BUILT ON CONNECTION · GROUNDED IN SOLUTIONS · FOCUSED ON COMMUNITY

Statement of Intent

Destination Westland Limited

For the three years commencing 1 July 2026

Contents

01

Introduction

Destination Westland Limited is a Westland District Council-Controlled Organisation for the purposes of the Local Government Act 2002, registered under the Companies Act 1993.

This Statement of Intent is prepared in accordance with Section 64 and Schedule 8 of the Local Government Act 2002, and outlines the company's objectives and forecasts for the three years commencing 1 July 2026.

OUR MISSION

We manage and develop the infrastructure our region depends on — from Hokitika Airport and Glacier Country Heliport that keep people, the economy and tourism moving, to property assets that generate sustainable revenue for the long term. As a responsible steward of public assets, we work alongside our shareholder, iwi and the communities we serve to deliver safe, practical outcomes — and to remain financially resilient so aviation and community services can thrive for generations to come.

02

Our Values

Safety First

Not a competing priority — the foundation everything else is built on. We hold ourselves and those who work with us to the highest standards.

Solutions-Focused

We meet challenges with clarity and action, finding practical, workable answers that move things forward.

Customer-Oriented

Our stakeholders are at the centre of everything we do. We listen, we understand, and we deliver services that earn trust.

Responsive & Practical

We don't overcomplicate things. We show up, follow through, and give people straightforward answers and timely action.

Easy to Work With

Good relationships are built on good experiences — straightforward, reliable, and constructive every time.

Community Connected

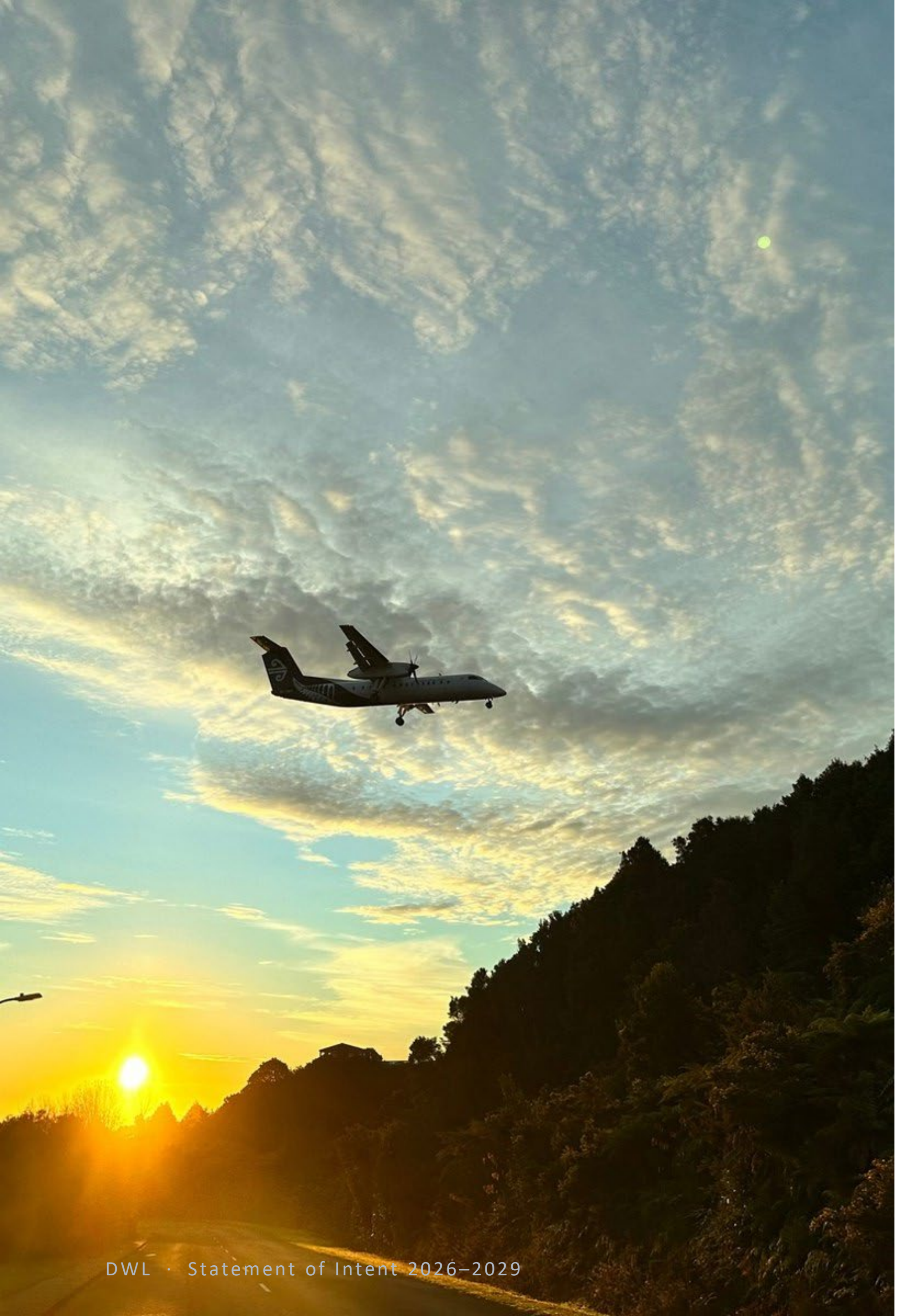
We are part of the fabric of this region. Our decisions reflect our responsibility to ratepayers, mana whenua, and the communities who depend on us.

