Marsden
MARITIME HOLDINGS LTD

Annual Report 2024

Based at Marsden Point, Northland, Marsden Maritime Holdings (MMH) is proud to play a significant role in Northland's economic development.

With over 150 hectares of prime commercial property available immediately adjacent to Northland's deep-water port and transport infrastructure, we are a key driver in Northland's growing economy. As a joint venture owner of Northport, our vision is to enable the port's growth and actively invest in business ecosystems and infrastructure to transform our region's economy.

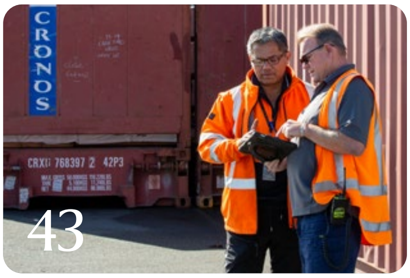
This year's annual report presents key activity and progress in positioning the company for its next phase of growth, updates on our sustainability journey including our Climate Related Disclosure, and MMH's financial information for the year end 30 June 2024.

Financial Calendar

2025 Interim Profit Announcement
February 2025

Interim Dividend Payment
March 2025

Contents



Key highlights

Financial

$12.0m

revenue from Business Park and Marina Operations, up 6% from $11.3m last year

$3.3m

Marina revenue (including Boatyard), up 15% from $2.8m last year

7%

increase in lease revenue to $5.2m, up from $4.8m in the previous year

9%

increase in Operating income less Operating expenses to $1.8m, up from $1.6m last year

$7.5m

net profit after tax before valuations, down 9.1% from the same period last year

$7.9m

earnings from joint venture interest in Northport Ltd, down 2.3% from $8.1m last year

11.75¢

per share total dividend distribution for the year. A fully imputed final dividend of 5.75 cents per share to be paid on 30 September 2024

Operational

Completed first Climate-Related Disclosure

Developed a comprehensive business case for He Ara Huringa

Became a founding member of Northland Corporate Group

Completed marina frontage upgrade

Completed new facility for SRG Global

93%

occupancy rates of assets as of 30 June 2024

29

New leases and renewals executed

Executive Review

Murray Jagger

Rosie Mercer

The 2024 financial year has seen MMH focus on people and operations to position the company for its next phase of growth.

Over the past year, the Board and Management have continued to build the foundations for future success. We have put in place robust processes and systems to support our strategic priorities – focusing on our commercial goals, as well as social and environmental. Despite navigating a challenging economic landscape, we have demonstrated resilience and remain steadfast in our commitment to transform Northland's economy.

We prioritised building a capable team to execute our strategy and continued to invest in upskilling our workforce. We announced three senior promotions, appointing Vidura Galpoththage as Chief Financial Officer, Karri Williams as Head of Operations and Property, and Marc Forrester as Head of Development. These leaders deeply understand the importance of getting our foundations right, and are committed to driving Northland's growth and advancing our industrial, commercial, and marine ecosystems.

We also saw some changes to our Board of Directors and farewelled Mark Bogle and Kirsten Andrews. Throughout their tenure, both played pivotal roles in guiding our organisation with unwavering commitment and exemplary governance leadership. They brought insightful perspectives, strategic vision and a dedication to MMH's mission. We extend our thanks to both Mark and Kirsten for their service and wish them well for their future endeavours. We warmly welcomed John Sproat and Jared Pitman as our two new Directors, with both already making a valuable contribution.

Like many other businesses, MMH continues to navigate difficult market conditions, which has dampened business confidence and impacted investments in property. We have used the economic downturn as an opportunity to look inwards and refine how we deliver on our commitments as set out in our Masterplan. This has included restructuring our operations to set the company up for the next phase of growth, and has brought into focus a need for streamlining our priorities and honing in on projects that will have a significant impact on the business. Further to this work, we have engaged Corporate Value Associates to develop a comprehensive business case for He Ara Huringa, MMH's Business Park.

The effects of Cyclone Gabrielle continue to be felt in the region. The prolonged closure of State Highway 1 across the Brynderwyn Hills impacted business confidence and hindered operations between Northland and Auckland. While this notably affected the port and other development opportunities in the region, the closure was crucial to build roading resilience and, ultimately, reduce the risk of further closures in the future. This highlighted the need for improved access between these two regions and the rest of the country, and we continue to advocate for the expansion of the highway linking Auckland

and Northland to four lanes. The positive impact of this engagement for our region is evident in the Government's commitment for the Whangārei to Port Marsden and Brynderwyn transport networks, now confirmed in the final Government Policy Statement as Roads of National Significance (RoNS).

MMH is a founding member of the Northland Corporate Group (NCG), a group of large businesses in the region that have a national reach and a shared vision of fostering economic growth in Northland. The NCG has commissioned the NZ Institute of Economic Research (NZIER) to estimate the benefits of efficient and resilient state highway infrastructure in the region.

MMH recognises the importance and timeliness of mandated Climate-Related Disclosures (CRD). Significant weather events are becoming more pronounced due to the physical effects of climate change and companies like MMH have a role to play in critically reviewing how they do business to ensure a sustainable future. We are proud to have completed our first CRD this year, which has highlighted a number of additional opportunities for MMH. This includes the potential to collaborate with key industry players for increased resilience and meaningful change, as well as potential to have all our new construction projects built to Green Building Standards, and ultimately be more carbon efficient.

Financial

We recorded a net profit after tax (excluding revaluation of investment property and fair value movements) of $7.5m, which was reflective of New Zealand's recessionary environment, as well as the ongoing effects of Cyclone Gabrielle, which continue to be felt in the region.

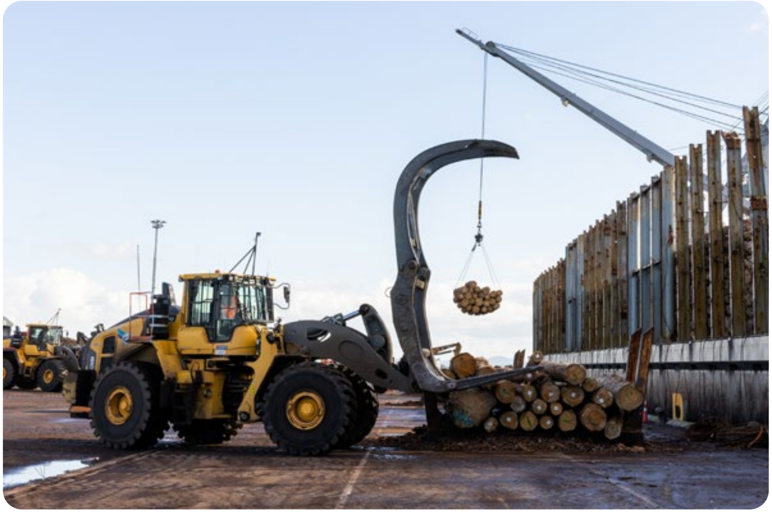
Despite this, key drivers of long-term growth across the business have continued to deliver strongly, reflecting the company's resilience and continued commitment to the region.

The Marsden Cove Marina and Boatyard has continued to deliver strong growth in revenue and was up from $2.8m last financial year to $3.3m, reflecting a 14.8% increase. It has maintained high occupancy rates, buoyed by new commercial clients, international visitors and longer-term stays. Revenue from the company's Business Park and Marina Operations has continued to grow year-on-year, at $12m, up 6% from $11.3m last year.

Lease revenue saw a 7% increase to $5.2m, up from $4.8m in the previous year, reflective of a high level of renewal across MMH's existing tenants, as well as attracting new tenants.

Earnings from our joint venture interest in Northport were $7.9m, down 2.3% from $8.1m last year.

Our net profit was reflective of New Zealand's recessionary environment, as well as the ongoing effects of Cyclone Gabrielle, which continue to be felt in the region.



Outlook

Using the past 12 months to make the necessary internal senior appointments, invest in our team through training and development opportunities and restructure operations has meant that we are now well placed to springboard into the next phase of growth.

Looking ahead, the next 12 to 18 months will be a key period of growth for the company. We have completed the business case for the He Ara Huringa business park and have identified key enabling projects to build momentum for this project.

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We will continue to prioritise engagement with Government to help future-proof infrastructure for the region – which is an increasingly important area of focus due to the significant economic benefits enabled by infrastructure. Actively working with the Government on a solution for the drydock will be a key priority in the year ahead, while supporting KiwiRail with the Rail Spur to Northport through MMH's landholding.

Thank you

MMH has had strong growth in underlying earnings, which showcases the resilience of our operations, and the people within them. Our team has showed great dedication and adaptability over the past year and we thank them for this. They have embraced structural changes and new expectations placed on them, which makes us optimistic and excited about what we can achieve going forward.

We would like congratulate Northport for welcoming its first cruise vessels this year and for working hard to support the region's tourism efforts. We also want to acknowledge the dedication by Northport's management team to lodge the resource consent for the eastern container terminal expansion. This is an ongoing effort from the team to meet resource management and planning requirements, and ultimately enable growth and connectivity.

We extend our thanks to all our shareholders, customers and industry partners for their ongoing support in our mission to enhance Northland's economic development.

Murray Jagger
Chairman

Rosie Mercer
Chief Executive

Strategy & Ecosystems

TRANSFORMING NORTHLAND'S ECONOMY

Purpose

Core Values

- ALL ABOUT PEOPLE
- COMMUNITY AT HEART
- DRIVEN BY SUCCESS
- EXCITED EVERYDAY
- BE BRAVE

Vision

We will enable Northport's growth and actively invest in business ecosystems to transform Northland's economy

Strategy

	Our core business				Expanding the core	
	Port	**Industrial**	**Commercial**	**Marine**	**Port Network**	**MMH Network**
BUSINESS ECOSYSTEMS	Developments that support the growth of Northport	Developments that transform the Northland economy	Developments that support the growth of the local economy	Developments that grow Marsden Point as a marine destination	Business opportunities outside MMH land that support the growth of Northport	Business opportunities outside MMH land that support the growth of MMH
STRATEGIC PRIORITIES	**Enable growth**	**Grow industrial, commercial and marine ecosystems**			**Develop opportunities to support growth off campus**	
KEY REQUISITES	Joint decision process with Northport	Foster innovative and transformational businesses	Service the needs of the community	Develop a premier marine service destination	Develop opportunities that grow Northport off campus	Deliver improved returns and fast growth to the balance sheet
IMPACT	Unrestricted growth of Northport – realise vision for growth strategy	Recognised by stakeholders as best in class in sustainable development	Return on investment over life of asset	Enhance MMH's reputation as a Marina destination	Actively grow Northport	Support the company's financial growth

Outcome

OUR PEOPLE

Our team, customers and investors are succeeding and are confident about Marsden Maritime Holdings

MARSDEN MARITIME HOLDINGS

Long term value creation

OUR REGION

Northland's economy is growing and transforming as a result of Marsden Maritime Holdings' investment

OUR ROLE

Kaihautū

Navigators in a voyaging waka

Northport

Northport plays an important role in New Zealand's national economy and global trade, and continues to position itself to handle more freight, offer more diverse services and adapt to changing cargo trends and trade patterns.

Containers and cruise vessels update

As part of the port's growing capability to support other trades while increasing its container volumes, it also welcomed its first season of cruise vessels. Oceania Cruises' MS Regatta was the first cruise vessel arriving in February, which brought almost 700 passengers into the region followed by another two cruise vessels shortly after. Northport is pleased to be supporting the region's tourism efforts and will continue to advocate to bring more cruise ships to the region for this reason.

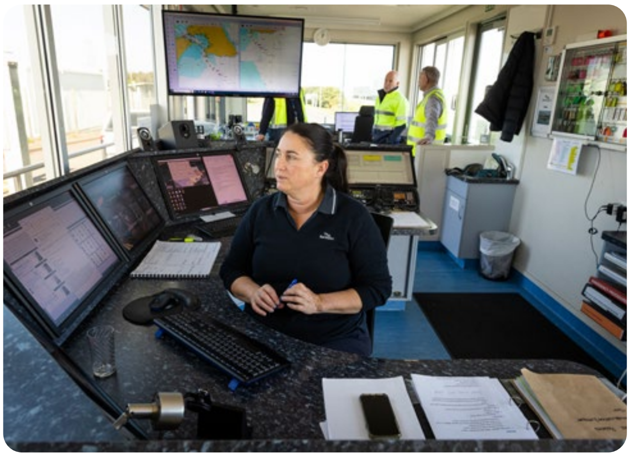
Northport and Pacifica also established a weekly container coastal service. This means that Northport now provides a regular weekly container link to and from the rest of the world via the Port of Tauranga, for Northland importers and exporters. This is the latest development in the port's container journey, and the port is committed to the continued expansion of its container business.

Log volumes

FY24 log volumes were 1.85 million JAS being a 9% decline from the previous year. This decline was due to lower log export demand and disruptions to Northland infrastructure.

Vision for Growth update

Following an extensive process over many years, the reporting year saw Northport complete the hearing for its resource consent application – a proposal to extend the existing port eastwards to accommodate a dedicated container terminal to handle and store



the increasing Northland and upper North Island forecasted freight volumes. The independent panel of commissioners acting on behalf of the Northland Regional and Whangārei District Councils have now provided their decision to refuse the application. Northport has appealed this decision. It remains committed to its plans to unlock the economic potential of this infrastructure proposal.

Northport is pleased to be supporting the region's tourism efforts and will continue to advocate to bring more cruise ships to the region.

Rail and roading infrastructure

FY24 also presented some challenges for Northport, primarily due to the region's roading and rail networks, which remain fragile. Northport plays an integral role in the upper North Island supply chain, however both State Highway 1 across the Brynderwyn Hills, as well as the Northland rail network were out of action for a considerable period, the North Auckland Rail Line remains closed. Further investment into resilient infrastructure that connects Northland with the rest of the country is needed and the port welcomes the Government's commitments to resolving the issues surrounding our road and rail networks.

He Ara Huringa Business Park

MMH achieved significant milestones and delivered to targets despite headwinds to commercial property confidence. We have developed a strong focus on operational excellence and are building the foundations of our business as a platform for future growth and regional productivity. This includes investing in capability, strategic infrastructure and the systems and processes to meet our social and environmental aspirations.

Masterplanning

Across the business we have crystalized our focus on strategic priorities, engaging Corporate Value Associates to strengthen and substantiate our Masterplan with a business plan for implementation. This has enabled us to identify strategic priorities and the partnerships that will add the most value to the business.

Our focus has been on the plans for Block B and the Marsden Cove Marina Hardstand. We have started the design of Kitewhara Stage II – a five-unit commercial building. We have successfully implemented disciplined asset management processes to underpin our continued development of He Ara Huringa, including stormwater maintenance, and maintenance of the roadway on Kitemoana Road.

High tenancy renewal and new tenants

There have been positive developments across the Business Park's tenants. This included a new hospitality tenant being secured further to the successful implementation of the Rejuvenation Project, which was initiated in January this year to stimulate higher levels of occupancy and to provide the community with more hospitality offerings. The project involved a structural upgrade, refurbishments, and reconfiguration of existing units. It also incorporated a large deck area to increase connection to the marina and accentuate the waterfront location.

Our focus is on attracting new and local businesses to Marden Point. Our goal is to achieve 100% occupancy across our property assets and to continue to foster positive relationships with our tenants and wider stakeholders in the community.

Reflecting the community's growth, the fishing club has re-located to a larger unit and the Marsden Cove Marina Market also started in the area. These are very good achievements given building costs and high interest rates, which continue to create headwinds for development feasibility and business confidence.

Looking ahead, our focus is on attracting new and local businesses to Marden Point. Our goal is to achieve 100% occupancy across our property assets and to continue to foster positive relationships with our tenants and wider stakeholders in the community.

Increasing revenue year-on-year

We increased revenue across our industrial and commercial property, compared with the financial year to June 2023. This reflects a high level of renewal across our existing tenants, as well as growth. Seventeen existing tenants renewed their leases for a further term and 12 new tenants signed leases in the year to June 2024.

Despite this positive result, increasing maintenance costs and ongoing regulatory compliance costs have increased financial pressure for our tenants in an already challenging economic climate.

Key priorities

The Business Park both reflects and enables wider economic performance in the region, and it plays a key role in our wider strategic purpose and business planning. Inadequate connecting infrastructure to and from Northland is currently a significant barrier to business confidence and our vision for the region is to offer a bolstered and seamless supply chain link with the rest of the country. We support the continued discussions on investment in enabling infrastructure including in roads, rail and a drydock to enable local boat repairs and resilience. This is a key aspect of our long-term strategic success.

We will continue to advance our project pipeline and look forward to staging the implementation of the infrastructure for Block B of the Business Park and initiating the business case for Stage I. Having completed the masterplanning for Kitewhara Stage II, and begun the design process, our priority is now to bring the Kitewhara developments to market in the year ahead.

CASE STUDY

36 Degrees: Premium location to accelerate growth

MMH is dedicated to establishing a vibrant business ecosystem designed to provide our tenants with the facilities and connectivity they need. Central to our vision is ongoing investment in top-tier boatyard services and infrastructure.

We are thrilled to provide 36 Degrees with a marina-facing unit featuring dedicated sales berths in our attractive new setting. This has been made possible by the Rejuvenation Project, which enables us to attract high-quality tenants like them.

"We are a market leader in marine brokerage sales, with offices throughout New Zealand and the Pacific. Our positioning at Marsden Cove Marina has enabled us to achieve valuable brand exposure, connect with the right community and gain our competitive edge.

It's a prime location. Situated 60 nautical miles from our biggest city and at the midway point between Auckland and the Bay of Islands, we feel connected and well placed to meet the needs of our customers. This, coupled with the essential services at Marden Cove such as the haul-out facilities and the customs port on-site, has not only saved us time and effort but also streamlined our operations and allowed us to scale up. It's now an essential spot for us.

The future for us at Marsden Cove is an exciting one. There has been a lot of recent development in the area, which will enhance our operations moving forward. Understanding how the marina will evolve further has been an important part of future-proofing our business."

