NGATIMANAWA INCORPORATION



Annual Reports

To 30 June 2025

Proprietors of Ngātimanawa Inc

DIRECTORY

COMMITTEE OF MANAGEMENT

Tawhiri Morehu (Chairman)
Patrick McManus
Pouwhare Rewi
Maramena Vercoe
Renata White
Stan Heather
Charlie Teddy

SECRETARY Murray Patchell

OFFICE AND SHARE REGISTRY

Awhi Roopu Consultants
1227 Ranolf St
Rotorua

Telephone 072427228
Email: shareregister@arconsultants.co.nz

WEBSITE www.ngatimanawaincorporation.co.nz

FARM ADVISOR

Peter Livingston
AG First

SOLICITOR

Helen Nathan
JB Morrison

BANKERS Bank of New Zealand

PROPRIETORS OF NGATIMANAWA INC

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NGATIMANAWA INCORPORATION

2025 ANNUAL GENERAL MEETING

at Tipapa Marae,
on Saturday 15th November 2025 at 10.00am.

AGENDA

1. Apologies.
2. Minutes.
3. Annual Reports & Financial Statements.
4. Appointment of Share Valuer.
5. Distribution.
6. Election of two members to the committee of management for 3 year terms.

Patrick McManus and Charles Teddy retire by rotation and are available for re-election and do not require renomination. Nominations for other candidates signed by a shareholder and the candidate close at 4.30pm on Tuesday 11th November 2025 with the Secretary via email to murray.patchell@kpsl.co.nz Nomination forms and Proxy forms can be downloaded from the website below. Proxies close with the Secretary at 10.00am on Thursday 13th November 2025. Voting will be by registered shareholders at the hui.

7. General Business.

PLEASE NOTE THAT SPEAKING AND VOTING RIGHTS AT THE MEETING ARE RESTRICTED TO REGISTERED SHAREHOLDERS OF THE INCORPORATION.

Tawhiri Morehu
Chairman

NGATIMANAWA INCORPORATION

MINUTES OF THE 2024 ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD AT RANGITAHI MARAE ON SATURDAY 16TH NOVEMBER 2024 AT 10AM.

CHAIRMAN: Tawhiri Morehu.

SECRETARY: Murray Patchell.

MIHI & KARAKIA: Jack Tupe.

ATTENDANCE: 47

APOLOGIES: 17 *(Tawhiri Morehu/Yvonne Rewi) Carried*

MINUTES: Of the previous annual general meeting held on 18th November 2023 were read by the Secretary and confirmed.
(Minnie Pouwhare/Patti Sutton) Carried

CHAIRMAN'S REPORT:
Chairman tabled and read his report highlighting the outstanding results to be presented.

RESOLVED: "That the Chairman's report be adopted."
(Tawhiri Morehu/Yvonne Rewi) Carried

FARM REPORT: Peter Livingston presented his farm report.

RESOLVED: "That the farm report be received."
(Marilyn Clarke/Lou McManus) Carried

In presenting his report Peter focussed on:
- Record milk production at 352,118 kgs
- The Farm is largely self-sustaining for feed.
- Increasing milk payout heading for $10 per kg
- MPI funding $60,000 approved for a land use capability study that will identify lands for further investment or environmental purposes. This will lead into the Strategic Plan update. Project will run for 8 months with outside expertise bought in.

FINANCIAL REPORT:
Murray Patchell tabled the financial statements for the year ended 30 June 2024 and presented a summary overview highlighting the before tax profit of $1.1m, strong cashflow, debt reduction, improved liquidity ratio and reserves building.

RESOLVED: "That the financial report for the year ended 30 June 2024 be received."
(Marilyn Clarke/Yvonne Rewi) Carried

SHARE VALUER: **RESOLVED**: "That PKF Tauranga, Chartered Accountants be appointed share valuer."
(Pouwhare Rewi/Renata White) Carried

DISTRIBUTION: The Secretary advised the committee of management had approved an increased amount of $90,000 for distribution and recommended this be paid as owners grants with a 50% uplift as per the distribution policy and schedule tabled.

RESOLVED: "That the $90,000 be approved for owners grants as per the policy tabled."

(Renata White/Pouwhare Rewi) Carried

TANGIHARURU APA TRUST:

Murray Patchell took the meeting through the financial summary, investment update and education grant details for the Trust.

RESOLVED: "That the Tangiharuru Apa Trust report be received."

(Stan Heather/Marilyn Clarke) Carried

ELECTION: The Chairman advised that as no further nominations had been received Renata White, Pouwhare Rewi and Stan Heather were reappointed for 3 year terms.

GENERAL BUSINESS:

1. Maramena Vercoe advised that Councils were reviewing future options and feedback was sought on what the town may require to encourage people to come back. Several speakers spoke on their wishes including safety, employment, housing and land.
   A number of speakers referred to land in the Incorporation being returned to whanau so they can use this themselves.
   Henare Johnson queried if there was too much emphasis on cows rather then people and he put it to the committee to find ways to support the people more.
   Hapimana Higgins advised his son was now a qualified dentist and is looking for funding to establish a dental clinic in Murupara.
   He also advised his whanau believe they are the original owners of the Moewhare farm and will be looking to take this back as a papakainga.
   Henare Johnson noted the challenges of getting grants to students and suggested using whanau with skills and by means such as Tiktok. Patti Sutton said many trusts are struggling to get grants out as students can't be bothered and we need to encourage them to apply. Pat McManus acknowledged that we can do better and a refreshed approach is being looked at.
   In terms of the request to return land Pat said this is common theme with land Trusts and something for the committee to consider.
   Renata White explained that the amalgamation started by Māori Affairs in the 1930's due to problems with multiple ownership and the Incorporation was only formed in 1972 and so it was not responsible. The land was in a poor state with no stock and high debt. It is a credit to Rangi Briggs and others that found ways to build up and set the scene for were we are today. He added that Moewhare is an issue for the whanau not the Incorporation. People need to do their research to understand what has occurred.
   Henare Johnson said he was not challenging why it is but how to develop policies that improve the standing of the people. He would like to see young people on the committee and policies to benefit the young ones to follow and improve people's livelihoods.
   Pouwhare Rewi said the MPI grant of $60,000 will develop the Strategic Plan including the people. This will be reported back next year. He had encouraged young people to stand for the committee but it is hard to get them involved.
   Maurice ToeToe acknowledged what the young people are saying and its time to Kōrero about the whenua. The young ones will take over in time.
   Rosemary Rangitauira queried if there are policies around working with affected owners on the land and how the committee engages with them. The Chairman advised that there are no formal policies

but the committee is always available. There will be a meeting with one in the next week. The Incorporation does not own all of the land around Murupara but is endeavouring to protect the land it does own. He said taking land out of the Incorporation is difficult and the costs are on the individuals. He said the Incorporation is not stealing anything.

Patti Sutton expressed her pleasure for the work of the committee and management team and the successful outcomes achieved.

2. **RESOLVED**: "That a koha of $3,000 be made to Rangitahi Marae for hosting the AGM."

(Marilyn Clarke/Minnie Pouwhare) Carried

Meeting closed at 11.53am with Karakia from Jack Tupe.

Signed as a correct record

_____ **CHAIRMAN**

Proprietors of Ngātimanawa Inc
Chairman's Report

Tēnā koutou katoa,

It is my pleasure to present this year's Chairman's Report. First and foremost, welcome to everyone joining us today. To our regular attendees, it's always a pleasure to see you. To our newcomers, thank you for coming along to learn more about the Incorporation. We also extend our appreciation to Tipapa Marae for hosting us.

Farm and Financial Performance

In recent years, we've taken a cautious approach to managing our farm operations, navigating the challenges of volatile milk prices, high interest rates, and inflation. I'm pleased to report that we are now in a more optimistic period. Milk prices have stabilised, interest rates and inflation have eased, and our management team has delivered strong on-farm results.

This has culminated in an outstanding pre-tax profit of **$1,585,908**, even after significant land development work. Our cash position continues to strengthen, allowing us to reduce bank debt and build reserves for future resilience. Our bank loan now stands at **$1.5 million**, and we are on track to repay it fully within the next year or two.

Investments and Diversification

Our investment portfolio, established just three years ago using forestry lease income, has grown to nearly **$300,000**. This disciplined approach to long-term planning is already paying dividends.

We also note Fonterra's decision to divest its consumer products division. Once completed, this will result in a **capital distribution of $2 per share**, equating to **$574,300** for the Incorporation. This presents an opportunity to consider further diversification of our operations. Peter Livingston will report on the **MAPIP**

study, which has been exploring land use capability and strategic planning options.

Forestry Lease and Shareholder Distribution

The annual rental from our forestry lease remains at **$49,000**. As resolved two years ago, this income continues to be invested through Craigs Investment Partners to support long-term growth.

Last year, the committee approved an increase in shareholder distributions from **$60,000 to $90,000**. We recommend maintaining this level again this year. Shareholders who have provided their contact and banking details will receive a **minimum grant of $150**. Please refer to the table on page 16. Your endorsement will be sought by resolution today.

Committee Rotation

This year's committee rotation includes **Pat McManus** and **Charlie Teddy**, who are both standing for re-election. Nominations have been invited and closed on **11 November 2025**.

