2025/26 Nine-Month Report

Report for the period 1 July 2025 to 31 March 2026

Activity and Performance Targets

The specific 2025/26 Activity and Performance Targets for TDHL are set annually in the Statement of Intent and are designed to support the higher-level Strategic Priorities and Outcomes. An assessment of TDHL's achievement against the activity targets is set out below:

Intergenerational Investments

Annually undertake at least one workshop with each associate on Board skills matrix, succession planning, strategic outlook and financial performance.

Achieved and ongoing.
AEL workshops in Oct & Nov.
PPT in Feb.

+

Property Portfolio

Achieve a three-year rolling average return on investment of 7% or greater for port property held for investment purposes.

To be calculated at the end of the 2025/26 financial year.

+

New Investments and Diversification

Identify and assess at least 3 new investment opportunities.

On track.
Board actively reviewing new opportunities.

=

Shareholder Return

- Pay a dividend to TDC of $1.4m.
- Hold at least 1 workshop with Council per annum.
- Achieve statutory compliance.

YTD cash to TDC=$1.1m
Dividend to be paid 6/26.
Workshop held 5/11/25 and planned for 21/4/26.

Relationships + Partnerships

That the TDHL Chair and/or GM present the quarterly reports to Council.

On track.
Chair and GM presented reports at 9/9/25, 9/12/25, 31/03/26 Council meetings.
Next report to be presented at 26 May Council meeting.
Although just outside the quarter, in early April the TDHL Board was invited to a hui with the Board of Te Runanga o Arowhenua Limited

Timaru District Council

- Regular engagement with Councillors and Council officers on a range of matters continues.
- The Chair and GM also presented the 6-monthly Report and draft Statement of Intent at the 31 March 2026 Council meeting, followed by wider engagement with the majority of the TDHL Board.

Alpine Energy

- Following the joint Letter of Expectations issued in Feb, we received the draft Statement of Corporate Intent (SCI) in early March.
- Along with other shareholders, we discussed the draft SCI with the Alpine Chair and are forming collective feedback.
- In late March, the TDHL Board and GM joined other shareholders at a Shareholders Induction day for a deep dive into the sector and business.

PrimePort Timaru

- The PrimePort Chair gave a performance and activity update to the February TDHL Board meeting, supporting ongoing shareholder oversight.
- The Chair and GM joined the Mayor, PrimePort Chair and executive, and other guests for a tour of the Scenic Eclipse II cruise ship.

Property Portfolio

- With several major projects being completed in the first 6 months, attention has turned to programmed upgrades and earthquake strengthening works.
- TDHL staff continue to work closely with PrimePort on new development opportunities where interests align.

TDHL
Timaru District Holdings Ltd
Enabling Prosperity

Financial Performance Targets

An assessment of TDHL's achievement against the performance targets is set out to the right.

Measure	2025/26 SOI Target	Forecast
EBITA	$2,556,558	✓ $2,734,038
Net Profit to S/H funds	3.6%	✓ 4.04%
Dividends	$1.4m	*To be determined in June 2026*
Shareholder funds to total assets	Greater than 60%	✓ 84%

Profit and Loss - For the 9 months ended 31 March 2026

- The year to date operating profit of $1.1m is positive to budget of $1m. The year end result is likely to converge towards budget as the bulk of the maintenance expenses are realised in the later part of the year.
- As the Showgrounds is yet to settle, Earnings after Tax is behind budget.

PROFIT & LOSS	2025/2026 (YTD)	Budget 2025/2026(YTD)	Forecast 2025/2026 (Full FY)	Budget 2025/2026 (Full FY)
Revenue	$2,723,518	$2,845,237	$3,829,531	$3,948,295
Cost of Sales	$823,441	$872,817	$1,100,754	$1,168,340
Gross Profit	**$1,900,078**	**$1,972,420**	**$2,728,776**	**$2,779,955**
Expenses	$766,863	$972,989	$1,146,214	$1,332,997
Operating Profit	**$1,133,215**	**$999,431**	**$1,582,562**	**$1,446,958**
Other Income	$800,000	$750,000	$800,000	$750,000
Showgrounds - Cash Recognition	$0	$351,476	$351,476	$351,476
Earnings Before Interest & Tax	**$1,933,215**	**$2,100,907**	**$2,734,038**	**$2,548,434**
Interest Income	$52,197	$19,276	$61,835	$28,914
Interest Expenses	$892,788	$824,316	$1,227,763	$1,084,563
Earnings Before Tax	**$1,092,623**	**$1,295,867**	**$1,568,110**	**$1,492,785**
Tax Expenses	$0	$0	$178,945	$199,881
Earnings After Tax	**$1,092,623**	**$1,295,867**	**$1,389,165**	**$1,292,904**
Associate Surplus and Property Revaluation	$0	$351,475	$10,608,488	$9,495,549
Net Income	**$1,092,623**	**$944,392**	**$11,997,653**	**$10,788,453**
Dividends	$0	$0	$0	$0
Retained Income	**$1,092,623**	**$944,392**	**$11,997,653**	**$10,788,453**