Conrad Gair
Director, 36 Degrees

Marina Hub

The Marsden Cove Marina has continued to deliver strong growth in revenue and has exceeded the previous year's EBIT. We have maintained high occupancy rates, buoyed by new commercial clients, international visitors and longer-term stays. This has benefitted the local economy and businesses in the surrounding marina and boatyard areas. Looking ahead, we aim to grow our commercial space and attract a pipeline of new commercial clients.

Investment for customer growth and excellence

As Northland's leading marine destination we continue to invest in, and promote, our marina, Hardstand and haul-out services to our valued customers and diverse community stakeholders. Over the past year we have undertaken a series of strategic planning workshops to crystalise our vision and to clarify our national and regional role in the wider market. This process helped to spotlight existing challenges and new opportunities to strengthen our service offering, proving us with clear and robust objectives to execute over the next five years. Providing a high quality and resilient service to our customers and community remains a top priority and an increase in extreme weather events has presented challenges for our team and customers. Continuing to support customers and service providers, while investing for the future, remains a key priority.

We are focused on future-proofing the marina and, as such, we are investing in exceptional boatyard services and infrastructure, kicking off several projects to improve the marina customer experience. For example, the roll-out of the tele-web system for cloud-based access to shore-side power and ancillary services has commenced as has our pile replacement project with design underway and physical works scheduled for the coming construction period. We have invested in a state-of-the-art system to enhance health and safety, with implementation currently underway.

Investing for the future remains a priority, and we are replenishing our core assets to ensure our facilities are competitive and sustainable.

We are focused on future-proofing the marina and, as such, we are investing in exceptional boatyard services and infrastructure.

Environmental, Social & Governance

Patuharakeke – playing a guiding role in development

The rohe of local hapū Patuharakeke stretches from the north of Mangawhai Heads to the entrance of the Mangapai River, just south of Whangārei.

The relationship between MMH and the environment and resource management unit of Patuharakeke – Te Pou Taiao Unit (a tenant of MMH), has deepened over the last year to jointly deliver the cultural landscape strategy, and to undertake monitoring of MMH stormwater discharges. These projects are to protect the environment, bring the cultural history to life and to enable sustainable development in the area.

The cultural landscape strategy

This strategy, which is woven through the ongoing development of MMH's commercial area, is underpinned by a deep respect for the area's natural environment, and centres around the aspiration to bring the native kākā bird back to the Takahiwai native forest. This requires a clear and protected flight path from the Pukekauri Hills to the maunga Manaia, and for the kākā, which currently inhabits offshore islands, to have abundant resources for its journey. This requires thriving native forestry. The first phase of the cultural landscape strategy's implementation is native planting, including the repatriation of kauri trees grown from seeds taken from Pukekauri Hills for testing.

This testing was undertaken by Scion's science and research programme to understand the resilience of kauri trees to a pathogen affecting their health, and bringing the native seedlings home, has been a priority for the cultural landscape project. Having completed this first module, the project's focus is now to undertake further weaving of the strategy and planting to build out the wider native ecosystem as part of the development.

Stormwater monitoring

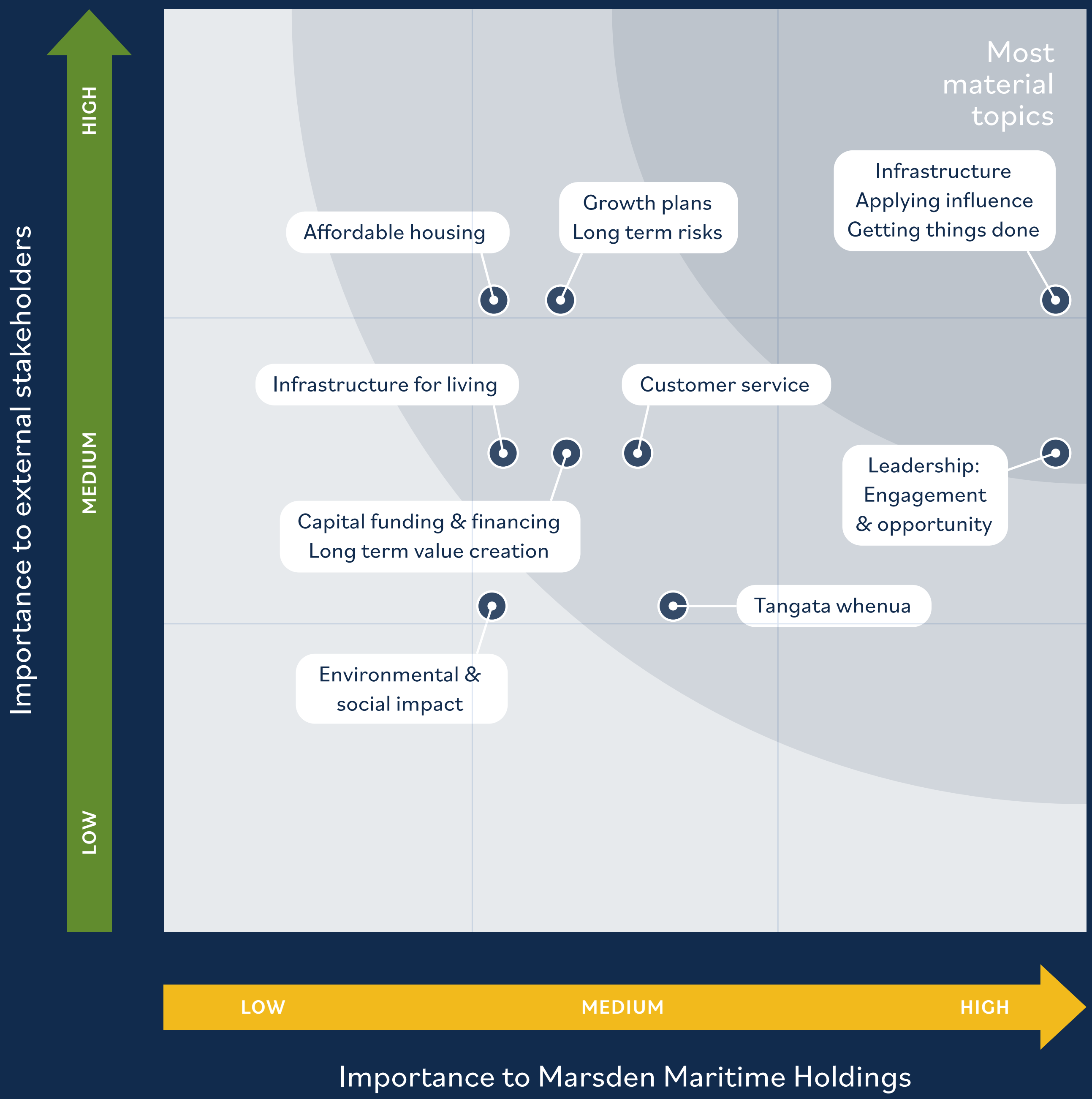
Te Pou Patuharakeke Taiao Unit has also been contracted as tangata tiaki of the rohe by MMH to deliver stormwater monitoring. This ensures that the development continues to meet environmental standards set by local government regulations and the cultural values of the moana. This partnership has been underway for 12 months and is progressing well with members of Patuharakeke testing the moana for toxin levels at multiple points of stormwater treatment process, and building capability.

Priorities for the future

The future priorities for the partnership between MMH and Patuharakeke is to continue embedding cultural values and environmental protection into the ongoing development to enable sustainable growth, which achieves positive environmental and economic outcomes.

The relationship between MMH and the environment and resource management unit of Patuharakeke, has deepened over the last year to jointly deliver the cultural landscape strategy, and to undertake monitoring of MMH stormwater discharges.

Materiality Matrix



In the previous reporting year, we completed an independent materiality assessment to ensure we are focusing on the ESG issues that matter most to our business and stakeholders.

One of the most material topics in the matrix was 'long-term risks'. This identification process was a key component to the CRD that we completed this year.

In particular, we explored how our business would be affected under three distinct climate scenarios up to the year 2100. This work produced a list of the most material long-term risks to MMH – that included risks pertaining to some of the other materiality topics in the matrix, including infrastructure, capital funding and financing, long-term value creation, environmental and social impact.

People & Community

Leadership training

In FY24, we committed to investing in our people, and we are delivering on that promise. Our Chief Financial Officer, Vidura Galpoththage, and Head of Development, Marc Forrester, are part of this year's cohort of leaders on the Leadership New Zealand Programme. The programme aims to develop personal leadership and skills, whilst challenging our leaders to tackle key issues in New Zealand. It's been a significant time investment from these two and we thank them for their continued commitment.

Growing our people from within

We are always looking at how we can grow our people from within. Earlier this year, we implemented some organisational changes that resulted in several new positions opening. We looked internally to fill all the available roles, identifying this as an opportunity to utilise our team's transferable skills and expand their responsibilities.

We recognise that growth opportunities extend beyond the workplace. This year, we enrolled our first team member in Outward Bound, seeing it as a chance for them to cultivate a distinctive skillset in a unique environment.

Apprenticeship update

This year, we had two apprentices participate in our apprentice program, with one of these apprentices coming out of a school-to-work programme. The value on both sides of this partnership is high and we are looking forward to offering more apprenticeships in the future and growing young, local talent.

Community initiatives

We continue to prioritise supporting initiatives in our community. Alongside many other initiatives, this year we have been part of the Bream Bay Shared Path group where we are constructing a cycleway to increase safety and connectivity between the Marina, Marsden Cove and Ruakaka. We also helped set up the Marsden Cove Marina Market and were proud to support the Northland Business Excellence Awards by sponsoring the Medium Business category.

We recognise that growth opportunities extend beyond the workplace.

Climate Related Disclosure

We are proud to have completed of our first Climate-Related Disclosure this year, a milestone that is critical to enhance accountability and share best practice in mitigating climate change.

Given the rise in severe weather events, it's imperative that organisations like ours examine operational practices to ensure resilience and raise awareness of climate change impacts.

How to read our Climate-Related Disclosure

Part 1: Statement of Compliance
The New Zealand Climate Standard 2 allows companies to defer reporting on several items where sufficient data or systems are not yet in place, these are called adoption provisions. This part discusses the adoption provisions we are using in this reporting period.

Part 2: Governance
An overview of the governing body and management team's role and responsibilities in the context of the Company's Risk Management System, which the climate-related risks and opportunities have been incorporated into.

Part 3: Strategy
An overview of our Business Model and Strategy, the architecture of the three climate scenarios based off the effects on the Business Model and Strategy, and the list of climate-related risks and opportunities identified during the climate scenarios interrogation process.

Part 4: Risk Management
A detailed summary of the Company's Risk Management System and how the climate-related risks and opportunities identified during the scenario analysis were incorporated into it.

Part 5: Metrics and Targets
A list of our key metrics and targets. We also set out any exclusions and the rationale for those exclusions.

Climate Related Disclosure

Part 1 — Statement of Compliance

Marsden Maritime Holdings Limited (MMH) is a Climate Reporting Entity (CRE) and required to prepare a Climate-Related Disclosure under legislation 7A of the Financial Markets Conduct Act 2013. MMH drew upon the External Reporting Board's (XRB) New Zealand Climate Standards 1, 2 and 3 (CS1, CS2, CS3) in devising this disclosure. Drawing upon CS2, the following adoption provisions were decided by MMH:

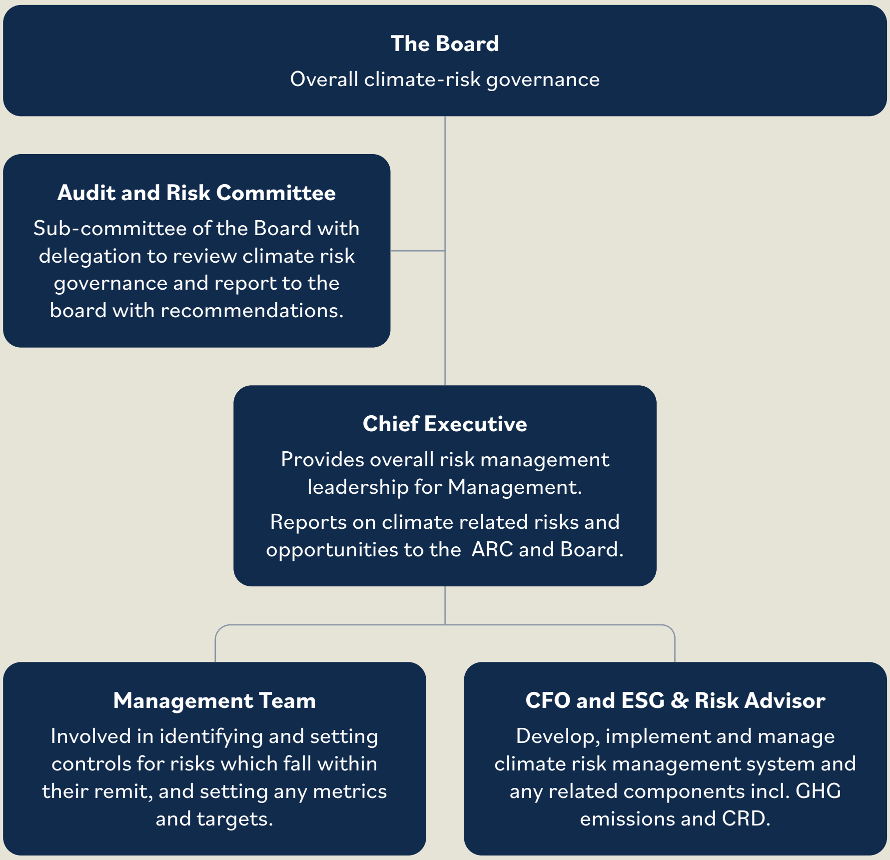
Adoption Provision (NZ CS 2)	Description
Adoption Provision 1: Current Financial Impacts	Refers to the option to defer the reporting of the financial quantification of the *current* impacts of climate-related physical and transition risks and opportunities for the first reporting *only*. MMH chose to use this provision because there was a consensus that in order to quantify the climate-related risks and opportunities identified some changes are needed for the current financial model which is underway to be ready for the next reporting period.
Adoption Provision 2: Anticipated Financial Impacts	Refers to the option to defer the reporting of the financial quantification of the *anticipated* impacts of climate-related physical and transition risks and opportunities for the first reporting *only*. It also includes an exemption from disclosing why it chose this adoption provision and the time horizon over which the anticipated financial impacts would occur.
Adoption Provision 3: Transition Planning	Refers to the planned changes to MMH's business model and strategy in response to climate-related risks and opportunities.[1]
Adoption Provision 5: Comparatives for Scope 3 GHG Emissions	Refers to the option to defer the disclosure of comparative information for scope 3 of Green House Gas emissions metrics for the immediately preceding two periods.
Adoption Provision 6: Comparatives for Metrics	Refers to the option to defer the disclosure of comparative information for each metric for the immediately preceding two periods.
Adoption Provision 7: Analysis of trends	Refers to the option to defer the disclosure of an analysis of the main trends evident from a comparison of each metric from previous reporting periods to the current reporting period for the immediately preceding two periods.

1. Refer to section 4: Strategy to learn more about MMH's progress towards a transition plan in preparation for the second CRD reporting period, as at 30 June 2024

Climate Related Disclosure

Part 2 — Governance

This section outlines the roles and responsibilities of the board, management and other staff members around climate-related risk and opportunity management, in addition to other components that make up the Climate Related Disclosure (CRD) such as the greenhouse gas (GHG) emissions calculations.



2.1 Governance Body Oversight

The Board of Directors, supported by the Audit and Risk Committee (ARC), is responsible for reviewing and approving any management directives on the risk management system: Risk Management Policy, Risk Management Framework and the Risk Register – this includes any adding or removing of climate risks and classification, as well as the controls and ownership of these risks in the context of MMH's strategic priorities.

The ARC meets at least four times annually. There is a standing agenda item to receive and discuss updates around climate-related risks and opportunities, CRD progress and GHG emissions. The committee reviews recommendations from management and considers these matters based on alignment with the business model and strategy, alongside the proposed metrics and targets for monitoring progress. The ARC then provides its recommendations to the Board.

Climate Related Disclosure

The Board ensures appropriate skills and capability are available to provide oversight of climate-related risks and opportunities through the maintenance of a Director Skills Matrix. MMH's FY24 Corporate Governance Statement (CGS) shows the Director Skills Matrix and attendance at various Committee meetings.

The ARC review and discuss additional training requirements, which may occur when there are significant changes to climate-related risks, relevant regulation, or Board membership. The Board accesses climate-related expertise from within MMH, and from external specialists when required, which was the case for this reporting period's CRD.MMH enlisted the help of external advisors to assist with the gap analysis, scenario analysis and risk and opportunities analysis.

2.2 Management's Role

The Chief Executive (CE) is responsible for reviewing the Risk Management Policy, Framework, and Register, including the process of identifying risks and categorising them, setting controls and overseeing the execution and efficacy of these controls. A 'risk owner' (assigned from within senior management) is responsible for execution and monitoring of the controls. Administration and co-ordination of the register is led by the Chief Financial Officer (CFO) with support from the ESG and Risk Advisor. A full review of the risk register is held at least bi-annually, with a monthly review of priority and emerging risks (for example, a review of risk currency and control efficacy). The CFO with support from the ESG and Risk Advisor manages the programme of work for the CRD with the CE and senior management team responsible for the process including the selection of the underlying assumptions that aid in developing the climate scenarios right thorough to the interrogation of the effect of each identified climate-related risk and opportunity on the Company's business model and strategy.

Part 3 — Strategy

Northland businesses have been impacted by disruptive weather events in the past 18 months, which have caused damage to key industries, business downtime, and road closures. These weather events, and the damage ensued, have the potential to become more pronounced with climate change. Coupled with regulatory changes driven by climate change, most prominently the mandating of the CRD from applicable publicly-listed companies, MMH recognises the importance and the timeliness of identifying these risks and ensuring our strategy and business model reflect this. This section explores how this affects the Company's business model and strategy.