Shareholder Engagement and Administration

We encourage all shareholders to complete successions and keep their records up to date with our share registry team. Please also encourage your whānau to do the same. Information and forms are available on our website: www.ngatimanawaincorporation.co.nz

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Acknowledgements

A sincere thank you to our entire team for their dedication to managing our Incorporation lands and growing our business. Special thanks to **Stan and Aroha** for their leadership on the farm and for managing staff and operations so effectively.

We also acknowledge our longstanding advisers — **Peter Livingston** and the AgFirst team, and **Murray Patchell** and his team at **Awhi Rōpu Consultants** — for their continued guidance and support.

To our committee members, thank you for your commitment and contribution to everything we do.

Closing Remarks

Finally, thank you to all shareholders for your continued support and for joining us today. I wish you and your whānau a joyful, safe, and relaxing festive season ahead.

Nāku noa, nā
Tawhiri Morehu
Chairman

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Independent
Agriculture
& Horticulture
Consultant
Network



AGM Report 2025

Prepared for

Ngatimanawa B4 Incorporation

Peter Livingston-AgFirst
Agribusiness Consultant
15th November 2025

1.0 BACKGROUND

One might reflect upon the FYE June 2025 as being a bumper year for several reasons. "*One out of the box*" is possibly the terminology we'd happily use!

Milk and Red Meat protein, the core business of the Ngatimanawa farming operation, are at the top of the food demand range globally. The Incorporation stood ready to benefit from the "good times" when they rolled around, and that is exactly what has occurred. The record profit result being reported is right in line with the target being set for future performance.

The weather during the first half of the season was favourable but then a "*typical*" Murupara summer / early autumn dry period prevailed. This meant late season milk production fell short of target. This was more than countered by the high milk payout from Fonterra.

After a "*lower*" $7.83 / kg MS payout received in the previous 2023/24 season, Fonterra paid out a record $10.16 / kg MS for the 2024/25 season just ended. Add to that a 57 cent / share dividend and there has been no doubting the tag of a record revenue year. However, revenue is just one side of the profit equation, and it was pleasing to see farm operating costs being well managed. This enabled the Incorporation to capture and bank a significant portion of the improved profit margin on offer. The on-going good news is that the forecast for the current 2025/26 season is also very positive.

Beef markets also remain strong, and the Incorporation has again carried plenty of beef animals into this financial year. These are reared from its' own herd and run on the Kopuriki Road Lands. There is scope for increased beef production, which diversifies the income base.

The Incorporation has spent considerable time looking at strategies to improve farm performance and production efficiency. With the future threat of more variability in climate and weather patterns, it is important to build in sufficient contingency and resilience to ensure that the Incorporation keeps growing productively and economically.

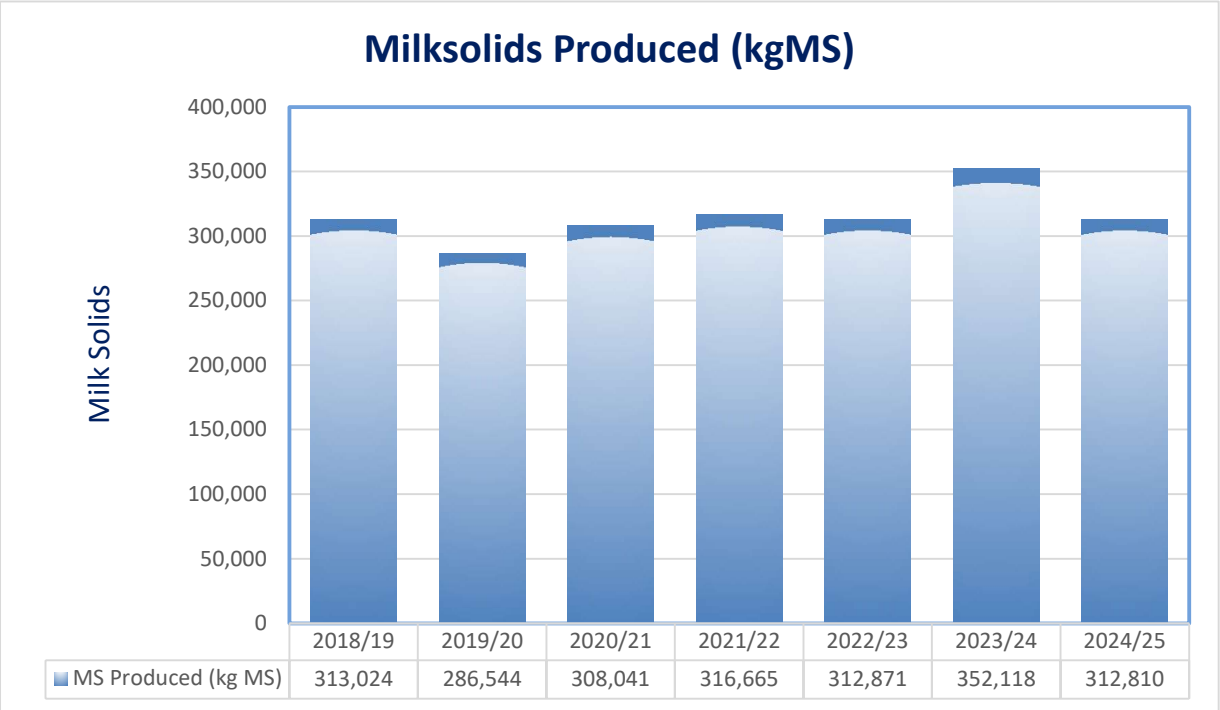
Producing milk and meat in a sustainable and profitable fashion is just part of the recipe for the future, however. Exactly how and when farmers will be asked to directly contribute to reducing Greenhouse Gas Emissions is still unknown, although the current government has signalled that it is getting closer. There is likely to be a split in how the various greenhouse gasses are treated as well. The industry is waiting for new technology to be developed to help mitigate against greenhouse gas emissions from ruminating livestock such as dairy cows and beef cattle The Incorporation is very aware of the on-going need to find ways to ensure that excess nutrient and/or sediment loss to groundwater is managed or even reduced.

Land use considerations for the future are at the forefront of the Incorporations' strategy action plan, with investigation into alternate land use opportunities receiving plenty of attention in the last ten months. This is part of an MPI funded project to see which options might receive some extra level of "*in-depth*" due diligence then be seriously considered.

The Incorporation will also be well rewarded when the capital distribution (tax-paid) from Fonterra to its shareholders occurs in mid-2026. The sale of the consumer brands side of the Fonterra business to "*Lactalis*" (excluding Chinese part), should see a $2 / share amount returned to Ngatimanawa. With 287,150 shares, the tax-paid return could be close to $575,000 in May 2026. Fonterra will also re-invest capital into its higher returning ingredients business.

2.0 THE 2024/25 SEASON

After the record output of 352,118 kg of Milksolids the previous season, there was a drop back to 312,810 Kg MS in 2024/25. This is closer to the five-year average production which is now 320,501 kg MS. The farm has continually shown steady improvement over time, but the in-depth 2025 review confirms the size of the task ahead to achieve an acceptable long-term outcome at closer to 350,000 kg MS, with a more efficient use of feed and resources.



The farm milked 968 cows last season (1043 In 23/24) with a per cow output of 323 kgMS, slightly down on the previous year at 335 kgMS/cow. Whilst enough rain fell up to January, the February to April dry period eroded that early advantage. The farm has also ceased with Autumn calving this year and winter milking which has reduced milk output in the short-term.

The number of cows farmed per hectare remains in the low to moderate range; a low intensity farm system is run. The Incorporation prefers to operate with a relatively low environmental footprint and will continue to seek opportunities that add value to "whenua sustenance".

The Karatia Block provides support to the dairy unit through the provision of silage and grazing for cows during winter. This is an overall farming system with a good level of flexibility.

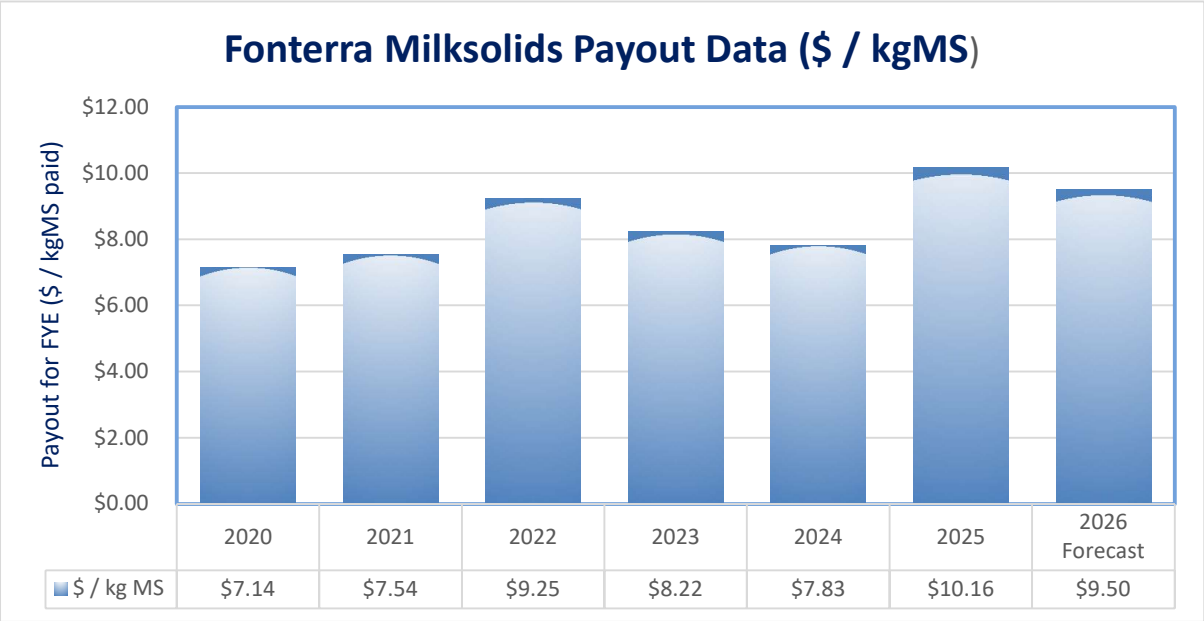
The number of beef cross calves reared each year, and run then sold, has increased again in 2025 with over 700 head now wintered.

