WAITAKI POWER TRUST

For the year ended 31 March 2026

2026 ANNUAL REPORT

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DIRECTORY

BANKERS:
ANZ
The Octagon
Dunedin 9054

SECRETARY:
Sue McErlane

AUDITORS:
Maxwell (John) Dixon
PricewaterhouseCoopers
Christchurch

SOLICITORS:
Berry & Co
Eden Street
Oamaru

Ben Nettleton
Wellington

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www.waitakipowertrust.co.nz

Annual Review

2026 Review

The Waitaki Power Trust is pleased to report on Network Waitaki Limited's performance for the year ending 31 March 2026.

During the year, the Trust welcomed newly elected Trustees George Kelcher and Sven Thelning. Helen Fortune was also appointed following Gary Kircher's resignation, joining Herb Tonkin and Lichelle Guyan on the Trust.

Lichelle Guyan was re-elected to the executive committee of Energy Trust NZ (ETNZ), the national body that supports electricity trust trustees. Energy remains a key political issue, and the Trust continues to monitor developments closely. ETNZ continues to champion strong community ownership of electricity networks, emphasising the value of locally held assets that deliver long-term benefits to regional consumers. It is also calling for a coherent national energy strategy, including clearer sector leadership and coordinated planning, so community-owned networks can contribute effectively to a resilient, affordable, and future-focused energy system for Aotearoa.

As the 100% shareholder in Network Waitaki, our role as Trustees includes reviewing and approving the Statement of Corporate Intent (SCI). This helps ensure the value of the investment is protected and enhanced for consumers, now and in the future. The SCI sets out the health and safety, financial, and network performance targets Network Waitaki aims to achieve each year to meet the expectations of our community.

We are pleased to report that Network Waitaki Limited performed well against the performance targets set out in its SCI. Through prudent financial management, the Company remains in a sound financial position. Network Waitaki reported a net profit after tax of $8.3 million from total revenue of $41.9 million.

This stable financial performance generated operating cashflows of $14.9 million, up from $12.6 million in FY2025, enabling continued capital investment of $17 million in plant, equipment, and network assets. Network Waitaki also returned $1.15 million, GST inclusive, to consumers through energy retailers. This discount is a direct benefit of the network being 100% owned by the Waitaki Power Trust.

Sustained profitability is essential to support the reinvestment required in the network over the coming decade. Maintaining this community asset will require substantial investment, but that work is necessary to continue providing safe, reliable energy to homes and businesses across the district.

Trustees recognise that affordability is a real issue for power users, particularly in the current economic climate. While investment in the network is required, costs are being spread over time so that today's users do not carry the full burden of upgrades that will also benefit future generations of customers.

A financially prudent approach has also been taken to capital spending, including reassessing the need, scope, and timing of projects to ensure they reflect customer demand while maintaining network reliability and security. This is reflected in loan drawdowns of $4.5 million, which were significantly under budget due to reduced capital spend and increased NPAT. Network Waitaki's year-end debt position was $22.15 million, and its debt-to-total-assets ratio remained low at 12.6%.
Maintenance and renewal programmes continued throughout the year. Despite ongoing challenges in recruiting skilled line mechanics, progress remained on track with Company targets. Pole inspections, line patrols, testing, and pole replacements were completed as scheduled. Key work programmes delivered during the year included:

- Upgrading and replacing the zone transformers and substation at Otematata, improving network capacity, reliability, and security
- Upgrading the Ngapara 11kV switchboard to enhance safety and reliability
- Installing 10 km of new fibre cable
- Installing 4 km of new and replacement 11kV cable
- Constructing 16 km of new and replacement 11kV lines
- Installing or replacing 266 poles
- Inspecting 5,000 poles
- Inspecting 750 service boxes
- Completing 1,150 earth tests
- Resolving 185 vegetation sites

Reliability of supply—measured through planned and unplanned outage performance—continues to demonstrate that NWL operates a well-maintained and efficiently managed network.