Scenario analysis

MMH undertook a climate scenario analysis as mandated by the External Reporting Board (XRB) for the identification of climate risks and opportunities. The XRB encouraged sector-level collaboration to produce high-quality, consistent and comparable scenarios that can be adopted and tailored to each entity's needs. To suit our main operations, while considering our diverse value chain, MMH has used the transport sector-level scenario, with components from the agriculture, marine, property and construction, and retail sector-level scenarios utilised to tailor scenarios for MMH's specific context. The scenario "architecture" used is as follows:

Climate Related Disclosure

Category	Net Zero 2050 – Orderly	Delayed Transition – Disorderly	Current Policies – Hot House
Summary	An ambitious and coordinated transition to low-emissions, climate-resilient future. Stringent climate policies, innovation, ambitious investment, and medium-to-high deployment of carbon removal solutions limit global warming to 1.6°C in 2050 and 1.4°C in 2100.	Ambitious action is delayed to 2030, followed by sudden and uncoordinated economic transformation. Extensive stringent and punitive but late government intervention, in combination with some deployment of carbon removal solutions, limits global warming to 1.7°C in 2050, and remaining constant until 2100.	Current emissions reduction policies are implemented. Current socio-economic trends continue, resulting in 2.1°C global warming by 2050 and more than 3°C by 2100.
Severity of Physical Impacts	Lowest	Low to Moderate	Highest
Severity of Transition Impacts	Moderate (greatest in short-term)	Highest (greatest in medium-term)	Lowest (steadily increasing, but also giving businesses more time to adapt)
Macroeconomic Conditions	Immediate orderly transition generates short-term economic turbulence but pronounced benefits in the medium – and long-term. Physical impacts of climate change exert measurable but limited downward pressure on the economy.	Delayed and disorderly transition generates sharp economic downturn but eventually supports economic stability. Physical impacts of climate change exert moderate downward pressure on economy.	No ‘green bump” from transition to a low-emissions economy. Physical impacts of climate change exert increasingly significant downward pressure on economy potentially growing to destabilise financial institutions and systems by mid-century.
Financial Impacts of Supply Chain Disruptions	Lowest	Low to moderate	Highest
Policy Reaction	Immediate and rapid	Delayed	Insufficient
Regional Policy Variation	Medium	High variation	Low variation
Technology Change	Fast	Slow, then fast	Slow
Carbon Dioxide Removal	Medium-high use	Low-medium use	Low use

Climate Related Disclosure

The scenario analysis enabled MMH to identify current and anticipated transition and physical risks and opportunities, which may have an impact on MMH's business model or strategy (as detailed on page 9) and to assess relative materiality. For the CRD analysis, MMH used the three strategic priorities set out in our business strategy and identified five core operational functions from the business model, as follows:

MMH's Strategic Priorities

Our strategic priorities are:

- Enabling Northport's Growth
- Growing industrial, commercial and marine ecosystems
- Developing opportunities to support growth beyond Marsden Point

For the analysis we identified key operational functions from the business model which significantly influence delivering strategic priorities. These include planning, building and construction, and the operational areas of property leasing and management and marina hub operations at the marina, haul-out ramp and boatyard facility.

Northport – Climate Related Risks and Opportunities

One of MMH's strategic priorities is Enabling Northport's Growth. The 50% shareholding of Northport represents a significant aspect of MMH's value chain and revenue stream. Relevant MMH and Northport team members met to discuss the aspects of three climate scenarios relevant to the port and identify any current and anticipated climate-related risks and opportunities. The climate-related risks and opportunities identified for Northport have been incorporated into MMH's scenario analysis.

Climate Related Disclosure

Climate-Related Risks

Risk	Description	Risk Type	Relevant Scenario	Relevant Business Model Component	MMH's Response
Availability of skilled labour	Difficulty finding labour with skills that support the transition to a low-carbon economy in Northland	Transition	Net Zero 2050, Delayed Transition	Plan, MMH's Operations	Ensuring MMH's employees are getting the necessary trainings within their line of work
Rapid Changes in the Market	Rapid change in government policy for industries relevant to MMH could affect supply chains and profitability	Transition	Net Zero 2050, Delayed Transition	Plan, Build, Lease/ Future Sales, MMH's Operations, Marine Operations Ecosystem	Partnering with key industry stakeholders to create resilience in affected industries' supply chains. Ensure company policies are reviewed and updated to align with new regulations as much as possible.
Changes in Northport's Throughput	The low margins within the primary industry export sector might lead to disruptions while new exports are being developed	Transition	Net Zero 2050, Delayed Transition	Plan, Lease/Future Sales	Working with Northport to utilise its strategic position to establish hubs for alternative greener industries
Adoption of Green Building Standards	Adopting green building standard can lead to temporary disruptions as the team and contractors adjust to new construction materials and methods	Transition	Net Zero 2050	Plan, Build	Factoring green building costs and timelines into financial modelling as soon as feasible to ensure sufficient capital allocation
Social License to Operate	Minimal regulatory change means little change to business operations but vocal opposition to inaction	Transition	Hot House	Build	Regular meetings with local Hapu and involving them in decision-making and community sponsorship
Financial Pressure/Costs	Pace of regulatory change might require reprioritisation of capital allocation to allow MMH to cover the cost of compliance with transitioning	Transition	Net Zero 2050	Lease/Future Sales, MMH's Operations	Factoring compliance costs and timelines into financial modelling as soon as feasible to ensure sufficient capital allocation
Vulnerability of Infrastructure	Vulnerability of roading and energy infrastructure to increasing climate impacts and lack of early government investment might demand a shift in MMH's strategy to work around these vulnerabilities	Transition	Delayed Transition, Hot House	Plan, Build, MMH's Operations	Continuing the advocacy for a resilient and improved road infrastructure along SH1
Physical Impacts of Climate Change	Physical climate impacts disrupting tenants' businesses and reducing sales and/or tenant's ability to pay	Physical	Hot House	Plan, Build, Lease/ Future Sales, MMH's Operations, Marina Operations Ecosystem	Developing a robust repair and maintenance system to proactively support tenants with properly maintained and reinforced buildings

Climate Related Disclosure

Climate-Related Opportunities

Opportunity	Description	Opportunity Type	Relevant Scenario	Relevant Business Model Component
Partnering	Mounting transition pressure creates a collective need for cooperation within the business community which allows for more resilience and ensures a just transition for most	Transition	Net Zero 2050, Delayed Transition, Hot House	Plan, Lease/Future Sales, MMH's Operations
Rapid Changes in the Market	Rapid change and increased demand for low carbon fuels highlights Northport's potential to be a "green fuel" hub and given that MMH operates a fuel service station it can utilize that space to provide alternative fuels	Transition	Net Zero 2050, Delayed Transition	Plan, Build, MMH's Operations
Social License to Operate	Minimal pressure for action is an opportunity for MMH to be early movers and reach important transition milestones by 2030s, 2040s	Transition	Hot House	Plan, Build
Changes in Northport's Throughput	Rapid changes to fuel sources drive the opportunity to establish a biofuel refuelling tank at Northport to attract low carbon trucking companies and ships needing alternate fuels to the port. Increased coastal shipping may also increase the products through Northport.	Transition	Delayed Transition, Hot House	Plan, MMH's Operations
Physical Location of Northport	Northport's geographically sheltered location provides a strategic advantage, allowing it to withstand a higher climate impact	Physical	Net Zero 2050, Delayed Transition, Hot House	Plan, MMH's Operations

Part 4 — Risk Management

MMH has a process for identifying, categorising, and managing risks that is governed by a risk management system comprising a Risk Management Policy, a Risk Management Framework and a Risk Register:

- **Risk Management Policy:** outlines the Company's purpose of managing risk, how it integrates risk management into all operations, and risk management roles and responsibilities.
- **Risk Management Framework:** details processes and tools for implementing the Policy's key objectives – it is adopted from the ISO31000:2018 Risk Management Standard's process of identifying risks, assessing risks, treating risks, communicating and consulting on risks, monitoring and reviewing risks and their treatments, and recording and reporting on these risks and the process.
- **Risk Register:** the product of implementing the process detailed in the framework. The risks identified are categorised into six groups: Compliance, Financial, Health and Safety, Reputation, Operational and Strategy, and are subsequently rated on a scale of severity based on their consequences and likelihood of occurrence. This process and the risks are reviewed at least bi-annually.

Climate Related Disclosure

Having a robust process for risk management has allowed MMH to seamlessly incorporate climate risks and opportunities in the existing system, as the risks and opportunities identified during the scenario analysis underwent the same process detailed in the Framework.

The climate-related risks and opportunities were incorporated into MMH's existing risk register categories and followed an identical rating process to the other risks. This was done to create an organisation-wide awareness of these risks and a wider responsibility to act on effects of climate change. Including climate-related risks and opportunities alongside the other risks and opportunities has allowed MMH to assess them relative to each other. Ultimately, this will allow MMH to make more informed decisions on capital allocation.

The following table summarises how each of our climate risks and opportunities were categorised and rated within the company risk register:

Risk Categorisation

Risk	Category
Availability of Skilled Labour Force	Operational
Rapid Changes in the Market	Strategy
Changes in Northport's Throughput	Financial
Adoption of Green Building Standards	Operational
Social License to Operate	Reputation
Financial Pressure/Costs	Financial
Vulnerability of Infrastructure	Strategy
Physical Impacts of Climate Change	Financial

Opportunity Categorisation

Opportunity	Category
Partnering	Strategy
Rapid Changes in the Market	Strategy
Social License to Operate	Strategy
Changes in Northport's Throughput	Financial
Physical Location of Northport	Strategy

Transition Planning

MMH engaged external experts to assist with creating our climate scenarios and identifying associated risks and opportunities. The external advisors also supported by preparing a gap analysis where MMH's current climate-related structures, systems and settings were assessed for their maturity against a set of domestic and international standards and guidance materials. This assessment formed a basis for a roadmap to better align MMH's current climate-related structures, systems and settings with domestic and international standards and guidance.

Climate Related Disclosure

Part 5 — Metrics and Targets

MMH prepared an inventory of GHG emissions for the FY24 period spanning 1 July 2023 – 30 June 2024. This inventory was prepared in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and comprises scope 1, 2 and 3 emissions[2], and Ministry for the Environment's Greenhouse Gas Reporting 2020 Guidelines for most emissions' carbon factors.

The CFO and ESG and Risk Advisor are responsible for the data collation and interpretation of the emissions inventory report. They have developed this GHG emissions inventory and have prepared this GHG emissions inventory report.

The summary of MMH's GHG emissions by scope is as follows:

Emissions Scope	FY23[3] (tCO_2)	FY24 (tCO_2)
Scope 1	48	53
Scope 2	31	33
Scope 3	6,412	4,529
Total GHG Emissions	6,491	4,615

As in FY23, MMH's FY24's emissions are largely made up of scope 3 emissions. Despite the difficulty of measuring scope 3 emissions, MMH strived to measure all material scope 3 emissions – these included items such as our financed emissions as per our equity share approach (Northport and Marsden Cove Canals Scope 1 and 2 emissions) and one time construction emissions. This is an important first step in collaborating with stakeholders within our value chain to mitigate these emissions.

Exclusions

- GHG Emissions: MMH has yet to set absolute or intensity metrics and targets for GHG emissions.
- Internal emissions price: MMH does not currently use an internal emissions price.
- Executive remuneration: MMH has not set any climate-related executive performance metrics and targets. However, we have set the basis for this by assigning each climate-related risk and opportunity to different executive managers and their team with the aim to further explore remuneration related to these risks and opportunities.

MMH's has decided on a set of metrics and targets for key climate-related risks and opportunities they pertain to different parts of our business model as illustrated below:

2. The only item excluded from MMH's emissions inventory is refrigerant use related to office fridges and air condition units due to the inability to obtain and/or estimate data on consumption
3. Baseline

Climate Related Disclosure

Metrics – Emissions

Metrics: Emissions	Description and Unit of Measure	FY23	FY24
Emissions Intensity by Revenue	Parent entity Emissions (Scope 1, 2 and 3) by Revenue (tCO_2e per $M of revenue)	551.09	366.14
Emissions Intensity by Footprint – Parent	Parent entity Emissions (Scope 1, 2 and 3) by developed footprint (tCO_2e/ha)	246.08	174.04
Emissions Intensity by Footprint – Group	Group Emissions (Scope 1,2 and 3) by developed footprint (tCO_2e/ha)	257.58	183.13
New Build Emissions Intensity	One-time emissions for construction projects by buildings footprint (tCO_2e per m^2 of new build projects)	0.3842	0.0238

Metrics – Non-Emissions

Metrics: Non-Emissions	Description and Unit of Measuret	FY23	FY24
Renewable Electricity	Percentage of buildings which have access to 100% renewable electricity	100%	100%
Electricity Metering	Percentage of leasable units that have meters installed	97%	97%
Asset Insurance	Percentage of buildings which are insurable	100%	100%
Asset Protection	Percentage of buildings that have floor levels above 1% AEP flood level	TBA[4]	
Building Energy Efficiency and Sustainability	Percentage of new buildings which design qualify for GreenStar rating or equivalent	0	0
Project Cultural Landscaping	Percentage of new-build projects that support the cultural landscape plan	During FY24 have engaged with mana whenua on three projects which are in the development phase	

4. MMH will procure a registered survey of its buildings floor levels to determine if any floor levels are below the 1%AEP event. MMH will disclose the findings in the next reporting period

Climate Related Disclosure

Targets

Target Name	Description and Unit of Measure	Target	Achievement
Electricity Metering	Percentage of leasable units that have meters installed	95%	√
Building Energy Efficiency and Sustainability	Percentage of new buildings which design qualify for GreenStar rating or equivalent	75%	N/A

MMH has not yet set emissions-based targets for FY24. MMH is currently developing these targets for the FY25 reporting period.

Appendix to Climate Related Disclosure

GHG Emissions

FY2024 GHG Emissions by Type:

Scope Emissions	Carbon Dioxide CO_2	Methane CH_4	Nitrous Oxide N_2O	Hydrofluorocarbons HFCs	Perfluorocarbons PFCs
Scope 1	51,852	216	766	0	0
Scope 2	31,666	1,173	361	0	0
Scope 3	3,901,514	477,719	139,742	0	0
Total	**3,985,031**	**479,108**	**140,869**	**0**	**0**

Methodology, calculations and exclusions:

In preparing the emissions inventory for FY24, MMH based it off the principles in the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

The Organisational boundaries included in this reporting period were set with reference to the methodology described in the GHG Protocol Standard. An operational control approach was used to account for emissions from Marsden Maritime Holdings, and the equity share approach was used to account for MMH's joint ventures: Northport and MCCML. No business units were excluded from this inventory. The emissions inventory is a complete and accurate quantification of the amount of GHG emissions that can be directly attributed to MMH's operations within the declared boundary and scope for the specified reporting period.

The GHG emissions sources detailed in this inventory were identified based off the methodology described in the GHG Protocol Corporate Accounting and Reporting Standard, where the emissions are classified into the following categories:

Climate Related Disclosure

- **Direct GHG emissions (Scope 1):** GHG emissions from sources that are owned or controlled by the company;
- **Indirect GHG emissions (Scope 2):** GHG emissions from the generation of purchased electricity, heat and steam consumed by the Company;
- **Indirect GHG emissions (Scope 3):** GHG emissions that occur as a consequence of the activities of the company but are from sources not owned or controlled by the company.

Inclusion of Scope 3 emissions sources is performed on a case-by-case basis, where the following principles are used to assess each case:

- These emissions are relatively large compared to the company's scope 1 & 2 emissions;
- They contribute to the company's GHG risk exposure;
- They are deemed important by key stakeholders (e.g. employees, customers, investors, civil society)
- There are potential emissions reduction that could be undertaken or influenced by the company;
- They are measurable and robust data or reasonable estimates can be obtained.

MMH will account for one-time construction emissions at the time of practical completion as part of MMH's full scope of emissions. One-time construction is accounted for under 'capital goods' within 5 MMH's scope 3 emissions.

Proposed GHG emissions sources for MMH

Emissions Source	Scope	Data Source	Data Unit
Fleet – Cars (petrol/diesel)	1	Fuel card records	litres
Refrigerants (HVAC & fridges)	1	Chiller/maintenance supplier; asset numbers for types of fridges	Kg/kWh/ GI
LPG	1	LPG supplier invoices	Kgs
Purchased Electricity	2	Electricity supplier invoices	kWh
Line loss electricity	3	Electricity supplier invoices	kWh (same as purchased electricity kWh)
Well to Tank emissions	3	Fuel card records	Litres (same as fleet litres)
LPG line loss	3	LPG supplier invoices	Kgs (same as LPG kgs)
Air travel (domestic, trans-Tasman, international)	3	Travel supplier, credit cards	Passenger kms
Accommodation	3	Travel supplier, credit cards	Number of hotel nights, location
Taxis/ Uber/ Rental Vehicles	3	Credit cards, receipts, supplier invoices	$ spend or kms
Staff travel to-from home/workplace	3	Staff survey	Kms and transport type

Climate Related Disclosure

Emissions Source	Scope	Data Source	Data Unit
Print paper use	3	Print paper supplier	Kgs/tonnes
Landfill waste	3	Waste collection supplier invoices	Kgs/tonnes
Comingled recycling	3	Recycling collection supplier invoices	Kgs/tonnes
Organic waste	3	Office organic waste composting schedule	Kgs/tonnes
Water use	3	Water Bill	M^3 or number of people
Wastewater produced	3	Water Bill	M^3 or number of people
Capital goods (incl. one-time builds emissions)	3	Invoices, spend data, estimation	Various
Employees working from home	3	HR records, estimation	Number of people & number of days
Fuel Sold	3	Fuel operations reconciliations	Liters Sold
Downstream leased property assets	3	Land area records, spend data, Scope 1 and 2 footprints	KWH, GJ, $ spend/earned, CO_2
Fertiliser use	3	Fertiliser supplier/facilities manager	Kg
Agricultural emissions	3	Farm facilities manager	Per grazing animal

GHG source exclusions

The following emissions sources have been identified and excluded from the GHG emissions inventory. Exclusions are a result of the inability to obtain data from suppliers within MMH's value chain, or where raw data is not comprehensive enough to allow reliable emissions results to be produced.