Movements in Equity – For the 9 months ended 31 March 2026

Movements in Equity	2025/2026 (YTD)
Equity - Opening Balance	$186,655,169
Current Year Earnings	$1,092,623
Equity Dividends Paid	$0
Total Equity	$187,747,793

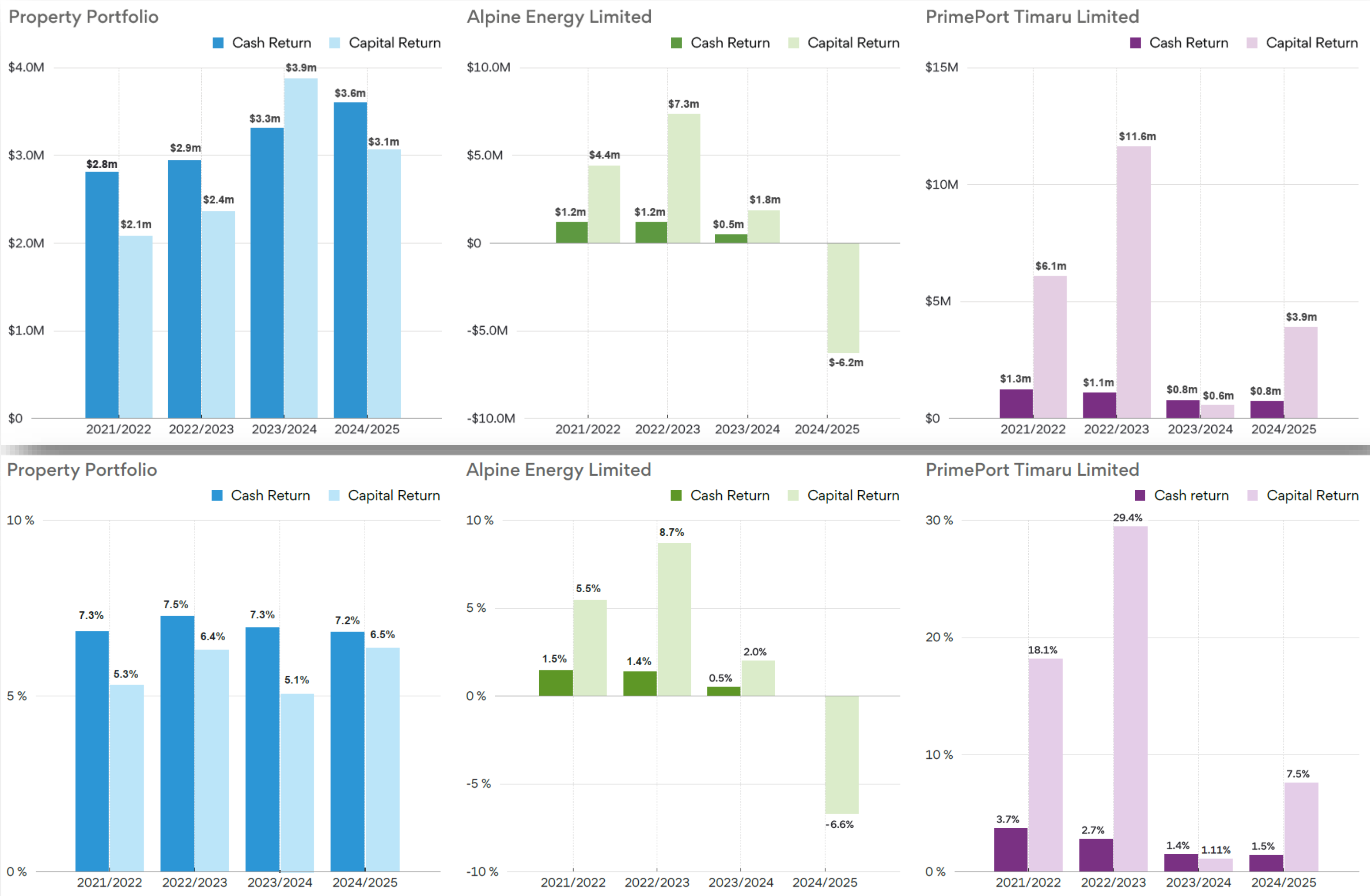
TDHL
Timaru District Holdings Ltd
Enabling Prosperity

Balance Sheet - As at 31 March 2026

BALANCE SHEET	2025/2026 (YTD)	2024/2025 (YTD)
ASSETS		
Cash & Equivalents	$352,233	$962,009
Accounts Receivable	$165,260	$60,657
Other Current Assets	$1,572,627	$1,278,886
Total Current Assets	**$2,090,120**	**$2,301,552**
Fixed Assets	$1,213,445	$20,655
Investments or Other Non-Current Assets	$221,360,638	$214,303,973
Total Non-Current Assets	**$222,574,083**	**$214,324,628**
Total Assets	**$224,664,203**	**$216,626,180**
LIABILITIES		
Accounts Payable	$156,275	$303,806
Tax Liability	$326,711	$618,378
Other Current Liabilities	$14,687,687	$8,100,284
Total Current Liabilities	**$15,170,673**	**$9,022,467**
Long Term Debt	$21,745,738	$21,680,613
Total Non-Current Liabilities	**$21,745,738**	**$21,680,613**
Total Liabilities	**$36,916,411**	**$30,703,081**
EQUITY		
Retained Earnings	$138,845,984	$136,515,334
Current Earnings	$1,092,623	$398,580
Other Equity	$47,809,186	$49,009,186
Total Equity	**$187,747,793**	**$185,923,100**
Total Liabilities & Equity	**$224,664,203**	**$216,626,180**

Statement of Cash Flows – For the 9 months ended 31 March 2026

	2025/2026 (YTD)	2024/2025 (YTD)
OPERATING ACTIVITIES		
Rentals	$3,099,435	$3,002,494
Interest received	$15,059	$24,209
Dividends Received	$800,000	$750,000
	$3,914,494	**$3,776,703**
Payments to suppliers and employees	($2,348,376)	($2,134,824)
Interest Payments & Line of Credit	($542,199)	($1,251,777)
	($2,890,574)	**($3,386,601)**
Cash Flow from Operating Activities	**$1,023,920**	**$390,102**
INVESTING ACTIVITIES		
Payment for property,plant and equipment	($29,792)	$0
Historic Properties Sale	$0	$709,005
Showgrounds Sale	$0	$100,000
Capital Works	($2,278,121)	($1,223,331)
Investment portfolio	($3,000,000)	$0
Cash Flow from Investing Activities	**($5,307,913)**	**($414,326)**
FINANCING ACTIVITIES		
Change in Long Term Debt	$5,050,000	$800,000
Term deposit	($562,862)	($800,000)
Cash Flow from Financing Activities	**$4,487,138**	**$0**
Change in Cash & Equivalents	**$203,145**	**($24,224)**
Cash & Equivalents, Opening Balance	$149,088	$986,233
Cash & Equivalents, Closing Balance	$352,233	$962,009



4-YEAR AVERAGE RETURN	4-YEAR AVERAGE RETURN	4-YEAR AVERAGE RETURN
13.2%	3.3%	16.4%

- The graphs above show the last 4 years return from each of TDHL's investment sectors. The top graph shows absolute/dollar return and the lower graph shows percentage return.
- These show the strong cash and capital returns generated from the property portfolio and the predominance of the capital return that is generated by the associates (with the exception of AEL last year). It is important to note that Alpine and PrimePort are subject to 3 to 5 yearly asset revaluation cycles that result in a lumpy capital return profile. TDHL is required to revalue its property portfolio annually.

Timaru District Holdings Ltd
Enabling Prosperity