The Incorporation also leases the Matera Trust Land, located between Murupara and Te Whaiti. This is largely used for running the replacement dairy heifers for the herd and compliments the Incorporations' dairy operation nicely.

The beef market has maintained a "*steady rate of return*" in recent years, making this a viable option for gaining better value out of animals that would generally otherwise be sold as "*bobbies*" at four to seven days of age. The farming industry continues to look towards this as a long term "*sustainable*" practice with a better animal welfare proposition attached.

3.0 PRODUCT RETURNS

No one picked a payout anywhere near the $10.00 / kg MS paid last season. In fact, whilst there were signs of a pending sharp improvement on the previous two years, it was in late 2024 before the industry recognised that something special was "*brewing*". Recent marketplace indicators suggest returns are now slipping off their peak, but we are still anticipating a $9.50 / kg or better payout. The payout farmers received over the last six years is shown below:



This represents an average payout of $8.60 / kgMS over the last five-year period from Fonterra. Dairy, and beef, farming remains a great place to be operating in at present.

The Incorporations' 287,150 shares received a record dividend payment of 57 cents / share in the 2024/25 year. Normally we would expect a dividend of between 25 and 35 cents/share.

Beef returns are also still at a high level at present. The peak beef schedule in spring 2025 has been over $9.00 / kg carcass. There is increased scope to improve beef growth rates to a point where the bulk of the animals are sold as a "*finished*" product so able to gain full market value.

4.0 SUMMARY

These are very fruitful times for the Incorporation. All round business strength, steady farm outputs, paying down debt and excellent control of input costs meant a substantial lift in the pre-tax profit level was realised. Stan, Aroha and the team on the farm are an integral part of the way the Incorporation is performing, and their on-going dedication is noted.

The Incorporation has been able to continue to invest back into the land and its farming business. It remains well placed to meet the next challenges, whatever they may be, and take advantage of the favourable position that the committee has spent many years working towards. Our mahi with the Incorporation continues to be motivating and rewarding. Thanks to the Committee of Management and Murray for their ongoing support and guidance.

Disclaimer:

The content of this report is based upon current available information and is only intended for the use of the party named. All due care was exercised by AgFirst in the preparation of this report. Any action in reliance on the accuracy of the information contained in this report is the sole commercial decision of the user of the information and is taken at their own risk. Accordingly, AgFirst disclaims any liability whatsoever in respect of any losses or damages arising out of the use of this information or in respect of any actions taken in reliance upon the validity of the information contained within this report.

1.0 Background

Funding was received from MPI, via a MAPIP project pathway, targeting Ngatimanawa Incorporation land use opportunities now and into the future.

- The project began in February 2025 and will be concluded shortly.
- There were seven main milestone targets met, which included:
  - Evaluation of recent and current farm performance plus the overall business position.
  - Considering opportunities to further evaluate and possibly add as part of the future plan.
  - Supporting the C.O.M. as part of an update of their strategic plan out to 2040. (Higher emphasis on the next five-year horizon to 2030 in the first instance)
- As well as pastoral farming system improvements, the Incorporation is assessing how and when horticultural and other feed crops might be brought into the long-term mix.
- The environmental impact of current and future land use systems is also being assessed with a view to meeting reduced greenhouse gas emissions, lower nutrient losses to groundwater, less sediment loss, enhancing biodiversity and more efficient use of water.
- Future needs of owners and descendants are paramount in helping set the plan ahead.

2.0 Preliminary Findings and Feedback So Far

There are several opportunities of value identified over the next one to two decades, some of which would require significant capital investment but have the potential to add value.

Some of the findings to date strongly suggest that initially there needs to be:

i. Consolidation on what the Incorporation already does as a farmer, as this is the core business now and for some time to come. Outcomes need to improve. (one to ten years)
ii. Further in-depth due diligence of land use change opportunities (new business initiatives that diversify the Incorporations' activities and add long-term resilience). (10 – 15-years)
iii. A further build-up of cash reserves; further debt paydown (still underway).
iv. A higher level of investment in the "off farm" managed fund portfolio (on-going).
v. The strategy of maintaining a low to medium risk profile across the board. (in place)
vi. An on-going approach that sees the status of the Incorporation lands as being unencumbered from any loan security purposes. Protection of the Corpus Lands.

3.0 Key Point

It has taken the Incorporation quite some time to position itself in the very strong status, financially, that it has achieved. Growing and diversifying the long-term land use, farm and business mix is wise but not at the expense of the environment or unduly increasing the risk.

PROPRIETORS OF NGATIMANAWA INC

SUMMARY OF FINANCIAL RESULTS

The Incorporations' financial statements were prepared by PKF Accountants and are included in this report. As per s276A of Te Ture Whenua Maori Act 1993 as Secretary I certify that the financial statements give a reasonable representation of the financial position and financial performance of the Incorporation. The financial year end balance date is 30 June 2025. Here is a summary of the key financial points.

NET OPERATING SURPLUS:

	2025	2024
INCOME		
Milk Solids Income	3,182,613	2,794,640
Cattle Trading Surplus	916,606	721,677
Dividends Received	179,927	167,463
Forest lease rental	49,000	53,340
Lease Income	16,800	16,800
Rebates and other income	9,705	3,894
Interest and investment Income	23,233	10,251
TOTAL INCOME	**$4,377,884**	**3,768,065**
LESS EXPENDITURE		
Farm Operating Expenses	1,792,288	1,797,492
Mortgage Interest	156,007	210,185
Depreciation and loss on disposal	104,959	107,189
Administration costs	165,545	183,642
Rates	96,159	94,924
Repairs and Maintenance	316,723	62,987
Vehicle Expenses	80,855	101,772
Insurance	66,439	51,500
TOTAL EXPENDITURE	**$2,778,975**	**$2,609,691**
OPERATING SURPLUS	**$1,598,908**	**$1,158,374**
LESS TAXATION	**$195,379**	**$182,469**
NET PROFIT AFTER TAX	**$1,403,530**	**$975,905**

Cattle trading includes an increase in livestock valuation over the previous year of $310,025. Milksolids production in 2025 was 312,180kgs at a payout of $10.17 per kg compared to 354,644 at a payout of $7.88 in 2024.

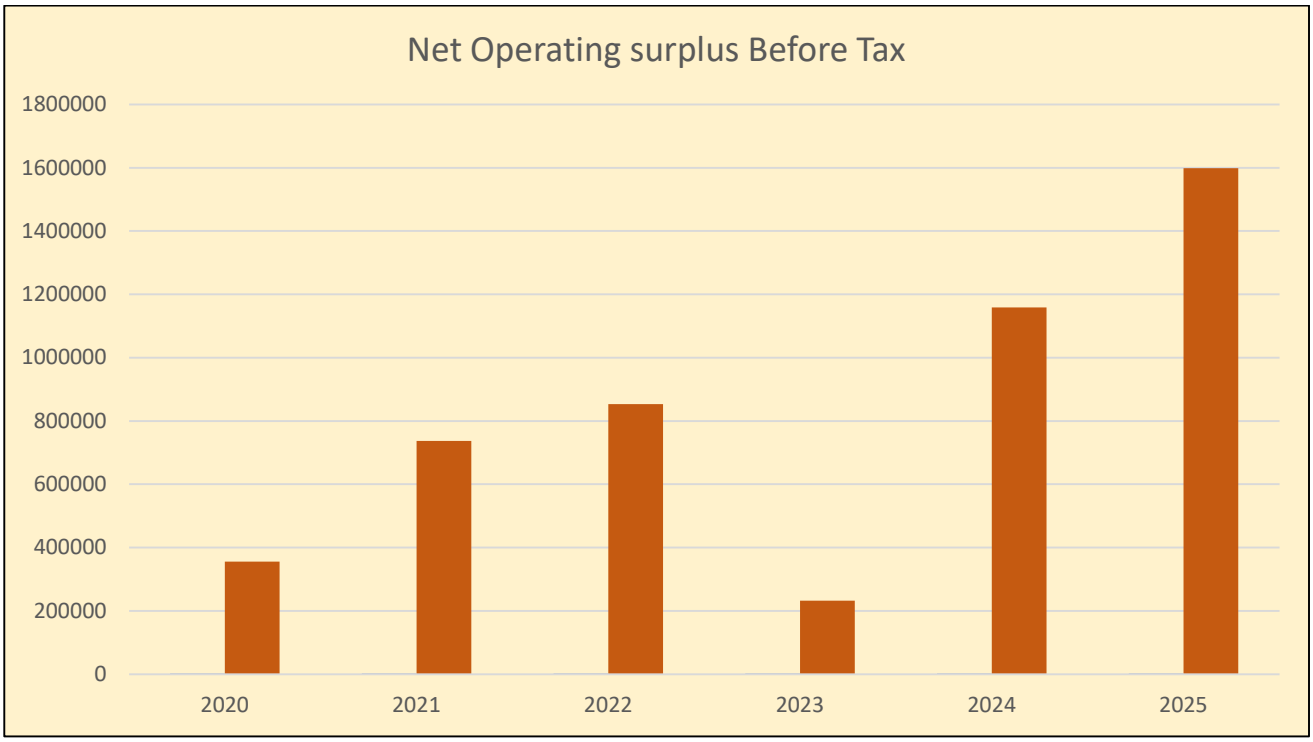
Most on farm costs were maintained at similar levels to the previous year. Repairs and Maintenance of $316,723 includes deductible development work (tree and stump removal, land clearing) of $126,653 and other significant items:

Races and Drains	$75,514	Farm Houses and buildings	$28,469
Fences	$23,288	Pland & equipment	$17,532

Refer to the full annual accounts provided for more detail on income and expenditure.