02

A SEVENTH VALUE

Thinking Beyond Aviation

A sustainable future requires more than runway revenue. We're actively exploring how our land and property assets can generate new opportunities — building the financial resilience that protects our core services and ensures we can keep delivering for our community long into the future.



03

Strategic Direction

PURPOSE

To connect people, place and community — operating safe airport, heliport and property assets that serve our region, supports tourism & our community, care for our environment, and create lasting value for ratepayers today and into the future.

We align with the priorities of WDC's Long-Term Plan, particularly around infrastructure resilience, sustainable development, and effective stewardship of public resources.

KEY FOCUS AREAS · 5–10 YEARS

- **Airport & Heliport Development** Maintain and upgrade aeronautical infrastructure to ensure regulatory compliance and long-term regional air connectivity and resilience
- **Commercial Growth & Land Development** Maximise value from leased and underutilised land where compatible with aviation use and aligned to our mandate.
- **Property Portfolio Management** Manage residential and commercial portfolios to improve performance and enable potential divestments.
- **Operational & Digital Efficiency** Invest in systems that enhance performance visibility, compliance, automation and decision-making.
- **Environmental Sustainability** Embed sustainability in asset decisions, including renewable energy (solar feasibility) and low-impact design.

04

Goals & Objectives

Health, Safety & Risk

- Embed a CAA-compliant Safety Management System across both aerodromes.
- Promote health, safety and wellness through regular team engagement.
- Identify critical risks and develop plans to mitigate them.

Commercial

- Develop new opportunities — manage and leverage assets to attract investment.
- Conduct business professionally, consistent with our mandate and this SOI.
- Deliver both financial and non-financial returns to the Shareholder.

Growth Focus

- Grow and diversify revenue from existing activities.
- Seek out opportunities for new revenue streams.
- Be enabling for partnership in new activities.
- Enhance the value of the Shareholders' investment.

05

Governance

Directors are appointed by the shareholder, Westland District Council, on a rotation policy. The Board governs and directs the company's activities — setting strategy, directing financial management to achieve strategic objectives, monitoring performance at a high level, managing risk and compliance, and maintaining “no surprises” communication with Council

Director	First Appointed	Term Ends	Re-eligible
Greg Bishop (Chair)	January 2026	AGM 2029	Yes
Marie-Louise Tacon	November 2021	AGM 2028	Yes
Peter De Goldi	December 2022	AGM 2026	Yes

BOARD RESPONSIBILITIES

- Strategic vision & governance
- Financial planning & management to achieve strategic objectives
- Company performance monitoring & review
- Manage risk & compliance requirements
- Governance-level relationships with shareholder, iwi & stakeholders
- A governance culture that aligns with delivery of our vision, values & objectives

Evaluation & training: Board evaluation is conducted at least biannually, facilitated by the Chair. Directors review training requirements annually to maintain professional standards.