MMH's GHG source exclusions

Emissions source excluded	Reason for exclusion
Refrigerant	Refrigerant use related to office fridges and air conditioning units.
Organic waste	Composting done on company premises; no tracking of frequency and volume of waste

Data collection and uncertainties

As listed in the table detailing the proposed emissions data sources for MMH, source supplier data was used to prepare the emissions inventory for many of the categories. However, for some of the categories it was not possible to obtain this information, as summarized below:

Climate Related Disclosure

- Employee commuting data: Measured based on distances from each employee's home address and work address. It was assumed that 4 weeks of annual leave was taken, and this was factored into each employee's commuting result.
- Employee work from home: estimated based on average days per week worked from home;
- Waste, recycling and landfill: weights for each bin were estimated using the Wellington City Council data as bin weights and/or volume were not tracked by service provider;
- One-time build emissions: for a number of the construction materials, the quantities were estimated by the Project Manager due to the unavailability of data. Moreover, some of the specific materials that went into the construction were not available through the BRANZ CO2NSTRUCT New Zealand construction materials and carbon factors guide.
- There was no fertilizer used on the farm this year. Hence, no outputs recorded for the 2024 period.
- Fuel sold at the fuel station is agreed to fuel reconciliations performed as part of standard business operations.
- Fuel used by staff for operations doesn't distinguish between 91 and premium petrol fuel. Assumption used is that all Petrol fuel used is 91 Octane.

GHG emissions calculations

GHG emissions were calculated using the Ministry for the Environment 2024 detailed guide for measuring emissions. To supplement that, the BRANZ 2023 CO2NSTRUCT dataset was used for the one-time construction emissions, and the UK Government Department of Business, Energy and Industrial Strategy GHG Emissions 2024 Factors were used for the fuel's "Well-to-Tank" emissions as no available factors for this category were available in New Zealand.

Board of Directors

Murray Jagger

- Chairman Marsden Maritime Holdings Ltd
- Member Remuneration Committee
- Chair Board Nominations Committee
- Chairman Northport Ltd
- Chairman North Tugz Ltd

Mr Jagger is an experienced company director. He brings over 20 years of diverse co-operative, corporate and listed governance experience and is a chartered fellow of the NZ Institute of Directors. Mr Jagger is a long-standing resident of Northland where he runs a dairy and beef farming operation. He has a Diploma in Agriculture from Massey University and has been involved in the agricultural sector for over 40 years.

Mr Jagger joined the Board in October 2015 and is considered to be an Independent Director.

Hamish Stevens

- Director Marsden Maritime Holdings Ltd
- Chair Audit and Risk Committee
- Member Remuneration Committee
- Director Northport Ltd

Mr Stevens has had considerable experience in a number of senior corporate roles including both operational and financial management in large companies such as DB Breweries Ltd and Heinz-Watties Ltd. He has been an Independent Director on several boards since 2010 and is currently Chairman of Embark Early Education, Pharmaco, The Kennedys and East Health Services. Mr Stevens is also a Director of Radius Care, Health Improvement Group and Counties Energy. He is a Chartered Fellow of the Institute of Directors and a qualified chartered accountant.

Mr Stevens joined the Board in October 2018 and is considered to be an Independent Director.

Benoît Marcenac

Director Marsden Maritime Holdings Ltd

Member Audit and Risk Committee

Member Board Nomination Committee

Chair Port Ecosystem and Land Oversight Committee

Mr Marcenac has more than 30 years' experience in the logistics, agri-food processing and trading sectors, through a number of executive positions held in different regions around the world. In 2002, the Marcenac family settled in New Zealand and made it their new homeland. For close to 17 years, Mr Marcenac has been the Managing Director and Shareholder of Sofrana Unilines, a leading shipping company operating in the South Pacific. For many years, the Marcenac family has owned a farm in Northland and have deepened their anchorage in this region. Mr Marcenac is also a Shareholder and Director of Export Plus Ltd (export of food products) and a Shareholder and Director of Sofi Holdings Ltd (commercial real estate).

Mr Marcenac joined the Board in October 2019 and is considered to be an Independent Director.

Tony Gibson

Director Marsden Maritime Holdings Ltd

Chair Remuneration Committee

Mr Gibson is Managing Director and CEO of VINZ. Prior to this, he served as the Chief Executive Officer of Port of Auckland Ltd, February 2011 to June 2021. He has more than 30 years' experience in shipping and logistics, and worked in various senior roles in Africa, Asia, and Europe, including European Director of Customer Operations. Upon returning to NZ, he was appointed Managing Director P&O Nedlloyd, New Zealand and Pacific Islands in 2002. Following a take-over by Maersk, Mr Gibson served as Managing Director of Maersk New Zealand for three years. He was a Director for 14 years of ERoad Ltd and is Chairman of JEVIC Japan and Director of JEVIC NZ.

Mr Gibson joined the Board of Marsden Maritime Holdings Ltd in April 2018 and is considered to be an Independent Director.

Jared Pitman

Director Marsden Maritime Holdings Ltd

Member Port Ecosystem and Land Oversight Committee

Mr Pitman has held senior positions within the public service at regional and national levels. His tenure has seen him lead operations to embed government strategic priorities, and provide policy and strategic advice to Cabinet Ministers, Judiciary, and public service leadership. He has chaired and served on several boards and committees inside and outside of government. He applies a tikanga Māori approach in building and maintaining board unity, stakeholder connection, and strategic relationships. He has a focus on developing long-term strategic objectives and delivers for stakeholders through authentic partnerships.

Mr Pitman joined the Board in November 2023 and is considered to be an Independent Director.

John Sproat

Director Marsden Maritime Holdings Ltd

Member Audit and Risk Committee

Mr Sproat was a corporate lawyer, with extensive experience across banking, corporate finance and capital markets. He spent more than 30 years at a major New Zealand law firm, before travelling and working overseas. More recently, he was a director of NZ Post and Kiwibank, a member of the Expert Advisory Panel for the Reserve Bank Review and a member of the advisory panel for the Provincial Growth Fund. He is currently a member of the investment committees for Tupu Angitu LP and Opepe Farm Trust, and is on the advisory board of a Wellington based “family office”.

Mr Sproat’s governance experience also includes being the chair of the Rangitane Settlement Negotiations Trust during the negotiation of its treaty settlement with the Crown and Ngati Kahungunu. He is currently a member of the board of the Hawke’s Bay Rugby Union and President of the New Zealand Universities Rugby Council.

Mr Sproat joined the Board in November 2023 and is considered to be an Independent Director.

Statutory Information

Auditors

Under Section 19 of the Port Companies Act, 1988, the Auditor-General is the Auditor of the Company and Group. Pursuant to Section 32 of the Public Audit Act 2001, Brent Penrose of the firm Ernst & Young was appointed by the Office of the Auditor-General to undertake the Audit on its behalf.

Directors' Shareholdings

Pursuant to section 148(1) of the Companies Act 1993 the following are the relevant interests in the Company's shares as advised by the Directors.

	Shares in which the Director has a Beneficial Interest Solely or as a Joint Holder		Shares in which the Director has a Non-Beneficial Interest		Shares held by Associated Persons of the Director	
	30 June 2024	**30 June 2023**	**30 June 2024**	**30 June 2023**	**30 June 2024**	**30 June 2023**
K Andrews	-	-	-	-	-	-
M Bogle	25,000*	25,000	-	-	-	-
T Gibson	-	-	-	-	-	-
M Jagger	-	-	-	-	-	-
B Marcenac	-	-	-	-	-	-
H Stevens	-	-	-	-	-	-
J Pitman	-	-	-	-	-	-
J Sproat	-	-	-	-	-	-

There were no share transactions during the period 1 July 2023 to 30 June 2024.
* Note Mr. Bogle retired as a director of the Company from November 2023.

Directors' Interests

The following are particulars of general disclosures of interest by Directors of Marsden Maritime Holdings Ltd holding office at 30 June 2023 pursuant to section 140(2) and section 211(1)(e) of the Companies Act 1993.

During the year, the Board authorised the renewal of the Directors' and Officers' insurance cover as at 30 September 2023 for a period of 12 months and has certified, in terms of section 162 of the Companies Act 1993, that this cover is fair to the Company.

Tony Gibson

AMG Consulting Ltd	Director
ERoad Financial Services Ltd	Director (ceased 28 July 2023)
ERoad Ltd	Director/Shareholder (ceased 28 July 2023)
Vehicle Inspection New Zealand Limited	CEO/Managing Director
Inspicere Limited	Director
JEVIC NZ	Director (appointed 13 July 2023)
JEVIC, Japan	Board Advisor (appointed 13 July 2023)
Auto Trader Media Group	Director (appointed 1 December 2023)
VITA Australia Pty Ltd	Chairman (appointed 22 April 2024)

Murray Jagger (Chairman)

Manaia View Farms Ltd	Director
Taurikura Farms Ltd	Director
Northport Ltd	Chairman
North Tugz Ltd	Chairman
Parua Bay Cemetery Trust	Trustee

Benoit Marcenac

Sofi Holdings Ltd	Director/Shareholder
Te Hana Consulting Ltd	Director/Shareholder
Export Plus Ltd	Director/Shareholder

Hamish Stevens

The Kennedys Ltd	Chairman
East Health Services Ltd (and subsidiaries)	Chairman
Counties Energy Ltd (and subsidiaries)	Director
Pharmaco Ltd (and subsidiaries)	Chairman
Northport Ltd	Director
Embark Education Ltd	Chairman
Radius Residential Care Ltd	Director

Jared Pitman

Kopuawaiwaha 2B2 Ahuwhenua Trust	Trustee
National Manager Whenua Māori Service, Te Puni Kokiri	Tier 3 Employee
Patuharakeke Te Iwi Trust Board	Beneficiary

John Sproat

Tupu Angitu Ltd	Member of Investment Committee
Opepe Farm Trust	Chair of Investment Committee
Hawkes Bay Rugby Union	Director
Fiso Group	Advisory Director
Whatever it Takes Trust	Trustee
Rakau Properties Ltd & Rakau Properties (No 2) Ltd	Shareholder/Director
New Zealand Universities Rugby	President

Directors' Remuneration and Benefits

Fees paid to Directors of the Company during the 12 month period were as follows:

	MMH Director Fees	Northport Director Fees
K Andrews	$23,750	
M Bogle	$20,472	-
T Gibson	$57,000	-
M Jagger	$103,500	* $95,000
B Marcenac	$56,919	-
H Stevens	$63,500	$35,000
J Pitman	$31,389	-
J Sproat	$34,528	-
	$391,058	**$130,000**

* $25,000 of which relates to Mr Jagger's position as a director of North Tugz Limited

Net Tangible Assets per Security

Net tangible assets per security as at 30 June 2024: $3.80 (30 June 2023: $3.89)

Remuneration of Employees

The number of employees whose total annual remuneration including salary, employer's contributions to superannuation and health schemes, and other sundry benefits received in their capacity as employees exceeded $100,000 was within the specific bands as follows:

Remuneration Range	Number of Employees	
	2024	2023
$100,001 - $110,000	-	-
$110,001 - $120,000	1	1
$120,001 - $130,000	2	-
$130,001 - $140,000	-	1
$150,001 - $160,000	1	-
$180,001 - $190,000	-	2
$190,001 - $200,000	1	-
$220,001 - $230,000	1	-
$330,001 - $340,000	–	1
$400,001 - $410,000	1	-

Financial Statements

Contents

Consolidated Statement of Profit or Loss

For the Year Ended 30 June 2024

	Note	30-Jun-24 $000s	30-Jun-23 $000s
Income			
Lease revenue		5,160	4,831
Marina operations		3,258	2,837
Revenue from goods sold		2,983	3,253
Other income		577	332
Operating income		**11,978**	**11,253**
Expenses			
Operating expenses	3.1	(2,731)	(2,406)
Cost of goods sold		(2,766)	(2,943)
Land rates and lease expenses	3.2	(703)	(528)
Other expenses	3.3	(3,441)	(3,201)
Depreciation	6	(562)	(545)
Operating expenses		**(10,203)**	**(9,623)**
Revaluation of investment property	5	(3,024)	(274)
Fair value movements – other investments	14	2	44
Operating profit / (loss)		**(1,247)**	**1,400**
Finance income		34	2
Finance expenses	3.4	(1,773)	(1,584)
Net finance expenses		**(1,739)**	**(1,582)**
Share of profit from joint venture	7	7,946	8,135
Profit before income tax		**4,960**	**7,953**
Income tax benefit/(expense)	13	(488)	(25)
Net profit after tax (attributable to owners of the company)		**4,472**	**7,928**
Basic and diluted earnings per share (cents)	12.2	10.83	19.20

The accompanying notes form an integral part of these financial statements

Consolidated Statement of Comprehensive Income

For the Year Ended 30 June 2024

	Note	30-Jun-24 $000s	30-Jun-23 $000s
Net profit after tax		4,472	7,928
Other comprehensive income			
Items that will be recycled through profit and loss			
Cash flow hedges – gain (loss) taken to reserves		(893)	587
Income tax relating to items of other comprehensive income		250	(164)
	4.2	**(643)**	**423**
Items that will not be recycled through profit and loss			
Movement in asset revaluation reserve net of tax	6	1,505	(2,355)
Share of movement in revaluation reserve (Northport Ltd)	7	(3,271)	(4,188)
		(1,766)	**(6,543)**
Total other comprehensive loss		**(2,409)**	**(6,120)**
Total comprehensive income for the period (attributable to owners of the company)		2,063	1,808

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2024

	Note	Share Capital	Retained Earnings $000s	Asset Revaluation Reserve $000s	Hedging Reserve $000s	TOTAL $000s
Balance at 1 July 2023		14,688	76,836	67,844	1,164	160,532
Net profit after tax		-	4,472	-	-	4,472
Other comprehensive loss	4.2; 6; 7	-	-	(1,766)	(643)	(2,409)
Total comprehensive income		**-**	**4,472**	**(1,766)**	**(643)**	**2,063**
Dividends to shareholders	12.3	-	(5,576)	-	-	(5,576)
Balance at 30 June 2024		**14,688**	**75,732**	**66,078**	**521**	**157,019**
Balance at 1 July 2022		14,688	75,516	74,387	741	165,332
Net profit after tax		-	7,928	-	-	7,928
Other comprehensive income/(loss)	4.2; 6; 7	-	-	(6,543)	423	(6,120)
Total comprehensive income		**-**	**7,928**	**(6,543)**	**423**	**1,808**
Dividends to shareholders	12.3	-	(6,608)	-	-	(6,608)
Balance at 30 June 2023		**14,688**	**76,836**	**67,844**	**1,164**	**160,532**

The accompanying notes form an integral part of these financial statements

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30-Jun-24 $000s	30-Jun-23 $000s
ASSETS			
Non-current assets			
Investment property	5	110,380	110,490
Property, plant and equipment	6	27,431	26,114
Investment in joint venture company (Northport Ltd)	7	54,581	57,185
Other investments	14	237	392
Financial Assets – non-current portion	4.1	-	968
Total non-current assets		**192,629**	**195,150**
Current assets			
Cash and deposits		213	72
Receivables and prepayments	8	946	492
Inventory		87	110
Financial Assets – current portion	4.1	379	-
Total current assets		**1,625**	**674**
Total assets		**194,254**	**195,824**
EQUITY			
Share capital	12.1	14,688	14,688
Retained earnings		75,732	76,836
Asset revaluation reserve		66,078	67,844
Hedging reserve	4.2	521	1,164
Total equity		**157,019**	**160,532**
LIABILITIES			
Non-current liabilities			
Bank loans	10	33,440	31,950
Deferred Tax Liability	13.2	374	73
Revenue in advance	11	1,828	2,034
Total non-current liabilities		**35,642**	**34,057**
Current Liabilities			
Payables	9	1,385	1,120
Revenue in advance – current portion	11	208	115
Total current liabilities		**1,593**	**1,235**
Total liabilities		**37,235**	**35,293**
Total equity and liabilities		**194,254**	**195,824**

For and on behalf of the board of directors who authorised the issue of this financial report on 23 August 2024

Chairman

Director

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2024

	Note	30-Jun-24 $000s	30-Jun-23 $000s
Cash flows from operating activities			
Receipts from customers		11,559	11,134
Dividends received		7,105	8,440
Interest received		34	2
Payments made to suppliers and employees		(9,504)	(8,996)
Interest paid	3.4	(1,850)	(1,625)
Income tax paid		(23)	(27)
Net cash flow from operating activities		**7,321**	**8,928**
Cash flows from investing activities			
Sale of property, plant and equipment		176	-
Purchase of property, plant and equipment		(308)	(284)
Purchase of and improvements to investment property		(2,962)	(2,594)
Net cash flow from investing activities		**(3,094)**	**(2,878)**
Cash flows from financing activities			
Proceeds from borrowings		1,490	400
Payment of dividends	12.3	(5,576)	(6,608)
Net cash flow from financing activities		**(4,086)**	**(6,208)**
Net increase/(decrease) in cash held		**141**	**(158)**
Opening cash balance		**72**	**230**
Closing cash balance		**213**	**72**

The accompanying notes form an integral part of these financial statements

Consolidated Operating Cash Flow Reconciliation

For the Year Ended 30 June 2024

	Note	30-Jun-24 $000s	30-Jun-23 $000s
Net profit after tax		4,472	7,928
Non-cash items:			
Depreciation expense		562	545
Gain/(Loss) on sale of property, plant and equipment		(19)	-
Revaluation of investment property	5	3,024	274
Other fair value movements	14	(2)	(44)
Share of profit from joint venture (Gross of dividends)	7	(7,946)	(8,135)
Share of dividends from joint venture	7	7,061	8,420
		2,680	**1,059**
Movements in working capital:			
Change in receivables and prepayments		(454)	(231)
Change in payables		265	(708)
Change in revenue in advance		(113)	289
Change in tax payable		300	81
Change in inventory		24	48
		22	**(522)**
Non-operating items included in working capital movements above		147	464
Net cash flow from operating activities		**7,321**	**8,928**

Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

1.1. Reporting entity

The financial statements are for Marsden Maritime Holdings Limited, a registered port company under the Port Companies Act 1988, (Marsden Maritime or the Company), its subsidiary Marsden Cove Marinas Limited and the joint venture company Northport Limited (the Group). The subsidiary entity is consolidated, although as the balances are nil, the Group reflects the balances of Marsden Maritime Holdings Limited. As such within this report Group and Company are used interchangeably.