Health and safety performance across the network and within the Company's workforce remained excellent, with no significant incidents or injuries recorded. The Company maintained certification of its Public Safety Management System to NZS 7901:2008 and NZS 7901:2014, as well as its Health and Safety Management System to ISO 45001:2018.

In a year marked by multiple extreme weather events across the country, our teams provided mutual aid to several other electricity distribution businesses, including Southland, South Otago, North Canterbury, and Wellington. Despite economic pressures, the Contracting team sustained its capability to deliver work both internally and externally. Vegetation, overhead maintenance, and construction services were provided to Alpine in South Canterbury, Mainpower in North Canterbury, Aurora in Central Otago, PowerNet in Southland and Otago, and OceanaGold at Macraes. External contracting activity generated more than $4 million in revenue, supporting the Company's workforce and contributing positively to the local economy.

The network performed well again, with both the average number of outages and the average outage duration comparing favourably against targets and improving on the previous year.

The average number of outages experienced by a customer each year is measured by the System Average Interruption Frequency Index (SAIFI). SAIFI improved from 1.0 in FY2025 to 0.9 in FY2026, with both years comparing favourably to the target of 1.8. The other standard reliability measure is the System Average Interruption Duration Index (SAIDI), which measures the average duration of outages in minutes. SAIDI also improved, reducing from 127.1 minutes to 104.2 minutes against a target of 160 minutes.

These results are ahead of industry averages and place the Company among the top performers in New Zealand. They reflect ongoing incremental improvements to the network, including 266 new or replaced poles, 5,000 pole inspections, 16 km of new or replaced lines, 4 km of 11kV cable laid, replacement of old switchgear at the Ngapara substation, and the installation of two new transformers at Otematata. Work also continues on the upgrade of the Pukeuri zone substation, which is expected to be operational soon. Network performance also benefited from the Waitaki network being spared the extreme weather experienced in regions to both the north and south. This allowed a clearer analysis of outages in the district, which showed no systemic issues and a range of causes. One notable event was a Transpower outage on 26 April 2025, which affected 11,000 connections for up to three hours.

Demand across the network was 67.0 MW, down from 70.0 MW, as regular summer rainfall reduced irrigation demand. While demand varies from year to year depending on irrigation requirements, the overall trend remains around 1% annual growth. Planning for growth is continuing, with further refined work on a new Grid Exit Point (GXP) well underway in conjunction with Transpower. The GXP is expected to be operational by 2030.

The Company continues to balance direct benefits to consumers with the need to maintain a safe and reliable network, while investing in asset renewal and growth.

The Waitaki Power Trust has a responsibility to ensure electricity is available to all current and future Network Waitaki consumers. We must also ensure the network remains sustainable, resilient, and fit for purpose. As Trustees, we believe a consumer-owned organisation has a further responsibility to ensure consumers and the wider community benefit from local ownership, and that we continue investing in a grid and supply system that will meet the district's future needs.
Alongside providing a competitive and reliable power supply, this includes supporting community organisations to achieve their goals and aspirations and creating opportunities to grow and develop people within our community where possible.

Community engagement during the year included:

- Providing $153,765 in sponsorship donations to 65 local applicants and organisations.
- Continuing as a silver sponsor of the Otago Rescue Helicopter Trust.
- Supporting the EnergyMate programme, a free in-home coaching service that helps households improve energy wellbeing and reduce the risk of energy hardship.
- Supporting and attending the North Otago A&P Show, with Network Waitaki staff available to help consumers reduce power costs.
- Taking part in emergency management training with North Otago agencies, including the Waitaki Volunteer Fire Brigade, Waitaki District Council, FENZ, and St John.
- Sponsoring the Network Waitaki Victorian Fete and Christmas trees across the district.
- Supporting the annual Junior Rugby Fun Day through Network Waitaki's sponsorship of the North Otago Rugby Football Union.
- Providing sponsorship and naming rights for the recently opened Network Waitaki Events Centre.
- Returning annual shareholder refunds to power accounts.
- Upskilling current Network Waitaki staff and employing and training new staff for the future.

