The swaps are being used to hedge the exposure to changes in the fair value of the 5.44% $125,000,000 (2025: 5.44% $125,000,000) and 5.08% $100,000,000 (2025: nil) bonds.

The increase in fair value of the interest rate swaps of $1,208,000 (2025: decrease $5,063,000) has been recognised in finance costs and offset with a decrease of $1,236,000 (2025: increase of $5,068,000) on the bank borrowings. The ineffectiveness recognised in 2026 was $28,000 (2025: $5,000).

BORROWINGS

These are recognised initially at fair value, net of directly attributable transaction costs incurred. Borrowings (other than those subject to a fair value hedge relationship) are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Financial Performance over the period of the borrowings using the effective interest method.

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

Borrowing costs that are directly attributable to the acquisition or construction of an item of property, plant and equipment, investment properties or a qualifying asset (an asset that takes a substantial period of time to get ready for intended sale or use and is of significant cost) have been capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

16. DERIVATIVE FINANCIAL INSTRUMENTS

	Fair value		Notional principal	
	2026	2025	2026	2025
	$000	$000	$000	$000
Assets				
Interest rate swaps – cash flow hedges (non-current)	4,236	5,676	195,000	190,000
Interest rate swaps – fair value hedges (non-current)	5,311	4,892	225,000	125,000
Total assets	**9,547**	**10,568**	**420,000**	**315,000**
Liabilities				
Interest rate swaps – cash flow hedges (current)	223	526	10,000	95,000
Interest rate swaps – cash flow hedges (non-current)	2,890	2,700	305,000	190,000
Total liabilities	**3,113**	**3,226**	**315,000**	**285,000**

DERIVATIVES

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

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Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at balance date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The company designates certain derivatives as either:

i. hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or

ii. hedges of the cashflow of highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the company documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument. The company enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The company does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. Hedge ineffectiveness for interest rate swaps may occur due to, the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and differences in critical terms between the interest rate swaps and loans.

iii. Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Financial Performance, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The company only applies fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the Statement of Financial Performance within "Financing and Interest Costs". Changes in the fair value of the hedged fixed rate borrowings attributable to interest rate movements are also recognised in the Statement of Financial Performance within "Financing and Interest Costs".

iv. Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Financial Performance. Amounts accumulated in other comprehensive income are recycled in the Statement of Financial Performance in the periods when the hedged item will affect profit or loss (for instance when the forecast transaction that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, asset purchase) or a non-financial liability, the gains and losses previously deferred in other comprehensive income are transferred from other comprehensive income and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the forecast transaction is ultimately recognised in the Statement of Financial Performance or is capitalised on the recognition of a non-financial asset. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately transferred to the Statement of Financial Performance.

v. Derivatives that do not qualify for hedge accounting

Where derivative instruments do not qualify for hedge accounting or for which hedge accounting has not been adopted, changes in the fair value of these derivative instruments will be recognised immediately in the Statement of Financial Performance.

17. TRADE AND OTHER PAYABLES

	2026	2025
	$000	$000
Current trade and other payables		
Trade payables	7,076	10,611
Employee entitlements and provisions	5,027	4,574
Goods and services tax	274	-
Revenue in advance	2,303	3,842
Accrued interest	5,299	4,113
Accrued capital items	7,976	5,659
Accrued expenses	10,551	12,574
Total current	**38,506**	**41,373**
Non-current trade and other payables		
Revenue in advance	76	177
Total non-current	**76**	**177**
Total trade and other payables	**38,582**	**41,550**

TRADE PAYABLES

These are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

TRADE PAYABLES

The company recognises a provision for future expenditure of an uncertain amount or timing when there is a legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation.

EMPLOYEE BENEFITS

Liabilities for wages and salaries, including non monetary benefits, annual leave and accumulating sick leave and other contractual payments are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

18. TRADE AND OTHER RECEIVABLES

	2026	2025
	$000	$000
Current trade and other receivables		
Contracted accounts receivable	8,438	8,162
Accounts receivable	2,496	4,681
Other receivables	6,598	3,671
Prepayments	3,871	3,612
Lease inducement and incentives	1,383	1,429
Less: Provision for expected credit losses	(71)	(298)
Goods and services tax	-	293
Total current	**22,715**	**21,550**
Non-current trade and other receivables		
Lease inducement and incentives	5,574	6,135
Total non-current	**5,574**	**6,135**
Total trade and other receivables	**28,289**	**27,685**
Opening provision for expected credit losses	**(298)**	**(139)**
Bad debts written off	1	102
Released/(additional) expected credit losses provision	226	(261)
Closing provision for expected credit losses	**(71)**	**(298)**

Trade receivables have general payment terms of the 1st or the 20th of the month following invoice. Because of a lack of useful historical data on which to base the receivable impairment analysis, the company has assessed its expected credit losses for each individual debtor applying judgement using management experience, customer knowledge and interactions, and expected economic factors. This has resulted in a decrease in the expected credit loss provision to $71,000 (2025: $298,000). This credit loss provision reflects the uncertainty associated with the collection of certain outstanding debts at year end.

TRADE AND OTHER RECEIVABLES

These are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current, with the exception of non-current prepayments and lease inducements and incentives. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less provision for expected credit losses.

The group applies the NZ IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. This method groups those financial assets which have shared credit risk characteristics and the days past due. Debts which are known to be uncollectible are written off.

19. RELATED PARTY TRANSACTIONS

Christchurch City Holdings Limited (CCHL), a wholly owned subsidiary of the Christchurch City Council (CCC), owns 75% and the New Zealand Government owns 25% respectively of the issued share capital of the company.

Christchurch International Airport Limited enters into a large number of transactions with government departments, Crown entities, State-owned enterprises and other entities controlled or subject to significant influence by the Crown. All transactions with related entities:

- are conducted on an arm's length basis;
- result from the normal dealings of the parties;
- meet the definition of related party transactions only because of the relationship between the parties being subject to common control or significant influence by the Crown.

The New Zealand Government is the majority owner of Air New Zealand, a major customer of the company from both an aeronautical and rental and lease perspective. Pricing agreements are renegotiated for aeronautical charges with all airline customers, including Air New Zealand, every five years. Air New Zealand also leases several properties within the terminal facilities and the wider airport campus. In the current year Air New Zealand accounted for 25% (2025: 26%) of total income.

	2026	2025
	$000	$000
Christchurch City Council (CCC)		
Purchases	522	586
Rates paid	9,852	9,183
Subvention payments	-	5,598
Group loss offset	-	14,396
Accounts payable	1	7
Other CCC group companies		
Purchases	14,154	8,255
Revenues	527	545
Accounts payable	2,477	1,467

Non-shareholder related party transactions

Some directors of the company are, or have been during the year, directors of other companies or organisations with whom Christchurch International Airport Limited may transact. Such transactions are all carried out on an arm's-length basis and are conducted on normal commercial terms.

No amounts were written off or forgiven during the reporting period and outstanding balances were settled under normal trading terms.

Entity	Relationship	Transaction	2026	2025
			$000	$000
House of Travel Holdings Limited	Chris Paulsen - director (ceased 25/08/2024)	Travel & accom costs	-	605
Link Engine Management Limited	Kate Morrison - director	Rental income	689	585
New Zealand Post Limited	Paul Reid - director	Rental income	4,532	4,474

Balances owing from/(owed to) non-shareholder related parties as at 30 June:

Entity	2026	2025
	$000	$000
House of Travel Holdings Limited	-	(50)
New Zealand Post Limited	(2)	18

There were no other material related party transactions for the year.

20. LEASES

A) LEASES AS A LESSOR

The company has property and technology leases for which it receives rental. These include investment properties, spaces within the terminal facilities and other properties used for aeronautical purposes. The total amount receivable for these operating leases in the future is:

	2026	2025
	$000	$000
Less than 1 year	63,631	67,163
Between 1-2 years	46,089	49,355
Between 2-3 years	38,309	34,412
Between 3-4 years	32,538	28,561
Between 4-5 years	29,165	23,925
Beyond 5 years	156,459	136,279
Total lease payments receivable	**366,191**	**339,695**

The leases are for terms between 1 month and 30 years, and the majority of the lease agreements are renewable at the end of the lease period at market rates. The lessee does not have an option to purchase the property at the end of the expiry period. The disclosure above includes the expected minimum lease income based on the lease agreements in place at 30 June. This disclosure does not include income received from lease agreements that is determined on a turnover basis.

Although the company is exposed to changes in the unguaranteed residual value at the end of the current leases, this risk is not presently considered significant due to the company typically entering new operating leases prior to the end of the existing leases and therefore will not immediately realise any reduction in residual value. Additionally, the investment properties are in a location that has had constant increases in value over the last few years, and the company has not identified any indications that this situation will change. Expectations about the future residual values are reflected in the fair value of the properties.

The credit risk exposure associated with operating leases is managed by obtaining bank guarantees for the term of the lease, when considered necessary.

B) LEASE AS A LESSEE

Right of use assets

	2026	2025
	$000	$000
Cost		
Balance at beginning of year	4,880	-
Additions	-	4,880
Remeasurements	132	-
Balance at end of year	**5,012**	**4,880**
Accumulated depreciation		
Balance at beginning of year	37	-
Depreciation	50	37
Balance at end of year	**87**	**37**
Balance at end of year	**4,925**	**4,843**

The right of use assets summarised above relate to land held under a ground lease.

Lease liabilities

	2026	2025
	$000	$000
Lease liabilities included in the statement of financial position		
Current	2	2
Non-current	5,005	4,876
Total lease liabilities	**5,007**	**4,878**
Amounts recognised in the statement of comprehensive income		
Interest on lease liabilities	243	179
Cash outflows for leases		
Repayments of lease liabilities	245	180

LEASES

Company as a lessor

Leases for which the company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The company enters into lease agreements as a lessor with respect to investment properties, space within the terminal facilities and other properties used for aeronautical purposes. The majority of leases have rental payable monthly. Lease payments for some contracts include CPI increases and sales-based concession fees. To manage credit risk exposure, where considered necessary, the company may obtain bank guarantees for the term of the lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Variable concession income is recognised as revenue on an accrual basis based on the turnover of the concessionaire and rental agreement. Initial direct costs incurred in negotiation and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The company does not currently have lessor finance leases.

Lease inducements and incentives are provided for the agreement of a new or renewed operating lease with a lessee. They are recognised as an integral part of the net consideration agreed for the use of the leased asset and are recognised over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern over which the benefit of the leased asset is diminished.

Lease inducements are recognised against lease revenue in the Statement of Financial Performance. The company assesses lease incentive and receivables for impairment at each reporting date as outlined in the Trade and other receivable policy in note 18.

Company as lessee

Right of use assets are recognised at cost at the commencement date of the lease, and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received.

The lease liability is recognised at the commencement date of the lease. It is measured at the present value of the future lease payments, discounted using the company's incremental borrowing rate (given the interest rate implicit in the lease cannot be readily determined). Lease payments are apportioned between interest expense and reduction in the lease liability.

21. CONTINGENT ASSETS AND LIABILITIES

As at 30 June 2026 there were no contingent assets (2025: nil) and there were no contingent liabilities (2025: nil).

22. EVENTS OCCURRING AFTER BALANCE DATE

A final dividend of $27,400,000, 47.6 cents per share net of imputation credits has been declared subsequent to balance date. There are no other events occurring after balance date that could significantly affect the financial statements.

23. FINANCIAL INSTRUMENTS

The company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. The company enters into derivative arrangements in the ordinary course of business to manage foreign currency and interest rate risks.

