

Invested in Our Future
Mauri Ora Roa



STATEMENT OF INTENT

Quayside Holdings Limited
For the year ending 30 June 2026

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FOREWORD FROM THE BOARD CHAIR

Tēnā koutou katoa,

I am pleased to present the Quayside Holdings Limited Statement of Intent (SOI) for the year ending 30 June 2026. This document outlines our strategic objectives and key initiatives, reflecting our commitment to growing a responsible and diversified fund that generates long-term returns to support the growth and prosperity of the Bay of Plenty.

In response to the Bay of Plenty Regional Council's Statements of Expectations, we have focused on several key outcomes:

1. **Maximising Value from Port of Tauranga Shares:** We are committed to ensuring the potential divestment of Port of Tauranga shares maximises value within the Council approved parameters, while maintaining a significant shareholding.
2. **Organisational Review:** We will undertake a comprehensive review to ensure Quayside remains fit for purpose to achieve its intergenerational mandate.
3. **Delivering a Resilient Dividend:** Our goal is to provide a sustainable and resilient dividend to the Council, supporting its financial stability.
4. **Transparency in Investment Performance:** We aim to enhance transparency in our investment performance and reporting.

Our vision and purpose, confirmed by the Council, emphasise the importance of maintaining and growing the real capital base of our portfolio. This principle is crucial for sustaining the fund's value over time for the benefit of future generations.

The approval to divest a portion of the Port of Tauranga shareholding presents a unique opportunity to diversify our fund, reduce portfolio risk, and generate resilient returns. We will proceed with the divestment only when conditions are optimal, ensuring superior outcomes.

Our performance will be measured against the three distinct portfolios under management, each of which carries differing complexities. To enhance transparency and optimise the value of our portfolio, we have introduced a total portfolio benchmark to accompany the Special Purpose Asset Allocation benchmark. This dual-benchmark approach provides a more comprehensive view of performance and alignment with our investment strategy. In addition, our organisational and policy reviews — including the Statement of Investment Policy and Objectives (SIPO), Distribution Policy, and Treasury Policy — are designed to ensure alignment with our long-term goals and evolving market conditions.

Quayside remains dedicated to supporting the Council's objectives through reliable dividends.

We look forward to continuing our collaboration with Council to achieve this goal.

Ngā mihi nui,



Mark Wynne
Chair

Quayside Holdings Limited

INTRODUCTION

Quayside is an intergenerational investment fund valued at \$2.8b¹, established to serve the long-term interests of the Bay of Plenty Community.

As the investment arm of Toi Moana Bay of Plenty Regional Council (Council), Quayside is committed to growing a responsible, diversified, and sustainable fund that delivers enduring benefits to the region in perpetuity.

Quayside was founded in 1991 to manage the Council's shareholding in Port of Tauranga Limited (the Port). Over the past three decades, Quayside has evolved into a diversified investment entity, driving economic growth, supporting regional development, and ensuring financial sustainability for future generations.

As a Council-Controlled Organisation (CCO) under the Local Government Act 2002, Quayside Holdings Limited (Quayside) is the parent company of the Quayside Group. This Statement of Intent (SOI) outlines the objectives and strategic direction for the Group, including its wholly and majority-owned subsidiaries, detailed in Appendix 1.

By taking a commercial, long-term approach, Quayside's investments generate sustainable returns that directly support Council services, infrastructure, and regional development. These financial contributions help shape a thriving, resilient, and future-focused Bay of Plenty.

¹ As at 31 December 2024, NZ IFRS.

OUR VISION

Invested in Our Future | Mauri Ora Roa

OUR PURPOSE

To grow a responsible and diversified fund that generates long term returns to support the growth and prosperity of the Bay of Plenty

OUR GUIDING PRINCIPLES

Commercially disciplined | Te Kawa Pakihi

Intergenerational | Te Pā Harakeke

Transparent | Kia Pono

Aligned partnerships | Whanaungatanga

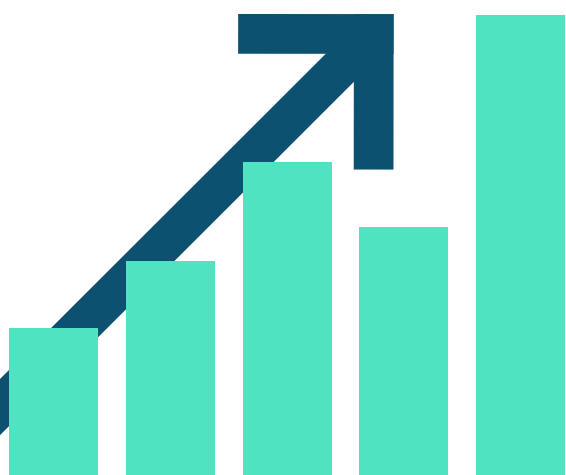
Diverse | He Matarau

OUR ACHIEVEMENTS 1 July 2024 – 30 June 2025

Investment Portfolio:

INVESTMENT
PORTFOLIO %
5.5

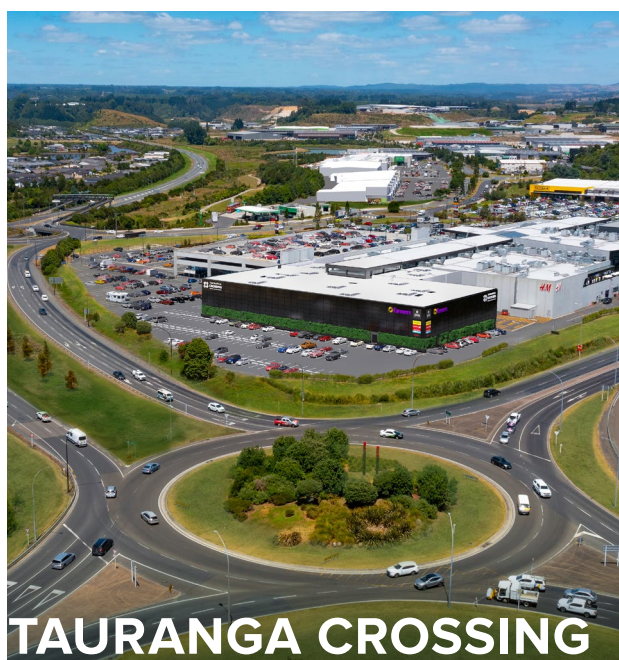
GROWTH



MAINTAINED
ROLLING
AVERAGE
ABOVE

(As per SIPO)

7%



TAURANGA CROSSING
BEGINS
CONSTRUCTION

Work on Stage 3 extension of the shopping
centre commenced

**TWO
NEW**
FUND MANAGERS

Complete due diligence of two new fund
managers and three funds (one existing)

\$2.9m

**DISTRIBUTION
FROM PRIVATE EQUITY**

(July 1, 2024 - March 30, 2025)

OUR ACHIEVEMENTS 1 July 2024 – 30 June 2025

Investment Portfolio:

HUAKIWI HORTICULTURE

ACHIEVES RECORD INCOME

Record levels of income from our Huakiwi horticulture development as the underlying fund assets continue to mature.