06

Activities of the Company

Managing Core Infrastructure

Developing and executing a long-term strategy to oversee and enhance Westland's critical infrastructure — the Airport, Heliport and Property portfolio.

Leveraging Our Assets

Generating operating profit across our focus areas by boosting aviation movements, enhancing land utilisation and fostering business growth linked to our assets.

Attracting Investment

Working with government partners and private investors aligned to our core focus areas to establish sustainable, appropriate capital and infrastructure investment.

Airport · Heliport · Property

Performance Measures & Targets

Financial Results

Interest Cover	> 2
Pre-Tax ROE	1–6%
Net Debt / EBITDA	< 5x
FFO / Net Debt	12–20%

Health, Safety & Risk

"Major" CAA findings	Zero
Notifiable WorkSafe incidents	Zero
TRIFR	< 2
H&S system review	Quarterly

Aeronautical

Annual passenger movements	+20%
Independent SMS review	Completed

Environmental

Greenhouse gas emissions	Annual ↓
Waste to circular economy	Annual ↓
Net-zero pathway plan	5-year plan

Communication

CCO committee communication requirements	Meet/Exceed
Tenant satisfaction survey	By 30 Jun 27

08

Prospective Financial Statements

Prepared under NZ GAAP (PBE standards) for the three years ending 30 June — Destination Westland Limited

Statement of Comprehensive Income

For the years ending 30 June

	2027	2028	2029
	$000	*$000*	*$000*
Revenue from Exchange Transactions			
Lease Income	1,768	1,837	1,892
Services	74	80	88
Landing Fees	729	824	906
Total Revenue from Exchange Transactions	**2,571**	**2,741**	**2,887**
Total Revenue from Non-Exchange Transactions	–	–	–
Total Revenue	**2,571**	**2,741**	**2,887**
Less Expenditure			
Operating Expenses	972	981	1,030
Depreciation & Impairment Losses	350	375	443
Change in Fair Value of Investment Property	20	20	20
Interest Expense	100	90	85
Service Delivery Costs	105	122	126
Occupancy Costs	658	730	785
Total Expenses	**2,205**	**2,318**	**2,488**
Surplus/(Deficit) before Income Tax	**366**	**423**	**399**
Income Tax Expense/(Credit)	(11)	(12)	(11)
Subvention Payment	113	130	123
Surplus/(Deficit) for the Period	**263**	**303**	**287**
Gain on Land, Building & Runway Revaluation	–	–	250
Deferred Taxation on Revaluation	–	–	(70)
Total Comprehensive Income	**263**	**303**	**467**

Statement of Financial Position

As at 30 June

	2027	2028	2029
	$000	*$000*	*$000*
EQUITY			
Share Capital	9,130	9,130	9,130
Retained Earnings	1,033	1,336	1,623
Asset Revaluation Reserve	5,907	5,907	6,087
Total Equity	**16,070**	**16,373**	**16,840**
CURRENT ASSETS			
Total Current Assets	1,045	780	1,065
Total Current Liabilities	589	591	547
Working Capital (Deficit)	**456**	**189**	**518**
NON-CURRENT ASSETS			
Total Non-Current Assets	20,795	20,865	21,073
NON-CURRENT LIABILITIES			
Loans	2,500	2,000	2,000
Deferred Tax Liability	2,681	2,681	2,751
Total Non-Current Liabilities	**5,181**	**4,681**	**4,751**
Net Assets	**16,070**	**16,373**	**16,840**

Prospective Financial Statements

Continued — Statement of Changes in Equity and Statement of Cash Flows

Statement of Changes in Equity

For the years ended 30 June ($000)

	Share Capital	Asset Reval. Reserve	Retained Earnings	Total
Balance 1 July 2026	**9,130**	**5,907**	**771**	**15,808**
Profit/(loss) for the period	–	–	263	263
Balance 30 June 2027	**9,130**	**5,907**	**1,033**	**16,070**
Profit/(loss) for the period	–	–	303	303
Balance 30 June 2028	**9,130**	**5,907**	**1,336**	**16,373**
Profit/(loss) for the period	–	–	287	287
Other Comprehensive Income	–	250	–	250
Deferred Tax on Revaluations	–	(70)	–	(70)
Balance 30 June 2029	**9,130**	**6,087**	**1,623**	**16,840**

