

MARITIME RETIREMENT SCHEME

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2026**

MARITIME RETIREMENT SCHEME

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Maritime Retirement Scheme
Statement of Net Assets
As at 31 March 2026
(All amounts are in NZD)

	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Cash and Cash Equivalents		391,088	58,913
Investments At Fair Value Through Profit or Loss	6	227,445,341	229,511,738
Deferred Tax Asset	9	90,440	90,014
Total Assets		227,926,868	229,660,665
LIABILITIES			
Benefits Payable		(240,648)	-
Income Tax Payable	9	(1,346,539)	(2,005,145)
Other Payables	8	(105,288)	(103,702)
Total Liabilities		(1,692,475)	(2,108,847)
NET ASSETS AVAILABLE FOR BENEFITS		226,234,393	227,551,818
<i>Represented by:</i>			
Member Accounts		128,666,593	129,505,867
Employer Accounts		67,102,326	68,277,813
Maritime KiwiSaver Scheme Account		20,909,140	20,735,845
Reserve Accounts	5	9,556,334	9,032,293
Total		226,234,393	227,551,818

For and on behalf of the Trustees, who authorised the issue of these financial statements on:


Trustee

28 July 2026
Date


Trustee

28 July 2026
Date

Maritime Retirement Scheme
Statement of Changes in Net Assets
For the year ended 31 March 2026
(All amounts are in NZD)

	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
INVESTMENT ACTIVITIES			
Investment Revenue			
Interest Received		9,311	20,710
Distributions Received		4,883,675	5,137,604
Net gains on Investments at Fair Value Through Profit or Loss	7	9,511,514	10,081,288
Total Investment Revenue		14,404,500	15,239,602
Investment Expenses and Rebates			
Investment Management Fees		(954,873)	(918,721)
Investment Management Fee Rebates		162,954	166,095
Total Investment Expenses and Rebates		(791,919)	(752,626)
Net Investment Revenue		13,612,581	14,486,976
OTHER EXPENSES			
Administration Fees		(307,020)	(297,759)
Consulting Fees		(58,483)	(38,289)
Auditors' Remuneration	13	(61,594)	(59,708)
Tax Advisory Services	13	(33,281)	(32,683)
Trustee Fees		(121,835)	(114,969)
Trustee Liability Insurance		(25,513)	(25,467)
Legal Fees		(12,485)	(22,808)
FMA Fees/Levies		(46,734)	(43,171)
General Expenses		(12,731)	(8,246)
Total Other Expenses		(679,676)	(643,100)
Gain before taxation and membership activities		12,932,905	13,843,876
MEMBERSHIP ACTIVITIES			
Contributions			
Members' Contributions		7,766,925	7,550,777
Employers' Contributions		4,569,257	4,514,302
Unallocated Contributions		6,964	30
Transfers In		115,339	149
Contributions to the Maritime KiwiSaver Scheme		1,973,065	1,950,309
Total Contributions		14,431,550	14,015,567
Less:			
Withdrawals from the Maritime KiwiSaver Scheme		(2,906,358)	(1,396,004)
Disablement		(47,916)	(357,409)
Death		(3,497,564)	(114,044)
Additional Death		(16,729)	(25,871)
First Home Withdrawal		(819,921)	(302,397)
Financial Hardship		(551,854)	(845,382)
Retirement		(821,183)	(1,144,626)
Resignation		(4,913,520)	(5,011,488)
Redundancy		(4,460,862)	(1,691,223)
Full Withdrawals - Deferred Beneficiaries		(1,554,121)	(1,619,100)
Transfers Out		(77,257)	(143,546)
Partial Withdrawals - Deferred Beneficiaries		(3,163,767)	(4,693,020)
Partial Withdrawals - Other		(4,491,569)	(4,958,828)
Group Life Premiums		(3,498)	(6,129)
		(27,326,119)	(22,309,067)
PIE Tax Expense	9	(1,355,761)	(2,164,738)
Net Membership Activities		(14,250,330)	(10,458,238)
Net (Decrease) / Increase in Net Assets During The Year		(1,317,425)	3,385,638
Net Assets Available for Benefits at Beginning of Year		227,551,818	224,166,180
Net Assets Available for Benefits at End of Year		226,234,393	227,551,818

The notes on pages 4 to 14 are an integral part of these financial statements.