ESTABLISHMENT OF A STANDALONE INVESTMENT COMMITTEE

Increasing investment capability and expertise with two independent members, bringing significant investment expertise in both global and domestic markets.



TE PAPA TIPU DEVELOPMENT COMPLETE

Completion of Te Papa Tipu Scion Campus development in Rotorua, housing two government tenants



PANORAMA TOWERS SECURES CORNERSTONE MEDICAL TENANT

Development of the 13-storey CBD building and securing of an anchor tenant

INDEPENDENT SIPO REVIEW

Review of the Statement of Investment Policy and Objectives (SIPO), confirming that the investment portfolio's strategic asset allocation and target objectives are sustainable and intergenerational.

INAUGURAL CLIMATE RELATED DISCLOSURE

Quayside completed its inaugural climate-related disclosure report in accordance with XRB guidance. This is an important first step in our transition towards a climate change-aware portfolio and will continue in the upcoming year.

OUR ACHIEVEMENTS 1 July 2024 – 30 June 2025

Port of Tauranga Limited:

SHARE PRICE RECOVERY ~22% INCREASE

Considerable share price recovery during the period, increasing ~22% as a result of fundamental earnings from the business evidenced by both revenue and NPAT growth of 12.5% and 27.4%, respectively, for the six month period ending 31st December 2024.

COUNCIL ENABLED DIVESTMENT

Council enabling potential divestment of POT shareholding to minimum 28% and setting parameters.

\$57.8 million POT DIVIDEND

Fully utilised to fund both Council distributions and PPS payments.

Interim dividend of 7 cents per share, an increase from 6 cents.

Special Purpose Assets:



MINISTERIAL OPENING FOR MOTORWAY INTERCHANGE

The completion and ministerial opening of the motorway interchange to the Rangiuru Business Park marks a major milestone in a 20-year regional development vision led by Quayside. The new connection unlocks 148 hectares of industrial land.

BUSINESS PARK
RANGIURU

60%

STAGE 1A SOLD

The first land sale at the Rangiuru Business Park - an 8.7-hectare parcel comprising 60% of Stage 1a - has been secured, the title expected to be issued in mid-2025.

The Rangiuru Business Park will support key industries such as manufacturing, logistics, and horticulture, while also catalysing future development and reinforcing the region's reputation as a place to live, work, and invest.



OUR COMMITMENT

Following a strategic reset in 2024, our purpose is clear:
To grow a responsible and diversified fund that generates long-term
returns to support the growth and prosperity of the Bay of Plenty.

OUR COMMITMENT IS TO:



Protect and grow
intergenerational wealth.



Invest strategically to drive
sustainable economic growth
and resilience.



Demonstrate great stewardship,
by proactively and ethically
considering the long-term
impacts of our actions.

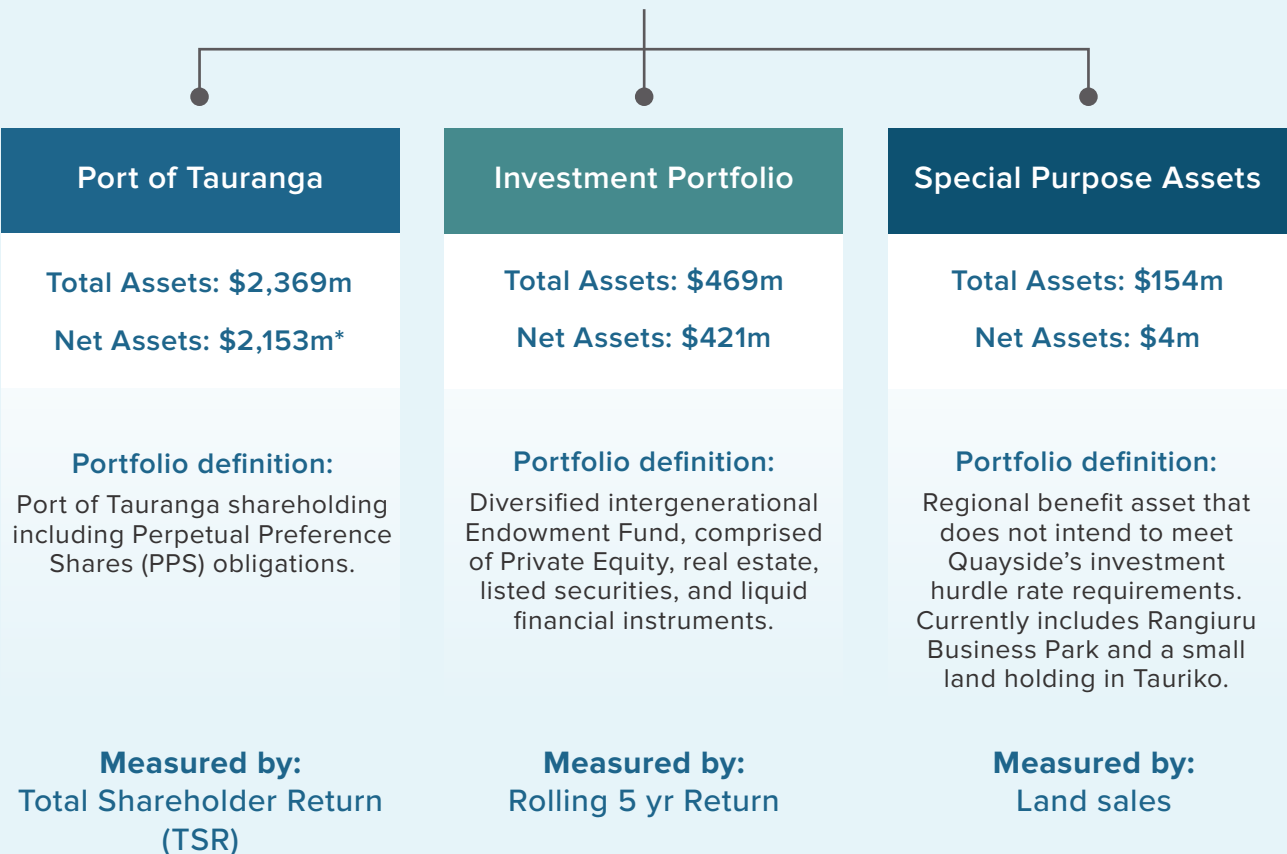
Guided by these principles, Quayside remains dedicated to building a
prosperous future for the Bay of Plenty, ensuring that both present and
future generations benefit from sound investment decisions made.