Risk management is the responsibility of the Board. The Risk, Audit and Finance Committee (the Committee) monitors all risk management activities and provides regular reports on such activities to the Board. The company has a Treasury policy approved by the Board. The policy provides guidelines for overall risk management, as well as specific guidelines for derivative instrument utilisation including procedures for control, valuation, risk analysis, on-going monitoring and reporting.

Part of the company's risk management strategy is to outsource the back-office processing of the treasury function to a third party.

MARKET RISK

Foreign exchange risk

The company has no material exposure to foreign exchange risk at 30 June 2026 (2025: nil).

Interest rate risk

The company's main interest rate risk arises from term variable rate borrowings denominated in NZD, such borrowings being determined by the company's long-term development requirements and the structures approved by the Board.

The Treasury policy sets parameters for borrowings and the process for monthly reporting to the Board.

Borrowings issued at variable rates expose the company to cash flow interest rate risk. The company manages its cash flow interest rate risk by using floating to fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates.

Changes in the values of the $125,000,000 (2025: $125,000,000) fixed rate retail bond and $100,000,000 (2025: nil) fixed rate wholesale bond have been hedged by fixed to floating interest rate swaps with terms that match those of the underlying bonds.

At 30 June 2026, if the interest rates had changed by +/- 1%, with all other variables held constant, the impact to equity would have been $663,000 lower/$661,000 higher, the impact on profit would have been $110,000 lower/$110,000 higher. The valuation of interest rate swaps has been included in this calculation.

A sensitivity of 1% has been selected as this is considered reasonable given the current level of interest rates and the trend observed both on a historical basis and market expectations for future moves.

INTEREST REPRICING PROFILE

The following table details the company's exposure to interest rates:

30 JUNE 2026

	Notes	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest Rate	Non-Interest Bearing	Total
		%	$000	$000	$000	$000
Financial assets						
Cash and cash equivalents			3,494	-	-	3,494
Derivative financial instruments	16	4.2	9,547	-	-	9,547
Trade and other receivables	18		-	-	24,418	24,418
Total financial assets			**13,041**	-	**24,418**	**37,459**
Financial liabilities						
Trade and other payables	17		-	-	30,902	30,902
Derivative financial instruments	16	4.2	3,113	-	-	3,113
Borrowings	15	5.5	257,000	378,446	-	635,446
Total financial liabilities			**260,113**	**378,446**	**30,902**	**669,461**

30 JUNE 2025

	Notes	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest Rate	Non-Interest Bearing	Total
		%	$000	$000	$000	$000
Financial assets						
Cash and cash equivalents			3,373	-	-	3,373
Derivative financial instruments	16	3.9	10,568	-	-	10,568
Trade and other receivables	18		-	-	24,073	24,073
Total financial assets			**13,941**	-	**24,073**	**38,014**
Financial liabilities						
Trade and other payables	17		-	-	32,957	32,957
Derivative financial instruments	16	3.9	3,226	-	-	3,226
Borrowings	15	5.2	293,000	279,682	-	572,682
Total financial liabilities			**296,226**	**279,682**	**32,957**	**608,865**

CREDIT RISK

Credit risk principally arises from cash and short-term investments, trade receivables and interest rate swaps. The company places its cash and short-term investments with high credit quality financial institutions and sovereign bodies and limits the amount of credit exposure to any one financial institution in accordance with its Treasury policy.

The company manages its exposure to credit risk arising from trade receivables by performing credit evaluations on customers requiring credit.

The company also continuously monitors the outstanding credit exposure to individual customers. Credit risk is concentrated on a small number of customers. As at 30 June 2026 82% (2025: 68%) of trade receivables were due from 10 customers.

Management practice is to review debtors on a regular basis and write off any amount that is not deemed to be recoverable as required. For the year ended 30 June 2026 $1,000 (2025: $102,000) was written off.

As at the 30 June 2026 the total balance for expected credit losses is $71,000 (2025: $298,000), decreasing $227,000 from the prior year. Given the limited number of bad debts written off historically, a doubtful debt assessment has been completed by individual debtor. These assessments took into account ownership structure, parent company or shareholder support, industry outlook and payment of agreed balances since rent relief was granted.

The company has a policy that assists to manage exposure to credit risk by way of requiring a bank guarantee for customers whose credit rating or history indicates that this would be prudent.

The status of trade receivables at the reporting date is as follows:

	2026	2025
	$000	$000
Neither past due nor impaired	9,630	9,640
Past due but not impaired 0 – 30 days	340	1,975
Past due but not impaired 31 – 60 days	-	70
Past due but not impaired > 60 days	893	860
Total trade receivables	**10,863**	**12,545**

There are no restructured assets at 30 June 2026 (2025: nil). No collateral has been taken as security for trade receivables.

The carrying value is the maximum exposure to credit risk for bank balances, accounts receivable and interest rate swaps.

LIQUIDITY RISK

Liquidity risk represents the risk that the company may not have the financial ability to meet its contractual obligations. The company evaluates its liquidity requirements on an on-going basis and reviews the Treasury policy headroom levels on an annual basis. The company generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has funding in place to cover potential shortfalls.

The table below analyses the company's financial liabilities and derivative financial liabilities that will be settled on a net basis, into relevant maturity groupings based on the remaining period at year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances within 12 months equal their carrying balances.

Refer to note 15 for additional details associated with managing liquidity risk.

30 JUNE 2026

	Carrying amount	Total cashflow	On demand	< 1 year	1-2 years	3-5 years	> 5 years
	$000	$000	$000	$000	$000	$000	$000
Trade and other payables	30,902	30,902	30,902	-	-	-	-
Borrowings	635,446	759,372	-	79,710	247,830	246,004	185,828
Derivative financial instruments*	3,113	6,862	-	1,368	3,291	2,432	(229)
Lease liabilities	5,007	24,206	-	246	246	739	22,975
Total	**674,468**	**821,342**	**30,902**	**81,324**	**251,367**	**249,175**	**208,574**

30 JUNE 2025

	Carrying amount	Total cashflow	On demand	< 1 year	1-2 years	3-5 years	> 5 years
	$000	$000	$000	$000	$000	$000	$000
Trade and other payables	32,957	32,957	32,957	-	-	-	-
Borrowings	572,682	672,280	-	52,359	296,227	191,894	131,800
Derivative financial instruments*	3,226	8,436	-	697	2,595	3,379	1,765
Lease liabilities	4,878	23,811	-	240	240	720	22,611
Total	**613,743**	**737,484**	**32,957**	**53,296**	**299,062**	**195,993**	**156,176**

*The derivative financial instrument cash flows are paid quarterly.

DERIVATIVE FINANCIAL INSTRUMENT

Interest rate swaps

The company has long term borrowings at a variable rate of interest. To protect against interest rate movements, the company has entered into interest rate swap agreements to fix the interest rate. Under these agreements, the company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. The fair value of interest rate swaps is based on market values of equivalent instruments at the reporting date and are disclosed below.

The following table also details the notional principal amounts and remaining term of interest rate swap contracts outstanding as at reporting date:

	Contract fixed interest rate		Notional principal		Fair value	
	2026	2025	2026	2025	2026	2025
	%	%	$000	$000	$000	$000
Outstanding floating to fixed contracts						
Less than 1 year	2.87	4.19	10,000	95,000	(223)	(526)
1 to 2 years	2.51	2.57	50,000	60,000	453	839
3 to 5 years	3.49	3.49	245,000	245,000	(68)	451
Beyond 5 years	3.76	3.41	205,000	75,000	962	1,686
Total floating to fixed contracts			**510,000**	**475,000**	**1,124**	**2,450**
Outstanding fixed to floating contracts						
Less than 1 year			-	-	-	-
1 to 2 years			-	-	-	-
3 to 5 years	5.44	5.44	125,000	125,000	4,596	4,892
Beyond 5 years	5.08		100,000	-	715	-
Total fixed to floating contracts			**225,000**	**125,000**	**5,311**	**4,892**

	2026	2025
	$000	$000
Movement in fair value of existing contracts	1,005	14,744

FAIR VALUE OF FINANCIAL INSTRUMENTS

The directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair values, except for the $50,000,000 and $100,000,000 fixed rate bonds which have a fair value of $50,803,000 (maturing 2027) and $102,247,000 (maturing 2028), respectively. These bonds are classified as level 1 in the fair value measurement hierarchy, with the fair value based on the quoted market prices for these instruments at balance date.

The following table presents the company's financial assets and liabilities that are measured at fair value at 30 June 2026. Given all significant inputs required to fair value these instruments are observable, they are classified as level 2 within the fair value hierarchy (as described in note 23).

	2026	2025
	$000	$000
Derivative financial instruments – assets	9,547	10,568
Derivative financial instruments – liabilities	3,113	3,226

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observed, the instrument is included in level 2. The company has an outsourced treasury provider that provides the fair value at year end. These valuation techniques are based on observable market data. The interest rate swaps calculation takes into account the present value of the estimated future cash flows.

CLASSIFICATION OF FINANCIAL INSTRUMENTS

30 JUNE 2026

	Notes	Fair value	Amortised cost	Total
		$000	$000	$000
Current assets				
Cash and cash equivalents		-	3,494	3,494
Trade and other receivables*	18	-	18,845	18,845
Total current financial assets		**-**	**22,339**	**22,339**
Non-current assets				
Trade and other receivables*	18	-	5,574	5,574
Derivative financial instruments	16	9,547	-	9,547
Total non-current financial assets		**9,547**	**5,574**	**15,121**
Total financial assets		**9,547**	**27,913**	**37,460**
Current liabilities				
Trade and other payables**	17	-	30,902	30,902
Borrowings	15	-	50,000	50,000
Derivative financial instruments	16	223	-	223
Total current financial liabilities		**223**	**80,902**	**81,125**
Non-current liabilities				
Borrowings	15	-	585,446	585,446
Derivative financial instruments	16	2,890	-	2,890
Total non-current financial liabilities		**2,890**	**585,446**	**588,336**
Total financial liabilities		**3,113**	**666,348**	**669,461**

* excludes prepayments when comparing to note 18.
** excludes revenue in advance, GST payable and employee entitlements when comparing to note 17.

30 JUNE 2025

	Notes	Fair value	Amortised cost	Total
		$000	$000	$000
Current assets				
Cash and cash equivalents		-	3,373	3,373
Trade and other receivables*	18	-	17,938	17,938
Total current financial assets		**-**	**21,311**	**21,311**
Non-current assets				
Trade and other receivables*	18	-	6,135	6,135
Derivative financial instruments	16	10,568	-	10,568
Total non-current financial assets		**10,568**	**6,135**	**16,703**
Total financial assets		**10,568**	**27,446**	**38,014**
Current liabilities				
Trade and other payables**	17	-	32,957	32,957
Borrowings	15	-	25,000	25,000
Derivative financial instruments	16	526	-	526
Total current financial liabilities		**526**	**57,957**	**58,483**
Non-current liabilities				
Borrowings	15	-	547,682	547,682
Derivative financial instruments	16	2,700	-	2,700
Total non-current financial liabilities		**2,700**	**547,682**	**550,382**
Total financial liabilities		**3,226**	**605,639**	**608,865**

* excludes prepayments when comparing to note 18.
** excludes revenue in advance, GST payable and employee entitlements when comparing to note 17.

CASH AND CASH EQUIVALENTS

This include cash on hand, deposits held on call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included as cash and cash equivalents for Statement of Cash Flows purposes, but separately disclosed in the Statement of Financial Position.