Maritime Retirement Scheme
Statement of Cash Flows
For the year ended 31 March 2026
(All amounts are in NZD)

	Note	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Cash provided from</i>			
Contributions from Members and Employers		14,431,550	14,015,567
Other Income		26,977	21,252
		14,458,527	14,036,819
<i>Cash applied to</i>			
Benefits Paid		(27,081,972)	(23,025,888)
Other Expenses		(681,587)	(642,865)
Tax Paid		(2,136,793)	(9,012)
Net Cash Flows applied to Operating Activities	10	(15,441,825)	(9,640,946)
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Cash provided from</i>			
Sale of Investments		30,274,000	21,100,000
<i>Cash applied to</i>			
Purchase of Investments		(14,500,000)	(11,560,745)
Net Cash Flows from Investing Activities		15,774,000	9,539,255
Net Increase / (Decrease) in Cash and Cash Equivalents		332,175	(101,691)
Cash at Beginning of Year		58,913	160,604
Cash at End of Year		391,088	58,913

Maritime Retirement Scheme

Notes to the Financial Statements For the year ended 31 March 2026

1. Scheme Description

The Maritime Retirement Scheme (the "Scheme") is a defined contribution scheme registered under the Financial Markets Conduct Act 2013 ("FMCA") and a Reporting Entity under the Financial Reporting Act 2013.

Details of membership as at 31 March 2026 were:

	Pensioners	Defined Contribution	Total
1 April 2025	0	1,467	1,467
New member	0	178	178
Retirements	0	(16)	(16)
Death	0	(10)	(10)
Withdrawal/Resignations	0	(148)	(148)
Ill Health	0	(1)	(1)
31 March 2026	0	1,470	1,470

The Scheme is domiciled in New Zealand and the address of its registered office is c/o Melville Jessup Weaver, Level 7, 20 Ballance Street, Wellington 6011. The Administration Manager is Melville Jessup Weaver which is incorporated and domiciled in New Zealand. The Custodian of the Scheme is Maritime Retirement Scheme Nominees Limited.

The Trustees of the Scheme are:

Brodie Stevens
Philippa Drury
Ray Welson
Ray Fife
Carl Findlay
Russel Mayn
Walter Rushbrook
Joshua Greer
Philip Doak
Dennis Aquino

Funding Arrangements

The Scheme is an employer subsidised, defined contribution scheme.

The Scheme receives contributions from members and their participating employers in accordance with their employment agreements. The Maritime KiwiSaver Scheme is a member of, and invests solely into, the Maritime Retirement Scheme and is referred to as the Maritime KiwiSaver Scheme on the financial statements.

The Waterside members who joined on or before 1 April 2016 can elect to apply all or part of the Members' benefit to the purchase of a life time pension of such amount as the Trustees shall determine on the advice of the actuary. There are currently no (2025: None) pensioners within the Scheme. The amount available to fund any future pensions is currently \$48,098 (2025: \$45,719). Due to there being no current pensioners and the nature of pension benefits, actuarial information on the pension liability is not presented in these financial statements.

Retirement Benefits

The retirement benefits are determined by contributions to the Scheme together with investment earnings on these contributions over the period of membership.

Termination Terms

The Trust Deed sets out the basis on which the Scheme can be wound up.

Changes in the Scheme

There have been no changes to the Trust Deed since August 2024. In November 2025, the Trustees approved a revised Statement of Investment Policy and Objectives ("SIPO"). This update to the previous SIPO was necessary to re-organise the Schemes' Australasian Equities mandate to be 50% with the Salt Core Equity Fund and 50% with Fisher Funds' Trans-Tasman Fund. In February 2026, the Trustees approved a revised SIPO. This update to the previous SIPO was necessary to effect minor changes to performance targets and real return expectations following the annual SIPO review.

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

2. Summary of Material Accounting Policy Information

Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They comply with New Zealand Equivalents to IFRS Accounting Standards (NZ IFRS) and other applicable IFRS Accounting Standards, as appropriate for profit-oriented entities. The financial statements also comply with IFRS Accounting Standards (IFRS) as issued by The International Accounting Standards Board.

The Scheme offers three investment options, the Growth Portfolio, the Balanced Portfolio and the Conservative Portfolio. The financial statements have been prepared at the Scheme level as the liabilities of the individual investment choices are not limited to the assets of each investment choice.

Measurement Base

The measurement base adopted is that of historical cost modified by the revaluation of certain assets which are measured at fair value at balance date.

Presentation Currency

These financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Scheme operates.

Investment Income

Interest, dividends and distributions from unitised investments are taken to income on a due and receivable basis.

Realised and Unrealised Gains and Losses

Net realised and unrealised gains and losses are recognised in the Statement of Changes in Net Assets in the period in which they are earned.

Expenses

All expenses are accounted for on an accruals basis.

Taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the balance date. The Trustees periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretations and established provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Scheme qualifies as, and has elected to be, a Portfolio Investment Entity (PIE) for tax purposes. Under the PIE regime income is effectively taxed in the hands of the members and is therefore shown as part of Net Membership Activities in the Statement of Changes in Net Assets. The Scheme itself has no tax expense.

