

Annual Report 2025



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Hump Ridge Track | 🚗 3 hr 35 min

Company Particulars



From left: Angela Davis, Chris Hopkins, Tim Hunter, Katie Bhreatnach, Catherine Taylor

Directors

Chris Hopkins
Chairperson

Catherine Taylor
Deputy Chairperson

Tim Hunter

Katie Bhreatnach

Angela Davis
DCHL Intern Director

Chief Executive

Daniel De Bono

General Manager Finance and Commercial

Chris Cope

General Manager Operations and Infrastructure

Nick Rodger

General Manager Business Development

Megan Crawford

General Manager Sustainability and Planning

Louis Brown

Registered Office

Terminal Building
Dunedin Airport
Private Bag 1922
Dunedin, Otago 9054
Phone: 03 486 2879
Email: admin@dnairport.co.nz
Website: dunedinairport.co.nz

Banker

Westpac Moray Place
106 George Street
Dunedin 9016

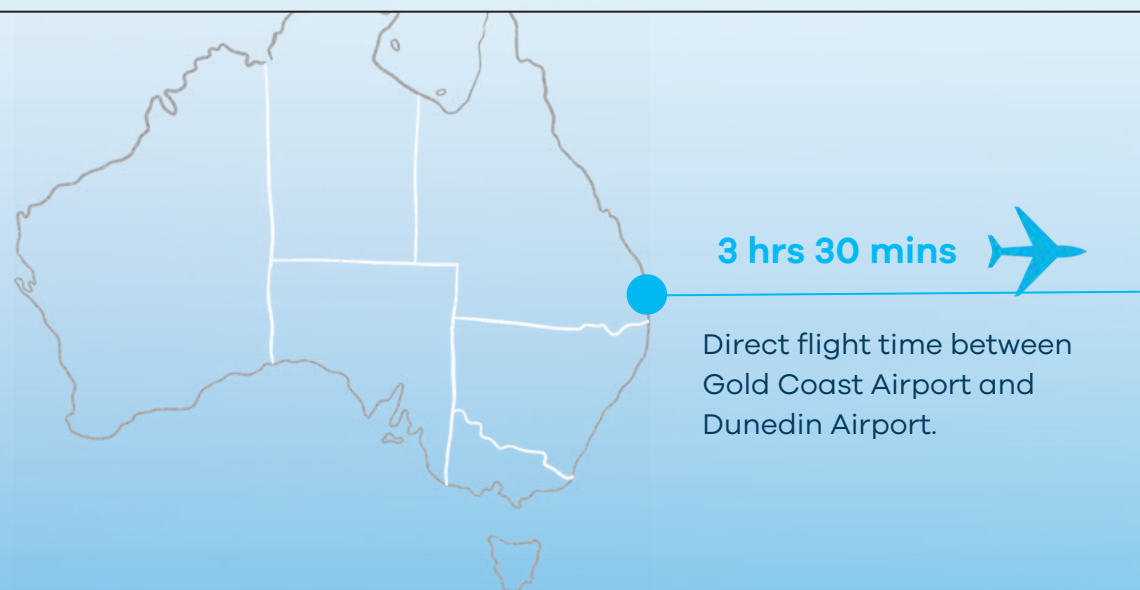
Solicitors

Gallaway Cook Allan
123 Vogel Street
Dunedin 9016

Auditor

Rudie Tomlinson of Audit NZ On
behalf of the Auditor-General

Our Place



Waiho i te toipoto, kaua i te toiroa.

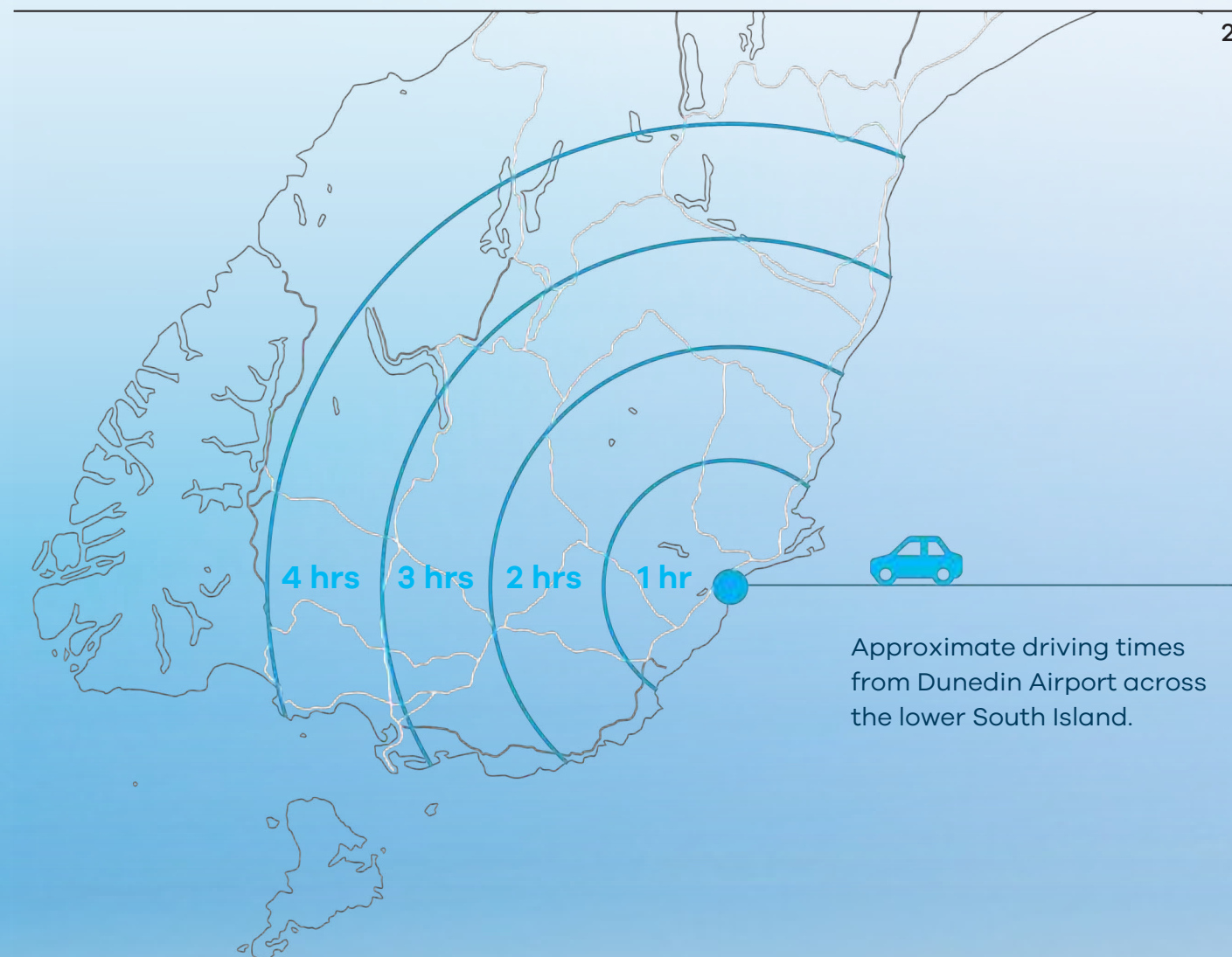
Let us keep close together,
not wide apart.

At Dunedin Airport, connection is at the heart of what we do—connection to people, to place, and to opportunity.

Located in the heart of the lower South Island, Dunedin Airport is the gateway to one of the most remarkable regions of Aotearoa New Zealand. Here, you are never far from your next adventure. From the vibrant arts, heritage, and wildlife of Dunedin to the dramatic coastlines of Waitaki and the Catlins, the lakes and mountains of Central Otago, and the world-renowned Fiordland, the lower South Island is a place of astonishing beauty and variety—all within easy reach.

Thanks to our new direct connection with the Gold Coast, Australia (3 hours 30 minutes flight time), it's easier than ever for visitors from across the Tasman to experience everything our region has to offer—and for locals to enjoy a warm-weather escape, visit loved ones, or explore new business connections.

We are proud to work in partnership with regional tourism organisations, councils, and airports through Southern Way to promote sustainable, low-impact travel and to ensure our region's extraordinary stories are shared with the world.



Chair and CEO's Welcome

3

We are delighted to present Dunedin International Airport Limited's (DIAL) annual report for the 12 months to 30 June 2025.

Chris Hopkins (left)
Chairperson

Daniel De Bono (right)
Chief Executive



Chairperson and CEO's Welcome

Tēnā koutou katoa

We are proud to present the 2025 Annual Report for Dunedin International Airport Limited. This year was a defining one for Dunedin Airport, marked by many achievements with a highlight being the airport proudly welcoming back direct international air services following a five-year hiatus. The return of scheduled international services in partnership with Jetstar Airways on the Dunedin–Gold Coast route has been a defining milestone in our Flight Plan 2050 strategy and a tangible symbol of what's possible when partners, regions, and communities unite with shared purpose.

Photo credit: Willie McBride,
Airport Emergency Services

The inaugural service on 24 June was not just a celebration of aviation; it was a reconnection of people, ideas, whānau, and opportunity across our two coasts. We were proud to host Ministers Louise Upston and James Meager, representatives from Jetstar, Gold Coast Airport, and Experience Gold Coast, and our regional partners from across the Southern Way. We've seen strong demand from the New Zealand market and are now focused on growing awareness and inbound visitation from Australia.

Operationally, we delivered one of the most significant infrastructure and renewal programmes in our recent history. Projects included the resurfacing of taxiways Alpha and Bravo, a major freshwater infrastructure upgrade, and continued work to support the long-term resilience of our airfield and terminal. We also assumed ownership of the airfield power and lighting assets from Airways New Zealand and have since begun a system-wide lifecycle upgrade. Our terminal roof top solar installation is well underway, and energy-efficient upgrades like LED lighting, HVAC optimisation and escalator replacement are already delivering measurable energy savings.

A substantial amount of work has been dedicated to the scoping, planning, and delivery of Dunedin Airport's most significant capital works phases. This current phase represents a once-in-a-generation investment in core airport infrastructure over the next two years.

This year we formally established a dedicated Sustainability and Planning Function, with this being a key step in strengthening our long-term impact and accountability. This has allowed us to progress key initiatives such as decarbonisation planning, expanded emissions accounting, and groundwork for our first annual sustainability report. We were awarded Airport Carbon Accreditation Level 3 by Airports Council International, and we are well advanced towards obtaining Level 4 certification in FY26.

Safety remains our top priority. We continued to embed and evolve our critical risk and safety systems, upgraded our aviation risk management tools, and successfully completed a SafePlus assessment which achieved the notable "Performing" rating status in leadership, worker engagement, and risk management. This is an exceptional rating for an inaugural external SafePlus assessment and is a strong endorsement of our safety culture.

We closed the year with just over 850,000 passengers through the terminal, which is 5.5% lower than last year. This is due to softened domestic travel demand and Air New Zealand's reduced fleet availability caused by the global Pratt and Whitney engine challenges. Despite these challenging market conditions, our financial performance remains solid. Operating revenue for the year ended 30 June 2025 was up 12.5% on the prior year at \$23.7 million.

We continue to maintain tight cost control, invest prudently, and unlock greater value from our non-aeronautical revenue streams. Operating surplus before taxation for the year was \$6.2 million, up 15.3% on the prior year. We are proud to have declared, and paid, a dividend to shareholders of \$2.8 million for the year. This is in addition to the \$2.4 million dividend paid in November 2024 based on FY24 financial performance.

The Board continues to operate with best-practice standards, and I want to thank them for their leadership and strategic guidance over the past year. We also acknowledge and welcome Angela Davis as our new Board intern and thank Michael Price for his valuable contributions during his internship.

Our team culture is a huge part of what makes Dunedin Airport successful. The results from this year's Staff Engagement Survey show consistently high scores across wellbeing, workplace safety, and values alignment. It's a privilege to lead a team that genuinely cares about each other, our customers, and the region we serve.

Looking ahead, we're energised by the next stage in our growth and evolution as a world-class small airport serving a world-class small city. We remain focused on enhancing customer experience, supporting a high-performing and inclusive workplace, and building a resilient, future-ready airport for generations to come.

Each step we take is grounded in our Flight Plan 2050 strategy, ensuring that today's progress aligns with our long-term vision for a resilient, connected, and future-ready airport.

Ngā mihi nui,



Daniel De Bono
Chief Executive

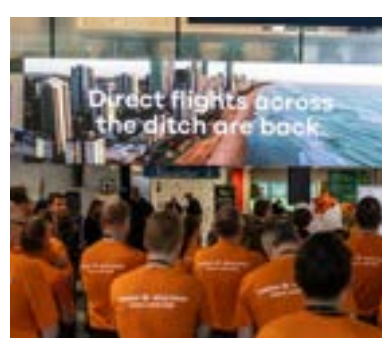


Chris Hopkins
Chairperson



Year at a Glance

Gold Coast Jetstar Route Announcement and Launch



Year at a Glance

Capacity

Down

4.8%

2024 Total Seats 1,109,974



2025 Total Seats 1,056,226



International Capacity - Included in 2025 Total Seats are 1,128 international seats (2024 -Nil)

Total Passengers

On regular scheduled services

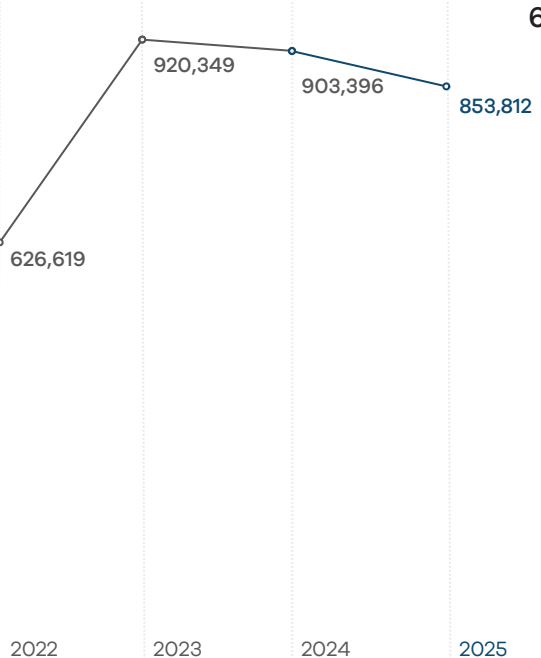
853,812



Down

5.5%

International Seats - Included in 2025 Total Passengers are 872 international passengers (2024 -Nil)



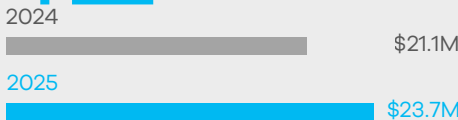
Financial Summary

This summary should be read in conjunction with the full financial statements in Section 2 or online at dunedinairport.co.nz

Operating Revenue
\$23.692M

Up

12.5%



Non Aeronautical Revenue
\$10.3M

Down

0.9%



Shareholder Funds
\$95.7M

Up

7.9%

Total Dividend Paid



\$5.1M

Operating Surplus before Taxation
\$6.2M

Up

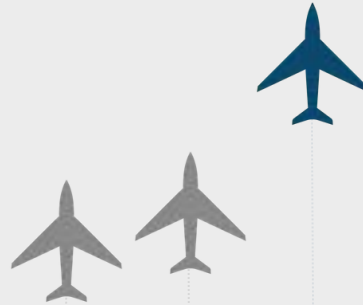
15.4%



Aeronautical Revenue
\$13.4M

Up

25.4%



2023 2024 2025

2023 \$10.5M 2024 \$10.7M 2025 \$13.4M

Busiest Month of the Year

July 2024

78,435



Executive
Leadership Team



Louis Brown
General Manager Sustainability
and Planning



Chris Cope
General Manager Finance
and Commercial



Nick Rodger
General Manager Operations
and Infrastructure



Daniel De Bono
Chief Executive



Megan Crawford
General Manager Business
Development

Our Strategy



OUR PURPOSE

To share the lower South Island with the world, connecting people, business, and communities to our taonga (treasures).



VISION-FLIGHT PLAN 2050

A sustainable, thriving gateway in the lower South Island

STRATEGIC PILLARS



OUR FOUNDATION



Safety



People



Partnerships

VALUES THAT GUIDE US



Be You



Better Together



Can Do



Make It Easy



We Care



Make It Happen



Safety

At Dunedin Airport, safety isn't just a requirement—it's our core value. Every decision we make and every initiative we undertake aims to exceed expectations and foster a culture where safety and security are second nature.

This year, we strengthened our commitment to continuous improvement with several new initiatives. One of the most impactful was the rollout of our Safety and Security Ambassadors programme.

These individuals—drawn from across the airport community—help champion positive behaviours and lead by example. Their work is supported by a demerit points system, which helps align behaviour with safety and security best practices. This approach was developed in collaboration with our Safety and Security Committee and reflects our shared goal of maintaining the highest operational standards.

We also introduced body-worn cameras for our landside customer experience team to help ensure the safety and wellbeing of both staff and the public.

In October, we delivered our annual Security Awareness Programme in partnership with Aviation Security Service (AvSec). Dunedin Airport is the only airport in New Zealand to run a community-wide security education initiative each year. The programme drew over 160 participants and received overwhelmingly positive feedback.

As part of Airport Safety Week, we hosted a fire extinguisher demonstration and a foreign object debris (FOD) walk, with strong engagement from stakeholders across the precinct.

This year we also implemented Bowtie XP, a critical risk software tool that integrates with our existing Aerosimple system, helping us identify and address potential issues before they occur.

Contractor safety also received a boost with the implementation of On Location, our digital induction and sign-in platform. This system makes it easier for contractors to manage inductions and enhances compliance across the airport site.

We were proud to complete our first Safety Plus Assessment—a national benchmarking tool approved by WorkSafe and MBIE. With strong participation and high marks across leadership, risk management, and worker engagement, the assessment confirmed our strong safety culture and gave us meaningful insights for future improvement.

As our operations evolve and our airport grows, safety remains the standard by which we measure success. We're proud of what's been achieved this year—and even more committed to building a safer, stronger future for our people and passengers.



People

People are at the heart of everything we do. Whether delivering exceptional customer experiences, ensuring safe and efficient operations, or representing our values in the community, our people are the foundation of our success.

We're proud to report that employee engagement and satisfaction remain strong. Our most recent Staff Engagement Survey confirms that our team feel connected to our purpose, supported by one another, and confident in the role they play in our shared success.

We continue to attract great talent and are committed to nurturing a workplace culture where every team member feels valued, empowered, and safe.

As a certified Living Wage Employer, we're focused on supporting the wellbeing of our people. This year, we strengthened our wellbeing programme by introducing subsidised health insurance, wellbeing days, and ongoing educational workshops aimed at promoting self-care and personal development.

Dunedin Airport is now a professional Living Future member and has begun the process of earning the Just Label—a voluntary disclosure tool that highlights an organisation's commitment to employee wellbeing, equity, and meaningful community engagement. This framework supports continuous improvement in human resources, diversity, and inclusion practices.

We constantly seek feedback from our team to understand what is working and where we can improve. Highlights from our latest engagement survey reaffirm what we already know: when we invest in our people, they invest in us.

As we look ahead to a period of exciting growth and transformation, we remain focused on nurturing a culture of collaboration, learning, and care—ensuring Dunedin Airport continues to be a great place to work, and a place we're all proud to be part of.

Our Staff Engagement Survey, which achieved an outstanding 98% response rate, showed that 81% of our team feel engaged and connected to the organisation. Other highlights include:

96%

of team members understand the airport's purpose to connect people, businesses, and communities to the taonga (treasures) of the lower South Island.

95%

believe the airport makes a meaningful contribution to society.

98%

feel supported by their team.

91%

feel they work in a safe environment and contribute to our workplace culture.

88%

say the company values resonate with them.

95%

understand how their role contributes to the airport's success.

88%

say they've learned new skills and have been able to use them.

Quickfire questions

Window or aisle?



Tea or coffee?



Cookie or chips?



Hand luggage or hold?



Fold or roll?



Headphones or chit-chat?



Airplane mode or off?



Lu Cox

Executive Assistant

What does a typical day look like in your role?

There's really no such thing as a "typical" day. Every day is about juggling shifting priorities, adapting to last-minute changes, and keeping things moving behind the scenes. No two days are the same, and that's part of what makes it exciting.

What's one thing that surprised you about working in the aviation sector?

There's a huge amount of coordination involved in keeping things running behind the scenes, and every decision—even small ones—can have a ripple effect across the airport. It's a complex and fascinating environment.

How do you keep everything running smoothly?

It's my superpower! Organisation, communication, and a good sense of humour go a long way.

What's your favourite part of working with the leadership team?

Being close to the leadership team means I get a big-picture view of what's happening, and I enjoy being a trusted support—someone they can rely on to keep things moving and make their day a bit easier.

What do you love most about working at the airport?

Has to be the people, it's great to be part of such a passionate and hard-working team.

Have you booked your Gold Coast flight yet?

Not yet, planning a trip in 2026 to get some winter sun and relax on the beach.



Partnerships

Collaboration remains foundational to Dunedin Airport's strategy to connect people, businesses, and communities across the lower South and beyond. In 2025, this approach was brought to life through several milestone initiatives, none more significant than the return of scheduled international flights to Dunedin.

In September, we proudly announced Jetstar's new direct service between Dunedin and the Gold Coast. This achievement was the culmination of years of partnership between Dunedin Airport, Jetstar, Gold Coast Airport, and regional and central government stakeholders. Our inaugural flights' celebration in June brought together dignitaries including the Minister of Tourism and Associate Minister of Transport along with representatives from Experience Gold Coast, Queensland Airports, Jetstar, and our own Southern Way partners.

This direct connection not only strengthens trans-Tasman ties but supports our strategy to grow inbound tourism and stimulate economic activity across the lower South.

Marketing efforts for the new route included close coordination with Southern Way and Enterprise Dunedin to tailor destination messaging to the Gold Coast market. A March trade event hosted in Dunedin by Experience Gold Coast and Jetstar helped further build product knowledge and launch an incentive programme to encourage Australian bookings.

In July, Southern Way will take this momentum in-market, hosting travel trade events in the Gold Coast and Brisbane. These events will showcase all nine participating Regional Tourism Organisations (RTOs), alongside Queenstown Airport, in a powerful demonstration of regional unity and international ambition.

In collaboration with Air New Zealand, our successful Southern

Way "One Trip to See It All" campaign, delivered in partnership with eight RTOs and the Southern Airports Alliance, continued to promote multi-stop, low-impact travel across the lower South. The 2024 campaign led to a 75% increase in bookings on promoted routes and a 40% increase in open-jaw itineraries compared to the prior year. A second domestic campaign is now in development with Air New Zealand for 2026.

We also continue to invest directly in our local communities through our annual Community Funding Programme. In FY25, Dunedin Airport proudly supported a diverse range of events and organisations aligned with our values of connection, care, and contribution.

Recipients included major regional events such as Otago Polyfest—a

celebration of Māori and Pasifika identity—and the Hokonui Fashion Design Awards, a national platform for emerging fashion talent.

We supported the inaugural University of Otago Women in Business Club to foster leadership and networking opportunities for students, and the College of Air and Surface Transport Nurses (COASTN) National Flight Symposium, acknowledging the critical role aeromedical teams play in our community.

In addition to these partnerships, we made donations to community-led organisations such as Bellyful Dunedin, which supports whānau with young children, and selected three staff-nominated causes: Sinclair Wetlands, The Nest Collective Dunedin Branch, and the Outram Glen Trapping Project.

These organisations reflect our team's commitment to protecting local biodiversity, supporting families, and building a thriving region. Through these partnerships, we aim to give back to the community that supports us, and to live our values every day, on the ground and in the air.

Mark Vause

Industrial Electrician

What's the most challenging part of working on airport infrastructure?

Most of the Infrastructure requires more than one area of expertise to work on, so organizing multiple contractors or crews to be working in unison to ensure airport infrastructure is restored and operational in a timely manner.

Your work takes you to all parts of the airport, including the roof. What's the view like from up there?

On a nice sunny day it's stunning, unrestricted wide views of the airport operations and the wider Taieri Plains.

What's a tool you can't live without?

A multimeter

How does safety influence your work at the airport each day?

Hugely. Safety plays a large role in the work we do and ensuring everyone can do their work as safely as possible.

What does sustainability mean to you in your day-to-day work?

By ensuring we use quality and sustainable products we can reduce waste by not having to replace items as often as some cheaper items would need to be.

How do you help support our wider sustainability goals?

Assisting in the delivery of projects like the Solar Installation on the terminal/fire station, LED upgrades to the airfield, and UPS installation into the power centre to reduce standby generator use.

What's it like working with the operations and infrastructure team?

Fantastic, a great team full of wide knowledge and skillsets, and always willing to lend a hand.

Where's your favourite spot to visit in the lower South Island?

Lake Tekapo/Mackenzie Country or Fiordland

Have you booked your Gold Coast flight yet?

Not yet, but definitely looking forward to a trip over for some warmer weather and catching up with family and friends over there.

Quickfire questions

Window or aisle?



Tea or coffee?



Cookie or chips?



Hand luggage or hold?



Fold or roll?



Headphones or chit-chat?



Airplane mode or off?





Around the Airport

Dunedin Airport continued the momentum built in 2024 with another strong year of infrastructure and operational investment, advancing efficiency, safety, and environmental performance to support future-ready, customer focused operations.

Summer saw the rehabilitation of taxiways Alpha and Bravo, using EME2, a more resilient pavement capable of supporting larger aircraft in the future. We also replaced the existing taxiway centreline and apron edge lighting with energy efficient LEDs, reducing power consumption while improving guidance for taxiing aircraft. Infrastructure installed during this project also enables future upgrades of runway edge lighting to LED. In addition, we completed an apron expansion to allow for increased ground service equipment parking and storage.

Investigation and design for the Summer 2026 rehabilitation of Runway 03/21 also progressed well. The runway was tested using a combination of high-tech methods—laser scanning, deflection measurement (Heavy Falling Weight Deflectometer), and Ground Penetrating Radar—alongside invasive testing, with over 55 cores and test pits conducted. This data enables us to optimise the design of the new pavement, placing depth and strength where it is needed to maximise the runway's service life.

During the year, Dunedin Airport completed the procurement of Airfield Power and Lighting assets from Airways. We are now responsible for the maintenance and operation of these critical airside systems, acquiring the Airfield Lighting Electrical Room (ALER), a second backup generator, and all airside approach, apron, and runway edge lighting assets.

These assets are now managed in-house (with support from ADB Safegate) by our Industrial Electrician, who has overseen a range of upgrades this year. These

include the procurement of an in-line battery UPS for the airfield lighting and tower circuits, new ICAO-compliant windsocks, and LED Precision Approach Path Indicators (PAPIs).

The team also worked hard to prepare for the resumption of international flights in June. A new escalator was commissioned in time for the launch, alongside extensive interior fit-out, IT upgrades, and security enhancements to support Border Agencies.

Construction commenced on a new facility for the Aviation Security Service (AvSec), located between the Annex and AES station. Scheduled for completion by Christmas 2025, this purpose-built, modern office will allow AvSec to consolidate its operations at the airport.

The LED lighting retrofit continued across the terminal, alongside broader energy efficiency initiatives. These included AI-driven optimisation of our building management system, installation of

connected metering for energy monitoring, and the installation of rooftop solar panels on two airport buildings.

In water infrastructure, work continued on our Water Storage project, with two 350kL stainless steel tanks and significant reticulation upgrades completed. This project remains ongoing, with pump and pump building replacements currently underway.

We continue to operate and optimise our wastewater treatment plant (WWTP), with additional pre-filtration units installed and membrane units replaced. Planning for a replacement WWTP is progressing, with physical and physiographic investigations completed and design and construction specialists engaged.

Operationally, we commissioned our Airport Operations Centre, integrating data and CCTV feeds from across airport assets. This allows for at-a-glance monitoring of the airport's operational status, improving situational awareness.

This work coincided with an upgrade to our airport radio network, bringing significantly enhanced capabilities, including messaging, geolocation, and paging via new handheld units and supporting software.

We also continued to strengthen our in-house capability for routine maintenance and operational tasks. An adaptable Avant 635i loader was added to the fleet, and we transitioned our outdoor power equipment to a battery-powered platform. A Pegasus S5-SR wide-area mowing platform was also acquired, enabling a more targeted approach to airside vegetation management.

Two large, mobile flood pumps were commissioned, providing robust protection for facilities and assets during severe flooding events, with long runtimes and unattended operation capability. Additionally, two box-body cargo trailers entered service—one equipped for Major Medical Incidents, the other for

Environmental and Spill Response.

All this equipment now has a fit-for-purpose home, with the original Maintenance Depot (dating back to 1962) undergoing extensive refurbishment. This work includes modern amenities, new workshop facilities, and office space for the maintenance team. New access and a modular steel extension provide additional landside storage and workspace, with a similar airside facility under construction to house our tractor and vegetation management equipment.

Dunedin Airport taxiway resurfacing, Photo credit: Downer





Sustainability

This year marked a significant step forward in Dunedin Airport's sustainability journey. Building on our established framework—centred on the pillars of Planet, People, and Partnerships—we increased capability, deepened our impact, and set the foundation for our next era of sustainability leadership.

For the first time, sustainability was formally embedded at the executive level with the introduction of the General Manager Sustainability and Planning role. This added capability enabled the publication of our first standalone 2025 Sustainability Report, offering a detailed view of our performance and plans. You can view the full report at dunedinairport.co.nz/corporate.

Carbon Measurement and Management

We maintained our Level 3 Airport Carbon Accreditation (ACA) in 2025 and are in the process of submitting our application for Level 4 accreditation, reflecting ongoing improvements in carbon measurement and reduction.

Independent assurance of our greenhouse gas (GHG) inventory was completed by McHugh and Shaw Limited, achieving Reasonable Assurance for Scope 1 and 2, and Limited Assurance for Scope 3 emissions.

Our emissions accounting has transitioned to the International Organisation for Standardisation (ISO) 14064-1:2018 standard, expanding on the traditional Scope 1, 2, and 3 classifications to a more detailed six-category structure. This provides greater transparency and precision in our reporting.

Dunedin Airport remains aligned with the Science Based Targets initiative (SBTi) tools, aiming for a 46.2% reduction in operational emissions by 2030 (from a 2019 baseline) and Net Zero by 2050. Our 2025 results confirm we remain on track.

We also met all carbon reporting and management requirements outlined in the Dunedin City Holdings Ltd (DCHL) Carbon Roadmap 2023 and became the sixth member of the Dunedin Zero Carbon Alliance for Dunedin, alongside other major regional organisations.

Net Zero: Achieving Net Zero means we've taken all practical steps to reduce our greenhouse gas (GHG) emissions, leaving only a residual ~10% of emissions.

This remaining amount is then balanced by human-led removals, like afforestation through approved carbon offset removals.

Freshwater and Environmental Management

Freshwater systems remained a core focus in 2025, with major progress across our potable, stormwater, and wastewater infrastructure:

- Potable water upgrades were completed to reduce leakage and increase long-term system resilience.
- Wastewater improvements included additional pre-filtration units, membrane replacements, and a new pH dosing system to improve discharge quality.
- A wastewater treatment plant renewal and resource consent process is now underway, supported by site investigations and expert design work.

In stormwater management, we enhanced our airfield system with routine and emergency fuel interceptors to protect local waterways.

We also advanced our multi-year investigation into historic ground contamination associated with legacy firefighting foams. Nine new monitoring bores were installed, and a Preliminary Site Investigation was completed to assess long-term environmental risk.

All Otago Regional Council compliance requirements were met, and our new in-house planning function has helped reduce delays and improve environmental oversight—particularly in freshwater-adjacent construction zones.

On our farm, we successfully operated our effluent collection, treatment, and irrigation system under consent, upgraded equipment, and improved mapping and monitoring tools. Our Farm Environment Plan was updated with 19 completed actions. We met 19 out of 20 Good Farming Practices in Fonterra’s annual audit The incomplete action relates to improving effluent management from our silage storage area which is currently underway.

No significant environmental incidents were recorded across any of our construction or operational activities, aside from one pre-existing ammoniacal nitrogen exceedance.

People, Community, and Partnerships

While our Planet pillar received heightened focus this year, our commitment to People and Community and Partnerships remained strong.

Highlights include:

- The introduction of subsidised health insurance and wellbeing programmes.
- Strengthened regional partnerships through Southern Way and tourism campaigns.
- Ongoing community sponsorships and funding to support local events and initiatives.

These themes are explored further in the People and Partnerships sections of this report and in more detail within our 2025 Sustainability Report.

What’s Next

In FY26, we will continue to deepen our carbon and freshwater programmes and hope to obtain ACA Level 4 accreditation. We’ll also finalise a new five-year sustainability framework, building on the success of our current model.

This next framework will further embed sustainability into airport operations—from project planning and procurement to master planning and resilience.

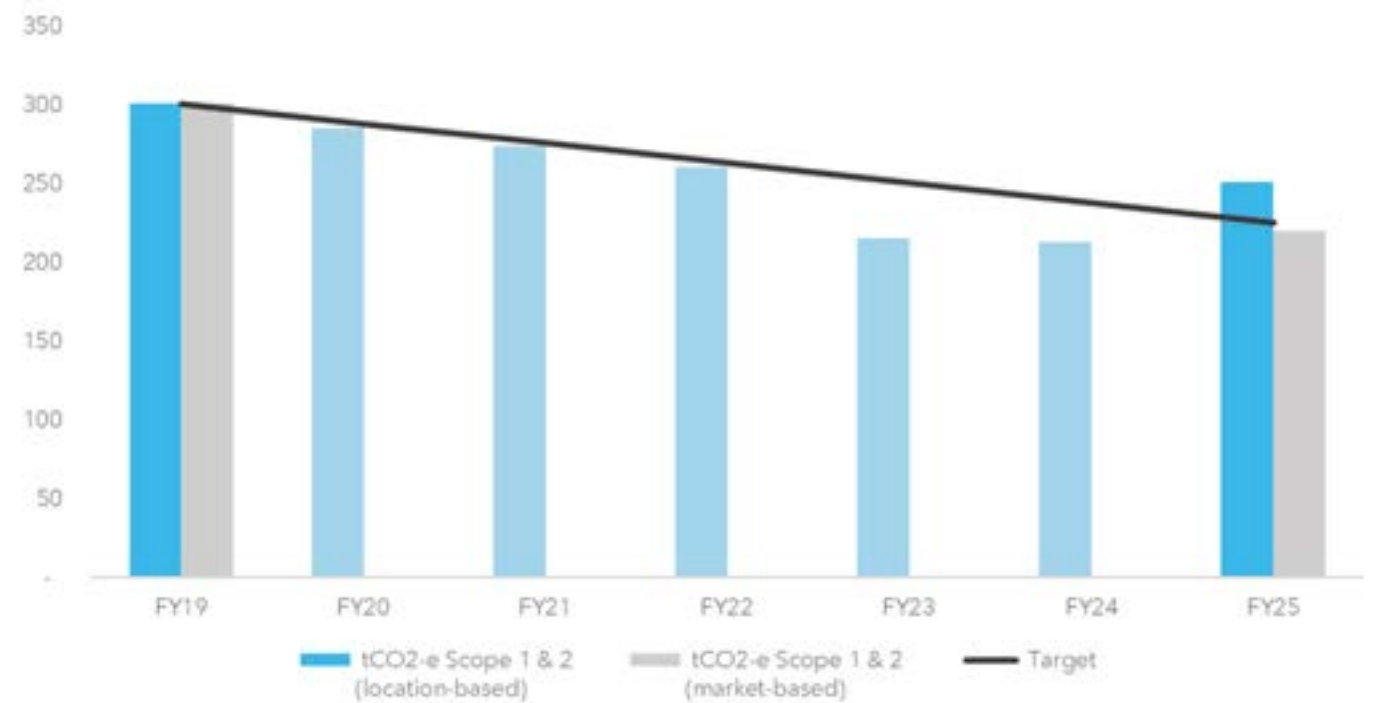
Our focus remains clear: Net Zero operations by 2030, stronger environmental stewardship, and shared regional prosperity.

Sustainability at a Glance

Carbon measurement and assurance

Emissions *	tCO2-e (metric tonnes of carbon dioxide equivalent)			Market Based Change (%) (FY19 baseline)
	FY19 (base year)	FY25 (location-based)	FY25 (market-based)	
Scope 1: Direct	109	85	85	-22%
Scope 2: Indirect energy	192	166	134	-30%
Scope 3: Other indirect emissions	26,639	22,539	22,552	-15%
Total	26,940	22,790	22,772	-15%
ACA Only	24,349	19,957	19,936	-18%
Scope 1 and 2	301	251	220	-27%

Annual performance: Net Zero** 2030 carbon reduction target
Annual Scope 1 and 2 Emissions



* Refer to the 2025 Sustainability Report for inclusions and exclusions of Scope 1,2 and 3.

** Net Zero: achieving Net Zero means we've taken all practical steps to reduce our greenhouse gas (GHG) emissions, leaving only a residual ~10% of emissions. This remaining amount is then balanced by human-led removals, like afforestation through approved carbon offset removals.

Quickfire questions

Window or Aisle?



Tea or coffee?



Cookie or chips?



Hand luggage or hold?



Fold or roll?



Headphones or chit-chat?



Airplane mode or off?



Louis Brown

General Manager Sustainability and Planning

What's one part of the airport's sustainability journey that excites you most?

Two hundred and eighty new solar panels on the terminal roof; they will make our power bills cheaper and reduce carbon emissions by around 9% per annum, around 20% of our 2030 emissions reduction goal.

What's your vision for the airport's environmental future?

Net Zero airport operations by 2030, strengthening climate resilience and regional prosperity.

How do you balance immediate operational needs with long-term environmental goals?

We need to do both in order to be successful with our sustainability strategy.

What's something sustainability related that most travellers wouldn't notice, but should?

That the airport has a huge groundsource heatpump using water from onsite bores hidden away to heat the main terminal building. World-class, heating and cooling efficiency.

What are you most looking forward to seeing completed over the next year?

Great to see the new battery bank the operations team have come up with to reduce diesel consumption by our onsite generator.

Where's your go-to place for a weekend away in the lower South?

Hollyford Valley



Customer

Our focus is always on creating an exceptional and welcoming experience for every traveller. Over the past year, we've continued to enhance the terminal environment with upgrades designed to meet the needs of today's passengers—whether they're travelling for business, leisure, or reconnecting with loved ones.

A major milestone was the launch of our Terminal Enhancement Project, which will transform key areas of the terminal to improve passenger comfort and engagement.

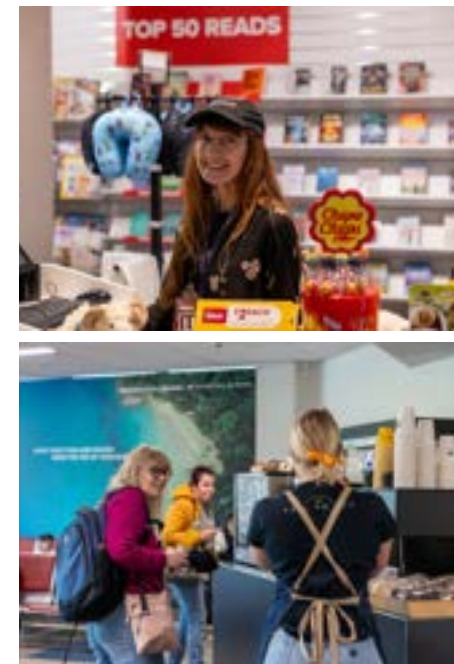
Two new food and beverage outlets will anchor this redevelopment: Provenance, a full-service à la carte restaurant and bar showcasing locally sourced flavours, and Fuel to Fly, a refreshed grab-and-go café offering quality coffee and quick bites. We've also relocated Discover Dunedin to a prominent first floor location to boost visibility and provide space for proposed common seating area updates.

Importantly, the Terminal Enhancement Project also provides an opportunity to embed cultural storytelling to reflect our region's identity and deepen travellers' sense of place. These improvements are part of a multi-year plan, with phased completion expected in FY26.

This year's reinstatement of a trans-Tasman link brought renewed energy to our international departures and arrivals areas.

We welcomed Voyage Duty Free as a new—and returning—retail partner, offering a curated selection of premium products for both arriving and departing passengers. At the departure gate, Airspresso introduced a new grab-and-go kiosk, similar to the popular offering at Gate 3. Relay also refreshed its airside store, and a new children's corner was added to keep our youngest Jetstar travellers entertained.

To showcase both our newest outbound destination and our region, we also installed three new large-format wall art pieces—featuring an Experience Gold Coast image at Gate 1 and two striking photos of the lower South Island along the international arrivals pathway.



Another key focus was creating joyful, memorable customer experiences throughout the year.

Our Christmas campaign featured a Letters to Santa giveaway, colouring-in stations, and a visit from Santa and the Airport Emergency Services (AES) firetruck during the annual Momona Playcentre visit. Seasonal promotions for Easter, Mother's Day, and Father's Day also added vibrancy to the terminal in partnership with our retailers. Lanterns for Chinese New Year in partnership with the Dunedin City Council and Dunedin Chinese Garden and Dunedin Diwali Celebration decorations added a splash of culture and festivity for customers.

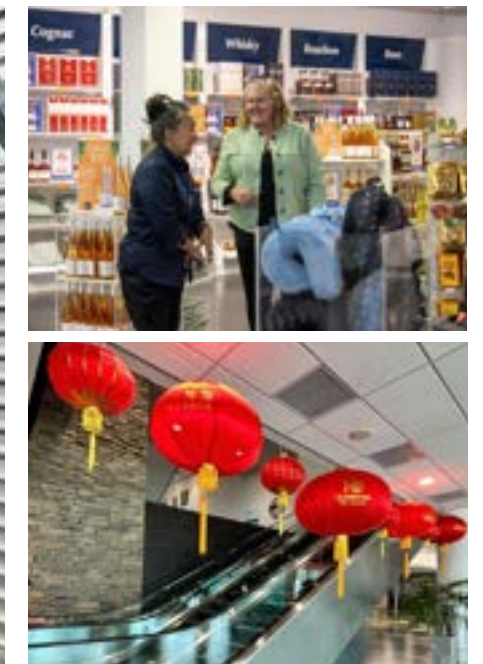
In collaboration with Tūhura Otago Museum, we hosted a LEGO® RELICS display featuring a two-metre Saturn V rocket that delighted travellers of all ages. Pop-up shops by local producers like Otago Chocolate Company and Aermeda, alongside four Artist in the Terminal exhibits, offered travellers a taste of the region's creativity.



One of the year's most talked-about moments was our "3-Minute Hug" sign, which gained viral popularity on social media and captured international media attention. Intended as a light-hearted reflection of our tongue-in-cheek brand, rather than an enforceable time limit, the sign sparked global debate over whether three minutes is enough for a farewell hug. Major outlets including the Associated Press, BBC, TVNZ's 1News, entertainment shows like The Drew Barrymore Show, and even Heathrow Airport joined the conversation.

This unexpected moment brought invaluable brand awareness to Dunedin Airport and reminded travellers of the powerful connections made possible through air travel.

As we continue to grow our services and our space, our commitment remains the same: to deliver a seamless, uplifting, and distinctly Southern experience for every traveller who walks through our doors.



Images (from top left): Refreshed airside Relay, viral "3-Minute Hug" sign, new Voyage Duty Free, new Gate 1 Airspresso kiosk, Chinese New Year display, General Manager Nick Rodger as Santa with Momona Playgroup

Section 2

Annual Financial Statements

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30 June 2025

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Statement of Service Performance

It is Dunedin Airport’s objective to be a successful business. This success is measured by setting a number of goals and objectives, identified at the start of each year. These objectives will be measurable and our performance against these objectives will be reported annually.



Strategic Goal: Safety

We exceed expectations and never compromise on safety.

Objectives	Performance Measures	Update
Strive for 'Zero harm' to anyone as a result of our operations	Nil Serious harm to our staff, airport users or contractors	ACHIEVED There were no serious harm* injuries during the 2025 financial year. *As defined in the WorkSafe Accident and Accident Notification Definitions
	Nil Runway Incursions	ACHIEVED There were no Runway Incursions during the 2025 financial year.
	Achieve FY25 DIAL Safety Plan targets	ACHIEVED All Safety Performance Measures were met for the 2025 financial year.
Actively manage wildlife hazard and risk of bird strike	Strike rate <5 strikes per 10,000 on 12-month moving average	ACHIEVED The 12-month moving average as of 30 June 2025 was 2.0*, with a low and downward Incident Rate Trend. *This information is based on the latest data available from CAA.



Strategic Goal: Sustainability

To be considered one of New Zealand’s most sustainable airports

Objectives	Performance Measures	Update
Implement DIAL’s sustainability strategy	Achieve FY25 sustainability targets	NOT ACHIEVED Dunedin Airports Sustainability Policy directs management to develop Action Plans to deliver on our priorities. As at 1 July 2024, the Action Plan for 2025 included 12 actions in total, 6 of which were carried over from the 2024 financial year. Upon review, management identified that the outstanding actions from the 2024 Action Plan, and the 2025 Actions were not aligned with the Company’s new strategic vision. Accordingly, during the 2025 financial year, a revised set of actions for the 2026 financial year have been included in the 2025 Sustainability Report.
	Achieve Airport Carbon Accreditation Level 4	NOT ACHIEVED As at 30 June 2025, the Level 4 Carbon accreditation has not been obtained. Dunedin Airport’s submission to achieve Level 4 accreditation utilising the 2025 financial year carbon data is in progress.
Implement DIAL’s Carbon and Waste Reduction Strategy	Measure and report our carbon emissions and progress towards waste reduction in the annual report	ACHIEVED During the 2025 financial year the Company has measured and reported our Scope 1, Scope 2 (market-based), and Scope 3 carbon emissions and progress towards waste reduction in our Statement of Service Performance.