The Incorporation tax rate is 17.5%. Due to the higher taxable income this year tax payable increases to $195,379 with a similar amount payable for provisional tax for 2026 year.

NET OPERATING SURPLUS/DEFICIT



Net Operating Surplus for the year ended 30 June 2025 is determined for accounting and tax purposes on an accrual basis including the final milk payout which is not paid until October.

Distribution by way of shareholders grants totaled $58,743 ($40,482 last year) paid out in December 2024.

Capital Expenditure totaled $149,677 spent on:

- Silage Wagon $87,500
- Farm Bike $30,644
- Calf Trailer $4,059
- Water Troughs/pipes/tanks $18,545
- Compressors $3,991
- Building works $2,146
- Sundry $2,792

Assets and Liabilities:

	2025	2024
Assets		
Cash at Bank	1,147,483	684,582
Current Assets (Receivables, Prepayments)	610,672	610,837
Silage	298,900	242,600
Livestock	2,948,350	2,638,325
Shares (Fonterra etc)	1,483,632	983,811
Craigs Investment Portfolio	273,949	209,326
Land & Buildings	13,777,449	13,796,393
Vehicles & Equipment	399,195	339,010
NZ Units (Carbon)	1,173,806	1,024,140
TOTAL ASSETS	**$22,113,436**	**$20,529,024**
Less Liabilities		
Current Liabilities (Accounts payable)	217,458	286,406
Tax payable	61,976	156,220
Bank Mortgage	1,915,000	2,179,000
Unclaimed Dividends	240,306	240,328
TOTAL LIABILITIES	**$2,434,740**	**$2,861,954**
NET ASSETS (EQUITY)	**$19,678,696**	**$17,667,070**

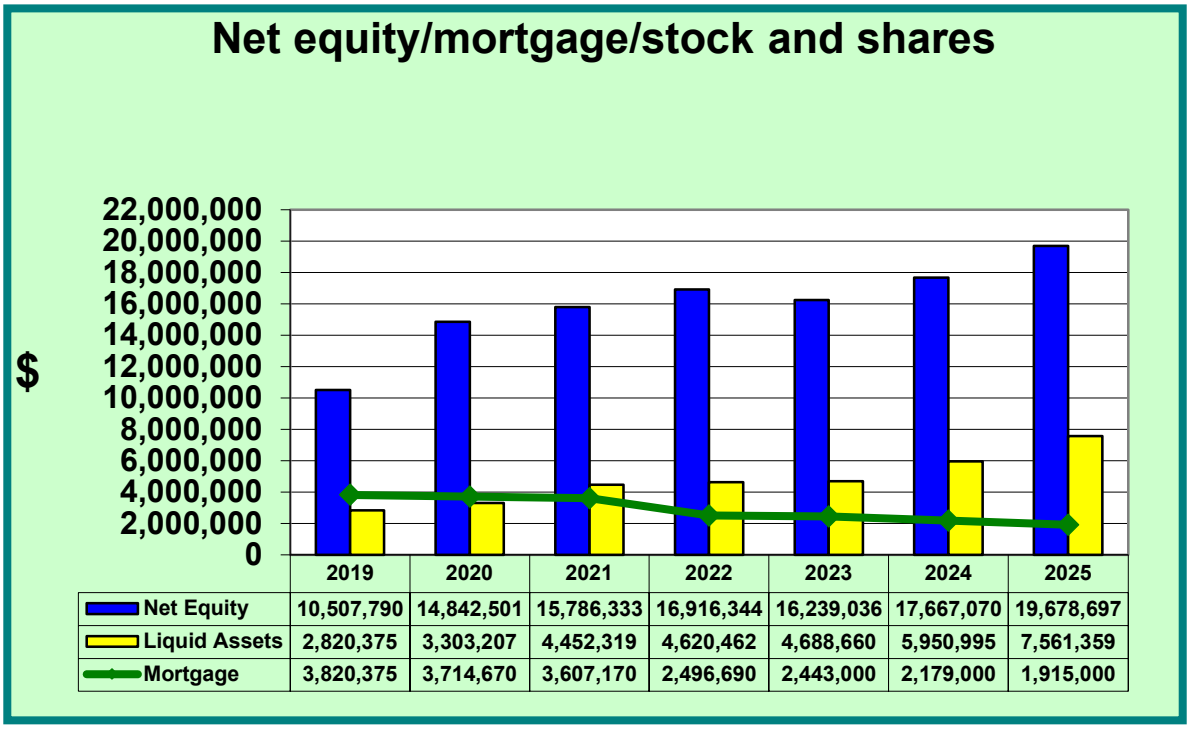
The bank loan is on a floating rate to capture the falling interest rates. The current interest rate is 6.67% (8.26% last year). The BNZ mortgage was reduced by $264,000 in the 2025 and in July 2025 we repaid a further $415,000 off the mortgage so the balance is now $1,500,000. Further reductions are recommended as cashflow permits.

Movement in Asset Values:-

Fonterra Shares increased in value by $508,255 to $1,355,348 (60% increase). The price per share at 30 June 2025 was $4.72 ($2.95 last year) and this has since increased to $5.95 per share. As at 5 November 2025 the value of the Fonterra shares was $1,708,542. A further increase of 26% since 30 June 2025. This reflect the Fonterra pending sale of consumer products and a proposed repayment of $2 per share in May 2026. That will generate cash of $574,300.

The total value of NZ Units (carbon credits) increased by $149,666 in the 2025 year to $1,173,806 based on $58 per unit. An increase of 14.6%. The market price per unit has since eased back to around $52 per unit.

The committee policy is to invest the annual forestry rental into the Craigs investment portfolio to develop a future fund for forestry investment and provide diversification of the off farm resources. $40,000 was added in to the portfolio in May 2025.
As at 5 November 2025 the fund had grown to $298,390 returning 19.6% this year. The average annual return since the fund was established in 2022 is 14%.



	2019	2020	2021	2022	2023	2024	2025
Net Equity	10,507,790	14,842,501	15,786,333	16,916,344	16,239,036	17,667,070	19,678,697
Liquid Assets	2,820,375	3,303,207	4,452,319	4,620,462	4,688,660	5,950,995	7,561,359
Mortgage	3,820,375	3,714,670	3,607,170	2,496,690	2,443,000	2,179,000	1,915,000

Liquid Assets available cover debt nearly 4 times, compared to 5 years ago when debt exceeded the value of liquid assets. These comprise:

- Cash at bank
- Trade receivables less Trade payables
- Consumables (Hay, silage)
- Livestock
- Shares (Portfolio fund, Fonterra, LIC and Ballance shares)
- NZ Carbon Credits

Overall Net equity increased by $2,011,627 in the year ended 30th June 2025. An 11.3% increase due to the flow through effect of the net surplus and revaluation of liquid assets.
The Incorporation is in a very sound financial position and is well placed to consider future options.

Shareholders:

The Incorporation share registry contains 254,503 shares held by 1503 shareholders. Share parcels range from less than 1 share to the largest holding of 8207 shares. Contact details are held for 454 shareholders holding 93,431 shares (36.7% of the shares).

The net equity for 1 share is $77.32 ($69.42 last year).

Shareholders are encouraged to do successions to increase the level of engagement with the Incorporation. Information on successions can be located on the Maori Land Court website located at this address - https://maorilandcourt.govt.nz/your-maori-land/succession/. When doing successions for Trusts the Court needs to be notified if shares are held in the Incorporation. Registration forms are available from our website.