Under the PIE regime, the Scheme attributes the taxable income of the Scheme to members in accordance with the proportion of their overall interest in the Scheme. The income attributed to each member is taxed at the member's Prescribed Investor Rate ("PIR").

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Statement of Net Assets liability method. The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Financial Instruments

Financial assets and financial liabilities are recognised on the Scheme's Statement of Net Assets when the Scheme becomes a party to the contractual provisions of the instrument. The Scheme shall offset financial assets and financial liabilities if the Scheme has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis.

(i) Classification

Investments at fair value through profit or loss are classified as financial assets at fair value through profit or loss and comprise investments in unlisted unit trusts.

These investments are managed and their performance evaluated on a fair value basis in accordance with the Scheme's documented investment strategy. The Trustees have not taken the option to irrevocably designate any equity securities at fair value through other comprehensive income.

Based on the Scheme's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets, the Trustees have determined that all financial assets of the Scheme are classified at fair value through profit or loss with the exception of cash and cash equivalents, prepaid pensions and trade and other receivables, which are classified as financial assets at amortised cost.

Financial liabilities at amortised cost comprise trade and other payables, and benefits payable. These amounts are unsecured and are usually paid within 30 days from recognition.

(ii) Recognition/derecognition

The Scheme recognises financial assets and financial liabilities on the date it becomes a party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets from this date. Financial assets are derecognised when the right to receive cash flows from the assets have expired or the Scheme has transferred substantially all risks and rewards of ownership. All gains and losses on investments at fair value through profit or loss are recognised in the Statement of Changes in Net Assets.

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

2. Summary of Material Accounting Policy Information (Cont'd)

Financial Instruments (Cont'd)

(iii) Measurement

(1) Financial assets and liabilities at fair value through profit or loss

Investments held at fair value through profit or loss are measured initially at fair value excluding any transaction costs. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Changes in Net Assets.

Fair value estimation

Fair value is 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. The fair value of units held by the Scheme is determined by reference to published bid prices at the close of business on the reporting date being the redemption price established by the underlying fund manager.

(2) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset or liability and subsequently measured at amortised cost.

(iv) Impairment of Financial Assets

The Scheme recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Scheme expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Scheme applies a simplified approach in calculating ECLs. Therefore, the Scheme does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Statement of Cash Flows

The following are definitions of the terms used in the Statement of Cash Flows:

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Operating activities - include all transactions and other events that are not investing activities.

Investing activities - comprise acquisition and disposal of investments. Investments include securities not falling within the definition of cash.

Promised Retirement Benefits

The liability for promised retirement benefits is the Scheme's present obligation to pay benefits to members and beneficiaries. It has been calculated as the difference between the carrying amounts of the assets and the carrying amounts of the liabilities as at balance date. Promised retirement benefits are shown in Note 3.

Unallocated Contributions

The balance of Unallocated Contributions relates to contributions received from current and prior years not allocated to members account. These contributions are from members with incomplete documentation required to allocate their contributions.

Contributions and Benefits

Contributions and benefits are accounted for on an accruals basis. Contributions are recognised in the Statement of Changes in Net Assets when they become receivable, resulting in a financial asset.

Critical Accounting Estimates and Judgements

It is possible to determine the fair values of all financial assets through prices provided by the investment managers. Therefore there are no material assumptions or major sources of estimation uncertainty that have a significant risk of making material adjustments to the carrying amounts of assets and liabilities at year end. However, as with all investments their value is subject to variation due to market fluctuations. For the purposes of the fair value hierarchy of financial assets at fair value through profit or loss, the Trustees have to apply their judgement as to what constitutes quoted price in an active market.

Changes in accounting policies

During the year there were no changes in accounting policies.

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

2. Summary of Material Accounting Policy Information (Cont'd)

Standards and Interpretations and other new amendments in issue and adopted during the year

There are no new standards or interpretations or other amendments applicable to the Scheme were issued or adopted during the year.

Standards and Interpretations or other amendments issued but not yet effective

In May 2024, the External Reporting Board (XRB) introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements (NZ IFRS 18), effective for annual reporting periods beginning on or after 1 January 2027. This standard replaces NZ IAS 1 Presentation of Financial Statements and primarily introduces a defined structure for the statement of changes in net assets and disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note together with reconciliation requirements. The Scheme has not early adopted this standard and is yet to assess its impacts.

There are no other new standards, amendments or interpretations that have been issued but are not yet effective that are expected to materially impact the Scheme's financial statements.

3. Liability for Promised Retirement Benefits

Liability for promised retirement benefits is maintained through members' accounts, unallocated contributions and reserve accounts.