The Trust thanks the Directors, management, and staff of Network Waitaki for their diligent work over the past year, which has contributed to the strong achievement of the SCI key performance measures.

FINANCIAL PERFORMANCE

STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED 31 MARCH 2026

	ACTUAL $	SCI $	VARIANCE $
Statement of Comprehensive Income			
Revenue Excluding Capital Contributions	40,141,410	39,319,630	521,780
Capital Contributions	1,793,883	1,600,000	193,883
Total Revenue	41,935,293	41,219,630	715,663
Less Expenses Excluding Depreciation	(21,870,821)	(22,544,397)	673,576
Less Depreciation	(6,229,190)	(6,441,892)	212,702
Net Profit before Discount, Tax and Interest Expense	**13,835,282**	**12,233,341**	**1,601,941**
Less Interest Income / (Expense)	(1,134,014)	(1,745,313)	611,299
Less Sponsorship	(153,765)	(277,000)	(123,235)
Less Discount	(990,170)	(1,000,000)	9,830
Net Profit Before Taxation	11,557,333	9,211,028	2,346,305
Less Taxation	(3,241,256)	(2,579,088)	(662,168)
Net Profit After Discount and Taxation	**8,316,077**	**6,631,940**	**1,684,137**

Comment

Revenue is ahead of forecast reflecting increased lines revenue with peak Spring usage. External contracting revenue reflected strong work from key customers. Expenses excluding depreciation were held below budget allowing the company to achieve a better than forecast Net Profit result. The reduced Interest Expense is the result of lower than forecast debt levels.

FINANCIAL POSITION AS AT 31 MARCH 2026

	ACTUAL $	SCI $	VARIANCE $
Shareholders' Equity	**128,101,392**	**125,879,358**	**2,222,034**
Current Assets	13,357,209	9,756,194	3,601,013
Current Liabilities	(5,915,653)	(5,030,683)	(884,970)
Working Capital	7,441,556	4,725,511	2,716,043
Non-Current Assets	162,647,601	174,791,932	(12,144,330)
Non-Current Liabilities	(41,987,765)	(53,638,085)	11,650,320
Total Net Assets	**128,101,392**	**125,879,358**	**2,222,034**

Comment

KEY FINANCIAL REPORTING MEASURES

	ACTUAL	SCI	VARIANCE
NPBT to Shareholder Funds	9.0%	7.3%	1.7%
Net Assets per Share	$9.15	$8.99	$0.16
NPBT Earnings per Share in Cents	83c	66c	17c
Ratio of Shareholders' Funds to Total Assets	72.78%	68.21%	4.57%
Rate of Return After Tax on Shareholder Funds	6.49%	5.27%	1.22%

Comments

The company has achieved ahead of target on these financial reporting measures. These measures reflect the strong Net Profit result and debt levels being less than budgeted at the end of the year.

NON-FINANCIAL PERFORMANCE

Non-Financial Performance Measures

Reliability	ACTUAL	SCI	VARIANCE
SAIDI minutes (unplanned)	43.7	55.0	(11.3)
SAIDI minutes (planned)	60.5	105.0	(44.5)
SAIDI minutes total	**104.2**	**160.0**	**(55.8)**
SAIFI minutes (unplanned)	0.7	1.3	(0.6)
SAIFI minutes (planned)	0.2	0.5	(0.3)
SAIFI total	**0.9**	**1.8**	**(0.9)**

Comments

The SAIDI and SAIFI performance indicates favourable results against SCI targets. There was a significant decrease in events from last year.

Health and Safety	ACTUAL	SCI	RESULT
Lost time incidents arising from critical safety risk areas	0	0	Achieved
Health and Safety Management Systems accreditation (ISO/AS/NZS45001)	Maintain	Maintain then review or replace	Achieved
External Field Work Assessments	2	2	Achieved
Public Safety Management System Accreditation (NZS7901)	Maintain	Maintain	Achieved
Environmental Management		No non-compliance with resource consents	Achieved

Comments

During this reporting period, the company recorded two Lost Time Injuries (LTIs) and one Restricted Work Injury (RWI). None of the events were associated with critical risks activities, and no incidents resulted in serious harm. All incidents were investigated, and appropriate corrective actions were implemented.

The company remains committed to the continual improvement of its Health and Safety Management System (HSMS), supported through ongoing monitoring, incident analysis, and the maintenance of ISO 45001 certification.

ACKNOWLEDGEMENTS

As Chair of the Trust, I sincerely thank my fellow Trustees for their invaluable contributions, keen attention to detail, and above all their steadfast commitment to prioritising our consumers.

To the staff, management, and directors of Network Waitaki, I extend my heartfelt gratitude for your unwavering dedication and passion in serving both our company and community.

………………………………..
Chairperson, Lichelle Guyan

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Trustee, Helen Fortune

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Trustee, George Kelcher

………………………………….
Trustee, Sven Thelning

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Trustee, Herbert Tonkin

Trustees' Report

GENERAL DISCLOSURES

The Trustees present their Annual Report together with Audited Financial Statements for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

To hold the shares in Network Waitaki Limited for the benefit of the consumers of Network Waitaki Limited.

REVIEW OF FINANCIAL PERFORMANCE

The Trust had a loss for the year of $34,866 (profit for 2025 was $112,601).

DONATIONS

No donations were made during the 2025 or 2026 years by the Trust; however, donations were made by Network Waitaki Limited amounting to $156,630 (excluding GST) in 2026 ($155,335 2025).

REMUNERATION OF TRUSTEES AND DIRECTORS

Remuneration paid to Trustees:

	Trustee Fees
Doreen Cleave	$15,452
John Clements	$7,170
Morgan Easton	$10,754
Helen Fortune	$3,585
Lichelle Guyan	$26,206
George Kelcher	$10,754
Gary Kircher	$5,377
Sven Thelning	$10,754
Herbert Tonkin	$21,509
Total Trustees' fees	**$111,562**

Remuneration paid to Directors:

Shareholders authorised total Directors' remuneration of $323,577 for activities undertaken by Directors on behalf of the Company.

	Total Directors' fees paid
Michael de Buyzer	$81,100
Chris Bailey (to July 2025)	$15,902
Rob Caldwell	$47,700
Jaclyn Dalziel (from July 2025)	$35,775
Natalie Evans	$47,700
Jonathan Kay	$47,700
Brett King	$47,700
Total Directors' fees	**$323,577**

EMPLOYEE REMUNERATION

The Companies Act 1993 requires the number of employees receiving remuneration greater than $100,000 to be disclosed. Details of remuneration ranges for employees of Network Waitaki Limited are:

Remuneration Range	2026	2025
$100,000 - $109,999	15	8
$110,000 - $119,999	11	7
$120,000 - $129,999	7	9
$130,000 - $139,999	6	6
$140,000 - $149,999	6	3
$150,000 - $159,999	2	8
$160,000 - $169,999	3	2
$170,000 - $179,999	4	1
$180,000 - $189,999	1	2
$190,000 - $199,999	2	1
$200,000 - $209,999	1	-
$210,000 - $219,999	-	1
$220,000 - $229,999	1	-
$270,000 - $279,999	-	1
$280,000 - $289,999	1	-
$420,000 - $429,999	-	1
$430,000 - $439,999	1	-

EVENTS SUBSEQUENT TO BALANCE DATE

The Directors are not aware of any matter or circumstance since the end of the financial year, not otherwise dealt with in this report that has significantly affected or may significantly affect the operation of Network Waitaki Limited, the results of those operations or the state of affairs of Network Waitaki Limited.

USE OF TRUST INFORMATION

There were no notices from Trustees of Waitaki Power Trust requesting to use Trust information received in their capacity as Trustees which would not otherwise have been available to them.

TRUSTEES’ AND DIRECTORS’ BENEFITS

No Trustee or Director has received, or become entitled to receive, any additional benefit.

TRUSTEES’ AND DIRECTORS’ INDEMNITY LIABILITY INSURANCE

A liability insurance cover is in place for Trustees, Directors and Officers.

SPONSORSHIPS AND DONATIONS

Network Waitaki Limited has supported the community by providing the following sponsorships and donations:

Amy Sinclair	495	NZ Remembrance Army Waitaki	1,250
Asha Murphy	1,000	NZART Branch 64 (North Otago)	3,500
Awamoa Football Club	1,277	Oamaru Athletic Marist Rugby Football Club	1,500
Blue Light Ventures Inc-Oamaru	1,500	Oamaru Chorale	400
CCS Disability Action Waitaki Incorporated	1,600	Oamaru Intermediate	1,750
Combined Churches Christmas Parcel Trust	2,000	Oamaru Performing Arts Society	5,000
EPro8 Challenge	1,400	Oamaru Rowing Club Incorporated	2,000
Excelsior Rugby and Associated Sports Club	2,600	Oamaru Spartans	500
Five Forks Playgroup Incorporated	3,700	Oamaru Tap Dancing Association	600
Glen Warren Kindergarten	500	Oamaru Volunteer Fire Brigade	3,300
Harbour Street Jazz Incorporated	3,300	Old Boys Netball Oamaru Incorporated	900
Holmes Kindergarten	500	Otago Neighbourhood Support Charitable Trust	1,189
IHC North Otago Association	1,200	Otago Southland Rescue Helicopter	25,000
Jemima Riley-Duddin	1,000	Pathfinders Gymnastics Club Oamaru	1,150
Kakanui Offshore Fishing Club Inc	1,600	Pembroke School Oamaru	2,190
Kaylah Jayne Rawson	678	Plunket	1,500
Kurow Wetland - Waitaki Valley Community Society	2,500	Reach Church Oamaru	400
Maheno Junior Netball Club	2,500	Scott's Own Sea Scouts	2,440
Maheno Public Hall Society Incorporated	2,500	Southern Cancer Society Trust	2,450
Maheno School	1,300	Special Olympics North Otago Trust	3,000
Mason Kingan	1,000	St Kevin's College	1,000
Meadowbank Football Club Incorporated	3,600	The CanInspire Charitable Trust	500
Musical Theatre Oamaru Incorporated	2,400	The Oamaru Whitestone Civic Trust	10,000
Nina Conlan	872	Vanessa Gough	1,000
North Otago Basketball Association	2,100	Waitaki Community Recreation Centre	2,500
North Otago Cricket Association	2,200	Waitaki Multi Cultural Council Inc.	1,000
North Otago Harrier & Amateur Athletic Club	1,900	Wendy McGeown	1,000
North Otago Netball Centre Incorporated	2,880	Weston Playcentre	1,000
North Otago Recreational Turf Trust	2,500	Weston School	3,000
North Otago Rugby Football Union Inc	8,000	Whalan Lodge Trust	1,700
North Otago Sports Bodies Association	8,000	Youthtown Incorporated	3,600

The activities of each of these groups help in the promotion of the North Otago Community and the growth of the local economy.

AUDITORS

The Auditor for the Trust is PricewaterhouseCoopers. In accordance with Section 45 of the Energy Companies Act 1992, PricewaterhouseCoopers, on behalf of the Controller and Auditor-General, is the Auditor of Network Waitaki Limited.

For and on behalf of the Trust,

Chairperson
8 July 2026

Trustee
8 July 2026

Statement of Comprehensive Income

for the year ended 31 March 2026

	Notes	GROUP 2026 $	GROUP 2025 $	TRUST 2026 $	TRUST 2025 $
Operating revenue	1	41,935,293	35,520,637	-	-
Customer discount		(990,171)	(989,160)	-	-
Dividend received		-	-	100,000	200,000
		40,945,122	34,531,477	100,000	200,000
Less					
Operating expenses	2	(9,637,486)	(7,630,611)	(215,620)	(185,526)
Transmission costs		(6,381,243)	(5,253,687)	-	-
Employee costs		(6,221,476)	(6,039,552)	-	-
Depreciation, amortisation and impairment	3	(6,229,190)	(7,615,615)	-	-
Operating profit/ (loss)		12,475,727	7,992,012	(115,620)	14,474
Finance income		45,914	62,678	80,279	98,127
Finance costs		(1,099,649)	(925,469)	-	-
Finance income net		(1,053,735)	(862,791)	80,279	98,127
Profit/(loss) before tax		11,421,992	7,129,221	(35,341)	112,601
Taxation	20	3,241,256	2,104,879	-	-
Net profit/ (loss) for the year		8,180,736	5,024,342	(35,341)	112,601
Fair Value Movement of Cashflow Hedges		84,053	(148,095)	-	-
Income Tax on Item Direct to Equity		(23,535)	41,467	-	-
Total comprehensive income		8,241,254	4,917,714	(35,341)	112,601

These financial statements should be read in conjunction with the attached notes.

Statement of Changes in Equity

for the year ended 31 March 2026

TRUST	Trust Equity	Retained Earnings	Total Equity
Balance at 1 April 2024	14,500,100	763,555	15,263,655
Net Profit for the year, being total comprehensive income	-	112,601	112,601
Balance at 31 March 2025	14,500,100	876,156	15,376,256
Balance at 1 April 2025	14,500,100	876,156	15,376,256
Net Profit (Loss) for the year, being total comprehensive income	-	(35,341)	(33,341)
Balance at 31 March 2026	14,500,100	840,815	15,340,915

GROUP	Group Equity	Retained Earnings	Hedging Reserve	Total Equity
Balance at 1 April 2024	14,500,100	101,801,713	(18,474)	116,283,339
Profit for the year	-	5,024,342	-	5,024,342
Fair Value Movement of Cashflow Hedges	-	-	(148,095)	(148,095)
Income Tax on Items Direct to Equity	-	-	41,467	41,467
Total Comprehensive Income	-	5,024,342	(106,628)	4,917,714
Balance at 31 March 2025	14,500,100	106,826,055	(125,102)	121,201,053
Balance at 1 April 2025	14,500,100	106,826,055	(125,102)	121,201,053
Profit for the year	-	8,180,736	-	8,180,736
Fair Value Movement of Cashflow Hedges	-	-	84,053	84,053
Income Tax on Items Direct to Equity	-	-	(23,535)	(23,535)
Total Comprehensive Income	-	8,180,736	60,518	8,241,254
Balance at 31 March 2026	14,500,100	115,006,791	(64,584)	129,442,307

These financial statements should be read in conjunction with the attached notes.

Statement of Financial Position

as at 31 March 2026

	Notes	GROUP 2026 $	GROUP 2025 $	TRUST 2026 $	TRUST 2025 $
CURRENT ASSETS					
Cash and cash equivalents	14	4,305,829	1,974,626	35,777	64,960
Short term deposits		150,895	150,000	150,895	150,000
Trade and other receivables	5	4,939,821	3,959,388	25,210	32,561
Inventories	6	4,081,973	4,013,830	-	-
Work in progress		74,211	-	-	-
Financial derivatives	18	-	100,837		
TOTAL CURRENT ASSETS		**13,552,729**	**10,198,681**	**211,882**	**247,521**
NON-CURRENT ASSETS					
Investments	9	-	-	14,000,000	14,000,000
Loan to Network Waitaki Limited	10	-	-	1,150,000	1,150,000
Property, plant and equipment	11	162,482,817	151,858,518	-	-
Right-of-use assets	12	6,428	170,243	-	-
Intangible assets	13	158,356	98,799	-	-
TOTAL NON-CURRENT ASSETS		**162,647,601**	**152,127,560**	**15,150,000**	**15,150,000**
TOTAL ASSETS		**176,200,330**	**162,326,241**	**15,361,882**	**15,397,521**
CURRENT LIABILITIES					
Trade and other payables	7	4,565,371	4,586,735	20,967	21,265
Employee entitlements	8	905,022	866,383	-	-
Lease liabilities	12	6,350	189,563	-	-
Tax payable		443,515	213,845	-	-
TOTAL CURRENT LIABILITIES		**5,920,258**	**5,856,526**	**20,967**	**21,265**
NON-CURRENT LIABILITIES					
Borrowings	19	21,000,000	16,500,000	-	-
Financial derivatives	18	89,700	274,590	-	-
Lease liabilities	12	-	6,350	-	-
Deferred tax	20	19,748,065	18,487,721	-	-
TOTAL NON-CURRENT LIABILITIES		**40,837,765**	**35,268,661**	-	-
TOTAL LIABILITIES		**46,758,023**	**41,125,187**	**20,967**	**21,265**
EQUITY					
Trust equity	15	14,500,100	14,500,100	14,500,100	14,500,100
Retained earnings	16	115,006,791	106,826,055	841,815	876,156
Hedging reserve	17	(64,584)	(125,102)		
TOTAL EQUITY		**129,442,307**	**121,201,053**	**15,340,915**	**15,376,256**
TOTAL LIABILITIES AND EQUITY		**176,200,330**	**162,326,240**	**15,361,882**	**15,397,521**