Murray Patchell, CA
Secretary

Ngatimanawa Incorporation

DRAFT 2025 SHAREHOLDERS GRANT POLICY

A Shareholders grant in lieu of a dividend was adopted for the 2025 AGM. This grant is payable to the shareholders registered at 1st December 2025 who have supplied their bank account numbers and addresses. The grant is also available to shareholders, subject to the terms of the grants policy, up to the next AGM. The current policy in respect of the 2025 Shareholders Grant is as follows:-

1. For identification purposes the grant will be called the "2025 Shareholders Grant".
2. The sum of $90,000 has been set aside for 2025 Shareholders Grants.
3. The minimum payment is $150.
4. Payments to be made only to bank accounts and shareholders addresses must be held.
5. Payments will be calculated according to shareholding bands as per the attached schedule.
6. All shareholders with addresses are to be advised of the Shareholders Grant and those who have not provided bank accounts details will be asked to do so.
7. Sufficient funds will be retained to cover any Shareholders who are located after the payment date.
8. The Committee of Management reserve the right to make only one payment to a shareholder whose name may appear more than once on the share register where it is evident that those multiple names refer to one person.
9. Any shareholders who are located after the payment date will be entitled to the payment they would have received had their address and bank account details been known at the distribution date.
10. Any owners who succeed to shares after the payment date will be entitled to payment of the current shareholder's grant based on their shareholding where it has not been paid to the deceased shareholder.
11. Entitlement to the payment will expire on the date of the next AGM.
12. The Committee of Management reserve the right to amend this policy or draft new policy to cover any circumstance not covered or anticipated by this policy, in respect of payments to all beneficiaries or to any one or more beneficiaries and the Committee decisions in these matters will be final.

Shareholder Grant payments will be made from tax-free retained earnings that will be free of tax in the hands of the shareholders.

Approved……..…

Chairman……..

NGATIMANAWA INCORPORATION

SHAREHOLDERS GRANT

Grant structure for distribution in lieu of dividend ($90,000).

Group	Share Range			Owners Grant	Owners with address and bank a/c
1	0 to	399.99	$	**150**	345
2	400 to	499.99	$	**177**	13
3	500 to	599.9999	$	**213**	8
4	600 to	699.9999	$	**248**	0
5	700 to	799.9999	$	**284**	3
6	800 to	899.9999	$	**318**	7
7	900 to	999.9999	$	**354**	11
8	1000 to	1099.9999	$	**390**	3
9	1100 to	1199.9999	$	**425**	1
10	1200 to	1299.9999	$	**459**	1
11	1300 to	1399.9999	$	**495**	1
12	1400 to	1499.9999	$	**530**	2
13	1500 to	1599.9999	$	**566**	1
14	1600 to	1699.9999	$	**602**	5
15	1700 to	1799.9999	$	**636**	0
16	1800 to	1899.9999	$	**672**	0
17	1900 to	1999.9999	$	**707**	0
18	2000 to	2499.9999	$	**884**	2
19	2500 to	2999.9999	$	**1,061**	1
20	3000 to	3999.9999	$	**1,413**	2
21	4000 to	4999.9999	$	**1,767**	2
22	5000 to	8207	$	**2,900**	1
TOTALS					**409**

Paid from Tax Free sources

TANGIHARURU APA TRUST

Annual Report to 31 March 2025

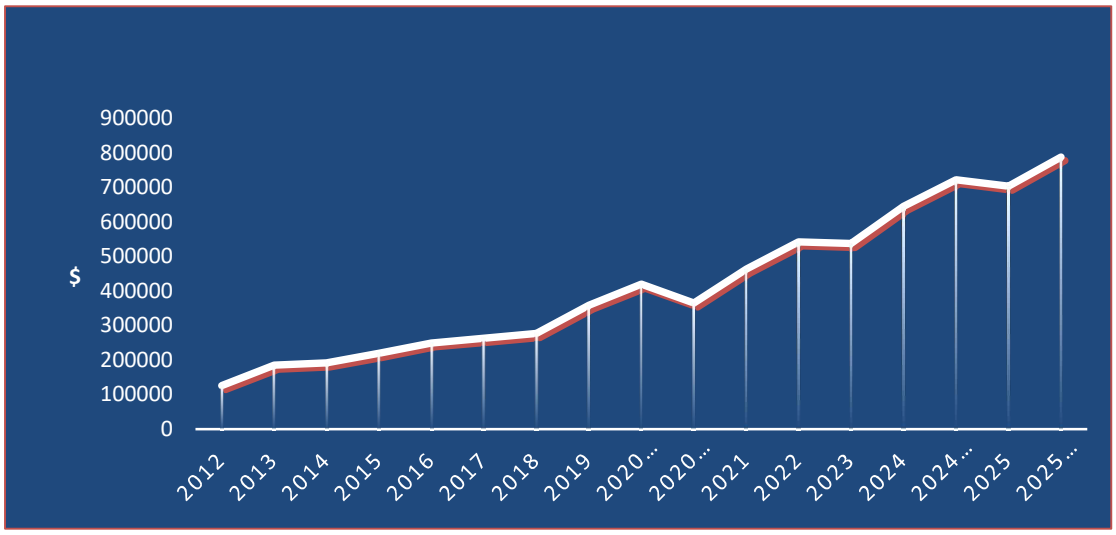
INCOME AND EXPENDITURE	2025	2024
INCOME		
Dividends and Interest	68,255	58,911
	$68,255	**$58,911**
LESS ADMINISTRATION EXPENSES		
Advertising	100	0
Education Grant Expenses (online)	0	450
General Expenses	127	264
Investment Management Fees	5,681	4,432
Secretarial and Accounting	9,641	12,703
Subscriptions	190	515
	$15,739	**$18,364**
SURPLUS FOR YEAR	**$52,516**	**$40,547**
LESS GRANTS PAID		
Education Grants	5,400	5,050
	$5,400	**$5,050**
FUNDS FOR REINVESTMENT	**$47,116**	**$35,497**
INVESTMENT GAINS (LOSS)	**($551)**	**$44,305**
NET GAIN	**$46,565**	**$79,802**

The value of the investment portfolio on 31 March 2025 was $703,774. This included an additional $40,000 invested during the year. The current value of the portfolio is $788,943 (8 Oct 2025).

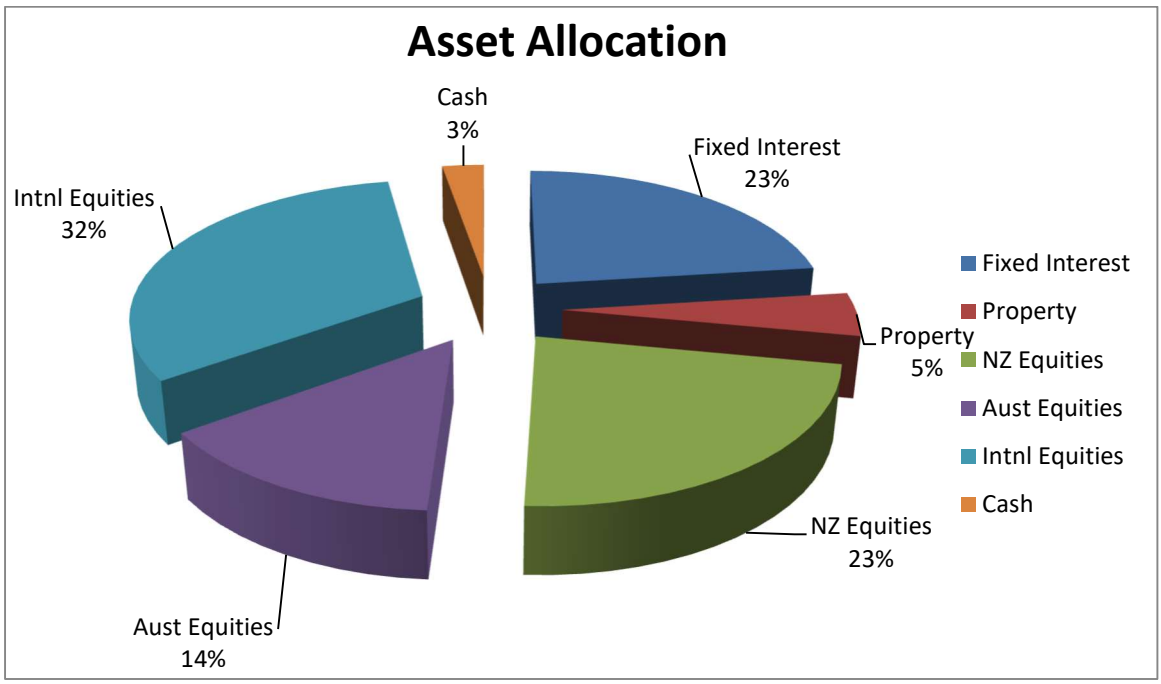
ASSETS	2025	2024
CASH AND RECEIVABLES	14,381	23,439
INVESTMENT PORTFOLIO	703,774	645,053
SHARES IN NGAHUINGA MOTUMAKO TRUST	4,312,097	3,845,436
TOTAL ASSETS	**$5,030,252**	**$4,513,927**

The Trust holds 87,603 shares in Ngahuinga Motumako Lands Trust and the value of these shares increased by $466,661 in the year ended 31 March 2025 due to revaluations.

The investment portfolio is managed by Craigs Investment Partners. Markets performed flat through the 2025 financial year but have improved over the last 6 months. For the 12 months to 31 March 2025 the portfolio had a return of 4.16%. the return for the last 12 months is 12.05% From inception in 2012 the annualised return has been 10.37% p.a.



The fund is invested in a spread of fixed interest, equities and property in NZ, Australia and international. The current asset allocation is:



TANGIHARURU APA TRUST

Education grants approved July 2025

The Trust partnered with the Māori Education Trust in 2022 to process education grant applications and our students received an additional top up payment from MET as set out below.

