

# INTERIM REPORT

FOR THE SIX-MONTH PERIOD  
ENDED 31 DECEMBER 2025



**ZQN**  
Queenstown Airport



## **QAC'S REGISTERED OFFICE**

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# CHAIR AND CEO REPORT



## We are pleased to present Queenstown Airport Corporation's interim report for the six months to 31 December 2025.

The year has started well. Queenstown's appeal as a destination endures and strong passenger numbers underpin the company's performance and outlook. We are blessed with a world-renowned natural environment, and we're fortunate people want to spend time here.

The board of directors and management recognise that Queenstown Airport is an important regional and national asset. Significant investment in infrastructure is under way to ensure the airport continues to serve the region and country well.

The board is also mindful of its obligations to shareholders and the community, including maintaining strong dividend payments. In this context, the board is pleased to declare an interim dividend of \$7.22 million for the 2026 financial year. As the major shareholder, with a 75.01% stake in QAC, the Queenstown Lakes District Council will receive \$5.42 million of this.

Our investment in the future of the airport is mapped out in the Queenstown Airport Master Plan. The capital works programme arising from this is gaining considerable momentum, with several major projects in progress and others to start soon. We are working closely with our customers and other key stakeholders to ensure the decisions we make now meet their needs far into the future and elevate the traveller experience.

The first phase of a complex project to create additional offices and operational space for Air New Zealand, Planebiz, and the Aviation Security Service has been successfully completed. This included the construction of a new airfield ground lighting centre and a new main electrical switch room, as well as the installation of a 1.5 MVA transformer and high-voltage cabling. This is an important investment in the resilience and reliability of critical services. It also provides additional capacity for increasing electrification. Contractors are now extending the terminal north towards the airfield to provide 800m<sup>2</sup> of extra space for back-of-house functions.

Meanwhile, the final stages of a programme to seismically strengthen the terminal are progressing well, with contractors finished in the baggage hall and check-in area, and now working in the centre of the terminal. This project involves a combination of structural steelwork, bracing, micropiling, and the reinforcement of columns. All work is being done at night to minimise disruption for travellers.

The next major project will be the construction of a two-storey office building beside Lucas Place. This will be shared by QAC staff, Police, the Aviation Security Service and the Ministry of Primary Industries, and will include an Integrated Operations Centre. A design-and-build contract has been awarded to Southbase and construction is expected to begin later this year.

We have also appointed leading architectural firms Warren & Mahoney and Hassell to help us develop a concept design for extensions and improvements to the terminal. This is the largest programme of works in our Master Plan and an exciting opportunity to create a world-class experience worthy of our iconic location.

Planning for other major projects – including the construction of a parallel taxiway, and an expansion and upgrade of the check-in and baggage handling facilities – is well advanced, reflecting our commitment to ensuring Queenstown Airport meets the future needs of our region and New Zealand as a whole.

## PASSENGER AND AIRCRAFT MOVEMENTS

Aircraft movements during the reporting period were up 3% on the previous year, while passenger numbers were up 9%, due to high loads during the period.

A total of 1,458,538 passengers passed through the Queenstown Airport terminal in the first half of FY26 compared with 1,343,006 in the same period the previous year.

The rise in international passenger numbers is particularly notable. Queenstown and the wider Southern Lakes region remain very appealing to visitors from Australia and beyond, and our airline partners have increased capacity on trans-Tasman routes.

A total of 887,255 passengers travelled on domestic flights, which was 7% higher than during the first six months of FY25. The remaining 571,283 passengers travelled internationally, up 11%.

Scheduled aircraft movements for the six months totalled 10,096. The 3% increase on the same period in 2024 was largely due to international flights rising from 3,593 to 3,828. Domestic movements were on par with the previous year, rising slightly from 6,246 to 6,268.

Non-scheduled movements of aircraft, which include helicopters and fixed-wing planes, totalled 22,680, up from 21,443 in the first six months of FY25.

## FINANCIAL PERFORMANCE

Revenue increased 8%, rising from \$40.4 million in the first half of FY25 to \$43.6m.

Earnings before tax, depreciation and amortisation (EBITDA) rose 6% from \$29.5m to \$31.2m.

Operating expenditure totalled \$12.3m.