Statement of Cash Flows

For the years ended 30 June

	2027	2028	2029
	$000	*$000*	*$000*
Net Cash Flows from Operating Activities	617	550	670
Net Cash Flow from/(to) Investing Activities	(500)	(295)	(450)
Net Cash Flow from/(to) Financing Activities	–	(500)	–
Net Increase/(Decrease) in Cash	**117**	**(245)**	**220**
Add Opening Bank Accounts & Cash	528	645	400
Closing Bank Accounts & Cash	**645**	**400**	**620**

Financial Targets

For the years ended 30 June

	2027	2028	2029
EBITDA ($000)	465	511	484
Interest Coverage	4.66	5.70	5.69

Aeronautical Assets

For the years ended 30 June

	2027	2028	2029
	$000	*$000*	*$000*
Revenue from Aeronautical Assets	729	824	906
Aeronautical Assets Value	**6,015**	**6,250**	**6,500**

BASIS OF PREPARATION

These prospective financial statements are forecasts prepared under NZ GAAP (PBE standards, Tier 2 RDR). They reflect the assumptions of conditions expected to exist; actual results are likely to vary and variations may be material.

09

Capital, Acquisitions & Asset Disposal

Our capital and asset management framework focuses on efficient, compliant stewardship of the company's assets. The 10-year capital plan will be reviewed annually with WDC to ensure transparency and alignment.

Over the next 10 years we intend to:

- Maintain and renew aeronautical assets for safety, compliance and continuity.
- Invest in enhancements that support air service, heliport growth and compatible commercial activity.
- Strengthen asset management through better data, systems and forecasting.
- Align capital with strategic priorities, lease terms and shareholder expectations.

$500,000

SIGNIFICANT PURCHASES

WDC approval required for purchases or developments above this value, including funding mechanism.

Special Resolution

ACQUIRING INTERESTS

No shares in any company acquired without shareholder special resolution.

$100,000

ASSET DISPOSAL

No company asset above this value sold or disposed without shareholder special resolution.

Risk & Project HARP

RISK MANAGEMENT

The Company maintains documented risk assessments identifying key risks and mitigation strategies, reviewed regularly for continuous improvement. Formal Fraud and Communication Policies are in place, and the Company works with WDC on communication protocols with elected members, staff and stakeholders.

Hokitika Airport — Project HARP Collaboration

DWL acknowledges the significant capital works programme at Hokitika Airport, led by WDC. While Council retains overall responsibility, DWL works closely with the project team to support safe, compliant, coordinated delivery:

- Maintain the project management plan with the Council-appointed team
- Keep operations safe and CAA Part 139 compliant; coordinate airside access
- Participate in risk reviews and support governance through joint planning

Reporting to Shareholders

DWL operates on a "no surprises" basis on significant shareholder matters, especially those likely to raise community or political concern, within commercial sensitivity obligations.

Statement of Intent

Draft to shareholder by 1 March; comments by 1 May; final no later than 30 June, then made public.

Half-Yearly Report

Delivered by 28 February — Directors' report plus condensed income, equity, position and cash flow statements.

Quarterly Report

Between half-year and annual reports — operations performance, future outlook and any special events.

Annual Report

Delivered by 30 September — full audited financial statements, operations review and performance vs objectives.

Annual Shareholder Meeting

Held by 31 December each year.

12

Accounting, Distribution & Local Authority

Accounting Policies

Balance date 30 June. Policies comply with the Companies Act 1993, Financial Reporting Act 2013, Local Government Act 2002 and NZ GAAP. Tier 2 public benefit entity reporting under the Reduced Disclosure Regime.

Distribution Policy

Distributions paid as dividends or subvention payment to WDC, agreed annually. Subvention reflects tax value of losses utilised at the corporate rate (currently 28%). Total liabilities not to exceed 30% of total assets without WDC approval.

Sale of Goods / Services

DWL may seek compensation from WDC or its subsidiaries for property and other services. All such activities are conducted at market rates and reported in WDC's annual report.

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