PORTFOLIO STRUCTURE

Quayside will achieve its purpose by managing its assets through three distinct portfolios of investments, each carrying different risk and return profiles.



QUAYSIDE HOLDINGS



*Differs from NZIFRS accounts, PPS are allocated to POT for portfolio management purposes

PORTFOLIO STRUCTURE

Portfolio Diversification & Future Investment Strategy

Quayside's non-port investment portfolio is currently valued at \$425m (net), including:

- Investment Portfolio: \$421m
- Special Purpose Assets: \$4m

Note: Quayside also manages the Toi Moana Trust on behalf of the Bay of Plenty Regional Council, which is valued at \$76 million (as of 31 December 2024).

To ensure portfolio allocation and risk settings are fit for purpose, Quayside's SIPO is reviewed every two years. In 2024, the Quayside Board approved the SIPO policy review, which was supported by an external independent expert.

Financial Performance & Cash Flow Management

- Market Volatility & Earnings Outlook:
 - In FY25, Quayside's earnings remained dynamic, reflecting ongoing market volatility. Net operational cash flow is projected to exceed dividend and PPS obligations. This projection underscores the continued importance of prudent management to support long-term portfolio sustainability.
 - FY26 Financial Projections: Net operating cash flow is forecasted to be sufficient to cover both dividends and PPS obligations. Incremental improvements in growth capital generation is forecasted, supporting future diversification of investments.
 - Dividend Commitments & Fiscal Strategy: Council's dividend expectations require disciplined capital management, ensuring alignment with Quayside's long-term financial objectives.

Recommendations for Long-Term Sustainability

- Distribution Policy Review: An independent review of the Distribution Policy will be conducted to ensure Quayside balances Council's cash flow needs while growing and preserving the real capital value of the fund.
- Collaboration with Council on Funding Strategy: Continued engagement with Council to align funding priorities and optimise capital allocation and reserving.
- Protecting Intergenerational Financial Sustainability: Quayside will explore mechanisms to preserve fund sustainability for long-term regional benefit.



MEASURING PERFORMANCE

We measure performance
through three strategic pillars:

Strategic Pillar 1: Commercial Results

Strategic Pillar 2: Corporate and Relationship Leader

Strategic Pillar 3: Engaging Place

Strategic Pillar 1: Commercial Results

Performance Targets

Performance Area	Objective	Measure
PORT OF TAURANGA		
Port of Tauranga Limited	Manage Port of Tauranga shareholding on behalf of Council to deliver value to the region and align with Group objectives.	<p>Maintain active monitoring of corporate performance with review by the Executive and Board, as well as review by the Pricing and Valuation Committee, held at a minimum of three times per year.</p> <p>Increase Total Shareholder Value (Dividends paid + share price movement)</p> <p>Appointment of a minimum of two Directors on the Board</p> <p>Continually evaluate strategic alternatives for the shareholding in accordance with Council approved parameters, through at least three presentations or workshops to Council by 30 June 2026</p>
INVESTMENT PORTFOLIO		
Investment Returns	Generate long-term commercial returns across the Investment Portfolio	Maintain a five-year rolling gross return target of inflation +5% (nominal 7%), in accordance with the SIPO (forecast as a nominal 7.0% per annum). Liquid assets are targeted to be >40% of the portfolio that can be easily realised.
Resilient Dividend	Provide a stable and sustainable dividend to Council	Dividends paid in accordance with Quayside's Distribution Policy and the Long Term Plan.
Investment Policy & Risk Management	Maintain a sustainable and diversified investment approach	<p>Review the following Investment related policies:</p> <ul style="list-style-type: none"> • Responsible Investment Policy • Managed Investment Policy • Direct Investment Policy
Treasury & Debt Management	Ensure optimal capital structure and financing strategy	Review and adoption of Treasury Policy, as per Board-approved policy schedule.
Responsible Investment	Align investment decisions with sustainability and long-term economic value	Review of Responsible Investment Policy by FY26. As per Board-approved policy schedule.
SPECIAL PURPOSE ASSETS		
Rangiuru Business Park	Develop the Rangiuru Business Park to create long term benefit for the Bay of Plenty region.	<p>Completion of Rangiuru Business Park Stage 1a works by 31 December 2025.</p> <p>Completion of Rangiuru Business Park Stage 1b works late 2026/2027.</p>

Strategic Pillar 2:

Corporate and Relationship Leadership

Performance Targets

Performance Area	Objective	Measure
Governance	Quayside operates independently of Council and the Portfolio is managed in a prudent commercial manner.	<p>Majority-independent Board; four out of seven Board members are independent.</p> <p>Meetings as per Board-approved meeting schedule with a minimum of six per year.</p> <p>Committees meet as per Board-approved meeting schedule, with a minimum of three per year with the exception of the Divestment Committee which meets as required:</p> <ul style="list-style-type: none"> • Audit and Risk • People, Culture and Safety • Investment • Divestment <p>Quayside reports a minimum of three times to Council via publication of annual and interim reports, presentations, briefings, and workshops.</p> <p>Maintain a robust external audit function with formal engagement of external audit. Continue to develop the internal audit function with approval of the internal audit plan by the Board each year.</p> <p>Review of company policies and frameworks as per the Board-approved policy schedule.</p> <p>Execution of internal compliance auditing,</p>
Climate	Climate reporting	Publish climate-related financial disclosures in accordance with legislative requirements. CRD report issued by 31 October 2025.
Stakeholders	Stakeholder engagement	Proactive engagement with community stakeholders with at least 12 engagements per year.
NZDX Issuer	Quayside maintains its obligations as a market issuer	<p>Financial Reporting in accordance with Financial Markets Conduct 2013</p> <p>Quayside complies with NZX Listing Rules, including Continuous Disclosure obligations</p>
Regional Impact	Regional Development impact	Ensure Quayside's investments contribute to sustainable opportunities in the Bay of Plenty, by providing a sustainable dividend to BOPRC to support regional development.

Strategic Pillar 3: Engaging Place

Performance Targets

Performance Area	Objective	Measure
Employee Engagement	Employee engagement: our kaimahi are valued, supported and passionate about their work	Maintain an Employee Engagement Survey rating of >78%. Conducted annually.
Diversity and Inclusion	Our kaimahi represent our community in an environment of diversity and inclusiveness	Complete a Diversity of Thought benchmarking exercise, report on D&I in the annual report
Cultural competency	Cultural competency	>30% of our kaimahi are competent in the Quayside cultural competency framework
Climate Resilience	Integrate climate risk assessments into investment decision-making.	Implement climate transition plan.





DELIVERING RESULTS

Strategic Pillar 1: Commercial Result

Investment Portfolio and Performance Targets

Quayside's investment strategy is underpinned by perpetual investment fund principles, which ensures the long-term growth and sustainability of the portfolio. Investments are guided by a Statement of Investment Policy and Objectives (SIPO) and Responsible Investment Principles, which define strategic asset allocation, risk management, and sustainability objectives to optimise commercial returns while maintaining capital resilience.

Quayside's Responsible Investment Principles are embedded across its portfolio to align capital with:

- Financial stewardship, balancing commercial performance with long-term intergenerational benefits.
- Environmental sustainability, integrating climate risk into investment decisions.
- Social responsibility, ensuring investments contribute to regional prosperity, by providing a sustainable dividend to BOPRC.
- Governance best practices, maintaining ethical business conduct and transparency.

By adhering to these principles, Quayside aims to generate sustainable financial returns while supporting the economic, social, and environmental wellbeing of the Bay of Plenty region.

Portfolio and Diversification

Quayside remains focussed on:

- Managing Concentration Risk: Currently, 80% of Quayside's portfolio asset value is concentrated in the Port of Tauranga shareholding, which constitutes risk.
- Portfolio Rebalancing: Following Bay of Plenty Regional Council (Council) approval, Quayside is considering the divestment of its shareholding in PoT, and reinvesting the proceeds to diversify the investment fund, reduce portfolio risk and deliver higher commercial returns.
- Growth Capital & Risk Mitigation: A strategic priority is to balance dividend expectations and preserve the capital base of the portfolio through diversification and risk management settings.



PORT OF TAURANGA SHAREHOLDING



Strategic Importance of the Port Shareholding

Quayside holds a 54.14% shareholding in Port of Tauranga Limited (PoT), a strategic asset of the Bay of Plenty Regional Council. Council has approved the partial sale of this shareholding within defined parameters. Quayside cannot sell shares outside these parameters without Council approval.

Through the Long-Term Plan 2024-2034, Council consulted the community on enabling Quayside to divest part of its shareholding. The potential sell-down of Quayside's shareholding represents the largest opportunity to reduce portfolio risk through diversification. Quayside is required to retain a minimum shareholding of 28%.

Quayside has established a Divestment Committee, which includes two key Quayside personnel, Quayside Directors and an independent expert, to support the proposed divestment of the PoT shareholding.

Governance & Investment Oversight

As a publicly listed entity, the Port of Tauranga manages its own operations and strategy. However, Quayside:

- Appoints two directors to the PoT Board, ensuring its interests are represented.
- Engages regularly with the PoT governance and leadership as an active shareholder.
- Maintains strict adherence to NZX disclosure requirements, ensuring compliance with regulatory obligations.

Regulatory Compliance as a Market Issuer

As an issuer of \$200 million in Perpetual Preference Shares (PPS) on the New Zealand Debt Exchange (NZDX), Quayside is required to:

- Ensure financial reporting compliance under the Financial Markets Conduct Act 2013.
- Comply with NZX Listing Rules, including Continuous Disclosure obligations.

The PPS, originally issued by Council in 2008, were used to fund infrastructure projects in the Bay of Plenty. Quayside services the PPS on behalf of the Council and under certain conditions:

- Council can buy back PPS shares.
- PPS holders can require Council to buy back shares if Quayside defaults on dividend payments or fails to retain a majority shareholding in the Port.



INVESTMENT PORTFOLIO (NON-PORT)

Distributions to Council

Quayside's Distribution Policy, which was approved in 2022, was designed to provide sustainable financial support for the Bay of Plenty community while maintaining the long-term growth of the investment fund, ensuring alignment with Quayside's strategic objectives, SIPO and Treasury Policy.

This Statement of Intent (SOI) includes distribution projections for FY26, FY27, and FY28, which are:

- Incorporated into the Bay of Plenty Regional Council Long-Term Plan (LTP).
- Subject to actual financial performance and market conditions.
- Dependent on compliance with the Companies Act 1993 and final approval by the Quayside Board.

In approving distributions, Quayside must operate in a commercially responsible manner, balancing Council's dividend expectations, while continuing to grow the capital base of the fund. Quayside remains committed to its vision - *Invested in Our Future – Mauri Ora Roa*.

Given the ongoing review of the Distribution Policy, projected distribution figures may fluctuate, reflecting updated financial strategies and market conditions.

Reporting to Council & Shareholder Engagement

- Quayside provides annual and interim financial reports to both Council and PPS holders, ensuring full transparency and accountability.
- Quayside operates under a "no surprises" policy, ensuring open and proactive engagement with the Council.

Key Reporting Commitments

- Annual Report – Audited financial statements, prepared in accordance with Section 67 of the Local Government Act 2002 (LGA).
- Half-Year Interim Report – Submitted as required under Section 66 of the LGA.
- Regular Council Updates – Includes financial, strategic, risk, and operational performance, delivered via presentations, workshops, and direct engagement between Quayside and the Council executive.
- Climate Related disclosures – as defined by legislation.

INVESTMENT PORTFOLIO (NON-PORT)

Treasury & Debt Management

Quayside is responsible for managing its debt and capital structure efficiently, ensuring financial resilience while delivering optimal returns for its stakeholders.