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

30 JUNE 2026

	Current borrowings	Non-current borrowings	Total
	$000	$000	$000
Balance at beginning of year	**25,000**	**547,682**	**572,682**
Cash flows	-	64,000	64,000
Movement between categories	25,000	(25,000)	-
Fair value changes	-	(1,236)	(1,236)
Balance at end of year	**50,000**	**585,446**	**635,446**

30 JUNE 2025

	Current borrowings	Non-current borrowings	Total
	$000	$000	$000
Balance at beginning of year	**225,000**	**331,614**	**556,614**
Cash flows	(77,000)	88,000	11,000
Movement between categories	(123,000)	123,000	-
Fair value changes	-	5,068	5,068
Balance at end of year	**25,000**	**547,682**	**572,682**

FINANCIAL ASSETS

Financial assets can be classified in the following categories: financial assets at fair value through profit or loss, fair value through other comprehensive income (OCI) and amortised cost. The classification depends on financial assets contractual cashflow characteristics and the company's business model for managing them, namely how the business manages its financial assets in order to generate cash flows. Management determines the classification of its financial assets at initial recognition.

Currently the company's non-derivative financial assets are classified and measured at amortised cost. To qualify for this classification, the asset needs to give rise to cashflows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding and for which the business model is to hold the asset to collect contractual cash flows.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit and loss when the asset is derecognised, modified or impaired.

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

The company's financial assets at amortised cost include trade and other receivables and cash and cash equivalents. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

FINANCIAL LIABILITIES

Financial liabilities can be classified in the following categories at initial recognition, as financial liabilities at fair value through profit or loss and amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Loans and borrowings financial liabilities is the most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Financial Performance.

FAIR VALUE MEASUREMENT

The company measures financial instruments, such as derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in note 23.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as properties and investment properties and significant liabilities. For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

24. COMPARISON OF FORECAST TO ACTUAL RESULTS

The company prepares an annual Statement of Intent which is approved by shareholders and incorporates financial and performance measures for the ensuing year.

A comparison of the company's actual results for the year ended 30 June 2026 with those targets are as follows:

	2026 Achievement	2026 Target
	$000	$000
Financial		
Total Revenue*	272,994	248,554
EBITDAF**	167,657	151,313
EBITF***	119,460	105,047
Interest Expense	30,428	30,419
Net Profit After Tax	96,324	52,426
EBITDAF as % Revenue	61.4%	60.9%
Return on invested capital (EBIT/(Equity + Debt))	6.8%	4.9%
Passenger numbers		
Domestic	5,093,243	4,943,362
International	1,757,868	1,598,359
Total passengers	**6,851,111**	**6,541,721**
Ratio of shareholders' funds to total assets		
Nominal Debt	632,000	605,000
Equity	1,661,894	1,551,300
Shareholder funds/Total Assets %	63.6%	63.8%
Gearing (debt / (debt + equity)) %	27.6%	28.0%
Debt / EBITDAF**	3.8	4.0
EBITDAF Interest Cover X	5.5	5.0

*Total revenue excludes unrealised gains on investment property and interest income
**EBITDAF (earnings before interest, tax, depreciation, amortisation and fair value movements on investment property)
***EBITF (earnings before interest, tax and fair value movements on investment property)

Note: All ratios including debt are based on nominal debt of $632m.

5 CORPORATE SOCIAL RESPONSIBILITY

Performance measure	Performance targets	
	2026	Progress to 30 June 2026
Health, Safety & Wellbeing		
Culture & Leadership Continue to develop a positive culture that enables the health, safety and wellbeing of our people	• Improve the HSW factor insight in our annual culture and engagement survey • Year on year improvement in quality, coverage and number of HSW leadership interactions/events	• HSW factor insight score decreased from 79% to 72%. In response, CIAL has strengthened visible HSW leadership through the Critical Risk Programme, reinforcing leadership accountability, ownership of critical risks and workforce engagement. • Senior leader safety leadership conversations increased by 22%, from 242 in FY25 to 294 in FY26, strengthening leadership visibility and workforce engagement.
Management systems Continuous improvement in systems to manage health, safety and wellbeing	• Fully integrated aviation and people safety management system • CIAL Protection workplan delivered on schedule including critical control ownership & validation	• Draft documentation for CIAL's integrated Aviation and People Safety Management System was completed and independently reviewed by legal and subject matter experts, with final refinements identified prior to implementation. • Delivered 92.7% of the CIAL Protection Workplan, including finalisation of CIAL's Critical Risk Framework and completion of three Critical Control Verification Reviews.
Wellbeing Enabling healthy work where our people can thrive	• Incorporate ISO45003:2021 Psychological H&S at Work into systems and work practices • Education to improve mental health & wellbeing literacy across teams • Maintain or increase the wellbeing, psychological safety and work/life blend scores in our annual culture and engagement survey	• ISO 45003:2021 principles are embedded within CIAL's systems and work practices. Psychosocial risk, including aggressive and threatening behaviour, has been incorporated into CIAL's Critical Risk Framework. • Mental health and wellbeing education was reprioritised due to competing organisational priorities and has been carried forward as a priority initiative. • Psychological safety scores were maintained, while positive work/life blend results improved by three percentage points, reflecting continued progress towards a healthy and supportive workplace.

Performance measure	Performance targets	
	2026	Progress to 30 June 2026
Planet/Sustainability – Toitūtanga		
Climate Deliver ongoing reduction in emissions from our airport operations, together with supporting stakeholders with the transition to a lower carbon future Absolute emissions reductions (scope 1 & 2) by 2035 Develop physical climate risk adaptation plan	• Maintain airport operational greenhouse gas (GHG') emissions reductions of 90% or greater (scope 1 & 2 emissions) • Partner, where possible, to help accelerate the transition to lower carbon aviation • Publicly disclose and regularly review our processes relating to climate risk disclosures	• Currently on-track to maintain GHG emissions reductions of >90%, while continuing to assess load shedding volumes. Noting FY28 will see this challenged with the transition of airfield lighting assets from Airways which may negatively impact on emissions reductions. • Hosted NZ Hydrogen Council, Changi & Hamburg Airport and the New Zealand Airports Sustainability Working Group, Air New Zealand Sustainability and Qantas, Airways and CAA Emerging tech team to discuss network transition planning. Continued airport mentorship and participation in global working groups. Highlights included testing liquid hydrogen refueling into aircraft composite tanks onsite. • On track to publish our FY26/27 Climate Report. We have adopted to utilise the FMA no action relief and are not preparing a full Climate Statement under the Financial Market Conduct Act. However, we continue to review and disclose climate related information in our Climate Report.
Energy Onsite renewable energy to power CIAL's decarbonisation and support aviation's lower carbon future	• Regularly review energy efficiency projects seeking to maintain or improve operations • Expand understanding renewable energy and future fuels infrastructure requirements to cater for transition to lower carbon aviation • Continually seek Building Management systems and energy efficiency improvements	• In progress and on-going. • Studies currently underway to feed into Master Planning. • In progress and on-going with Building Analytics run in addition to BMS.
Biodiversity Maintain, enhance and restore Aotearoa's native and endemic species.	• Confirm biodiversity baseline and science-based targets for nature • Develop a measuring and monitoring framework for CIAL biodiversity • Develop a trusted network of stakeholder relationships to support work program	• Biodiversity baseline has been completed. Work is underway on feasibility and cost of activation projects. • In progress and on-going. • Noting Banks Peninsula Conservation Trust as an important local partner for CIAL.
Noise Our responsibility and preference are to collaborate with all stakeholders, especially residents and businesses close to Christchurch Airport and its flight paths in relation to noise impacts	• Noise complaints are limited to 10 per 10,000 aircraft movements per annum • Continue to participate in the consultation process in Canterbury on how the latest noise contours are to be integrated into the Regional Policy Statement • Offers of acoustic mitigation to noise impacted properties currently eligible • Long term and ongoing program to protect CIAL from noise reverse sensitivity affects	• Noise Complaints are 4.2 per 10,000 movements for FY26. • Continued engagement with local and central government agencies on long-term planning matters, including resource management reform and updated airport noise contours, to support planning frameworks that appropriately manage airport noise effects, protect communities, and enable Christchurch Airport's ongoing operations. • Acoustic treatment was re-offered to eligible homeowners. No additional properties became eligible for acoustic treatment following completion of the 2025 Noise Monitoring Report in March 2026. While some properties identified as eligible in 2019 no longer meet current eligibility criteria, CIAL continues to honour previous offers where treatment or mitigation was originally extended. • CIAL continues to face planning pressure relating to the Waimakariri District Plan proceedings, and is actively participating in the Environmental Court appeal and High Court judicial review processes relating to the Waimakariri District Plan review and associated intensification decisions. This matter raises the core strategic risk of reverse sensitivity affecting long-term airport operations. Management continues to work towards resolving or mitigating this issue.

continued over page >

Performance measure	Performance targets	
	2026	Progress to 30 June 2026
Planet/Sustainability – Toitūtanga		
Circularity Support a circular economy that ultimately keeps resources in circulation rather than landfill	• Maintain support for food rescue initiatives	• Food rescue initiatives are on-going, with a record high diversion from the terminal to city mission over the summer period.
	• Integrate supplier waste minimisation plans into tenders	• This work is on-going.
People		
Future of Work	• Implement Change Management framework and train all change agents by start of FY26	• Change playbook has been enhanced using AI to make it more intuitive, practical and user friendly. Following these enhancements a second tranche of training will be rolled out to ensure change agents can fully leverage the new tools and functionality available.
	• Track success of AI pilot and identify future test case uses to include into wider digital transition roadmap	• A dedicated AI resource has been appointed on a permanent basis to provide focused expertise and continuity across the organisation. Having worked with every department to identify opportunities and implement practical solutions, they are now focused on scaling high-value use cases and monitoring the benefits and improvements achieved to ensure value is realised and sustained.
Talent	• Offer all employees the opportunity to develop personalised learning and career progression plans	• All employees have the opportunity to develop personalised learning pathways annually with their managers. The business supports the execution of these plans by investing where there is a clear mutual benefit.
	• Support the training of employees in digital literacy and AI related skills	• AI and digital literacy training is provided to employees who've been identified as having a clear, role related need to build these capabilities.
	• Increase internal promotion rates by aligning career pathways within business strategy	• Progress toward increasing internal promotion rates continues. In the past year, 10 internal moves have occurred within our structure.
Engagement	• Conduct regular employee voice surveys with action plans created and reviewed	• 2026 engagement survey completed with an improved overall engagement score of 75%.
	• Average Voluntary turnover remains <10%	• CIAL continues to have low turnover with the latest rolling average sitting at 6.6% down from 9.5% at the end of 2025.
	• Documented organisational Engagement and Culture Plan developed	• An engagement and culture plan has been developed by ELT and business groups and are being systematically worked through. New measurements have been added to the survey tool to monitor progress against key engagement domains.
Leadership	• Continuing to build leadership capability through formal and informal learning opportunities	• Leadership capability continues to be a strategic priority for CIAL. The inaugural cohort has now completed the 10-month Altitude Leadership Programme, with participants demonstrating increased self-awareness, leadership effectiveness and organisational impact. With the programme established, attention is now turning to organisation-wide implementation of the Leadership Framework, including clearer expectations of leadership performance, consistent leadership standards, and ongoing development opportunities to strengthen leadership capability at all levels of the business.
	• Improved Management & Leadership results in annual engagement survey	• Leadership and Management results remained relatively stable overall. Management measures improved by 2%, demonstrating positive momentum in leader effectiveness, while Leadership measures declined slightly by 1%, reinforcing the importance of continuing our investment in leadership capability and organisational leadership visibility.

Performance measure	Performance targets	
	2026	Progress to 30 June 2026
Inclusion (Diversity / & Equity)	• Measure and report on gender pay gap and deliver actions to work towards a zero gender pay gap by 2030	• In April 2026, we undertook our fourth gender pay gap review. The review was conducted independently using the Ministry for Women methodology. It found our median total remuneration gender pay gap was 13.9%, a reduction of 4.1 percentage points from 18.0% in 2025. Our median base salary gender pay gap reduced to 3.3%, down from 8.8% the previous year and below the national base salary benchmark of 5.2%. • Women represented 40.6% of our workforce at the time of the review. The reduction in our pay gap reflects positive progress, including the recruitment of women into higher-paid roles, increased promotion of women into senior positions and stronger representation of women within higher remuneration bands. • Over the coming year we will continue to focus on gender-balanced recruitment and succession planning, monitoring remuneration outcomes, supporting career development and progression opportunities for women, strengthening retention of experienced and senior women, and continuing annual measurement and public reporting of our progress.
	• Undertake second Inclusion Review achieving improved outcomes compared to 2022	• The Inclusion Review confirms positive progress since 2022, with improvements across a number of key inclusion measures and evidence that previous recommendations have been successfully advanced. While employees reported a strong sense of belonging and positive cultural change, opportunities remain to improve consistency of experience across teams and further embed inclusive leadership practices. Priority actions are being agreed with ELT and will inform the next phase of our People and Culture programme.

*** Emission disclosure**

In measuring our carbon footprint we have considered the principles and requirements of ISO 14064-1:2018 (Part 1), the GHG Protocol's Corporate Standard and Corporate Value Chain (Scope 3) Standard, as well as the requirements set out under the Airport Carbon Accreditation for Level 5 accreditation. The measure includes Scope 1 and 2:

- Scope 1: Direct GHG emissions that occur from sources owned and/or controlled by the airport, such as emissions from the combustion of fuels in owned/controlled generators and vehicles.
- Scope 2: Indirect emissions from the generation of purchased electricity consumed by the airport (using a market-based approach).

Market based approach refers to the use of certified renewable energy certificates to address Scope 2 emissions. NZBCI verifies that the issuance and redemption of these certificates have been performed in accordance with the NZECS System Rules and relate specifically to electricity generated at Monowai Hydro Station.

The consolidation approach used is operational control basis. This means that airfield and terminal facilities along with other company assets are included. Investment and hotel properties are excluded from scope 2 (and included in scope 3) when the tenant or operator has control of operating and environmental policies. Excluded from our CSR targets are Scope 3 emissions which includes full flight emissions from aircraft, emissions associated with capital works and purchases of goods and services, and other upstream and downstream (indirect) emissions arising from our activities. The significant emissions in Scopes 1 and 2 are petrol, diesel and electricity purchased.

There is a level of inherent uncertainty in reporting greenhouse gas emissions. This is due to a level of scientific uncertainty as well as estimation uncertainty involved in the measurement processes.

Emissions inventory for petrol, diesel and electricity are captured from purchase information, with estimation required for some supply chain elements. The company generally apply the emissions factors included in the Measuring Emissions: A guide for organisations published by the Ministry for the Environment for the majority of its emissions, but particular factors have been obtained for Fire Training and De-icing, from Airport Council International (ACERT) and ICAO (CORSIA). Emissions factors are periodically revised by the MFE with changes to those factors occasionally being significant.

The airport has not revised its 2015 baseline. If we had revised our baseline for updated emissions factors, this would not alter our decreasing trend in emissions since 2015.

6 CORPORATE GOVERNANCE

Christchurch Airport's Board of Directors is responsible for the governance of the company. Appointed by the shareholders, the Board is committed to maintaining a governance framework that promotes sound decision-making, accountability, integrity and long-term sustainable value creation for shareholders and other stakeholders.

This corporate governance section outlines Christchurch International Airport Limited's governance framework, policies and practices. It is intended to provide shareholders and other stakeholders with a transparent overview of the company's governance arrangements and the processes that support effective oversight, accountability and decision-making.

DIRECTORS AND MANAGEMENT COMMITMENT

The Board and management are committed to undertaking their governance role in accordance with accepted best practice appropriate to the company's business, as well as taking account of the company's listing on the NZX Debt Market. A sound and effective governance framework is essential to meeting the needs of our stakeholders, which includes a set of systems and processes, supported by people with the appropriate competencies and principles.

The Board regularly reviews its governance framework to ensure it remains aligned with recognised governance principles and evolving best practice.

Changing commercial circumstances require regular review and continually evolving systems that implement newly developed techniques and industry best practice.

Christchurch International Airport Limited (CIAL) aims to make sufficient disclosure so that the reader of the Annual Report will be able to assess the effectiveness of the company's corporate governance framework.

REGULATORY FRAMEWORK

The company operates solely in New Zealand and is governed by a range of New Zealand legislation and regulation. On 5 April 2023, the Civil Aviation Bill received Royal assent and became the Civil Aviation Act 2023. The new Act came into force on 5 April 2025, repealing and replacing the previous Civil Aviation Act 1990 and the Airport Authorities Act 1966 with a single new statute.

The Civil Aviation Act 2023 requires CIAL to operate its business as a commercial undertaking and outlines a framework for civil aviation safety and security in New Zealand. It also outlines other long-term obligations including consulting on capital expenditure and wider spatial plans.

Since 2011, New Zealand's three largest airports including Christchurch have been subject to Information Disclosure regulation under Part 4 of the Commerce Act 1986, administered by the Commerce Commission. Under this framework, the Commission does not set prices for airport services but instead the focus is on monitoring airport performance through an annual information disclosure regime and ensuring there is transparency in pricing decisions.

BOARD ROLE

The Board is ultimately responsible for overseeing CIAL's strategic direction, leadership of the management of the company and achievement of its business strategy, with the aim of increasing long-term shareholder value while sustaining and ensuring the obligations of the company are properly met.

The Board's charter recognises the respective roles of the Board and management. In carrying out its principal function, the Board's primary governance roles include:

- Working with executive leadership to ensure that the company's strategic goals are clearly established and communicated, and that strategies are in place to achieve them;
- Holding to account management performance in strategy implementation;
- Appointing the Chief Executive (CE), approving their contracted terms, monitoring their performance and, where necessary, terminating the CE's employment;
- Overseeing and monitoring the company's financial statements, climate risk disclosures and other reporting, including reporting to shareholders, and ensuring the company's disclosure obligations are met;
- Adopting appropriate procedures to ensure compliance with all laws, governmental regulations, applicable codes and accounting standards;
- Overseeing key performance criteria for CIAL and monitoring the performance of the CE against these;
- Establishing procedures and systems to ensure the occupational health, safety and wellbeing of people working at, or visiting the Christchurch Airport precinct;
- Providing resilient infrastructure whilst adopting a sustainable approach to the operation of its own controlled activities;
- Promoting of the long-term sustainable success of the company by ensuring the company effectively manages material environmental, social and governance risks and opportunities through its strategy and action plans, supporting the creation of long-term value for shareholders and stakeholders;
- Setting specific limits on management's delegated authority for entry into new expenditure, contracts and acquisition of assets and approve commitments outside those limits;
- Ensuring that CIAL has appropriate risk management and regulatory compliance policies in place and monitoring the appropriateness and implementation of these policies;
- Being a fair employer which provides a workplace that values people, celebrates inclusiveness, supports people leading themselves and developing skills to lead others, and ensures that all are fairly rewarded.

The Board delegates day-to-day operations of the company to management under the control of the CE. Such day-to-day operations are required to be conducted in accordance with strategies set by the Board.

All directors are required to comply with a formal code of conduct, which is based on the New Zealand Institute of Directors Code of Proper Practice for Directors.

BOARD STRUCTURE

The composition of the Board reflects an appropriate mix of skills, experience and attributes required to discharge the duties and responsibilities of the Board and aligns to the interests of the shareholders as a whole, establishing the company's strategy and ensuring that it is effectively implemented. Collectively the Board seeks to maintain an appropriate balance of skills, experience, diversity, independence and tenure to support effective governance.

A fully constituted Board consists of six directors: four appointed by majority shareholder, Christchurch City Holdings Ltd (CCHL), and two appointed by the Minister of Finance and the Minister for State Owned Enterprises (on behalf of the New Zealand Government).

Directors' appointments are for such period as determined by the relevant shareholder, but each term shall not exceed three years. Retiring directors may be reappointed by the relevant shareholder for further terms of three years as circumstances warrant, considering the unique characteristics of the aviation and regulatory environment in which CIAL operates, the long-term investment horizon for critical infrastructure such as airports, and the need to minimise succession risks for both shareholders and bondholders considering the overall composition and tenure of the existing Board.

The Board has a broad range of commercial, financial, marketing, tourism and other relevant experience and expertise required to meet its objectives. Fees for the Board are reviewed by the shareholders using independent advice.

The Board has four formally constituted committees: the Risk, Audit and Finance Committee, the People, Culture and Safety Committee, the Property and Infrastructure Committee and the Aeronautical and Commercial Committee. All committees have Board-approved terms of reference outlining the committee's authority, duties and responsibilities and relationship with the Board. Additional committees may be established based on need. Each committee must include a representative of each shareholder.

INDUCTION OF NEW DIRECTORS

Following appointment, directors undertake an induction programme aimed at deepening their understanding of the company business and the environment and markets in which the company operates. As part of the programme, directors receive essential Board and company information and meet key management. Directors also participate in ongoing professional development, site visits and governance education throughout the year.

Directors are expected to be familiar with changes and trends in the business and CIAL's environment and markets and trends in the economic, political, social and legal climate generally.

OPERATION OF THE BOARD

The Board met 11 times during the financial year, including an additional meeting focused on long-term strategic matters. The table on page 75 sets out the Board and sub-committee meetings attended by the directors during the year.

Directors unable to attend Board or Committee meetings review the relevant papers and provide comments to the Chair or Committee Chair as appropriate.

The Chair, CE and Chief Financial Officer (CFO) prepare the agenda for each meeting and board papers are provided to the directors in electronic format prior to the meeting.

During the year, the Board's work programme focused on oversight, financial performance, capital investment, risk, organisation capability and long-term sustainability.

At each meeting CIAL's interests register is updated as necessary and the Board considers:

- An executive report focusing on company performance, financial position, strategic activations and, as appropriate, progress towards the achievement of company goals and business targets;
- Specific business cases for capital expenditure and strategic activation;
- Separate reports from management covering matters requiring a Board decision or for more detailed information;
- Health, safety and wellbeing reporting and any proposed preventative measures to be applied;
- Standard items and action items arising from previous meetings.

In addition, based on a predetermined schedule, the Board:

- Reviews and approves the company objectives and strategies, business plan and budgets including the annual profit targets and capital investment programmes;
- Approves the annual and half-yearly financial statements, including the Annual Report and any public announcements;
- Considers and, if appropriate, declares or recommends the payment of dividends;
- Reviews directors' remuneration following approval from shareholders;
- Reviews the CE's performance and remuneration;
- Approves remuneration policies and practices for executive leadership on the recommendation of the People, Culture and Safety Committee;
- Approves risk management policies and controls, including insurance cover and compliance with legal and regulatory requirements, on the recommendation of the Risk, Audit and Finance Committee;
- Reviews the adherence to, and annual public disclosure required by the Information Disclosure regulatory regime;
- Reviews the strategy and proposals for the reset of aeronautical charges each five-year cycle;
- Reviews the strategy for CIAL's funding needs and approves banking facilities and debt capital markets issuances;
- Sets the following year's Board work plan.

The Board critically evaluates its own performance, its processes and procedures to ensure that they are not unduly complex and that they assist the Board in effectively fulfilling its role and performing its duties. The Board and Committees and each director have the right to seek independent professional advice at CIAL's expense to assist them to carry out their responsibilities.

The Board and Committees have the authority to secure the attendance at meetings of advisers with relevant experience and expertise.

	Appointment	Expiry	Board Meetings	Risk, Audit & Finance Committee	People, Culture & Safety Committee	Property & Infrastructure Committee	Aeronautical & Commercial Committee
S Ottrey	Mar-19	Oct-27	11/11	5/5	4/4	4/4	4/4
K Morrison	Oct-17	Oct-26	11/11	5/5	4/4	4/4	-
P Reid	May-18	May-27	11/11	-	4/4	4/4	4/4
A Barlass*	Sept-21	May-27	11/11	5/5	-	4/4	-
E Sims**	Oct-23	Oct-26	11/11	-	4/4	-	4/4
M Matthews***	Oct-29	Oct-32	11/11	4/5	-	-	3/4

* A Barlass retired from Aeronautical & Commercial Committee on 23 June 2025

** E Sims was appointed to the People, Culture & Safety Committee and retired from the Risk, Audit & Finance Committee on 23 June 2025

*** M Matthews was appointed to the Risk, Audit & Finance Committee and retired from the People, Culture & Safety Committee on 23 June 2025

COMMUNICATION WITH SHAREHOLDERS

CIAL is committed to timely, transparent and meaningful engagement with shareholders. The company operates on a "no surprises" basis in respect of material shareholder-related matters, to the extent possible in the context of commercial sensitivity and confidentiality obligations.

In achieving this outcome and in accordance with the Local Government Act 2002, CIAL submits a draft Statement of Intent (SoI) in February for the coming financial year to shareholders. The SoI sets out the company's overall objectives, intentions and financial and performance targets. Shareholders make comment on the draft SoI. The Board then considers these comments and delivers a final SoI to shareholders by the end of June.

The Board aims to ensure that shareholders are informed of all major developments, including future material strategic investments, affecting the company's state of affairs, while at the same time recognising that commercial sensitivity and New Zealand Stock Exchange (NZX) continuous disclosure obligations (due to CIAL's listed debt), may preclude certain information from being made public. Within this constraint, information is communicated to the shareholders through quarterly communication, periodic updates and regular briefings as required, providing financial information and commentary on operational and non-financial performance measures.

In a normal financial year, the company is required to provide half yearly and annual reports to shareholders by the end of February and September respectively.

In addition, CIAL proactively develops positive and productive relationships with stakeholders, to ensure effective communication of the initiatives being undertaken.

ETHICAL AND RESPONSIBLE DECISION MAKING

The company requires the highest standards of honesty and integrity from its directors and employees. This, consequently, necessitates responsible and ethical decision making which is supported by the highest standards of corporate behaviour towards our stakeholders.

The Board oversees CIAL's conduct in accordance with supporting policies, including conflicts of interest, protected disclosures and fraud prevention. Employees receive ongoing training and are encouraged to raise concerns through established reporting channels.

All directors and employees are always expected to act honestly in all their business dealings and to act in the best interests of the company, including:

- Responsibility to act honestly and with personal integrity in all actions;
- Responsibilities to shareholders including protection of confidential information, rules for making public statements on behalf of the company, accounting practises and co-operation with auditors;
- Responsibilities to customers and suppliers of CIAL and other persons using the airport;
- Responsibilities to the community including compliance with statutory and regulatory obligations, use of assets and resources and conflicts of interest.

RISK MANAGEMENT

As an airport operator, CIAL recognises our risk profile is determined by ensuring our vital lifeline role is performed in line with national interests and expectations. Delivering high levels of available, reliable and resilience 24/7, remains critical given the existing constraints, increasingly frequent and potentially severe weather events, and other risks within the New Zealand Inc. aeronautical system.

CIAL has a comprehensive enterprise risk management framework to identify, mitigate and manage all strategic business risks at a company-wide basis. A risk is defined as any event that may inhibit the company in meeting its objectives. The Board sets the company's risk appetite and oversees management's implementation of the enterprise risk management framework.

Risk management is integrated into CIAL's day-to-day activities and provides a structured approach to identifying, assessing and managing risks. Risks are evaluated based on their potential impact on the achievement of strategic objectives, financial performance, operations and reputation, together with the likelihood of occurrence. Existing controls are assessed to determine the residual level of risk.

The Board sets CIAL's risk appetite by determining whether residual risks are acceptable and, where necessary, requires additional controls or mitigation strategies. The risk management framework is embedded across key business processes, including business planning, investment decision-making, project delivery and operational management. Significant risk mitigation initiatives are incorporated into the Business Plan where appropriate.

The Board review CIAL's risk profile periodically, and the Risk, Audit and Finance Committee regularly tracks the development of any existing risks and the emergence of new risks.

The company's risk management framework is underpinned by two committees which are in place to identify potential financial and operational risks, the Risk, Audit and Finance Committee and the People, Culture and Safety Committee, respectively. The company also has mechanisms in place to recognise and manage ESG risks, including climate, wider environmental, people and social risks.

See section below titled Board Sub-Committees, for more detail on the role and responsibilities of these two committees for the oversight of financial and operational risk.

BUSINESS ASSURANCE

The role of Business Assurance, through partnering with external service providers, is to develop a comprehensive continuous assurance programme, which supports CIAL's risk management framework. Business Assurance is used to verify the company's risk profile and to confirm that risk mitigation is operating as documented.

CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER ASSURANCE

The CE and CFO have provided written assurance to the Risk, Audit and Finance Committee regarding the adequacy of:

- Governance, ethics and compliance assurance;
- Financial policies and systems of internal control.

There were no qualifications to the assurances provided by management for the year ended 30 June 2026.

INSURANCE AND INDEMNITIES

CIAL has a comprehensive insurance program as part of risk mitigation. This programme is reviewed annually to ensure that appropriate cover is in place. The Board has continued its significant consideration of insurance placements as a mitigation of risk in the 2026 financial year to ensure such risk remains adequately protected through both the type and duration of insurance coverage and the level of capacity placed.

Deeds of Indemnity have been given to directors in relation to potential liabilities and costs they may incur for acts or omissions in their capacity as directors. In addition, Deeds of Indemnity have been provided to the Executive Leadership Team in relation to potential liabilities and costs they may incur for acts or omissions in their capacity as employees of CIAL.

During the year, the directors' and officers' liability insurance was renewed to cover risks arising out of acts, omissions or legal defence of directors and employees in their capacity as such. Insurance is not provided for dishonest, fraudulent, malicious or wilful acts or omissions. The insurance cover is provided by QBE Insurance (Australia) Ltd. The cost of the cover for the year to 30 June 2026 is $107,541 (2025: $114,710).

INTERNAL POLICIES AND PROCEDURES

Compliance with the many legal, and regulatory requirements is a priority for the Board. CIAL employees are responsible for ensuring the company carries out its business in a way that considers all applicable legal requirements, minimises the cost of legal risk and maximises business opportunities.

Managers are responsible for making sure their staff understand what compliance means in their particular areas, by ensuring appropriate training and compliance information is available. Compliance with legal and regulatory risk is monitored twice annually and reported to the subsequent quarterly Risk, Audit and Finance Committee meeting.

SYSTEM OF INTERNAL CONTROLS

CIAL has a comprehensive management system, which covers all aspects of its business. The management system incorporating internal financial and operational controls is designed to meet CIAL's specific needs and aims to:

- Facilitate effective and efficient operations;
- Safeguard the company's assets;
- Ensure proper accounting records are maintained;
- Ensure that the financial information used within the business and for publication is reliable.

The system is formally documented and includes performance standards, policies, procedures, instructions and guidance.

The company is committed to maintaining management systems that ensure the requirements of Health, Safety and Wellbeing at work together with Environmental Management, with these systems embedding continuous improvement frameworks. During the year the company carries out periodic reviews to ensure the required standards were being met.

If any incidents occur during the year, then an event specific audit review is carried out to ensure full understanding of cause and outcomes and that appropriate remedial actions are undertaken.

Reviews of these systems/controls provide management and the Board with reasonable assurance that the company's management systems are thorough, reliable and comply with the relevant recognised standards.

Such systems of internal control can only be designed to manage, rather than eliminate, risk of failure to achieve business objectives and can provide reasonable, but not absolute, assurance against material misstatement and loss.

THE BOARD'S RELATIONSHIP WITH MANAGEMENT

POSITION OF CHIEF EXECUTIVE

The CE is the primary point of accountability and link between the Board and operational management functions.

All Board authority conferred on management is delegated through the CE so that the authority and accountability of management is considered to be the authority and accountability of the CE so far as the Board is concerned.

The Board and CE agree to meet specific outcomes directed towards the company goals. This will usually take the form of an annual performance programme directed at achieving the company goals.

The Board systematically and rigorously monitors the CE's performance against the criteria established in the performance objectives and the company goals.

Between Board meetings the Chair maintains a link between the Board and the CE. They are kept informed by the CE on all important matters and is available to the CE to provide counsel and advice where appropriate. The Chair however does not use this link to personally manage the CE and does not impede the flow of information to the Board necessary for sound governance.

Only decisions of the Board acting as a body are binding on the CE. Decisions or instructions of individual directors, officers or committees cannot be given to the CE and are not binding in any event except in those instances where specific authorisation is given by the Board.

The Board instructs the CE through written policies that prescribe the shareholder benefit to be achieved (company goals) and the organisational circumstances to be avoided, allowing the CE any reasonable interpretation of those policies.

DELEGATION OF RESPONSIBILITIES

The Board delegates management of the day-to-day affairs and management responsibilities of the company to the CE and executive leadership to deliver the strategic direction and goals determined by the Board. This delegation includes:

- Operating CIAL's business within the parameters set by the Board from time to time and, where a proposed transaction, commitment or arrangement exceeds these parameters, referring the matter to the Board for its consideration and approval;
- Developing business plans, budgets and company strategies for the Board's consideration and, to the extent that they are approved by the Board, implementing these plans, budgets and strategies;
- Identifying and managing business risks, and if those risks could materially affect the company or its business, formulating strategies to manage those risks;
- Managing CIAL's current financial and other reporting mechanisms to ensure that they are functioning effectively to capture all relevant material information on a timely basis;
- Implementing CIAL's internal controls, policies and procedures and monitoring these controls, policies and procedures to ensure that they are appropriate and effective.

BOARD SUB-COMMITTEES

The Board has set up various committees, which were operational during this financial year, to enhance the Board's effectiveness in key areas, while still retaining overall responsibility.

RISK, AUDIT AND FINANCE COMMITTEE

The Risk, Audit & Finance Committee consists of three board members who have appropriate financial experience and understanding of the company's industry. The Board requires that at least one member of the Audit Committee be a "financial expert".

The objective of the Risk, Audit & Finance Committee is to provide independent assurance and assistance to the Board on the company's enterprise risk, control and compliance framework, its implementation of strategy and actions plans on sustainability issues, and its external accountability and reporting responsibilities. The Risk, Audit & Finance Committee acts as an advisor to the Board to assist the Board discharge its responsibility to exercise due care, diligence and skill in relation to:

- Risk management and systems of internal control;
- Compliance with applicable laws and regulations;
- Promotion of a long-term sustainable approach to the operation of CIAL's controlled activities with regard to ESG matters through ensuring that the right strategies and action plans are in place to help underpin long-term shareholder and stakeholder value;
- Reporting of financial information, climate related disclosures, regulatory information disclosures, and other non-financial performance information in accordance with relevant rules and standards (including all related audit processes);
- Managing financial risk.

The Committee assists the Board by providing focused oversight in the following areas:

- Review and approve accounting policies and practices as they apply to the company;
- Review the current enterprise risk management framework, and associated procedures for effective identification and management of the company's financial and business risks;
- Gain adequate assurance over management's approach to maintaining an effective internal control environment;
- Review the adequacy of insurance cover at each insurance renewal and recommend to the Board any significant changes to insurance cover, including assessment of alternate risk financing options to reduce the increasing exposure, and cost, to the insurance market;
- Regularly monitor CIAL's business assurance activity and related findings;
- Review approach to the ongoing establishment of the company's business continuity and disaster recovery planning arrangements, with specific focus on information technology security and disaster recovery;
- Recommend to the Board the appointment of the external auditor and approve their fee;
- Provide advice on and review the company's Annual Report and Financial Statements prior to consideration and approval by the Board;
- Provide advice on and review the company's regulatory Annual Information Disclosure prior to consideration and approval by the Board;
- Provide advice on and review any changes to external standards and reporting of non-financial performance information, including Climate Disclosures;
- Review, on an on-going basis, the company's capital structure, Treasury Policy and optimal funding portfolio in the future;
- Review overall tax risk profile of CIAL with focus on adherence to Tax Governance policy.

To fulfil this role, the Committee meets independently with any relevant external assurance providers and the company's auditors to provide a forum for open discussion regarding management's integrity and performance. The company auditors are only permitted to engage on assurance work.

The members of the Risk, Audit and Finance Committee as at 30 June 2026 were Andrew Barlass (Chair), Kate Morrison and Meg Matthews.

PEOPLE, CULTURE AND SAFETY COMMITTEE

CIAL's people strategy is designed to cultivate a highly engaged, innovative, and commercially successful workforce. Our strategy is anchored in five key pillars: Purpose, Leadership, Engagement, Talent, and Inclusion, all of which drive our ambition to maintain an enviable workplace culture.

At the core of CIAL's Health, Safety and Wellbeing Strategy is the protection of our people by creating healthy work where our people can thrive. The Board and management are committed to bringing this to life through strengthening people leader capability, integrating our people and aviation safety systems, and embedding critical risk control and psycho social hazard verification.

The People, Culture and Safety Committee's role is to oversee how the company's talent is applied to convert its capital into value and to guide and review the company's People and Culture strategy and policies. The responsibilities of the Committee are:

- To establish procedures and systems to ensure the health, safety and wellbeing of the company's employees and contractors working for CIAL across the Christchurch Airport campus;
- To continue to assist with the development of our leadership, culture and capability in our safety eco-system, involving critical risk assessment and risk management via best practice policies and mitigation procedures;
- To have overall governance responsibility for Civil Aviation Authority rule Part 100 (Safety Management Systems) and ensure organisational compliance;
- To provide oversight and review annually the People and Culture strategy, policies and implementation plan;
- To oversee CIAL's recruitment, retention and development of our key talent;
- To oversee termination policies and procedures for senior leadership, and the succession planning for senior leadership and the CE;
- To develop the company's reward and recognition philosophy, performance and development framework and oversee the annual remuneration review process (see section on Remuneration below);
- To review the performance of the CE, the engagement agreement and benefit structure for the CE and Executive Leadership Team and recommend to the Board senior executive incentive remuneration plans, other employee benefits, and key performance objectives.

The members of the People, Culture and Safety Committee as at 30 June 2026 were Paul Reid (Chair), Kate Morrison and Ed Sims.

PROPERTY AND INFRASTRUCTURE COMMITTEE

The Property and Infrastructure Committee's role is to assist the Board in ensuring that the company maximises the level of returns received (and wider economic value to the business as a whole) from investments made in property development and on-going property management.

The responsibilities of the Committee are:

- To regularly review, test and recommend for approval the company's property development and management strategy (including its priorities) to ensure that it remains appropriate having regard to all relevant matters. Such matters shall include the company's financial position, maintenance of a balanced property portfolio, property market conditions, regulatory planning issues, strategic focus and priorities, timetabling of investments, and any other matters considered relevant by the Committee;
- To review and recommend for approval the principles and standards with respect to the company's property and infrastructure investment strategy, in respect of the type of property investment, and rates of return parameters to be achieved;
- To review and recommend to the Board approval of significant property and infrastructure investment and development proposals;
- To review and recommend to the Board the long-term property investment and infrastructure development path to be pursued, including the Airport Master Plan;
- Planning and consenting to enable development of the wider property portfolio;

The members of the Property and Infrastructure Committee as at 30 June 2026 were Kate Morrison (Chair), Paul Reid and Andrew Barlass.

AERONAUTICAL AND COMMERCIAL COMMITTEE

The Aeronautical and Commercial Committee's role is overseeing aeronautical activity and commercial opportunities across terminal and ground transport to ensure that CIAL obtains the best level of return the aeronautical and commercial segments of the business are reasonably able to produce, while ensuring its aeronautical operations are safe and efficient, and represent best aviation practice.

The responsibilities of the Committee are:

- To review and recommend to the Board strategies in respect of the provision of aeronautical facilities, general aviation and aeronautical business development (including marketing and pricing issues);
- To review specific proposals, and subsequent post project reviews, relating to aeronautical charging, commercial arrangements to support route development initiatives, and airline incentives or promotions;
- To review the returns and aeronautical market position being achieved by CIAL's aeronautical business to ensure it is in line with the overall objectives of CIAL's business strategy;
- To provide advice on and review the company's aeronautical pricing strategy, approach and consultation with substantial customers each relevant five-year period. Also, to review relevant Commerce Commission disclosures relating to the reset of aeronautical prices and engagement with Commission review, prior to consideration and approval by the Board;
- To report to the Board annually, or as required, on; the safety, effectiveness and operational benchmarking of CIAL's aeronautical operations; the market position of its aeronautical business; the returns being achieved on individual aeronautical initiatives; and the effectiveness and the implementation of CIAL's aeronautical strategies;
- To review and support the progressive development of CIAL's strategies for the stimulation and growth of the South Island tourism sector, in conjunction with regional tourism organisations and other industry stakeholders;
- To review and support negotiation of commercial arrangements with terminal and wider commercial tenants and operators;
- Ongoing review of overall 'Park to Plane' strategy across our customers' journey

The members of the Aeronautical and Commercial Committee as at 30 June 2026 were Ed Sims (Chair), Meg Matthews and Paul Reid.

REMUNERATION

The Board's People, Culture and Safety Committee is responsible for remuneration across the organisation and has a charter it operates under.

DIRECTORS

The directors' remuneration is paid in the form of directors' fees. Additional fees are paid to the Chair of the Board and the Chairs of the various Board sub-committees to reflect the additional responsibilities of these positions. CIAL also meets directors' reasonable travel and other costs associated with the company's business and their own learning and development.

The total remuneration paid to directors was:

	FY26	FY25
S Ottrey (Chair)	120,125	120,125
C Paulsen	-	18,896
K Morrison	64,000	64,000
P Reid	64,000	64,000
A Barlass	64,000	64,000
E Sims	64,000	64,000
M Matthews	57,000	38,104
Total	**433,125**	**433,125**

CIAL has made no loans to any director, nor has the company guaranteed any debts incurred by a director.

CIAL EMPLOYEES

Framework for Remuneration

The People, Culture and Safety Committee is responsible for reviewing Remuneration policy and human resources strategy, structure, policy and practices. It seeks external expert advice on best practice remuneration structures and market trends to ensure that the remuneration strategy for CIAL contributes to effective performance and value creation.

To operate as a successful business, CIAL must be able to attract, retain, develop and motivate high calibre employees at all levels. CIAL's Remuneration policy primarily aims to ensure that remuneration levels are set at market-competitive rates that are able to attract and retain the key talent we need to manage, operate and create real shareholder value in the business, and that remuneration is linked to performance. CIAL is a socially responsible and equal opportunities employer.

The ability to retain and attract key capability and talent continues to be a primary focus for the Board to ensure that CIAL is in the best position to create value moving forward.

The People, Culture and Safety Committee reviews the CE's performance evaluation of his direct reports and approves the remuneration and other variations to the terms and conditions of employment of their direct reports.

Remuneration ranges	Number of employees	
$000	**2026**	**2025**
$100 - $110	22	18
$110 - $120	20	19
$120 - $130	21	22
$130 - $140	19	14
$140 - $150	11	8
$150 - $160	11	9
$160 - $170	6	6
$170 - $180	2	4
$180 - $190	4	1
$190 - $200	3	8
$200 - $210	5	-
$210 - $220	1	2
$220 - $230	3	2
$230 - $240	1	1
$240 - $250	1	1
$260 - $270	1	-
$270 - $280	1	1
$310 - $320	1	1
$320 - $330	1	1
$330 - $340	1	1
$360 - $370	1	-
$370 - $380	-	1
$390 - $400	-	1
$400 - $410	-	1
$410 - $420	1	-
$420 - $430	1	-
$430 - $440	-	1
$440 - $450	1	-
$450 - $460	1	-
$930 - $940	-	1
$1060 - $1070	1	-

Executive Remuneration Framework & Process

Our executive remuneration framework is fundamental to CIAL's commercial performance, through attracting and retaining the high-performing talent required to deliver on our strategic objectives and who in turn deliver growing returns for the shareholders.

CIAL is conscious of our public responsibilities in the setting of remuneration for senior executives, which is closely managed by the Board and made publicly available via the Annual Report. CIAL policy is to remunerate all employees in the band between 90% and 110% of the comparable market midpoint dependent on experience, capability and performance.

Executive roles have been independently evaluated by external consultants Strategic Pay and EY in FY 2026, using recognised job sizing and market remuneration evaluation methodology. Total remuneration for executive roles is benchmarked against relevant external market comparators, reflecting the markets in which CIAL competes for executive talent, and then positioned within defined market ranges. Strategic Pay and EY have both provided market benchmarking on Short Term Incentive (STI) arrangements including the frequency of such arrangements and typical structures across sectors and job sizes. It is not currently CIAL company policy to pay long-term incentives to executives, which is common and additional for most market comparator organisations.

Variable at Risk Salary

Variable at risk payments are offered to the executive leadership team to motivate and fairly reward performance in the financial year and are awarded only when specific financial and non-financial targets are met and exceeded.

The Chief Executive's variable at-risk salary is contingent on meeting established STI hurdles related to health, safety and wellbeing and year-on-year EBITDAF growth.

If these hurdles are not met, then no variable at-risk payment will be made.

The Chief Executive's performance measures in relation to variable at risk salary are described below. The remainder of the executive leadership team's variable at risk salary, where present, include:

- 50% company component target, in line with the Chief Executive's 'financial & BAU growth' performance measure;
- 50% individual component target, based on key performance targets specific to their role.

Chief Executive Remuneration

For FY26, the Chief Executive's annual remuneration package is as summarised below. Note that this disclosure includes the variable at-risk payment earned for the current reporting period, which will be paid after 30 June 2026.

	FY26	FY25
Base salary*	772,500	750,000
KiwiSaver contributions	33,063	28,110
Variable at-risk**	254,925	158,950
Total remuneration	**1,060,488**	**937,060**

* Base salary is 107% of benchmarked mid-point of comparable organisations

** Variable At Risk (STI) is set at 35% of base salary, and is benchmarked on the comparable organisations mid-point of 34%.

The Board sets the Chief Executive's total remuneration package annually, including performance objectives and incentive framework.

The maximum annual value of variable at-risk payments available for the Chief Executive is 35% of their base salary, aligned with the benchmark market mid-point STI % of base salary (34%). This is made up of two components. The first component equates to 25% of base salary and relates to individual performance target categories. If performance is unsatisfactory in a category, then no variable at-risk salary is payable for that category. The second component equates to 10% of base salary and relates to overall Company EBITDAF over-performance as a percentage of budget. For each 1% EBITDAF is above budget, the Chief Executive receives 1% of their base salary, up to a maximum of 10% base salary.

The criteria used to measure the Chief Executive's performance targets are outlined on the following page.

INDIVIDUAL PERFORMANCE TARGETS (UP TO 25% OF BASE SALARY)

Measure	Weighting	FY26 KPIs	Outcome	Weighted Outcome
Kaitiaki Leadership (leadership, safety, sustainability)	15%	Various Health & Safety Outcomes across visible leadership, critical risk reviews and reporting, and employee safety engagement Scope 1&2 emissions reductions remain at 90% or greater Completion of Energy Master planning	73%	11%
Building a Champion Team	15%	Improved Employee Engagement Succession Planning and Leadership Development Programs completed Stakeholder Management Plan	87%	13%
Financial & BAU Growth	20%	Achievement of budgeted outcomes across: - EBITDAF & NPBT - ROIC - EBITDA Margin Approved capital pipeline within balance sheet metrics Strategy developed for next regulatory price setting event consultation process	100%	20%
Creating Incremental Value Growth	50%	Approval of updated company H35 strategy and related business activations Completion of updated airport masterplan Protection of airport 24/7 operations	96%	48%
Variable at-risk payment (as % of STI performance)				**$177,675 92%**

EBITDAF OVER-PERFORMANCE TARGET (UP TO 10% OF BASE SALARY)

Measure	Exceeding Target	Outcome
EBITDAF Over-performance vs. Budget (%) (max of 10%)	11%	100%
Variable at-risk payment for EBITDAF over-performance		**$77,250**

SUSTAINABILITY

CIAL's Chair of the board and CE are primarily responsible for CIAL's approach to sustainability. The Board defines the sustainability vision and policy. The Chief Strategy & Stakeholder Officer is part of CIAL's executive leadership team reporting directly to the CE to embed sustainability considerations throughout the company and to ensure its impact on strategy. The achievement of sustainability targets is one of the elements of the variable at risk remuneration package for the CE.

At the heart of our sustainability approach is the development of the CIAL Planet 'donut'. This is a visual framework that combines economic and social needs together with environmental impact at a business level. It shows how the needs of our community sit alongside the needs of our planet, and those environmental areas CIAL is most materially impacting, and where we have opportunities to do more.

Our commitment to our own emissions reduction and helping to accelerate the de-carbonisation of our sector will remain at the forefront – with the focus moving from Scope 1 reductions towards work to support the reduction of our Scope 2 and 3, exploring emerging technologies for the remaining Scope 1 challenges, supporting our airline partners to meet their de-carbonisation goals by preparing for the needs of future aviation, building climate risk resilience into our operational processes and development of our physical climate risk adaption plan.

CIAL also has a growing interest in understanding our ability to positively impact biodiversity on our campus. We will work through a similar process to our climate work with biodiversity – including setting science-based targets, developing a biodiversity regeneration plan that will outline the projects we need to undertake to achieve our goals, and then embedding this in practice across the organisation.

CLIMATE RISK

The Board is responsible for overseeing the management of risks and opportunities for the organisation, including those relating to climate change. CIAL's Risk, Audit & Finance Committee supports the board in this regard and has oversight of the setting and execution of CIAL's sustainability strategy as well as specific responsibility for any Climate Reporting. By delegation from the Board, management is responsible for ensuring the business identifies, assesses, and monitors climate-related risks and opportunities.

Key roles with climate-related responsibilities include the CE, who is ultimately responsible for the delivery of strategy, the Chief Strategy and Stakeholder Officer and the Sustainability Transition Leader. This team provides the Board with updates on emerging best practice, regulatory requirements and other climate-related issues that are relevant to CIAL.

The Government has signalled legislative change (originally signalled to come into effect in 2026), which would see CIAL fall outside the scope of the current mandatory climate related disclosures reporting regime. Despite this change, CIAL recognise the importance of maintaining focus and accountability for sustainability related initiatives and performance and remains committed to continuing to report publicly on climate related matters. The company is currently a climate reporting entity. Parliament is currently progressing the Financial Markets Conduct Amendment Bill which proposes to increase the thresholds that require reporting. The company would cease to have Climate Reporting obligations under the Financial Market Conduct Act if the amendment is finalised.

The Financial Market Authority (FMA) recognised that the company would be impacted the uncertain timeframe in which the amending legislation might be enacted and have issued a 'no action' relief. This means that the FMA will not take action against the company for electing not to prepare a Climate Statement as at 30 June 2026 based on an expectation that Climate Statement reporting obligations will cease once the legislation has passed.

CIAL's assessment of the potential impacts of climate change and the transition to a lower carbon economy will continue to evolve. When there is sufficient evidence-based support, the potential financial impact is incorporated into CIAL's underlying forecast cash flows for any relevant asset valuation and impairment models e.g. impact on demand, capital and operating expenditure associated with climate change initiatives and use of appropriately risk adjusted discount rates as necessary.

7 FURTHER NOTES

NATURE OF BUSINESS

CIAL owns and operates Christchurch International Airport. The company operates predominantly in the business of providing airport facilities and services to airline and airport users. The nature of the company's business has not changed during the year.

For the current and previous reporting period, the results are for Christchurch International Airport Limited and its five wholly owned subsidiaries. As the wholly owned subsidiaries do not trade and hold no assets or liabilities, the results and financial position for the CIAL group are the same as that for the CIAL parent company.

STOCK EXCHANGE LISTINGS

The company has two series of bonds ("CHC020" and "CHC030") which were quoted on the NZDX on 25 May 2018 and 15 April 2024 respectively. "CHC020" was issued for $100 million of unsecured, unsubordinated, fixed rate bonds and "CHC030" was issued for $125 million of unsecured, unsubordinated, fixed rate bonds. "CHC020" matures on 19 May 2028 and "CHC030" matures on 15 April 2031.

CREDIT RATING STATUS

On December 16, 2022, S&P Global Ratings ('S&P') raised the issuer credit rating on Christchurch International Airport Ltd (CIAL) and issuer credit rating on the airport's debt, to A-, with outlook 'Stable'. This rating is unchanged as at 30 June 2026.

BONDHOLDER DISTRIBUTION

In line with clause 10.4.5 of the NZX listing rules, the following table details the spread of bondholders as at 12th August 2026:

BOND CHC020: 5.18% $100,000,000 DUE 19 MAY 2028

Holding range	Holder counter	Holding quantity	Holding quantity
			%
5,000 to 9,999	60	350,000	0.35%
10,000 to 49,999	187	3,712,000	3.71%
50,000 to 99,999	31	1,802,000	1.80%
100,000 to 499,999	20	3,326,000	3.33%
500,000 to 999,999	4	3,065,000	3.07%
1,000,000 to 999,999,999,999	16	87,745,000	87.74
Total	**318**	**$100,000,000**	**100.00%**

The 20 largest bond holders at 12th August 2026 were:

Bondholder	Units held	Holding quantity
		%
CUSTODIAL SERVICES LIMITED <A/C 4>	21,744,000	21.74%
FNZ CUSTODIANS LIMITED	11,719,000	11.72%
JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	11,230,000	11.23%
FORSYTH BARR CUSTODIANS LIMITED <1-CUSTODY>	6,350,000	6.35%
HSBC NOMINEES (NEW ZEALAND) LIMITED - NZCSD <HKBN90>	6,100,000	6.10%
NZPT CUSTODIANS (GROSVENOR) LIMITED - NZCSD <NZPG40>	6,023,000	6.02%
CITIBANK NOMINEES (NEW ZEALAND) LIMITED - NZCSD <CNOM90>	5,100,000	5.10%
BNP PARIBAS NOMINEES (NZ) LIMITED - NZCSD <BPSS40>	4,900,000	4.90%
ADMINIS CUSTODIAL NOMINEES LIMITED	3,415,000	3.15%
INVESTMENT CUSTODIAL SERVICES LIMITED <A/C C>	2,206,000	2.21%
JPMORGAN CHASE BANK NA NZ BRANCH-SEGREGATED CLIENTS ACCT - NZCSD <CHAM24>	2,100,000	2.10%
APEX CUSTODIAN NOMINEES (NZ) LIMITED – NZCSD <TEAC40>	1,882,000	1.88%
HSBC NOMINEES (NEW ZEALAND) LIMITED O/A EUROCLEAR BANK -NZCSD <HKBN95>	1,640,000	1.64%
FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 E>	1,335,000	1.34%
NZX WT NOMINEES LIMITED <CASH ACCOUNT>	1,271,000	1.27%
HSBC NOMINEES (NEW ZEALAND) LIMITED A/C STATE STREET -NZCSD <HKBN45>	1,000,000	1.00%
JBWERE (NZ) NOMINEES LIMITED <58880 A/C>	900,000	0.90%
JBWERE (NZ) NOMINEES LIMITED <A/C 31933>	900,000	0.90%
MINT NOMINEES LIMITED - NZCSD <NZP440>	765,000	0.77%
JBWERE (NZ) NOMINEES LIMITED <59888 A/C>	500,000	0.50%
Total	**90,810,000**	**90.81%**

BOND CHC030: 5.44% $125,000,000 DUE 15 APRIL 2031

Holding range	Holder counter	Holding quantity	Holding quantity
			%
5,000 to 9,999	28	180,000	0.14%
10,000 to 49,999	94	1,862,000	1.49%
50,000 to 99,999	12	719,000	0.58%
100,000 to 499,999	13	3,063,000	2.45%
500,000 to 999,999	8	5,030,000	4.02%
1,000,000 to 999,999,999,999	10	114,146,000	91.32%
Total	**165**	**$125,000,000**	**100.00%**

The 20 largest bond holders at 12th August 2026

Bondholder	Units held	Holding quantity
		%
BNP PARIBAS NOMINEES (NZ) LIMITED - NZCSD <BPSS40>	32,968,000	26.37%
CUSTODIAL SERVICES LIMITED <A/C 4>	25,510,000	20.41%
FORSYTH BARR CUSTODIANS LIMITED <1-CUSTODY>	17,886,000	14.31%
FNZ CUSTODIANS LIMITED	17,838,000	14.27%
APEX CUSTODIAN NOMINEES (NZ) LIMITED – NZCSD <TEAC40>	4,711,000	3.77%
HSBC NOMINEES (NEW ZEALAND) LIMITED - NZCSD <HKBN90>	4,235,000	3.39%
JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	3,578,000	2.86%
FORSYTH BARR CUSTODIANS LIMITED <ACCOUNT 1 E>	3,340,000	2.67%
INVESTMENT CUSTODIAL SERVICES LIMITED <A/C C>	3,000,000	2.40%
NZPT CUSTODIANS (GROSVENOR) LIMITED - NZCSD <NZPG40>	1,080,000	0.86%
FNZ CUSTODIANS LIMITED <DTA NON RESIDENT A/C>	768,000	0.61%
PUBLIC TRUST RIF NOMINEES LIMITED – NZCSD <NZPR40>	760,000	0.61%
HSBC NOMINEES (NEW ZEALAND) LIMITED A/C STATE STREET -NZCSD <HKBN45>	735,000	0.59%
MT NOMINEES LIMITED - NZCSD	605,000	0.48%
CUSTODIAL SERVICES LIMITED <A/C 12>	576,000	0.46%
MINT NOMINEES LIMITED - NZCSD <NZP440>	545,000	0.44%
FNZ CUSTODIANS LIMITED <DRP NZ A/C>	541,000	0.43%
WOOLF FISHER TRUST INCORPORATED	500,000	0.40%
JPMORGAN CHASE BANK NA NZ BRANCH-SEGREGATED CLIENTS ACCT - NZCSD <CHAM24>	485,000	0.39%
SIRIUS CAPITAL LIMITED	456,000	0.36%
Total	**120,117,000**	**96.09%**

Computershare Investor Services Limited is the registrar with responsibility for administering and maintaining the Bond Register. To view and update your bondholder details please visit www.investorcentre.com/nz.