The Company is incorporated and domiciled in New Zealand, is registered under the Companies Act 1993 and is a FMC and Climate reporting entity for the purposes of the Financial Markets Conduct Act 2013. The Company is listed with NZX Limited with its ordinary shares quoted on the NZX Main Board.

The Company's operations comprise of its substantial land holdings at Marsden Point, the Marsden Cove Marina complex which consists of a 236 berth marina, adjoining commercial complex and boatyard facility. The Company also has a 50% shareholding in the deep water port facility in the adjacent area.

1.2. Basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice (GAAP) and the Financial Markets Conduct Act 2013. They comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other guidance as issued by the External Reporting Board, as appropriate for profit-oriented entities, and with International Financial Reporting Standards.

The financial statements have also been prepared on a historical cost basis, except for the revaluation of certain non-current assets and financial instruments as described below. All financial information is presented in New Zealand Dollars and the financial information has been rounded to the nearest thousand dollars ($000), unless otherwise stated.

1.3. Basis of consolidation

The financial statements are prepared by consolidating the financial statements of all entities that together comprise the consolidated entity, being the Parent and its joint venture interest. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

1.4. Critical judgements, estimates and assumptions

In applying the Company's accounting policies, management continually evaluates judgements, estimates and assumptions made based on experience and other factors, including expectations of future events that may have an impact on the Company. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions made. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Asset revaluation	Note 5
Estimation of useful lives of assets	Note 6
Tax losses	Note 13

In preparing the financial statements management has considered the impact that climate change and the transition to a low carbon economy may have on the business. Further information can be found in the 2024 Climate Related Disclosures included within this years Annual Report. Management will continue to monitor, assess and account for the impact of climate change in future years.

1.5. Accounting policies

No changes to accounting policies have been made during the year, and policies have been consistently applied to all years presented.

Material accounting policy information have been included throughout the notes to the financial statements.

Other relevant policies are provided as follows:

Revenue recognition

Revenue is recognised when (or as) a performance obligation is satisfied by transferring promised goods or services to a customer. The transfer occurs when the customer obtains control of the value created from goods or services.

Lease revenue, incorporates rental income and is accounted for on a straight line basis over the lease term. Contingent rental income is recognised as income in the period in which it is earned. Lease incentives granted are recognised as an integral part of the total rental income over the period on the lease on a straight line basis.

Revenue from Marine Operations provided are recognised over the financial periods in which the customer receives the benefit provided by performance of the service.

Farming and goods sold revenues are recognised when the performance obligation is satisfied at a point in time, generally upon delivery.

Notes to the Consolidated Financial Statements

Inventory

Inventory is stated at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out principle. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(I) Company as a lessee

As at balance date the Company has not entered into any leases as a lessee.

(ii) Company as a lessor

Leases in which the Company retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Fair Value

The Company uses various methods in estimating the fair value of assets. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in active markets.
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

Financial Instruments

Designation of financial assets and financial liabilities is determined by the purpose of the financial instruments, the policies and practices of management, the relationship with other instruments and the reporting costs and benefits of each designation. These designations are reflected in the financial statements of the Company. The financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets at fair value through profit or loss

Financial assets at fair value through profit or loss includes financial assets initially designated at fair value through profit or loss and financial assets classified as held of trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Derivative financial instruments are also classified as held for trading unless they are designated as effective hedging instruments.

Fair value gains or losses on financial assets held for trading are recognised in the profit or loss.

Financial Liabilities at Amortised Cost

Financial liabilities are recognised initially at fair value, and in the case of loans and borrowings and payables less transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Financial Assets at Amortised Cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost less impairment using the effective interest rate method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current.

Impairment of Assets

The carrying amounts of the Company's property, plant and equipment, intangibles and investments in joint ventures are reviewed at each reporting date to determine whether there is any objective evidence of impairment.

An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash generating units).

Notes to the Consolidated Financial Statements

1.6. New standards, amendments and interpretations

There are no new standards or amendments to existing standards that are effective for the financial year commencing on 1 July 2023 that have a material effect on the Financial Statements of the Company. There were also no standards, except for NZ IFRS 18 Presentation and Disclosure in Financial Statements (“NZ IFRS 18”), issued but not yet effective that could have a material effect on the Company.

NZ IFRS 18 was issued in May 2024 as a replacement for NZ IAS 1 Presentation of Financial Statements (“NZ IAS 1”) and applies to an annual reporting period beginning on or after 1 January 2027. Most of the presentation and disclosure requirements would largely remain unchanged together with other disclosures carried forward from NZ IAS 1. NZ IFRS 18 primarily introduces the following:

- a defined structure for the Statements of Changes in Net Assets by classifying items into one of the five categories: operating, investing, financing, income taxes, and discontinued operations. Entities will also present expenses in the operating category by nature, function, or a mix of both, based on facts and circumstances
- disclosure of management-defined performance measures in a single note together with reconciliation requirements, and
- additional guidance on aggregation and disaggregation principles (applied to all primary financial statements and notes).

The Company is currently assessing the impact of adopting the standard.

Notes to the Consolidated Financial Statements

2. SEGMENT REPORTING

An operating segment is a component of an entity that engages in business activity from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker, to make decisions about resources to be allocated to the segment and assess its performance. The Company has three operating segments and an "Other Activities" category. During the period the Company operated within one geographic segment being the Northland region.

During the reporting period the principal operating segments of the Company comprised:

- Northport related Operations (encompassing the Company's shareholding in Northport Ltd).
- Property Holdings (comprising the Company's industrial subdivision and farmland at Marsden Point).
- Marina & Commercial (comprising the Company's activities associated with Marsden Cove Marina which includes fuel sales).
- Other Activities (largely comprising of overheads associated with the Company's support functions).

All Operations are undertaken in New Zealand. Accounting policies (including the accounting policies used to measure the segments revenue and expenses) have been consistently applied across all segments and are the same as those used in the preparation of the Company financial statements.

	30 June 2024				
	Northport Related Operations	**Property Holdings**	**Marina & Commercial**	**Other Activities**	**TOTAL**
Revenue					
Rental revenue from external customers	-	4,104	699	-	4,803
Rental revenue from joint venture	-	357	-	-	357
Other revenue from external customers	-	373	6,422	23	6,817
Total segment revenue	**-**	**4,834**	**7,121**	**23**	**11,978**
Other income and expenditure:					
Share of profit from joint venture	7,946	-	-	-	7,946
Revaluation of investment property	-	(2,269)	(754)	-	(3,024)
Fair value movements	-	2	-	-	2
Finance income	-	-	-	34	34
Finance expense*	-	-	-	(1,773)	(1,773)
Depreciation expense	-	(57)	(449)	(56)	(562)
Other expenses/losses	-	(1,648)	(4,920)	(3,072)	(9,640)
Income tax expense	-	-	-	(488)	(488)
Total other income and expenditure:	**7,946**	**(3,973)**	**(6,124)**	**(5,356)**	**(7,506)**
Net profit/(loss) after tax	**7,946**	**861**	**998**	**(5,333)**	**4,472**
Total segmental assets	**54,581**	**99,320**	**38,734**	**1,618**	**194,253**
Total segmental liabilities	**-**	**875**	**2,092**	**34,268**	**37,235**
Non-current asset additions:					
Property, plant and equipment	-	(7)	448	7	448
Investment property	-	863	2,056	-	2,919

* Finance costs are not allocated to individual business segments within the Company.

Notes to the Consolidated Financial Statements

	30 June 2023				
	Northport Related Operations	Property Holdings	Marina & Commercial	Other Activities	TOTAL
Revenue					
Rental revenue from external customers	-	3,849	625	-	4,474
Rental revenue from joint venture	-	357	-	-	357
Other revenue from external customers	-	216	6,202	3	6,421
Total segment revenue	**-**	**4,423**	**6,827**	**3**	**11,253**
Other income and expenditure:					
Share of profit from joint venture	8,135	-	-	-	8,135
Revaluation of investment property	-	(1,805)	1,531	-	(274)
Fair value movements	-	44	-	-	44
Finance income	-	-	-	2	2
Finance expense*	-	-	-	(1,584)	(1,584)
Depreciation expense	-	(53)	(437)	(57)	(546)
Other expenses/losses	-	(1,374)	(4,965)	(2,740)	(9,079)
Income tax expense	-	-	-	(25)	(25)
Total other income and expenditure:	**8,135**	**(3,187)**	**(3,870)**	**(4,403)**	**(3,325)**
Net profit/(loss) after tax	**8,135**	**1,236**	**2,956**	**(4,399)**	**7,928**
Total segmental assets	**57,185**	**99,329**	**37,220**	**2,090**	**195,824**
Total segmental liabilities	**-**	**353**	**2,538**	**32,401**	**35,293**
Non-current asset additions:					
Property, plant and equipment	-	163	280	33	476
Investment property	-	1,341	404	-	1,745

* Finance costs are not allocated to individual business segments within the Company.

Notes to the Consolidated Financial Statements

3. EXPENSES

	30-Jun-24 $	30-Jun-23 $
3.1. Operating Expenses		
Employee related benefits - Marina Operations	868	658
Repairs and maintenance	678	720
Insurance	480	351
Electricity	75	57
Marketing expenses	144	148
Other operational expenses	486	472
	2,731	**2,406**

The Company incurs operating expenses in the normal course of business in its role as the Property Manager, that are recoverable from the properties that it manages. These costs include insurance, Electricity, repairs and maintenance and rates which totalled $449,283 during the period (2023: $240,975). Costs are recovered in accordance with applicable management agreement and deeds. Recovery of costs are recognised as other income in the profit or loss in the period where the associated cost has been recognised and the ability to recover is certain.

3.2. Land rates and lease expenses		
Land rates	688	513
Lease expenses	15	15
	703	**528**
3.3. Other expenses		
Employee related benefits - admin	1,308	1,165
Directors' fees *	391	565
Auditor remuneration - audit fees	122	109
Donations	2	16
Loss on sale of assets	4	-
Share registry expenses	101	105
Professional fees	1,029	884
Other administrative expenses	485	357
	3,441	**3,201**

* The FY23 figure includes back payment fees relating to FY22 which was approved by the shareholders.

3.4. Finance expenses		
Interest on debts and borrowings	1,850	1,625
Less capitalised borrowing costs	(77)	(41)
	1,773	**1,584**

The average weighted borrowing cost rate for capitalisation to property, plant and equipment is based on the monthly average loan balance weighted on the average interest rate of the loan. This was 7.49% for the current period (2023: 4.61%).

Notes to the Consolidated Financial Statements

Policy
Borrowing costs are recognised as an expense when incurred except for costs associated with the construction of any qualifying asset which are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

4. DERIVATIVE FINANCE INSTRUMENTS

As at 30 June 2024 the Company had interest rate swaps in place covering approximately 60% (2023: 63%) of the loan principal outstanding with the Bank of New Zealand (refer note 10), with interest rates of between 6.66% and 6.94% (2023: 2.92% and 6.79%)

	30-Jun-24 $	30-Jun-23 $
4.1. Fair Value of Interest Rate Swaps		
Current	379	-
Non-Current	-	968
	379	**968**
Movement in Fair Value of Swaps	(589)	296

Accounting Judgement, Estimate and Assumption

The fair value of derivative financial instruments are determined from valuations prepared by independent treasury advisers using Level 2 valuation techniques. These are based on the present value of estimated future cash flows accounting for the terms and maturity of each contract and the current market interest rates at reporting date. Fair values also reflect the current creditworthiness of the derivative counterparty.

4.2. Hedging Reserve

The hedge reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative deferred gain or loss on the hedge is recognised via profit or loss when the hedged transaction itself impacts profit or loss.

Movement in Company hedging reserve	(589)	296
Movement in share of joint venture hedging reserve	(303)	291
Total movement in hedging reserve before tax	**(892)**	**587**
Taxation on above items	250	(164)
Total movement in hedging reserve after tax	**(642)**	**423**
Balance at 1 July	1,164	741
Balance at 30 June	**521**	**1,164**
Hedging Reserve - Company	273	697
Hedging Reserve - Northport Ltd	248	466

Notes to the Consolidated Financial Statements

Policy

Derivative Financial Instruments and Hedging

The Company periodically uses derivative financial instruments, such as interest rate swaps, to hedge risk associated with interest rate fluctuation.

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at each balance sheet date to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative contract is designated as a hedging instrument, and if so, the nature of the item being hedged.

Designated Cash Flow Hedges

At the inception of a designated hedge transaction the relationship between the hedging instrument and hedged item is formally documented, as well as the risk management objectives and strategy for undertaking the transaction. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged, and how the hedging instrument's effectiveness will be assessed. Such instruments are expected to be highly effective in achieving offsetting changes and are assessed on an on-going basis to determine whether they have actually been highly effective throughout the financial reporting period(s) for which they were designated.

At each reporting date, all designated cashflow hedges are tested for effectiveness. The ineffective portion of the gain or loss on each hedging instrument is recognised in profit or loss whilst the effective portion is included in other comprehensive income of the relevant entity.

Amounts accumulated in Equity are recycled in the Statement of Profit or Loss in the period(s) when the hedged item impacts profit or loss. When the forecast transaction that is hedged results in a non-financial asset, the gains or losses previously deferred in Equity are transferred from Equity and included in the initial cost or carrying amount of the asset with the deferred amount ultimately being recognised as depreciation in the case of property, plant and equipment.

If the hedging instrument expires or is sold, terminated or exercised without replacement or roll over, or its designation as a hedge is revoked (due to ineffectiveness), amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Derivatives that do not qualify for hedge accounting

Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately via profit or loss. Similarly, if a previously forecast transaction is no longer expected to occur, any amounts accumulated in reserves are immediately reclassified to profit or loss.

5. INVESTMENT PROPERTY

	30-Jun-24 $	30-Jun-23 $
Opening Carrying Value	110,490	108,880
Current Year Movements		
Land Development and Improvements	1,425	1,270
Investment Property in Progress	1,494	450
Transferred from Property, Plant & Equipment	15	26
Movement in Lease Incentives	(20)	138
Revaluation (recognised in profit and loss)	(3,024)	(274)
Closing Carrying Value	**110,380**	**110,490**

The Company's investment properties consist of freehold land and improvements, as well as the Marsden Cove Marina.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occured between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There has been no transfers between levels during the period (2023: none).

Notes to the Consolidated Financial Statements

Investment properties are recurring level 3 fair value measured assets. Fair value has been determined based on valuations performed, in accordance with NZ IAS 40 as at 30 June 2024, by Brad Sworn of CBRE (2023: Brad Sworn of CBRE), an industry specialist in valuing these types of asset. The 'fair value', highest and best use approach has been adopted. The valuation was assessed in accordance with NZ IAS 40 which defines 'fair value' as being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

	Valuation Technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Land and Improvements held for lease	DCF Method,	Land Available for Lease Value per m²*	2024: $35-$250 2023: $40-$280	+/-5% An adjustment to the gross realisation of Block A results in a block value range of $34,500,000 and $38,450,000 (2023: $37,500,000 and $41,800,000)
	Income Capitalisation and Direct Comparative	Discount Rate	2024: 6.75%- 8.25% 2023: 7.50%- 9.25%	+/- 0.25% (3.0% adjustment) This a range of $60,850,000 to $62,550,000 for Block A (2023: $63,790,000 to $65,400,000)
		Capitalisation Rate	2024: 6.75%-7.50% 2023: 6.25%-7.50%	+/-0.5% This shows a range of $58,800,000 to $65,800,000 for Block A (2023: $59,200,000 to $66,300,000)
		Exit Yield at 10 years	2024: 7.25%-8.00% 2023: 6.75%-8.25%	+/-0.25% (3.0% adjustment) This shows a range of $60,950,000 to $62,450,000 for Block A (2023: $63,670,000 to $65,490,000)
Marsden Cove Marina	DCF Method	Discount Rate	2024: 11.00%-12.50% 2023: 11.00%-12.50%	+/-1% The long term rental scenario has a sensitivity analysis range of $12,900,000 and $14,650,000 (2023: $13,250,000 to $15,050,000). The sell down scenario has a sensitivity analysis range of $15,750,000 and $17,500,000 (2023: $15,950,000 and $17,950,000)
		Long Term Licence Reversion Discount Factor	N/A	N/A
Marsden Cove commercial complex	DCF Method	Annual Rental Cashflow	2024: $761,838-$886,817 2023: $693,901-$868,487	+/-5% adjustment to the potential market rent results in a value of between $12,210,000 and $13,450,000 (2023: $10,795,000 and $12,130,000). A 5% adjustment in the growth rate over the DCF results in a value range of $12,950,000 and $13,190,000 (2023: $10,765,000 and $13,100,000)
		Exit Yield at 10 years	2024: 7.00% 2023: 7.25%	+/-0.25% (3.0% adjustment) shows a range of $12,805,000 to $13,350,000 (2023: $11,453,000 to $11,975,000)
		Discount rate	2024: 8.00% 2023: 7.75%	+/-0.25% (3.0% adjustment) This shows a range of $12,830,000 to $13,305,000 (2023: $11,466,000 to $11,949,000)

* Excludes undeveloped land and land designated for a transport corridor which is valued at $5 per m² (2023: $5 per m²).

Notes to the Consolidated Financial Statements

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. The method involves the projection of a series of cash flows from the investment property assets. To this projected cash flow series a discount rate is applied to establish present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

Significant increases (decreases) in estimated land value, rent growth and berth sell down rates per annum in isolation would result in a significantly higher (lower) fair value of investment property. Significant increases (decreases) in discount rates and exit yields in isolation would result in significantly lower (higher) fair value.

With the exception of a portion of land designated for a transport corridor, the Company has no restrictions on the realisability of its investment property.

Significant Accounting Judgement, Estimate and Assumption

Investment Property is revalued annually by an independent valuer. The fair value of these assets is based on market values, being the estimated amount for which the assets could be exchanged between a willing buyer and a willing seller in an arm's length transaction. Changes to market conditions or assumptions made in the estimation of fair value will result in changes to the fair value of property.