Tertiary:

First Name	Surname	Tertiary institution	Course	GRANT	MET Grant	TOTAL
Aorere	Waaka	Otago University	Bachelor of Science	250	100	350
Alexandra	Ogilvie	Otago University	Bachelor of Arts and Science	450	150	600
April	O'Brien	Otago University	Bachelor of Health Science	250	100	350
Pikimaunga	Howden	University of Waikato	Bachelor of Te Reo Māori/English writing studies	150	75	225
Tahnika	White	University of Canterbury	Bachelor of Civil Engineering with Honours	450	200	650
			TOTAL	**$1550**	**$625**	**$2175**

Secondary School:

First Name	Surname	Tertiary institution	Year	GRANT	MET Grant	TOTAL
Ezekial	Akuhata	Te Wharekura o Kirikiriroa	12	150	50	200
Diesel	Hepi-Rewi	Hato Paora Boys' School	9	150	50	200
Kaliyah Storm	Hepi-Rewi	Palmerston North Girls High School	10	150	50	200
Pikake	Tupe-McGarvey	Rotorua Girls High School	10	150	50	200
		TOTAL		**$600**	**$200**	**$800**

TANGIHARURU APA TRUST

Trustees: The committee of Management of Ngatimanawa Incorporation.

2025 EDUCATION GRANTS POLICY

1. Persons who qualify for an education grant will be descendants of Tangiharuru and Apa.
2. Applicants must supply a clear whakapapa either endorsed by a recognised Ngati Manawa Kaumatua or Ngatimanawa Incorporation Committee member.
3. Students must be currently attending a NZQA (or overseas equivalent) tertiary institution on a fulltime or part-time basis or an institution or training scheme approved by the Trustees. The Trust will also provide grants for year 12 & 13 Secondary Students.
4. Part-time students will receive 50% of the full-time rate. Part-time students will include students doing 3 or less papers and short courses.
5. All students who qualify for a grant will receive an amount (which varies each year depending on total sum available and the number of approved students) per year of attendance determined by the Trustees. For 2025 the amount per year of continuous study is:
   1st Year $150
   2nd Year $250
   3rd Year $350
   4th Year $450
   5th Year $550
   6th Year $650
   Additional top up will be provided by MET
6. The amount for secondary students is $150.
7. The Trust will also make available 3 scholarships of $1500 each known as:

   Maurice Bird Scholarship
   Pererika Twist Scholarship
   Agriculture/Forestry Scholarship
8. The Trust has partnered with the Maori Education Trust (MET) and applications must be made on line through the MET Portal by 30th April 2023.
9. Incomplete or late applications will be rejected. The Trust or MET reserve the right to request further information from applicants.
10. Grants will be paid tax free from MET direct to successful applicants.
11. Any policy interpretation is entirely at the discretion of the Trustees.

Financial Statements

Ngatimanawa Incorporation
For the year ended 30 June 2025

Prepared by PKF Tauranga Limited

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Compilation Report

Ngatimanawa Incorporation
For the year ended 30 June 2025

Compilation Report to the Committee of Management of Ngatimanawa Incorporation.

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Ngatimanawa Incorporation for the year ended 30 June 2025.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

Responsibilities

The Committee of Management is solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Independence

We have no involvement with Ngatimanawa Incorporation other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.

PKF New Zealand Ltd is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

PKF Tauranga

PKF Tauranga Limited
Chartered Accountants
23 Brown Street
Tauranga

Dated: 31 October 2025

Directory

Ngatimanawa Incorporation
For the year ended 30 June 2025

Nature of Business

Farming, agriculture, forestry and investment

Date of Formation

18 May 1972

Incorporation Number

70922

Address of Communications

PO Box 987

Rotorua 3040

Committee Members

Tawhiri Morehu (Chairperson)
Stan Heather (Trustee / Farm Manager)
Patrick McManus (Trustee)
Henry Nuku (Trustee)
Pouwhare Rewi (Trustee)
Maramena Vercoe (Trustee)
Renata White (Trustee)
Charles Teddy (Trustee)

IRD Number

021-795-402

Tax Status

Maori Authority

Secretary

Murray Lloyd Patchell

Chartered Accountants

PKF Tauranga Limited

23 Brown Street, Tauranga

Bankers

Bank of New Zealand

Secretary's Statement

Ngatimanawa Incorporation
For the year ended 30 June 2025

I, Murray Lloyd Patchell, Secretary of the Ngatimanawa Incorporation, hereby state in accordance withs 276A (2) (b) of Te Ture Whenua Maori Act 1993 that I am satisfied that these Financial Statements give a reasonable representation of the financial position and financial performance of the Incorporation for the year ended 30 June 2025.

I further state that as per s 276A of the Act as the Incorporation is not large (revenue does not exceed $10m annually) the Incorporation's financial statements have not been audited and this statement does not constitute an audit certificate.



Murray Lloyd Patchell

Secretary

Date 5.11.25

Approval of Financial Report

Ngatimanawa Incorporation
For the year ended 30 June 2025

The Committee of Management is pleased to present the approved financial report including the historical financial statements of Ngatimanawa Incorporation for the year ended 30 June 2025.

APPROVED

For and on behalf of the Committee of Management;



Committee Member

Date 5.11.25

Committee Member

Date 5.11.25

Milksolids Account

Ngatimanawa Incorporation
For the year ended 30 June 2025

Milksolids Trading Statement Ngatimanawa Incorporation

For the year ended 30 June 2025

	2025		2024	
	KgMS	Total $	KgMS	Total $
Monthly Production				
July	13,786	85,375	11,444	71,152
August	27,383	187,109	23,042	117,390
September	38,666	298,300	37,549	191,111
October	47,458	358,526	48,445	285,044
November	41,690	370,778	47,120	303,037
December	32 533	437,718	42,332	242,725
January	27,448	226,540	34,328	196,661
February	19,350	164,123	22,015	217,570
March	20,928	159,578	23,869	280,740
April	20,003	168,224	27,205	178,636
May	13,075	191,614	25,657	174,951
June	10,490	167,562	11,638	188,590
Current Season Total Income	**312,810**	**2,815,448**	**354,644**	**2,,447,607**
Last Season Deferred Income				
Deferred Income		367,165		347,033
Gross Income from Milk Production		**3,182,613**		**2,794,640**

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

Dairy and Beef Cattle Trading Account

Ngatimanawa Incorporation
For the year ended 30 June 2025

	2025	2024
Cattle Trading Account		
Sales of Stock		
Bobby Calves	8,008	8,207
Heifer Calves	11,400	-
Bull Calves	87	-
R 1 yr Heifers	34,600	-
R 2yr Heifers	128,515	-
R 1yr Steers	10,400	-
MA Cows	104,971	109,072
M A Bulls	320,305	-
Beef MA Cows	37,045	-
R 2yr Beef Cross Heifers	-	35,448
R 2yr Beef Steers & Bulls	-	157,514
Total Sales of Stock	**655,331**	**310,241**
Purchases		
Purchases - M A Bulls	42,000	-
Purchases - Heifer Calves	6,750	-
Purchases - R 2yr Bulls	-	26,850
Total Purchases	**48,750**	**26,850**
Trading Surplus	606,581	283,391

	2025	2024
Trading Summary		
Trading Surplus	606,581	283,391
Add (Less) - Movement in Biological Assets	310,025	438,286
Gross Surplus	916,606	721,677

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

Forestry Account

Ngatimanawa Incorporation
For the year ended 30 June 2025

	2025	2024
Forestry Income & Expenses		
Income		
Forest Lease	49,000	53,340
Total Income	**49,000**	**53,340**
Net Forestry Income	49,000	53,340

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

Farm Working Account

Ngatimanawa Incorporation
For the year ended 30 June 2025

	2025	2024
Revenue from Farm Trading		
Milksolids Account Profit (Loss)	3,182,613	2,794,640
Cattle Trading Account Profit (Loss)	916,606	721,677
Forestry Account Profit (Loss)	49,000	53,340
Total Revenue from Farm Trading	4,148,219	3,569,657
Farm Working Expenses		
Farm Operating		
ACC Levies	9,998	7,240
Animal Health	104,826	117,693
Breeding	47,502	37,813
Calf Rearing	13,496	22,384
Cartage - Livestock & General	14,416	9,799
Dairy Shed	27,357	34,501
Dairy NZ Levy	13,858	21,459
Electricity	50,059	55,178
Feed	288,626	276,842
Fertiliser - Urea & Cartage	369,037	364,047
Grazing	47,063	45,000
Hay & Silage	188,939	256,217
Health and Safety	1,248	1,326
Lease Bulls	3,990	3,640
Protective Clothing	3,591	1,824
Resource Consent Expenses	513	1,083
Soil & Herbage Testing	1,179	-
Telephone & Tolls	2,675	3,680
Weed & Pest Control	17,451	6,355
Wages	586,466	531,411
Total Farm Operating	**1,792,288**	**1,797,492**
Repair & Maintenance		
Repairs & Maintenance	162,773	12,301
Farm Buildings	9,094	399
Effluent System	733	7,112
Farm Houses	19,375	4,486
Fences	23,288	13,295
R&M - Plant & Equipment	17,532	7,175
Races & Drains	75,514	12,134
Water Supply	8,414	6,084
Total Repair & Maintenance	**316,723**	**62,987**
Farm Vehicle Expenses		
Fuel & Oil	39,251	40,451
Vehicle Repairs/Hire	23,929	28,459