Member accounts are the accumulation of member contributions credited with interest and debited with member fees and benefit payments. Interest may either increase or decrease the member account depending on the interim rates available during the time of exit and the declared rates at year end approved by the Trustees.

The balance of employer accounts includes vested employer contributions in respect of the member and unvested employer contributions. The detailed vesting rules are set out in the Trust Deed.

Changes in promised retirement benefits as at 31 March 2026:

	Member Account \$	Employer Account \$	Reserve Accounts \$	Total \$
Balance 1 April 2025	143,525,828	74,993,697	9,032,293	227,551,818
Contributions	9,862,293	4,569,257	-	14,431,550
Benefits Paid	(17,169,281)	(10,095,859)	(57,479)	(27,322,619)
Forfeited Benefits	-	(146,429)	146,429	-
Distribution to Seafarer Members			(35,007)	(35,007)
Net Income Allocated	6,433,092	4,705,461	470,098	11,608,651
Balance 31 March 2026	142,651,932	74,026,127	9,556,334	226,234,393

Changes in promised retirement benefits as at 31 March 2025:

	Member Account \$	Employer Account \$	Reserve Accounts \$	Total \$
Balance 1 April 2024	138,316,402	77,137,976	8,711,802	224,166,180
Contributions	9,501,265	4,514,302	-	14,015,567
Benefits Paid	(11,075,382)	(11,201,683)	(25,871)	(22,302,936)
Forfeited Benefits	-	(50,700)	50,700	-
Distribution to Seafarer Members			(27,471)	(27,471)
Net Income Allocated	6,783,543	4,593,802	323,133	11,700,478
Balance 31 March 2025	143,525,828	74,993,697	9,032,293	227,551,818

Balances in the Maritime KiwiSaver Scheme Account have been included in the Member Account and Employer Account total in the tables above.

Guaranteed Benefits

No guarantees have been made in respect of any part of the liability for promised benefits. (2025: Nil).

4. Vested Benefits

Vested benefits are benefits payable to members or beneficiaries under the conditions of the Trust Deed, on the basis of all members ceasing to be members of the Scheme at balance date.

	2026 \$	2025 \$
	214,433,600	215,244,931

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

5. Reserve Account

(a) Changes in Reserve Accounts

	2026	2025
	\$	\$
Death Benefit 'A'		
Balance at beginning of year	6,442,743	6,223,689
Death Benefit	(12,072)	(18,823)
Net Income Allocated	332,755	237,877
Balance at end of year	6,763,426	6,442,743
Death Benefit 'B'		
	\$	\$
Balance at beginning of year	2,427,698	2,330,025
Death Benefit	(4,657)	(7,048)
Forfeited Benefits	146,429	50,700
Transferred to Seafarer General Reserve	-	(35,006)
Net Income Allocated	97,479	89,027
Balance at end of year	2,666,949	2,427,698

The Death Benefit 'A' and 'B' accounts represent amounts available to pay the Waterfront Fund's additional death benefits. Each Additional Death Benefit is paid in proportional amounts from the two accounts. The 'A' account is funded by the participating employers. A formal actuarial valuation is undertaken every three years to determine the level of contribution required from the participating employers. The most recent valuation was completed as at 31 March 2025 and the actuary stated that the death benefit reserves are very likely to be adequate to cover the death benefit over the next 35 years. The actuary recommended that no additional contributions are required in respect of the death benefits until the next valuation as at 31 March 2028. The 'B' account is funded from the unvested portion of employer accumulations from Waterside members' leaving service benefits. Both accounts earn interest during the year.

	2026	2025
	\$	\$
Seafarer General Reserve		
Balance at beginning of year	78,621	79,041
Forfeited Seafarer Benefits	-	35,007
Unallocated Contributions	(10,389)	(12,108)
Distribution to Seafarer Members	(35,007)	(27,471)
Net Income Allocated	5,393	4,152
Balance at end of year	38,618	78,621

The Seafarer General Reserve is funded from the unvested portion of employer accumulations from Seafarer members' leaving service benefits and from contributions that are received but are unable to be allocated to members due to insufficient paperwork. Distributions are made from this account from time to time to Seafarer members only.

	2026	2025
	\$	\$
Pension		
Balance at beginning of year	45,719	43,392
Benefits allocated during the year	-	-
Net Income allocated	2,379	2,327
Balance at end of year	48,098	45,719

The Pension Reserve Account represents amounts available to pay Waterfront Fund's pensioners. A formal actuarial valuation is undertaken every three years to determine the level of reserves required to fund the pension payments. The most recent valuation was completed as at 31 March 2025 and the actuary stated that the current level of the pension reserve account was sufficient to meet the expected pension payments to the remaining pensioners. At balance date there were no current pensioners. However, the Trustees' policy is to maintain this reserve account while there remains the possibility for an exiting member to elect to receive a pension.

	2026	2025
	\$	\$
Income Reserve		
Balance at beginning of year	37,512	35,655
Capital Movements during the year	-	-
Net Income Allocated	1,731	1,857
Balance at end of year	39,243	37,512

(b) Pursuant to the Trust Deed the Trustees shall establish a Income Reserve account for Maritime Retirement Scheme which shall be credited with the following:

- any earnings allocated as per section 11 of the Trust Deed;
- any unclaimed benefits;
- any amount where the Member ceases to have the right to receive;
- any moneys arising which are not required to pay the Member's benefits;
- any income or gains not included in earnings allocated as per Section 11 of the Trust Deed.

The Trustees may, at their discretion, apply any part or the whole of the Income Reserve account to:

- augmenting the rate of earnings allocated under section 11 of the Trust Deed;
- payment of expenses of the Scheme;
- increasing the retirement benefits of all Members on an equitable basis;
- providing benefits other than retirement benefits for all Members on an equitable basis;
- providing personal benefits for Members or their Dependents in the case of hardship;
- payment of all or any part of a Participating Employers' contributions of the Scheme if they have suspended or terminated their contributions;
- payment of all or part of the contributions of all Members in any year on an equitable basis; and/or
- payment of any benefit paid later than seven days after the date on which it becomes due.

The total balance of all reserve accounts.

	2026	2025
	\$	\$
	9,556,334	9,032,293

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

6. Financial Assets at Fair Value Through Profit or Loss

	2026 \$	2025 \$
Mercer New Zealand		
Mercer Overseas Shares Index Portfolio * ^	53,253,516	50,880,076
Amova Asset Management		
Global Bond Fund * ^	18,496,724	17,121,285
Multi Strategy Fund	-	30,973
Wholesale Global Equity Hedged Fund * ^	49,541,725	48,521,470
Wholesale NZ Bond Fund * ^	23,627,224	22,714,067
Wholesale NZ Cash Fund * ^	11,813,501	14,684,116
Fisher Funds		
Fisher Institutional Australian Equity Fund	-	9,020,428
Fisher Institutional Trans Tasman Equity Fund	11,237,491	5,354,870
Hunter Investment		
Global Fixed Interest Fund * ^	47,510,347	51,705,545
Salt Investment		
Core Equity Fund *	11,964,813	9,478,908
Total	227,445,341	229,511,738

The funds marked with an (*) exceeded 5% of the Scheme's net assets as at 31 March 2026 (2025: The funds marked with an (^) exceeded 5% of the Scheme's net assets as at 31 March 2025).

7. Gains on Investments

	2026 \$	2025 \$
Total net gains on investments held at fair value through profit or loss	9,511,514	10,081,288
Broken down as follows:		
Mercer New Zealand		
Mercer Overseas Shares Index Portfolio	8,789,030	6,209,352
Amova Asset Management		
Global Bond Fund	(256,065)	49,133
Multi Strategy Fund	1,334,141	51,936
Wholesale Global Equity Hedged Fund	1,796,108	3,329,994
Wholesale NZ Bond Fund	(169,201)	541,354
Wholesale NZ Cash Fund	(46,263)	28,050
Fisher Funds		
Fisher Institutional Australian Equity Fund	426,304	(1,560,877)
Fisher Institutional Trans Tasman Equity Fund	(1,473,295)	1,135,038
Hunter Investment		
Global Fixed Interest Fund	(1,164,734)	63,665
Salt Investment		
Core Equity Fund	275,489	233,643

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

8. Other Payables

	2026	2025
	\$	\$
Audit fees	61,594	59,800
Tax Adviser fees	-	4,025
TIMG -archive storage and cataloguing	423	-
MJW - consulting fees	8,664	4,405
MJW - administration	26,190	24,980
Trustee fees	6,250	6,250
Custodian controls audit	-	3,715
Filing Fees	-	527
Legal fees	1,840	-
	<u>105,288</u>	<u>103,702</u>

9. Income Tax

The Scheme invests in a number of funds that are PIEs. For these investments, the Scheme can elect to apply a PIR of either 0% or 28%. Taxable income calculated within the investments to which a 0% PIR is applied is taxable directly within the Scheme, with the resultant tax charge present on the face of the Statement of Changes in Net Assets as income tax expense/(credit). Taxable income calculated within the investments to which a 28% PIR is applied is taxable within those investments, with any tax deducted/credited reflected in the valuation of investments at year end, with investment returns shown gross of tax.

	2026	2025
	\$	\$
Current Tax	1,355,335	2,315,861
Deferred Tax	426	(151,123)
	<u>1,355,761</u>	<u>2,164,738</u>

The total charge for the year can be reconciled to the change in net assets as follows:

Change in Net Assets before Membership Activities	12,932,905	13,843,876
Income Tax @ 28%	3,621,213	3,876,285

Tax effect of:

Non Assessable Investment Gains and Losses	(1,715,137)	(1,134,049)
Prior period adjustment	2,351	26,403
Tax Credits	(264,621)	(268,088)
Members with PIRs less than the maximum rate	(111,419)	(94,339)
Tax at 0% PIR	(176,626)	(241,474)
Income Tax Expense	<u>1,355,761</u>	<u>2,164,738</u>

Current Tax

Balance brought forward	2,005,145	-
Tax paid	(2,012,000)	-
Current year tax	1,353,394	2,005,145
Tax Payable	<u>1,346,539</u>	<u>2,005,145</u>

Deferred Tax Asset

Opening balance	90,014	241,137
Prior Period Adjustment	-	(26,403)
Current Deferred Tax Expense	426	(124,720)
Deferred Tax Asset	<u>90,440</u>	<u>90,014</u>

As the Scheme is a PIE, tax payable is determined with reference to each individual member's PIR, rather than being payable by the Scheme at a flat rate of 28%.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

10. Reconciliation of Net Cash Flows from Operating Activities to Change in Net Assets

	2026 \$	2025 \$
Increase in Net Assets	(1,317,425)	3,385,638
Non-cash Items		
Unrealised Gains on Fair Value Through Profit and Loss Assets	(9,511,514)	(10,081,288)
Distribution Income	(4,866,009)	(5,137,604)
Provisional tax paid on behalf of MKS	(122,000)	-
Investment Management Fees	954,873	918,721
Investment Management Fee Rebates	(162,954)	(166,095)
Movements in Other Working Capital Items		
(Increase)/Decrease in Deferred Tax	(426)	151,124
Increase/(Decrease) in Benefits Payable	240,648	(722,950)
Increase in Accounts Payable	1,586	6,362
(Decrease)/Increase in Tax Payable	(658,604)	2,005,146
Net Cash Flows from Operating Activities	(15,441,825)	(9,640,946)

11. Financial Risk Management

The Scheme utilises a number of financial instruments in the course of its normal investing activities. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in the accounting policies.

The Trustees have approved a SIPO which establishes investment portfolio objectives and target asset allocations. Performance against these targets is reviewed at least quarterly by the Trustees and asset reallocations undertaken as required.

Financial Instruments by Category

As at 31 March 2026

	Financial Asset At Amortised Cost	Financial Assets At Fair Value Through Profit or Loss
Assets as per Statement of Net Assets	\$	\$
Financial Assets At Fair Value Through Profit or Loss	-	227,445,341
Cash and Cash Equivalents	391,088	-
Total	391,088	227,445,341
	Financial Liabilities At Fair Value Through Profit or Loss	Financial Liabilities At Amortised Cost
Liabilities as per Statement of Net Assets	\$	\$
Other Payables	-	105,288
Benefits Payable	-	240,648
Total	-	345,936

As at 31 March 2025

	Financial Asset at Amortised Cost	Financial Assets At Fair Value Through Profit or Loss
Assets as per Statement of Net Assets	\$	\$
Financial Assets At Fair Value Through Profit or Loss	-	229,511,738
Cash and Cash Equivalents	58,913	-
Total	58,913	229,511,738
	Financial Liabilities At Fair Value Through Profit or Loss	Financial Liabilities At Amortised Cost
Liabilities as per Statement of Net Assets	\$	\$
Other Payables	-	103,702
Benefits Payable	-	-
Total	-	103,702

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

Credit Risk

Credit Risk is the risk that a counterparty to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments which potentially expose the Scheme to credit risk consist of cash, receivables and investments in unitised products. The maximum credit exposure to credit risk is the carrying value of these financial instruments.

The Trustees manage and monitor credit risk by setting benchmark asset allocations and appointing investment managers to manage each asset class, thereby diversifying the Scheme's assets. The Trustees, with advice of Melville Jessup Weaver, perform due diligence of all investment managers before appointment. The Trustees regularly invite investment managers to attend Trustees' meetings to discuss performance and risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: other price risk, currency risk and interest rate risk. The Scheme is exposed indirectly to foreign exchange risk and interest rate risk through its investments in unitised products. The Scheme is exposed directly and indirectly to other price risks through its investments in unitised products.

Due to the unitised nature of the investment it is not practical to determine the sensitivity of the unit price to changes in foreign exchange rates, interest rates or other market factors. Risk management activities are undertaken by the Scheme's investment managers to operate within the guidelines provided by the Trustees.

Risk management activities are undertaken by the Trustees to manage the market risks outlined below. The Trustees use the services of Melville Jessup Weaver to actively manage the Scheme's cash flow according to benchmark asset allocations. The Trustees review the overall asset allocation and assets are rebalanced within defined tolerance levels as required. The Trustees regularly invite investment managers to attend Trustee meetings to discuss performance and risk. In addition, Melville Jessup Weaver's services are used to produce investment monitors that report on and assess investment manager performance against benchmarks set in the Statement of Investment Policy and Objectives (the "SIPO").

Other Price Risk

Other price risk is the risk that the value of the Scheme's investments will increase or decrease due to a change in the unit prices of the Scheme's investments.

A 5% (2025: 10%) decrease in the unit prices of the Scheme's investments would have an adverse impact on the value of the Scheme's assets of \$11,372,267 (2025: \$22,951,174). Conversely, a 5% (2025: 10%) increase in the unit prices of the Scheme's investments would have a positive impact on the value of the Scheme's assets of \$11,372,267 (2025: \$22,951,174). The maximum exposure to other price risk is the carrying value of these financial instruments.

Currency Risk

Some of the Scheme's assets are invested overseas. Returns on assets held overseas can be affected by changes in the value of the New Zealand dollar and overseas currencies. The Scheme's overseas investments have different amounts of currency hedging depending on the asset class and the hedging policy. Most asset classes have hedging except for New Zealand and Australian investments.

Risk management activities are undertaken by the Scheme's investment managers to operate within the guidelines provided by the Trustees in the SIPO.

Interest Rate Risk

The Scheme is indirectly exposed to interest rate risk in that future interest rate movements will indirectly affect the valuation of investments in unitised products which invest in cash and fixed interest investments. There is no maturity period for unitised investments.

Interest rate risk management activities are undertaken by the investment managers in accordance with the investment mandates set by the Trustees.

Liquidity Risk

Liquidity risk is the risk that the Scheme will encounter difficulty in raising funds to meet its obligations to pay members. However, to control liquidity risk, the Scheme invests in financial instruments. The Scheme's investments, with the exception of the Multi Strategy Fund, are considered to be readily realisable. The Multi Strategy portfolio invests in non-traditional investments such as infrastructure and commodities and are therefore less liquid than traditional asset classes.

For the remaining investments, there are no restrictions on the redemption of units and they may be redeemed for cash at any time, subject to the approval of the investment managers. The investment managers do reserve the right to limit redemptions under extreme market conditions, but the Trustees spread this risk by investing across multiple asset classes and the investment managers further spread this risk by investing across multiple securities within those classes.

Capital Management

Net assets available to pay benefits are considered to be the Scheme's capital for the purposes of capital management. The Scheme does not have to comply with externally imposed capital requirements.

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

12. Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, determined in accordance with the Scheme's accounting policies.

The Scheme classifies fair value measurements of financial instruments at fair value through profit or loss using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Valuation techniques using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Valuation techniques using inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The unit price is based upon a Net Asset Valuation using observable inputs of quoted security prices in active share markets and/or interest rates or yield curves which are observable at specific time intervals. The Net Asset Valuation of the Scheme may also include securities or derivatives which have inputs such as foreign exchange spot and forward rates and interest rate curves derived from quoted bond prices. The Net Asset Valuation may also have adjustments to reflect fees associated with the Scheme.

The following tables analyses within the fair value hierarchy the Scheme's financial assets and non-financial assets measured at fair value:

31 March 2026

Assets	Level 1	Level 2	Level 3	Total Balance
	\$	\$	\$	\$
Mercer Overseas Shares Index Portfolio	-	53,253,516	-	53,253,516
Amova Global Bond Fund	-	18,496,724	-	18,496,724
Amova Wholesale Global Equity Hedged Fund	-	49,541,725	-	49,541,725
Amova Wholesale NZ Bond Fund	-	23,627,224	-	23,627,224
Amova Wholesale NZ Cash Fund	-	11,813,501	-	11,813,501
Fisher Institutional Trans Tasman Equity Fund	-	11,237,491	-	11,237,491
Hunter Global Fixed Interest Fund	-	47,510,347	-	47,510,347
Salt Core Equity Fund	-	11,964,813	-	11,964,813
Total Assets	-	227,445,341	-	227,445,341

31 March 2025

Assets	Level 1	Level 2	Level 3	Total Balance
	\$	\$	\$	\$
Mercer Overseas Shares Index Portfolio	-	50,880,076	-	50,880,076
Amova Global Bond Fund	-	17,121,285	-	17,121,285
Amova Multi Strategy Fund	-	-	30,973	30,973
Amova Wholesale Global Equity Hedged Fund	-	48,521,470	-	48,521,470
Amova Wholesale NZ Bond Fund	-	22,714,067	-	22,714,067
Amova Wholesale NZ Cash Fund	-	14,684,116	-	14,684,116
Fisher Institutional Australian Equity Fund	-	9,020,428	-	9,020,428
Fisher Institutional Trans Tasman Equity Fund	-	5,354,870	-	5,354,870
Hunter Global Fixed Interest Fund	-	51,705,545	-	51,705,545
Salt Core Equity Fund	-	9,478,908	-	9,478,908
Total Assets	-	229,480,765	30,973	229,511,738

The Scheme invests in managed funds. The fair value is based upon unit prices calculated by the investment manager of each fund.

The fair value of units is based upon a net asset valuation using observable inputs of quoted security prices in active share markets and/or interest rates or yield curves which are observable at specific time intervals. The net asset valuation of the fund may also include securities or derivatives which have inputs such as foreign exchange spot and forward rates and interest rate curves derived from quoted bond prices. The net asset valuation may also have adjustments to reflect fees associated with the fund.

At the end of each accounting financial year the Trustees review the Fair Value Hierarchy and associated disclosures based on information available at that point in time and considers the reasonableness of the disclosures or if any transfers between levels need to be made.

There were no transfers between level 1, 2 or 3 in the year.

Maritime Retirement Scheme

Notes to the Financial Statements (Cont'd) For the year ended 31 March 2026

13. Fees Incurred for Services Provided by the Audit Firm

During the reporting period the following audit and tax services were provided by Deloitte Limited. These fees were for their services to both the Maritime Retirement Scheme and the Maritime KiwiSaver Scheme.

	2026 \$	2025 \$
Audit Services - Deloitte		
Statutory audit of the financial statements	61,594	59,708
Taxation services - Deloitte		
Tax return preparation	12,190	12,593
Tax planning and other advisory services	21,091	20,090
Total fees for taxation services	33,281	32,683
Total fees for audit firm's services	94,875	92,391

14. Commitments and Contingent Liabilities

There were no commitments or contingent liabilities outstanding at 31 March 2026 (2025: Nil).

15. Related Parties

The Scheme holds no investments in any of the employer companies or any of its related parties and during the period had no related party transactions except for the receipt of employer contributions of \$4,569,257 (2025: \$4,514,302).

The Scheme pays fees to some of the Trustees, trustee liability insurance and reimburses the Trustees' costs for travelling, etc. During the year, the Trustee fees were \$121,835 (2025: \$114,969). Trustees that are members of the Scheme contribute on the same basis and have the same rights as other members of the Scheme. Two Trustees received partial withdrawal payments during the year (2025: Nil). These payments are included in the 'Partial Withdrawals - Other' line in the Statement of Changes in Net Assets.

During the year the Scheme paid \$25,513 (2025: \$25,467) in premiums for trustee liability insurance.

The Maritime KiwiSaver Scheme (MKS) is a member of and invests through the Scheme. The MKS's investment balance of \$20,909,140 (2025: \$20,735,845) represents the value of the KiwiSaver member account at year-end. Trustees' fees have been proportionally allocated to MKS as \$11,105 (2025: \$8,542) and included in their expenses.

16. Events after Balance date

There were no events after balance date (2025: Nil).

Independent Auditor's Report

To the Members of Maritime Retirement Scheme

Opinion

We have audited the financial statements of Maritime Retirement Scheme (the 'Scheme'), which comprise the statement of net assets as at 31 March 2026, and the statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements, on pages 1 to 14, present fairly, in all material respects, the financial position of the Scheme as at 31 March 2026, and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

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

We are independent of the Scheme in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* ('PES 1') issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code') as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with PES 1 and the IESBA Code.

Other than in our capacity as auditor and the provision of taxation services, we have no relationship with or interests in the Scheme. These services have not impaired our independence as auditor of the Scheme.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Other information

The Trustees are responsible on behalf of the Scheme for the other information. The other information comprises the information in the Annual Report that accompanies the financial statements and the audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

Trustees' responsibilities for the financial statements

The Trustees are responsible on behalf of the Scheme for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Scheme for assessing the Scheme'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 Trustees either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs and ISAs (NZ) 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 users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-2>

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Scheme's members, as a body. Our audit has been undertaken so that we might state to the Scheme's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's members as a body, for our audit work, for this report, or for the opinions we have formed.

The signature of Deloitte Limited is written in a cursive, handwritten style.

**Hamish Anton, Partner
for Deloitte Limited**
Wellington, New Zealand
28 July 2026