Objectives	Performance Measures	Update
Implement DIAL’s Carbon and Waste Reduction Strategy (continued)	Achieve FY25 carbon and waste reduction targets	Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards. CARBON ACHIEVED Gross Operational Emissions Reduction by 2030 220 tCO2-e were the total operational emissions for Dunedin Airport (Scope 1 and 2 market-based emissions). This represents a 27.0 % reduction of Scope 1 and 2 emissions from the FY19 baseline year of 301 t-CO2-e. No annual FY25 target had been formally established. During the year, for Scope 2, we have moved from a location-based to a market-based measurement for electricity to reflect the impact of our investment in renewable energy certificates. We have re-stated our baseline to apply the market-base methodology consistently. Accordingly, our Scope 1 and 2 baseline increased from the original 277 tCO2-e to 301 tCO2-e. This was also because Dunedin Airport purchased airfield lighting assets from Airways New Zealand.

Objectives	Performance Measures	Update
Implement DIAL’s Carbon and Waste Reduction Strategy (continued)	Achieve FY25 carbon and waste reduction targets (continued)	ACHIEVED
		Establish Scope 3 Target We had committed to setting a Scope 3 reduction target by 2025. This work has been completed.
		WASTE ACHIEVED Of a total waste volume of 125.4 tonnes, 29.6 tonnes was diverted from landfill this year, reflecting a 23.6% diversion rate.

Our infrastructure is fit for purpose now and for the future.

Objectives	Performance Measures	Update
Maintain our assets to ensure no delays caused by DIAL to scheduled passenger operations	Zero on-time performance delays to regular passenger transport operations due to airport infrastructure	NOT ACHIEVED Air New Zealand reported five delays to regular passenger transport operations due to Dunedin Airport owned infrastructure. Four due to airbridge malfunctions and one due to a PA system issue after a power cut. Jetstar reported two delays due to baggage belt issues.
Ensure we know our assets – Asset Management Plans are in place	All assets have been condition-rated	NOT ACHIEVED Work is underway on this undertaking, with the engagement of an additional resource dedicated to Asset Management and condition rating.
	Core three waters infrastructure renewals on programme	ACHIEVED The Water Storage project is in delivery phase, and on-track against programme. The Wastewater Treatment Plant project is in investigation and design phase, and on-track against programme.
Develop a visionary airport master plan that has planned for future technologies and opportunities that may arise	Completion of Strategic Airport Development Plan	NOT ACHIEVED Consultant engaged and underway with parallel Masterplan and Strategic Airport Development Plan development, targeting completion end of calendar year 2025.



Strategic Goal: Route Development

Nurture, expand, and grow the network.

Objectives	Performance Measures	Update
Optimise and sustainably grow passenger volumes	New international air route	ACHIEVED In June 2025 we welcomed the inaugural Jetstar service on our new international service between Dunedin and the Gold Coast.
	New domestic air route	NOT ACHIEVED No new domestic air route was added to our network.
	Year-on-year improvement in passenger volumes, with aggregated seat load factors in excess of 80%	NOT ACHIEVED On the back of a 4.8% decrease in capacity, passenger numbers decreased by 5.5% from 903,000 in the prior year, to 854,000 in the 2025 financial year. The aggregated load factor across all services was 80.8%.
Develop future network options for regional routes in the lower south utilising smaller aircraft	New regional air route	NOT ACHIEVED No new regional air route was added to our network.
Optimise non-aero revenue derived from passenger traffic	Execute our access strategy (ground transport)	NOT ACHIEVED While significant progress has been made on a proposed layout for our passenger and ground transport offer, execution remains on hold pending the finalisation of the Strategic Airport Development Plan.



Strategic Goal: Commercial

Leverage our commercial opportunities to provide a benefit to our business and the wider community.

Objectives	Performance Measures	Update
Increase commercial revenue	Year-on-year increase in net Passenger Spend Rate **	ACHIEVED Passenger Spend Rate increased by \$0.02 (0.1%) during the 2025 financial year to \$26.84.
	Year-on- year increase in net Income per Passenger **	ACHIEVED Income per Passenger increased by \$0.13 (1.9%) during the 2025 financial year to \$6.73.
	Commercial-related revenue represents >50% of total revenue	NOT ACHIEVED For the year ended 30 June 2025, commercial related revenue represents 44.2% of total revenue.

** In the Statement of Intent for the year ending 30 June 2025 this measure was also erroneously included in the Route Development Strategic Goal. The duplication has been removed in this Statement of Service Performance.



Strategic Goal: Partnerships

Develop and strengthen our partnerships and deliver a world class customer experience.

Objectives	Performance Measures	Update
Implement initiatives to improve the performance of our relationships.	Conduct stakeholder engagement surveys once a year with our strategic partners to review the strength of the relationships	ACHIEVED A stakeholder engagement survey was completed during the 2025 financial year.
	Continue and build on our relationship with local iwi	ACHIEVED Dunedin Airport has deepened its engagement with mana whenua over the past year, with a values-led partnership now in place. Aukaha, on behalf of Te Rūnanga o Ōtākou and four other Rūnanga, are actively involved in several strategic projects – including co-design work on the landside access strategy, development of a cultural narrative for the airport, our sustainability framework, and the Wastewater Treatment Plant upgrade. The CEO and executive team maintain regular engagement with the Aukaha team to support this partnership.
Provide sponsorship to community events and organisations.	Invest up to a total of \$30,000 in FY25 in sponsorship or donations	NOT ACHIEVED For the year ended 30 June 2025, \$23,600 was invested in sponsorship or donations.
	Work with DCHL on aligning the sponsorship policy where practicable with the DCC's strategic framework	ACHIEVED There was no divergence between Dunedin Airports sponsorship policy and the DCC's strategic framework.
Provide a high standard of service to our customers	Achieve "good" or "very good" across all areas of our Customer Satisfaction Survey	ACHIEVED "Good" or "very good" was achieved across all areas of our Customer Satisfaction Surveys.



Strategic Goal: People

A great place to work with a high-performing team that understands our goals and the role they play.

Objectives	Performance Measures	Update
Support the wellbeing of our people	Wellbeing programme maintained throughout the year	ACHIEVED The Staff Engagement Survey advised 88% of the team members felt Dunedin Airport takes employee health and well-being into account consistently.
Ensure that our people are engaged with the company's Vision, Purpose, and Values	Average of >75% staff satisfaction result on employee surveys completed during the year	ACHIEVED The Staff Engagement Survey resulted in an overall 81% engagement level for Dunedin Airport.

TREND STATEMENT

For the year-ended 30 June

	2025	2024	2023	2022	2021
	\$000	\$000	\$000	\$000	\$000
Revenue					
Operating Revenue:					
Aeronautical	13,433	10,716	10,547	5,630	6,359
Percentage of Total Revenue	55.8%	50.5%	51.1%	42.6%	43.5%
Non-aeronautical	10,259	10,350	9,858	7,739	8,216
Percentage of Total Revenue	42.6%	48.8%	47.7%	58.5%	56.3%
Interest income	94	133	99	12	1
Dividend income	145	128	57	47	25
(Loss)/Gain on sale of assets	(258)	(34)	(1)	(5)	-
Gain/(Loss) on investments	413	(76)	88	(201)	3
Total revenue	24,086	21,217	20,648	13,222	14,603
Percentage movement from prior year	13.5%	2.8%	56.2%	(9.5%)	(2.8%)
Total expenditure	17,914	15,867	14,721	12,474	11,615
Percentage movement from prior year	12.9%	7.8%	18.0%	7.4%	(8.5%)
Surplus before tax	6,172	5,350	5,927	748	2,988
Percentage movement from prior year	15.4%	(9.7%)	692.4%	(75.0%)	27.6%
Shareholders' equity	95,655	88,685	85,431	82,097	71,457
Comprehensive Income as percentage of Shareholders' equity	12.7%	6.5%	5.1%	13.7%	3.2%
Dividends paid	5,136	2,500	1,023	624	-
Dividend rate cents per share	58.36	28.41	11.63	7.1	-
Capital expenditure	14,958	3,920	4,660	893	918
Net operating cashflow	8,163	7,136	9,263	3,827	5,810
Net asset backing per share	\$10.87	\$10.08	\$9.70	\$9.33	\$8.12
Equity ratio	67.0%	71.7%	74.6%	72.0%	69.6%

STATEMENT OF COMPREHENSIVE INCOME

For the year-ended 30 June

	Notes	2025	2024
		\$000	\$000
Operating revenue	4	23,692	21,066
Interest received		94	133
Dividend received		145	128
Gain/(loss) on investment		413	(76)
(Loss)/gain on sale of property, plant & equipment		(258)	(34)
Total revenue		24,086	21,217
Directors fees		127	137
Finance costs – interest expense		589	529
Depreciation	3	4,868	4,480
Loss on revaluation of infrastructure assets		37	-
Wages and salaries		4,459	3,850
Other operating expenses		7,834	6,871
Total expenses		17,914	15,867
Operating surplus before income tax		6,172	5,350
Income tax expense		1,570	1,519
Disestablishment of tax depreciation on buildings		-	4,255
Total income tax expense	5	1,570	5,774
Operating (deficit)/surplus after income tax		4,602	(424)
Other comprehensive income			
Items that may be subsequently reclassified to profit and loss:			
Cash flow hedges (loss)/gain taken to hedge reserve		(193)	(160)
Income tax on these items including prior period adjustments		54	45
Items that will not be subsequently reclassified to profit and loss:			
Gain on revaluation of property, plant and equipment		10,630	7,951
Income tax on these items including prior period adjustments		(2,987)	(1,658)
Total comprehensive income		12,106	5,754

STATEMENT OF CHANGES IN EQUITY

For the year-ended 30 June

	Notes	2025	2024
		\$000	\$000
Equity at the beginning of the year		88,685	85,431
Comprehensive income		12,106	5,754
Transactions with owners			
- Dividend paid		(5,136)	(2,500)
Closing equity		95,655	88,685

This statement is to be read in conjunction with the notes on pages 34 to 49

BALANCE SHEET

As at 30 June

	Notes	2025	2024
		\$000	\$000
Shareholders' equity			
Share capital	6	8,800	8,800
Hedge reserve	7a	(51)	88
Revaluation reserve	7b	62,503	55,046
Retained earnings	8	24,403	24,751
		95,655	88,685
Current liabilities			
Trade & other payables	9	4,723	2,105
Other liabilities		33	35
Tax payable	5a	783	882
Employee entitlements		632	461
Hedge derivatives	15a	71	-
		6,242	3,484
Non-current liabilities			
Term loans	11	17,750	10,500
Deferred taxation	5b	23,251	21,073
		41,001	31,573
Total equity & liabilities		142,898	123,742
Represented by:			
Current assets			
Trade & other receivables	12	2,147	1,851
Prepayments		5	17
Cash & cash equivalents	10	1,534	3,789
Stock on hand	14	128	26
Contract assets	13	158	-
		3,972	5,683
Non-current assets			
Property, plant & equipment	3	137,314	117,077
Contract assets	13	315	-
Investments	16	1,137	724
Deferred taxation	5b	160	136
Hedge derivatives	15a	-	122
		138,926	118,059
Total assets		142,898	123,742

Authorised for and on behalf of the directors.



C Hopkins
Chairperson
30 September 2025



C Taylor
Deputy Chairperson
30 September 2025

This statement is to be read in conjunction with the notes on pages 34 to 49

STATEMENT OF CASHFLOWS

For the year-ended 30 June

	Notes	2025	2024
		\$'000	\$'000
Cash flow from operating activities			
Cash was provided from:			
Receipts from customers		23,540	20,888
Interest received		94	133
Dividend received		145	128
Cash was applied to:			
Payments to suppliers		8,288	6,740
Payments to employees		4,292	3,724
Interest paid		589	529
Taxation paid		2,447	3,020
Net cash flows from operating activities		8,163	7,136
Cash flows from investing activities			
Cash was provided from:			
Sale of property, plant and equipment		-	95
Cash was applied to:			
Purchase of property, plant and equipment		12,533	4,165
Net cash flows from investing activities		(12,533)	(4,070)
Cash flows from financing activities			
Cash was provided from:			
Loan drawdown		9,000	1,500
Cash was applied to:			
Loan repayment		1,750	-
Dividends paid		5,135	2,500
Net cash flows from financing activities		2,115	(1,000)
Net increase/(decrease) in cash held		(2,255)	2,066
Plus opening cash brought forward		3,789	1,723
Cash & cash equivalents held 30 June	10	1,534	3,789

This statement is to be read in conjunction with the notes on pages 34 to 49

NOTES TO FINANCIAL STATEMENTS

For the year-ended 30 June 2025

1. REPORTING ENTITY

The financial statements presented here are for the reporting entity Dunedin International Airport Limited (the Company).

The Company was established under the Airport Authorities Act 1966 and incorporated in New Zealand under the Companies Act 1993. The Company is a Council Controlled Trading Organisation as defined in the Local Government Act 2002. The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002.

These financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Company operates. The financial statements are rounded to the nearest thousand (\$'000).

Revenue, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except for trade receivables and trade payables which are recognised inclusive of GST.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Under the Accounting Standards Framework, the Company is eligible to apply Tier 2 For-profit Accounting Standards (New Zealand equivalents to International Financial Reporting Standards – Reduced Disclosure Regime ('NZ IFRS RDR')) on the basis that it does not have public accountability and is not a large for-profit public sector entity. Therefore, these financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and comply with NZ IFRS RDR.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments and certain items of property, plant and equipment.

The accounting policies are set out in the individual notes below and have been applied consistently to all periods in these financial statements.

New Standards, Interpretations and Amendments Adopted by the Company

Dunedin International Airport Limited has applied the following standards and amendments for the first time in the financial statements for the period commencing 1 July 2024:

- o Amendments to NZ FRS 44 – New Zealand Additional Disclosures
 - o Clarifies the disclosure requirements for audit fees.
- o Amendments to NZ IAS 1 – Classification of Liabilities as Current or Non-current
 - o Clarifies the criteria for classifying liabilities, particularly in relation to covenants and rights to defer settlement.

The amendments above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3. PROPERTY, PLANT & EQUIPMENT

Property, Plant and Equipment are those assets held by the Company for the purpose of carrying on its business activities on an ongoing basis.

Land, buildings, runway, apron, and taxiways are stated in the balance sheet at their revalued amounts, being the fair value at the date of revaluation, less any accumulated depreciation and subsequent impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the balance sheet date.

Any revaluation increase is recognised in other comprehensive income and accumulated in the Revaluation Reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation is charged to profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Plant and equipment, office equipment and motor vehicles are stated at cost less any subsequent accumulated depreciation and any accumulated impairment losses.

Self-constructed assets include the direct cost of construction including borrowing costs to the extent that they relate to bringing the Property, Plant and Equipment to the location and condition for their intended service.

Depreciation is charged so as to write off the cost of assets, other than land and capital work in progress. Rates used have been calculated to allocate the asset’s cost less estimated residual value over their estimated remaining useful lives. Depreciation of capital work in progress commences when the assets are ready for their intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation rates and methods used are as follows:

	Rate	Method
Land and land improvements	0% - 12.5%	DV & SL
Runway, apron and taxiway	0% - 13.9%	DV & SL
Buildings	1% - 40%	DV & SL
Plant & Equipment	2% - 67%	DV & SL
Motor Vehicles	7% - 25%	DV & SL

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year the item is derecognised.

(a) Land, airside pavements, roading, and dairy farm plant and equipment were revalued at 30 June 2024 by independent registered valuers, CBRE Limited and WSP New Zealand Limited. The total fair value of these assets at 30 June 2024, the effective date of the revaluation, was **\$52,257,300**.

Land was valued by reference to market sales, market comparison and investment valuation. The specialised assets being runway, taxiways, aprons and infrastructure assets were valued using the Optimised Depreciated Replacement Cost (O.D.R.C.) methodology.

Buildings were revalued at 31 May 2025 by independent registered valuers, CBRE Limited and WSP New Zealand Limited.

The total fair value of these assets at 31 May 2025, the effective date of the revaluation, was **\$66,238,051**. Buildings were valued by using the Optimised Depreciated Replacement Cost (O.D.R.C.) methodology.

(b) If revalued assets were stated on the historical cost basis, the carrying value of these classes would be \$30,515,400.

This statement is to be read in conjunction with the notes on pages 34 to 49



(a) 2025	Land and Land Improvements	Land and Improvements Subject to Lease	Runway, Apron, Taxiway	Buildings	Buildings Subject to Lease	Plant & Equipment	Dairy Farm Plant and Equipment	Office Equipment	Motor Vehicles	WIP	Total
Cost or Valuation	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Balance at beginning of period	21,583	1,066	29,004	45,608	15,488	8,623	621	663	3,153	1,159	126,968
Purchases	66	-	214	319	-	591	4	273	167	13,324	14,958
Transfers	-	-	17	646	99	2,789	-	65	96	(3,712)	-
Revaluations	-	-	-	3,497	1,180	-	-	-	-	-	4,677
Reclassifications	(1)		(1)	6	(7)	(3)	3				(3)
Disposals	-	-	(66)	(169)	(53)	(3)	(2)	(29)	-	(188)	(510)
Balance at end of period	21,648	1,066	29,168	49,907	16,707	11,997	626	972	3,416	10,583	146,090
Accumulated Depreciation											
Balance at beginning of period	13	-	6	2,992	1,169	4,764	-	432	515	-	9,891
Depreciation	134	-	1,330	1,502	535	932	60	125	250	-	4,868
Revaluations	-	-	-	(4,303)	(1,612)	-	-	-	-	-	(5,915)
Reclassifications	-	-	-	30	(28)	(6)	-	1	-	-	(4)
Disposals	-	-	(3)	(25)	(8)	-	-	(28)	-	-	(64)
	146	-	1,333	196	56	5,690	60	530	765	-	8,776
Balance at end of period	21,502	1,066	27,835	49,711	16,651	6,307	566	442	2,651	10,583	137,314

(b) 2024	Land and Land Improvements	Land and Improvements Subject to Lease	Runway, Apron, Taxiway	Buildings	Buildings Subject to Lease	Plant & Equipment	Dairy Farm Plant and Equipment	Office Equipment	Motor Vehicles	WIP	Total
Cost or Valuation	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Balance at beginning of period	19,192	878	26,052	43,346	14,981	7,468	705	473	1,843	3,533	118,471
Purchases	(425)	-	469	425	2	306	7	55	237	2,844	3,920
Transfers	430	-	39	1,859	621	840	-	138	1,206	(5,133)	-
Revaluations	2,386	188	2,444	-	-	24	(89)	-	-	-	4,953
Reclassifications	-	-	-	83	(83)	2	(2)	-	-	-	-
Disposals	-	-	-	(105)	(33)	(17)	-	(3)	(133)	(85)	(376)
Balance at end of period	21,583	1,066	29,004	45,608	15,488	8,623	621	663	3,153	1,159	126,968
Accumulated Depreciation											
Balance at beginning of period	147	-	1,320	1,505	594	4,135	63	384	423	-	8,571
Depreciation	132	-	1,278	1,507	581	661	61	51	209	-	4,480
Revaluations	(266)	-	(2,592)	-	-	(16)	(124)	-	-	-	(2,998)
Reclassifications	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(20)	(6)	(16)	-	(3)	(117)	-	(162)
	13	-	6	2,992	1,169	4,764	-	432	515	-	9,891
Balance at end of period	21,570	1,066	28,998	42,616	14,319	3,859	621	231	2,638	1,159	117,077

4. OPERATING REVENUE

The Company recognises revenue from the following major sources:

- o Landing Charges and Departure Fees
- o Car Parking
- o Fuel and Non-Fuel Sales
- o Milk Sales
- o Operating Lease Rental Revenue

Landing Charges and Departure Fees:

Landing charges are charged on a per passenger or airplane weight basis for landing and disembarking the airport. Departure fees are charged on a per passenger basis. The charges cover runway costs, airport services and other miscellaneous services that the Company is required to provide while a plane is on the ground under civil aviation rules. Revenue is recognised net of any rebates paid to airlines under incentive agreements. The revenue earned is recognised over-time due to the counterparty simultaneously receiving the benefit as the Company provides the services.

Revenue is recognised on a constrained basis where there is uncertainty over whether all performance obligations will be met. As at balance date, if it is not considered highly probable that the full contractual revenue will be retained, revenue will be recognised only to the extent that reversal is not considered probable.

Car Parking:

Revenue from car parking is earned by charging customers a fee for the use of the airport carpark. The fee is based on a tiered system where the charge per day varies depending on the length of stay. The revenue earned meets the criteria to be recognised over-time as the customer simultaneously receives the benefit of using the carpark as the service is provided.

Fuel and Non-Fuel Sales:

Revenue from fuel and non-fuel sales is earned through petrol & other miscellaneous sales (net of any discounts) from the petrol station owned by the Company. Revenue is recognised at the point in time control transfers to the customer, being when the customer pays for the fuel purchased.

Milk Sales:

The Company own two dairy farms which sells milk to Fonterra. Revenue is based on the farm gate milk price at the time of sale applied to the quantity of milk supplied. Revenue is recognised at the point in time in which control of the product passes to Fonterra, being when the milk is loaded into the tanker.

Operating Lease Rental:

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging a lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

	2025 \$000	2024 \$000
Revenue from Contracts with Customers:		
Over Time:		
Landing Charges and Departure Fees	13,444	10,715
Car Park	3,729	3,745
Point in time:		
Fuel and Non-Fuel Sales	918	1,038
Milk Sales	1,461	1,114
Total Revenue from Contracts with Customers	19,552	16,612
Other Income:		
Operating Lease Rental (including overhead recoveries)	4,086	4,029
Other Revenue	54	425
Total Operating Revenue	23,692	21,066

5. TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

a) Income tax

Operating surplus/(deficit) before income tax	6,172	5,350
Taxation @ 28%	1,728	1,499

Plus / (Less) the tax effect of differences

Expenses not deductible	6	2
Gain/(loss) on investments	(116)	21
Disestablishment of Tax Depreciation on Buildings	18	4,255
Prior period adjustment	(66)	(3)

Income tax expense/(credit)	1,570	5,774
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Effective tax rate	25.4%	28.4%
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Represented by		
Current tax provision	2,349	2,188
Deferred tax provision	(779)	3,586

Income tax expense/(credit)	1,570	5,774
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b) Provision for Tax

Balance at beginning of year	(882)	(1,712)
Current tax provision	(2,437)	(2,183)
Terminal tax payment/(refund)	-	(64)
Provisional tax paid	2,447	3,082
Prior period adjustment	89	(5)

Balance at 30 June	(783)	(882)
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c) Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

	Opening	Charged	Charged	Prior Period	Closing Balance Sheet		
	Balance	to Equity	to Income	Adjustment	Assets	Liabilities	Net
2025 (\$'000)							
Property, plant and equipment	(21,033)	(2,987)	779	(9)	-	(23,249)	(23,249)
Employee benefits	93	-	60	(13)	140	-	140
Provisions	42	-	(41)	(1)	-	-	-
Revaluations of interest rate swaps	(34)	54	-	-	20	-	20
Prepayments	(5)	-	3	-	-	(2)	(2)
Balance at 30 June	(20,937)	(2,933)	801	(23)	160	(23,251)	(23,091)
	Opening	Charged	Charged	Prior Period	Closing Balance Sheet		
	Balance	to Equity	to Income	Adjustment	Assets	Liabilities	Net
2024 (\$'000)							
Property, plant and equipment	(15,790)	(1,658)	(3,592)	8	-	(21,032)	(21,032)
Employee benefits	93	-	1	(2)	92	-	92
Provisions	58	-	(18)	2	42	-	42
Revaluations of interest rate swaps	(79)	45	-	-	-	(34)	(34)
Prepayments	(20)	-	15	-	-	(5)	(5)
Balance at 30 June	(15,736)	(1,613)	(3,594)	8	134	(21,071)	(20,937)

On 28 March 2024, the Taxation (Annual Rates for 2023-24, Multinational Tax, and Remedial Matters) Act passed into law. The Act removed depreciation deductions for tax purposes for commercial long-life buildings with an estimated useful life of 50 years or more. Application of the change in tax law was required to be reflected in the Company's 30 June 2024 tax balances as the legislation was enacted prior to 30 June 2024. The effect of this change was to recognise an additional deferred tax liability of \$4.255m with the change impacting tax expense in the 30 June 2024 year.

6. EQUITY – SHARE CAPITAL

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Issued Capital

8,800,000 (2024: 8,800,000) ordinary authorised and issued shares.

All shares have equal voting rights and share equally in dividends and any surplus on winding up. There are no par values for these shares.

7. RESERVES

a) Hedge Reserve

	2025 \$'000	2024 \$'000
Balance at beginning of year	88	203
(loss)/gain Net movement in deferred tax arising on hedges	(193)	(160)
	54	45

Balance at 30 June	(51)	88
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The hedge reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments relating to interest payments that have not yet occurred.

b) Revaluation Reserve

Balance at beginning of year	55,046	48,812
Revaluations included in comprehensive income	10,630	7,951
Net movement in deferred tax arising on revaluations	(2,987)	(1,658)
Transfer to Retained Earnings on disposal of property, plant and equipment	(186)	(59)

Balance at 30 June	62,503	55,046
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The revaluation reserve arises on the revaluation of land, buildings, airside pavements and certain plant and equipment. Where revalued assets are sold or disposed of, the portion of the properties revaluation reserve that relates to that asset, and is effectively realised, is transferred directly to retained earnings.

8. RETAINED EARNINGS

Balance at beginning of year	24,751	27,616
Operating (deficit)/surplus after income tax	4,602	(424)
Dividends paid	(5,136)	(2,500)
Transfer from Revaluation Reserve on disposal of property, plant and equipment	186	59

Balance at 30 June	24,403	24,751
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9. TRADE & OTHER PAYABLES

Trade payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. Trade payables are unsecured and are usually paid within 30 days of recognition.

Trade payables	3,759	1,234
Accruals	964	719
GST Payable	-	152

Balance at 30 June	4,723	2,105
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10. CASH

In the statement of cashflows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Cash floats	6	6
Westpac cheque account	1,528	3,783

Balance at 30 June	1,534	3,789
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The carrying amount of cash assets approximates their fair value.

11. TERM LOANS

Term loans are initially recorded at fair value net of directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Finance charges, premiums payable on settlement or redemption and direct costs are accounted for on an accrual basis to profit or loss using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

	2025 \$000	2024 \$000
Multi option credit facility	17,750	10,500
Balance at 30 June	17,750	10,500
Classified as:		
Current liability	-	-
Non-current liability	17,750	10,500
Balance at 30 June	17,750	10,500

(a) Westpac has provided a multi option credit line (MOCL) facility of \$22,500,000 with a maturity date of 30 November 2026.

Interest is payable on the drawn down balance at BKBM plus a 1.30% margin (to the extent the Company does not have an interest rate swap – see Note 15).

The Westpac Banking Corporation holds as security for the advances a first mortgage over the property of the Company and a negative pledge over all other assets. The Company uses interest rate swaps to manage its exposure to interest rate movements. These are detailed in Note 15.

(b) Financial banking covenants relating to the facility are:

Equity Ratio:

Total shareholders' funds / total assets > 40%.

Earnings Ratio:

Earnings (net profit before funding costs, income tax, depreciation, extraordinary for the relevant financial year but after any payments and other benefits to directors and Shareholders) > 1.75 times funding costs.

Reconciliation to Cashflows from Financing Activities

Opening Balance	10,500	9,000
Net loans drawdown/(repayment)	7,250	1,500
Movement in fair value	-	-
Closing Balance	17,750	10,500

12. TRADE & OTHER RECEIVABLES

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for expected credit losses. The Company 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 given default and the exposure at default.

The expected credit losses on trade and other receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Payment terms are typically the 20th day of the month following invoice date.

	2025 \$000	2024 \$000
Trade Receivables	1,733	1,982
Provision for Expected Credit Losses	-	(131)
GST Receivable	414	-
Balance at 30 June	2,147	1,851

As at balance date, an assessment was undertaken on trade debtors to assess customers' ability to meet repayments including a high-level assessment on the ability to trade in the future. As a result of this assessment, the Company reduced the provision for expected credit losses to **\$Nil** (2024: \$131,000).

13. CONTRACT ASSETS

Costs incurred to fulfil a customer contract are recognised as an asset when they relate directly to a specific contract, generate resources expected to be used to satisfy performance obligations in the future, and are expected to be recovered. Such costs are amortised on a systematic basis consistent with the pattern of transfer of goods or services to the customer and are assessed annually for impairment.

International services re-establishment costs	473	-
Balance at 30 June	473	-
Classified as:		
Current asset	158	-
Non-current asset	315	-
Balance at 30 June	473	-

As at 30 June 2025, the Company has recognised a contract asset of \$472,900 (2024: \$NIL) representing establishment costs recharged by the NZ Ministry for Primary Industries and NZ Customs in connection with the recommencement of international flight services. These costs have been capitalised in accordance with NZ IFRS 15 as costs to fulfil a contract and are being amortised over the estimated minimum 3-year contract term.

The asset is reviewed annually for impairment.

14. STOCK ON HAND

Stock on hand represents:

- o Petrol stock for the Momona Garage - valued at the lower of cost (using the FIFO method) and net realisable value.
- o Replacement parts stock for airfield ground lighting assets - valued at the lower of cost (using the FIFO method) and net realisable value.

Any write-down from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

	2025	2024
	\$000	\$000
Opening Balance	26	42
Purchases	962	922
Cost of Sales (Included within Other Operating Expenditure)	(860)	(938)
Closing Balance	128	26

15. FINANCIAL RISK MANAGEMENT

a) Interest Rate Risk

The Company's activities expose it primarily to the financial risks of changes in interest rates resulting in variation of cash flows on floating rate debt. The Company uses interest rate swaps to manage its exposure to interest rate movements on its multi option facility borrowings by swapping a proportion of those borrowings from floating rates to fixed rates. These interest rate swap contracts have been designated as cash flow hedges.

The use of financial derivatives of the Company is governed by the interest rate hedge accounting policy approved by the Board of Directors. The policies provide written principles on the use of financial derivatives.

Derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition derivative financial instruments are remeasured to fair value. Fair value is derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the Income Statement. For a cash flow hedge amounts deferred in equity are recognised in the Income Statement in the same period in which the hedged item affects net profit or loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Income Statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Income Statement for the period.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in profit or loss.

	2025	2024
	\$000	\$000
Interest rate swaps		
- maturing less than 1 year	(71)	-
- maturing 1 to 5 years	-	122
Balance at 30 June	(71)	122

b) Categories of Financial Assets and Financial Liabilities

Financial Assets at amortised cost:		
Trade & other receivables	2,147	1,851
Cash & Cash Equivalents	1,534	3,789
Financial Assets at fair value through profit or loss:		
Investments	1,137	724
Financial Assets at fair value through other comprehensive income:		
Derivative Financial Instruments in Hedge Accounting Relationships	(71)	122
Financial Liabilities at Amortised Cost:		
Term Loans	17,750	10,500
Trade & Other payables (excluding GST)	4,723	1,953

Management consider all financial assets and financial liabilities carrying values to closely approximate fair value.

16. INVESTMENTS

Investments in equity securities are recognised as financial assets at fair value through profit or loss. Fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Any resultant gains or losses are recognised in profit or loss.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

	2025	2024
	\$000	\$000
Non-current investments		
Shares at market value in farmer cooperative companies involved with dairy farm companies	1,137	724

Of this sum **\$1,100,000** (2024: \$688,000) is represented by shares in Fonterra Co-operative Group. These shares are required to be held by the Company based on production and can only be realised when production reduces, or the Company ceases dairying operations.

17. CONTINGENT LIABILITIES

There were no contingent liabilities outstanding at 30 June 2025 (2024: \$NIL).

18. CAPITAL COMMITMENTS

At balance date, the Company had entered into contracts for capital expenditure totalling \$3,697,000 (2024: \$NIL) which have not been recognised as liabilities in the financial statements.

These commitments relate primarily to the following major projects:

Project Description	Committed Amount (\$000)	Spend to 30 June 2025 (\$000)	Remaining Commitment (\$000)
Water storage and reticulation upgrade	\$3,400	(\$2,860)	\$540
Aviation Security Service (AvSec) Facility	\$3,005	(\$620)	\$2,385
Rooftop solar photovoltaic arrays	\$463	(\$324)	\$139
Runway 03/21 rehabilitation design	\$670	(\$37)	\$633
Total Commitments	\$7,538	(\$3,841)	\$3,697

These commitments will be funded through a combination of operating cash flows and existing financing facilities.

Spend to date on the projects identified is included in the Work in Progress component of Property, Plant and Equipment.

19. RELATED PARTY TRANSACTIONS

The shareholders of the Company are The Crown and Dunedin City Holdings Limited, which is wholly owned by the Dunedin City Council. Each owns 50%.

- (a) The Company undertakes many transactions with State Owned Enterprises, Government Departments and Dunedin City Council Controlled enterprises.

Businesses which have common ownership, and which provided services/supplies to the Company during the year were:

- Dunedin Venues Management Limited (Dunedin City Holdings Limited controlled) – corporate membership
- Delta Utilities Limited (Dunedin City Holdings Limited controlled) – ground maintenance and tree felling.

Transactions with entities with common ownership with details of purchases for the year and balances owing at 30 June being as follows:

	Annual Purchases (GST Exclusive)		Payable at 30 June (GST Inclusive)	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Dunedin Venues Management Limited	16	15	1	-
Delta Utilities Limited	47	164	4	4

- (b) Businesses in which directors, including directors whose appointment ceased during the financial year, and key management personnel have a substantial interest and which provided services/supplies to the Company during the year were:

- Tāwhirimātea Advisory Limited (S Ellison) – subsequent to the cessation of Mr Ellisons directorship on 1 May 2024, Mr Ellison provided advisory services to the Company.

Transactions with entities in which directors and key management personnel have an interest with details of purchases for the year and balances owing at 30 June are as follows:

	Annual Purchases (GST Exclusive)		Payable at 30 June (GST Inclusive)	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Tāwhirimātea Advisory Limited	-	6	-	7

- (c) Compensation of key management personnel:

The remuneration of directors and other members of key management during the year was:

	2025	2024
	\$000	\$000
Total	1,173	998

The remuneration of directors is agreed annually, after consultation with the shareholders, and approved at the Company’s annual meeting. The remuneration of the Chief Executive is determined by the Board and the remuneration of key management personnel is determined by the Chief Executive having regard to the performance of individuals and market trends.

Remuneration includes any retention payments, termination benefits and ex-gratia payments.

- (d) Transactions with shareholders with details of purchases for the year and balances owing at 30 June being as follows:

	Annual Purchases (GST Exclusive)		Owing at 30 June (GST Inclusive)	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Dunedin City Council rates & services	373	304	-	1

20. LEASE COMMITMENTS

The Company enters into lease agreements as a lessor with respect to some of its land and buildings. 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 as Lessor

The Company has various operating leases with tenants at the airport. Minimum lease receivables under non-cancellable operating leases are as follows:

	2025	2024
	\$000	\$000
Under 1 year	2,496	2,290
1 to 2 years	1,437	1,803
2 to 3 years	767	861
3 to 4 years	553	205
4 to 5 years	438	-
Over 5 years	537	-

The Company as Lessee

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

21. AUDIT FEES

	2025	2024
	\$000	\$000
Audit or review of financial statements	182	125
Assurance engagement - disclosure financial statements	38	32
Total Audit Fees	220	157

22. CRITICAL JUDGEMENTS AND ESTIMATES

The Company has applied judgement in determining that costs recharged by MPI and Customs for the re-establishment of international passenger processing facilities are capitalised as contract assets under NZ IFRS 15.

This treatment reflects the Company’s obligations to provide international passenger screening and its assessment that these costs are necessary to fulfil this obligation. The amortisation period is based on the expected minimum period of service delivery (3 years) and is reviewed for impairment annually.

23. SUBSEQUENT EVENTS

Subsequent to year end, the Westpac multi option credit line (MOCL) facility was increased to \$68,300,000. The maturity date was extended to 30 November 2027.

Interest is payable on the drawn down balance at BKBM plus a 1.0% margin.

Security and financial covenants remain unchanged (see Note 11).

SHAREHOLDER INFORMATION

INTERESTS REGISTER

The following are particulars of general disclosures of interest given by the Company directors pursuant to section 211 of the Companies Act 1993.

CHRIS HOPKINS

Blestoe Securities Limited	Director
Chalmers Properties Limited	Director
Company HQ Limited	Director/Shareholder
CompanyHQ NZ Limited	Director
Farra Engineering Limited	Director
Fiordland Pilot Services Limited	Director
G W Batts Trustee Limited	Director
Health Central Limited	Director
inMR Measure Limited	Director/Shareholder
NIMEO Industrial Limited	Director/Shareholder
Oakwood Group Limited	Director
Our Planit Limited	Director/Shareholder
Port Chalmers Container Terminal Limited	Director
Port Otago Limited	Director
Silveracres Trust	Independent Trustee
SouthMed Limited	Director/Shareholder
Spade Word Limited	Director/Shareholder
Te Rapa Gateway Limited	Director
University of Otago	Audit and risk Committee Member
Veritide Limited	Director/Shareholder

TIMOTHY HUNTER

Eglington Experiences Limited	Director
Milford Sound Tourism Limited	Director
Southern Discoveries Limited	Project Manager

CATHERINE TAYLOR

Diabetes New Zealand	Chair
Diabetes New Zealand Research Foundation	Trustee
Energy Efficiency and Conservation Authority	Director
Nelson Airport Noise Environment Advisory Committee	Independent Chair
Nelson City Council - Audit, Risk and Finance Committee	Independent Chair
Nelson Marine Precinct Limited	Chair
New Zealand Law Foundation	Trustee
Port Noise Liaison Committee (Port Nelson)	Independent Chair
R & C Taylor Trustee Company Limited	Director
The Cranfylde Charitable Trust	Trustee
The RN & CJ Taylor Family Trust	Trustee
New Zealand Transport Agency - Waka Kotahi	Member

KATIE BHREATNACH

Bhreatnach Whanau Trust	Trustee
College of Law NZ Limited	Director
Ihu Pumanawa Limited	Director
New Zealand Global Woman Limited	CEO
St Mary’s College Ponsonby	Chair
Te Wānanga o Aotearoa	Director
Two Bananas Trust	Trustee
Waitakere and Arena Stadium	Chair

Principal Activities of the Company

The Company’s principal activity is the operation of Dunedin International Airport. Areas of land adjacent to the airport held for possible expansion purposes are dairy farmed in partnership with a sharemilker. The Company also owns a small residential housing estate on land adjoining the airfield to the north and Momona Garage.

Directors’ Interests in Contracts

Details of contracts involving directors’ interests entered into during the year ended 30 June 2025 are provided in Note 19 to the Financial Statements. All transactions were conducted on an arms’ length commercial basis.

Directors’ Insurance

In accordance with section 162 of the Companies Act 1993 and the Constitution, Dunedin International Airport Limited has arranged policies of Directors’ Liability Insurance which, together with a deed of indemnity, ensure that the directors incur no monetary loss as a result of actions undertaken by them as directors, provided that they operate within the law.

State of Affairs

The directors note that the financial position of the Company remains sound and the state of the Company’s affairs is satisfactory.

Directors’ Benefits

No director of Dunedin International Airport Limited has, since the end of the previous financial year, received or become entitled to receive a benefit other than a benefit included in the total remuneration received or due and receivable by the directors shown in the financial statements. There were 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.

Remuneration of the Directors

The directors of Dunedin International Airport Limited and their remuneration for the year ended 30 June 2025 are as follows:

Director	Board Meetings Attended (out of a possible)	Committee	Remuneration (\$000’s)
Chris Hopkins – Chairperson	13 of 13	SORC	52
Catherine Taylor – Deputy Chairperson	12 of 13	SORC	32
Timothy Hunter (SORC Chairperson)	13 of 13	SORC	26
Katie Breathnach (appointed 1 December 2024)	5 of 6	SORC	15

On 1 August 2024 Catherine Taylor was appointed Deputy Chairperson.

SORC – Safety Operations Risk Committee

Executive Remuneration

Executive remuneration is made up of two components:

- 1) Fixed remuneration consisting of base salary and benefits
- 2) Short-term performance incentives – Chief Executive only.

Short-term performance incentives (the Scheme) are payable up to 10% of base salary and are payable on achieving 100% of the individuals agreed Key Performance Indicators as detailed in the annual Employee Performance Review.

Actual salary paid includes holiday pay paid as per New Zealand legislation.

Benefits include retention payments, short term performance incentives, the Company’s contribution to KiwiSaver, fuel card and road user charges (as applicable), a contribution to home broadband, and any termination benefits received, including ex-gratia payments.

A summary of the Chief Executives salary and benefits are included in the table below:

Employee	2025			2024		
	Salary	Benefits	Total	Salary	Benefits	Total
Daniel De Bono	290,000	\$52,700	\$342,700	\$278,100	\$54,126	\$332,226

The number of employees whose remuneration and benefits are within specified bands are as follows:

Remuneration Range	2025	2024
	No. Employees	No. Employees
\$100,000-\$110,000	4	4
\$110,000-\$120,000	3	4
\$120,000-\$130,000	1	1
\$130,000-\$140,000	1	-
\$140,000-\$150,000	-	1
\$150,000-\$160,000	1	-
\$160,000-\$170,000	1	-
\$170,000-\$180,000	-	1
\$180,000-\$190,000	1	-
\$190,000-\$200,000	-	2
\$200,000-\$210,000	-	-
\$210,000-\$220,000	1	-
\$330,000-\$340,000	-	1
\$340,000-\$350,000	1	-

Gender Diversity

The table below summarises the gender diversity of the Company as at 30 June 2025:

		2025	2024
Directors			
Male	2	50%	2 67%
Female	2	50%	1 33%
	4		3
Senior Management			
Male	4	80%	3 75%
Female	1	20%	1 25%
	5		4
All Staff (including Senior Management)			
Male	34	76%	34 77%
Female	11	24%	10 23%
	45		44

Subsequent Events

The directors are not aware of any other matters or circumstances since the end of the financial year not otherwise dealt with in this report or the Company’s financial statements that has significantly or may significantly affect the operation of Dunedin International Airport Limited, the results of those operations or the state of affairs of the Company.

Auditors

The auditor of Dunedin International Airport limited is Rudie Tomlinson of Audit New Zealand on behalf of the Auditor-General.



C Hopkins
Chairperson
30 September 2025



C Taylor
Deputy Chairperson
30 September 2025

INDEPENDENT AUDITOR’S REPORT

Independent Auditor's Report

To the readers of Dunedin International Airport Limited's financial statements and statement of service performance for the year ended 30 June 2025

The Auditor-General is the auditor of Dunedin International Airport Limited (the Company). The Auditor-General has appointed me, Rudie Tomlinson, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the statement of service performance of the Company on his behalf.

We have audited:

- the financial statements of the Company on pages 30 to 49, that comprise the balance sheet as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Company on pages 20 to 28.

Opinion

In our opinion:

- the financial statements of the Company:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime; and
- the statement of service performance:
 - accurately reports, in all material respects, the Company's actual performance compared against the performance targets and other measures by which the Company's performance can be judged in relation to the Company's objectives in its statement of intent for the year ended 30 June 2025; and

- has been prepared, in all material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Our audit was completed on 30 September 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the inherent uncertainties in the measurement of greenhouse gas (GHG) emissions. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

Emphasis of matter – Inherent uncertainties in the measurement of GHG gas emissions

The company has chosen to include a measure of its GHG emissions in its performance information. Without further modifying our opinion and considering the public interest in climate change related information, we draw attention to page 22 of the statement of service performance, which outlines the inherent uncertainty in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

Basis for our opinion

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

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

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

Responsibilities of the Board of Directors for the financial statements and the statement of service performance

The Board of Directors is responsible on behalf of the Company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the statement of service performance in accordance with the Act.

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

In preparing the financial statements and the statement of service performance, the Board of Directors is responsible on behalf of the Company for assessing the Company's ability to continue as

a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the statement of service performance

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, 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 are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the statement of service performance.

For the budget information reported in the financial statements and in the statement of service performance, our procedures were limited to checking that the information agreed to the Company's statement of intent.

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

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

- We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, 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.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We evaluate the overall presentation, structure and content of the statement of service performance, including the disclosures, and assess whether the statement of service performance achieves its statutory purpose of enabling the Company's readers to judge the actual performance of the Company against its objectives in its statement of intent.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and the statement of service performance, and our auditor's report thereon.

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

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

Independence

We are independent of the Company in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of 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.

In addition to our audit, we have carried out an assurance engagement pursuant to the Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 which is compatible with those independence requirements.

Other than the audit and the assurance engagement, we have no relationship with, or interests in, the Company.

A handwritten signature in dark ink, appearing to read 'R. Tomlinson', with a stylized circular mark to the left.

Rudie Tomlinson
Audit New Zealand
On behalf of the Auditor-General
Dunedin, New Zealand



Departures / Wehenga atu						
FLIGHT NO.	DESTINATION		SCHED.	STATUS	EST.	GATE
 NZ5758	Christchurch		08:05	BOARDING	08:35	8
 NZ5746	Christchurch		10:15	CHECK-IN	10:15	8
 NZ5980	Christchurch		10:45	RELAX	11:00	8
 NZ686	Wellington	Te Whanganui-a-Tara	10:45	CLOSED	11:45	3



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AIRPORT