	2025	2024
Tractor Repairs	17,675	32,861
Total Farm Vehicle Expenses	**80,855**	**101,772**
Rates & Insurance		
Insurance	60,330	45,717
Rates	96,159	94,925
Insurance - Committee	6,109	5,783
Total Rates & Insurance	**162,599**	**146,425**
Farm Administration		
Supervision & Consultancy	35,113	32,934
Lease Land	3,032	3,032
Legal Costs	1,048	6,857
Payroll Processing Fees	1,586	1,442
Secretarial and Accounting	54,414	51,953
Share Register	9,119	10,074
Valuation Fees	1,080	2,385
Total Farm Administration	**105,391**	**108,678**
Total Farm Working Expenses	**2,457,857**	**2,217,354**
Surplus Before Distributions/Remuneration	1,690,362	1,352,303
Depreciation and Amortisation		
Depreciation	104,103	99,634
Loss on disposal of Assets	856	7,555
Total Depreciation and Amortisation	**104,959**	**107,189**
Net Farm Surplus (Loss)	1,585,403	1,245,114

Statement of Profit or Loss

Ngatimanawa Incorporation
For the year ended 30 June 2025

	NOTES	2025	2024
Revenue			
Net Farming Income		1,585,403	1,245,114
Total Revenue		**1,585,403**	**1,245,114**
Other Income			
Fonterra Dividend - Business Income		114,860	157,933
Dividend Received		65,067	9,531
PIE Income		6,794	-
Interest Received		16,439	10,251
Land Lease Income		9,000	9,000
Rebates Received		4,736	1,460
Rental Income		7,800	7,800
Sundry Income		4,969	2,435
Total Other Income		**229,666**	**198,409**
Expenses			
Administration			
Advertising, Stationery, Printing		1,108	3,035
Annual General Meeting		6,919	6,341
Bank Charges		524	1,704
Chairman's Honorarium		10,000	10,000
Committee Fees & Expenses		34,146	47,674
Koha		3,200	2,400
Staff Training		426	1,016
Subscriptions		2,903	2,146
Website Expenses		928	649
Total Administration		**60,154**	**74,964**
Interest, Rent and Lease			
Interest - Other		3,308	-
Loan Interest		152,699	210,186
Total Interest, Rent and Lease		**156,007**	**210,186**
Total Expenses		**216,161**	**285,150**
Surplus Before Distributions/Remuneration		**1,598,908**	**1,158,374**
Net Farm Surplus (Loss)		**1,598,908**	**1,158,374**
Net Surplus (Loss) for the Year		**1,598,908**	**1,158,374**
Taxation and Adjustments			
Non Assessable Income			
Grants Income		48,000	-
Total Non Assessable Income		**48,000**	**-**

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

	NOTES	2025	2024
Non Deductible Expenses			
MAPIP Project Expenses - Land Use		48,000	-
Water Project Written Off		-	49,787
Total Non Deductible Expenses		**48,000**	**49,787**
Income Tax Expense		195,379	182,469
Total Taxation and Adjustments		**195,379**	**232,257**
Net Profit (Loss) After Tax		**1,403,530**	**926,117**

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

Statement of Changes in Equity

Ngatimanawa Incorporation
For the year ended 30 June 2025

	2025	2024
Equity		
Retained Earnings (Taxable)		
Opening Balance	3,051,038	2,124,922
Net Profit (Loss) for The Year	1,403,530	926,117
Total Retained Earnings (Taxable)	**4,454,568**	**3,051,038**
Retained Earnings (Tax Free)		
Opening Balance	237,777	278,259
Shareholders grants	(58,743)	(40,482)
Total Retained Earnings (Tax Free)	**179,034**	**237,777**
Capital		
Opening Balance	132,032	132,032
Total Capital	**132,032**	**132,032**
Capital Reserves		
Opening Balance	933,757	788,625
Capital Reserve	-	145,132
Total Capital Reserves	**933,757**	**933,757**
Revaluation Reserve		
Opening Balance	13,312,465	12,915,198
Movements	666,841	397,267
Total Revaluation Reserve	**13,979,306**	**13,312,465**
Total Equity	**19,678,697**	**17,667,070**

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

Balance Sheet

Ngatimanawa Incorporation
As at 30 June 2025

	NOTES	30 JUN 2025	30 JUN 2024
Assets			
Current Assets			
Cash and Bank			
BNZ Cheque ($300k OD)		103,723	54,333
BNZ - Oncall Account		1,043,760	630,249
Total Cash and Bank		**1,147,483**	**684,582**
Trade and Other Receivables		561,253	562,491
Prepayments		49,419	48,346
Consumable Supplies		298,900	242,600
Biological Assets		2,948,350	2,638,325
Total Current Assets		**5,005,406**	**4,176,343**
Non-Current Assets			
Investment in Shares and debentures		1,757,581	1,193,137
Property, Plant and Equipment		14,176,644	14,135,404
New Zealand Units (20,280)		1,173,806	1,024,140
Total Non-Current Assets		**17,108,032**	**16,352,680**
Total Assets		**22,113,437**	**20,529,023**
Liabilities			
Current Liabilities			
Trade and Other Payables		88,633	158,284
GST Payable		14,912	33,120
Income Tax Payable		61,976	156,220
Employee Entitlements		76,783	57,872
Forest Lease Received in Advance		36,750	36,750
Housing Bond		380	380
Loans - Current Portion		96,000	96,000
Total Current Liabilities		**375,434**	**538,626**
Non-Current Liabilities			
Term Loans		1,819,000	2,083,000
Unclaimed Dividends		240,306	240,328
Total Non-Current Liabilities		**2,059,306**	**2,323,328**
Total Liabilities		**2,434,740**	**2,861,954**
Net Assets		**19,678,697**	**17,667,070**
Equity			
Capital		132,032	132,032
Capital Reserve		933,757	933,757
Revaluation reserves		13,979,306	13,312,465

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

	NOTES	30 JUN 2025	30 JUN 2024
Retained Earnings		4,633,602	3,288,815
Total Equity		**19,678,697**	**17,667,070**

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

Schedule of Investments

Ngatimanawa Incorporation
For the year ended 30 June 2025

	2025	2024
Available for Sale Financial Assets		
Ballance Agri-Nutrients Ltd (10,830)	97,470	97,470
Craig's Investment Portfolio	273,949	209,326
Fonterra Co-operative Group Ltd (287,150)	1,355,348	847,093
Livestock Improvements Corporation Ltd (32,436)	30,814	39,248
Total Available for Sale Financial Assets	**1,757,581**	**1,193,137**

The accompanying notes form part of these financial statements. These financial statements have not been subject to audit or review and should be read in conjunction with the attached Compilation Report.

Notes to the Financial Statements

Ngatimanawa Incorporation
For the year ended 30 June 2025

1. Reporting entity

Ngatimanawa Incorporation is a Māori Incorporation which was originally vested in New Zealand under section 438 of the Maori Affairs Act 1955 and continues under section 251of Te Ture Whenua Maori Act 1993.

The Incorporation is engaged in the business of Farming, agriculture, forestry and investment.

2. Statement of accounting policies

Basis of preparation

These financial statements have been prepared in accordance with the Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia & New Zealand (CA ANZ).

The financial statements have been prepared for the purpose of meeting the Incorporation's income tax requirements and internal use.

Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are disclosed where applicable in the relevant notes to the financial statements.

Historical cost

These financial statements have been prepared on a historical cost basis, except as noted otherwise below. The financial statements are presented in New Zealand dollars (NZ$) and all values are rounded to the nearest NZ$, except when otherwise indicated.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a basis consistent with those of the previous period.

Revenue recognition

Goods Sold

Revenue from the sale of goods is measured at the fair value of the consideration received. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer and when the right to receive payment is established.

Dairy Income

Dairy income is recognised when the revenue associated with the transactions can be measured reliably, or an invoice is raised for the rendering of goods. Goods are recognised when the significant risks and rewards of ownership have been transferred, the Incorporation retains neither involvement nor control over the goods sold, it is probable that economic benefits will flow to the Incorporation and the costs incurred in respect of the transaction can be measured reliably.

Rental Income

Rental Income from investment properties is recognised in the statements of financial performance on a straight line basis over the term of the lease. Contingent rentals are recognised as income in the reporting period in which they are earned.

Finance Income and Expenses

Finance income comprises interest income on funds invested dividend income and gains on the disposal of available for sale financial assets. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Incorporation and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance expenses comprise impairment losses, losses arising from transactions denominated in currencies other than the Incorporation's functional currency, and interest recognised on financial assets (except for trade payables).

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Incorporation and the amount of income can be measured reliably).

Other Income

Other income is recognised in the statement of comprehensive income when the revenue associated with the transactions can be measured reliably for the rendering of goods and services.

Inventories

Inventories are stated at the lower of cost, determined on a first-in-first-out basis, and net realisable value.

The cost of inventories includes the cost of direct materials, direct labour and a proportion of the manufacturing overhead, based on the normal capacity of the facilities, expended in putting the inventories in their present location and condition.

Biological assets

Biological assets are measured at fair value less point-of-sale costs, with any change therein recognised in the income statement. Point-of-sale costs include all costs that would be necessary to sell the assets.