Policies

Investment properties are held to earn rental income or for long term capital appreciation. After initial recognition at cost including directly attributable acquisition costs, investment properties are measured at fair value, on the basis of valuations made by independent valuers on at least an annual basis. Gains or losses arising from changes in the fair values of investment properties are included in the Statement of Comprehensive Income in the year in which they arise.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Investment properties under construction are carried at cost until it is possible to reliably determine their fair value, from which point they are carried at fair value less costs to complete.

Gains or losses on the disposal of investment properties are recognised in the Consolidated Statement of Comprehensive Income in the period in which the investment properties are derecognised when they have been disposed.

Transfers from property, plant and equipment to investment property are made when, and only when, there is a change in use, evidenced by the ending of owner-occupation or commencement of an operating lease to another party.

For a transfer from investment property to owner-occupied property, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If property occupied by the Company as an owner-occupied property becomes an investment property, the Company accounts for such property in accordance with its property plant and equipment policy up to the date of change in use.

Notes to the Consolidated Financial Statements

6. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings and Amenities	Plant and Equipment	Capital Work Progress	Total
Cost or valuation					
Balance at 1 July 2022	18,525	9,912	2,953	239	31,628
Additions	-	75	162	241	477
Transferred from capital work in progress	-	-	49	(49)	-
Transferred to investment property	-	-	-	(26)	(26)
Transferred to operating expenses	-	-	-	(1)	(1)
Disposals	-	-	(2)	-	(2)
Revaluation	(2,355)	-	-	-	(2,355)
Balance at 30 June 2023	**16,170**	**9,987**	**3,162**	**403**	**29,722**
Additions	-	0	(0)	448	448
Transferred from capital work in progress	-	354	307	(660)	-
Transferred to investment property	-	(10)	(5)	-	(15)
Transferred to operating expenses	-	-	-	(30)	(30)
Disposals	-	-	(123)	-	(123)
Revaluation	1,505	-	-	-	1,505
Balance at 30 June 2024	**17,675**	**10,330**	**3,341**	**161**	**31,508**
Accumulated Depreciation					
Balance at 1 July 2022	-	(1,966)	(1,096)	-	(3,062)
Depreciation expense	-	(338)	(207)	-	(546)
Disposals	-	-	0	-	0
Balance at 30 June 2023	**-**	**(2,304)**	**(1,303)**	**-**	**(3,608)**
Depreciation expense	-	(343)	(220)	-	(562)
Disposals	-	-	93	-	93
Balance at 30 June 2024	**-**	**(2,647)**	**(1,429)**	**-**	**(4,076)**
Net book value	-				
At 30 June 2023	**16,170**	**7,682**	**1,859**	**403**	**26,114**
At 30 June 2024	**17,675**	**7,683**	**1,912**	**161**	**27,431**

The fair value of freehold land, a recurring level 3 fair value measured asset, was determined by using the market comparison method. The valuation has been prepared as at 30 June 2024 using the highest and best use approach while considering various market drivers for land in the Marsden Point area together with limited, recent sales evidence for the area.

The valuation was undertaken by independent valuer Brad Sworn of CBRE (2023: Brad Sworn of CBRE).

Significant unobservable valuation input:	**Range:**
Price per hectare	\$90,000 to \$190,000

A 5% increase (5% decrease) in estimated price per hectare in isolation would result in a \$885,000 higher (\$885,000 lower) fair value.

With the exception of a portion of land designated for a transport corridor, the Company has no restrictions on the realisability of its freehold land.

Notes to the Consolidated Financial Statements

	30-Jun-24 $	30-Jun-23 $
Carrying value of freehold land if measured using the cost model If freehold land were measured at cost less accumulated depreciation and impairment, the respective carrying amounts would be as follows:		
Using the cost model	**7,487**	**7,487**

Significant Accounting Judgements, Estimates and Assumptions

The estimation of the useful lives of assets has predominantly been based on historical experience. Useful lives are reviewed on an annual basis and adjustments made when considered necessary.

Freehold Land is revalued annually by an independent valuer. The fair value of these assets is based on market values, being the estimated amount for which the assets could be exchanged between a willing buyer and a willing seller in an arm's length transaction. Changes to market conditions or assumptions made in the estimation of fair value will result in changes to the fair value of property.

Policies

Property Plant and Equipment comprises land and other fixed assets held for use in the production or supply of services. With the exception of freehold land, property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is subject to annual revaluation at "fair value" on the basis of independent valuation.

Historical cost includes expenditure that is directly attributable to the acquisition of an item of property, plant and equipment. This includes any applicable borrowing costs and/or transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance are recognised in profit and loss as incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the profit and loss.

Property, plant and equipment, with the exception of freehold land and capital work in progress, is depreciated. The charge for depreciation is calculated using the straight line method to allocate cost, net of residual value, over the estimated useful lives of assets as follows:

Freehold Land	not depreciated
Buildings & Amenities	5-50 years
Plant & Equipment (including vehicles)	2-25 years

Underground fuel tanks related to the Company's fuel facility that have been classified as Plant & Equipment and have an estimated useful life of 40 years.

Residual values and useful lives are reviewed, and adjusted if appropriate at each Balance Sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Land Revaluations

Any revaluation increment is credited to the asset revaluation reserve included in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit and loss, in which case the increment is recognised in profit and loss.

Any revaluation decrease is recognised in profit or loss, except to the extent that it offsets a previous revaluation increment for the same asset, in which case the decrease is debited directly to the asset revaluation reserve to the extent of the credit balance existing in the revaluation reserve for that asset.

Upon disposal or derecognition of an asset, any associated revaluation reserve balance is transferred to retained earnings.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Notes to the Consolidated Financial Statements

7. INVESTMENT IN JOINT VENTURE

	30-Jun-24 $000s	30-Jun-23 $000s
Northport Ltd (Main Activity: Seaport, Balance Date: 30 June)		
Shareholding	50%	50%
Balance at 1 July	57,185	61,448
Share of net profit after tax	7,946	8,124
Share of current period elimination re. previous inter entity asset sales	-	12
Share of profit from joint venture	**7,946**	**8,135**
Share of hedging reserve	(218)	210
Share of revaluation reserve	(3,271)	(4,188)
Share of total comprehensive income	**4,457**	**4,157**
Dividends received	(7,061)	(8,420)
Balance at 30 June	**54,581**	**57,185**
Summary Financial Information		
Cash and equivalents	594	523
Current financial assets	534	750
Other current assets	3,851	4,466
Total current Assets	**4,979**	**5,739**
Non-current financial assets	155	548
Other non-current assets	158,296	163,192
Total non current assets	**158,451**	**163,740**
Total assets	**163,430**	**169,479**
Current financial liabilities (excluding trade and other payables)	230	217
Other current liabilities	3,991	4,016
Total current liabilities	**4,221**	**4,233**
Non current financial liabilities	47,455	48,283
Total liabilities	**51,676**	**52,516**
Net assets	**111,754**	**116,963**
Company's share of net assets 50%	55,877	58,481
Aggregate of the previous inter-entity asset sales elimination adjustments	(1,296)	(1,296)
Investment in Joint Venture	**54,581**	**57,185**
Revenue	40,722	40,545
Depreciation and amortisation	4,490	4,610
Interest income	42	26
Interest expense	2,945	2,647
Tax expense	5,668	4,859
Net surplus after tax	**15,892**	**16,247**
Other comprehensive loss	(6,978)	(7,957)
Total comprehensive income	**8,914**	**8,290**

Notes to the Consolidated Financial Statements

Policies

The Company's investment in its joint venture is accounted for using the equity method of accounting in the consolidated financial statements. A joint venture is a type of joint arrangement whereby the parties have joint control of the arrangement and have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Under the equity method, investments in the joint ventures are recognised in the Consolidated Balance Sheet at cost plus post-acquisition changes in the Company's share of net assets of the joint ventures. After application of the equity method, the Company determines whether it is necessary to recognise any impairment loss in respect to the Company's net investment in joint ventures.

The Company's share of its joint ventures' post-acquisition profits or losses is recognised in profit or loss, and its share of post acquisition movements in reserves is recognised in other comprehensive income of the Company. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received from joint ventures reduce the carrying amount of the investment.

If the Company's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any unsecured long-term receivables and loans, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

8. RECEIVABLES AND PREPAYMENTS

	30-Jun-24 $	30-Jun-23 $
Trade receivables - net of provision for impairment	648	**334**
Related parties (Note 17.1)	-	**0**
GST refund due	66	-
Prepayments	156	**146**
Accrued Revenue	43	-
Sundry debtors	33	12
	946	**492**

Policies

Receivables

Receivables which generally have a 30 day term are recognised initially at fair value. The Company applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Prepayments

Prepayments comprise of significant items of expenditure having a benefit to more than one accounting period and are written off over the period to which they relate.

Notes to the Consolidated Financial Statements

9. PAYABLES

	30-Jun-24 $	30-Jun-23 $
Trade payables	547	447
Related parties (Note 17.1)	**5**	-
GST Payment due	-	11
Retentions	54	149
Employee leave provisions	87	48
Other payables	692	465
	1,385	**1,120**

Policies

Payables

Payables are carried at amortised cost. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are typically unsecured and usually paid within 30 days of recognition.

Employee Benefits

Liabilities for wages and salaries, including annual leave entitlements and any non-monetary benefits are recognised as a current liability in respect of employees' services up to the reporting date. They are measured at the amount expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

10. BANK LOANS

BNZ loan facility – non-current portion	33,440	31,950
	33,440	**31,950**

As at 30 June 2024, the Company had access to funding facilities with the BNZ totalling $45,500,000 (2023: $40,500,000). A $30,000,000 tranche of the Company's funding facility is due to expire on 31 December 2026. The Company will enter into negotiations with the BNZ closer to the expiry date and expects to renew this expiring tranche in the normal course of business.

The remainder of the loan facility is able to be drawn-down on request subject to the Company being in compliance with undertakings in respect of the facility. Interest rates are determined by reference to prevailing money market rates at the time of draw-down plus a margin. Interest rates (excluding establishment and line fees) paid during the year ranged from 6.66% to 6.90% (2023: 3.88% to 6.93%).

The loan facility is secured by a first ranking mortgage over all of Marsden Maritime Holdings Ltd.'s property interests.

Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Notes to the Consolidated Financial Statements

11. REVENUE IN ADVANCE

	30-Jun-24 $	30-Jun-23 $
Balance at 1 July	2,149	1,860
Marina berth licence sales proceeds	96	494
Recognition – current period	(209)	(205)
Balance at 30 June	**2,036**	**2,149**
Current	208	115
Non-Current	1,828	2,034

Marina berth licences are sold giving the licensee a right to occupy a marina berth for a period that ranges from 5 to 30 years. The proceeds from a sale of a berth are recognised over the particular term of each licence sold.

12. CONTRIBUTED EQUITY

12.1. Share capital

Balance at 30 June	**14,688**	**14,688**

All shares carry equal voting rights and have no par value.

Marsden Maritime Holdings Ltd has an authorised capital of 80,000,000 shares (unchanged from prior year).

	Shares	Shares
Total at 30 June	**41,300,651**	**41,300,651**

12.2. Earnings per share

Earnings per share of 10.83 cents per share (2023: 19.20 cents per share) has been calculated as the reported net profit after tax divided by the average number of fully paid shares (calculated on a daily basis) on issue during the period, comprising 41,300,651 shares (2023: 41,300,651 shares). Diluted earnings per share has been calculated on the same basis.

12.3. Dividends on ordinary shares declared and paid

During the financial year the following dividend payments were made:

	2024 $	2023 $
Final, 29/09/23 - 7.50 cents/share (30/09/22 - 10.00 cents)	3,098	4,130
Interim, 28/03/24 - 6.00 cents/share (31/03/24 - 6.00 cents)	2,478	2,478
	5,576	**6,608**

Subsequent to balance date, the Board of Marsden Maritime Holdings Ltd declared a fully imputed ordinary dividend of 5.75 cents per share with payment to be made on 30 September 2024.

Notes to the Consolidated Financial Statements

Policy

A provision is made in the financial statements for the amount of any dividend declared on or before the end of the financial year but not distributed at balance date.

12.4. Capital management

When managing capital, the objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Changing market conditions may affect the amount of dividends paid to shareholders. Changing market conditions may also result in the return of capital to shareholders, the issuance of new shares, or result in the sale of assets to reduce debt.

During the reporting period, the Company and its joint venture entities fully complied with any externally imposed capital requirements.

13. TAXATION

	30-Jun-24 $	30-Jun-23 $
13.1. Taxation expense		
Net surplus before taxation	4,960	7,953
Prima facie tax at 28%	**1,389**	**2,227**
Adjusted for the tax effect of:		
Tax paid joint venture earnings	(248)	83
Imputed dividend receipts	(1,977)	(2,358)
Revaluation non-assessable/non-deductible (income)/expense	836	61
Capitalised borrowing costs deducted for tax purposes	(21)	(12)
Non-deductible expenses	112	31
Carried forward losses not recognised (recognised)	52	(7)
Tax depreciation on Building	301	-
Prior period adjustment – non deductable expenses	44	-
Income tax expense	**488**	**25**
Represented by:		
Current taxation	188	(56)
Deferred taxation	**300**	**81**
Income tax expense	**488**	**25**

The ability to claim tax depreciation deductions on buildings with an estimated useful life of 50 years or more will be removed from the start of the 2024/25 income tax year. The Company has reviewed the assets that may be included in this category and has provided for all such buildings that meet the IRD's definition of buildings and this has resulted in an increase to tax expense and a movement in deferred tax of $300,543.

Notes to the Consolidated Financial Statements

	30-Jun-24 $	30-Jun-23 $
13.2. Deferred tax		
Balance at 1 July	(73)	7
Items Charged to Profit & Loss	(300)	(81)
Balance at 30 June	**(374)**	**(73)**
Represented by:		
Investment property	(2,592)	(2,207)
Property, plant and equipment	(496)	(188)
Financial Instruments	(106)	(271)
Provisions	35	33
Deferred tax liability	(3,159)	(2,633)
Deferred tax asset (tax effect of losses carried forward)	2,786	2,560
Net deferred tax asset / (liability)	**(374)**	**(73)**

Significant Accounting Judgement, Estimate and Assumption

At the end of the reporting period the Company has accumulated tax losses amounting to $9,949,502 with a tax effect of $2,785,861 (2023: losses $9,144,510 tax effect $2,560,463) subject to Inland Revenue Department confirmation. Due to the time frame in which assessable income is anticipated to be available to offset such losses the Company has determined that it is appropriate to only recognise losses in the financial statements to a level that directly offsets the deferred tax liability.

Notes to the Consolidated Financial Statements

Policies

Current Tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred Tax

Deferred income tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the taxable temporary difference is associated with investments in subsidiaries, joint ventures or interests in joint operations, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the deductible temporary difference is associated with investments in subsidiaries, joint ventures or interests in joint operations, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Taxation Expense

The income tax expense recognised in the profit and loss includes both current and deferred tax and is calculated after allowing for non-assessable income and non-deductible expenditure.

Tax Losses

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Notes to the Consolidated Financial Statements

14. OTHER INVESTMENTS

	30-Jun-24 $	30-Jun-23 $
Fonterra Co-operative Group Ltd – Shares		
Balance at 1 July	392	348
Acquisition/(disposals)	(157)	-
Fair value movements	2	44
Balance at 30 June	**237**	**392**

Fair Value Movement in Other Investments	Shares Held	Disclosed Fair Value Per Share	Fair Value Movement
Fonterra Co-operative Group Ltd – Shares (2023)	119,935	3.27	
Fonterra Co-operative Group Ltd – Shares (2024)	79,956	2.96	**2**

Policy

Other investments are initially recognised at cost and are subsequently restated to their assessed fair value at each reporting date and more frequently, if warranted. Any movement in fair value is immediately recognised in the profit or loss.

Financial Assets

The Company determines the fair value of it’s shares in Fonterra Co-operative Group Ltd using market price level 1 inputs.

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company’s activities expose it to a variety of financial risks including movements in fair value, liquidity risk, credit risk, price risk, interest rate risk and to a lesser extent foreign exchange risk. The Company’s overall risk management programme seeks to minimise potential adverse effects on its financial performance.

15.1. Liquidity risk

The Company manages its exposure to liquidity risk by maintaining a balance between continuity of funding and flexibility through the use of bank loans, overdrafts and committed available credit lines. As at 30 June 2024, the Company had access to funding facilities with the BNZ totalling $45,500,000 (2022: $40,500,000) of which $33,440,000 was drawn down at this date (2023: $31,950,000). The present and expected level of cash flow is sufficient to meet repayment requirements.

The table below summarises the maturity profile of the Company’s financial liabilities based on contractual undiscounted payments.

Notes to the Consolidated Financial Statements

	On Demand	Less Than 3 Months	3 to 12 Months	Over 12 Months
Interest-bearing loans and borrowings (includes interest expense)	-	622	1,867	37,721
Trade and other payables	-	552	54	-
Balance at 30 June 2024	**-**	**1,174**	**1,921**	**37,721**
Interest-bearing loans and borrowings (includes interest expense)	-	319	958	33,157
Trade and other payables	-	459	149	-
Balance at 30 June 2023	**-**	**778**	**1,107**	**33,157**

As at 30 June 2024, joint venture company Northport Ltd had access to funding facilities totalling $55,000,000 (2023: $55,000,000) of which a total sum of $11,700,000 remained undrawn at balance date.

15.2. Credit risk

Credit Risk arises from the financial assets of the Company, which comprises cash and cash equivalents, trade and other receivables, loans and receivables and derivative instruments. The Company's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The Company trades only with recognised, creditworthy parties and inquiries are made on the potential tenants background and history in market before lease finalisation. As such collateral is not typically required.

Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Company further minimises its credit exposure by limiting the amount of funds placed with any one financial institution at any one time.

No material financial assets are past due as at balance date.

15.3. Price risk

Price risk arises from investments in equity securities as detailed in Note 14. The price risk for listed and unlisted securities is immaterial in terms of the possible impact on the Statement of Comprehensive Income or total equity and as such, a sensitivity analysis has not been completed.

15.4. Interest rate risk

The Company's exposure to the risk in changes in interest rates primarily stems from its portion of long-term debt obligations that are uncovered by hedging arrangements and therefore have a floating interest rate.

At balance date, the Company had the following direct exposure to variable interest rate risk on the unhedged portion of its long-term debt obligations:

	30-Jun-24 $	30-Jun-23 $
Financial liabilities		
Bank Loan – unhedged portion	(13,648)	(11,950)

The following sensitivity analysis is based on the Company's exposure to unhedged interest rate risk (with all other variables held constant) as at the end of the reporting period. The analysis below depicts the post tax impact on profit and equity.

The Company also has an indirect exposure to variable interest rate risk via its holding in joint venture entity Northport Ltd.

Notes to the Consolidated Financial Statements

	30-Jun-24 $	30-Jun-23 $
+1.0% (100 Basis Points) Post Tax Profit and Equity – Higher (Lower)	(134)	(120)
-0.5% (50 Basis Points) Post Tax Profit and Equity – Higher (Lower)	67	60
15.5. Financial instruments		
The Company has the following categories of financial instruments:		
Financial assets at fair value through profit or loss **Designated on initial recognition**		
Fonterra Co-operative Group Ltd – shares	237	392
Financial assets – derivates designated as hedging instruments		
Interest rate swaps	379	968
Financial assets at amortised cost		
Cash and deposits	213	72
Receivables	1,245	681
Financial liabilities at amortised cost		
Payables	1,298	1,072
Bank loans	33,440	31,950

16. OPERATING LEASE RECEIVABLES

	30-Jun-24 $	30-Jun-23 $
The following future minimum rentals receivable as a lessor existed at year end:		
Less than 1 year	4,810	4,116
Between 1 - 5 years	10,419	9,591
Over 5 years	6,644	7,625
	21,873	**21,332**

The Company leases land and buildings to a variety of customers within close proximity to the port. These non-cancellable leases have remaining terms of between one month and 24 years. All leases include a clause to enable upward revision of the rental charge on contractual rent review dates according to prevailing market conditions.

17. RELATED PARTY DISCLOSURE

Related party transactions are undertaken within the normal course of business of the Company. Outstanding balances at year-end are unsecured and interest free and settlement occurs in cash. The Company transacted with the following related parties during the period:

Northport Ltd

This company is jointly owned by the Marsden Maritime Holdings Ltd and Port of Tauranga Ltd. As a shareholder in this entity, the Company, during the year ended 30 June 2024, received dividends amounting to $7,061,183 (2023: $8,420,095) together with full imputation credits.

Notes to the Consolidated Financial Statements

North Tugz Ltd

This company is jointly owned by the joint venture entity, Northport Ltd and Ports of Auckland Ltd (a significant shareholder of Marsden Maritime Holdings Ltd). It was established to operate various marine services previously undertaken by the respective shareholders.

Marsden Cove Canals Management Ltd

Marsden Maritime Holdings Ltd currently holds a 50% interest in this entity which effectively serves as a body corporate for the canal waterways at Marsden Cove. This entity is a limited liability company with charitable trust status and as such its shareholders do not receive any distributions or have any entitlement to a share in the entity's equity. Due to nature of this entity it has not been consolidated with Marsden Maritime Holdings Ltd in these financial statements.

Northland Regional Council

The Northland Regional Council is the major shareholder of Marsden Maritime Holdings Ltd. During the year it received dividend payments totalling $2,989,292 (2023: $3,542,605).

Directors

Periodically, certain transactions, which are generally not of a material nature, take place between Marsden Maritime Holdings Ltd and companies in which some directors may have an interest or association. Any director involved in a transaction of this nature abstains from voting at the time in accordance with the Company's Constitution.

Key Management Personnel

The directors and certain senior management of the Company have been identified as key management personnel by virtue of their authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. Total compensation for key management personnel amounted to $1,624,541 (2023: $1,604,895) comprising directors' fees $391,331 (2023: $565,484), salaries $1,025,356 (2023: $823,021), termination settlements $46,412 (2023: $50,859), management bonuses $63,595 (2023: $87,602) and associated benefits $97,847 (2023: $77,929).

	30-Jun-24 $	30-Jun-23 $
17.1 Related party		
Receivables		
Marsden Cove Canal Management Ltd	-	0
	-	**0**
Payables		
Northland Regional Council	1	
Directors of Marsden Maritime Holdings Ltd	4	-
	5	**-**
17.2 Northport Ltd		
Services provided by Marsden Maritime Holdings Ltd	31	25
Leases provided by Marsden Maritime Holdings Ltd	357	357
Services provided to Marsden Maritime Holdings Ltd	86	77
Services provided to North Tugz Ltd	1,328	997
Services provided to Northland Regional Council	70	60

Notes to the Consolidated Financial Statements

	30-Jun-24 $	30-Jun-23 $
17.3 North Tugz		
Services provided to Northland Regional Council	50	15
Services provided by Northland Regional Council	1	-
Services provided to Northport Ltd	5,525	5,140
17.4 Northland Regional Council		
Services provided to Marsden Maritime Holdings Ltd	85	69
Services provided to Northport Ltd	91	300
17.5 Marsden Cove Canals Management Ltd		
Levies charged to Marsden Maritime Holdings Ltd	140	109
Services provided by Marsden Maritime Holdings Ltd	3	2
17.6 Directors of Marsden Maritime Holdings Ltd		
Services provided to Marsden Maritime Holdings Ltd	391	565
Services provided to Northport Ltd	130	127

18. CONTINGENT LIABILITIES

At Balance Date the Company was aware of the following Contingent Liabilities:

To the Bank of New Zealand for a $75,000 (June 2023: $75,000) Bond in favour of the New Zealand Stock Exchange. The Company has issued a letter of guarantee through BNZ in favour of NZX under which BNZ guarantees payment to NZX in the event that MMH incurs any penalties imposed by the NZX. As at 30 June 2024, it is not considered probable that penalties would be incurred therefore no provision has been recognised (2023: no provision).

19. CAPITAL COMMITMENTS

Commitments for capital expenditure at 30 June 2024 amounted to $889,000 relating to various projects which are currently under contract (2023: $10,000,000 which relates to the purchase of land under the proposed Oruku Landing conference and multi-events centre, subject to confirmation of Governement funding for the project to proceed).
Capital expenditure commitments in respect of the Company's Joint Venture interests as at 30 June 2024 totalled $0. (2023: $750,000).

20. SUBSEQUENT EVENTS

Joint Venture company Northport Ltd declared a fully imputed ordinary dividend of $3,124,674 to be paid on 30 August 2024.

Refer to Note 12.3 for details of the Company Board of Directors dividend declaration subsequent to balance date.

Auditor's Report

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF MARSDEN MARITIME HOLDINGS LIMITED

The Auditor-General is the auditor of Marsden Maritime Holdings Limited and its subsidiaries (the Group). The Auditor-General has appointed me, Brent Penrose, using the staff and resources of Ernst & Young, to carry out the audit of the consolidated financial statements of the Group on his behalf.

Opinion

We have audited the consolidated financial statements of the Group on pages 45 to 73, that comprise the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

Basis for our opinion

We conducted 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 *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Auditor-General's Auditing Standards, which incorporate Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other than in our capacity as auditor we have no relationship with, or interests in, Marsden Maritime Holdings Limited or any of its subsidiaries.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of the audit report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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Auditor's Report

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Valuation of Investment Property and Land

Why significant	How our audit addressed the key audit matter
The valuations of investment property and land, carried at $110.4m and $17.7m, respectively, are important to our audit as they represent significant judgment areas and a significant percentage of the total assets of the Group. The Group engaged third party registered valuers to determine the fair value of these assets at 30 June 2024. The investment property and land valuations require the use of judgments specific to the assets, as well as consideration of the prevailing market conditions. Significant assumptions used in the valuation are inherently subjective. A small difference in any one of the key assumptions, when aggregated, could result in a significant change to the valuation of the properties. Amongst other matters, the valuations are based on assumptions such as future lease revenues, discount and capitalisation rates and land values per square metre. Disclosures in relation to investment property and land are included in notes 5 and 6 to the consolidated financial statements, respectively.	In obtaining sufficient audit evidence we: ‣ understood, through discussion with management, changes in the investment property and land, work performed in relation to them and changes to the related lease agreements, where applicable; ‣ understood the valuation process which included identifying management controls over the process; ‣ evaluated the competence, capabilities and objectivity of the external valuer; ‣ considered the instructions provided to the valuer; ‣ compared the key valuation assumptions used and the assessed values of investment property and land to the previous year's equivalent assumptions and amounts to determine the principal reasons for changes in assessed values; ‣ agreed a sample of new leases from the tenancy schedule to supporting lease agreements; ‣ involved our real estate valuation specialists to assess the valuations, valuation methodology and appropriateness of assumptions against market evidence; ‣ considered the nature of amounts capitalised in the year in relation to land improvements and investment properties, their treatment in the consolidated financial statements and their impact on the valuation; and ‣ assessed the adequacy of the consolidated financial statement disclosures made in respect of the valuation of land and investment properties. As a result of the above procedures, we considered the valuation techniques and key assumptions reasonable in forming our opinion on the consolidated financial statements as a whole.

Other information

The Directors are responsible on behalf of the Group for the other information. The other information comprises the information included on pages 1 to 44 and 78 to 89, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Auditor's Report

Directors' responsibilities for the consolidated financial statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors' responsibilities arise from the Financial Markets Conduct Act 2013.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 conducted in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of shareholders taken on the basis of these consolidated financial statements.

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. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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.
- 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the 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 Group'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 consolidated financial statements 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Auditor's Report

We communicate with the 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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our responsibilities arise from the Public Audit Act 2001.

B R Penrose

Brent Penrose
Ernst & Young
On behalf of the Auditor-General
Auckland, New Zealand
23 August 2024

Corporate Governance Statement

The Board of Marsden Maritime Holdings Limited ("Marsden Maritime" or "the Company") plays an essential role in setting and overseeing the effective execution of the Company's strategic direction, with a clear focus on the creation of long-term value for shareholders.

The Marsden Maritime Board of Directors ("the Board") is responsible for the Company's governance framework, which is recorded in the governance policies, Board Committee charters and management policies. The Company's corporate governance framework takes into consideration contemporary standards in New Zealand including the NZX Listing Rules, NZX's Corporate Governance Best Practice Code (the NZX Code) and the Financial Markets Authority's Corporate Governance in New Zealand, Principles and Guidelines (collectively the "Principles").

The Board confirms that as at 30 June 2024, the governance practices largely comply with the NZX Code and have done so for the preceding 12 months of the financial year. In the sections below we note a minor deviation in relation to Recommendation 2.5 (Measurable objectives for diversity).

Marsden Maritime's corporate governance documents and related information are available at the Investors section of the Company's website www.marsdenmaritime.co.nz. This statement was approved by the Board on 23 August 2023.

Principle 1 — Code of Ethical Behaviour

Directors should document minimum standards of ethical behaviour to which the issuer's directors and employees are expected to adhere.

Code of Ethics Policy

The Board is committed to ensuring the Company maintains best-practice standards of corporate governance, business behaviour and accountability to ensure that it always operates in a transparent, fair and ethical way.

The Board's governance documents include a Code of Ethics Policy that applies to directors and employees. The purpose of the Code of Ethics Policy is to underpin and support the values that govern individual and collective behaviour. The Code of Ethics Policy is intended to guide directors' and employees' decisions so that they are consistent with the Company's values, business goals and legal obligations. It sets out the minimum expectations of behaviour in relation to conduct, conflicts of interest, proper use of assets and property, and proper use of information. The Company's Whistleblowing Policy sets out the procedures for reporting any breaches of the Code of Ethics Policy or of any law, regulation, company policy or any other serious wrongdoing.

The Code of Ethics Policy is provided to all new employees and using the online portal all employees are required to formalise their acceptance of the policy. Managers discuss the Code of Ethics policy with their teams to raise awareness and to demonstrate leadership of good ethical conduct.

Securities Trading Policy

The Company's Securities Trading Policy and Guidelines applies to all directors, executives and employees and is additional to the legal prohibitions on insider trading in New Zealand. The policy provides guidance and rules for trading in Marsden Maritime's securities listed on the NZX.

Principle 2 — Board Composition and Performance

To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives.

Board Charter

Details of the Board's role, composition, responsibilities, operation, policies and committees are provided in the Board Charter. The Charter distinguishes between the responsibilities of the Board and those matters that are delegated to management. The Board has responsibility for, amongst other things: overall governance and setting strategic direction; providing leadership

Corporate Governance Statement

and monitoring management's implementation of strategic objectives and performance; reviewing and approving budgets and capital expenditure; identifying and mitigating risks; monitoring operational and financial performance and reporting systems; determining dividends; appointing and removing the Chief Executive; and reviewing company policies. A set of delegated authorities establish the responsibilities delegated to management and those retained by the Board. The delegated authorities are subject to review and approval by the Board annually. The Chief Executive has responsibility for the proper exercise of and compliance with the delegation policies.

The Board meets its responsibilities by receiving reports and plans from management and through its annual work programme. The Board uses committees to address certain issues that require detailed consideration by members of the Board who have specialist knowledge and experience. The Board retains ultimate responsibility for the functions of its committees and determines their responsibilities.

Director Independence

The Board determines the independence of each director. The guidelines set out in the NZX Listing Rules are used for this purpose.

As at 30 June 2024 the Board comprised six independent non-executive directors. A profile of each director is included in this Report. Further details are available from the Company's website.

The Chair of the Company is an independent director. The Chair's responsibilities are documented in the Board Charter.

Board Composition and Operation

The composition of the Board is governed by the Company's Constitution which also details how directors are appointed and removed from office.

The Board takes seriously the need for Board succession planning. Prior to director expiration of Term, the appointment of new directors is considered in terms of the skills matrix. The However, the Board does not have control of the nominations or director elections and as such can only provide recommendations to shareholders on this matter.

The following directors held office during the 12 months to 30 June 2024:

Director	Status	Date Appointed	Last Re-Elected	Date Ceased
Murray Jagger	Board Chairman Chair Board Nom. Com. Independent Director	Oct 2015	Nov 2021	-
Mark Bogle	Independent Director	Oct 2014	Nov 2020	Nov 2023
Tony Gibson	Chair Remuneration Com. Independent Director	Apr 2018	Nov 2021	-
Kirsten Andrews	Independent Director	Nov 2020	N/A	Nov 2023
Benoît Marcenac	Independent Director	Oct 2019	Nov 2022	-
Hamish Stevens	Chair Audit & Risk Com. Independent Director	Oct 2018	Nov 2021	-
John Sproat	Independent Director	Nov 2023	-	-
Jared Pitman	Independent Director	Nov 2023	-	-

Corporate Governance Statement

At each Annual Meeting of shareholders, any directors due to hold office (without re-election) past their third annual meeting or three years, whichever is longer, will retire and are eligible to stand for re-election, along with any appointments made since the previous annual meeting.

Directors are encouraged to undertake continuing professional development to maintain their skills and knowledge. The Nomination Committee has responsibility for monitoring director training.

The Board reviews its performance as a whole on an annual basis. Each Committee undertakes an annual review of its performance and provides a report to the Board.

Diversity

Marsden Maritime recognises the wide-ranging benefits diversity brings to an organisation and its workplace. The Company has a Diversity Policy which records the Company's commitment to an inclusive workplace that embraces and promotes diversity. The Policy and practices are overseen by the Board. The Board acknowledges and supports the NZX Corporate Governance Code best practice for minimum 30% of each gender on the Board. However, the Board does not have control of the nominations or director elections and as such provides recommendations to shareholders on meeting this objective.

Gender Composition of the Board and Management as at 30 June

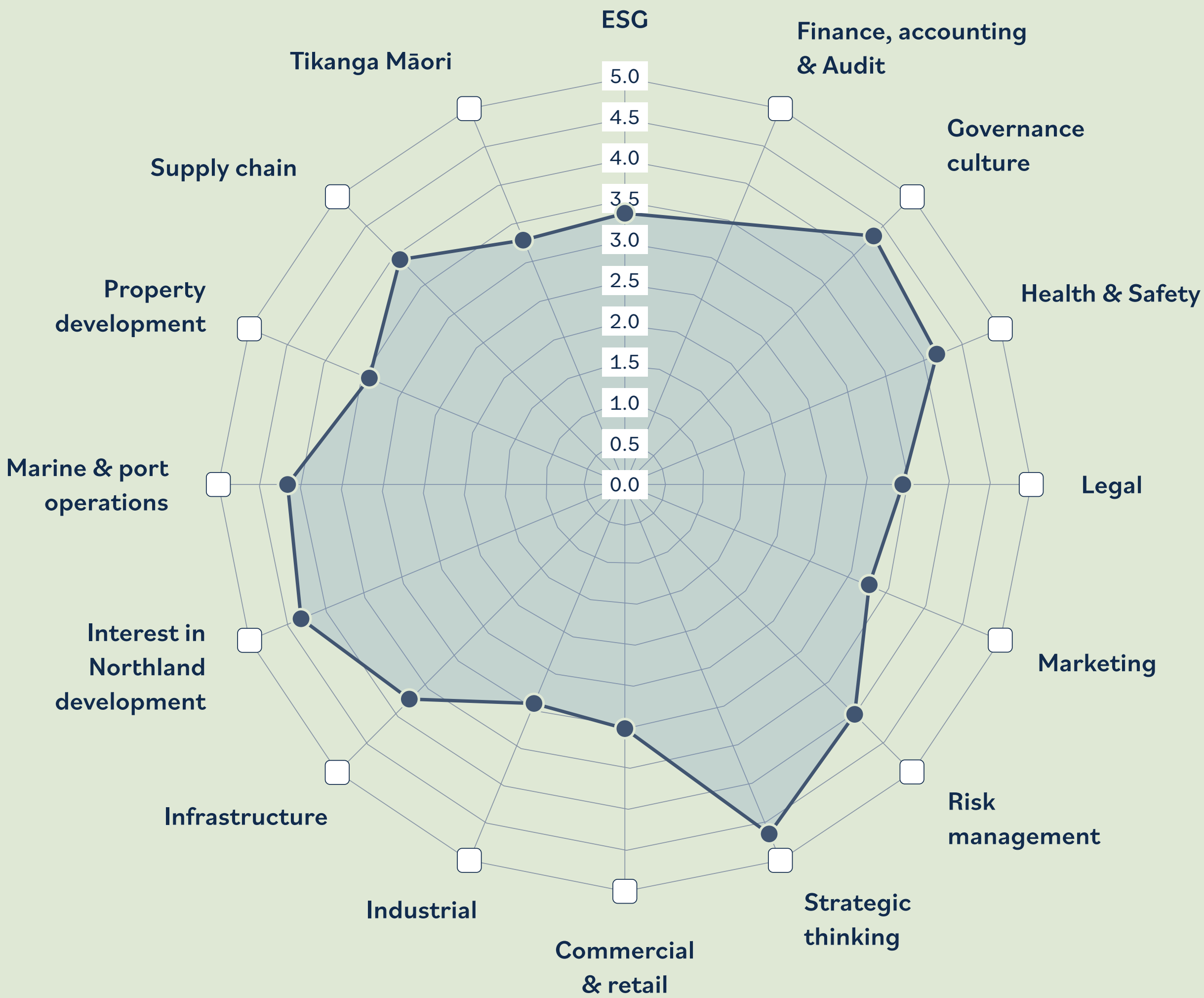
	2024		2023	
	Number	**%**	**Number**	**%**
Directors				
Female	0	0	1	17
Male	6	100	5	83
Management				
Female	2	50	2	40
Male	2	60	3	60
Total employees				
Female	5	29	4	27
Male	12	71	11	73

Note: For the purposes of the above analysis "Management" includes any employee who reports directly to the Board or the Chief Executive.

Corporate Governance Statement

Skills Matrix

The Board evaluation undertaken in the first half of 2024 outlined a strong collective skillset, as per the capability graph here below:



Corporate Governance Statement

Principle 3 — Board Committees

The Board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility.

The Board has five standing committees, being the Audit and Risk Committee, the Remuneration Committee, Port Ecosystem and Land Oversight Committee, Board Nomination Committee and the Health and Safety Committee. Each Committee operates under a Charter, approved and regularly reviewed by the Board. Committees do not have delegated authority to make decisions but make recommendations to the Board.

Information in relation to the number of meetings of each Committee and the fees paid to members are shown in the Annual Report.

Audit and Risk Committee

This Committee assists the Board with overseeing all matters relating to risk and financial management, accounting, audit and reporting.

As at 30 June 2024 the Committee comprised three Directors: Hamish Stevens (Chair), Benoît Marcenac and John Sproat. All members are independent directors. The Chair, Mr Stevens is a Member of the Chartered Accountants Australia and New Zealand. The skills and experience of all the committee members can be found in the Director Bio section of the Annual Report. The Board Chairman attends meetings in an ex officio capacity.

The Chair of the Audit and Risk Committee is neither the Board Chair nor the Company's Chief Executive. The Chair of the Audit and Risk Committee has had no association with EY, the external auditor.

The agenda items for each meeting generally relate to financial governance, external financial reporting, external audit, internal controls, risk management (including climate-related risk), compliance and insurance.

The Chief Executive and Chief Financial Officer are regularly invited to attend Audit and Risk Committee meetings.

Remuneration Committee

The Committee has responsibility for considering matters related to remuneration and human resources. It undertakes an annual review of management's performance and remuneration levels. The Committee also develops the Company's remuneration policy and recommends to the Board the distribution of the shareholder approved director fee pool, which is reviewed every three years

As at 30 June 2024 the Committee comprised Tony Gibson (Chair), Murray Jagger and Hamish Stevens.

Port Ecosystem and Land Oversight Committee

The Committee provides guidance in the Company's land and ecosystem development in coordination with Northport Ltd, so that the growth strategies of both Marsden Maritime Holdings Ltd and Northport Ltd are aligned. Mana whenua attend selected meetings by invitation. The Committee also provides guidance in the Company's other land ecosystem development outside of Northport Ltd.

As at 30 June 2024 the Committee comprised Benoît Marcenac (Chair) and Jared Pitman.

Board Nomination Committee and Director appointment

The Board Nomination Committee has delegated responsibility for the process of identifying and recommending suitable candidates for appointment to the Board.

Its responsibilities also include, amongst other things: overseeing director induction, developing and implementing a plan for identifying and assessing director competencies, and overseeing director training and upskilling.

As at 30 June 2024 the Committee comprised Murray Jagger (Chair) and Benoît Marcenac.

All new directors will enter into a written agreement with the Company setting out the terms of their appointment.

Corporate Governance Statement

Health and Safety Committee

The Committee operates as a committee of the full board and meets at each board meeting. The Committee's charter is incorporated in the Company's Health and Safety Policy. The purpose of the Committee is to support the Board in meeting its responsibility for the Company's health and safety outcomes.

The responsibilities of the Committee include:

- overseeing the establishment of health and safety policies and recommending performance targets
- ensuring the Company has appropriate resources and practices to operate the business safely
- monitoring the effectiveness of the Company's health and safety management system, and
- periodically reviewing the Company's overall management of health and safety risk and identifying continuous improvement opportunities.

The Board Chairman chairs the Committee.

Board and Committee Meeting Attendance

The full Board met nine times between 1 July 2023 and 30 June 2024.

Special purpose meetings are held as required. The following table outlines the number of meetings attended by Directors in the period under review:

	Full Board Meeting		Health & Safety Committee	
	Attended	Entitled	Attended	Entitled
Murray Jagger	8	8	8	8
Kirsten Andrews	2	3	2	3
Mark Bogle	3	3	3	3
Tony Gibson	7	8	7	8
Benoît Marcenac	8	8	8	8
Hamish Stevens	8	8	8	8
Jared Pitman	5	5	5	
John Sproat	5	5	5	

	Audit & Risk Committee		Remuneration Committee	
	Attended	Entitled	Attended	Entitled
Murray Jagger	5	5	2	2
Kirsten Andrews	2	2	–	–
Mark Bogle	2	2	–	–
Tony Gibson	–	–	2	2
Benoît Marcenac	3	3	–	–
Hamish Stevens	5	5	2	2
John Sproat	3	3	–	–

Corporate Governance Statement

Takeover Protocols

The Company has a formally documented protocol in which the Board has agreed the process that would be followed in the event of a takeover offer, which includes the establishment of a takeover committee, the ability to react quickly in response to any approach and the nature of external communications.

Principle 4 — Reporting and Disclosure

The Board should demand integrity in financial and non – financial reporting, and in the timeliness and balance of corporate disclosure.

The Company believes that high standards of reporting and disclosure are essential for proper accountability between the Company and its investors, employees and stakeholders. Oversight of the Company's financial reporting is applied through the Audit and Risk Committee.

Continuous Disclosure Policy

The Board has adopted the NZX Continuous Disclosure Rules to ensure that all material matters are released to the financial markets in a clear and timely manner.

The accountabilities of individual directors and executives are documented in the Continuous Disclosure Policy together with the procedures to be followed in the event potential material information is raised by an employee or a director. The Chairman is accountable for making the final decision as to whether or not information requires disclosure and the form that disclosure takes however, the Chair may consult with the Audit and Risk Committee to decide whether the information is material, and if so, the form in which it should be disclosed.

Significant market announcements, including the preliminary announcement of the half year and full year results, the financial statements for those periods, and any trading updates are approved by the Board.

Financial/Non-Financial Disclosure

The Company is committed to ensuring integrity and timeliness in its financial reporting and in providing information to the market and shareholders which reflects a considered view on the present and future prospects of the Company. Where non-financial information is used, these are defined in the Annual report to describe how they reconcile back to the financial statements. The Board takes an active role in overseeing financial reporting. Half year and full-year financial statements are prepared in accordance with relevant reporting standards and are subject to board review.

The Annual Report also reports on strategic progress and operational performance. A series of key performance indicators are used to link results to strategy. The Company is also committed to transparent reporting on its progress towards fulfilling its vision to, "enable Northport's growth and actively invest in business ecosystems to transform Northland's economy".

Principle 5 — Remuneration

The remuneration of directors and senior management should be transparent, fair and reasonable.

Marsden Maritime's approach to remuneration aims to attract, motivate and retain talented employees at all levels of the Company and seeks to align the interests of its shareholders and employees, whilst driving performance and growth in shareholder value and return.

Director Remuneration

Directors are remunerated in the form of director fees which are paid within an aggregate annual pool amount approved by shareholders.

The Board reviews its fees approximately every three years to ensure the Company's non-executive directors are fairly remunerated for their services, recognizing the time and risk commitment together with the level of skill and experience required to fulfil the role, and to enable the Company to attract and retain talented non-executive directors. The process

Corporate Governance Statement

involves benchmarking against a group of industry peer companies including other designated NZ Port Companies.

Non-executive directors have no entitlement to any performance-based remuneration or participation in any share-based incentive schemes. No retirement entitlements are payable.

Director fees paid to the non-executive directors of the Company for the financial year ended 30 June 2024 are shown in the Statutory Information section on page 39 of this report.

Chief Executive Remuneration

The composition of the Chief Executive's remuneration is as follows:

- Base or fixed remuneration – determined by the scope of the role and the level of knowledge, skill and experience required of the individual.
- Short-term incentive plan – this comprises an annual incentive of $60,000 dependent on the achievement of key performance targets.

The Company offers short-term incentives to encourage executives to meet strategic targets. Any short-term incentive is paid at the discretion of the Board upon recommendation of the Remuneration Committee.

Remuneration paid for the years ended:

	2024	2023
Salary	321,000	300,000
Other Benefits	33,598	35,680
Short Term Incentive	48,000	
Termination Settlement		
	402,598	**335,680**

* Other benefits include company motor vehicle, medical insurance and Kiwisaver.

Principle 6 — Risk Management

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

Risk Management Framework

The Company's risk management framework integrates risk management into the Company's operations and formalises risk management as part of the Company's internal control and corporate governance practices.

Key Risks

Business

The Company's senior management are required to regularly identify the major risks affecting the business, record them in a risk management register, develop strategies to mitigate these risks and advise the Audit and Risk Committee of any emerging risks. The Committee regularly reviews the Company's risk profile and risk management register. It receives reports on the operation of risk management policies and procedures. Significant risks are discussed at each board meeting, or as required.

The Company maintains insurance policies that it considers adequate to meet its insurable risks. As part of risk management, the Company has a comprehensive Treasury Policy that sets out the procedures to minimise financial market risk.

Health and Safety

The Company considers the health and safety of its employees, contractors, clients and authorised visitors to its premises to be of utmost importance. The key principle applied is that "no job is so important that we are unable to take the time to work safely". The Board oversees the implementation of a Health and Safety Management System that conforms to best management practices, in accordance with AS/NZS 9801:2001.

Corporate Governance Statement

The Board closely monitors a series of key lag and lead indicators including hazard reporting, incidents/near misses, safety briefings held, training sessions, contractor inductions and audits undertaken.

Environmental

The Company recognises there are risks associated with particular parts of its operation, which could potentially have a detrimental impact on the environment. Once identified, these risks are mitigated by putting preventive measures in place and also ensuring adequate resources are available to respond to an environmental harm event.

Principle 7 — Auditors

The Board should ensure the quality and independence of the external audit process.

Ensuring the quality and independence of the external audit process is of utmost importance to the Board. The Audit and Risk Committee monitors the external audit programme and processes on behalf of the Board.

External Auditors

Pursuant to the Public Audit Act 2001, the Office of the Auditor-General is the auditor of the Company. The Office of the Auditor-General appoints an audit firm and partner to carry out the annual audit on their behalf. The lead audit partner is rotated every five years, consistent with the requirements of the NZX Listing Rules.

The Company's external auditor for the year ending 30 June 2024 was Brent Penrose of EY on behalf of the Auditor – General. Mr Penrose commenced the role of auditor in the year ending 30 June 2023.

The external auditor meets at least once a year with the Audit & Risk Committee without management present. The auditor also has a direct line of communication to the Chair of the Audit & Risk Committee on any matters that require discussion. The auditor may call a meeting of the Audit & Risk Committee at any time.

To ensure the independence of the Company's external auditor is maintained, the Board has determined that the external auditor should not provide any services not permitted under the Office of the Auditor-General's standards. The Committee requires the external auditor to confirm annually in writing that it has complied with all professional regulations in relation to auditor independence.

The lead audit partner or a representative from EY attends the Annual Meeting of shareholders and is available to answer questions about the audit process, the Company's accounting policies and the independence of the auditor.

Internal Audit

The Company has internal processes and controls that are considered to be appropriate for the size and complexity of the organisation. The Audit & Risk Committee carefully considers the external auditor's management report which lists its key findings and recommendations about significant matters arising from the audit.

Principle 8 — Shareholder Relations

The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

Marsden Maritime seeks to ensure that investors understand the Company's activities by communicating effectively with them and giving them access to clear and balanced information.

The key information channels used by the Company are periodic market announcements released first to the NZX, the annual and half year results announcements, annual reports, the Company's website and the Annual Meeting of shareholders.

Access to Information

Annual reports, NZX releases, governance policies and a variety of corporate information is posted onto the Company's website. The Company's and management contact details are provided on the website. Shareholders can elect to receive the Company's

Corporate Governance Statement

annual report, dividend remittance statements and other documents electronically. Computershare's contact details are provided on the website and in the annual report.

Annual Meeting and Voting Rights

The Company's Annual Meeting of shareholders is usually held in Northland. The Notice of Meeting is issued at least 20 business days prior to the meeting.

Marsden Maritime's commitment to timely and balanced disclosure is set out in its Continuous Disclosure Policy and includes advising shareholders on any major decisions.

When voting on a shareholder matter occurs, the Board encourages investors to attend the meeting or to send in a proxy vote. Shareholders may raise matters for discussion at the Annual Meeting of shareholders either in person or by emailing the Company with a question to be asked.

Analysis of Shareholdings

Top 20 Shareholders as at 1 July 2024

		No. of Shares	Percentage
1.	Northland Regional Council	22,142,907	53.61%
2.	Ports of Auckland Limited	8,218,829	19.90%
3.	MFL Mutual Fund Limited – a/c NZCSD	977,102	2.37%
4.	Accident Compensation Corporation - a/c NZCSD	696,357	1.69%
5.	HSBC Nominees (New Zealand) Limited – a/c NZCSD	686,468	1.66%
6.	MMC – Queen Street Nominees Ltd ACF Salt Funds Management	553,458	1.34%
7.	MMC – Queen Street Nominees Ltd ACF Salt Long Short Fund	501,989	1.22%
8.	M A Janssen Limited	430,833	1.04%
9.	Custodial Services Limited	316,674	0.77%
10.	JBWere (NZ) Nominees Limited	252,106	0.61%
11.	Citibank Nominees (NZ) Limited – a/c NZCSD	230,008	0.56%
12.	Fraser Bloomfield Hardie and Pamela Joan Hardie and Sharon Mary Dower and Christine Pamela Hardie	205,000	0.50%
13.	New Zealand Depository Nominee Limited	185,314	0.45%
14.	Neil Stuart Campbell	167,500	0.41%
15.	Kennedy Westland Garland and Christopher Gary Deane	150,241	0.36%
16.	Jonathan Brian Michell	145,000	0.35%
17.	FNZ Custodians Ltd	141,325	0.34%
18.	Francis Lewis David Warren and Avril Pamela Warren	139,040	0.34%
19.	Bryan Douglas Robertson and Susan Lynette Robertson	123,700	0.30%
20.	Christopher Robert Malcolm and Helen Ann Malcolm	100,000	0.24%

Substantial Security Holders

The Company has 41,300,651 issued voting securities. Northland Regional Council and Ports of Auckland Limited are substantial security holders having a relevant interest which is the same as their registered shareholding.

Holding Size	Number of Shareholders		Shares Held	
1 – 999	403	31.26%	160,411	0.39%
1,000 – 4,999	605	46.94%	1,304,395	3.16%
5,000 – 9,999	132	10.24%	832,236	2.02%
10,000 to 99,999	129	10.01%	2,639,758	6.39%
100,000 and over	20	1.55%	36,363,851	88.04%
	1289	**100.00%**	**41,300,651**	**100%**

Domicile	Number of Shareholders		Shares Held	
Northland	382	29.64%	24,260,295	58.74%
Auckland	446	34.60%	13,436,372	32.53%
Balance of New Zealand	423	32.81%	3,166,924	7.67%
Overseas	38	2.95%	437,060	1.06%
	1289	**100.00%**	**41,300,651**	**100.00%**

Directory

Registered Office

Marsden Maritime Holdings Ltd
8 Marsden Bay Drive
Marsden Point 0171
P O Box 196, Ruakaka 0151
New Zealand
Telephone 09 432 5033
www.marsdenmaritime.co.nz

Auditor

Brent Penrose of Ernst & Young on behalf of the Auditor General

Banker

Bank of New Zealand

Solicitors

Heimsath Alexander
Webb Ross McNab Kilpatrick

Share Registrar

Computershare Investor Services Limited
Private Bag 92119
Auckland 1142
159 Hurstmere Road
Takapuna, North Shore City 0622
New Zealand

Directors

Murray Jagger (Chairman)
Tony Gibson
Benoît Marcenac
Hamish Stevens
Jared Pitman
John Sproat

Management

Rosie Mercer
Chief Executive
Telephone 027 316 6999

Vidura Galpoththage
Chief Financial Officer
Telephone 021 0272 5450

Karri Williams
Head of Operations and Property
Telephone 021 920 499

Marc Forrester
Head of Development
Telephone 021 569 397

Joint Venture

Northport Ltd
P O Box 44
Ruakaka 0151
New Zealand
Telephone 09 432 5010
Facsimile 09 432 8749
www.northport.co.nz

Managing your shareholding on-line:

To change your address, update your payment instructions and to view your investment portfolio including transactions, please visit:
www.computershare.co.nz/investorcentre

General enquiries can be directed to:
enquiry@computershare.co.nz
Private Bag 92119, Auckland 1142, New Zealand
Telephone +64 9 488 8777
Facsimile +64 9 488 8787

Please assist our registrar by quoting your CSN or shareholder number.

Marsden

MARITIME HOLDINGS LTD