Net profit after tax was \$16.8m – 4% up on \$16.2m in the same period in FY25.

## PERFORMANCE SNAPSHOT



### TOTAL PASSENGER NUMBERS

**1,458,538**  
▲ 9%

### REVENUE

**\$43.6m**  
▲ 8%

### EBITDA

**\$31.2m**  
▲ 6%

### NET PROFIT AFTER TAX

**\$16.8m**  
▲ 4%

### INTERIM DIVIDEND

**\$7.22m**



## REASONS TO CELEBRATE

We've had a lot of other reasons to celebrate during this reporting period. Queenstown Airport was named Large Airport of the Year at the NZ Airports Awards in October. Unlike other categories, this coveted award is not open to applications, and the winner is chosen directly by the judging panel, making the recognition especially gratifying. The judges highlighted the successful installation of Australasia's first engineered materials arresting system (EMAS), setting a new benchmark for runway safety and resilience. They also praised Queenstown Airport's wider operational excellence, from innovative commercial initiatives to strong community engagement.

This recognition came soon after Queenstown Airport's 90th birthday, when we paused to reflect on our proud history and the role we have played in the development of this region, connecting people and businesses with the rest of the world.

We also successfully navigated a smooth transition in leadership and would like to express our appreciation to Chief Operating Officer Todd Grace for stepping up as Interim Chief Executive for three months following the departure of Glen Sowry at the end of the previous financial year.



## HEALTH AND SAFETY

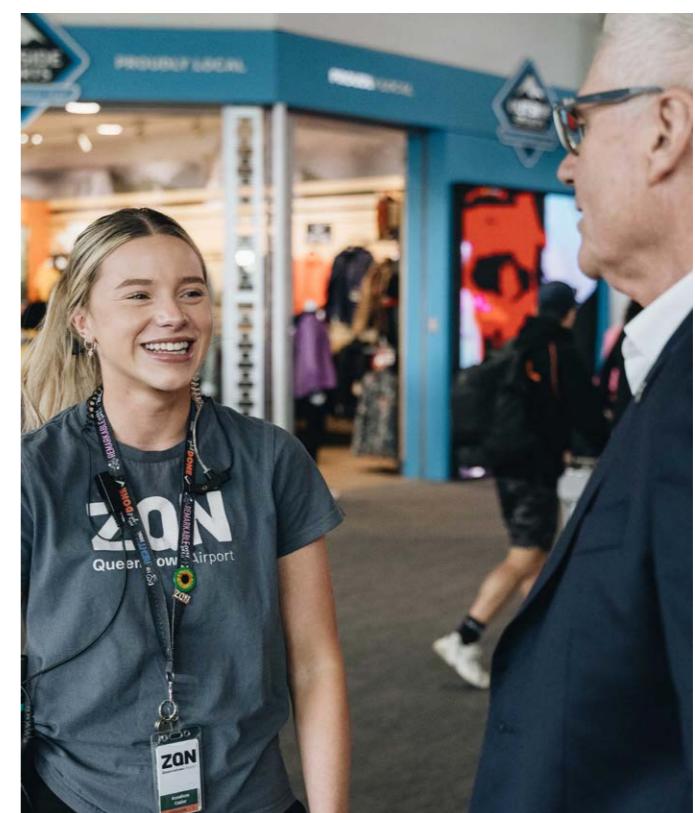
With strong demand for travel and a major capital works programme under way, the number of people visiting or working at Queenstown Airport continues to grow. This makes our commitment to health and safety more important than ever. We are pleased to report no lost-time injuries to employees or contractors occurred during the reporting period.

In October, both Queenstown and Wānaka airports participated in Airport Safety and Security Week – an annual event that shines a spotlight on safety and security at airports across New Zealand and Australia. It provides an opportunity for the wider aviation community to share knowledge and learn more about the behind-the-scenes work that keeps both airport workers and travellers safe.

In December, Queenstown Airport conducted a full-scale emergency exercise to test our emergency response plans, coordination with emergency services, and ability to manage a complex, high-pressure scenario. It provided valuable insights into operational readiness and opportunities for continuous improvement.

## MORE THAN A JOB

We now directly employ about 100 people and remain committed to creating a workplace where they can thrive. In addition to existing benefits, QAC recently introduced a Whānau Policy to support employees through key life moments – from welcoming a child to navigating illness. Recognising every whānau is unique, the policy offers tailored assistance based on individual circumstances, ranging from meal deliveries and paid leave to subsidies for childcare or critical medical expenses.



## CUSTOMER EXPERIENCE

At its core, our business is all about people and delivering an exceptional customer experience is central to our strategy. We continuously look for opportunities for improvement, guided by insights from research we undertake regularly as part of the ACI Airport Service Quality (ASQ) programme. In response to feedback, a significant upgrade to the bathroom facilities in the domestic departures lounge was completed recently. There are now separate toilet blocks for males and females, gender-neutral accessible toilets, and a parenting room for families.



## COMMUNITY SENTIMENT

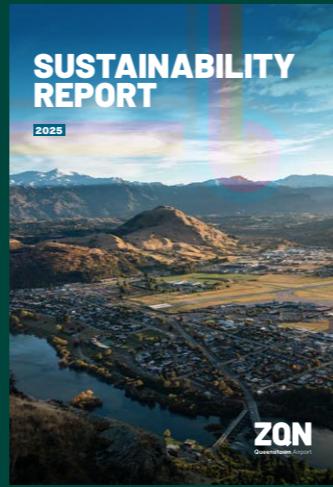
The airport is a community asset and the board and management place great importance on community satisfaction. In order to get an independent view of our progress and areas for improvement, we have commissioned The Research Agency (TRA) to complete an annual community sentiment survey and we are pleased to see regard for the airport steadily improving, with a community sentiment score in 2025 of 69% – up 5% since the benchmark survey in 2023. We hope to see this rise further with continued focus on strong community engagement, open communication, customer experience, and infrastructure upgrades.

## SUSTAINABILITY

Sustainability remains a constant focus for QAC and we are proud of the steady reduction in our organisational emissions, alongside broader initiatives to minimise environmental impact and embed long-term resilience into our business. We are encouraged by our airline partners' use of quieter, more fuel-efficient aircraft on ZQN routes, which helps reduce emissions intensity per passenger. Aircraft emissions represent the majority of our scope 3 emissions, making this progress particularly important.



Use the QR code or [click here](#) to read our Sustainability Report.



## NOISE COMPLIANCE

Queenstown Airport is required to operate within noise boundaries set in the Queenstown Lakes District Plan and publishes annual compliance reports based on actual flight data. While operations remained within the boundaries in 2024, modelling indicates that a minor breach to the south of the airfield is likely to have occurred in 2025, driven by increased helicopter activity and greater use of the crosswind runway by small aircraft during exceptional flying conditions at the start of the year. Immediate steps have been taken to prevent this from happening again, including working with general aviation operators and Airways to reduce use of the crosswind runway and investigating tools for real-time noise monitoring. Scheduled jet and turboprop flights remain well within permitted limits, with capacity for planned growth.

## LOOKING AHEAD

The outlook for the second half of FY26 is strong. Continued growth in passenger numbers at Queenstown Airport, combined with disciplined investment in infrastructure and sustainability, positions QAC for long-term success.

Finally, our sincere thanks to all our staff in Queenstown and Wānaka, as well as to the wider aviation community and our airline partners for their ongoing support. Our success is founded on exceptional teamwork and commitment to excellence. Together, we have already achieved a lot this financial year and we will keep working hard to make a positive difference for our passengers, our shareholders, and our community – now and into the future.

Simon Flood  
Chair

Shane O'Hare  
CEO



# DIRECTORS' RESPONSIBILITY STATEMENT



The directors of Queenstown Airport Corporation Limited are pleased to present the Interim Report and Financial Statements for Queenstown Airport Corporation Limited for the six-month period ended 31 December 2025.

The directors are responsible for presenting the financial statements in accordance with New Zealand law and generally accepted accounting practice, which give a true and fair view of the financial position of the Company as at 31 December 2025 and the results of operations and cash flows for the period ended on that date.

The directors consider the financial statements of the Company have been prepared using accounting policies that have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed, or otherwise disclosed.

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

The directors consider that they have taken adequate steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the Financial Statements.

This Interim Report is dated 16 February 2026 and is signed in accordance with a resolution of the directors.

On behalf of the board,

**Simon Flood**  
Chair

**Jacqueline Cheyne**  
Director

# FINANCIAL STATEMENTS



**INCOME STATEMENT**  
FOR THE SIX MONTHS ENDED  
31 DECEMBER 2025

	NOTE	6 MONTHS TO 31 DEC 2025	6 MONTHS TO 31 DEC 2024	12 MONTHS TO 30 JUN 2025
		Unaudited	Unaudited	Audited
		<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>
<b>INCOME</b>				
Revenue from contracts with customers	3	31,313	28,916	56,020
Rental and other income		12,250	11,470	23,873
<b>Total income</b>		<b>43,563</b>	<b>40,386</b>	<b>79,893</b>
<b>EXPENSES</b>				
Operating expenses		6,611	5,941	12,453
Employee renumeration and benefits		5,688	4,987	10,146
<b>Total expenses</b>		<b>12,299</b>	<b>10,928</b>	<b>22,599</b>
<b>EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION (EBITDA)</b>		<b>31,264</b>	<b>29,457</b>	<b>57,294</b>
Depreciation and amortisation		6,368	5,288	10,888
Loss/(gain) on disposal of assets		-	-	(11)
<b>Earnings before interest and taxation</b>		<b>24,896</b>	<b>24,169</b>	<b>46,417</b>
Finance costs		1,361	1,326	5,035
<b>Profit before tax</b>		<b>23,536</b>	<b>22,843</b>	<b>41,382</b>
Income tax expense		6,761	6,678	11,982
<b>PROFIT FOR THE PERIOD</b>		<b>16,774</b>	<b>16,165</b>	<b>29,400</b>

The financial statements for the six-month period have not been audited. The full-year financial statements to 30 June 2025 have been audited. The accompanying notes form part of these interim financial statements.

**STATEMENT OF COMPREHENSIVE INCOME**  
FOR THE SIX MONTHS ENDED  
31 DECEMBER 2025

	6 MONTHS TO 31 DEC 2025	6 MONTHS TO 31 DEC 2024	12 MONTHS TO 30 JUN 2025
	Unaudited	Unaudited	Audited
	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>
<b>PROFIT FOR THE PERIOD</b>			
<b>Other comprehensive income</b>			
<b>Items that may be subsequently reclassified to the income statement</b>			
Gain/(loss) on cash flow hedging taken to reserves	165	(745)	(1,086)
Income tax relating to gain/ (loss) on cash flow hedging	(46)	213	304
<b>Items that may not be subsequently reclassified to the income statement</b>			
Gain on disposal of property, plant and equipment	-	11	-
(Loss)/gain on revaluation of property, plant and equipment	(148)	-	62,939
Deferred tax on property plant and equipment	41	-	(5,885)
<b>Other comprehensive income for the period, net of tax</b>			
<b>Total comprehensive income for the period, net of tax</b>	<b>12</b>	<b>(521)</b>	<b>56,272</b>
	<b>16,787</b>	<b>15,633</b>	<b>85,672</b>

The financial statements for the six-month period have not been audited. The full-year financial statements to 30 June 2025 have been audited. The accompanying notes form part of these interim financial statements.

## STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

	ORDINARY SHARES	ASSET REVALUATION RESERVE	CASH FLOW HEDGE RESERVE	RETAINED EARNINGS	TOTAL EQUITY
<b>For the six months ended</b>					
<b>31 December 2025</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>
<b>At 1 July 2025</b>	<b>37,657</b>	<b>393,307</b>	<b>(232)</b>	<b>80,239</b>	<b>510,972</b>
Profit for the period	-	-	-	16,774	<b>16,774</b>
Other comprehensive income	-	(107)	119	-	<b>12</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(107)</b>	<b>119</b>	<b>16,774</b>	<b>16,787</b>
Dividends paid to shareholders	-	-	-	(11,773)	<b>(11,773)</b>
<b>At 31 December 2025</b>	<b>37,657</b>	<b>393,201</b>	<b>(113)</b>	<b>85,240</b>	<b>515,985</b>
<b>For the six months ended</b>					
<b>31 December 2024</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>
<b>At 1 July 2024</b>	<b>37,657</b>	<b>336,253</b>	<b>550</b>	<b>72,044</b>	<b>446,504</b>
Profit for the period	-	-	-	16,165	<b>16,165</b>
Other comprehensive income	-	-	(532)	11	<b>(521)</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>(532)</b>	<b>16,176</b>	<b>15,644</b>
Dividends paid to shareholders	-	-	-	(14,241)	<b>(14,241)</b>
<b>At 31 December 2024</b>	<b>37,657</b>	<b>336,253</b>	<b>18</b>	<b>73,979</b>	<b>447,907</b>
<b>For the 12 months ended 30 June 2025</b>					
<b>At 1 July 2024</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>
<b>At 1 July 2024</b>	<b>37,657</b>	<b>336,253</b>	<b>550</b>	<b>72,044</b>	<b>446,504</b>
Profit for the period	-	-	-	29,400	<b>29,400</b>
Other comprehensive income	-	57,054	(782)	-	<b>56,272</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>57,054</b>	<b>(782)</b>	<b>29,400</b>	<b>85,672</b>
Dividends paid to shareholders	-	-	-	(21,205)	<b>(21,205)</b>
<b>At 30 June 2025</b>	<b>37,657</b>	<b>393,307</b>	<b>(232)</b>	<b>80,239</b>	<b>510,972</b>

The financial statements for the six-month period have not been audited. The full-year financial statements to 30 June 2025 have been audited. The accompanying notes form part of these interim financial statements.

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	AS AT 31 DEC 2025 Unaudited	AS AT 31 DEC 2024 Unaudited	AS AT 30 JUN 2025 Audited
<b>NOTE</b>	<b>\$ 000's</b>	<b>\$ 000's</b>	<b>\$ 000's</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	1,385	1,714	1,086
Trade and other receivables	6,595	7,302	4,198
Prepayments	692	1,169	574
Derivative financial instruments	-	71	-
<b>Total current assets</b>	<b>8,672</b>	<b>10,256</b>	<b>5,858</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	620,381	532,661	612,216
Intangible assets	5,011	2,775	5,113
Derivative financial instruments	8	-	-
<b>Total non-current assets</b>	<b>625,400</b>	<b>535,436</b>	<b>617,329</b>
<b>Total assets</b>	<b>634,073</b>	<b>545,692</b>	<b>623,187</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15,342	2,027	16,179
Employee entitlements	1,374	1,180	1,856
Current tax payable	3,207	3,573	6,106
Derivative financial instruments	151	11	101
Term borrowings (secured)	63,200	9,500	53,000
<b>Total current liabilities</b>	<b>83,274</b>	<b>16,291</b>	<b>77,242</b>
<b>NON-CURRENT LIABILITIES</b>			
Derivative financial instruments	13	35	220
Deferred tax liability	34,799	30,959	34,753
Term borrowings (secured)	-	50,500	-
<b>Total non-current liabilities</b>	<b>34,812</b>	<b>81,494</b>	<b>34,973</b>
<b>EQUITY</b>			
Share capital	37,657	37,657	37,657
Retained earnings	85,240	73,979	80,239
Asset revaluation reserve	393,201	336,253	393,307
Cash flow hedge reserve	(113)	18	(231)
<b>Total equity</b>	<b>515,986</b>	<b>447,907</b>	<b>510,972</b>
<b>Total equity and liabilities</b>	<b>634,073</b>	<b>545,692</b>	<b>623,187</b>

The financial statements for the six-month period have not been audited. The full-year financial statements to 30 June 2025 have been audited. The accompanying notes form part of these interim financial statements.

# STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

	6 MONTHS TO 31 DEC 2025	6 MONTHS TO 31 DEC 2024	12 MONTHS TO 30 JUN 2025
	Unaudited	Unaudited	Audited
	\$ 000's	\$ 000's	\$ 000's
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash was provided from:			
Receipts from customers	47,046	42,389	79,563
Interest received	30	66	127
Cash was applied to:			
Payments to suppliers and employees	(14,610)	(15,792)	(23,861)
Interest paid	(1,361)	(1,326)	(2,495)
Income Tax payments & GST	(12,515)	(14,342)	(16,984)
<b>Net cash flows from operating activities</b>	<b>18,589</b>	<b>10,994</b>	<b>36,350</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash was applied to:			
Purchases of property, plant and equipment	(16,547)	(24,128)	(33,762)
Purchases of intangible assets	(171)	(122)	(2,508)
<b>Net cash flows from investing activities</b>	<b>(16,717)</b>	<b>(24,250)</b>	<b>(36,270)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash was provided from:			
Drawdown of bank borrowings	10,200	27,500	20,500
Cash was applied to:			
Repayment of bank borrowings	-	-	-
Dividends paid	(11,773)	(14,241)	(21,205)
<b>Net cash flows from financing activities</b>	<b>(1,573)</b>	<b>13,259</b>	<b>(705)</b>
Net increase/(decrease) in cash and cash equivalents	299	3	(625)
Cash and cash equivalents at the beginning of the period	1,086	1,711	1,711
<b>Cash and cash equivalents at the end of the period</b>	<b>1,385</b>	<b>1,714</b>	<b>1,086</b>

The financial statements for the six month period have not been audited. The full year financial statements to 30 June 2025 have been audited. The accompanying notes form part of these interim financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

## 1. CORPORATE INFORMATION

Queenstown Airport Corporation Limited (the Company or Queenstown Airport) is a company established under the Airport Authorities Act 1966 and registered under the Companies Act 1993. The Company is a reporting entity for the purposes of the Financial Reporting Act 2013.

The Company provides airport facilities and supporting infrastructure in Queenstown, New Zealand, and aeronautical services in Queenstown, Wanaka and Glenorchy, New Zealand. The Company earns revenue from aeronautical activities, retail and rental leases, car parking facilities and other charges and rents associated with operating an airport and also earns revenue from providing management services for the operation of airports.

The registered office of the Company is Level 1, Terminal Building, Queenstown Airport, Sir Henry Wigley Drive, Queenstown 9300, New Zealand.

These financial statements for the Company were authorised for issue in accordance with a resolution of the directors on 16 February 2026.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A) BASIS OF PREPARATION

These interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) as applicable to interim financial statements and as appropriate to profit oriented entities. They comply fully with International Accounting Standard 34 'Interim Financial Reporting' and New Zealand Equivalents to International Accounting Standard 34 'Interim Financial Reporting'.

As the interim financial statements do not include all the information required for full annual financial statements they should be read in conjunction with the annual financial statements for the year ended 30 June 2025.

These interim financial statements for the Company for the six months ended 31 December 2025 have not been audited.

At 31 December 2025, the Company had a working capital deficit of \$74.6M (2024: \$6M). Of this amount, \$63.2M relates to current borrowings under the Company's \$100M funding facilities, which are scheduled to expire on 30 June 2026 as part of a planned restructuring of the Company's long-term debt. The remaining deficit includes a provision for matters that are currently unresolved but for which it is considered likely that the Company will incur additional costs. Consistent with the planned timing for renewing and restructuring its banking arrangements, the Company has commenced a refinancing process and has received strong interest from potential financiers. Management and the Directors remain confident that new facilities will be in place prior to 30 June 2026. Accordingly, the financial statements continue to be prepared on a going-concern basis, as the Company expects to be able to meet its obligations as they fall due.

### B) CHANGES IN ACCOUNTING POLICIES AND APPLICATION OF NEW ACCOUNTING POLICIES

There have been no changes in accounting policies and all accounting policies adopted are consistent with those used in the financial statements for the year ended 30 June 2025.

### 3. REVENUE FROM CONTRACTS WITH CUSTOMERS

TIMING OF RECOGNITION	6 MONTHS TO 31 DEC 2025	6 MONTHS TO 31 DEC 2024	12 MONTHS TO 30 JUN 2025	
	Unaudited	Unaudited	Audited	
	\$ 000's	\$ 000's	\$ 000's	
Scheduled airlines and general aviation	At point in time	26,637	24,325	46,916
Parking	Over time	2,573	2,543	5,034
Recoveries	Over time	223	600	732
Commercial vehicle access	At point in time	1,880	1,448	3,338
<b>Total revenue from contracts with customers</b>	<b>31,313</b>	<b>28,916</b>	<b>56,020</b>	

The Company derives revenue from the transfer of services over time and at a point in time through four major revenue categories.

### 4. PROPERTY, PLANT AND EQUIPMENT

	AS AT 31 DEC 2025	AS AT 31 DEC 2024	AS AT 30 JUN 2025
	Unaudited	Unaudited	Audited
	\$ 000's	\$ 000's	\$ 000's
At Fair Value	604,804	494,509	587,329
At cost	37,068	35,388	37,006
Work in progress at cost	24,804	25,236	11,601
Accumulated depreciation	(46,295)	(22,472)	(23,720)
<b>Net carrying amount</b>	<b>620,381</b>	<b>532,661</b>	<b>612,216</b>

### 5. TRADE AND OTHER PAYABLES

	AS AT 31 DEC 2025	AS AT 31 DEC 2024	AS AT 30 JUN 2025
	Unaudited	Unaudited	Audited
	\$ 000's	\$ 000's	\$ 000's
<b>Trade and Other Payables</b>	<b>15,342</b>	<b>2,027</b>	<b>16,179</b>

### Trade and Other Payables

QAC is currently involved in a dispute with Remarkables Park Limited (RPL) regarding the amount of compensation payable for the compulsory acquisition of land, with the matter currently before the Land Valuation Tribunal (LVT). The dispute arises from differences in the property valuations.

During the year ending 30 June 2021, QAC paid \$18.34 million in compensation for land known as 'Lot 6', which had been acquired under the Public Works Act 1981 (PWA) in 2019. The previous owner (RPL) subsequently indicated that it would seek additional compensation under the PWA. In July 2023, QAC received a claim for further compensation. QAC lodged this claim with the court in November 2023, and the matter was referred to the LVT. In 2024, following receipt of an updated claim from RPL and considering recent case law and forthcoming evidence exchange between the parties, QAC determined that its valuation should be based on an alternative valuation methodology to that previously used by its valuers. QAC's revised value range is between \$26.2 million and \$27.7 million (inclusive of the \$18.34 million already paid), whereas RPL's claim stands at \$73.5 million. The LVT hearing concluded in April 2025, but a decision on the compensation payable is yet to be released. The matter remains unresolved as at 31 December 2025.

As at 31 December 2025, QAC has recognised a provision in relation to this dispute, as management considers it probable that additional compensation will be required. This provision is based on the difference between the original amount paid and the revised valuation of the land, as determined by independent external valuations obtained by QAC and submitted to the LVT. The asset valuation recorded at 31 December 2025 reflects this revised valuation. The provision also includes an estimate of 'use of money' interest that would be payable should the LVT adopt the QAC valuation. The level of compensation that will be determined by the LVT outcome remains highly uncertain.

### 6. BORROWINGS

	EXPIRY DATE	LINE LIMIT	AS AT 31 DEC 2025	AS AT 31 DEC 2024	AS AT 30 JUN 2025
			Unaudited	Unaudited	Audited
			\$ 000's	\$ 000's	\$ 000's
<b>Counterparty drawn amounts</b>					
ASB	30 June 2026	20,000	13,500	8,000	10,000
Bank of China	30 June 2026	20,000	15,500	11,500	11,500
BNZ	30 June 2026	20,000	14,500	20,000	15,000
Westpac	30 June 2026	40,000	19,700	20,500	16,500
<b>Total borrowings</b>		<b>100,000</b>	<b>63,200</b>	<b>60,000</b>	<b>53,000</b>
<b>Recognised in the statement of financial position</b>					
Current liabilities			63,200	9,500	53,000
Non-current liabilities			-	50,500	-
<b>Total borrowings</b>			<b>63,200</b>	<b>60,000</b>	<b>53,000</b>

The Company has initiated a planned new/renewal process for bank funding facilities. Management and Directors are confident that the facilities will be established before the 30th June 2026. The bank facilities are secured by a general security agreement over the Company's assets, undertakings and any uncalled capital.

## 7. RELATED PARTY TRANSACTIONS

Queenstown Airport is 75.01% owned by the ultimate parent entity, Queenstown Lakes District Council, and 24.99% owned by Auckland Airport Holdings (No 2) Limited.