Livestock is carried at fair value less point of sale costs, where fair value is based on the market price of livestock of similar age, breed and genetic merit. Herd Scheme values have been adopted for taxation purposes (2024: Herd).

Accounts receivable

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

Property, plant and equipment

The entity has the following classes of property, plant and equipment:

Account	Method	Rate
Land and Improvements	No Depreciation	N/A
Buildings	Diminishing Value	0%
Buildings	Straight Line	0% - 11.4%
Plant and Equipment	Diminishing Value	0% - 60%

Development Expenditure	Straight Line	0%

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets and includes the cost of replacements that are eligible for capitalisation when these are incurred.

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

Upon derecognition, the asset revaluation reserve relating to the assets disposed shall be transferred to retained earnings.

Depreciation has been calculated in accordance with rates permitted under the Income Tax Act 2007 except for those revalued assets stated otherwise.

Property, plant and equipment - revaluation

Land and Improvements are valued at the Rating Valuations dated 1 September 2019. These valuations are carried out every three years.

The Incorporation's land is classified as Maori Freehold land as per the Te Ture Whenua Maori Act 1993 and as such there is a restriction on the sale or disposal of this corpus land.

Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred.

Impairment of non-financial assets

At each balance date, non-financial assets are classified into four categories: assets measured at fair value; assets currently available that the entity intends to use to the end of its useful life; assets intended to be sold prior to the end of their useful life; and assets damaged or idle at balance date.

Assets measured at fair value or assets the entity intends to use to the end of its useful life, are not reviewed for impairment at balance date.

Assets intended to be sold prior to the end of their useful life or assets damaged or idle at balance date are reviewed to determine if any indicators of impairment exist. If indicators exist, the asset is tested for impairment to ensure that the carrying amount of the asset is recoverable.

If the recoverable amount of an asset is determined to exceed it's carrying amount, then the resulting difference is recognised as an impairment loss in profit or loss for that period.

Financial instruments - financial assets

At initial recognition the entity determines the classification of financial assets as either held at fair value, cost or amortised cost. Financial assets are measured initially at fair value, estimated at the transaction price less any associated transaction costs.

Amortised cost

Includes assets where the entity intends to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

Cost

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired.

Fair value

Financial assets not held at amortised cost or cost are held at fair value and include financial derivatives such as forward contracts and interest rate swaps. Assets are subsequently measured at fair value only when the fair value of the instrument can be reliably measured based on a quoted price for an identical asset in an active market. Where no active market price is available the instrument shall be measured at a prior year's fair value less any accumulated impairment loss.

Gains and losses are recognised in profit or loss for movements in the fair value of the assets and when the assets are derecognised.

Financial instruments - financial liabilities

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

Provisions

Provisions are recognised when the entity has an obligation which can be reliably measured at balance date as a result of a past event and it is probable that the entity will be required to settle the obligation.

Where the entity expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation at balance date. Movements in the best estimate are recorded in profit or loss.

Employee Benefits

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Incorporation in respect of services provided by employees up to the reporting date.

New Zealand Units (NZU's)

New Zealand Units are valued at an indicative market value. NZU's allocated are initially recognised as income and treated as a current asset at fair value on receipt.

Subsequent to receipt, NZU's are measured at fair value. Impairment losses are recognised through the statement of income should their carrying amount exceed the recoverable amount.

Income tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue.

Goods and services tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

3. Audit

These financial statements have not been audited.

4. Related parties

There have been no material related party transactions other than those have already been disclosed as follows:

	2025	2024
Committee Fees and expenses paid		
Tawhiri Morehu (Chairman's Honorarium)	10,000	10,000
Tawhiri Morehu	5,000	7,000
Charles Teddy	5,105	7,259
Partick McManus	5,804	7,618
Maramena Veroce	3,135	4,124
Rewi Pouwhare	5,000	7,135
Henry Nuku	-	-
Renata White	5,000	7,259
Stan Heather	5,000	7,000
Total Committee Fees and expenses paid	**44,044**	**57,394**

5. Biological Assets

	2025	2024
Balance at the end of the year:		
Livestock on hand	2,948,350	2,638,325
Total Balance at the end of the year:	**2,948,350**	**2,638,325**
Total Biological Assets	**2,948,350**	**2,638,325**

Schedule of dairy & beef cattle on hand at Market Value at 30 June 2025

Dairy Cattle	Opening Qty	Opening value	Closing Qty	Closing value
R 1yr Heifers	119	89,250	172	172,000
R 2yr Heifers	207	249,450	136	235,875
MA Cows	1,055	1,805,925	863	1,678,100
Calves & Weaners	-	-	240	168,000
R 1yr Bulls	398	330,700	100	87,675
R 2yr Bulls	76	114,000	302	506,100
R 3yr Bulls	28	49,000	50	100,600
Total	**1,883**	**2,638,325**	**1,863**	**2,948,350**

6. BNZ Loans

As at balance date, the Incorporation has the following borrowings with Bank of New Zealand:

Loan	BNZ Term Loan - 13
Facility Limit	$1,979,000 (Floating)
Facility Start date	21 September 2023
Maturity Date	22 September 2025

The loans are secured by security interests in all present and hereinafter acquired property of Ngatimanawa Incorporation; all present and hereinafter acquired investment securities held from time to time by the Incorporation that are issued by Fonterra Co-operative Group Ltd, supply #22206; the 2005 Same 95 Tractor; 2014 Massey Ferguson Tractor; a registered first mortgage over property situated at 1028 Kopuriki Road and any other investment securities that are part of any such securities.

7. Property, plant and equipment

	2025	2024
Land		
Land & Improvements	15,829,151	15,826,643
Accumulated depreciation - improvements	(2,125,678)	(2,110,719)
Total Land	**13,703,473**	**13,715,924**
Buildings		
Buildings at cost	56,101	53,955
Accumulated depreciation - buildings	(19,039)	(16,137)
Total Buildings	**37,063**	**37,819**
Plant and Equipment		
Plant and equipment at cost	768,143	655,240
Accumulated depreciation - plant and equipment	(516,823)	(477,836)
Total Plant and Equipment	**251,320**	**177,403**
Furniture and Fittings		
Furniture and fittings at cost	25,264	25,264
Accumulated depreciation - furniture and fittings	(23,440)	(23,084)
Total Furniture and Fittings	**1,824**	**2,179**
Office Equipment		
Office equipment at cost	1,477	-
Accumulated depreciation - office equipment	(123)	-
Total Office Equipment	**1,353**	**-**
Vehicles		
Vehicles at cost	374,943	368,369
Accumulated depreciation - vehicles	(228,420)	(204,252)
Total Vehicles	**146,523**	**164,116**
Other Development Expenditures		
Development Expenditure at cost	41,673	41,673

Accumulated depreciation - Development Expenditure	(6,586)	(3,711)
Total Other Development Expenditures	**35,087**	**37,962**
Total Property, plant and equipment	**14,176,644**	**14,135,404**

8. Income Tax expense

	2025	2024
Net Profit (Loss) Before Tax	1,598,908	1,108,586
Additions to Taxable Profit		
Deferred Milksolids	(20,132)	33,278
Depreciation on buildings	1,408	1,497
Increase (decrease) in Holiday Pay Provision	18,911	(849)
Water Project Written Off	-	49,787
Imputation Credits Received	26,745	3,707
Total Additions to Taxable Profit	**26,932**	**87,420**
Deductions from Taxable Profit		
Livestock tax adjustment	356,561	132,143
Losses Carried Forward	-	-
Total Deductions from Taxable Profit	**356,561**	**132,143**
Taxable Profit (Loss)	1,269,279	1,063,864
Tax Payable at 17.5%	222,124	186,176
Deductions from Tax Payable		
Opening Balance	(156,220)	(33,988)
Prior period tax paid (refunded)	287,165	59,422
Imputation credits on dividends received	26,745	3,707
Resident withholding tax paid	2,458	815
Total Deductions from Tax Payable	**160,148**	**29,956**
Income Tax Payable (Refund Due)	61,976	156,220

9. Maori Authority Credit Account

	2025	2024
At balance date MACA credits available to shareholders were:		
Opening Balance	365,330	301,386
Credits		
Imputation credits converted to losses	-	-
Income Tax Paid	282,227	129,739
Resident Withholding Tax Paid	7,396	2,458
Imputation credits on dividends received	26,745	3,707
Total Credits	**316,368**	**135,904**
Debits		
Imputation Credits Attached to Dividends	-	-

	2025	2024
Income Tax Refund	-	71,960
Total Debits	**-**	**71,960**
Closing Balance	**681,699**	**365,330**

10. Capital commitments

There are no other known material capital commitments at balance date (2024: $0)

11. Contingent labilities

The Incorporation received New Zealand Units (NZUs) from the Ministry of Agriculture and forestry for its pre 1990 forest under the Emissions Trading Scheme. The Incorporation is required to surrender the NZUs if they deforest and introduce a new land use. The financial effect of returning NZUs has not been quantified because the Incorporation has all intention of replanting the land and therefore anticipates no obligation to return NZUs in the future.

Other than the above there are no known material contingent liabilities at balance date (2024: $0).

12. Events subsequent to balance date

Subsequent to balance date, a lump sum payment of $415,000 was made towards the BNZ loan. Other than this, there were no material subsequent events noted (2024: $Nil).

NOTES: