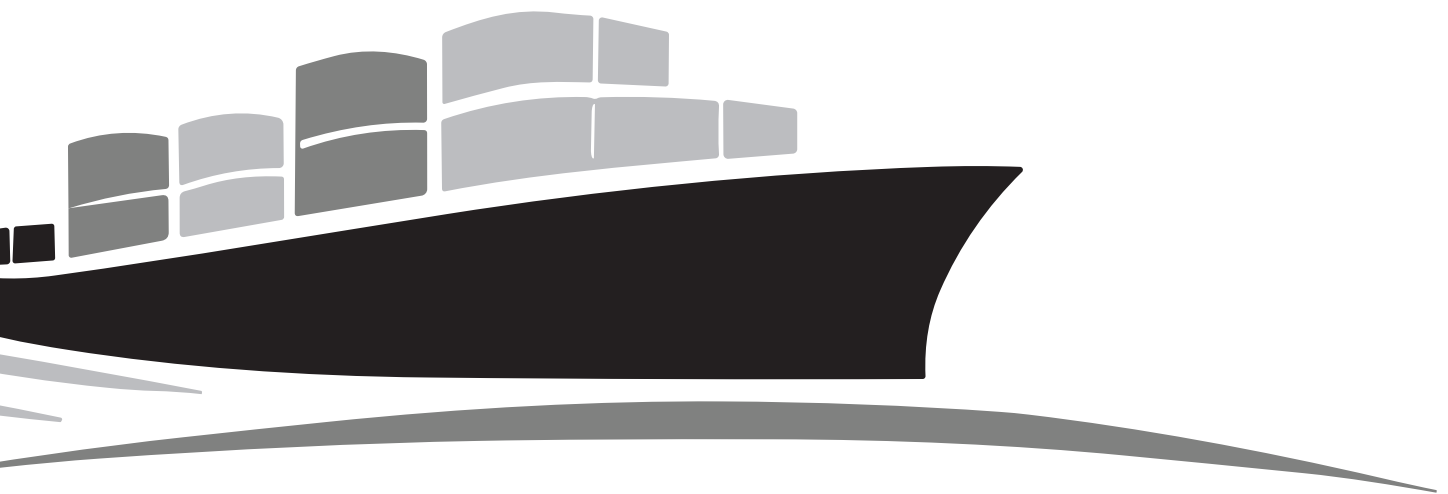




ANNUAL | 2024 REPORT | 2025



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ACKNOWLEDGMENT OF COUNTRY

The Port of Townsville Limited acknowledges the Wulgurukaba people as the traditional Custodians of Gurambilbarra, the Country on which the Port of Townsville operates.

'Wulgurukaba' means 'canoe people', a name that underscores their connection to the sea, rivers and waterways of our region. It is a connection that we share and hope to strengthen in generations to come.

Likewise, we acknowledge the Bindal people, traditional custodians of the western banks of Ross River, which form our Port limits, and the Nywaigi people, traditional custodians of the area where the Port of Lucinda is located.

Finally, we acknowledge the Traditional Owners of the lands from which products come to our Ports and the waterways that connect us. Our natural resources are drawn from lands and waterways long cared for by First Nations people and we thank them for their contribution to our nation.

We pay our respects to Elders past, present and emerging and to all First Nations people across our hinterland areas.

ABOUT THIS REPORT

This Annual Report presents the Port's performance results for 2024-25 as well as details about strategic initiatives that we are pursuing to ensure we continue to deliver world class port facilities and services, and seamless maritime connections for Northern Australia.

PUBLIC AVAILABILITY

An online version of this Annual Report, and our past Annual Reports, can be found on our website at www.townsvilleport.com.au

INTERPRETER SERVICE ANNOUNCEMENT

We are committed to providing accessible services to stakeholders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding this Annual Report, you can contact us on +61 7 4781 1500 or by email to community@townsvilleport.com.au

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ABN 44 411 774 236

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ABOUT US

Port of Townsville Limited (the Port) is a Queensland Government Owned Corporation (GOC) established under the *Government Owned Corporations Act 1993* (Qld) and is the declared port authority for the Port of Townsville and Port of Lucinda under the *Transport Infrastructure Act 1994* (Qld). As a GOC, the Port is accountable to its shareholding Ministers for the delivery of sustainable commercial returns, while also supporting the State's broader economic, trade and regional development objectives.

In its capacity as a port authority, the Port is responsible for the strategic management, development and operation of port facilities, including land use planning, infrastructure provision and ensuring the safe, efficient and environmentally responsible movement of vessels and cargo. The Port's governance and accountability framework reflects both its statutory obligations and its role as a critical enabler of Queensland's trade and economic growth.



A LEGACY OF TRADE AND TRANSFORMATION

For more than 160 years, the Port of Townsville has been a catalyst for economic growth, regional connectivity, and industrial development across North Queensland. Each year, more than \$12 billion in trade flows through our ports, supporting over 800,000 people across a vast catchment from Hinchinbrook to the Burdekin and west to Mount Isa. The products we handle – grown, mined, manufactured, and consumed across the region – connect communities to essential goods, enable global exports. We are proud to play a critical role in shaping the region and Queensland's future prosperity.

PORT OF TOWNSVILLE

As Northern Australia's most diverse and strategic trade gateway, the Port of Townsville is central to supply chains that drive the State's economy.

Each year, the Port handles around 7 million tonnes of goods, linking customers to more than 130 ports across 44 countries, with more than 75% of trade occurring with South East Asia. The Port is Australia's largest exporter of copper, zinc, lead, sugar, fertiliser and molasses, and the nation's leading northern port for containerised cargo and motor vehicles.

With established road and rail connections to the North West Minerals Province, the Port is positioned as a critical hub for global demand for critical and strategic minerals, renewable energy and fuels and agriculture.

It also plays a pivotal role in national defence logistics and has a modern cruise terminal providing a gateway to North Queensland's unique tourism experiences.

PORT OF LUCINDA

Located approximately 100 kilometres north of Townsville, the Port of Lucinda plays a vital role in Queensland's sugar industry. It is one of the State's six bulk sugar terminals and is primarily dedicated to the export of raw sugar produced in the Herbert River district.

The port features fully enclosed onshore sugar handling and storage facilities, connected to an offshore berth via a 5.7 kilometre trestle jetty – one of the longest of its kind in the world. In addition to sugar exports, the Port of Lucinda supports regional logistics through regular general cargo barge services to nearby islands.

By connecting the Hinchinbrook region's agricultural production to global markets, the port supports local jobs and ensures the long-term viability of one of North Queensland's most significant industries.

OUR VISION, MISSION & VALUES

OUR VISION

Australia's Port for the Future

OUR MISSION

Creating prosperity for our communities and value for our customers and shareholders through world-leading sustainable operations

OUR VALUES



PARTNERSHIPS

We build meaningful and lasting relationships



OPPORTUNITIES

We continuously innovate



RESPECT

We respect each other



TRUST

We do the right thing

OUR CAPABILITIES



2 ports and 500km²
port jurisdiction



9 operational
berths
(inc. Lucinda)



2,184m
quayline



6 cargo
cranes



container and
refrigerated
cargo facilities



roll-on, roll-off
and lift-on, lift-off
facilities



360ha of land
or storage area



Quayside
Cruise Terminal



4 dry bulk
shiploaders



306m LOA
vessels

OUR CONTRIBUTION

\$12 billion

value of
trade

8,000

jobs in the region
supported by
port activities

130+

port connections
to 44 countries

80%

of Northern Australia's
population serviced

Strategic

Defence port for
Australian and
allied navies

30,000+

cruise visitors
between 2024-25
(Passengers & Crew)

\$50,000+

community support
over the last year

7 million

tonnes of trade and
> 30 commodities

New Cargo Laydown Area

Construction commenced on a \$40 million 14 hectare project cargo laydown area

\$251 Channel Upgrade Project Completion

Channel Upgrade project was completed on-time, on-budget enabling 306m LOA vessel access

2024 Australian Port of the Year

Port of Townsville was named 2024 Australian Port of the Year at the DCN Australian Shipping and Maritime Industry Awards

KEY HIGHLIGHTS 2024-25

Reflect RAP Launch

Reflect RAP endorsed by Reconciliation Australia

160th Port Anniversary Celebration

Townsville Port celebrated 160 years of operations culminating in a stakeholder breakfast

Cruise Terminal Upgrades

\$5.9 million upgrade of Quayside Terminal transport infrastructure to cater for larger cruise vessels and improve energy efficiency

CHAIRPERSON'S REPORT

On behalf of the Board, I am pleased to present Port of Townsville Limited's Annual Report for the year ended 30 June 2025. This year's report highlights progress against our strategic objectives while also reflecting on the challenges and opportunities that shape our future.

A proud highlight was being named Australia's Port of the Year at the 2024 DCN Australian Shipping and Maritime Industry Awards. This honour recognises not only the Port's significant achievements but also the bold vision we are pursuing through important infrastructure investments and the handling of more than \$12 billion in commodities during the year.

While global markets presented uncertainty, the Port remains well positioned to meet future demand. Our financial performance in 2024–25 was strong, delivering a net profit after tax of \$12.6 million. Over the past 12 months, we have advanced disciplined, ongoing investments—initiatives that both improve efficiency and underpin sustainable growth for the decades ahead.

A defining milestone was the completion of the \$251 million Townsville Port Channel Upgrade project in December 2024. This five-year effort has transformed access for larger container vessels and is complemented by a \$70 million investment in new container-handling capabilities, including a post-panamax ship-to-shore crane and upgraded terminal. Together, these projects strengthen Townsville's role as Northern Australia's competitive and resilient freight hub.

The widened channels have also opened new horizons for cruise tourism, welcoming more than 30,000 passengers and crew this year and boosting activity for local businesses and the city. Forward bookings are the strongest we have seen, with major vessels confirmed for the 2025 summer season. To support this growth, upgrades to the Quayside Terminal were completed in late 2024, increasing capacity for larger ships and enhancing its role as both a gateway for visitors and a vibrant community venue.

This year also carried historic significance as we marked the Port's 160th anniversary. For more than a century and a half, the Port has been central to North Queensland's prosperity - exporting the region's resources and agriculture, importing essential goods, supporting defence capability, and enabling tourism.

Our four strategic priorities - Prosperity, Planet, Community and People - continue to guide this legacy. In 2025 we commenced construction on a \$40 million renewable energy cargo laydown area and expanded investments in solar and battery systems. These steps not only support emerging trade opportunities but also advance our commitment to sustainability.

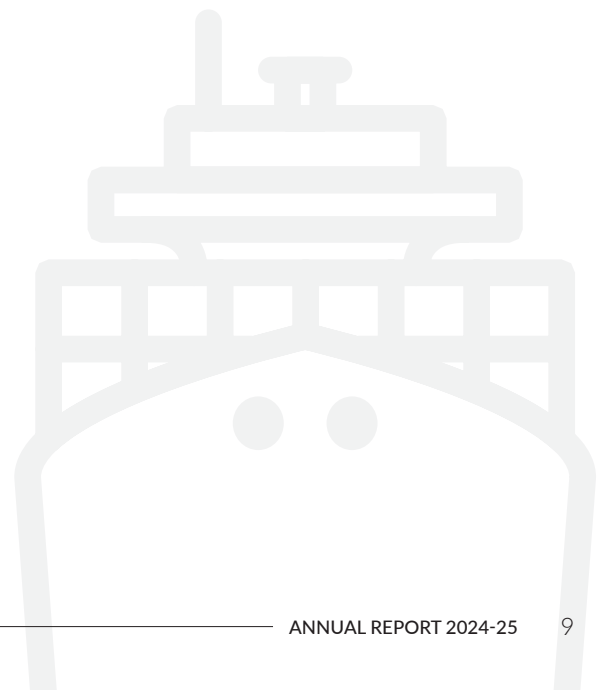
As a modern city-port, we recognise the importance of integrated land-use planning. Working closely with Townsville City Council and stakeholders, we are shaping redevelopment of waterfront lands to protect long-term port operations while creating active, distinctive spaces that connect the community and visitors with the waterfront.

Community and stakeholder trust remains strong, reflecting confidence in the Port's direction. A significant step this year was the launch of our Reflect Reconciliation Action Plan, endorsed by Reconciliation Australia, which strengthens our commitment to respectful and meaningful engagement with First Nations peoples.

I extend my sincere thanks to my fellow Board members for their expertise and commitment, which have enriched our governance and decision-making. On behalf of the Board, I also thank the CEO, Executive Leadership Team, and our people for their dedication and achievements this year. Together, we are preparing the Port of Townsville not only to meet today's opportunities but to thrive as Northern Australia's Port for the future.



Ann Sherry AO
Chairperson



CEO'S REPORT

When an organisation reaches 160 years, it's natural to reflect on the journey as much as the future. This past year has been one of both reflection and renewal. Since 1864, the Port has stood as North Queensland's enduring gateway to the world – connecting resources, industries, and communities to global markets.

Despite delays to some regional projects and the volatility of global trade, we achieved a strong performance. Trade throughput totalled 7 million tonnes, valued at over \$12 billion, with revenue rising to \$102 million. Importantly, we continued to diversify across containers, vehicles, fertiliser, cattle, and general cargo – strengthening resilience for the future.

The completion of the \$251 million Port Channel Upgrade has been a defining achievement. It has opened the harbour to larger container vessels, cementing Townsville's role as Northern Australia's most competitive freight gateway. It has also enabled a surge in cruise activity, with thousands of visitors welcomed through a revitalised Quayside Terminal – now a hub not just for ships, but for community events and connection.

We continued to expand capability with berth upgrades, new cargo laydown areas, and operational improvements. At the same time, digital innovations – including our ERP system and digital twin – are embedding data-driven decision-making and continuous improvement across the business.

Trust and accountability remain central to how we operate. Customer satisfaction reached 92% and community sentiment 90%, reflecting strong relationships with government, industry, community, and traditional owners. These partnerships ensure our initiatives are inclusive, practical, and aligned with regional priorities.

Our people remain at the heart of everything we do. Employee engagement climbed to 80%, a testament to a capable and committed workforce living our values each day. Safety continues to be paramount, with programs embedding a Zero Harm culture and ensuring everyone goes home safe and well.

Being named Australia's Port of the Year 2024 was a proud milestone for the entire organisation. It recognises not just what we have achieved, but how we achieved it – through foresight, collaboration, and a culture of excellence.

Looking forward, we are ready to support more than \$30 billion in regional developments in critical minerals, renewable energy, advanced manufacturing, defence, and tourism. Strategic planning and approvals have positioned us well, and we remain focused on delivering reliable, future-ready infrastructure, strong partnerships, and a culture where people thrive.

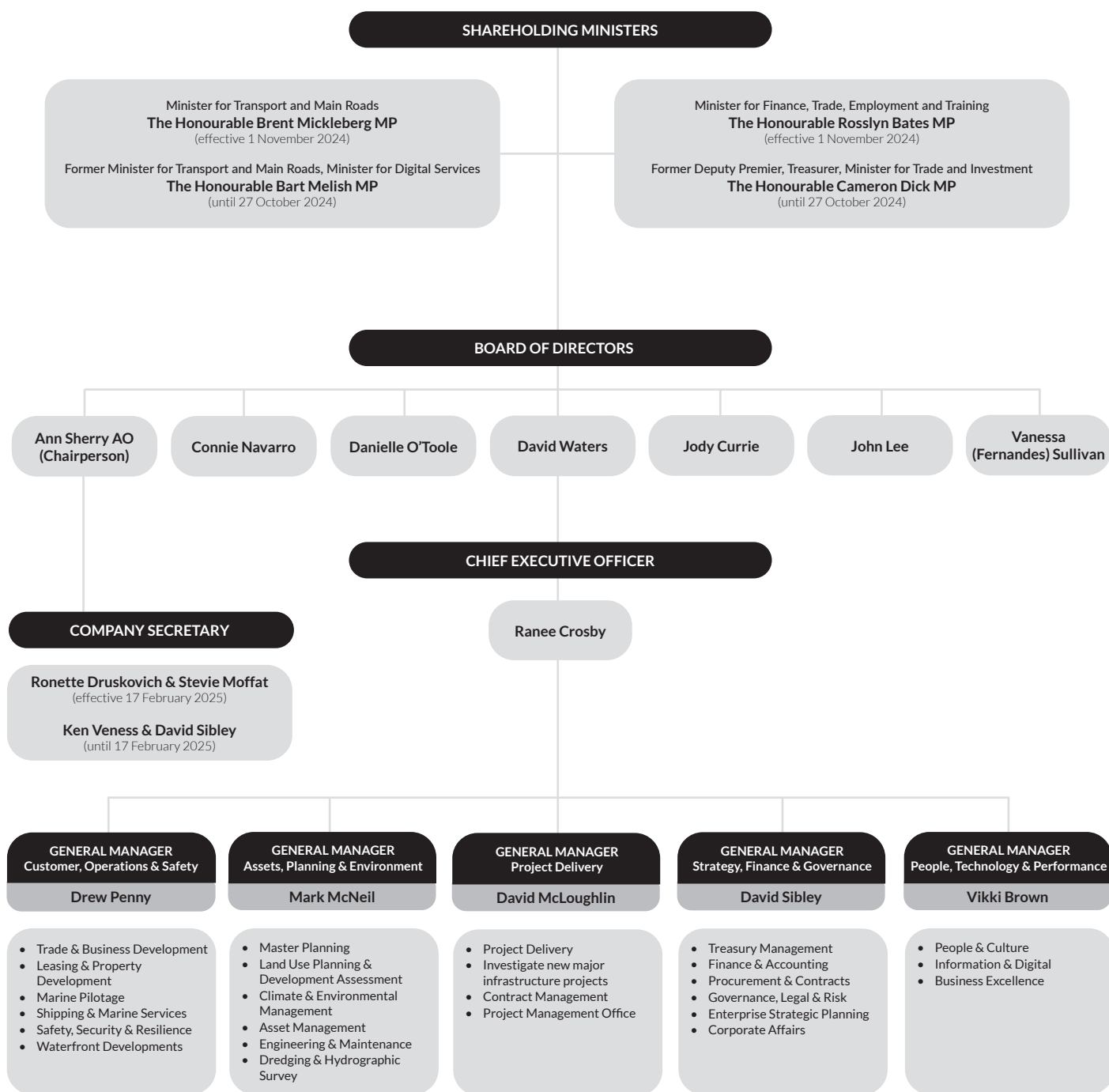
I thank the Board for its leadership and our shareholding Ministers for their guidance and support. To our customers, whose trust and partnership drive our success, we remain committed to delivering the infrastructure and services you need to grow.

And to our people – your dedication over this year, and across 160 years, makes everything possible. I am immensely proud of our team and grateful for the way you bring our purpose to life every day, continuing the legacy of service to North Queensland since 1864.



Rane Crosby
Chief Executive Officer

ORGANISATIONAL STRUCTURE



OUR BOARD

MS ANN SHERRY AO - CHAIRPERSON NON-EXECUTIVE DIRECTOR

Ann is one of Australia's leading business executives with a career that spans Government, Banking and Tourism.

Beginning her working life as a Radiographer, Ann became First Assistant Secretary of the Office of the Status of Women in Canberra before moving to the banking sector initially in HR roles, then in CEO roles with Westpac NZ, the Bank of Melbourne and she was CEO and Chairperson to Carnival Australia for more than a decade.

Ann has been a Non-Executive Director across many sectors and is currently Chairperson of UNICEF Australia, Queensland Airports Limited, Circa and Super Members Council (SMC) Australia. She is the Chancellor of Queensland University of Technology, a Non-executive Director of National Australia Bank and a Member of Sydney Harbour Federation Trust.

The Australian Government awarded Ann the Centenary Medal in 2001 and in 2004 she was awarded an Order of Australia. In 2015 Ann was named as the overall winner of the Australian Financial Review 100 Women of Influence Award.

MS CONNIE NAVARRO NON-EXECUTIVE DIRECTOR

Connie is a legal practitioner with over 20 years' experience in the legal industry. Connie is a born and bred North Queenslander and an advocate for rural and regional development. Connie is the Director of Connie Navarro Legal.

With extensive experience and expertise in the areas of commercial, property and business law, Connie has a particular focus on agribusiness, mining, energy and resources, infrastructure and major projects.

Connie holds a Bachelor of Economics and Bachelor of Laws (Hons) from James Cook University and is admitted in the High Court of Australia, Supreme Court of Queensland and Supreme Court of Northern Territory. Connie is also a Graduate of the Australian Institute of Company Directors.

MS DANIELLE O'TOOLE NON-EXECUTIVE DIRECTOR

Danielle is a Chartered Civil Engineer with over 30 years' experience in consultancy and operations across the mining and civil industries. Danielle has worked Australia-wide and internationally to deliver large scale civil, mining and environmental projects, which has seen Danielle become a specialist dams engineer, working with industry to implement and drive improved dam safety, risk management and governance practices.

Danielle holds a Bachelor of Engineering (Civil) and Master of Engineering Science from the University of Queensland, is a Fellow of The Institute of Engineers Australia, a Registered Professional Engineer of Queensland, a professional member of the Australian Institute of Mining and Metallurgy and a Graduate of the Australian Institute of Company Directors.

Danielle is a Technical Director at SLR Consulting – a global environmental and advisory solutions firm, and has called Townsville home since 2013.

MS VANESSA (FERNANDES) SULLIVAN NON-EXECUTIVE DIRECTOR

Vanessa is an experienced Board member for large corporations. Vanessa's Board and executive experience demonstrate deep financial, commercial and strategic skills including both corporate and government experience in regulated and competitive markets.

Vanessa currently serves as Non-Executive Director with ASX-listed AGL Energy, Independent Director for Future Energy Exports CRC Limited and Board Member for CSIRO.

Vanessa also works in a number of pro-bono roles including Chairing the Advisory Board of Centacare, a large NFP social services provider, and is a member of a Griffith University Business School Advisory Board.

Vanessa holds a Bachelor of Economics (Hons), Graduate Diploma (Finance and Investment), is a Graduate of the Australian Institute of Company Directors and was previously a NGERS registered auditor.

MR DAVID WATERS
NON-EXECUTIVE DIRECTOR

Dave is an experienced senior executive with a proven record in leading human resources functions across the Queensland public sector for the past 15 years.

Born and raised in Townsville, Dave returned 'home' in 2022 to take up the role of Director Human Resources with James Cook University. He has previously held roles as Chief Human Resources Officer with the Department of Health and Department of Transport & Main Roads, and most recently Executive Director, Human Resources at Metro South Hospital and Health Service. Dave has had earlier careers as a Journalist and Union Official.

Dave holds a Bachelor of Arts (Government and Economics) from the University of Queensland and Bachelor of Business (Economics and Human Resources) from QUT. He is a Professional Certified Member with the Australian HR Institute and a Graduate of the Australian Institute of Company Directors.

MR JOHN LEE
NON-EXECUTIVE DIRECTOR

John Lee has enjoyed a highly successful career leading both private sector organisations and government departments. He has extensive experience in the Transport, Tourism, and the Sport sectors.

John consults to ASX and privately owned companies in the areas of strategy and development. He is a strategic advisor to Egis who are a global construction engineering company.

John is Chairman of SportsGrid a sports data, membership and event technology company and a Director of Aus Triathlon a national sporting organisation.

Over the past two decades John has been the Director-General multiple Government departments including: the Qld Department of Tourism, Innovation and Sport, the NSW Department of Premier & Cabinet, the Department of Commerce and Transport for NSW.

He has a strong attachment to North Queensland having lived and worked in the region in the first part of his career as well as serving on the North Queensland Cowboys Board.

MS JODY CURRIE
NON-EXECUTIVE DIRECTOR

Jody is a Professor of Practice at the Queensland University of Technology in the Health Faculty. Jody has over 20 years' experience in health, housing and human service delivery, with a particular focus on vulnerable families and Aged Care, working in several executive positions in both the community and government sector. Jody is a Yugambah person from South East Queensland and has family connections to Palm Island.

Jody was most recently Chief Executive Officer of the Aboriginal and Torres Strait Islander Community Health Service (ATSICHS) Brisbane. She established ATSICHS Brisbane as a Nationally Registered Early Childhood Education provider, a Nationally Registered Housing Provider, and a Registered National Disability Insurance Scheme Provider.

Jody is a member to the Federal Government's National Aged Care Advisory Council and currently a Non-Executive Director on Cape York Partnership, Brisbane North Primary Health Care Network, Opera Queensland and Hearing Australia and has expertise in workforce strategy, government and stakeholder engagement.



OUR LEADERSHIP TEAM

MS RANEE CROSBY **CHIEF EXECUTIVE OFFICER**

Ranee has more than 20 years' experience in the port and shipping industry. As CEO of Port of Townsville Limited, she has overall responsibility for the strategic leadership, direction and operation of the Ports of Townsville and Lucinda.

Prior to her appointment as CEO, Ranee held a number of senior executive positions in commercial, planning, property and governance fields. Born and raised in North Queensland, she has led, managed and advised on a number of major infrastructure investments and economic opportunities for the region and Northern Australia, and has a comprehensive understanding of port and supply chain operations.

Ranee holds a Bachelor of Laws Degree (LLB) from James Cook University and is a Graduate of the Australian Institute of Company Directors. She sits on a number of boards and committees including Ports Australia and Townsville Enterprise Limited.

MR DAVID SIBLEY **GENERAL MANAGER STRATEGY, FINANCE AND GOVERNANCE**

David has extensive experience across financial and corporate management within government, profit and not-for-profit entities. He has been responsible for formulating and implementing long term strategic, operational, and financial plans; commercialising government service units; implementing major government reforms within agencies; and improving bottom line results in both non-profit and for-profit entities.

David holds a Bachelor of Commerce from James Cook University and is a Fellow of CPA Australia.

MR MARK MCNEIL **GENERAL MANAGER ASSETS, PLANNING AND ENVIRONMENT**

Mark has over 20 years' leadership experience in highly regulated environments for complex infrastructure assets; holding senior management roles in global projects; professional environmental/engineering service organisations and essential service providers.

Mark has worked in highly regulated and sensitive ecological environments including uranium mining in Kakadu National Park, long term effluent discharges into the Great Barrier Reef and Coal Seam Gas (CSG) extraction.

He has led the strategic direction and business plan execution of the asset management function for utilities infrastructure (civil, mechanical, electrical, process) for the Australia Pacific LNG project; several large municipalities and large-scale mining operations. Mark was part of the formation of the Safety Executive Group for the Victorian water industry which is accountable for developing strategies to unify the industry and achieve a safer work environment.

MR DREW PENNY **GENERAL MANAGER CUSTOMER, OPERATIONS AND SAFETY**

Appointed as General Manager of Operations in April 2018 and then to General Manager Customer, Operations and Safety in October 2019, Drew Penny brings a wealth of operational and leadership experience gained over 15 years in the mining industry to the Port of Townsville. Drew's management experience covers various areas including operations & logistics, maintenance, projects, organisational change and commercial. He believes in building collaborative relationships, driving process discipline and delivering safe successful outcomes for the business.

Drew holds a Bachelor of Engineering – Mechatronics (Hons) from James Cook University.

MR DAVID MCLOUGHLIN **GENERAL MANAGER PROJECT DELIVERY**

Dave has significant experience as a senior executive leading critical infrastructure teams in both Victoria and Queensland. He has worked extensively in operations, maintenance, engineering and asset management across aviation, communication, information technology and transportation fields. Dave is a strong believer in cross functional collaboration to achieve good sustainable outcomes for both the community and investors alike.

Dave holds a Bachelor of Engineering Management (Hons) from the University of Lincoln, is a Graduate of the Australian Institute of Company Directors and is a Fellow of both Engineers Australia and the Institute of Leadership and Management.

MS VIKKI BROWN **GENERAL MANAGER PEOPLE, TECHNOLOGY AND PERFORMANCE**

Vikki is a seasoned executive who joined the Port of Townsville in 2024, bringing more than 20 years of leadership experience across domestic and international environments.

Her global career includes a significant tenure with BHP, where she led major transformation initiatives across multiple continents, elevating business functions to top quartile global performance. This international exposure has shaped her strategic mindset and ability to lead complex change in dynamic environments.

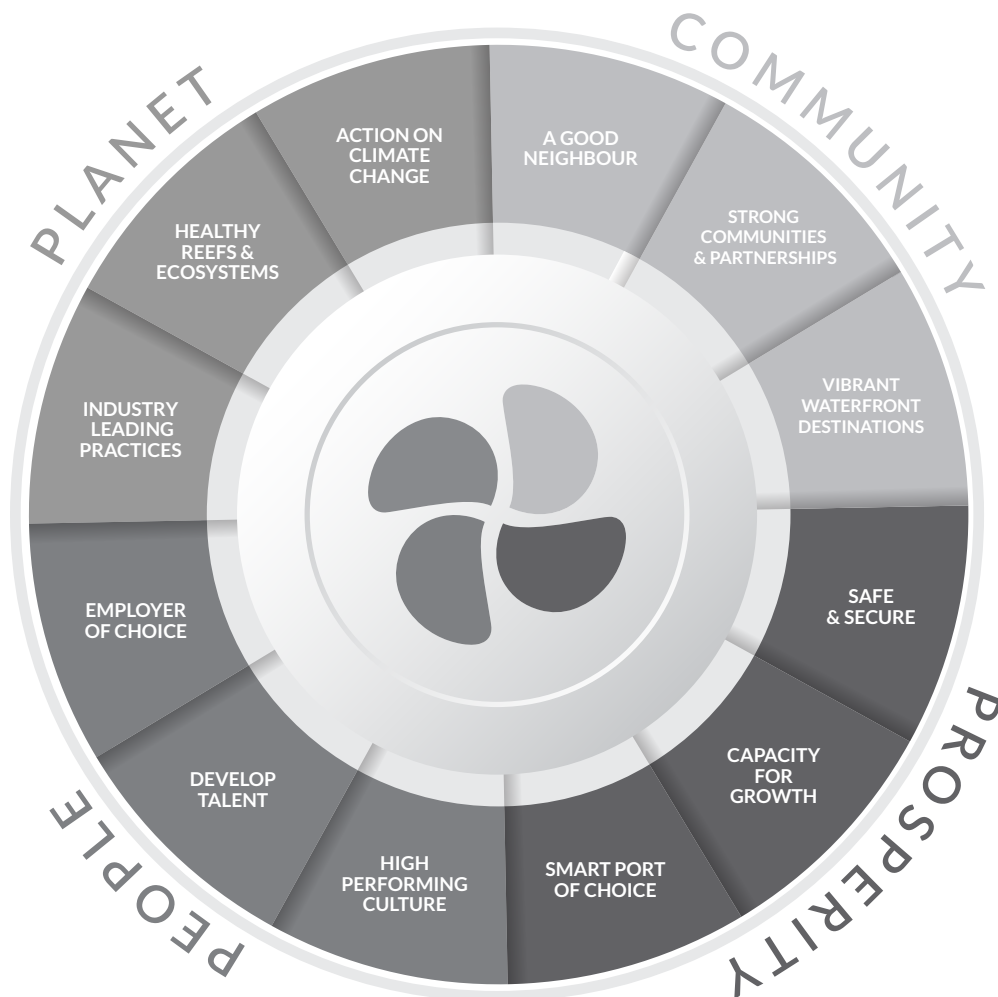
Vikki holds a Bachelor's degree in Organisational Learning and is currently completing a Master's in Global Business Administration. She brings deep expertise across human resources, technology, transformation, and business development, and plays a pivotal role in advancing the Port's innovation, capability, and strategic outcomes.

STRATEGIC FRAMEWORK

The Port's strategic direction is aligned to four key priority areas: Prosperity, Planet, Community and People. These priority areas are underpinned by 12 strategic objectives which provide a core framework for Port strategy. We are focused on a prosperous and sustainable future for the Port and also the region, including:

- Generating prosperity for our region and value for our customers and shareholders through our growth and diversification of trade and business opportunities and ensuring that infrastructure and services across the supply chain are efficient, safe and secure, reliable and cost competitive.
- Protecting and enhancing our natural environment by delivering on climate commitments, showcasing industry-leading practices, and partnering to support healthy reefs and ecosystems.
- Creating positive outcomes for our communities, creating vibrant waterfront destinations, giving back, building strong partnerships and being a valued neighbour improving connectivity and liveability.
- Providing a great place to work, developing the capability of our people and a high performing culture to ensure we are well positioned to achieve our long-term strategic objectives and continue to attract, retain and develop our top talent.

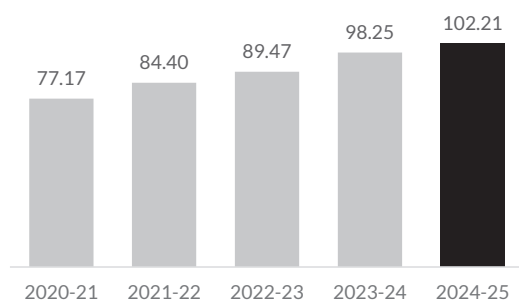
This annual report is organised into four sections: Prosperity, Planet, Community, and People .



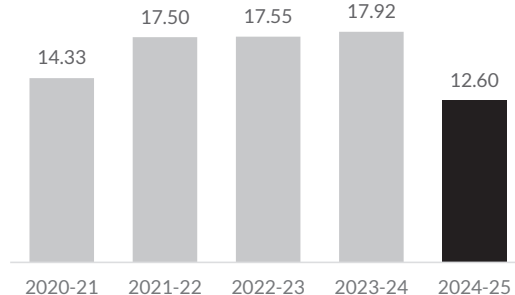
PERFORMANCE HIGHLIGHTS

FINANCIAL PERFORMANCE

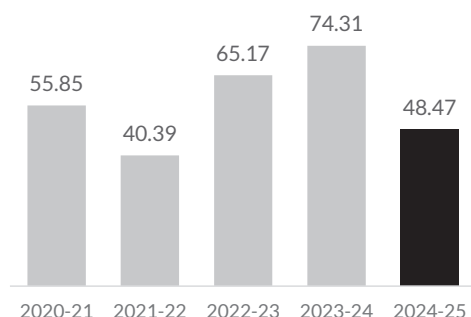
TOTAL REVENUE (million)



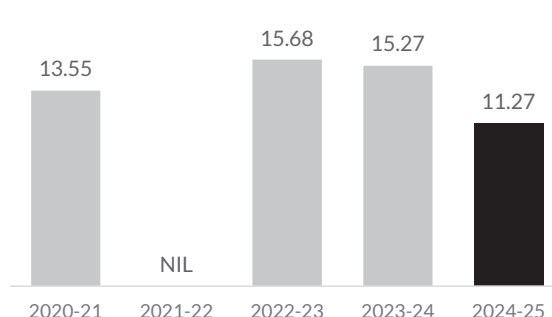
NET PROFIT AFTER TAX (million)



CAPITAL EXPENDITURE (million)

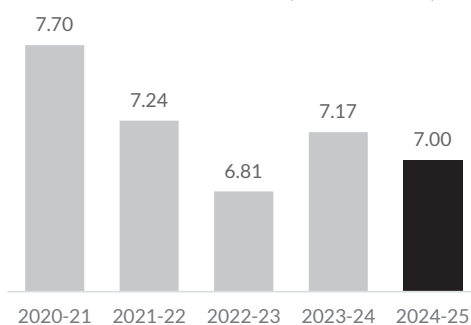


ORDINARY DIVIDENDS DECLARED (million)



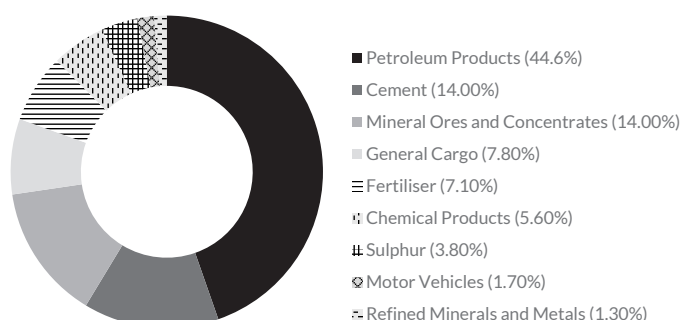
TRADE PERFORMANCE

TOTAL THROUGHPUT (million tonnes)

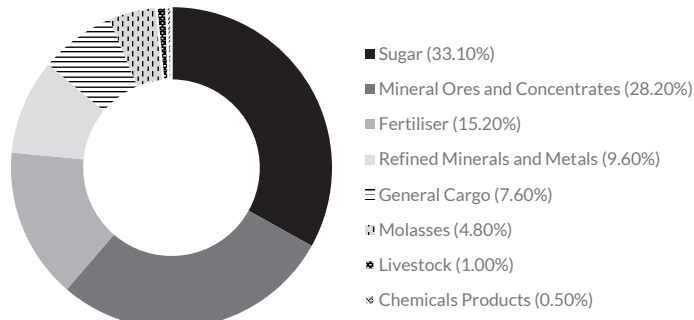


THROUGHPUT BY COMMODITY 2024-25

IMPORTS



EXPORTS



KEY PERFORMANCE RESULTS

PERFORMANCE INDICATORS	2024-25 TARGET	2024-25 ACTUAL
FINANCIAL MEASURES		
Operating Revenue (\$M)	107.47	102.21
Operating Expenditure (\$M)	82.05	80.69
Trade Income (\$M)	86.94	79.63
Property & Facilities Income (\$M)	18.04	16.40
EBIT (\$M)	25.42	21.52
NPAT (\$M)	15.05	12.60
Dividend (\$M)	14.34	11.27
Return on Assets EBIT (%)	2.40	2.43
Return on Equity (%)	2.05	2.02
Current Ratio	0.95	1.42
Interest Cover Ratio (EBIT)	6.47	4.92
Debt to Debt + Equity Ratio	0.22	0.31
Capital Investments (\$M)	99.28	48.54
Overall Asset Maintenance (\$M)	12.27	11.38
NON-FINANCIAL MEASURES		
Trade Throughput (million tonnes)	7.91	7.0
Cruise Ship Visits	25	21
Reportable Security Incidents	0	0
Reportable Environmental Incidents	0	5
Lost Time Injury Frequency Rate	0	12.7
Customer Satisfaction Rating	>85%	92.6%
Community Satisfaction Rating	>85%	90.6%
Employee Engagement Rating	>85%	80%
Full-Time Equivalents	205.54	187.97

TRADE

In 2024–25, the Port took deliberate steps to enhance operational capability and future-proof its services. Through targeted infrastructure investment and enabling increased transshipment trade, such as motor vehicle imports, the Port strengthened its ability to meet evolving industry needs and support a more diverse cargo mix. These initiatives reflect a strategic commitment to growth, innovation, and delivering long-term value to customers and the region.

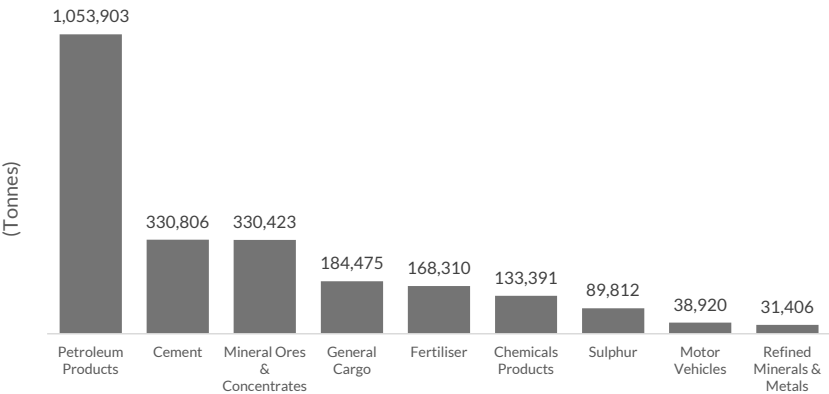
Total trade volume was 6,990,894 million tonnes, with 6,541,374 tonnes through the Port of Townsville and 449,520 tonnes through the Port of Lucinda.

Several key commodities showed strong performance, highlighting the Port’s diverse trade capabilities and its ability to support a wide range of industries.

IMPORTS

In 2024-25, imports through the Port of Townsville totalled 2,361,990 tonnes, a 1% increase compared to the previous year.

Petroleum products remained a key import commodity, totalling 1,053,903 tonnes, comprising approximately 45% of total imports through the Port. Diesel is the primary fuel imported, totalling 781,817 tonnes remaining steady year on year. Fuels imports through the Port of Townsville support the growth and prosperity of the North Queensland region, powering mining, transport and agricultural sectors.



Chemical products imports increased 74% year on year, primarily driven by increased imports of sulphuric acid feeding into mineral processing facilities within the region.

Refined metal imports increased 55% year on year, driven by copper anode shipments bolstering supplies feeding Glencore’s Townsville Copper Refinery, with lower output from the Mount Isa Copper Smelter.

General cargo imports increased by 28,851 tonnes (19% year on year) to reach 184,475 tonnes, driven by a resurgence in key sectors. Manufactured goods and plant and machinery imports rebounded strongly, growing by 17% and 29%, respectively.

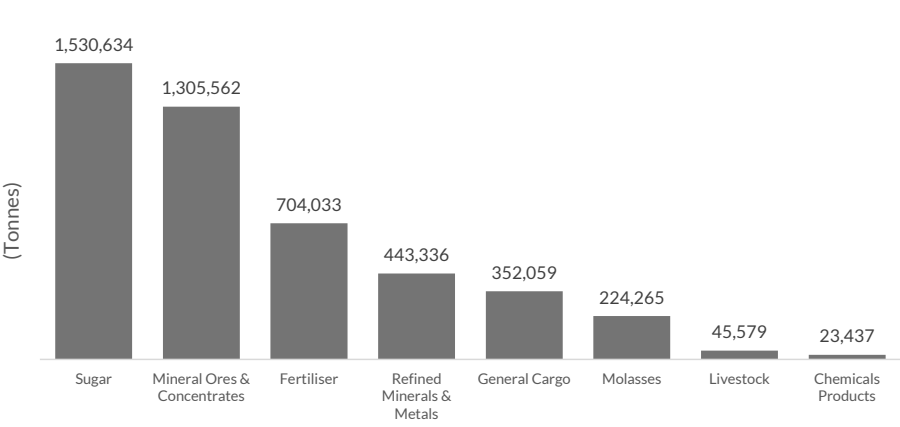
The region’s industrial growth is evident in the increase in large break bulk shipments of railway vehicles, and containerised imports of tyres, iron and steel products.

New vehicle imports totalled 19,999 units in 2024-25, with a diverse mix of brands being imported primarily from Japan and Thailand. The Port of Townsville has seen an uptick in motor vehicle transshipments, leveraging its status as Northern Australia’s largest motor vehicle port. Supported by major infrastructure upgrades that have doubled laydown capacity, Townsville is now an even more attractive alternative for car carriers.

EXPORTS

Exports totalled 4,628,904 tonnes across Townsville and Lucinda ports in 2024-25, noting this was 4% below the result achieved in the preceding year.

The 2024-25 period saw a notable decline in major agricultural and mining commodities, largely due to adverse weather conditions and challenging global market dynamics. However, the year-end results were buoyed by strong performance in general cargo and fertiliser export categories.



Dry bulk export commodities including sugar, fertiliser and mineral concentrates continued to comprise the majority of export volumes.

Fertiliser and mineral concentrates exports increased 15% and 7% respectively, year on year. Increased fertiliser exports to both India and Pakistan drove the increase in volumes, with both markets reliant on importing fertiliser products for agricultural sectors.

Sugar exports declined year on year from both Townsville and Lucinda by 16% and 13% respectively, driven by adverse seasonal conditions, prolonged periods of wet weather and flooding in the growing regions impacting crop yields.

General cargo exports surged 25% in the 2024-25 period, totalling 352,059 tonnes for the period. Recycled glass exports to Malaysia increased 141% in 2024-25 compared to the previous year, with this expanding containerised trade presenting opportunity in Asian markets.

MARINE SERVICES

PILOTAGE

In the 2024-25 period, our ports received 548 to Townsville and 12 to Lucinda resulting in 1,256 vessel movements. The Port also provides pilotage services to the Port of Abbot Point on behalf of Maritime Safety Queensland (MSQ), with 733 vessel movements completed during the year.

Pilotage Safety Management Systems continue to be refined in collaboration with MSQ to ensure consistency of standard operating procedures across the state. The Port remains actively engaged in the state-wide Pilotage Regulatory Improvement Program alongside MSQ and other Queensland Ports.

During the year, the Port and MSQ developed additional training and licencing levels for pilotage of larger vessel as part of the completion of the Channel Upgrade Project. Five pilots successfully attained these new levels.

TOWAGE SERVICES

Harbour towage services have been provided by Smit Lamnalco through the use of two dedicated tugs throughout the year. In December 2024, following an open tender process, it was announced that Engage Marine will undertake all harbour towage activities in the ports of Townsville and Lucinda from 1 July 2025, with the award of an eight-year licence.

Under the new licence the Port will have three tugs available for use in Townsville, with two of the tugs being new slightly larger dedicated tugs. This increase in capability will future proof the Port receiving larger vessels in Townsville and providing greater resilience to existing operations.

SECURING OUR OPERATING ENVIRONMENT

Both the Port of Townsville and Port of Lucinda are Security Regulated Ports and are subject to the provisions of the *Maritime Transport and Offshore Facilities Security Act 2003* (Cth) (MTOFSA), the *Maritime Transport and Offshore Facilities Security Regulations 2003* (Cth) (MTOFSR) and *Security of Critical Infrastructure Act 2018* (Cth) (SOCI).

The Port undertakes continuous engagement with port users, law enforcement agencies and government entities to strengthen partnerships, while also ensuring currency with all government security requirements and best practices. As a key focus of the Port's stakeholder engagement activities, providing information on security matters and responses to incidents to port staff, users, customers and contractors is critical. Through continuous engagement with stakeholders, it positions the Port to be more responsive to any risks or incidents which arise. In addition to its obligations under MTOFSA and MTOFSR, the Port is subject to a number of other legislative requirements including, but not limited to, the:

- *Security Providers Act 1993* (Qld),
- *Transport Infrastructure Act 1994* (Qld)
- *Transport Infrastructure (Public Marine Facilities) Regulations 2011* (Qld).

The Port maintains all required registers and licences to ensure compliance with the Acts and Regulations that it is subject to and regularly undergoes audits relating to these requirements.

The Port continues to prioritise the enhancement of security measures to protect our facilities, assets and personnel from potential cyber security threats.

PLANNING & DEVELOPMENT

North Queensland is home to some of Australia's most significant emerging opportunities, spanning critical minerals, mining and processing, agriculture, renewable energy generation and transmission, and advanced manufacturing, all of which are expected to drive economic growth for decades to come. The Port plays a vital role in supporting the largest city in Northern Australia, as well as communities across North Queensland, by facilitating the delivery of essential goods. It is also actively delivering and planning key projects critical to enabling over \$30 billion worth of new developments in the region through import and export support.

CHANNEL UPGRADE PROJECT & OUTER HARBOUR DEVELOPMENT

The first element of the Port Expansion Project (PEP), the \$251 million Channel Upgrade project reached a major milestone with the successful completion of contracted dredging, reclamation and rear scour protection works. Dredging operations, which removed 3.4 million cubic metres of material from the shipping channel were complete in March 2024, with all dredged material placed within a 62 hectare reclamation area. The Regional Harbour Master declared the widened shipping channel operational on 16 December 2024. Final profiling of the reclamation continued in early 2025 with the project reaching practical completion on 1 April 2025. Since detailed design began in 2019, the project has supported employment for 2,071 individuals, including 5.41% First Nations and 11.06% trainees and apprentices.

Port capacity and productivity improvements are expected to be realised as a result of completion of the Channel Upgrade project to support short to medium term trade and economic growth, with larger vessels able to be accommodated and further berthing infrastructure optimisation works underway.

The Port has continued to progress investigations into the next stage of PEP, the Outer Harbour Development, which will deliver additional common-user berths, seawalls, reclaimed land and associated infrastructure. As trade growth increases, feasibility studies and business cases will be developed to progress new infrastructure development laying the groundwork for future investment and delivery, subject to government approvals.

PROJECT CARGO LAYDOWN PRECINCT

Construction of the \$40 million Project Cargo Laydown Precinct commenced in 2024-25 and is expected to be completed in mid-2026. The project includes the construction of a 14 hectare laydown area and transport upgrades to facilitate safe transport and temporary storage of wind turbine components and other project cargo imports.

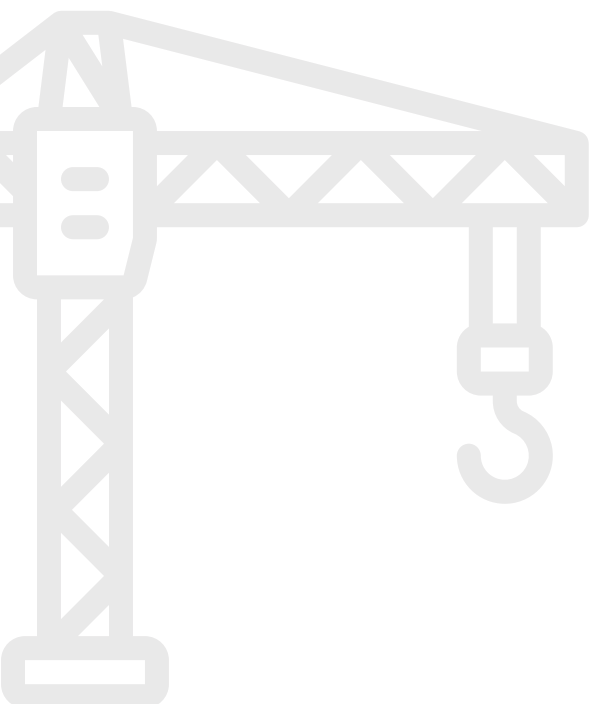
PORT LAND USE & DEVELOPMENT PLANNING

The Port's Land Use Plans are statutory instruments prepared under the *Transport Infrastructure Act 1994* to ensure land use and development on strategic port land is managed proactively within the ports of Townsville and Lucinda. The new Lucinda Land Use Plan was open for public consultation from 4 May 2022 to 29 June 2022 and was finalised in December 2024.

WATERFRONT DEVELOPMENT

As part of its Waterfront Development Strategy, the Port continued to work closely with major land holders and neighbouring stakeholders across the Townsville Waterfront to progress finalisation of the Waterfront Masterplan and commence preliminary asset infrastructure planning. Through 2024-25, works were completed on HMAS Townsville and the display site in preparation for its relocation in July 2025.

Detailed design for the transit corridor upgrade along Palmer Street and Ross Street, located on Port managed waterfront land, commenced in April 2025. Construction works including a new boardwalk section and viewing platform are planned to commence in late 2025. These enhancements will provide safety improvements and a place for the community to connect with the Port and HMAS Townsville's heritage, delivering on the Port's commitment to creating vibrant accessible waterfront destinations.



DIGITISATION AND INNOVATION

The Port continues to strengthen its digital capability and innovation agenda to support future growth, regional resilience, and operational excellence. In a complex and evolving environment, we are investing in technologies that improve asset management, decision-making and infrastructure delivery. Our focus is on ensuring the Port remains efficient today and adaptable for the future meeting the changing needs of industry, government, and the broader community.

SMART PORT STRATEGY AND CYBER SECURITY

In 2024-25, the Port launched the Smart Port Strategy, a three-year roadmap to establish strong digital foundations and transition towards a connected, intelligent, and sustainable port. Guided by the Smart Port Maturity Model, the strategy details a phased evolution from traditional operations to digital capabilities. Cyber resilience remains a key focus. The Port advanced its cyber security posture by implementing both layered security and Zero Trust Architecture, aligned with ISO 27001 and National Institute of Standards and Technology (NIST) frameworks. Staff awareness was also a priority, with organisation-wide cyber education and targeted phishing simulations to build internal vigilance.

DIGITAL TWIN - PORT DEVELOPMENT PLAN

Digital Twin capability advanced significantly, becoming a key tool in planning and infrastructure development. This real-time virtual model of the Port’s physical assets supports predictive maintenance, environmental monitoring, and operational coordination.

Enhancements during the year improved scenario modelling, land use planning, and project staging, enabling more agile, data-driven decisions. As this platform matures, it will continue to underpin the Port Development Plan, supporting predictive asset management and more transparent stakeholder engagement.

KEY 2024–25 MILESTONES

- *Establishing enterprise Certificate Authority servers for secure authentication*
- *Enhancing endpoint protection and vulnerability management*
- *Deploying advanced threat detection to mitigate credential-based threats*
- *Strengthening incident response capabilities*

ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM

A major milestone in our digital transformation is the ongoing implementation of a new ERP system, initiated in 2023–24 and continuing throughout 2025–26. This significant investment is modernising core systems across finance, procurement, asset management, and people services. To support this transition, the Port is delivering a targeted hardware renewal and infrastructure upgrades to ensure optimal system performance, integration, and cyber security. Together with the Digital Twin and asset management systems, the ERP establishes a unified digital foundation that enables improved lifecycle planning, stronger investment decisions, and more efficient, transparent operations. Together, these initiatives demonstrate a strategic commitment to the Port’s digital future. By enhancing digital capability, cyber resilience, and innovation, we are building a more efficient, sustainable future for our customers, stakeholders, and the wider community.

PLANET INITIATIVES

Located within the Great Barrier Reef World Heritage Area (GBRWHA), the ports of Townsville and Lucinda operate in a highly sensitive and globally recognised ecosystem. Guided by our mission to create prosperity for our community, customers, and shareholders through world-leading sustainable operations, the Port operates under an Environmental Management System certified to ISO 14001:2015.

PARTNERING FOR HEALTHY WATERWAYS

The Port continues to host the Healthy Waters Partnership for the Dry Tropics, with over 20 organisations providing data to deliver the Townsville Dry Tropics Waterways Report Card. The 2024 edition is expected to be released in mid 2025. The Port extended its hosting arrangement of the Partnership to June 2026.

The Port is committed to cleaner waterways, including proactive litter management and collection initiatives. In 2024-25 over 10,000 items of litter were removed from the environment, bringing the total since 2021 to over 41,000 items collected.

ENERGY EFFICIENCY & CLIMATE RESILIENCE

- Energy efficient lighting upgrades were completed across the Port's berths to reduce energy consumption for nighttime operations.
- A 190kWh solar and battery system was installed on the Quayside Terminal, reducing energy costs, grid reliance and carbon emissions.
- A preliminary climate risk assessment was undertaken, paving the way for mandatory sustainability reporting commencement in 2027-28.

SUPPORTING SEA TURTLE NESTING

The Port joined forces with Envite Environment to support the planting and care of up to 5,000 turtle-friendly stems, aimed at rehabilitating nesting areas on Magnetic Island overrun by invasive weeds. This initiative is part of a broader community-driven project supported by the Great Barrier Reef Foundation's Climate Accelerator Grant, in partnership with the Australian Government's Reef Trust. The project also involves Magnetic Island Network for Turtles (MINT), Townsville City Council, and Queensland Parks and Wildlife. By supporting this effort, the Port is proud to contribute to long-term habitat restoration and help ensure Magnetic Island remains a safe and viable nesting site for sea turtles.

RESPONSIBLE MAINTENANCE DREDGING

In 2024, the Port undertook routine maintenance dredging using Trailing Suction Hopper Dredger (TSHD) Brisbane in two phases in October and early November. A reactive coral survey in November 2024 confirmed coral health remained consistent with pre-dredging levels. Investigations showed significant constraints in relocating the Dredge Material Placement Area (DMPA) to alternative sites, so the current DMPA will continue to be used, with enough capacity and functionality for the next decade at least. The Long-Term Maintenance Dredging Management Plan had its 5-year review including a third-party review of monitoring programs under the Plan.



ENVIRONMENTAL COMPLIANCE

Port operations, whether undertaken directly by the Port, or by tenants, lessees, or contractors are subject to stringent environmental regulations, approvals, and licensing requirements.

MONITORING IN ACTION

The Port operates a comprehensive suite of environmental monitoring programs across the Port of Townsville and surrounding areas, including:

- Air quality monitoring from three fixed stations (Coast Guard, Lennon Drive, Environmental Park)
- Sampling of groundwater, stormwater, marine water, and sediment
- Real-time data dashboards published online to promote transparency

The annual rolling average for lead was below guidelines at our monitoring stations in 2024-25. However, on two occasions, the 24-hour average for lead particles triggered further investigation and statutory reporting from Port operators.

PROTECTING THE BORDERS

Marine Pest Surveillance

The Port continued its role in the Queensland Seaport eDNA Surveillance (Q-SEAS) program, using environmental DNA to detect invasive marine species early and prevent their spread.

Bee Pest Monitoring

Partnering with Biosecurity Queensland, the Port used BeeRight AI technology to monitor for Varroa mite, a major threat to bee populations. As a high-risk entry point, the Port responded promptly when staff discovered a beehive in a maintenance shed. The bees were identified as Asian Honey Bees, with no Varroa mite detected. Biosecurity Queensland increased surveillance, and stakeholders were asked to remain alert.

Mosquito Management

A new mosquito control program was introduced behind berths to support national efforts. It targets the movement of both native and invasive mosquitoes via ships. Early reports show a positive reduction in mosquito activity.

SEAGRASS HEALTH ASSESSMENT

Since 2007, the Port has partnered with James Cook University's TropWATER team to monitor Seagrass meadows in Cleveland Bay which are vital indicators of marine health. In 2024, surveys covering over 25,000 hectares revealed a mixed picture. Five of the 12 meadows were in satisfactory or better condition, while the others showed signs of poor or very poor condition. These changes are largely attributed to natural climate related factors, including above-average rainfall, river flows, higher water temperatures, and low light condition which were all intensified by Tropical Cyclone Kirrily in January 2024. Despite all these challenges, the expanded twice-yearly monitoring as a part of the Channel Upgrade project continues to provide critical data, supporting informed environmental management and contributing to broader initiatives like the Healthy Waters Partnership for Dry Tropics report card.

INCIDENT REPORTING

During the 2024-25 reporting period, there was one biosecurity incident associated with port operations and four environmental notifiable incidents, all of which were managed promptly and responsibly. Two minor administrative oversights in environmental monitoring were addressed with regulators, requiring no further action. A small material loss to water during a pile encapsulation program was quickly stabilised by the contractor, with regulators kept informed. In February 2025, severe weather caused damage to a weir box, allowing tidal exchange that brought several marine turtles into the Channel Upgrade reclamation area. Effective coordination with the Department of Environment, Tourism, Science and Innovation (DETSI) Threatened Species Unit, ensured all turtles were safely located and returned to the ocean.

The Port of Townsville has been a cornerstone of the North Queensland community since its inception and is committed to upholding the region's way of life by contributing proactively to its economic and social wellbeing.

Our communities are diverse and widespread, comprising port users and touchpoints across the entire supply chain, neighbouring residents and businesses operating near our ports and the broader communities that feel the ripple effects of our trade, operations and initiatives.

COMMUNITY INITIATIVES

MARITIME MUSEUM OF TOWNSVILLE

The Port is a major sponsor of the Maritime Museum of Townsville. In 2024-25 \$50,000 was contributed to the museum, which plays an important role in showcasing and preserving the rich maritime history of Townsville. The Museum features an exhibition dedicated to the port's significant contribution to the rise of the city of Townsville, which was launched in August 2021. This exhibit is particularly important with 2024 marking 160 years since the founding of Townsville port.

PORT TOURS

The Port hosted 24 tours for schools, community groups, business organisations and stakeholder groups to showcase operations, developments and sustainability practices and industries in the region.

COMMUNITY LIAISON GROUP (CLG)

The CLG provides a valuable interface between the Port and a range of stakeholders including members with interests in marine tourism and recreation, conservation, town planning and representatives of South Townsville, Magnetic Island and First Nations communities. The Port hosted four CLG meetings throughout the financial year.

NEIGHBOURHOOD BREAKFAST BARBECUE

The Port held its fourth annual, free breakfast barbecue exclusively for residents in neighbouring South Townsville. The event included tree-planting, face-painting, jumping castle, a barbecue breakfast by Townsville South State School P&C, virtual reality experiences, a coffee van and a chance for neighbouring residents to take a bus tour of Townsville port.

RECONCILIATION

RECONCILIATION ACTION PLAN (RAP)

The Port received approval of its Reflect RAP from Reconciliation Australia in December 2024. First Nations artist Robert Paul was commissioned by the Port to complete artwork for the RAP with the design incorporated throughout the document.

NATIONAL RECONCILIATION WEEK

Staff gathered on 27 May in recognition of Reconciliation Week 2025. This year's guests included spokespersons from Brighter Lives Townsville Hospital Foundation and Townsville Hospital and Health Service, with the team sharing insights into a health and wellbeing program for mothers on Palm Island, which we supported through our 2024 Community Fund.

CULTURAL AWARENESS TRAINING

Two cultural awareness workshops were held in September 2024 and November 2024 for new employees to understand cultural responsibilities of First Nations employees and stakeholders. This training is an action under both the Port's RAP and the Port's published Diversity, Equity and Inclusion Strategy.



CRUISE AND QUAYSIDE TERMINAL

2024-25 CRUISE SEASON

Townsville was proud to welcome 21 cruise vessels carrying a combined 30,000 passengers and crew. The visits injected approximately \$7 million into businesses across Townsville and surrounding regions. With the widened shipping channel declared in December 2024, the Port welcomed its first large-class luxury cruise ship, Cunard’s Queen Elizabeth on 14 January 2025, with a stakeholder event held on board to celebrate the occasion. The Port of Townsville is proud to host one of the warmest welcomes of any cruise destination in Australia, activating Quayside Terminal with market stalls, live music, a pop-up café, free Wi-Fi and wildlife encounters.

CRUISE ATTRACTION

With our Channel Upgrade project reaching practical completion, we are now able to welcome vessels up to 306m in length to our port. We continued to engage with cruise lines and shipping agents to attract the larger ships to our city. We have record forward cruise ship bookings in the years ahead and will welcome 26 ships with 31,000 passengers and 14,000 crew in 2025-26.

QUAYSIDE TERMINAL

Quayside Terminal is one of Townsville’s larger event venues, as well as being a gateway for cruise passengers and a Defence processing facility. Quayside Terminal transport upgrades to improve capacity for larger vessels were undertaken from July 2024 to November 2024 and the venue was closed throughout this period. Upon completion of the upgrades, it was utilised as an events venue, playing host to nine Port run events such as training, meetings and staff and community engagement activities, and nine external events such as weddings, formals, galas and expos.

PARTNERSHIPS, SPONSORSHIPS AND COMMUNITY SUPPORT

The Port remains committed to fostering strong connections with our communities and industries. Over the year, we have supported a range of initiatives through strategic partnerships, sponsorships and memberships that advance education, innovation, culture, sustainability and regional development. This includes backing local events and forums that promote Townsville’s Future, critical minerals, green energy and maritime innovation, as well as programs supporting first nations, cultural organisations, and academic achievement.

Through our annual \$50,000 community fund the Port is able to respond to emerging local needs and support initiatives that create lasting social and economic impact. These investments reflect our ongoing commitment to the prosperity of the region, the strength of local industries, and the wellbeing of the communities we serve.

The Port held two corporate events that cost more than \$5,000.

EVENT	DATE	TOTAL COST
Port of Townsville 160th anniversary stakeholder breakfast	2 December 2024	\$11,091
Employee End of Year Function	7 December 2024	\$19,186

A stakeholder event was held to thank our customers and community for their support in our 160th year of operations.

The End of Year function for employees serves as an important event to boost morale and recognise the team’s combined effort throughout the calendar year.

COMMUNITY SERVICE OBLIGATIONS

No Community Service Obligation payments were received from the Queensland Government this financial year.

PEOPLE

The Port is committed to building a skilled, adaptable workforce deeply connected to the region, supported by the People Strategy, Diversity, Equity and Inclusion (DEI) Plan, and Reconciliation Action Plan (RAP).

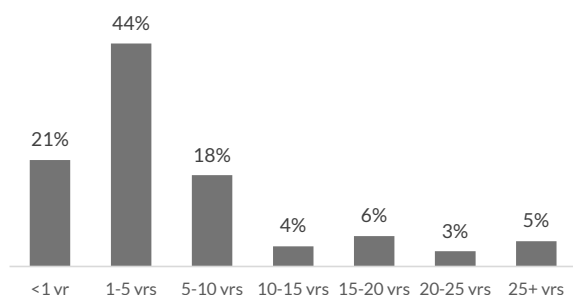
In 2024-25, meaningful progress was made in empowering people, strengthening organisational culture, and developing the capabilities needed to meet current challenges and future opportunities.

BUILDING A MODERN CONNECTED TEAM

DIVERSE ROLES SUPPORTING A DYNAMIC PORT

Reflecting the needs of a modern and forward-thinking port, the workforce has expanded to include project managers, digital specialists, data analysts, and cyber security professionals. These roles are essential in driving innovation, supporting growth, and embedding smart technologies.

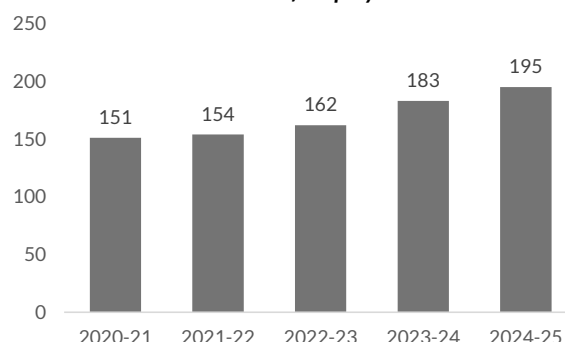
Tenure Profile of Workforce



BALANCING EXPERIENCE WITH FRESH PERSPECTIVES

- 50% of employees are over 50, bringing deep operational and technical expertise and leadership.
- 61% joined recently, reflecting growth and fresh thinking.
- Strong focus on knowledge-sharing and collaborative culture.

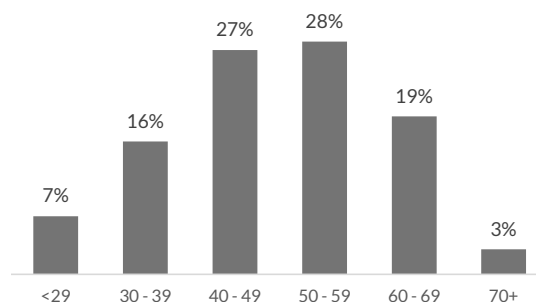
Number of Employees



EMBEDDED IN NORTH QUEENSLAND

- Over 93% of staff live in North Queensland.
- Builds a resilient, regionally committed workforce.
- Employees are personally invested in the Port's success and regional prosperity.

Age profile of workforce



EMPLOYEE VALUE PROPOSITION: A FOUNDATION FOR ENGAGEMENT

Launched in 2024-25, the Port's Employee Value Proposition (EVP) was co-designed with employees across the organisation, reflecting the needs experiences and aspirations of the workforce. The EVP shapes how the organisation attracts, develops and supports employees, spanning flexible work and leadership coaching to tailored development and mental health resources. The foundations of the EVP were established during the negotiation process for the refresh of three Enterprise Agreements in 2024-25, covering Port Services, Maintenance and Security and Corporate Employees. What emerged was a clear, consistent call for a more flexible, inclusive, and supportive work environment, which directly informed the commitments of the EVP. The successful refresh of these agreements not only delivered contemporary employment conditions and enhanced benefits but also reinforced the Port as an employer of choice.

AN INCLUSIVE, HIGH PERFORMING CULTURE

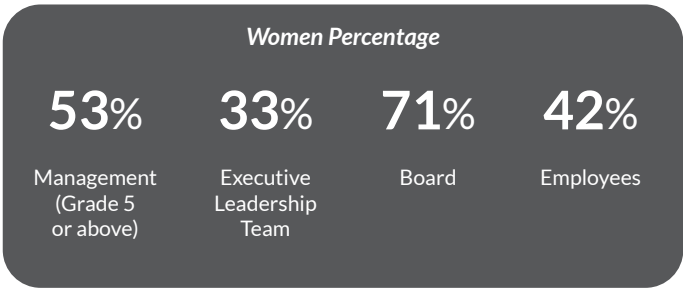
EMBEDDING DIVERSITY, EQUITY AND INCLUSION (DEI)

During 2024-25 there was progress on advancing DEI, in addition to the launch of the Port’s RAP – ensuring the Port is a welcoming, supportive and culturally aware employer. Inclusion principles are embedded in practices and decision-making, promoting fairness, respect and belonging. The Port has established a DEI Working Group which is comprised of a passionate collective of employees and community representatives who help guide initiatives and strengthen cultural understanding.



GENDER EQUITY

The Port’s commitment to gender equity is underpinned by structured initiatives, centred around inclusive recruitment, targeted development and mentoring.



The Port’s inclusive culture is reflected in the 2024-25 Employee Engagement Survey results:

- 82% of employees reported satisfaction working at the Port
- 91% agreed the Port provides flexibility and supports work/life balance
- 76% felt the Port fosters an inclusive and respectful workplace

These outcomes affirm the Port’s commitment to equity, reconciliation, and inclusion, creating a culture where everyone feels seen, heard, and empowered to succeed.

DEVELOPING ADAPTIVE AND PEOPLE-CENTRED LEADERS

In response to the expanding demands of leadership, the Port has enhanced its Leadership Development Framework to equip leaders with the skills to foster psychological safety, lead change and build inclusive, high trust teams.

All people leaders completed mandatory coaching and leadership development, supported by peer mentoring and practical learning sessions. This program strengthens resilience, promotes inclusive behaviours and ensures consistent support for employees across all levels.

DELIVERING A MAJOR DIGITAL MILESTONE

Through 2024-25, a standout achievement was the progress on the new Enterprise Resource Planning (ERP) system, scheduled for launch in 2025-26. This platform will unify finance, procurement, HR, maintenance, and project delivery, streamlining operations and enhancing data-driven decision-making. This project has strong depth in employee involvement, with cross functional teams leading the co-design and testing phases to ensure the system is practical, intuitive and fit-for-purpose.

EMPOWERING INNOVATION FROM WITHIN

Innovation is a core focus at the Port, fuelled by the insights and creativity of employees. During 2024-25, 59 employees trained in Human Centered Design, contributing to over 10 high-impact initiatives through the Innovation Champions Chapter. These included:

- Field crew hydration monitoring to improve frontline safety.
- The rollout of tablet technology for marine and operations teams.
- A Digital Twin prototype supporting real-time operational decision-making and planning.
- Generative AI focusing on simplifying content creation and reducing administrative burden.
- Drones for underwater asset inspections reducing risk and improving accuracy Virtual Reality (VR) inductions offering immersive safety and site orientation.

These initiatives are helping to build a smarter, safer, and more agile Port, driven from the ground up.

DEVELOPING TALENT & FUTURE-READY SKILLS

Throughout 2024-25, the Port continued investing in learning and skill-building activities to ensure the workforce is well prepared and adaptable.

In 2024-25, over 55 days of formal training were delivered, focusing on key areas such as:

- Psychological wellbeing and resilience;
- Adaptive and inclusive leadership;
- Cultural capability and reconciliation;
- Technical operations and systems training;
- Carbon literacy; and
- Human Centered Design.

Additionally, access has been expanded to personalised learning, including one-on-one coaching, peer mentoring, and cross-functional knowledge-sharing opportunities. This blended approach ensures development is not only relevant but embedded in everyday practice.

STRATEGIC WORKFORCE CAPABILITY PLANNING

The Port has launched a Skills Training Matrix and Interactive Dashboard which provides leaders with real-time insights into team strengths, emerging gaps and development priorities. These initiatives focus on proactive capability planning, driving strategic decisions on learning investments and ensuring alignment with future workforce needs.

GROWING THE TALENT PIPELINE

The Port demonstrated a strengthened commitment to early-career talent through hands-on pathways for interns, work experience students, graduates and apprentices.

Participants gained hands-on experience, mentorship from senior staff, and the opportunity to contribute to meaningful projects. These pathways are vital to building local capability and ensuring the Port's future workforce is job-ready and resilient.

In 2024-25, 73% of employees reported feeling supported in their growth, a reflection of the culture of learning being built across the organisation.

OUR SAFETY

The Port fosters a people-first safety culture that encourages participation, consultation, collaboration and commitment, empowering everyone on-site to become a safety leader.

SAFETY MANAGEMENT SYSTEM UPLIFT

The Port’s Safety Management System, which is certified to ISO45001, was recently enhanced to better align with current operational practices and industry best practice standards. This initiative aimed to ensure the system accurately reflects ‘as work performed’ processes, thereby improving relevance and usability across operational teams.

A key outcome of this initiative was a refresh of the Management System Manual, while also enhancing the Port’s approach to psychosocial hazard controls. This ensures that psychological health and safety are appropriately embedded within the overarching hazard management strategy, in accordance with legislative requirements and organisational values. The refreshed system supports greater clarity, accountability, and proactive risk management across all levels of the Port’s operations.

PORT HEALTH AND SAFETY FORUM

Strengthening relationships with safety professionals across the Port has been a focus of the Health and Safety Forum, enhancing information sharing and facilitating a collaborative approach to problem solving. The purpose of this forum has been sharing trends, initiatives and incident learnings, while also enabling stakeholders to seek advice and access shared resources when addressing common hazards. The forum also facilitates increased engagement with Workplace Health and Safety QLD (WHS QLD), with representatives from the local WHS QLD office usually in attendance to present on relevant matters.

A PEOPLE-FIRST APPROACH TO STRENGTHEN SAFETY CULTURE

As a part of the Port’s commitment to a resilient and supportive safety culture, the Port has adopted a people-first approach to injury management, placing individual wellbeing at the centre of recovery. Tailored support ensures each injured employee receives care aligned to their circumstances, promoting both physical and psychological recovery.

A key component of this approach is the assignment of a dedicated Port representative to attend the first medical appointment, ensuring clear communication between all parties and reinforcing the Port’s accountability and care.

This proactive and compassionate response strengthens trust, promotes early intervention, and reinforces shared responsibility, contributing to a safer, more inclusive and resilient workplace.

HEALTH AND SAFETY STATISTICS	2022-23	2023-24	2024-25
Total number of events reported (includes incidents & near miss)	73	67	58
Number of Lost Time Injuries	3	3	5
Number of Recordable Injuries (includes Lost Time Injuries)	5	5	6
Lost Time Injury Frequency Rate (LTIFR)	9.8	9.3	12.7
Total Recordable Injury Frequency Rate (TRIFR)	16.5	15	15
Random Drug and Alcohol tests completed	100	69	162

While lost time and recordable injuries increased slightly by one case, the Port maintained a strong focus on supporting affected workers. Of the six recorded injuries, four were muscle sprains and two related to incorrect use of tools or equipment.

These outcomes highlight the effectiveness of controls in higher-risk areas and the need for continued attention in routine, lower-risk tasks. The Port’s emphasis remains on recovery, learning, and strengthening the overall safety culture.

COMPLIANCE WITH INJURY MANAGEMENT REQUIREMENTS

In accordance with the *Workers’ Compensation and Rehabilitation Act 2003* (Qld), the Port has developed return to work programs for all employees who have sustained a workplace injury. The programs are designed to support an employee’s recovery and achieve a positive and timely return to work. This framework is extended to employees returning from non-work-related injuries to ensure that they can safely engage in their roles. The programs are regularly monitored and updated on a case-by-case basis.

BOARD OF DIRECTORS

The Port's Board of Directors is comprised of seven non-executive Directors as at 30 June 2025 who were appointed by the Governor in Council in accordance with the *Government Owned Corporations Act 1993* (QLD) (GOC Act). Directors' names and tenure details during the 2024-25 financial year are shown below:

NAME	ROLE	CURRENT APPOINTMENT TERM
Ms Ann Sherry AO	Chairperson	1 October 2021 – 30 September 2025
Ms Vanessa (Fernandes) Sullivan	Director	13 October 2022 – 30 September 2025
Ms Connie Navarro	Director	1 October 2023 – 30 September 2027
Mr David Waters	Director	1 October 2023 – 30 September 2027
Ms Jody Currie	Director	1 October 2023 – 30 September 2027
Mr John Lee	Director	1 October 2023 – 30 September 2027
Ms Danielle O'Toole	Director	1 June 2024 – 31 May 2028

The Port's Directors are paid fees for their services, set by shareholding Ministers. The payment of fees is in line with the Department of the Premier and Cabinet approved Remuneration procedures for part-time Chairs and Members of Queensland Government Bodies. In accordance with the disclosure requirements for GOCs, details of Directors' remuneration for the reporting period are located on page 68 and 69 of this report.

BOARD COMMITTEES

The Port has three Board Committees that report to the Board, namely:

1. Audit and Risk Committee *(Effective 1 January 2024)*

Chairperson – Ms Vanessa (Fernandes) Sullivan

Members – Ms Danielle O'Toole and Ms Connie Navarro

The primary objective of the Audit and Risk Committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities in respect to the quality and integrity of financial reporting, the performance of the external audit, effectiveness and objectivity of the internal audit plan, and oversight of the internal control system for financial reporting, accounting records, business risks and compliance activities.

2. Sustainability Committee *(Effective 1 January 2024)*

Chairperson – Mr David Waters

Members – Ms Jody Currie and Ms Vanessa (Fernandes) Sullivan

The primary objective of the Sustainability Committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities for sustainability and ensuring frameworks, policies, practices and targets are aligned with the Port's goal of being a sustainable organisation for the long-term and aligned with the Queensland Government's Sustainability Reporting requirements. This encompasses governance of board and executive functions, people and culture, safety and security, environment, community engagement and social responsibility.

3. Strategy, Innovation and Development Committee *(Effective 1 January 2024)*

Chairperson – Ms Connie Navarro

Members – Ms Ann Sherry AO and Mr John Lee

The primary objective of the Committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities by reviewing and providing advice in respect to the Port's strategy, innovation and development frameworks.

The qualifications of Directors on each Board Committee are detailed on pages 37 - 39 of this report. Board Committee Charters can be viewed on the Port's website.

BOARD EVALUATIONS

A performance evaluation of the Chief Executive Officer and senior executives occurred during the financial year. The performance evaluation was conducted in accordance with the Queensland Government Policy for Government Owned Corporation Chief and Senior Executive Employment Arrangements and key performance criteria approved by the Board.

The Port has in place a corporate governance framework which provides for regular Board evaluations in accordance with the Port's Performance Review Framework.

This review process enables the Board to review individual and whole-of-board performance against duties and responsibilities with a view of focusing on key performance objectives and identifying areas for improvement.

The Chairperson also continuously monitors the performance of individual Directors, the Board and Board sub-committees. The evaluation process focuses on:

- individual Director and collective Board knowledge, experience and performance;
- whether governance and compliance obligations are understood and are being met;
- how well the key indicators and reporting processes have helped the Board in its monitoring role;
- the quality and effectiveness of Board and management relationships; and
- Board processes and efficiency.

The Board and Board Committees conducted an annual performance review during the reporting period.

The Board may from time to time seek an independent appraisal of its performance if it is deemed an independent review would facilitate a more effective evaluation process.

DIRECTOR INDEPENDENCE

The Board has adopted a Disclosure of Interests Policy to ensure the independence of Directors is appropriately assessed and any potential conflicts are identified, disclosed and managed.

The Board has also adopted an Insider Trading Policy which ensures that Directors, senior executives, and employees do not use inside information acquired through their position in the Port to deal in securities or gain a personal benefit. This includes trading through a family member or through a trust or company over which a director, senior executive or employee has influence and control.

Directors are required to disclose any direct or indirect interest they have at the commencement of their appointment as a director by submitting a Statement of Interests Form to the Chairperson or Chief Executive Officer as appropriate.

In accordance with the requirements of the *Corporations Act 2001* (Cth), if a Director has a direct or indirect interest in a matter being considered, or about to be considered by the Board, the Director is also required to disclose the nature of the interest to the Board as soon as practicable after the relevant facts come to the Director's knowledge.

The Board also regularly assesses the ongoing independence of each Director and the Board, generally to ensure they continue to exercise unfettered and independent judgment. This ensures the interests of the shareholding Ministers and the public are properly protected and that individual vested interests do not have the opportunity to influence decision-making against the interests of the Port as a whole.

The assessment of the independence of a Director, including materiality thresholds, is a matter for the Board to determine on a case-by-case basis from the perspective of both the Port and the relevant Director, having regard to the Director's individual circumstances. The Board has arrangements in place for determining materiality thresholds and for assessing a Director's independence in light of interests disclosed by them.

It is considered by the Board that none of the Directors' interests disclosed during the reporting period interfered with the ability of those Directors to act in the Port's best interests.

On this basis, all members of the Board are considered to be independent.

Disclosure at a meeting of the Board is further dealt with in the Port's Disclosure of Interests Policy found under the Corporate Governance section of the Port's website.

INDEPENDENT ADVICE

Directors are permitted, after discussion with the Chairperson and Chief Executive Officer, to obtain independent professional advice at the Port's expense should they have concerns in relation to a particular issue being considered by the Board. Such advice, once obtained, is made available to all other Directors.

SHAREHOLDING MINISTERS

For the 2024-25 reporting period, the Port's shareholding Ministers were:

- the Honourable Rosslyn Bates, MP – Minister for Finance, Trade, Employment and Training effective from 1 November 2024
- the Honourable Brent Mickleberg, MP – Minister for Transport and Main Roads effective from 1 November 2024
- the Honourable Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment until 27 October 2024
- the Honourable Bart Mellish MP, Minister for Transport and Main Roads and Minister for Digital Services until 27 October 2024

The Port's shareholding Ministers are also identified as Key Management Personnel (KMP). All Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements as from 2016-17, which are published as part of Queensland Treasury's Report on State Finances.

DIVIDEND POLICY

The GOC Act requires the Board to recommend the payment of a dividend. The Port's dividend policy considers the return its shareholders expect on their investment.

Provision is made for the amount of any dividend, being appropriately determined or recommended by Directors, on or before the end of the financial year but not distributed at balance date. Directors recommended payment of a final dividend of 100% (2024: 100%) of net profit after tax, excluding the effects of asset revaluations. The final dividend amounts to \$11,268,230 (2024: \$15,266,517).

SHAREHOLDERS

The Board is responsible to the Port's two shareholding Ministers, the Honourable Rosslyn Bates, MP (Minister for Finance, Trade, Employment and Training), and the Honourable Brent Mickleberg MP (Minister for Transport and Main Roads).

The Port is required by the GOC Act to develop a five-year Corporate Plan and an annual Statement of Corporate Intent (SCI) (including an annual Employment and Industrial Relations Plan), which are submitted to shareholding Ministers for approval prior to the commencement of each financial year.

Business performance reports are provided to the Board and shareholding Ministers on a quarterly and annual basis so the Port's performance against agreed targets can be monitored. Moreover, the annual reports are published so the Port's performance can be communicated to other stakeholders. This annual report provides an overview of the Port's performance against its SCI for the 2024-25 reporting period.

RISK MANAGEMENT

The Port has an approved Enterprise Risk Management Framework consistent with AS ISO 31000:2018. The framework has been communicated to all employees and is displayed on the Port's intranet for easy accessibility.

The Audit and Risk Committee monitors and provides oversight on the integrity and effectiveness of the Port's internal control structure for the management of risk. Management regularly reports to the Audit and Risk Committee on risk management, and all material business risks are reviewed and monitored by the Board. The Audit and Risk Committee also provide assurance to the Board on any significant risk areas, as required.

The Port is currently implementing a new Enterprise Resource Planning (ERP) system and has appointed Scyne Advisory as specialist independent assurers for the project given the size and complexity of such a process.

The Port's financial statements and reports are prepared in accordance with the provisions of the *Financial Accountability Act 2009* (Qld), and prescribed accounting standards. The Audit and Risk Committee oversees, assesses and enhances the systems of internal control and the internal audit function.

Internal auditors are contracted to carry out the Port's internal audit function. During the reporting period, the following audits were conducted by the Port's internal auditors: Payroll and payroll processes; capital projects and project performance; information and data management (including privacy); and health check audits of the Port's certified Quality Management System, Environmental Management System, Information Security Management System and Health and Safety Management System.

All audit findings and opportunities for improvement identified from these audits are currently being addressed to improve operational processes and practices. The Audit and Risk Committee provide monitoring and oversight on the implementation of all internal audit recommendations and action items.

The external audit function is carried out by the Queensland Audit Office. The Auditor-General reports to Parliament as the state's independent external auditor of GOCs.

BUSINESS MANAGEMENT SYSTEMS

The Port maintained external certification of its integrated management system during the reporting period, which includes Quality (ISO 9001), Information Security (ISO 27001), Occupational Health and Safety (ISO 45001) and Environment (ISO 14001).

PRIVACY

The Port has an approved Privacy Policy and Plan consistent with the *Privacy Act 1988* (Cth). The Privacy Plan is communicated and accessible to all employees and the Privacy Policy is also available on the Port's website. The Port did not have any privacy data breaches during the reporting period.

RELEASE OF INFORMATION

The Right to Information and Information Privacy regime requires GOCs to provide greater proactive and routine disclosure of information to the public and gives individuals the right to apply for access to information held by GOCs. Consistent with the legislation, the Port has a publication scheme and disclosure log on its website which outlines a number of policies and procedures publicly available and requests for information. This information is located on the Port's website.

The Port processed one Right to Information or Information Privacy applications during the reporting period.

PUBLIC INTEREST DISCLOSURES

The Port has a Public Interest Disclosure (Whistleblowers) Policy, which sets out mechanisms for reporting, investigating, and providing protection in regard to public interest disclosures. This policy is available on the Port's website.

The Port did not receive any actual or purported public interest disclosures during the reporting period.

OVERSEAS TRAVEL

The Port did not fund any overseas travel during the 2024-25 financial year.

SUMMARY OF DIRECTIONS AND NOTIFICATIONS

As per s120(1)(e) of the GOC Act, GOCs are to include particulars of any directions and notifications given to the GOC's board by the shareholding Ministers that relate to the relevant financial year.

During financial year 2024-25 Port of Townsville were given the following directions and notifications:

Notifications

- Nil

Directions

- No directions were issued to Port of Townsville during the financial year 2024-25.

PORT OF TOWNSVILLE LIMITED

ACN 130 077 673

ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2025

Version 1 – August 2025

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Directors' Report

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

The Directors present their report together with the financial statements of Port of Townsville Limited (the Port) for the year ended 30 June 2025 and the auditor's report thereon.

DIRECTORS

The names and details of the Directors of the Port in office during the financial year and up to the date of this report are as follows:

Ms Ann Sherry AO (Chairperson)	Ms Connie Navarro	Ms Danielle O'Toole
Mr David Waters	Professor Jody Currie	Mr John Lee
Ms Vanessa (Fernandes) Sullivan		

PRINCIPAL ACTIVITIES

The Port's primary role is to facilitate trade growth through the provision and commercial management of efficient and effective port services.

The Port's core business functions are to:

- act commercially and optimise the value of the business whilst endeavouring to achieve sustained long-term business growth;
- establish, manage and operate effective and efficient port facilities and services at its ports;
- make land available for:-
 - the establishment, management and operation of effective and efficient port facilities and port services at its ports by other persons; or
 - other purposes consistent with the operation of its ports;
- provide or arrange for the provision of ancillary services or works necessary or convenient for the effective and efficient operation of its ports;
- keep appropriate levels of safety and security in the provision and operation of the port facilities and port services;
- provide other services incidental to the performance of the Port's other functions, or likely to enhance the usage of its ports;
- perform any other functions and exercise any other powers conferred on the Port under the *Transport Infrastructure Act 1994* (Qld), the *Government Owned Corporations Act 1993* (Qld) and Regulations or another Act or under the Port's Statement of Corporate Intent or Corporate Plan;
- provide port services and ancillary services:
 - whether in or outside its ports; and
 - whether in or outside Australia; and
 - whether for another port or for other parties; and
- carry out any activity that is incidental to the attainment of the functions set out above.

REVIEW OF OPERATIONS

The Port experienced an unexpected contraction of trade volumes during the year of 177,256 tonnes due to delays with key windfarm proponents and a general softening of some commodity markets limiting revenue growth. The resulting revenue of \$102.21 million (2024: \$98.25 million) generated a \$8.33 million decrease to profit before income tax expense of \$17.15 million (2024: \$25.48 million). Increased expenditure of \$12.29 million during the year primarily due to ongoing implementation of a new Enterprise Resource Planning (ERP) system also contributed to the result. The ERP is a key investment in modernising the Port's core business functions. The Port's operating result for the year after income tax was \$12.60 million, a decrease of 29.71% on the previous year (2024: \$17.92 million).

A number of key infrastructure upgrades were delivered during the year, helping to shape the Port's future. The \$251 million Channel Upgrade Project was completed, enabling access for larger vessels and contributing to an increase in cruise ship activity. The Quayside Terminal was also revitalised to accommodate bigger cruise ships and host community events. Construction commenced on a \$40 million, 14-hectare laydown area to support project cargo, and a new 190kWh solar and battery system was installed, enhancing sustainability and expanding the Port's capacity to meet the region's growing freight, energy and tourism needs.

The Port maintained external certification of its Integrated Business Management Systems for the Ports of Townsville and Lucinda to international standards (Environment AS/NZS ISO14001:2015, Safety OHSAS 18001:2007 and AS4801:2001, Quality ISO9001:2015 and Information Security ISO/IEC 27001:2013). Our sustainability objectives, including environmental, social and governance, will continue to be advanced, ensuring these reflect the expectations of shareholders, stakeholders and align with regulatory requirements and government policy objectives.

Below is a summary of the Port's underlying ratios over the past 2 years:

		2025	2024
Return on Assets	Net Profit After Tax / Total End of Year Assets	1.55%	1.88%
Return on Equity	Net Profit After Tax / Total End of Year Equity	2.22%	2.63%
Interest Cover Ratio	Earnings Before Interest and Tax / Total Finance costs (inclusive of capitalised costs)	2.82	5.85
Debt to Equity	Total Debt / Total Equity	0.31	0.21

DIVIDENDS

Directors recommend payment of a final dividend of 100% of adjusted profits (2024: 100%). The final dividend amounts to \$11,268,230 (2024: \$15,266,517).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Port that occurred during the financial year.

Directors' Report

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
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MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There has not been any matter or circumstance that has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

- the Port's operations in future financial years, or
- the results of those operations in future financial years, or
- the Port's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Further information on likely developments in the operations of the Port, and the expected results of operations, has been included in the Port's Annual Report.

ENVIRONMENTAL REGULATION

The operations of the ports of Townsville and Lucinda, which are both located in the Great Barrier Reef World Heritage Area, are subject to significant regulation under both Commonwealth and State environmental legislation. There are many environmental regulations under legislation, including master planning requirements for Townsville Port and licence requirements relating to dredging, potential water, air, noise and land pollution, and waste management that apply to operations at both ports.

Environmental stewardship and sustainability of operations is a key priority for the Port. The Port operates under an Environmental Management System certified to ISO14001:2015 which is audited annually, with a more comprehensive external recertification audit required every three years.

It is noted that sustainability and Environmental, Social and Governance reporting frameworks are changing and that the Port is engaging with the Queensland Government on a consistent reporting approach in line with national and international standards for future reporting.

INFORMATION ON DIRECTORS

The following information is current at the date of this report.

Ms Ann Sherry AO, Non-Executive Chairperson

Appointment 1 October 2021, Term of Office - to 30 September 2025

EXPERIENCE AND EXPERTISE

Ann is one of Australia's leading business executives with a career that spans Government, Banking and Tourism.

Beginning her working life as a Radiographer, Ann became First Assistant Secretary of the Office of the Status of Women in Canberra before moving to the banking sector initially in HR roles, then in CEO roles with Westpac NZ, the Bank of Melbourne and she was CEO and Chairperson to Carnival Australia for more than a decade.

Ann has been a Non-Executive Director across many sectors and is currently Chairperson of UNICEF Australia, Queensland Airports Limited, Circa and Super Members Council (SMC) Australia. She is the Chancellor of Queensland University of Technology, a Non-executive Director of National Australia Bank and a Member of Sydney Harbour Federation Trust.

The Australian Government awarded Ann the Centenary Medal in 2001 and in 2004 she was awarded an Order of Australia. In 2015 Ann was named as the overall winner of the Australian Financial Review 100 Women of Influence Award.

SPECIAL RESPONSIBILITIES

Chair of the Board

Member of the Strategy, Innovation and Development Committee

Ms Connie Navarro, Non-executive director

Initial appointment 1 October 2020, Last re-appointment 1 October 2023, Term of Office - to 30 September 2027

EXPERIENCE AND EXPERTISE

Connie is a legal practitioner with over 20 years' experience in the legal industry. Connie is a born and bred North Queenslander and an advocate for rural and regional development. Connie is the Director of Connie Navarro Legal.

With extensive experience and expertise in the areas of commercial, property and business law, Connie has a particular focus on agribusiness, mining, energy and resources, infrastructure and major projects.

Connie holds a Bachelor of Economics and Bachelor of Laws (Hons) from James Cook University and is admitted in the High Court of Australia, Supreme Court of Queensland and Supreme Court of Northern Territory. Connie is also a Graduate of the Australian Institute of Company Directors.

SPECIAL RESPONSIBILITIES

Chair of the Strategy, Innovation and Development Committee

Member of the Audit and Risk Committee

Directors' Report

for the year ended 30 June 2025

Port of Townsville Limited
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Ms Danielle O'Toole, Non-executive director

Appointed 1 October 2021, Last re-appointment 1 June 2024, Term of Office - to 31 May 2028

EXPERIENCE AND EXPERTISE

Danielle is a Chartered Civil Engineer with over 30 years' experience in consultancy and operations across the mining and civil industries. Danielle has worked Australia-wide and internationally to deliver large scale civil, mining and environmental projects, which has seen Danielle become a specialist dams engineer, working with industry to implement and drive improved dam safety, risk management and governance practices.

Danielle holds a Bachelor of Engineering (Civil) and Master of Engineering Science from the University of Queensland, is a Fellow of The Institute of Engineers Australia, a Registered Professional Engineer of Queensland, a professional member of the Australian Institute of Mining and Metallurgy and a Graduate of the Australian Institute of Company Directors.

Danielle is a Technical Director at SLR Consulting – a global environmental and advisory solutions firm, and has called Townsville home since 2013.

SPECIAL RESPONSIBILITIES

Member of the Audit and Risk Committee

Mr David Waters, Non-executive director

Appointed 1 October 2023, Term of Office - to 30 September 2027

EXPERIENCE AND EXPERTISE

Dave is an experienced senior executive with a proven record in leading human resources functions across the Queensland public sector for the past 15 years.

Born and raised in Townsville, Dave returned 'home' in 2022 to take up the role of Director Human Resources with James Cook University. He has previously held roles as Chief Human Resources Officer with the Department of Health and Department of Transport & Main Roads, and most recently Executive Director, Human Resources at Metro South Hospital and Health Service. Dave has had earlier careers as a Journalist and Union Official.

Dave holds a Bachelor of Arts (Government and Economics) from the University of Queensland and Bachelor of Business (Economics and Human Resources) from QUT. He is a Professional Certified Member with the Australian HR Institute and a Graduate of the Australian Institute of Company Directors.

SPECIAL RESPONSIBILITIES

Chair of the Sustainability Committee

Professor Jody Currie, Non-executive director

Appointed 1 October 2023, Term of Office - to 30 September 2027

EXPERIENCE AND EXPERTISE

Jody is a Professor of Practice at the Queensland University of Technology in the Health Faculty. Jody has over 20 years' experience in health, housing and human service delivery, with a particular focus on vulnerable families and Aged Care, working in several executive positions in both the community and government sector. Jody is a Yugambah person from South East Queensland and has family connections to Palm Island.

Jody was most recently Chief Executive Officer of the Aboriginal and Torres Strait Islander Community Health Service (ATSICHS) Brisbane. She established ATSICHS Brisbane as a Nationally Registered Early Childhood Education provider, a Nationally Registered Housing Provider, and a Registered National Disability Insurance Scheme Provider.

Jody is a member to the Federal Government's National Aged Care Advisory Council and currently a Non-Executive Director on Cape York Partnership, Brisbane North Primary Health Care Network, Opera Queensland and Hearing Australia and has expertise in workforce strategy, government and stakeholder engagement.

SPECIAL RESPONSIBILITIES

Member of the Sustainability Committee

Mr John Lee, Non-executive director

Appointed 1 October 2023, Term of Office - to 30 September 2027

EXPERIENCE AND EXPERTISE

John Lee has enjoyed a highly successful career leading both private sector organisations and government departments. He has extensive experience in the Transport, Tourism, and the Sport sectors.

John consults to ASX and privately owned companies in the areas of strategy and development. He is a strategic advisor to Egis who are a global construction engineering company.

John is Chairman of SportsGrid a sports data, membership and event technology company and a Director of Aus Triathlon a national sporting organisation.

Over the past two decades John has been the Director-General multiple Government departments including: the Qld Department of Tourism, Innovation and Sport, the NSW Department of Premier & Cabinet, the Department of Commerce and Transport for NSW.

He has a strong attachment to North Queensland having lived and worked in the region in the first part of his career as well as serving on the North Queensland Cowboys Board.

SPECIAL RESPONSIBILITIES

Member of the Strategy, Innovation and Development Committee

Directors' Report

for the year ended 30 June 2025

Port of Townsville Limited
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Ms Vanessa (Fernandes) Sullivan, Non-executive director

Appointed 13 October 2022, Term of Office - to 30 September 2025

EXPERIENCE AND EXPERTISE

Vanessa is an experienced Board member for large corporations. Vanessa's Board and executive experience demonstrate deep financial, commercial and strategic skills including both corporate and government experience in regulated and competitive markets.

Vanessa currently serves as Non-Executive Director with ASX-listed AGL Energy, Independent Director for Future Energy Exports CRC Limited and Board Member for CSIRO.

Vanessa also works in a number of pro-bono roles including Chairing the Advisory Board of Centacare, a large NFP social services provider, and is a member of a Griffith University Business School Advisory Board.

Vanessa holds a Bachelor of Economics (Hons), Graduate Diploma (Finance and Investment), is a Graduate of the Australian Institute of Company Directors and was previously a NGERS registered auditor.

SPECIAL RESPONSIBILITIES

Chair of the Audit and Risk Committee

Member of the Sustainability Committee

COMPANY SECRETARY

Ms Ronette Druskovich

Ronette was appointed Company Secretary on 17 February 2025 and is Head of Legal, Governance and Risk at the Port. Ronette has more than 25 years practising as a solicitor internationally, both in house and for private practice and has prior experience at executive and company secretary level.

Ronette is a current member of the Queensland Law Society and the AICD.

Ms Stevie Moffat

Stevie was appointed Company Secretary on 17 February 2025 and also serves as Governance and Legal Advisor at the Port. Prior to joining the Port in 2022, Stevie held governance, risk and regulatory compliance roles in the local government and financial services sector.

Stevie holds a Bachelor of Laws and Bachelor of Business with a major in Accounting.

During the year and through to the date of the report, the following resigned their Term of Office as Company Secretary at 17 February 2025:

- Mr David Sibley
- Mr Ken Veness

MEETINGS OF DIRECTORS

The number of meetings of the Port's Board of Directors and of each Board Committee held during the year ended 30 June 2025, and the number of meetings attended by each Director were:

Director	Board Meetings		Audit & Risk Committee		Sustainability		Strategy, Innovation & Development	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Ms Ann Sherry AO	5	5	N/A	1*	N/A	N/A	4	4
Ms Connie Navarro	5	4	4	4	N/A	N/A	4	4
Ms Danielle O'Toole	5	4	4	3	N/A	N/A	N/A	N/A
Mr David Waters	5	4	N/A	N/A	3	3	N/A	N/A
Professor Jody Currie	5	4	N/A	N/A	3	3	N/A	N/A
Mr John Lee	5	4	N/A	N/A	N/A	N/A	4	4
Ms Vanessa (Fernandes) Sullivan	5	5	4	4	3	3	N/A	N/A

* Attendance as observer only

Directors' Report

for the year ended 30 June 2025

Port of Townsville Limited
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REMUNERATION OF KEY MANAGEMENT PERSONNEL

Note 4(E) of the financial statements provides detailed disclosures relating to the remuneration of key management personnel. The term key management personnel refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Port, directly or indirectly, including any director (whether executive or otherwise) of the Port.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the year, a policy was held to insure all Directors and Officers of the Port against liabilities incurred in their capacity as Director or Officer. The provisions of this policy prohibit the disclosure of the nature of the liabilities insured. The *Corporations Act 2001* (Cth) does not require disclosure of this information in these circumstances.

INDEMNIFICATION AND INSURANCE OF AUDITORS

The Port has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the Port has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

DIRECTORS' SHAREHOLDING

No Directors held any beneficial interest in the shares of the Port. All issued shares are held by the shareholding Ministers on behalf of the Queensland Government.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Port, or to intervene in any proceedings to which the Port is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Port with leave of the Court under section 237 of the *Corporations Act 2001* (Cth).

AUDITOR'S INDEPENDENCE DECLARATION

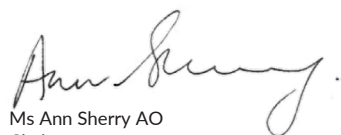
The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out over the page.

ROUNDING OF AMOUNTS

The Port is of a kind referred to in Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements and Directors' Report. Amounts in the financial statements and Directors' Report have been rounded off to the nearest dollar in accordance with that Legislative Instrument.

This Director's Report is signed in accordance with a resolution of the Directors.

This report is made in accordance with a resolution of Directors on 27 August 2025.



Ms Ann Sherry AO
Chairperson
27 August 2025



Ms Vanessa (Fernandes) Sullivan
Director
27 August 2025

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Port of Townsville Limited

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Port of Townsville Limited for the financial year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



Bhavik Deoji
as delegate of the Auditor-General

27 August 2025

Queensland Audit Office
Brisbane

Annual Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

PURPOSE AND SCOPE

Port of Townsville Limited (the Port) is a company limited by shares, incorporated and domiciled in Australia and is a Government Owned Corporation (GOC) reporting under the *Government Owned Corporations Act 1993* (Qld). Its registered office and place of business is:

Port of Townsville Limited
Benwell Road
Townsville QLD 4810.

The Port is required to comply with the requirements of the *Corporations Act 2001* (Cth). Under the terms of Section 118 of the *Government Owned Corporations Act 1993* (Qld), specified sections of the *Financial Accountability Act 2009* (Qld) apply as if the Port were a statutory body. The Port is responsible as a port authority under the *Transport Infrastructure Act 1994* (Qld) for the management and control of the port of Townsville and port of Lucinda.

These Statements have been prepared:-

- to satisfy the provisions of the *Corporations Act 2001* (Cth), the *Financial Accountability Act 2009* (Qld) and other prescribed requirements; and
- to communicate information concerning the Port's financial performance for the year and its financial position at year end to a variety of information users including:-
 - its shareholding Ministers - Minister for Transport and Main Roads and Minister for Finance, Trade, Employment and Training
 - users and potential users of the port of Townsville and port of Lucinda;
 - the community in general; and
 - other interested parties.

A description of the nature of the Port's operations and its principal activities is included in the Directors' Report which is not part of these financial statements.

The Statements are general purpose in nature and provide a full presentation of all of the financial activities of the Port. Amounts shown in the financial statements may not add to the correct subtotal or totals due to rounding.

Statement of Comprehensive Income

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	Notes	2025 \$	2024 \$
REVENUES			
User Charges	2(A)	96,022,818	91,736,420
Interest Received		1,041,059	1,380,785
Other Revenue	2(A)	3,247,683	1,338,982
Fair Value Gains on Investment Properties	3(I)	1,899,828	3,795,034
		102,211,389	98,251,221
EXPENSES			
Employee Related Expenses	2(B)	30,024,830	24,055,974
Supplies and Services	2(B)	32,558,232	24,942,234
Depreciation and Amortisation Expense	2(B)	15,492,961	16,114,198
Finance Costs	2(B)	4,370,257	4,512,218
Other Expenses	2(B)	2,616,294	3,144,814
		85,062,575	72,769,438
OPERATING RESULT BEFORE INCOME TAX EXPENSE		17,148,814	25,481,783
Income Tax Expense	2(C)	(4,550,704)	(7,558,743)
OPERATING RESULT FOR THE YEAR		12,598,110	17,923,040
OTHER COMPREHENSIVE INCOME			
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO OPERATING RESULT:			
Increase / (Decrease) in Revaluation Surpluses (net of tax effect)	3(F)	(135,142,912)	(23,179,539)
TOTAL COMPREHENSIVE INCOME		(122,544,802)	(5,256,499)

The above statement should be read in conjunction with the accompanying notes forming part of the financial statements.

Statement of Financial Position

as at 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	Notes	2025 \$	2024 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3(A)	19,945,084	15,267,200
Trade and Other Receivables	3(B)	18,501,114	25,092,944
GOC Advance Facility	3(C)	15,375,649	440,597
Current Tax Receivable	2(C)	3,819,514	-
Other Current Assets	3(D)	2,290,264	2,572,652
Inventories	3(E)	695,978	537,554
TOTAL CURRENT ASSETS		60,627,602	43,910,947
NON-CURRENT ASSETS			
Property, Plant and Equipment	3(F)	683,708,421	843,208,379
Intangibles	3(G)	819,773	999,783
Investment Properties	3(I)	65,227,433	63,327,604
Right of Use Assets	3(J)	3,314,151	4,119,051
TOTAL NON-CURRENT ASSETS		753,069,778	911,654,817
TOTAL ASSETS		813,697,380	955,565,764
CURRENT LIABILITIES			
Trade and Other Payables	3(K)	20,251,990	13,978,692
Lease Liabilities	3(J)	398,560	445,311
Current Tax Liabilities	2(C)	-	2,515,742
Provisions	3(M)	11,316,562	15,307,729
Employee Benefits	3(N)	4,776,737	4,689,776
Contract and Other Current Liabilities	3(O)	5,998,699	6,009,610
TOTAL CURRENT LIABILITIES		42,742,548	42,946,860
NON-CURRENT LIABILITIES			
Trade and Other Payables	3(K)	2,000,000	2,000,000
Borrowings	3(L)	171,137,543	141,137,543
Lease Liabilities	3(J)	2,951,891	3,743,463
Deferred Tax Liabilities	2(C)	11,212,709	67,358,961
Employee Benefits	3(N)	1,110,943	856,548
Contract and Other Non-Current Liabilities	3(O)	15,004,156	16,329,156
TOTAL NON-CURRENT LIABILITIES		203,417,242	231,425,671
TOTAL LIABILITIES		246,159,789	274,372,531
NET ASSETS		567,537,590	681,193,233
EQUITY			
Contributed Equity	3(P)	267,879,706	247,879,706
Accumulated Surplus		170,022,512	168,535,243
Asset Revaluation Surplus	3(Q)	129,635,372	264,778,284
TOTAL EQUITY		567,537,590	681,193,233

The above statement should be read in conjunction with the accompanying notes forming part of the financial statements.

Statement of Changes in Equity

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	Notes	2025 \$	2024 \$
CONTRIBUTED EQUITY			
Balance at beginning of the year		247,879,706	247,879,706
Shares Issued		20,000,000	-
Balance at the end of the year	3(P)	267,879,706	247,879,706
ACCUMULATED SURPLUS			
Balance at beginning of the year		168,535,243	165,878,720
Operating result for the year		12,598,110	17,923,040
Transfer from reserves on disposal / derecognition of property, plant and equipment		224,841	-
Deferred tax adjustment for disposals of property, plant and equipment		(67,452)	-
Dividends provided for	3(R)	(11,268,230)	(15,266,517)
Balance at the end of the year		170,022,512	168,535,243
ASSET REVALUATION SURPLUS			
Balance at beginning of the year		264,778,284	287,957,824
Property, plant and equipment revaluation increment / (decrement) - gross		(192,836,461)	(33,113,627)
Deferred tax adjustment for assets		57,918,391	9,934,088
Transfer to accumulated surplus on disposal/derecognition of property, plant and equipment		(224,841)	-
Balance at the end of the year	3(Q)	129,635,372	264,778,284

The above statement should be read in conjunction with the accompanying notes forming part of the financial statements.

Statement of Cash Flows

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	Notes	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		112,221,574	97,347,432
Payments to Suppliers and Employees		(65,518,295)	(62,422,946)
GST (paid)/received from the Australian Taxation Office		(1,461,297)	(195,757)
Interest Received		1,041,059	1,380,785
Finance Costs		(6,888,424)	(4,463,476)
Income Tax Equivalents (paid)/received from Queensland Treasury		(9,181,273)	(7,814,749)
Net Cash Inflow (Outflow) from Operating Activities		30,213,342	23,831,289
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Property, Plant and Equipment		(45,192,139)	(74,312,869)
Proceeds from Sale of Property, Plant and Equipment		144,691	344,027
Loans and Advances (Made) / Redeemed to Queensland Treasury		(14,935,052)	3,642,256
Net Cash Inflow (Outflow) from Investing Activities		(59,982,500)	(70,326,586)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		30,000,000	45,000,000
Payment of Lease Liabilities		(286,441)	(99,211)
Shares Issue		20,000,000	-
Dividends Paid		(15,266,517)	(15,678,676)
Net Cash Inflow (Outflows) from Financing Activities		34,447,042	29,222,113
Net (Decrease) / Increase in Cash and Cash Equivalents		4,677,884	(17,273,184)
Cash and Cash Equivalents at Beginning of the Financial Year		15,267,200	32,540,384
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	3(A)	19,945,084	15,267,200

Notes to the Statement of Cash Flows

Reconciliation of Operating Result from Continuing Operations After Income Tax Expense to Net Cash Inflow from Operating Activities

Operating Result for the Year		12,598,110	17,923,040
Depreciation and Amortisation	2(B)	15,492,961	16,114,198
(Gain) / Loss on Disposal of Non-Current Assets		(140,042)	(340,235)
Net Revaluation Increments - Non-Current Assets		(1,899,828)	(3,795,034)
Changes in Assets and Liabilities			
(Increase) / Decrease in Trade and Other Receivables		5,596,184	(4,184,254)
(Increase) / Decrease in Other Assets		282,388	(395,141)
Increase / (Decrease) in Trade and Other Payables		2,565,662	(1,914,626)
Increase / (Decrease) in Provisions		348,476	679,347
Increase / (Decrease) in Current and Deferred Tax balances		(4,630,569)	(256,006)

Net Cash Inflow from Operating Activities	30,213,342	23,831,289
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Reconciliation of Liabilities Arising From Financing Activities

Opening Balance	145,326,317	100,100,218
Cash Flows:		
Proceeds from borrowings	30,000,000	45,000,000
Repayment of borrowings/payments of leases	(286,441)	(99,211)
Non Cash Changes		
Revaluation Adjustments	(600,455)	389,829
Other Adjustments	48,572	(64,519)

Closing Balance	174,487,993	145,326,317
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The above statement should be read in conjunction with the accompanying notes forming part of the financial statements.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

NOTE 1. BASIS OF FINANCIAL STATEMENT PRESENTATION

(A) GENERAL

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements are of Port of Townsville Limited as an individual entity, the Port has no subsidiaries.

The financial statements were authorised for issue by the Directors on 27 August 2025. The Directors have the power to amend and reissue the financial statements.

These general purpose financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth), *Government Owned Corporations Act 1993* (Qld), Australian Accounting Standards, other authoritative pronouncements and interpretations issued by the Australian Accounting Standards Board. The Port is a for profit entity for the purpose of preparing the financial statements.

(B) PRESENTATION AND MEASUREMENT MATTERS

Historical cost convention

These financial statements have been prepared under the historical cost convention, except where otherwise stated.

Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Port's functional currency.

Rounding of Amounts

The Port is of a kind referred to in Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial statements and Directors' Report. Amounts in the financial statements and Directors' Report have been rounded off to the nearest dollar in accordance with that Legislative Instrument.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the department does not have the right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

(C) STATEMENT OF COMPLIANCE

The financial statements comply with the requirements of the *Corporations Act 2001* (Cth), *Government Owned Corporations Act 1993* (Qld), Australian Accounting Standards, other authoritative pronouncements and interpretations issued by the Australian Accounting Standards Board.

Standards applied for the first time

The Port has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Port.

The following Accounting Standards and Interpretations are most relevant to the Port:

AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants

AASB 2020-1 is applicable to annual periods beginning from 1 January 2024 (as extended by AASB 2020-6), with early adoption permitted. AASB 2022-6 is applicable to annual periods beginning from 1 January 2024, with early adoption permitted where AASB 2020-1 is also early adopted.

These standards amend AASB 101 'Presentation of Financial Statements' to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. If the deferral right is subject to the entity complying with covenants in the loan arrangement based on information up to and including reporting date, the deferral right will exist where the entity is able to comply with the covenant on or before the end of the reporting date even if compliance is assessed after the reporting date. The deferral right will be deemed to exist at reporting date if the entity is required to comply with the covenant only after the reporting date based on post-reporting date information. Additional disclosure is required about loan arrangements classified as non-current liabilities in such circumstances which enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period. Classification of a liability as non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least 12 months after the reporting date or even if the entity settles the liability prior to issue of the financial statements. The meaning of settlement of a liability is also clarified.

Standards early adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Standards and Interpretations in issue not yet adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Port for the annual reporting period ended 30 June 2025. The Port's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Port, are set out below.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

2025
\$

2024
\$

NOTE 1. BASIS OF FINANCIAL STATEMENT PRESENTATION (continued)

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted.

The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Port will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

(D) CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires the determination and use of certain management judgements, estimates and assumptions that affect the application of policies and resulting reported amounts. The Directors evaluate estimates and associated assumptions incorporated into the financial statements based on historical knowledge, best available current information, and other factors that are considered relevant. Such estimates, judgements and underlying assumptions assume a reasonable expectation of future events and are based on current trends and economic data. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates significant to the financial statements are disclosed in the following notes:

Valuation of property, plant and equipment	Note 3(F)	Employee Benefits	Note 3(N)
Valuation of investment properties	Note 3(I)	Loss Allowance	Note 3(B)
Depreciation and Assessment of Useful Lives	Note 2(B), 3(F)	Income Tax Equivalents and Deferred Taxes	Note 2(C)
Lease Liabilities and Right of Use Assets Terms	Note 3(J)	Contract and Other Liabilities	Note 3(O)

NOTE 2. OUR FINANCIAL PERFORMANCE

(A) REVENUE

Revenue arises mainly from the user charges collected from the customers in relation to use of port facilities. User charges and fees are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. Generally, the performance obligation in relation to the customer contracts are satisfied over time and not a specific point in time, since the customer simultaneously receives and consumes the benefits provided by the entity's performance as the services are provided.

Revenue is recognised for the major business activities as follows:

USER CHARGES

Cargo Charges / Berthage / Charges for Services

Cargo charges, berthage revenue and charges for services are recognised over time as and when the port related services are provided to the customers. Customers are typically invoiced after the services are provided for an amount that is calculated on a schedule of rates that is aligned with the stand alone selling prices for each performance obligation. Payment is received following invoice on normal commercial terms. The transaction price is allocated to each performance obligation based on the stand-alone selling price. Revenue from take or pay arrangements is recognised when the minimum annual obligation can be measured reliably, after year end.

Properties and Facilities

Revenue from property and facilities is recognised when entitlement to payment arises under the rental agreement. Monies received in advance at the end of the financial year are recognised as a liability. Rental revenue from investment property is recognised as income on a periodic straight line basis over the lease term.

Pilotage Transfer Service Revenue

Pilotage Transfer Service Revenue is recognised on completion of the Marine Pilot transfer operation to / from each vessel.

INTEREST RECEIVED

Interest income is recognised when it is probable that the economic benefits will flow to the Port 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.

(i) USER CHARGES

Cargo Charges	39,999,984	38,239,033
Berthage	17,132,478	14,864,535
Properties and Facilities	16,397,134	16,247,074
Charges for Services	13,842,325	13,523,167
Pilot Transfer Service	8,650,897	8,862,610
	96,022,818	91,736,420

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025	2024
	\$	\$

NOTE 2. OUR FINANCIAL PERFORMANCE (continued)

	2025	2024		
	\$	\$		
(ii) OTHER REVENUE				
Proceeds - Sale of Property, Plant & Equipment & Investment Properties	144,691	344,027		
Carrying Value of Disposed Property, Plant & Equipment	-	(730)		
Gain on Sale of Property, Plant & Equipment	144,691	343,297	144,691	343,297
Works Undertaken on Behalf of Other Parties			9,594	20,241
R&D Tax Refunds			2,036,271	-
Bad Debts Recovered			-	1,443
Other Revenue			1,057,129	974,001
			3,247,683	1,338,982

(B) EXPENSES

(i) EMPLOYEE RELATED EXPENSES

Employee related expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, WorkCover premiums and superannuation.

Salaries & Wages	22,641,421	17,943,472
Annual Leave	1,558,310	1,256,433
Long Service Leave	467,848	503,907
Superannuation	3,027,082	2,493,381
Payroll Tax	1,174,666	945,408
Fringe Benefits Tax	245,886	153,566
Workers Compensation	388,817	281,738
Other Employee Related Expenses	520,801	478,069
	30,024,830	24,055,974

	2025	2024		
	\$	\$		
(ii) SUPPLIES AND SERVICES				
Payments to Contractors (other than those for Maintenance of Assets or Dredging below)			5,746,285	3,776,355
Payments to Consultants				
Professional/Technical	7,969,622	2,980,728		
Human Resource Management	959,645	220,826		
Finance/Accounting	291,652	290,095		
	9,220,919	3,491,649	9,220,919	3,491,649
Insurance			5,307,352	4,860,211
Maintenance of Assets			3,091,151	2,225,732
Dredging			3,154,939	4,020,358
Reclassified Work in Progress			20,549	9,411
Lease Payments			212,096	229,315
Utilities and Services			1,856,961	1,772,041
Information Technology			2,071,670	1,717,317
Other Supplies and Services			1,876,311	2,839,845
			32,558,232	24,942,234

Lease payments include lease rentals for short-term leases, leases of low value assets and variable lease payments. Refer to Note 3(J) for breakdown of lease expenses and other lease disclosures.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025 \$	2024 \$
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NOTE 2. OUR FINANCIAL PERFORMANCE (continued)

(iii) DEPRECIATION AND AMORTISATION

Depreciation

Channels and Swing Basins	1,708,080	1,824,979
Wharves	5,306,217	5,535,214
Breakwaters	1,081,791	1,078,657
Buildings	658,947	737,538
Infrastructure	3,850,315	4,076,510
Small Boat Harbours	194,410	203,902
Plant and Equipment	2,308,747	2,232,379

Amortisation

Intangibles	180,011	221,990
Leases	204,444	203,029

	15,492,961	16,114,198
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(iv) FINANCE COSTS

Finance costs directly attributable to the acquisition, construction or production of qualifying assets that take more than 12 months to prepare for their intended use or sale are added to the cost of those assets. Financing costs that cannot be directly attributable to a qualifying asset are recognised in the statement of comprehensive income in the period they were incurred.

Loan Interest	6,297,521	4,025,787
Interest on Lease Liabilities	137,427	204,250
Competitive Neutrality Fee	1,192,830	893,380
Capitalised Finance Costs	(3,257,520)	(611,199)
	4,370,257	4,512,218

The capitalisation rate applied to general borrowings is the weighted average interest rate applicable to the Port's outstanding general borrowings during the year, in this case 1.18%, (2024 - 1.04%).

(v) OTHER EXPENSES

	2025 \$	2024 \$
Proceeds from Sale of Property, Plant & Equipment	-	-
Carrying Value of Disposed Property, Plant & Equipment	(4,649)	(3,062)
Loss on Sale of Property, Plant & Equipment	(4,649)	(3,062)
Land Tax		4,649
Other Expenses		3,062
	2,299,193	2,847,091
	312,453	294,661
	2,616,294	3,144,814

(C) TAXATION

As a Government Owned Corporation, the Port is not subject to Commonwealth income tax but as from 1 July 2001 the Port has been required to pay tax equivalents under the National Tax Equivalents Regime.

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax equivalent assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on the tax rates which are enacted or substantively enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025 \$	2024 \$
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NOTE 2. OUR FINANCIAL PERFORMANCE (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the Port has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities in relation to investment properties that are measured at fair value is determined assuming the property will be recovered entirely through sale.

(i) INCOME TAX EQUIVALENTS

Income tax equivalents expense

Current Tax Expense / (Benefit)	2,846,017	8,094,142
Deferred Tax Expense / (Benefit)	1,704,687	(440,785)
Under/(Over) Provision in Prior Years	-	(94,614)

	4,550,704	7,558,743
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Income Tax Equivalents Expense is attributable to:

Profit from Operations	4,550,704	7,653,357
Under/(Over) Provision in Prior Years	-	(94,614)

	4,550,704	7,558,743
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Deferred Income Tax (Revenue) Expense included in Income Tax Expense comprises:

Decrease/(Increase) in Deferred Tax Assets	302,960	(926,653)
(Decrease)/Increase in Deferred Tax Liabilities	(2,007,647)	1,367,438

	(1,704,687)	440,785
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Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable

Profit from Operations before Income Tax Expense	17,148,814	25,481,783
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Tax at the rate of 30% (2024 - 30%)	5,144,644	7,644,535
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Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:

Non-deductible expenses	(593,940)	8,822
Other	-	-

	4,550,704	7,653,357
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Under/(Over) Provision in Prior Years	-	(94,614)
Asset Disposal Adjustment	-	-

	4,550,704	7,558,743
--	-----------	-----------

Amounts Recognised Directly in Equity

Aggregate current and deferred tax arising in the reporting period and not recognised in the statement of comprehensive income but directly debited or credited to equity.

Current tax - credited directly to equity	67,452	-
Net deferred tax - debited/(credited) direct to equity as a result of net increment in Revaluation Surpluses	57,850,938	9,934,088

	57,918,391	9,934,088
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Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025 \$	2024 \$
NOTE 2. OUR FINANCIAL PERFORMANCE (continued)		
(ii) DEFERRED TAXES		
Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
<u>Amounts recognised in the statement of comprehensive income</u>		
Allowance for doubtful debts	152,891	7,269
Accrued payables	756,537	95,290
Provision for annual leave	662,911	552,500
Provision for long service leave - current	770,110	854,433
Provision for long service leave - non current	333,283	256,964
Accrued employee benefits	16,721	11,540
Lease Liabilities	1,005,135	1,256,632
Deferred grant revenue	4,680,000	5,040,000
Total Deferred Tax Assets	8,377,588	8,074,628
Set-off of deferred tax liabilities pursuant to set-off provisions	(8,377,588)	(8,074,628)
Net Deferred Tax Assets	-	-
Movements:		
Opening balance at 1 July	8,074,628	9,001,281
Credited / (charged) to the statement of comprehensive income	302,960	(926,653)
As at 30 June	8,377,588	8,074,628
Deferred tax assets expected to be recovered within 12 months	2,838,738	2,014,626
Deferred tax assets expected to be recovered after more than 12 months	5,538,850	6,060,002
	8,377,588	8,074,628
Deferred Tax Liabilities		
The balance comprises temporary differences attributable to:		
<u>Amounts recognised in the statement of comprehensive income</u>		
Accrued Trade Receivables	2,393,335	437,354
Property, Plant and Equipment	(96,211,990)	(48,414,260)
Property, Plant and Equipment (revaluation component)	113,408,955	123,410,495
Total Deferred Tax Liabilities	19,590,299	75,433,589
Set-off of deferred tax liabilities pursuant to set-off provisions	(8,377,588)	(8,074,628)
Net Deferred Tax Liabilities	11,212,712	67,358,961
Movements:		
Opening balance at 1 July	75,433,589	86,735,115
Charged/(credited) to the statement of comprehensive income	2,007,647	(1,367,438)
Charged/(credited) to equity	(57,850,938)	(9,934,088)
As at 30 June	19,590,299	75,433,589
The Deferred tax liability includes amounts recognised directly in equity as follows:		
Revaluation of Property, Plant and Equipment	55,558,017	113,476,407
Deferred tax liabilities expected to be recovered within 12 months	2,393,335	437,354
Deferred tax liabilities expected to be recovered after more than 12 months	17,196,964	74,996,235
	19,590,299	75,433,589

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025	2024
	\$	\$

NOTE 3. OUR FINANCIAL POSITION

(iii) INCOME TAX EQUIVALENTS REFUNDS

The Port is subject to the National Tax Equivalents Regime (NTER) and as an NTER entity, the Port is liable to pay instalments of its expected income tax equivalent liability for the current income year. The Port pays monthly instalments for the income tax year with the final payment/refund occurring in the following December after year end.

(iv) CURRENT TAX ASSETS AND LIABILITIES

Opening balance at 1 July	(2,515,742)	(2,330,962)
Tax paid / (refunded) in respect of prior years	2,515,742	2,236,348
Over/(Under) provision of tax in prior years	-	-
Current Tax Provision	(2,846,017)	(7,999,528)
Tax paid in respect to current year	6,665,531	5,578,400
Tax Receivable / (Tax Liability) Closing balance at 30 June	3,819,514	(2,515,742)

(A) CASH AND CASH EQUIVALENTS

For cash flow statement and statement of financial position presentation purposes, 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, and bank overdrafts. Bank overdrafts are shown within financial liabilities in current liabilities on the statement of financial position.

Cash at Bank and On Hand	19,945,084	15,267,200
	19,945,084	15,267,200

INTEREST RATE RISK EXPOSURE

The Port's exposure to interest rate risk is discussed in Note 4(D). The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above. The Port's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out in Note 4(D).

(B) TRADE AND OTHER RECEIVABLES

Trade and other receivables are measured at amortised cost which approximates their fair value at reporting date. Trade receivables are due for settlement no more than 30 days from the date of recognition for the Port's debtors, and no more than 30 days for other debtors. If a contractual arrangement exists, settlement is in accordance with the contractual terms.

The collectability of trade receivables is reviewed on an ongoing basis. The simplified approach to the impairment of trade receivables has been elected, as receivables do not contain a significant finance component. A provision matrix is used to assess the expected credit losses of trade receivables.

The Port has undergone an analysis of historical credit losses for a period of 36 months prior to 30 June 2025. The historical loss rates have been deemed immaterial.

A specific loss provision is recognised for individual trade receivables when there is objective evidence the amount due will not be able to be collected under the original terms of receivables. When a trade receivable for which a loss allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Trade and Other Receivables	19,010,749	25,117,175
Loss Allowance	(509,636)	(24,231)
	18,501,114	25,092,944

Due to the short term nature of the current receivables, their carrying value is assumed to be the same as their fair value.

The ageing of trade receivables is as follows:

0 - 30 days	17,654,274	20,775,441
30 - 60 days	96,326	1,584,884
60 - 90 days	23,554	368,258
over 90 days	726,960	2,364,361
	18,501,114	25,092,944

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025 \$	2024 \$
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NOTE 3. OUR FINANCIAL POSITION (continued)

LOSS ALLOWANCE

As at 30 June 2025 current trade receivables of the Port with a nominal value of \$509,636 (2024: \$24,231) were impaired and fully provided for.

Opening Balance	24,231	42,321
Additional loss allowance	509,636	24,231
Receivables written off as uncollectable	(24,231)	(42,321)
	509,636	24,231

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The Port does not hold any collateral in relation to these receivables.

(C) GOC ADVANCE FACILITY

In conjunction with the *Code of Practice for Government Owned Corporations' Financial Arrangements 2017*, an Advance Facility was established with Queensland Treasury and Queensland Treasury Corporation, which accrues interest on daily balances. The cash pooling arrangement operates as a receivable for the Port and a payable by Queensland Treasury. Due to the short term nature of GOC advance facility, their carrying value is assumed to be the same as their fair value.

(D) OTHER CURRENT ASSETS

When payment is made before the goods and/or services have been acquired, or before the particular period of time to which the payment relates has elapsed, a prepayment is to be recognised. Prepayments are amounts paid in advance for goods or services to be received or consumed in later periods. For recognition purposes, prepayments for items less than \$5,000 need not normally be recognised as a current asset. Rather, items below this threshold may be recognised as an expense immediately.

The main types of prepayments made by the Port are part payments, up front payments for goods and services, and insurance premiums.

(E) INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on first-in first-out principle. Net realisable value is determined on the basis of the Port's normal selling pattern.

(F) PROPERTY, PLANT AND EQUIPMENT AND RELATED DEPRECIATION EXPENSE

INITIAL RECOGNITION

The cost model of accounting is used for all acquisitions of assets, being fair value of the assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisitions. Assets acquired at no cost or for nominal considerations are recognised at their fair value at date of acquisition.

Where assets are constructed by the Port, the cost at which they are recorded includes the cost of materials, direct labour and other costs directly attributable to the assets and where appropriate, finance costs.

Property, plant and equipment items with a cost or value in excess of the thresholds in the following table are recognised as an asset. All other items of property, plant and equipment are expensed on acquisition.

Asset Class	\$	Asset Class	\$
Channels and Swing Basins	10,000	Buildings	10,000
Land	1	Infrastructure	10,000
Wharves	10,000	Small Boat Harbours	10,000
Breakwaters	10,000	Plant and Equipment	5,000

The Port has a comprehensive annual maintenance program for its major plant and equipment and infrastructure assets, and subsequent costs will be included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Port and the cost of the item can be measured reliably. All other repairs and maintenance that merely restores original service potential (arising from ordinary wear and tear etc) are charged to the statement of comprehensive income during the financial period in which they are incurred.

SUBSEQUENT RECOGNITION

Subsequently, channels and swing basins, wharves, buildings, infrastructure, small boat harbours and facilities, breakwaters and land are measured at fair value. Fair value is estimated using an income approach based on discounted cash flows. The net present value of the cash flows of the asset group are allocated across the individual assets in the group. Valuations are undertaken annually to ensure that the carrying amount of the assets does not differ materially from that which would be determined using fair value at the end of the reporting period. Key assumptions and inputs made in assessing fair value are discussed below.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
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2024-2025

2025
\$

2024
\$

NOTE 3. OUR FINANCIAL POSITION (continued)

Increases in the carrying amounts arising on revaluation of channels and swing basins, freehold land, wharves, buildings, infrastructure, small boat harbours and breakwaters are credited, net of tax, to asset revaluation surplus in shareholders' equity on a pro rata basis. To the extent that the increase reverses a decrease previously recognised in the statement of comprehensive income, the increase is first recognised in the statement of comprehensive income. Decreases that reverse previous increases of the same asset are first charged against revaluation surplus directly in equity to the extent of the remaining surplus attributable to the asset. All other decreases are charged to the statement of comprehensive income.

For assets that are revalued using the income based approach, any accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This is referred to as the net method and is utilised as the income based approach does not reflect replacement costs or assessment of remaining useful lives, and the net method of revaluation provides more meaningful reported asset figures.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A revaluation decrement is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identified cash inflows which are largely independent of the cash flows from other assets or groups of assets (cash generating units).

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income. When revalued assets are sold or derecognised, it is the Port's policy to transfer the amounts included in the asset revaluation surplus in respect of those assets to accumulated surplus.

Fair Value

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date under current market conditions (an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the Port include, but are not limited to, published sales data for land and buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Port include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Port's assets/liabilities, internal records of recent construction costs (and/or estimates of such costs) for assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Port recognises transfers into and transfers out of fair value hierarchy levels at the end of the reporting period. There were no transfers during the year.

Channels and swing basins, wharves, buildings, small boat harbours and facilities, infrastructure, breakwaters and land are categorised as Level 3 at 30 June 2025.

The fair value of each asset group has been determined using an income based model. Management reviews and updates estimates of future cash flows in the model annually. The net present value of the cash flows of the asset group are allocated across the individual assets in the group. Changes in the economic environment can cause fluctuations in fair value between periods and as a result, valuations are undertaken annually to ensure that the carrying value of the assets does not differ materially from that which would be determined using fair value at the end of the reporting period.

This section explains the judgements and estimates made in determining the fair values of channels and swing basins, wharves, buildings, small boat harbours and facilities, infrastructure, breakwaters and land assets. The following table summarises the quantitative information about the significant unobservable inputs used in the Level 3 measurements.

Unobservable Input	Input	Relationship of unobservable input to fair value
Discount Rate	8.46%	The higher the discount rate the lower the fair value
CPI/Inflation	2.50%	The higher the CPI rate the higher the fair value
Terminal Value	EBIT multiple (13.1)	The higher the terminal value the higher the fair value
Forecast Trade	Maximum volumes of 19.8 million tonnes	The higher the trade forecast the higher the fair value
Other Revenue	As per Approved Budget, inflation thereafter	The higher the revenues the higher the fair value
Expenses	As per Approved Budget, inflation thereafter	The higher the expenses the lower the fair value
Capital Expenditure	Limited to replacement of existing assets	The higher the capital expenditure the lower the fair value

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025	2024
	\$	\$

NOTE 3. OUR FINANCIAL POSITION (continued)

The income based valuation was undertaken by the Port as at 30 June 2025 using the following key assumptions:

- Detailed cash flow projections are prepared consisting of projections of nominal after tax cash flows. The future cash flows are denominated in Australian dollars and are projected on a nominal, ungeared, post-tax basis over the expected useful lives of the assets (100 years). Mid of period discounting (to discount future cash flows to their net present value) has been adopted.
- The Port has established the cash generating units of Shipping Operations, Property Management, Port of Lucinda and Pilot and Security Services. Direct revenues and costs are apportioned utilising the most appropriate allocation method for that type of expenditure e.g. the written down value of relevant assets or proportional revenue received.
- Forecast revenue assumptions have been based on customer contracts (where applicable), advice from customers, assessment of feasibility of new trades or increases in capacity of supporting infrastructure, global market conditions for commodities and long-term historical trade patterns. However, forecast trade is limited to capacity of existing infrastructure and volumes subsequent to that are assumed to be constant.
- Determined charges for revenues are based on current established rates, budget rates for the first five year period and increased at a rate of inflation of 2.50% thereafter.
- Expenditure cash flows are based on prudent and efficient operating costs which are assumed to be largely fixed in nature due to the underlying nature of maintenance required on port assets remaining constant, irrespective of volumes.
- Net cash flows assume a discount rate equal to the relevant Corporate Weighted Average Cost of Capital (WACC), with a CPI of equivalent to the RBA average inflation target being utilised for cash flow growth rates (2.50%). This is due to the correlating relationship between WACC and CPI.
- An annually reviewed weighted depreciation rate on written down value is used to calculate depreciation by asset category.
- Due to the nature of the Port's long life assets, the period of assessment covers the maximum life of existing assets of 100 years. Terminal value calculations are also calculated over several periods to determine possible variations.
- Future capital expenditure beyond that already approved in the budget has been limited to the replacement of existing assets. No revenue has been included that would necessitate the expansion of port facilities nor would require additional expenditure above what has been included.
- Working capital balances are assumed to increase in line with the general growth of revenues and expenditures.
- Tax calculations in the cash flow projections assume a corporate tax rate of 30%.
- Assets are not valued above their recoverable value.