Debt Position (as of 31 December 2024)

- \$194.7m in outstanding debt, applied as below:
 - \$134.5m (LGFA) utilised for the Rangiuuru Business Park development.
 - \$15.1m (LGFA) residual against the Port of Tauranga.
 - \$45.1m (ASB) utilised against the Investment Portfolio.
- \$200m in Perpetual Preference Shares (PPS) (which is interrelated with the POT investment)

Capital Efficiency & Risk Management

Quayside targets both cash and tax-efficient debt management, ensuring sustainable capital allocation that benefits both Quayside and the wider Council Group. Treasury operations focus on:

- Maintaining financial flexibility to support long-term investment growth.
- Optimising funding structures to reduce cost of capital, while collaborating with Council to contribute to maintain their credit rating objectives.
- Ensuring compliance with regulatory and market obligations.

Quayside remains committed to prudent financial management, ensuring that both distributions and debt obligations are met without compromising the long-term growth and sustainability of the fund.



SPECIAL PURPOSE ASSETS

Total Gross Special Purpose Assets (as at 31 December 2024)

• Rangiuru Business Park	\$152.6m
• Tauriko Land Holding	\$1.8m
Total Special Purpose Investments	\$154.4m

Quayside has supported regional development through special purpose asset investments. The Rangiuru Business Park is a key industrial development project aligned with the Western Bay of Plenty District Plan, fostering economic growth and employment opportunities. Additionally, Quayside holds the land at Tauriko on behalf of the Bay of Plenty Regional Council, which Council has approved for sale to the New Zealand Transport Agency.

Rangiuru Business Park

The Rangiuru Business Park development continues to progress (Stage 1a):

- The interchange has been completed, and the first land parcels are under contract. Future stages face challenges related to enabling infrastructure delivery and increasing construction costs.
- As the lead developer, Quayside is responsible for funding and delivering infrastructure across all four stages of the park (148 hectares).



Financial Risks & Funding Considerations:

The Council acknowledges the strategic importance of the Rangiuru Business Park, recognising its role in supporting regional economic growth.

- Quayside faces significant liquidity risk, having funded a large portion of upfront infrastructure costs (up to \$80m), a responsibility typically borne by local councils. Cost recovery is dependent on private landowners developing their properties, which introduces uncertainty.
- A Financial Contribution Model (FINCO) exists for cost recovery, and the timing and certainty of these recoveries remain a key project risk.

To mitigate financial exposure, Quayside has:

- Conducted due diligence on alternative funding mechanisms, including the Infrastructure Funding and Financing (IFF) model.
- Continue to explore and assess alternative funding options to reduce project risks.

Strategic Pillar 2:

Corporate and Relationship Leadership

Governance and Organisational Strategy

Quayside operates independently of the Council, managing its portfolio with a strong commitment to commercial prudence, with an annual performance review reinforcing accountability and continuous improvement.

Group Governance Approach

The Board of Quayside Holdings Limited (and its subsidiaries, Quayside Properties Limited and Quayside Securities Limited) is appointed in accordance with the Council's Appointment and Remuneration of Directors Policy.

At present, the Quayside Board comprises seven directors, including:

Independent	Council related
Mark Wynne (Chair)	Councillor Stuart Crosby
Keiran Horne	Councillor Te Taru White
Fraser Whineray	Council CEO Fiona McTavish
David Fear	

Board Committees and Leadership:

Audit and Risk Committee – Chair Keiran Horne

People, Culture and Safety Committee – Chair Mark Wynne

Investment & Divestment Committee – Chair David Fear

Each subsidiary within the Quayside Group has its own Board responsible for day-to-day governance, while major investment and divestment decisions require Quayside Board approval. Directors across the Quayside Group are expected to uphold high-quality governance standards, applying their skills, knowledge, and experience in the best interests of Quayside and its stakeholders.

The Quayside Board also oversees the appointment and performance of the Group Chief Executive, ensuring alignment with strategic priorities.

Policy and Regulatory Compliance

Quayside has conducted a comprehensive review of its corporate settings, aligning investment strategies with long-term objectives. Key outcomes include:

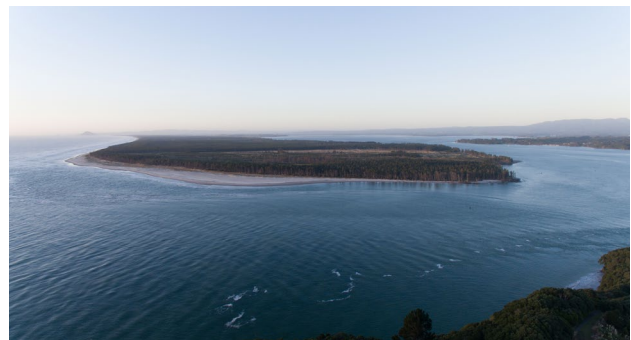
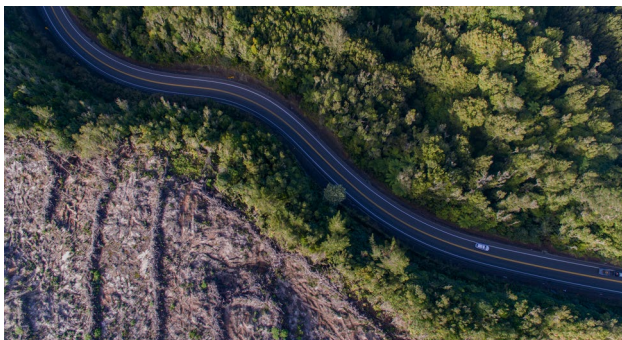
- Policies: updated Statement of Investment Policy and Objectives (SIPO), independently reviewed and validated by the Board. Currently reviewing our Treasury Policy and Distribution Policy to align use of debt, reserving and distributions to Quayside's strategy and intergenerational nature.
- Investment & Divestment Committee Expansion – now includes independent members with global investment, property and corporate finance expertise, enhancing decision-making
- Defined Asset Class and Capital Allocation Strategy – providing clear benchmarks and improved accountability.
- Financing Review – ensuring optimal financing structures for long-term growth.
- Climate Reporting Commitment – Quayside's first climate report, in compliance with CRD regulations, reflects its dedication to sustainability and responsible investing.

Community and Stakeholder Engagement

Quayside is committed to transparent, respectful, and meaningful engagement with stakeholders, ensuring continued support for its purpose. Key outcomes include:

- Stakeholder Management Framework execution – regular and proactive engagements with key community stakeholders.
- Strengthening Relationships – Ongoing collaboration with iwi, local communities, and the Council as sole shareholder.
- Brand Awareness and Industry Leadership – Enhancing Quayside's reputation and authority within the investment sector.

Through these initiatives, Quayside continues to build trust, reinforce its governance excellence, and drive long-term value for its stakeholders.



Climate & Sustainability Commitments

Integrating Sustainability into Investment Strategy

Quayside embeds climate resilience and sustainability as part of its investment approach. In alignment with CRD regulations, Quayside has:

- Published its first climate report (October 2024), outlining strategies to manage climate-related financial risks and opportunities
- Incorporated climate resilience assessments into investment decision-making.

Social Responsibility & Regional Impact

Investing in Regional Prosperity

As a long-term investment fund for the Bay of Plenty, Quayside is committed to delivering social and economic benefits to the region through:

Annual distributions to the Council, support the reduction of rate payments and fund vital community services.

Investment in regional development projects, such as the Rangiuru Business Park, fosters local employment and economic growth.

Strategic Pillar 3: Engaging Place

Organisational Culture and Talent Development

Quayside is committed to fostering an engaging, inclusive, and high-performing workplace where kaimahi (employees) feel valued, supported, and empowered to contribute to the organisation's long-term success.

- Enhanced Organisational Performance Tracking – Quayside has refined its performance measurement framework to ensure clearer alignment with strategic objectives and greater transparency in reporting progress to stakeholders.
- Cultural Awareness & Engagement – A stronger focus on collaboration and cultural competency has resulted in improving employee engagement survey results.



TOI MOANA TRUST

Toi Moana Trust is a PIE unit trust established in 2019 and wholly owned by Bay of Plenty Regional Council. It is managed by Quayside and invests in listed assets and bonds in accordance with the Toi Moana Trust's SIPO, last updated in November 2023 and approved by Council.

The Trust's primary objective is to deliver long term investment returns without liquidity requirements while its secondary objective is to preserve capital value of its investment over time.

Risk Management & Reporting:

- Quayside reports on asset allocation and compliance with TMT's Council approved SIPO.
- Quayside will support Council and their independent advisors to review the SIPO, ensuring the risk appetite and return objectives for the TMT remain appropriate.
- Quarterly updates will be provided to Council on TMT's performance.
- Public reporting will highlight TMT's regional benefits and financial resilience role.

Financial Projections (Forecast as at 30 June 2025)

TOI MOANA TRUST	2026	2027	2028
Income before tax	\$3.5m	\$3.5m	\$3.5m
Assets	\$70m	\$70m	\$70m
Liabilities	\$0	\$0	\$0
Shareholder funds	\$70m	\$70m	\$70m
Consolidated Shareholder funds / total assets ratio	100%	100%	100%
Distribution to Quayside	\$3.5m	\$3.5m	\$3.5m
Estimated commercial value of Quayside investment	\$70m	\$70m	\$70m

Note: The figures above are reflective of 30 June forecast positions for their respective years. Actual results may differ.

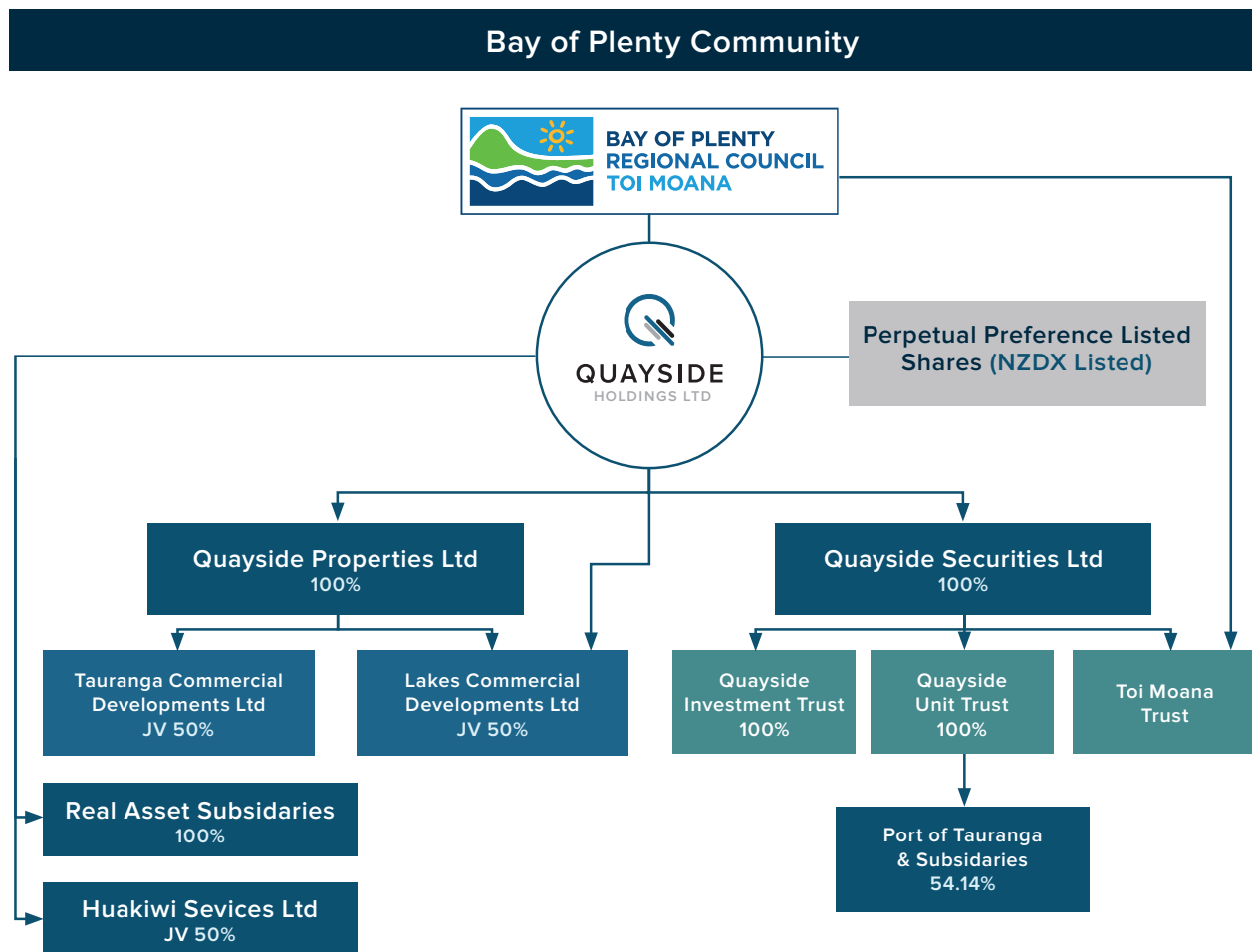


APPENDICES

Appendix 1 – Quayside structure

Appendix 2 – Group Financial Information

Appendix 1 – Quayside structure



Quayside Holdings Limited (QHL)

- Quayside Holdings is the parent company of our portfolio of assets and is responsible for the day-to-day management of the group and employs 18 staff based in Tauranga.

