

28 May 2026

Hon Ruth Forrest MLC
Chair
Parliamentary Standing Committee of Public Accounts
Parliament House
Hobart TAS 7000

Email: simon.scott@parliament.tas.gov.au

Dear Chair,

Response to Request for Information

Thank you for your letter dated 13 April 2026 requesting additional information and for the opportunity to resubmit our response and assist the Committee.

TT-Line respectfully requests that the information provided in the grey text box below be treated as commercial-in-confidence, given its sensitivity.

TT-Line's responses to the Committee's questions are set out below.

- 1. Please provide a forecast Profit and Loss, Balance Sheet and Cash flow for the next five years, or longest period available – provide forecast information on a monthly basis if available, or on a quarterly basis for the longer-term forecast.**

TT-Line has prepared multi-year financial forecasts, including forecast Profit and Loss, Balance Sheet and Cash Flow statements, as part of its internal budgeting and planning processes. These forecasts are developed to support operational and strategic decision-making; however, they have not been approved by Shareholding Ministers as part of their review of the Corporate Plan and are therefore not available for release.

- 2. Please provide key underlying assumptions and key performance indicators underpinning the forecast, including assumptions regarding proceeds from the sale of vessels.**

TT-Line's financial forecasts are underpinned by a range of operating, commercial, and strategic assumptions, including, but not limited to, passenger and freight demand, fuel prices, exchange rates, fleet deployment, vessel transactions, capital investment, and financing arrangements.

The current financial year forecast incorporates actual trading performance for the first half of the year, with the balance based on internal projections reflecting operating conditions and assumptions established in late 2025. Forecasts for future years reflect a transition in operating configuration following the entry into service of Spirit IV and Spirit V, with a partial-year transition period followed by a steady-state operating model in subsequent years.

Key assumptions for the outer years include passenger yield and demand, informed by historical performance and independent economic forecasting, with volumes projected under a constrained-

growth scenario and yields indexed over time. Freight assumptions are based on external market advice, including expected changes in overall market size and TT-Line's market share.

Operating cost assumptions reflect a normalised cost base, adjusted for efficiency gains associated with the new vessels, changes in fuel consumption, maintenance requirements, staffing levels, and terminal operations. These forecasts also incorporate expected benefits from business improvement initiatives, with savings phased in over time.

The forecasts assume a steady-state operating model characterised by the planned sailing configuration and do not incorporate material structural changes beyond those already committed. They also assume that abnormal increases in fuel costs would be substantially recovered through pricing mechanisms, noting that the forecasts were prepared before the most recent fuel market volatility and have not been updated to reflect current conditions.

Key performance indicators used internally include EBITDA, operating margins, cash flow adequacy, liquidity headroom, customer volumes, and asset availability measures.

3. Please provide detailed capital expenditure requirements, including vessel maintenance assumptions.

TT-Line maintains forward capital expenditure projections covering vessel maintenance, statutory compliance, terminal assets, upgrades, and other operational requirements.

Capital expenditure assumptions incorporate vessel maintenance methodologies based on class and regulatory requirements, asset condition and operational risk.

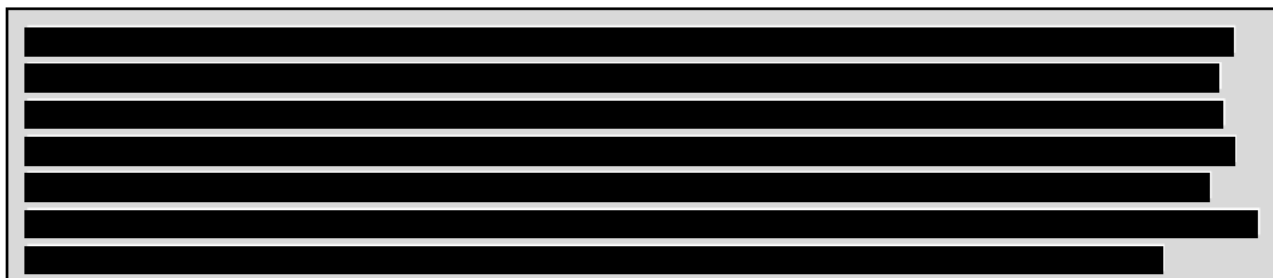
These projections include two primary categories of capital expenditure:

- Planned dry dock and major maintenance expenditure, applied in accordance with each vessel's maintenance cycle and regulatory survey requirements; and
- General sustaining capital expenditure, covering ongoing investment across vessels, terminal infrastructure and business systems, including information technology, fleet support assets and ancillary equipment.

4. Please provide an overview of TT-Line's response to increasing fuel prices and the estimated impact on passenger and freight demand over the next 12 to 18 months.

TT-Line continues to respond to fuel price volatility through pricing mechanisms, operational efficiencies, cost control measures, and ongoing monitoring of market conditions. The pricing mechanisms comprise a long-standing fuel surcharge applied to the freight business and the new passenger fuel surcharge. We have provided information on the passenger surcharge under separate cover dated 15 April 2026.

The Company assesses the impact of fuel prices on passenger and freight demand continually and factors this analysis into its planning and pricing decisions.



At this stage, we have not seen fuel market conditions materially affecting freight demand.

5. Please provide an overview of any scenario analysis performed by TT-Line and headroom to withstand a range of downside scenarios.

TT-Line undertakes scenario analysis as part of its risk management and business planning framework. This includes assessing resilience across a range of adverse scenarios related to fuel prices, demand fluctuations, operating cost pressures, and timing risks.

Our analysis supports assessments of liquidity headroom, covenant compliance and operational sustainability.

TT-Line's financial planning includes maintaining a liquidity headroom sufficient to withstand adverse shocks and underperformance. The buffer will comprise a combination of cash and at-call facilities and exceeds the amount required under the company's treasury management policy.

6. Please provide a copy of the Statement of Corporate Intent.

The Statement of Corporate Intent is currently under consideration by TT-Line's Shareholding Ministers.

In accordance with established governance and Cabinet processes, the Statement of Corporate Intent cannot be finalised or released until the Shareholding Ministers have formally approved it. TT-Line is therefore unable to provide a copy at this time.

7. Please provide a copy of the 2026 Corporate Plan.

Similarly, TT Line's 2026 Corporate Plan is currently under consideration by the Shareholding Ministers.

Until the Ministerial approval process is completed, the Corporate Plan remains a draft document and will not be shared. Following approval, the plan will be released in accordance with standard disclosure and reporting arrangements.

Should you have any further questions, please email [REDACTED]

Yours sincerely,

[REDACTED]

Chris Carbone
Chief Executive Officer
TT-Line Company Pty Ltd