Overall sensitivity analysis of the inputs:

- A 1% change in the trade projection results in 2.23% change in fair value.
- An independent change in either CPI or WACC of 1% can affect total non-current asset values by up to 21%, but an increase of 1% in both indices has a sensitivity of 35%.
- A 1% change in depreciation impacts fair value by 0.028%.

2024-2025 Carrying Amounts		\$ Gross / Fair Value	\$ Accumulated Depreciation	\$ Carrying Amount
Channels and Swing Basins	At Fair Value 2025	184,927,698	-	184,927,698
	At Fair Value 2024	157,148,020	-	157,148,020
Land	At Fair Value 2025	112,458,541	-	112,458,541
	At Fair Value 2024	80,623,380	-	80,623,380
Wharves	At Fair Value 2025	118,572,059	-	118,572,059
	At Fair Value 2024	159,971,874	-	159,971,874
Breakwaters	At Fair Value 2025	73,863,800	-	73,863,800
	At Fair Value 2024	46,569,432	-	46,569,432
Buildings	At Fair Value 2025	11,992,103	-	11,992,103
	At Fair Value 2024	17,799,618	-	17,799,618
Small Boat Harbours	At Fair Value 2025	5,400,268	-	5,400,268
	At Fair Value 2024	7,757,103	-	7,757,103
Infrastructure	At Fair Value 2025	59,765,324	-	59,765,324
	At Fair Value 2024	85,082,127	-	85,082,127
Plant and Equipment	At Cost 2025	47,624,782	20,229,804	27,394,978
	At Cost 2024	45,645,355	18,244,947	27,400,409
*Capital Works in Progress	At Cost 2025	89,333,649	-	89,333,649
	At Cost 2024	260,856,416	-	260,856,416
Total 2025		703,938,225	20,229,804	683,708,421
Total 2024		861,453,326	18,244,947	843,208,379

Notes to the Financial Statements

for the year ended 30 June 2025

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2024-2025

2025
\$

2024
\$

NOTE 3. OUR FINANCIAL POSITION (continued)

*Capital Works in Progress

Harbour Works (includes Inner Harbour works, Outer Harbour Development and Channel Upgrade Project)	64,806,101	252,214,663
Port Developments (includes East Port and Townsville Waterfront Developments)	21,921,411	6,705,009
Equipment	2,606,137	1,936,744
	89,333,649	260,856,416

Assessment of Useful Lives

The useful life of an asset is the period in which an asset is expected to be available for use by the Port. The estimation of an asset's useful life requires professional judgement based on management's experiences with similar non-current assets in a similar environment. Changes in these estimates could change significantly as a result of impacts of use or technical innovations or technical and economic obsolescence.

Useful lives and depreciation rates are reviewed at least annually and if necessary adjusted so that they reflect the most recent assessment of the useful life of the depreciable asset, having regard to such factors as asset usage and the rate of technical and economic obsolescence.

Carrying Amounts that could have been recognised if Property, Plant and Equipment were carried at cost

If items of property, plant and equipment that have been revalued were stated on the historical cost basis, the carrying amounts would be as follows:

Channels and Swing Basins	153,555,187	78,127,420
Land	89,048,963	25,989,466
Wharves	97,843,183	91,538,561
Breakwaters	61,135,487	11,847,541
Buildings	12,501,656	13,512,685
Small Boat Harbours	4,352,217	4,585,089
Infrastructure	59,700,319	63,527,087
	478,137,011	289,127,849

RECONCILIATION OF CARRYING AMOUNTS

	\$	\$	\$	\$	\$ Revaluations		\$	\$
2024-2025	Carrying Amount at 1 July 2024	Additions	Disposals & Derecognitions	Transfers	Recognised in Statement of Comprehensive Income	Recognised in Revaluation Surplus	Depreciation Expense	Carrying Amount at 30 June 2025
Assets at Fair Value								
Channels and Swing Basins	157,148,020	-	-	90,848,664	-	(61,360,906)	(1,708,079)	184,927,700
Land	80,623,380	-	-	63,059,497	-	(31,224,335)	-	112,458,543
Wharves	159,971,874	-	-	11,423,400	-	(47,516,999)	(5,306,217)	118,572,059
Breakwaters	46,569,432	-	-	51,140,159	-	(22,764,000)	(1,081,791)	73,863,801
Buildings	17,799,618	-	-	(56,039)	-	(5,092,528)	(658,947)	11,992,103
Infrastructure	85,082,127	-	(2,546)	1,251,326	-	(22,715,268)	(3,850,315)	59,765,324
Small Boat Harbours	7,757,103	-	-	-	-	(2,162,426)	(194,410)	5,400,268
Assets at Cost								
Plant & Equipment	27,400,409	-	(2,103)	2,305,419	-	-	(2,308,747)	27,394,978
- transfers to / from Intangibles	-	-	-	-	-	-	-	-
Capital Works in Progress	260,856,416	48,449,659	-	(219,972,426)	-	-	-	89,333,649
	843,208,379	48,449,659	(4,649)	-	-	(192,836,461)	(15,108,505)	683,708,424

Notes to the Financial Statements

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Port of Townsville Limited
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2024-2025

2025
\$

2024
\$

NOTE 3. OUR FINANCIAL POSITION (continued)

2023-2024	\$ Carrying Amount at 1 July 2023	\$ Additions	\$ Disposals & Derecognitions	\$ Transfers	\$ Revaluations Recognised in Statement of Comprehensive Income	\$ Recognised in Revaluation Surplus	\$ Depreciation Expense	\$ Carrying Amount at 30 June 2024
Assets at Fair Value								
Channels and Swing Basins	169,728,033	-	-	-	-	(10,755,034)	(1,824,979)	157,148,020
Land	85,600,435	-	-	-	-	(4,977,055)	-	80,623,380
Wharves	173,735,483	-	-	-	-	(8,228,396)	(5,535,214)	159,971,874
Breakwaters	51,499,145	-	-	-	-	(3,851,056)	(1,078,657)	46,569,432
Buildings	19,515,184	-	-	(80,941)	-	(897,088)	(737,538)	17,799,618
Infrastructure	90,040,131	-	-	3,144,820	-	(4,026,315)	(4,076,510)	85,082,127
Small Boat Harbours	8,339,688	-	-	-	-	(378,683)	(203,902)	7,757,103
Assets at Cost								
Plant & Equipment	28,200,123	-	(3,792)	1,436,457	-	-	(2,232,379)	27,400,409
- transfers to / from Intangibles	-	-	-	-	-	-	-	-
Capital Works in Progress	190,432,685	74,924,068	-	(4,500,337)	-	-	-	260,856,416
	817,090,908	74,924,068	(3,792)	-	-	(33,113,627)	(15,689,178)	843,208,379

(G) INTANGIBLES

An intangible asset shall be recognised if, and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably.

Intangible assets will be measured at cost unless the asset is acquired for no cost or for a nominal amount and then the asset's fair value is deemed to be its cost, and will be subject to amortisation.

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Port intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Opening balance at 1 July	999,783	1,221,773
Amortisation	(180,011)	(221,990)
Closing balance at 30 June	819,773	999,783

(H) DEPRECIATION / AMORTISATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the port commencing from the time the asset is held ready for use. The useful life over which assets are depreciated and the level at which assets are recognised are significant estimates and judgements. Complex assets are disaggregated into identifiable components.

Computer hardware is included in plant and equipment and is currently depreciated over its expected useful economic life of three years. Associated communications costs such as cabling and leased lines for the Port's wide area network are fully expensed in the year the costs are incurred. Computer software is to be classified as an intangible asset unless it is integral to the related hardware then it will be classified as plant and equipment.

Notes to the Financial Statements

for the year ended 30 June 2025

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2024-2025

2025
\$

2024
\$

NOTE 3. OUR FINANCIAL POSITION (continued)

Depreciation / Amortisation Rates used for each class of depreciable assets are:

	Range		Average	
	2025	2024	2025	2024
Channels and Swing Basins	0.94%-0.96%	0.94%-0.96%	0.94%	0.94%
Wharves	1.19%-20.00%	1.19%-8.37%	2.97%	3.03%
Breakwaters	1.00%-2.08%	1.00%-2.15%	1.29%	1.31%
Buildings	1.52%-7.14%	1.52%-10.98%	3.51%	3.61%
Infrastructure	0.78%-14.29%	0.78%-14.53%	2.76%	2.83%
Small Boat Harbours	1.90%-2.59%	1.90%-2.59%	2.24%	2.24%
Plant and Equipment	0.10%-33.33%	0.10%-33.33%	10.99%	11.18%
Intangibles	9.09%-20.00%	8.85%-20.00%	13.82%	12.66%

(I) INVESTMENT PROPERTIES

Investment properties, mainly consisting of buildings and vacant land, are held for either long term rental yields or capital accretion and is not occupied by the Port (including property under construction for such purposes). This category does not include property used in the provision of services and supporting infrastructure for Port customers. Investment properties are carried at fair value, representing open market value determined annually by external valuers. Changes in fair values are recognised in the statement of comprehensive income.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its deemed cost for subsequent accounting.

When the use of a property changes such that it is transferred to investment property, the property is re-measured to fair value and reclassified as investment property. Any gain arising on re-measurement is recognised in the statement of comprehensive income to the extent that the gain reverses a previous loss, with any remaining gain recognised directly in the statement of comprehensive income. Any loss is presented in the revaluation surplus in equity to the extent that an amount had previously been included in the revaluation surplus relating to the specific property, with any remaining loss recognised immediately in the statement of comprehensive income.

An investment property is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal of an investment property is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

Properties held for investment purposes are not subject to depreciation. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

VALUATION BASIS

Fair value estimates for investment properties are in Level 2 for Investment Lands having being based on significant professional judgement at the time using the market based approach; and Level 3 for Investment Buildings due to the specialised nature of the assets and significant professional opinion required.

The Port obtains independent valuations for its investment properties at least every five years with independent desktop valuations between. At the end of each reporting period the Port updates the assessment of the fair value of each property, taking into account the most recent independent valuations including desktop valuations. The Port determines a property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the Port considers information from a variety of sources including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

Current year revaluations have been based on desktop assessments made by Jones Lang Lasalle Public Sector Valuations Pty Ltd, with relevant indices applied for the period 1 July 2024 to 30 June 2025. Valuation conclusions were reached after reviewing recent market activity by the Port, town planning schemes and assessment of the overall health of the Australian and Queensland economies taking into account specific industry conditions likely to impact on asset prices. Qualitative research indicated that the Port investment property values increased on average 3% over the last 12 months (2024: 6.4%)

Limited comparisons can be made between the general industrial land market and the Port's land market. The Port market is characterised by leasehold land occupied by trade orientated companies. Land values are driven by site rental levels and lease terms, and while there has been a deterioration in the mining industry and broader economy, the limited availability of land for development has helped to support land values.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025 \$	2024 \$
NOTE 3. OUR FINANCIAL POSITION (continued)		
Land		
Opening balance at 1 July	41,026,046	39,072,425
Net gain / (loss) from fair value adjustment	1,230,781	1,953,621
Closing balance at 30 June	42,256,827	41,026,046
Buildings		
Opening balance at 1 July	22,301,558	20,460,145
Net gain / (loss) from fair value adjustment	669,047	1,841,413
Closing balance at 30 June	22,970,605	22,301,558
Total Investment Properties Closing balance at 30 June	65,227,432	63,327,604
Amounts recognised in the Statement of Comprehensive Income for Investment Properties		
Rental income	2,097,080	1,970,395
Direct operating expenses from property that generate rental income	(685)	(1,140)
Direct operating expenses from property that did not generate rental income	(94,842)	(76,774)
Net gain / (loss) from fair value adjustment	1,899,828	3,795,034
Comprehensive Income	3,901,382	5,687,515

(J) LEASES

AMOUNTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION FOR LEASES

Right of Use Assets		
Opening balance at 1 July	4,119,051	3,932,253
Depreciation	(204,445)	(203,029)
Valuation adjustment	(600,455)	389,827
Closing balance at 30 June	3,314,151	4,119,051
Lease Liabilities		
Current	398,560	445,311
Non-Current	2,951,891	3,743,463

AMOUNTS RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME FOR LEASES

Depreciation charge of right of use assets	204,445	203,030
Interest expenses (included in Finance costs)	137,427	204,250
Expenses relating to leases of low-value and short term assets (included in Supplies and Services)	212,096	229,315
	553,968	636,595

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025	2024
	\$	\$

NOTE 3. OUR FINANCIAL POSITION (continued)

The Port measures right-of-use assets from concessionary leases at cost on initial recognition, and measures all right of use assets at cost subsequent to initial recognition.

The Port has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. Short term leases are those with a lease term of 12 months or less. An asset is considered low value where it is expected to cost less than \$10,000 when new. Lease payments are recognised as expenses on a straight-line basis over the lease term.

Where a contract contains both a lease and non-lease components such as asset maintenance services, the Port allocates the contractual payments to each component on the basis of their stand-alone prices. However, for leases of plant and equipment, the Port will elect not to separate lease and non-lease components and instead accounts for them as a single lease component.

When measuring the lease liability, the Port uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all of the Port's leases. To determine the incremental borrowing rate, the Port uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

The Port has a number of lease agreements with the Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development for use of government land. The leased land includes land under water, which is used by the Port for port and transport related purposes only.

Assets and liabilities arising from a lease are initially measured on a present value basis. The lease payments are discounted using the Port's incremental borrowing rate. When adjustments to lease payments take effect, the lease liability is reassessed and adjusted against the right of use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period.

Given the nature of the leases (held in perpetuity), there is no depreciation charge associated with these assets, with the exception of one parcel which is expected to be converted to freehold in the next 2 years.

(K) TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Port prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the terms set by the supplier. The carrying amount approximates fair value due to their short term nature and is therefore measured at amortised cost and not discounted.

CURRENT

Trade Payables	19,917,259	13,718,966
Competitive Neutrality Fee	320,644	256,026
Retention	14,088	3,700
	<hr/>	<hr/>
	20,251,990	13,978,692

Non-Current amounts represent security deposit paid by lessee on commencement of a lease, which can be called upon if the lessee defaults on their obligations under the lease. The security deposit is not non-refundable and if it is not called upon during the lease, it is to be returned to the lessee once the lease expires. The current lease term is until 31 December 2027.

NON-CURRENT

Retention	2,000,000	2,000,000
	<hr/>	<hr/>
	2,000,000	2,000,000

(L) BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Port has the right to defer settlement for the liability for at least 12 months after the year end date.

The Port borrows from Queensland Treasury Corporation using a Portfolio Linked Loan product. A Portfolio Linked Loan is linked to a portfolio largely comprised of fixed funding instruments with various maturities. Portfolio Linked Loans provide a stable interest rate with maturing fixed rate instruments progressively refinanced at prevailing market rates.

Information pertaining to any associated risks for borrowings can be found in Note 4(D).

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025	2024
	\$	\$

NOTE 3. OUR FINANCIAL POSITION (continued)

LOAN COVENANTS

Under the terms of the borrowing facilities with Queensland Treasury Corporation, the Port is required to comply with the following financial covenants:

- The EBIT Interest Coverage of greater than or equal to 2.50 times.
- A Total Debt to Total Capital ratio of no more than 40%.

The Port has complied with these covenants throughout the reporting period.

NON-CURRENT

Borrowings	171,137,543	141,137,543
------------	-------------	-------------

(M) PROVISIONS

Provisions are recognised when there is a present legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events and it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

CURRENT

Fringe Benefits Tax	48,332	41,212
Dividend	11,268,230	15,266,517
	11,316,562	15,307,729

Movements in Provisions

Movements in each class of provision during the financial year are set out below:

	Dividend \$	Fringe Benefits Tax \$
CURRENT		
Carrying amount at start of year	15,266,517	41,212
<u>Charged/(credited) to the statement of comprehensive income</u>		
- additional provisions recognised	11,268,230	245,886
Amounts transferred/reclassified	-	-
Amounts used during the period	(15,266,517)	(238,766)
Carrying amount at end of year	11,268,230	48,332

(N) EMPLOYEE BENEFITS

CURRENT

Employee Benefits - Long Service Leave	2,567,034	2,848,110
Employee Benefits - Annual Leave	2,209,703	1,841,666
	4,776,737	4,689,776

NON-CURRENT

Employee Benefits - Long Service Leave	1,110,943	856,548
	1,110,943	856,548

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

NOTE 3. OUR FINANCIAL POSITION (continued)

Amounts not expected to be settled within the next 12 months

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service, or are expected to reach this threshold in the next 12 months. The non-current portion represents entitlements of those employees that have not yet reached, or are expected to reach, the required period of service in the next 12 months.

Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits expected to be settled wholly within 12 months of the reporting date are recognised as current liabilities in respect of employees services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised as a provision. All other short-term employee benefit obligations are presented as trade payables.

Sick leave is not provided for on the grounds that it is non-vesting and, on average, no more than the annual entitlement is taken each year.

Other Long-Term Employee Benefit Obligations

The liabilities for long service leave are those not expected to be settled wholly within 12 months after the end of period in which the employees render the related service. They are recognised in provisions and measured as the present value of the expected future payments to be made in respect of services provided by the employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service and includes related on-costs. Expected future payments are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that match, as closely as possible, the estimated future cash flows.

The current portion of long service leave has been calculated on employees with greater than ten years service. Long service leave provision is presented as current if the Port does not have the right to defer settlement for at least 12 months, otherwise they are presented as non-current.

Retirement Benefit Obligations

A number of employees of the Port are members of the defined benefit fund managed by QSuper. The defined benefit fund was open to many employees across Queensland State Government departments, agencies and government business enterprises. The Port's obligation is limited to its contribution to QSuper. The Treasurer of Queensland, based on advice from the State Actuary, determines employer contributions, and the amount of this contribution is recognised as an expense. No liability is recognised for accruing superannuation benefits, as this liability is held on a whole-of-Government basis and reported in the whole-of-Government financial statements, prepared in terms of AASB 1049 Whole of Government and General Government Sector Financial Reporting.

(0) CONTRACT AND OTHER LIABILITIES

Contract and Other Liabilities include amounts in relation to shipping activities where the performance obligations have not been satisfied, in addition to revenue received in advance relating to long term advances received on contracts for which the deliverables and obligations have not yet been achieved and operating lease revenue on investment properties. The revenue received is recognised as deferred income and is recorded as revenue when the future service or performance to which it relates has been provided. Material contracts included in the statement of financial position totals are detailed below:

- The Berth 10 upgrade project provides a dedicated facility for military vessels. In 2010-2011, the Department of Defence contributed \$30 million towards future licence fees in respect to the new facility to ensure access over 25 years. The licence fees are to be recognised as revenue on a straight line basis over a period of 25 years. The revenue is recognised from completion of the Berth 10 upgrade, which was October 2013. The balance at reporting date is \$15,600,000 (\$1,200,000 current, \$14,400,000 non-current).

In addition, there is a lease arrangement in place for a staging area to accommodate Defence equipment when vessels are in port. The payment in advance of \$1,840,000 covers the period 2011 to 2031 for this staging area. The balance at reporting date is \$729,167 (\$125,000 current, \$604,167 non-current).

- The Townsville Dry Tropics Partnership for Healthy Waters is a waterways focused initiative made up of stakeholders from industry, scientific research, education, community and all levels of government.

The Partnership produces Report Cards and scientific summaries that provide our community with an independent picture of the ecological, social and economic health of our waterways and reef in the Dry Tropics region. The Report Card will help guide future planning and investment into waterway, marine catchment and reef health.

In 2021-2022, the Port signed on to host the initiative with funding received of \$980,454, to be spent on activities over four years. The Port recently committed to a further two years, with the hosting arrangement now ending June 2026. The balance at reporting date is \$828,552 (current).

- Other current deferred revenues are associated with property contracts, where consideration has been received in advance of the Port satisfying its performance obligations under the relevant agreements. These amounts are recognised as deferred income until such time as the contractual obligations are met, at which point the revenue will be recognised in the statement of profit or loss. The balance at reporting date is \$3,403,138 (2024: \$3,562,145).

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025	2024
	\$	\$

NOTE 3. OUR FINANCIAL POSITION (continued)

(P) CONTRIBUTED EQUITY

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Authorised capital - 500,000,000 ordinary shares of \$1 each	500,000,000	500,000,000
Issued capital		
Opening balance at 1 July - 247,879,706 (2024: 247,879,706) ordinary shares of \$1 each fully paid	247,879,706	247,879,706
Issue of shares	20,000,000	-
Amount at the reporting date - 267,879,706 (2024: 247,879,706) ordinary shares of \$1 each fully paid	267,879,706	247,879,706

ISSUED CAPITAL - ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Port in proportion to the number of and amounts paid on the shares held.

CAPITAL RISK MANAGEMENT

The Port's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Port may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(Q) RESERVES

ASSET REVALUATION SURPLUS

The property, plant and equipment revaluation surplus is used to record increments and decrements on the revaluation of non-current assets, as described in Note 3(F).

Balances of Asset Revaluation Surplus by category are as follows:

Channels and Swing basins	37,105,617	80,058,251
Land	17,162,864	39,019,899
Wharves	33,463,921	66,725,820
Breakwaters	17,195,977	33,130,777
Buildings	4,501,068	8,065,837
Small Boat Harbours	1,421,327	2,935,025
Plant and Equipment	179,073	249,835
Infrastructure	16,490,912	32,478,226
Land and Buildings transferred to Investment Properties	2,114,614	2,114,615
	129,635,372	264,778,284

(R) DIVIDENDS

Provision is made for the amount of any dividend, being appropriately determined on or before the end of the financial year but not distributed at balance date. Directors recommended payment of a final dividend of 100% (2024: 100%) of net profit after tax, excluding the effects of asset revaluations. The final dividend amounts to \$11,268,230 (2024: \$15,266,517). All dividends are unfranked.

Dividends provided for or paid	11,268,230	15,266,517
Dividends per share	0.042	0.062

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025	2024
	\$	\$

NOTE 4. OTHER

(A) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

(B) COMMITMENTS

Capital Expenditure Commitments (Non-recoverable GST inclusive)

Capital expenditure contracted for at the reporting date but not recognised as a liability is as follows:

Not later than one year	35,038,120	23,297,166
Later than one year but not later than five years	-	-
	<hr/> 35,038,120	<hr/> 23,297,166

Operating Commitments (Non-recoverable GST inclusive)

Operating Expenses contracted for at the reporting date but not recognised as a liability are as follows:

Not later than one year	9,841,383	5,067,850
Later than one year but not later than five years	1,233,239	21,370
	<hr/> 11,074,623	<hr/> 5,089,220

Future Minimum Lease Commitments Receivable (GST Inclusive)

Future minimum lease amounts receivable under non-cancellable operating leases at balance date. These are the undiscounted lease amounts to be received on an annual basis for the following periods:

Not later than one year	17,187,832	15,918,905
Later than one year but not later than five years	72,481,691	62,730,507
	<hr/> 89,669,523	<hr/> 78,649,412

The Port leases significant assets to third parties under operating leases with varying terms. The method of calculation of amounts receivable under these leases also varies depending on the terms and conditions of the lease, with the majority being a fixed amount that is reviewed annually.

(C) CONTINGENT ASSETS/LIABILITIES

There were no known contingent assets/liabilities of a significant nature at 30 June 2025 (2024: Nil).

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

2025	2024
\$	\$

NOTE 4. OTHER (continued)

(D) FINANCIAL RISK MANAGEMENT

The Port has exposure to credit risk, liquidity risk, market risk and interest rate risk from its use of financial instruments. This note presents information about the Port's exposure to each of these risks, its objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Port, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Port's activities. The Port, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk Committee oversees how management monitors compliance with the Port's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Port. The Audit and Risk Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, and reports the results to the Audit and Risk Committee.

CREDIT RISK

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any loss allowance, as disclosed in the statement of financial position and notes to the financial statements. The Port has major customers, of which the top 10 contribute 57% of revenue. When necessary, the Port will establish a loss allowance that represents estimates of possible incurred losses of trade and other receivables, and is shown in Note 3(B).

LIQUIDITY RISK

The Port is exposed to liquidity risk in respect of its payables and borrowings from Queensland Treasury Corporation for capital works. The Port manages liquidity risk through the use of a liquidity management strategy which aims to reduce the exposure to risk by ensuring the Port has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring maximum levels of cash are at hand to match the expected duration of various employee and supplier liabilities. Funding arrangements are in place with Queensland Treasury Corporation which will allow sufficient funding to cover planned requirements within the Port's corporate planning period.

The following table sets out the liquidity risk of financial liabilities held by the Port.

2025		Payable In 1-5 years	> 5 years	Total Contractual Cash Flows	Carrying Amount
	< 1 year				
Payables	20,251,990	2,000,000	-	22,251,990	22,251,990
Borrowings	7,286,181	29,812,160	171,137,543	208,235,884	171,137,543

2024		Payable in 1-5 years	> 5 years	Total Contractual Cash Flows	Carrying Amount
	< 1 year				
Payables	13,978,692	2,000,000	-	15,978,692	15,978,692
Borrowings	5,356,170	22,384,414	141,137,543	168,878,127	141,137,543

The Port has available a business card facility with a limit of \$175,000. Loan facilities as shown in Note 3(L) are provided by Queensland Treasury Corporation. New borrowings are subject to the approved Loan Program with the sanction of the Treasurer of Queensland. The Port has a Working Capital Facility available with Queensland Treasury Corporation, total available funds are \$30 million.

MARKET RISK

As the Port does not trade in foreign currency, the Port is not materially exposed to changes in commodity prices. The Port is exposed to interest rate risk through its borrowings from Queensland Treasury Corporation and cash deposited in interest bearing accounts. The Port does not undertake any hedging in relation to interest rate risk and manages its risk as per the liquidity risk management strategy.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
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2024-2025

2025
\$

2024
\$

NOTE 4. OTHER (continued)

INTEREST RATE RISK

The Port's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below.

Fixed Rate Maturing In:	0-1 Years		1-5 Years		Over 5 Years	
	2025	2024	2025	2024	2025	2024
Financial Assets						
Cash on Hand	-	-	-	-	-	-
Cash at Bank	19,944,584	15,266,700	-	-	-	-
Receivables	-	-	-	-	-	-
GOC Advance Facility	-	-	-	-	-	-
Financial Liabilities						
Payables	-	-	-	-	-	-
Borrowings	7,286,181	5,356,170	29,812,160	22,384,414	171,137,543	141,137,543

	Non Interest Bearing		Carrying Amount as per Balance Sheet		Weighted Average Book Rate	
	2025	2024	2025	2024	2025	2024
Financial Assets						
Cash on Hand	500	500	500	500	-	-
Cash at Bank	-	-	19,944,584	15,266,700	4.06%	4.32%
Receivables	18,501,114	25,092,944	18,501,114	25,092,944	-	-
GOC Advance Facility	15,375,649	440,597	15,375,649	440,597	4.34%	4.82%
Financial Liabilities						
Payables	22,251,990	15,978,692	22,251,990	15,978,692	-	-
Borrowings	-	-	171,137,543	141,137,543	4.36%	3.97%

In the above Financial Instruments, book value equates to net fair value, with the exception of Borrowings. The market rate of Borrowings as at 30 June 2025 was \$171,994,769 (30 June 2024: \$135,816,872). Borrowings recorded a market value adjustment of \$857,226 (2024: of -\$5,320,671) principally as a result of past movements in the market value of liabilities in the Debt Pools.

SENSITIVITY ANALYSIS

The following interest rate sensitivity analysis depicts the outcome on operating results if interest rates would change by +/- 1% from the year end rates applicable to the Port's financial assets and liabilities.

		Interest Rate Risk			
		- 1%		+ 1%	
		Increase/(Decrease)		Increase/(Decrease)	
	Carrying Amount	Profit	Equity	Profit	Equity
Financial Assets					
Cash and Cash Equivalents	19,945,084	(199,451)	(199,451)	199,451	199,451
Receivables	18,501,114	-	-	-	-
GOC Advance Facility	15,375,649	(153,756)	(153,756)	153,756	153,756
Financial Liabilities					
Payables	22,251,990	-	-	-	-
Borrowings	171,137,543	1,711,375	1,711,375	(1,711,375)	(1,711,375)

The Port is not exposed to any other price or foreign exchange rate risks.

NET FAIR VALUES

The net fair value of cash and cash equivalents and non-interest bearing financial assets and financial liabilities of the Port approximates their carrying value.

(E) KEY MANAGEMENT PERSONNEL

The Port's shareholding Ministers are identified as Key Management Personnel (KMP). The shareholding Ministers during the reporting period are, or were:

- the Honourable Rosslyn Bates MP, Minister for Finance, Trade, Employment and Training (from 1 November 2024)
- the Honourable Brent Mickelberg MP, Minister for Transport and Main Roads (from 1 November 2024)
- the Honourable Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment (until 27 October 2024)
- the Honourable Bart Mellish MP, Minister for Transport and Main Roads and Minister for Digital Services (until 27 October 2024)

All Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The Port does not bear any cost of remuneration of shareholding Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances. Details of persons who held ministerial office during the financial year can be found in the Governance section of the Annual Report.

Notes to the Financial Statements

for the year ended 30 June 2025

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2024-2025

2025
\$

2024
\$

NOTE 4. OTHER (continued)

DETAILS OF DIRECTORS

Directors in office at 30 June 2025 are as follows:

Director	Date of Appointment	Appointment End/Resignation Date
Ms Ann Sherry AO (Chairperson)	1 October 2021	30 September 2025
Ms Connie Navarro	1 October 2020, Last re-appointment 1 October 2023	30 September 2027
Ms Danielle O'Toole	1 October 2021, Last re-appointment 1 June 2024	31 May 2028
Mr David Waters	1 October 2023	30 September 2027
Professor Jody Currie	1 October 2023	30 September 2027
Mr John Lee	1 October 2023	30 September 2027
Ms Vanessa (Fernandes) Sullivan	13 October 2022	30 September 2025

DIRECTORS' REMUNERATION

All remuneration of Directors including Directors' fees and Board Committee fees is determined by Governor in Council. In accordance with the disclosure requirements for Government Owned Corporations, details of remuneration provided to Directors during the year are below.

Remuneration of Specified Directors	Year	Director Fees	Committee Fees	Superannuation	Total Remuneration
Ms Ann Sherry AO (Chairperson)	2024/2025	75,000	4,372	9,128	88,500
	2023/2024	67,708	4,372	7,929	80,009
Ms Connie Navarro	2024/2025	37,500	11,372	5,620	54,492
	2023/2024	34,073	8,845	4,721	47,639
Ms Danielle O'Toole	2024/2025	37,500	4,372	4,815	46,687
	2023/2024	34,073	7,287	4,550	45,909
Mr David Waters	2024/2025	37,500	7,000	5,118	49,617
	2023/2024	26,563	3,208	3,275	33,045
Professor Jody Currie	2024/2025	37,500	4,372	4,815	46,687
	2023/2024	26,563	2,186	3,162	31,911
Mr John Lee	2024/2025	37,500	4,372	4,815	46,687
	2023/2024	26,563	2,186	3,162	31,911
Ms Vanessa (Fernandes) Sullivan	2024/2025	37,500	11,372	5,620	54,492
	2023/2024	34,073	11,031	4,961	50,065
Ms Tess Bishop - Resigned 30 June 2023	2024/2025	-	-	-	-
	2023/2024	2,146	850	330	3,326
Honourable Mike Reynolds CBE, AM, BSW, MAICD - Term end date 30 September 2023	2024/2025	-	-	-	-
	2023/2024	6,438	1,093	828	8,359
Total Remuneration Specified Directors	2024/2025	300,000	47,232	39,932	387,163
	2023/2024	258,198	41,058	32,918	332,174
Insurance premiums to indemnify liabilities while acting as a Director	2024/2025				148,805
	2023/2024				145,068

EXECUTIVE REMUNERATION

Remuneration for the Chief Executive Officer and Senior Executives is determined by the Board, and advised to shareholding Ministers within one month of any variation that is made to remuneration arrangements.

The Port's remuneration policy provides for a review of executive salaries each year with any adjustments effective 1 July. Details of executive remuneration are included in the Annual Report and Statement of Corporate Intent in accordance with legislative and policy requirements. Increases in Chief Executive Officer and Senior Executive remuneration are made and approved in accordance with the Policy for Government Owned Corporations Chief and Senior Executives Employment Arrangements 2021.

The senior executive remuneration strategy and practices of the Port are designed to assist with attracting, retaining and motivating high calibre individuals in senior executive positions. Shareholder guidelines and policies in relation to executive remuneration are followed.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

2025
\$

2024
\$

NOTE 4. OTHER (continued)

The fixed remuneration on appointment is within a remuneration range approved by the Board, in addition to annual increases, and are in accordance with Governance Arrangements for Chief and Senior Executives.

Chief Executive Officer and Senior Executives are eligible for a performance payment based on achievement of specific corporate, business unit and individual performance objectives, standards and achievements.

The initial standards are set by Directors and are developed from the key objectives contained in the Statement of Corporate Intent. The performance payment is contingent upon Board assessment of the Ports performance and is in line with Government requirements. The maximum performance payment is 15% of total fixed remuneration. Payments are made in cash, or if appropriate notice has been provided, paid into the employee's superannuation fund on a salary sacrifice basis. The Port's policy in relation to performance payments is consistent with Queensland Treasury policy. Performance payments are disclosed on a cash basis as and when paid.

Details of remuneration provided to Specified Executives at 30 June 2025 are as follows:

Remuneration of Specified Executives	Year	Short Term Benefits	Post Employment Benefits	Long Term Benefits	Performance Payments *	Termination Payments	Total Remuneration
Ms R. Crosby Chief Executive Officer	2024/2025 2023/2024	449,347 422,257	58,994 53,878	22,598 17,512	43,115 43,762	- -	574,053 537,409
Mr D. Sibley General Manager Strategy, Finance & Governance	2024/2025 2023/2024	323,280 310,048	41,972 40,801	10,506 8,515	28,641 31,978	- -	404,399 391,342
Mr D. Penny General Manager Customers, Operations & Safety	2024/2025 2023/2024	341,507 312,865	44,650 41,115	9,997 8,107	32,051 31,809	- -	428,206 393,896
Mr M. McNeil General Manager Assets, Planning & Environment	2024/2025 2023/2024	315,035 297,352	41,202 37,599	7,715 7,322	30,250 19,890	- -	394,202 362,163
Mr D. McLoughlin General Manager Project Delivery	2024/2025 2023/2024	345,460 302,466	43,841 38,384	8,511 7,124	32,086 22,042	- -	429,898 370,016
Ms V. Brown (commenced Jan. 2024) General Manager People, Technology & Performance	2024/2025 2023/2024	332,604 147,224	41,010 15,474	7,683 3,034	13,433 -	- -	394,729 165,732
Total Remuneration Specified Executives	2024/2025 2023/2024	2,107,233 1,792,212	271,669 227,251	67,010 51,614	179,576 149,481	- -	2,625,487 2,220,558

* Performance payments are cash payments made in the relevant financial year based on the achievement of key performance objectives and measure by key management personnel with respect to the preceding financial year (ie. Payments shown in current reporting period will relate to performance achievements for the prior financial year).

Benefits

Benefits and expenses for executives include the following:

- Short term benefits include salaries, allowances and leave entitlements earned and expensed for the year, or for that part of the year during which the employee occupied a KMP position.
- Post employment expenses such as employer superannuation and salary sacrifice arrangements.
- Long-term benefits including long service leave accrued, for which an obligation exists.
- Performance payments based on agreed targets set by the Board.
- Termination payments include payments made in lieu of notice on termination and other lump sum separation entitlements (excluding unused leave entitlements) payable on termination.
- Other non-monetary benefits such as company provided phone or memberships. The total amount paid to KMPs during the year was \$5,315 (2024: \$4,747).

LOANS TO KEY MANAGEMENT PERSONNEL

There are no loans outstanding to the Port from key management personnel.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

For details regarding any other transactions other than compensation paid refer to Related Party Transactions below.

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025	2024
	\$	\$

NOTE 4. OTHER (continued)

(F) RELATED PARTY TRANSACTIONS

CONTROL

The Port is a Queensland Government Owned Corporation, with all shares held by shareholding Ministers on behalf of the State of Queensland. There was no income received, or due and receivable, by the shareholding Ministers from the Port during the year. No shareholding Minister has received or become entitled to receive any benefit by reason of a contract made by the Port.

KEY MANAGEMENT PERSONNEL

Disclosures relating to key management personnel are set out in Note 4(E).

TRANSACTIONS WITH RELATED PARTIES

From time to time Senior Executives, Directors and related entities may have commercial dealings with the Port. These transactions are conducted on arms length terms and conditions. Senior Executives and Directors declare their interest on commercial dealings at Board meetings.

In the ordinary course of business conducted under normal terms and conditions, the Port has dealt with:

- Queensland Ports Association, of which Ms R. Crosby is the Chair. The Port made payment for membership fees of \$9,000 during the year.
- Townsville Enterprise Limited, of which Ms R. Crosby is a Board Member. The Port made payment for membership fees of \$40,490, Sponsorship of Green Energy Forum \$5,000 and Critical Minerals Forum \$3,000.
- Ports Australia, of which Ms R. Crosby is a Director and Member. The Port made payment for membership fees of \$42,700, and conference registration fees of \$3,033.
- Townsville Maritime Museum Limited, of which Mr D. Penny and Mr D. Sibley are also Directors and Members. The Port made contributions of \$50,000 to the Museum during the year.
- Griffith University, of which Ms V. (Fernandes) Sullivan is an Advisory Member. The Port made payment for Baseline Toxicology and Health Assessments of turtles in Cleveland Bay of \$82,328 to the University during the year.
- Mount Isa to Townsville Economic Development Zone (MITEZ), of which Ms C. Navarro is a Member. The Port made payment for membership of \$21,000 during the year.

TRANSACTIONS WITH STATE OF QUEENSLAND CONTROLLED ENTITIES

All transactions between the Port and other Government Owned Corporations are on an arms length commercial basis. Port of Townsville Limited, as a Government Owned Corporation, has had arms length transactions with state government and other government entities.

Revenue

Queensland Treasury Corporation:		
- Interest Revenue	206,560	657,551
Department of Transport and Main Roads (Maritime Safety Queensland) - Pilotage transfers	8,650,897	8,862,610
Expenses		
Queensland Audit Office (QAO) - Audit fees	173,000	139,000
Qleave - Portable long service leave	59,771	40,953
Queensland Treasury Corporation:		
- Loan interest expense	6,067,340	3,846,972
- Loan administration charge	230,181	178,815
- Competitive Neutrality Fee	1,192,830	893,380
Office of State Revenue:		
- Payroll Tax	1,123,684	907,227
- Land Tax	2,299,193	2,847,091
Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development - Land Rent	386,262	417,694
Department of the Environment, Tourism, Science & Innovation - Permit Fees & Equipment Hire/Maintenance	32,229	48,851
Department of Transport and Main Roads		
- Beacon extraction	2,320,399	2,552,439
- Simulation works	108,765	105,674
- Pilot Training	34,477	112,085
- Abbot Point Licence Fees	12,824	29,545
Queensland Transport - vehicle registrations	51,316	51,359
Ergon Energy - Electricity	994,908	868,987
Townsville City Council		
- Property Charges	761,846	888,079
Queensland Fire & Emergency Services - Alarm Management fees	14,354	10,839

Notes to the Financial Statements

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

	2025 \$	2024 \$
NOTE 4. OTHER (continued)		
Australian Institute of Marine Science		
- Channel Upgrade ITAC meetings	34,584	25,078
Contributions to QSuper on behalf of employees	1,821,262	1,791,913
Assets		
Queensland Treasury		
- Advances Facility	15,375,649	440,597
Liabilities		
Queensland Treasury Corporation:		
- Borrowings	171,137,543	141,137,543
Provision for Dividend to Queensland Treasury	11,268,230	15,266,517

OUTSTANDING BALANCES ARISING FROM TRANSACTIONS WITH RELATED PARTIES

No allowances for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

GUARANTEES

As at 30 June 2025 there were no guarantees provided by the Port on behalf of a related party.

(G) CLIMATE RISK DISCLOSURE

In the coming year, the Port will be continuing to review the material climate related physical and transition risks where relevant to the Port's financial statements. No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the year as a result of climate related risks. The Port will continue to engage with shareholding Ministers and adopt future regulatory requirements, and continue to engage other stakeholders on reporting and climate risk.

(H) EVENTS OCCURRING AFTER THE YEAR END DATE

There has not been any matter or circumstance that has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

- the Port's operations in future financial years, or
- the results of those operations in future financial years, or
- the Port's state of affairs in future financial years.

NOTE 5. CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Pursuant to Subsection 295(3A)(a) of the *Corporations Act 2001* (Cth), the Port acknowledges that it has a degree of influence and therefore control over Townsville Maritime Museum Limited (TMML). However, the entity's financial information has not been consolidated into the Port's financial statements in accordance with AASB 10 Consolidated Financial Statements due to the immateriality of its financial impact on the overall financial position and performance of the Port. This determination is based on an assessment that the inclusion of TMML financial information would not materially affect the decisions of the users of the Port's financial statements.

Name of Entity	Townsville Maritime Museum Limited
Type of Entity	Body Corporate - Company Limited by Guarantee
Trustee, partner or participant in joint venture	n/a
Place formed or incorporated	Australia
Percentage of share capital held	n/a
Australian tax resident or foreign tax resident	Australian
Foreign tax jurisdiction	n/a

Directors' Declaration

for the year ended 30 June 2025

Port of Townsville Limited
Annual Financial Statements
2024-2025

In the Directors' opinion:

- (a) the financial statements and associated notes are in accordance with the *Corporations Act 2001* (Cth) including:
 - (i) complying with Accounting Standards and Interpretations, the *Corporations Regulations 2001* (Cth) and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the financial position of the Port as at 30 June 2025 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Port will be able to pay its debts as and when they become due and payable.
- (c) the information disclosed in the consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of the Directors.



Ms Ann Sherry AO
Chairperson

27 August 2025



Ms Vanessa (Fernandes) Sullivan
Director

27 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Port of Townsville Limited

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Port of Townsville Limited.

The financial report comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In my opinion, the accompanying financial report is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's financial position as at 30 June 2025, and its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the Corporations Regulation 2001.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I am also independent of the entity in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of property, plant and equipment – Note 3(F)

Key audit matter	How my audit addressed the key audit matter
<p>Property, plant and equipment is reported at fair value and where applicable at cost.</p> <p>Approximately 83% of the property, plant and equipment was valued at fair value which was determined using the income-based valuation model.</p> <p>The key assumptions used in the income-based valuation model included:</p> <ul style="list-style-type: none"> • forecasting operating revenue • estimating future capital and operating costs • determining terminal value • formulating the discount rate applied to future cashflows. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • obtaining an understanding of the discounted cash flow model, and assessing its design, integrity, and appropriateness with reference to common industry practices. • evaluating the independent external expert's competency, capabilities and objectivity. • checking, on a sample basis, the accuracy and relevance of the input data used, including reconciling input data to supporting evidence such as approved budgets. • performing a sensitivity analysis to establish that management's assumptions for fair value including cash flows, terminal values and discount rates are within a reasonable range of audit expectations for fair value and are appropriately disclosed in the financial statements. • assessing the reasonableness of cash flow forecasts and terminal value estimates relative to board approved budgets, historical growth trends and other relevant internal and external evidence. The reasonableness of board approved budgets was assessed with reference to their historical accuracy and the budget preparation process. • evaluating whether the discount rate applied was within a reasonable range, with reference to market data and industry research. • challenging the reasonableness of key assumptions based on my knowledge of the entity and industry. • verifying the mathematical accuracy of net present value calculations.

Useful lives estimated for depreciation expense – Note 3(F) and 3(H)

Key audit matter	How my audit addressed the key audit matter
<p>The straight-line depreciation method used requires significant judgements for:</p> <ul style="list-style-type: none"> • identifying the significant components of assets that have different useful lives • estimating the remaining useful lives of those significant components. 	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • evaluating management's approach for identifying the parts of property, plant and equipment with different useful lives for reasonableness. • evaluating management's assessment of remaining useful life estimates for reasonableness with reference to historical disposal rates, condition assessments for older assets and internal consistency.

Other information

Those charged with governance are responsible for the other information.

The other information comprises the information contained in the entity's directors' report (but does not include the financial report and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the annual report which is expected to be made available to us after that date.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed on the other information that I have obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the directors.

Responsibilities of the Directors for the financial report

The directors of the company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal controls as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the *Auditing and Assurance Standards Board* website at:

https://www.auasb.gov.au/auditors_responsibilities/ar6.pdf

This description forms part of my auditor's report.



Bhavik Deoji
as delegate of the Auditor-General

28 August 2025

Queensland Audit Office
Brisbane

Annual Report 2024-25

PORT OF TOWNSVILLE LTD

www.townsvilleport.com.au