Quayside Securities Limited (QSL)

- Quayside Securities Limited is wholly owned by QHL. It acts as trustee of The Quayside Investment Trust and The Quayside Unit Trust and manages Toi Moana Trust. The QUT holds a 54.14% shareholding in the PoT.

Quayside Unit Trust (QUT)

- Quayside Unit Trust, established for the purpose of holding the PoT shareholding.

Quayside Investment Trust (QIT)

- Quayside Investment Trust, established in 2014 for the purpose of holding the Group share portfolio.

Quayside Properties Limited (QPL)

- QPL undertakes development on the land it owns at the consented Rangiuru Business Park. The development is at an advanced stage in the delivery of Stage One of the park. QPL has completed construction of the interchange on the Tauranga Eastern Link enabling infrastructure critical to servicing the park.
- QPL along with QSL, QIT and QUT form part of this consolidated SOI on behalf of the Quayside Group.

Appendix 2 – Group Financial Information

Commercial Valuation of Council Investment

The commercial value of Council's investment in Quayside reflects the market value of shares held in the Port, the value of other investments, and liabilities of the Group, excluding the value attributable to PPS holders.

Accounting policies

The financial statements are prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable financial reporting standards as appropriate for profit-oriented entities. The financial statements also comply with International Financial Reporting Standards (IFRS), the Companies Act 1993, and the Local Government Act 2002. Quayside Holdings Limited is a Tier 1 reporting entity under the Financial Markets Conduct Act 2013. A full set of accounting policies are available on request, or via the QHL Annual Report as published to the company's website.

Ratio of shareholder funds to total assets

The forecast ratio of shareholder funds to total assets for the next three years is:

QUAYSIDE GROUP (Market Value) *	2026 (m)	2027 (m)	2028 (m)
Port of Tauranga Portfolio			
Port - Asset	\$2,504m	\$2,566m	\$2,631m
Port - PPS and allocated debt	\$215m	\$215m	\$215m
Port - Net Assets	\$2,289m	\$2,351m	\$2,416m
Investment Portfolio			
Investment Portfolio - Assets	\$474m	\$514m	\$536m
Investment Portfolio - Liabilities	\$39m	\$39m	\$39m
Investment Portfolio - Net Assets	\$435m	\$475m	\$497m
Special Purpose Assets Portfolio			
Special Purpose Assets - Assets	\$144m	\$97m	\$154m
Special Purpose Assets - Liabilities	\$150m	\$110m	\$150m
Special Purpose Assets - Net Assets	-\$6	-\$13	\$4m
Total Portfolio			
Shareholder - Council	\$2,718m	\$2,814m	\$2,917m
Council shareholder funds to assets	87%	89%	88%

*Positions are reflective of the market price of the investments of the Group forecast. These are forecasts only, actual results may differ.

Dividend Commitments & Financial Forecast

Quayside will pay dividends to its shareholder in accordance with its Distribution Policy, considering:

- Profitability and future investment requirements.
- The solvency test under the Companies Act 1993.
- Forecasted distributions that align with the current Long-Term Plan (LTP) noting that ongoing discussions with Council and any revision of the Distribution Policy may result in adjustments.

Forecasted Distributions (as at 30 June each year):

Financial Year	2026	2027	2028
Distribution to Council	\$48m	\$49m	\$50m
Gross Dividend Distribution to PPS Holders	\$12.7m	\$10.8m	\$10.8m

Subsidiaries of Quayside Holdings Limited and Quayside Properties Limited

The following CCOs are wholly, or majority owned by QHL or QPL and each have its own board of directors responsible for its day-to-day governance. They each contribute to the objectives of the Quayside Group as vehicles for investment activity.

Investment Assets

Lakes Commercial Developments Limited (LCD)

- 100% owned by Quayside (50% owned by QHL and 50% owned by QPL), LCD's scope of activity is the development, leasing, and management of commercial properties in Rotorua. Its directors are Davide Caloni (GM Finance) and Michael Jefferies (GM Property) of the Quayside Group.
- The portfolio comprises of two mature property assets. Through its investment activity, LCD contributes to the performance targets of the Group.

LAKES COMMERCIAL DEVELOPMENTS	2026 ('000)	2027 ('000)	2028 ('000)
Income before tax	\$133	\$137	\$139
Assets	\$6,084	\$6,236	\$6,361
Liabilities	\$3,047	\$3,047	\$3,047
Shareholder funds	\$3,037	\$3,189	\$3,314
Consolidated Shareholder funds / total assets ratio	50%	51%	52%
Distribution to Quayside	\$107	\$109	\$111
Estimated commercial value of Quayside investment	\$3,037	\$3,189	\$3,314

Note: The figures outlined in the tables are reflective of 30 June forecast positions for their respective years. Actual results may differ.

Quayside Real Asset Subsidiaries (RAS)

Quayside has several companies incorporated for the purpose of holding, developing, leasing, and managing wholly owned property assets of the Group. These companies are 100% owned by Quayside Holdings who, as shareholder, appoints the directors – Davide Caloni (GM Finance) and Michael Jefferies (GM Property) of the Quayside Group. Through their investment activities and commercial returns, the Quayside Real Asset Subsidiaries contribute to the performance targets of the Group.

Quayside Barnett Place Limited

Quayside owns a commercial building for commercial return at Barnett Place, Te Rapa, Hamilton.

QUAYSIDE BARNETT PLACE	2026 ('000)	2027 ('000)	2028 ('000)
Income before tax	\$227	\$232	\$236
Assets	\$7,667	\$7,836	\$7,993
Liabilities	\$5,379	\$5,379	\$5,379
Shareholder funds	\$2,288	\$2,457	\$2,614
Consolidated Shareholder funds / total assets ratio	30%	31%	33%
Distribution to Quayside	\$181	\$185	\$189
Estimated commercial value of Quayside investment	\$2,288	\$2,457	\$2,614

Quayside Portside Drive Limited

Quayside owns an industrial building for commercial return in Mount Maunganui.

QUAYSIDE PORTSIDE DRIVE	2026 ('000)	2027 ('000)	2028 ('000)
Income before tax	\$436	\$446	\$455
Assets	\$15,360	\$15,698	\$16,012
Liabilities	\$9,491	\$9,491	\$9,491
Shareholder funds	\$5,869	\$6,207	\$6,521
Consolidated Shareholder funds / total assets ratio	38%	40%	41%
Distribution to Quayside	\$0	\$357	\$364
Estimated commercial value of Quayside investment	\$5,869	\$6,207	\$6,521

Quayside The Vault Limited

Quayside owns a commercial carpark for commercial return in Spring St, Tauranga, which was retained following the sale of the adjacent building in 2024.

QUAYSIDE THE VAULT	2026 ('000)	2027 ('000)	2028 ('000)
Income before tax	\$0	\$0	\$0
Assets	\$1,114	\$1,139	\$1,161
Liabilities	\$309	\$309	\$309
Shareholder funds	\$806	\$830	\$853
Consolidated Shareholder funds / total assets ratio	72%	73%	73%
Distribution to Quayside	\$0	\$0	\$0
Estimated commercial value of Quayside investment	\$806	\$830	\$853

Quayside Te Papa Tipu Limited

Quayside owns a new commercial building for commercial return within the Te Papa Tipu Innovation Park, Rotorua. It is leased to the Ministry of Primary Industries and Department of Conservation as long-term tenants.

QUAYSIDE TE PAPA TIPU	2026 ('000)	2027 ('000)	2028 ('000)
Income before tax	\$541	\$553	\$564
Assets	\$8,019	\$8,195	\$8,359
Liabilities	\$750	\$750	\$750
Shareholder funds	\$7,269	\$7,446	\$7,610
Consolidated Shareholder funds / total assets ratio	91%	91%	91%
Distribution to Quayside	\$433	\$442	\$451
Estimated commercial value of Quayside investment	\$7,269	\$7,446	\$7,610

Special Purpose Asset

Quayside Tauriko Limited is held on behalf of Council for Strategic Purposes.

QUAYSIDE TAURIKO	2026 ('000)	2027 ('000)	2028 ('000)
Income before tax	-\$3	-\$3	-\$3
Assets	\$1,809	\$1,848	\$1,885
Liabilities	\$0	\$0	\$0
Shareholder funds	\$1,808	\$1,848	\$1,885
Consolidated Shareholder funds / total assets ratio	100%	100%	100%
Distribution to Quayside	\$0	\$0	\$0
Estimated commercial value of Quayside investment	\$1,808	\$1,848	\$1,885

Joint Ventures of Quayside Holdings Limited

Huakiwi Services Limited and Huakiwi Developments Limited Partnership

- Huakiwi is a partnership with Te Tumu Paeroa focussed on the development and betterment of Māori land through horticulture production, with eight Zespri Gold, Green, and Red kiwifruit orchards across the Bay of Plenty. Quayside owns 50% of Huakiwi. A key priority for Huakiwi is the sustainability of returns from existing kiwifruit orchards. The directors of Huakiwi are Bryan Grafas (Quayside appointment), Lyndon Settle (Quayside CEO) and Te Tumu Paeroa Directors, Christopher Rich and Ruth Russell. Through its investment activities commercial returns, Huakiwi contributes to the performance targets of the Group.
- All directors of Huakiwi have been selected for their specific expertise in line with the nature of the business and in accordance with the Quayside Group policy for appointment of directors to subsidiaries and investee companies. The Board meet quarterly and more often when required.
- A Delegated Authority policy has been put in place by Huakiwi to enable the management of the day-to-day activities of Huakiwi which was updated to reflect the new local management structure in November 2022. A Distribution Policy has been put in place to outline the approach the organisation will take towards the distribution of the Limited Partnership's net earnings and the return of Committed Capital realised assets during the investment period.

HUAKIWI	2026 ('000)	2027 ('000)	2028 ('000)
Income before tax	\$3,500	\$3,577	\$3,649
Assets	\$32,490	\$32,490	\$32,490
Liabilities	\$1,179	\$1,179	\$1,179
Shareholder funds	\$31,311	\$31,311	\$31,311
Consolidated Shareholder funds / total assets ratio	96%	96%	96%
Distribution to Quayside	\$1,400	\$1,431	\$1,495
Estimated commercial value of Quayside investment	\$15,656	\$15,656	\$15,656

Tauranga Commercial Developments

- A partnership between Commercial Fund Investors Limited (Carrus) and Quayside, QPL owns 50% of TCD. TCD scope of activity is the development, leasing, and management of commercial property in Tauranga. TCD directors are Davide Caloni (GM Finance) and Michael Jefferies (GM Property) of the Quayside Group, Sir Paul Adams, and Scott Adams of the Carrus Group. The board of TCD meets quarterly.
- TCD has one asset, the property at 63-69 Spring Street, Tauranga. The site is leased to Bay of Plenty Regional Council for a bus layover facility. Through its investment activities, TCD contributes to the performance targets of the Group.
- This partnership between Carrus and Quayside has led to other development partnerships.

TAURANGA COMMERCIAL DEVELOPMENTS	2026 ('000)	2027 ('000)	2028 ('000)
Income before tax	\$250	\$256	\$261
Assets	\$8,688	\$8,879	\$9,057
Liabilities	\$8	\$8	\$8
Shareholder funds	\$8,681	\$8,872	\$9,049
Consolidated Shareholder funds / total assets ratio	100%	100%	100%
Distribution to Quayside	\$100	\$102	\$104
Estimated commercial value of Quayside investment	\$4,340	\$4,436	\$4,525

Contact information

Quayside Group

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Board of Directors	Mark Wynne Keiran Horne Fraser Whineray David Fear Stuart Crosby Te Taru White Fiona McTavish
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Chief Executive	Lyndon Settle
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Invested in Our Future
Mauri Ora Roa