

Interim Report 2026

For the Six-Month Period Ended
31 December 2025



TE TAUNGA
RERERANGI
O WHAKATU



NELSON
AIRPORT

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Chair and Chief Executive Report

For the Six-Month Period Ended 31 December 2025

Kia ora,

We're pleased to present this Interim Report for the six months to December 2025. This report provides performance commentary and financial results achieved by Nelson Airport in the first half of the FY2026 financial year.

Financial Performance

The airport's performance for the first six months of the 2026 financial year has been largely positive in spite of a range of challenges.

Passenger volumes were steady at 424,143, down 1% year-on-year. Seat capacity at 510,971 increased marginally on the same time last year but, as a result, the average load factor reduced from 84% to 83%.

The past six months have been challenging for airlines due to fleet availability and a challenging economic backdrop. This is expected to continue into the second half of the year.

Despite the flat passenger environment, revenue reached \$9.5m, meeting budget and increasing 6.6% on last year. This contributed to increased EBITDA over the period, up 3.4% to \$5.61m. Net profit after tax was \$1.95m, a strong increase from \$1.4m in December 2024.

Financial performance in the second half of the year is expected to be slightly down on the first six months due to the timing of repairs and increased depreciation costs associated with the new apron.

Infrastructure

The \$10 million apron renewal and expansion project reached a major milestone during the period with practical completion before the busy Christmas rush.

There has been significant progress on the Project 2-Zero private plan change and notice of requirement process. Nelson Airport reached agreement with the

Tāhuna Beach Holiday Park and Nelson Golf Club, leading to the withdrawal of two of the three appeals lodged with the Environment Court. This process will enable the future extension of the airport's runway in support of greater resilience, future activity and new aircraft types.

Customer and Community

Ticketless carpark entry and online booking and payment have improved ease of access and payment options for customers since its introduction in December.

The airport has continued to pursue initiatives supporting customer experience, including terminal installations such as the Nelson Arts Festival display and the Nelson Airport Trees of Remembrance display over the Christmas period.

Our annual end of year stakeholder barbeque was an opportunity for airport tenants and partners to connect before Christmas. Our sponsorship programme supported a wide range of community organisations including Nelson Tasman Hospice, Big Brothers Big Sisters of Nelson Tasman, the Nelson Arts Festival, the Brook Waimārama Sanctuary, the Nelson Giants and the Tāhunanui Community Hub.

The Perimeter Walkway reopening event in December invited the community to a fun day out to enjoy the upgraded publicly-accessible walking track.

Our Environment

We have continued to develop our understanding of our impacts on the environment. Highlights include delivery of our second climate report, which covers aeronautical emissions for the first time. We have also purchased our first low-emission vehicle, a plug-in hybrid for airfield operations.

Our People

The airport achieved Great Place to Work certification in October. The internationally recognised certification recognises employers who create an outstanding employee experience. Certification is gained via a benchmarking survey based on staff feedback. The results showed 92% of staff rated Nelson Airport a great place to work, with strengths identified as the friendly, welcoming environment, teamwork and communication.

Looking Ahead

We expect passenger numbers to remain flat over the next six months, with some growth returning next financial year. Our commitment to improvements in the customer experience will continue, including development of an extended covered walkway for passengers as well as improvements in food and beverage facilities.



Brendan Cook
Chief Executive

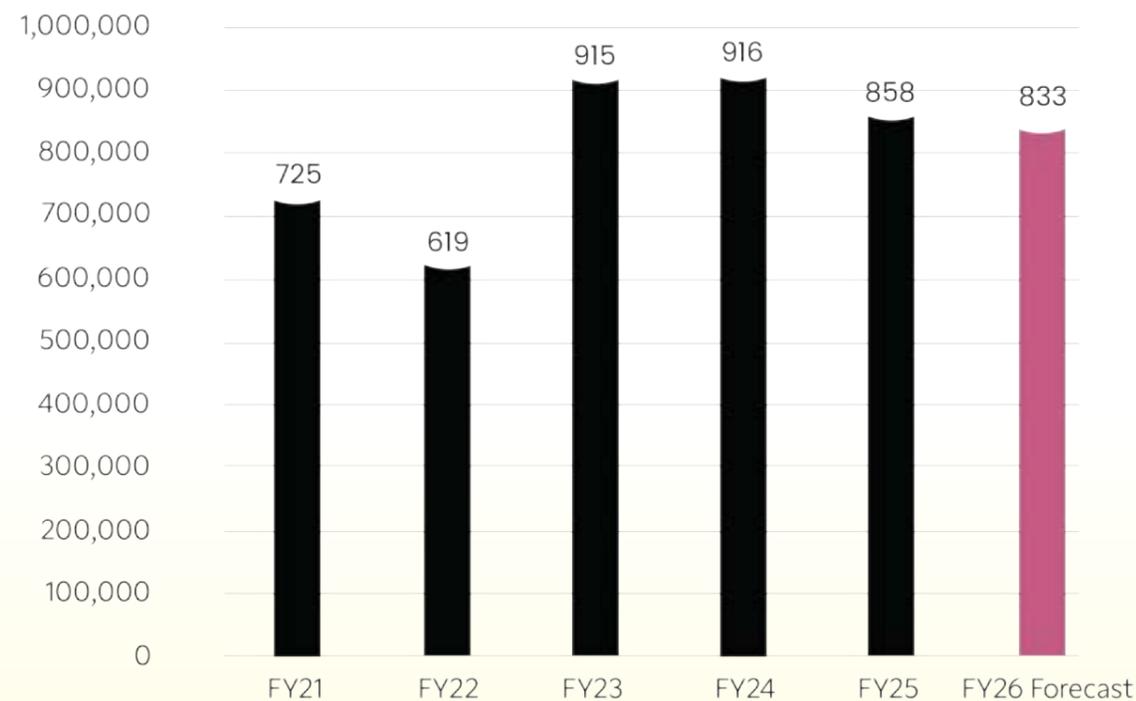
Quinton Hall
NAL Board Chair

Overview

Six-month period ended 31 December	2025 000s	2024 000s	Variance
Total Revenue	\$9,623	\$9,021	7%
EBITDA	\$5,601	\$5,359	5%
Net Profit before Tax	\$2,721	\$1,981	37%
Net Profit after Tax	\$1,947	\$1,397	39%
Total Assets	\$169,803	\$165,806	2%
Equity	\$111,451	\$110,904	0%
Passenger Numbers	424	428	-1%

Passenger Numbers

The following graph shows a comparison of total passengers by financial year for the last five years compared to the current year forecast.



Statement of Intent Measures

For the Six-Month Period Ended 31 December 2025

Strategic Area	Measure	Target	Result
Health, Safety and Wellness	Employee volunteer leave (2 days) supporting local sustainability projects	25% staff participation	On track
	Conduct audits and inspections to monitor and evaluate the health and safety performance and compliance of the airport	External audit undertaken	On track
	Routine safety walks in collaboration with stakeholders to identify and report hazards and risks	Management to undertake at least one safety walk every month	On track
Financial Performance	EBITDA ¹ (based on PAX Forecast)	\$11.1m	On track
	Dividends declared to shareholder (IHL)	\$1.5m	On track
	Stay within NAL's debt credit metrics as set by IHL	Gross leverage ratio ² ≤ 4.5 Funds from operations / Debt ³ ≥ 11%	On track
Customers and Stakeholders	Refreshed airport website	Website roll out delivered	Achieved
	Refreshed airport brand	Brand roll out delivered	Achieved
	Cultural design framework	Stage 1 installation complete	On track

Statement of Intent Measures

For the Six-Month Period Ended 31 December 2025

Strategic Area	Measure	Target	Result
Infrastructure and Property	Capital projects approved and delivered on time and on budget	Main Apron project completed	Achieved
People, Culture and Values	Build upon employee engagement	Engagement score increased by 10%	Excellent score and result, incomparable to previous year as process changed.
		Establish employee recognition program	Achieved
	Great Place to Work Certification	Apply for certification	Achieved
Environmental Sustainability	Airports Carbon Accreditation	Develop a Carbon Management Plan	On track
	Review and identify fossil fuel reduction opportunities	Map consumption and identify reduction opportunities	On track
	Review and identify waste reduction opportunities across airport	Conduct waste audit, evaluate opportunities and develop priority plan	On track – planned for Q4

¹Earnings before interest, taxes, depreciation, amortisation, and other non-operating income/expenses

²Total third-party debt at year end/EBITDA before other income and expenses

³Total third-party debt at period end/Equity at period end

Condensed Statement of Comprehensive Income

As at 31 December 2025

	Unaudited Dec 2025 \$000s	Unaudited Dec 2024 \$000s
Revenue	9,623	9,021
Subtotal of Revenue	9,623	9,021
Operating Costs	2,777	2,388
Administration Expenses	1,245	1,273
Depreciation and Amortisation	2,270	2,530
Decrease on Asset Revaluation	-	-
Subtotal of Expenditure	6,292	6,191
Profit Before Financing and Investing	3,331	2,829
Interest Revenue	11	14
Finance Costs	(621)	(863)
Net Financing Income	(610)	(849)
Gain on Sale of Fixed Assets	-	-
Investing Income	-	-
Profit/(Loss) Before Tax	2,721	1,981
Income Tax Expense	774	584
Profit/(Loss) After Tax	1,947	1,397
Other Comprehensive Income		
Gain on Net Asset Revaluation	-	-
Tax on Net Asset Revaluation	-	-
Total Other Comprehensive Income	-	-
Total Comprehensive Income	1,947	1,397

Condensed Statement of Changes in Equity

For the Six-Month Period Ended 31 December 2025

	Note	Unaudited Dec 2025 \$000s	Unaudited Dec 2024 \$000s
Opening Retained Earnings		19,496	16,243
Total Profit /(Loss) for the Year		1,947	1,397
Balance of Disposed Asset Transferred from Asset Revaluation Reserve		-	2
Distributions to Equity Holders		(1,400)	-
Retained Earnings as at Year End		20,043	17,642
Opening Asset Revaluation Reserve		89,008	89,019
Gain on Asset Revaluation		-	-
Balance on Disposed Asset Transferred to Retained Earnings		-	(3)
Movement in Deferred Tax on Disposed Asset Transferred to Retained Earnings		-	1
Asset Revaluation Reserve as at Year End		89,008	89,017
Share Capital	4.1	2,400	2,400
Closing Equity as at Year End		111,451	109,059



Condensed Statement of Financial Position

As at 31 December 2025

	Unaudited Dec 2025 \$000s	Audited June 2025 \$000s
Assets		
Current Assets		
Trade and Other Receivables	2,113	1,357
Cash and Cash Equivalents	311	201
Other Current Assets	120	120
Total Current Assets	2,544	1,679
Non Current Assets		
Property, Plant and Equipment	163,743	160,958
Intangible Assets	3,516	3,170
Total Non Current Assets	167,259	164,128
Total Assets	169,803	165,806
Liabilities		
Current Liabilities		
Trade and Other Payables	2,153	2,974
Current Income Tax Liability	341	424
Employee Entitlements	539	507
Interest Bearing Loans	4	4
Total Current Liabilities	3,036	3,910
Non Current Liabilities		
Deferred Tax	22,917	23,192
Interest Bearing Loans	32,400	27,800
Total Non Current Liabilities	55,317	50,992
Total Liabilities	58,353	54,902
Net Assets	111,451	110,904
Equity		
Issued Share Capital	2,400	2,400
Retained Earnings	20,043	19,496
Asset Revaluation Reserve	89,008	89,008
Total Equity	111,451	110,904

Condensed Statement of Cash Flows

As at 31 December 2025

	Unaudited Dec 2025 \$000s	Unaudited Dec 2024 \$000s
Cash Flows from Operating Activities		
<i>Cash was Provided from:</i>		
Receipts from Airport Users	9,189	8,683
Interest Received	11	14
	9,200	8,697
<i>Cash was Disbursed to:</i>		
Payments to Suppliers and Employees	(4,714)	(4,375)
Interest Paid	(621)	(863)
Income Tax Paid	(1,133)	(1,729)
Net GST Movement	24	113
	(6,443)	(6,855)
Net Cash Flows from Operating Activities	2,757	1,842
Cash Flows from Investing Activities		
<i>Cash was Provided from:</i>		
Sale of Property, Plant & Equipment	-	2
	-	2
<i>Cash was Disbursed to:</i>		
Purchase of Property, Plant & Equipment	(5,746)	(2,704)
Purchase of Intangible Assets	(100)	-
	(5,846)	(2,704)
Net Cash Flow from Investing Activities	(5,846)	(2,702)
Cash Flows from Financing Activities		
<i>Cash was Provided from:</i>		
Increase in Term Loans	5,199	2,299
	5,199	2,299
<i>Cash was Disbursed to:</i>		
Dividends Paid	(1,400)	(1,200)
Decrease in Term Loans	(600)	-
	(2,000)	(1,200)
Net Cash Flow from Financing Activities	3,199	1,098
Net Increase/(Decrease) in Cash and Cash Equivalents	110	239
Opening Cash and Cash Equivalents	201	71
Closing Cash and Cash Equivalents	311	310



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

Nelson Airport Limited is registered under the Companies Act 1993 as an Airport Company pursuant to Section 3 of the Airport Authorities Act 1966. Primary activities include supporting a diverse range of businesses that service passenger or aircraft requirements or require access to air services or airport land and building infrastructure.

The company is a wholly owned subsidiary of Infrastructure Holdings Limited, which is jointly owned by Tasman District Council and Nelson City Council (each holding a 50% share). Neither council has ultimate control over the Company or its parent entity. Nelson Airport is defined as a Council Controlled Trading Organisation (CCTO) under Section 6 of the Local Government Act 2002.

The financial statements have been prepared in compliance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting. Therefore, the financial statements do not include all the information required for full financial statements and should be read in conjunction with the financial statements and related notes as presented in the Nelson Airport Limited Annual Report for the year ended 30 June 2025.

The interim financial statements are for the six-month period ended 31 December 2025 and are unaudited.

Basis of Measurement

The financial statements have been prepared under the historical cost method, modified by the revaluation of land, buildings, infrastructure and financial instruments. They are presented in New Zealand dollars rounded to the nearest thousand.

Judgements and Estimates

In preparing these financial statements, estimates and assumptions concerning the future are made, which may differ from the subsequent actual results. The estimates and assumptions utilised in these interim financial statements are consistent with the annual financial statements for the year ended 30 June 2025. There are no estimates and assumptions in the view of the Directors that have a risk of causing a significant adjustment to the carrying amounts of assets and liabilities within the next financial year.

Foreign Currency

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. Monetary items outstanding at balance date are converted at the exchange rate ruling at balance date. The financial statements are prepared on the basis of historical cost with the exception of property, plant and equipment which is measured at fair value.

Accounting Standards, Interpretations and Amendments Not Yet Effective

The External Reporting Board (XRB) has introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements, effective from 1 January 2027, which replaces NZ IAS 1 Presentation of Financial Statements. This future standard is not expected to have a material impact on the current or future reporting periods.

Nelson Airport Limited has not adopted any new accounting standards that may have a material impact on its financial statements for the current reporting period.



Significant Accounting Policies

The accounting policies used for the interim period are consistent with those used in the annual financial statements for the year ended 30 June 2025.

Revenue and Expenses

Revenue from operations captured within the scope of Revenue Recognition (NZ IFRS 15) are recognised once the performance obligation is satisfied at the agreed transaction price and control of the goods or services transferred.

Revenue streams from operations that are outside of the scope of Revenue Recognition (NZ IFRS 15) are also contracted under agreements, including lease arrangements.

Administration and other expenses are recognised as an expense when they are incurred.

Impairment of Assets

Nelson Airport Limited regularly reviews the carrying amount of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Nelson Airport Limited has assessed that there have been no significant indicators of impairment since the annual review at 30 June 2025.

Financing Costs

Net financing costs include interest income and finance costs. Interest income is recognised on a

time proportionate basis using the effective interest method. Finance costs are expensed as incurred unless related to the acquisition and development of a qualifying asset, in which case they are capitalised.

Taxation

Income tax expense is the tax payable on the current financial year's taxable income based on the income tax rate and adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are recognised at the rate expected to apply when the assets are recovered, or liabilities are settled. Deferred tax is charged or credited to the profit or loss, except where it relates to items charged or credited directly to equity, in which case the tax is dealt with in other comprehensive income.

Property, Plant and Equipment and Depreciation

Property, Plant and Equipment are the assets held by Nelson Airport Limited for the purpose of carrying on its business activities on an ongoing basis. They are initially measured at cost and subsequently measured at fair value. Costs incurred after initial acquisition are capitalised only when it is probable that future economic benefit will flow to Nelson Airport Limited and the items can be reliably measured.

Depreciation is written off depreciable assets on a straight-line or diminishing value basis over the estimated economic lives of the assets, ranging as follows:

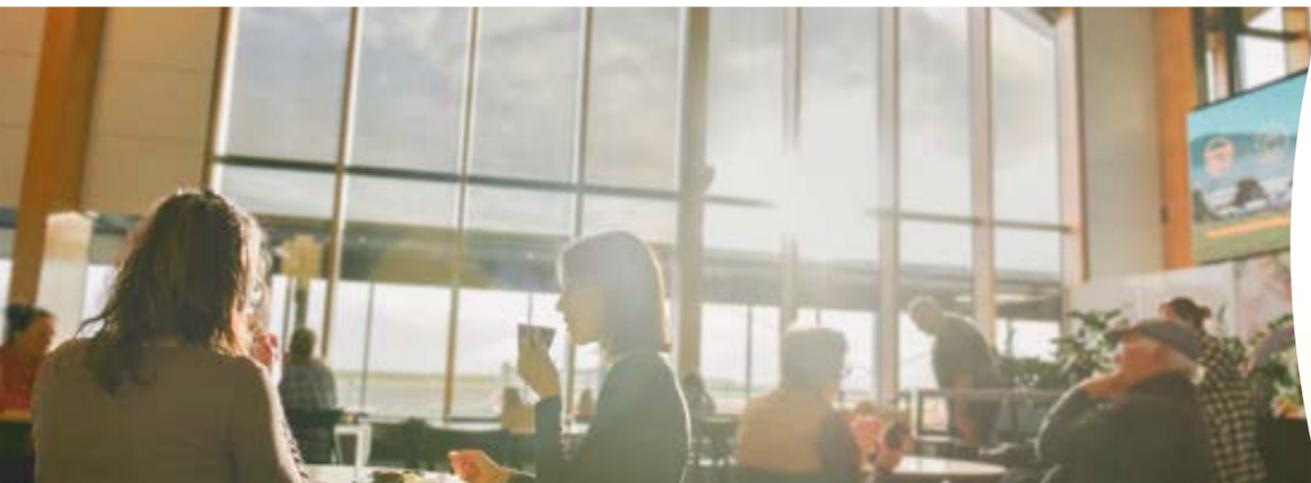
Asset Category	Asset	Depreciation Rate	Depreciation Basis
Buildings	Terminal	1.9% - 3.7%	Straight line
Buildings	Hangars and other buildings	1.7% - 33.3%	Straight line
Airfield Infrastructure	Runways, taxiways and aprons	1.3% - 50.0%	Straight line
Landside Infrastructure	Pavements, utilities and other infrastructure	1.3% - 50.0%	Straight line
Equipment	Parking hardware, security and vehicles	8.0% - 67.0%	Diminishing value
Fixtures and Fittings	Furniture, flight information displays, and fittings	10.0% - 80.4%	Diminishing value



Intangible Assets

Intangible assets comprised of software, branding, licences, and plan and designation change costs. Software, branding and licences have finite useful lives and are measured at cost less accumulated amortisation and any accumulated impairment losses. Plan and designation change costs are measured at cost less any accumulated impairment losses.

Asset Category	Amortisation Rate	Amortisation Basis
Software	50.0%	Diminishing value
Branding	10.0% - 12.5%	Straight line
Website	8.0% - 50.0%	Diminishing value



Financial Risk Management

Nelson Airport Limited is exposed to various financial risks due to its operations. To manage these risks, it follows its Treasury Policy which guides appropriate financial risk management activities. Nelson Airport Limited does not engage in speculative trades.

Interest Rate Risk

Nelson Airport Limited is exposed to interest rate risk on the cash flows arising from its variable rate borrowings provided by its parent company, Infrastructure Holdings Limited. Interest rate exposures of this nature are managed by Infrastructure Holdings Limited in accordance with the Group Treasury Policy. The policy outlines borrowing parameters which require the fixing of interest rates for specified portions of borrowings based upon the term remaining and outlines the approved derivative instruments that can be used to do this. Refer to the financial statements of Infrastructure Holdings Limited for more information.

Credit Risk

Nelson Airport Limited is exposed to credit risk on its cash and cash equivalents from the possibility of counterparties failing to perform their obligations. This risk is represented by the carrying value in the Statement of Financial Position. Nelson Airport Limited considers this risk to be not material.

Trade and Other Receivables

Trade and Other Receivables arise in the ordinary course of Nelson Airport Limited's business and are initially valued at fair value and subsequently measured at amortised cost using the effective interest method less any provision for impairment. Nelson Airport Limited applies the simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance. The measurement of expected credit losses is a function of the probability of default, loss and the exposure at default.

Liquidity Risk

Liquidity risk is the risk that Nelson Airport Limited will encounter difficulty raising funds to meet commitments as they fall due. Liquidity risk is managed by maintaining sufficient cash. This is achieved by ensuring the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method where this differs from face value. Trade and other payables are recognised at fair value on receipt of goods and services. Payment normally occurs within 30 days. These are non-interest bearing.

Capital Commitments

Nelson Airport Limited has \$1.2m worth of contractual capital commitments for property, plant and equipment as at 31 December 2025 (2024: \$9.2m).

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

Provisions

Employee Entitlements

Provisions for wages, salaries, annual leave, and other entitlements are made when earned by the employee. Annual leave has been calculated on an actual entitlement basis at current rates of pay.

Events After Balance Date

There have been no significant events after balance date 31 December 2025 that materially impact Nelson Airport Limited's financial position or viability as a going concern.

Approval of Interim Financial Statements

The interim financial statements were approved by the board of directors on 19 February 2026.



Company Directory

Directors

Quinton Hall – Board Chair
Darren Mark - Audit & Risk Committee Chair and Remuneration Committee Chair
Emma Ihaia - Health, Safety & Wellness Committee Chair
Matthew Clarke

Registered Office

Nelson Airport Management Offices
Trent Drive, Nelson 7011
Telephone 03-547-3199
Email office@nelsonairport.co.nz

Senior Leadership Team (as at 31 December 2025)

Chief Executive Officer	Brendan Cook
Chief Financial Officer	Adrian Ferris
Head of Corporate Services	Beth Catley
Head of Assets and Projects	Marius Coetzee
Head of Operations	Jesse Woods

Auditor

Ernst & Young

Accountant

JAS Accounting & Advisory Services Limited

Banker

Westpac Banking Corporation

Lawyer

Ford Sumner Lawyers
Russell McVeagh



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