REGULATORY ENVIRONMENT

The company is governed by a range of New Zealand legislation and regulation. The new Civil Aviation Act 2023 requires CIAL to operate its business as a commercial undertaking and outlines a framework for civil aviation safety and security in New Zealand. It also outlines other long-term obligations including consulting on capital expenditure and wider spatial plans.

The company is required to comply with the Commerce Act (Specified Airport Services Information Disclosure) Determination 2010, with disclosure schedules required to be published in November annually together with detailed pricing disclosures following each price setting event every five years.

DIRECTORS' INDEMNITY INSURANCE

The company has arranged policies of Directors' and Officers' liability insurance for all directors, and indemnified all directors, the Chief Executive and all General Managers reporting to the Chief Executive, through a Deed of Indemnity.

DIRECTORS' INTERESTS

The company maintains an interests' register in which the following entries of disclosure of interest involving the directors were recorded during the year ended 30 June 2026. These are requirements under the Companies Act 1993.

Director	Entity	Interest	Appointed	Ceased
S Ottrey	Skyline Enterprises Limited	Director	1 Nov 16	
	Whitestone Cheese Co Limited	Chair	1 Apr 13	
	SGE and AA Berry Family Trust	Trustee	Jun 22	
	Mount Cook Alpine Salmon Limited	Shareholder/Director	1 Jan 18	
	Sarah Ottrey Marketing Limited	Shareholder/Director	23 Jun 10	
	New Zealand China Council	Member	Jul 24	
	APEC Business Advisory Council	Member	Jan 25	
	Grand View Estates	Director	Nov 24	
	Oceania Healthcare Limited	Director	5 Feb 26	
K Morrison	The New Zealand Merino Company Limited	Director	4 Oct 17	
	Heartland Bank Limited	Director	29 Mar 19	
	Heartland Group Holding	Director	1 Oct 21	
	Link Engine Management	Chair	1 Apr 19	
	A2 Milk Company	Director	1 Jun 23	
	Chambers @ 151 Limited	Shareholder/Director	13 Jun 17	
	FirstTrax Approvals Limited	Director	6 Jul 23	
	PurePods Limited	Director	31 Jul 23	
P Reid	The Equanut Company Limited	Director	11 Sep 21	
	Virsae Group Limited	Chair	1 May 24	
	New Zealand Post Limited	Deputy Chair	14 Nov 24	
	Flexitime Limited	Chair	1 May 26	
	Canterbury Scientific Limited	Director	13 May 26	
	New Zealand Growth Capital Partners (NZGP)	Director	29 Jun 26	

Director	Entity	Interest	Appointed	Ceased
A Barlass	Kowhai Farmlands Limited	Shareholder/Director	28 Jun 12	
	Kowhai Barlass Trustee Limited	Shareholder/Director	27 Jun 12	
	Electricity Ashburton Limited	Shareholder/Chair	29 Aug 18	
	Ashburton Contracting Limited	Director	1 Apr 20	
	EA Networks Limited	Director	13 Dec 23	
	Methven A&P Association	Treasurer	Aug 19	
	Kowhai Family Trust	Beneficiary		
	Kowhai Investment Trust	Beneficiary		
	Fonterra Milk Price Panel	Member	1 Sep 24	
	CentrePort Limited	Director	16 Oct 24	
	CentrePort Investment Holdings Limited	Director	16 Oct 24	
	Centreport Captive Insurance Limited	Director	26 Feb 25	
E Sims	Virgin Australia Airline Group	Board Advisor	Aug 23	
	Ngati Whatua Orakei Whai Rawa	Director	24 Aug 23	
	The Walshe Group	Chair	1 Nov 24	
M Matthews	Port Nelson Limited	Director	1 Dec 21	
	Real NZ Group & Subsidiaries	Director	14 Jul 22	
	Halberg Foundation Charitable Trust	Director		
	National Centre for Women's Health Research, Victoria University	Advisory Board		
	NZ Olympic Committee	Director	May 25	
	Tama Assets Holding Company	Director	Jul 25	

Transactions between CIAL and entities with whom certain directors are associated are described in note 19 to the financial statements. No loans were made to directors.

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.

8 DIRECTORY

DIRECTORS

As at 30 June 2026

Sarah Ottrey
Chair

Meg Matthews
Director

Kate Morrison
Director

Paul Reid
Director

Andrew Barlass
Director

Edward Sims
Director

SHAREHOLDERS

Christchurch City Holdings Limited
43,200,000 shares (75%)

Minister of Finance
7,200,000 shares (12.5%)

Minister for State-Owned Enterprises
7,200,000 shares (12.5%)

TOTAL SHARES

57,600,000 shares

EXECUTIVE LEADERSHIP TEAM

Justin Watson
Chief Executive

Tim May
Chief Financial Officer

John O'Dea
Chief Property & Infrastructure Officer

Michael Singleton
Chief Strategy & Stakeholder Officer

Rhys Boswell
General Manager, Operations

Gordon Bevan
General Manager, Aeronautical Development

Kylie Frisby
General Manager, People, Culture & Safety

David Cooper
Chief Commercial & Technology Officer

Kim Nichols
General Manager, Risk & Assurance

BANKERS

ASB Bank (Transactional)
Bank of New Zealand
MUFG Bank Ltd
China Construction Bank (New Zealand)
Westpac New Zealand Limited
Industrial and Commercial Bank of China (New Zealand) Limited

SOLICITORS

Buddle Findlay
Chapman Tripp

REGISTERED OFFICE

Fourth Floor, Car Park Building
Christchurch Airport
30 Durey Road
PO Box 14001
Christchurch, New Zealand

AUDITORS

Audit New Zealand
On behalf of the Auditor-General

Independent Auditor's Report

To the readers of Christchurch International Airport Limited 's consolidated financial statements and consolidated performance information for the year ended 30 June 2026

The Auditor-General is the auditor of Christchurch International Airport Limited (the Group). The Auditor-General has appointed me, Chantelle Gernetzky, using the staff and resources of The Audit Office, to carry out the audit of the consolidated financial statements and consolidated performance information on his behalf.

Opinion

We have audited:

- the consolidated financial statements of the Group, that comprise the consolidated statement of financial position as at 30 June 2026, and the consolidated statement of financial performance, consolidated statement of comprehensive income, consolidated statement of changes in equity and its consolidated statement of cash flow for the year then ended and the notes to the consolidated financial statements, including material accounting policy information on pages 12 to 65; and

- the consolidated performance information that consists of note 24 and the Corporate Social Responsibility report of the Group for the year ended 30 June 2026 on pages 66 to 71.

In our opinion:

- the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2026 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and IFRS Accounting Standards; and

- the consolidated performance information of the Group accurately reports, in all material respects, the Group's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026, and has been prepared, in all material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Basis for opinion

We conducted 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 *Auditor's responsibilities for the audit of the consolidated financial statements and performance information of the Group* section of our report. We are independent of the Group in accordance with the Auditor-General's Auditing Standards, which incorporate Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, as applicable to audits of public interest entities. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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

In addition to the audit, we carry out engagements in the areas of the Airport's disclosures pursuant to the Airport Services Information Disclosure Determination 2010, the report to the bond trustee and the report on the GHG emissions disclosed in the Group 2025 climate statement, which are compatible with those independence requirements. Other than in our capacity as auditor and these engagements, we have no relationship with, or interests in, the Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements and consolidated performance information of the Group of the current period. These matters were addressed in the context of our audit of the consolidated financial statements and consolidated performance information of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matter	How we addressed this matter
Fair value of investment property	
The Group's investment property portfolio comprises industrial, commercial and retail investments in the area surrounding Christchurch International Airport. Investment properties are revalued annually by independent valuers. The value of the portfolio is $944 million as at 30 June 2026. The value of the portfolio continues to grow as available land is developed for further investment properties. Note 11 to the consolidated financial statements provides information on the valuation and the movements in the investment property balance since the previous year. We consider this a key audit matter due to the significance of the carrying value, and associated fair value gains or losses, and because of the judgements and assumptions involved in determining fair value.	Our audit procedures included: • Assessing the valuer's expertise for the work and their objectivity, which included considering the existence of other engagements or relationships. • Confirming our understanding of the valuation methodology and key assumptions. We assessed them for compliance with the requirements of NZ IAS 40 *Investment Property* and NZ IFRS 13 *Fair Value Measurement* and evaluated their reasonableness. • Engaging a valuation expert to assist with critiquing and challenging the key assumptions used by the Group's valuers. • Testing a sample of key inputs used in the valuations to underlying records. • Assessing the sensitivity of the valuations to changes in assumptions and confirming that the significant assumptions and sensitivities were appropriately disclosed. • Reviewing the overall valuation changes and obtaining explanations for any significant or unusual changes in value. • Considering the adequacy of the disclosures made in note 11 to the consolidated financial statements. We found that the valuations adopted by the Group were reasonable, supportable and appropriately disclosed.

Other information

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and consolidated performance information consisting of note 24 and the Corporate Social Responsibility report of the Group, and our auditor's report thereon.

Our opinion on the consolidated financial statements and consolidated performance information of the Group 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 consolidated financial statements and consolidated performance information of the Group, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and consolidated performance information of the Group or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

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

The Board of Directors is responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and IFRS Accounting Standards. The Board of Directors is also responsible for the preparation of the consolidated performance information contained in the Corporate Social Responsibility of the Group in accordance with the Act. The Board of Directors is responsible for such internal control as it determines is necessary to enable the preparation of consolidated financial statements and consolidated performance information of the Group that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors' responsibilities arise from the Act and the Financial Markets Conduct Act 2013.

Auditor's responsibilities for the audit of the consolidated financial statements and performance information of the Group

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and consolidated performance information of the Group, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but 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 can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of readers taken on the basis of these consolidated financial statements and consolidated performance information of the Group.

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. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and consolidated performance information of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Evaluate the overall presentation, structure and content of the consolidated performance information of the Group, including the disclosures, and assess whether the consolidated performance information of the Group achieves its statutory purpose of enabling the Group's readers to judge the actual performance of the Group against its objectives in its statement of intent.

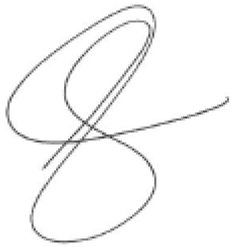
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information and performance information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements and consolidated performance information of the Group. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements and consolidated performance information of the Group of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our responsibilities arise from the Public Audit Act 2001.



Chantelle Gernetzky
The Audit Office
On behalf of the Auditor-General
Christchurch, New Zealand
25 August 2026

CHRISTCHURCH AIRPORT