Related parties of the Company are:

- Queenstown Lakes District Council (QLDC) – shareholder
- Auckland International Airport Limited (AIAL) – shareholder
- Mark R Thomson - Chief Commercial Officer (AIAL – director of the Company (resigned 31/12/2024)
- Mary-Liz Tuck - Chief Strategic Planning Officer (AIAL) – director of the Company (appointed 1/1/2025)

### a. Transactions with related parties

The following transactions occurred with related parties:

All transactions were provided on normal commercial terms.

	6 MONTHS TO 31 DEC 2025	6 MONTHS TO 31 DEC 2024	12 MONTHS TO 30 JUN 2025
	Unaudited	Unaudited	Audited
	\$ 000's	\$ 000's	\$ 000's
<b>Queenstown Lakes District Council (QLDC)</b>			
Rates paid	258	236	471
Rental receipts	(21)	(31)	(43)
Sundry payments/(receipts)	19	44	46
Wānaka Airport - management fee	(229)	(199)	(457)
Wānaka and Glenorchy Airport - Sundry payments	72	41	55
<b>Net payment to QLDC</b>	<b>99</b>	<b>91</b>	<b>72</b>
<b>Auckland International Airport Limited (AIAL)</b>			
Director fees/expenses paid	23	23	46
Rescue fire training fees paid	-	-	-
<b>Net payment to AIAL</b>	<b>23</b>	<b>23</b>	<b>46</b>

### (b) Balances with related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	AS AT 31 DEC 2025	AS AT 31 DEC 2024	AS AT 30 JUN 2025
	Unaudited	Unaudited	Audited
	\$ 000's	\$ 000's	\$ 000's
<b>Queenstown Lakes District Council (QLDC)</b>			
Receivables	(44)	(76)	(48)
Payables	-	-	-
<b>Net (receivable) balance (QLDC)</b>	<b>(44)</b>	<b>(76)</b>	<b>(48)</b>
<b>Auckland International Airport Limited (AIAL)</b>			
Receivables	-	-	-
Payables	-	-	-
<b>Net payable balance (AIAL)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 8. DIVIDENDS

	6 MONTHS TO 31 DEC 2025	6 MONTHS TO 31 DEC 2024	12 MONTHS TO 30 JUN 2025
	Unaudited	Unaudited	Audited
	\$ 000's	\$ 000's	\$ 000's
<b>Dividends paid during the period</b>			
Final dividend - FY24	-	14,241	14,241
Interim dividend - FY25	-	-	6,964
Final dividend - FY25	11,773	-	-
<b>Total dividends paid</b>	<b>11,773</b>	<b>14,241</b>	<b>21,205</b>

## 9. CONTINGENT LIABILITIES

### (a) Noise mitigation

The Company has implemented a programme of works to assist homeowners living in the inner and mid noise boundaries to mitigate the effects of aircraft noise exposure. The Company is obligated, on an annual basis, to offer, 100% funding of noise mitigation works for Critical Listening Environments of buildings that existed on 8 May 2013 containing an Activity Sensitive to Aircraft Noise (as defined in the Queenstown Lakes District Plan) that are within the 65 dB Projected Annual Aircraft Noise Contour. The Company is offering 100% of funding of mechanical ventilation for Critical Listening Environments of buildings that existed on 8 May 2013 containing an Activity Sensitive to Aircraft Noise (as defined in the Queenstown Lakes District Plan) that are within the 60 dB Projected Annual Aircraft Noise Contour.

Offers for noise mitigation have been extended to homeowners within the final Air Noise Boundary (inner) and mid noise boundary. Property owners have twelve months from the date of offer to determine if they wish to take the offer made by the Company for mitigation works. It is difficult to estimate the future value of the mitigation works due to the uncertainty of the level of uptake from property owners and the differing construction and acoustic treatment requirements necessary to mitigate each property.

### (b) Property Covenant

In March 2023, High Court proceedings were served on the Company seeking to modify a restrictive covenant registered against land owned by RPL and two other parties, south of the main runway. The covenant restricts the range of activities that land can be used for, for the benefit of the Airport land so long as it is operated as an airport. The Company has filed a defence and a trial has been scheduled in August 2026.

## 10. SUBSEQUENT EVENTS

On 16 February 2026, the Directors declared a fully imputed interim dividend of \$7,222,080 in respect of the year ended 30 June 2026.