These financial statements should be read in conjunction with the attached notes.

Statement of Cash Flows

for the year ended 31 March 2026

	Notes	GROUP 2026 $	GROUP 2025 $	TRUST 2026 $	TRUST 2025 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash was provided from:					
Receipts from customers		39,964,672	35,054,357	-	-
Interest received		45,914	61,838	87,589	97,287
Dividend received		-	-	100,000	200,000
		40,011,586	35,116,195	187,589	297,287
Cash was disbursed to:					
Payments to suppliers and employees		(22,605,663)	(20,325,764)	(216,787)	(185,769)
Income tax (paid)/received		(1,783,153)	(1,279,274)	-	-
Interest paid		(1,174,678)	(925,469)	-	-
Net GST (paid)/received		322,801	(8,652)	910	(888)
		(25,240,693)	(22,539,159)	(215,877)	(186,657)
NET CASH FROM OPERATING ACTIVITIES	4	14,770,893	12,577,036	(28,288)	110,630
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash was provided from:					
Proceeds from Sale of Assets		369,873	-	-	-
		369,873	-	-	-
Cash was applied to:					
Transfer to term deposits		(895)	(150,000)	(895)	(150,000)
Purchase of property, plant and equipment		(17,119,105)	(19,569,617)	-	-
		(17,120,000)	(19,719,617)	(895)	(150,000)
NET CASH FROM INVESTING ACTIVITIES		(16,750,127)	(19,719,617)	(895)	(150,000)
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash was provided from;					
Proceeds from borrowings		4,500,000	7,500,000	-	-
Cash was applied to:					
Principal elements of lease liabilities		(189,563)	(198,906)	-	-
NET CASH FROM FINANCING ACTIVITIES		4,310,437	7,301,094	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS HELD		2,331,203	158,513	(29,183)	(39,370)
Cash and cash equivalents at beginning of the year		1,974,626	1,816,113	64,960	104,330
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		4,305,829	1,974,626	35,777	64,960

These financial statements should be read in conjunction with the attached notes.

Notes to the Financial Statements

REPORTING ENTITY
Waitaki Power Trust (the Trust), and its subsidiary (together the Group) is the owner of an electricity distribution network in North Otago. The Group also undertakes contracting services. The Group's registered office is at 10 Chelmer Street, Oamaru, New Zealand.

The principal function of the Waitaki Power Trust is to hold the shares of Network Waitaki Limited for the benefit of the consumers of Network Waitaki Limited.

DATE OF APPROVAL
These financial statements have been approved for issue by the Trustees on 8 July 2026.

BASIS OF PREPARATION
These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), as appropriate for profit-orientated entities. The Trust is eligible and has elected to report in accordance with Tier 2 for profit accounting standards NZ IFRS Reduced Disclosure Regime (NZ IFRS RDR) on the basis that the Trust has no public accountability and is not a large for profit public sector entity.

The financial statements have been prepared in accordance with the requirements of Clause 12.5 of the Trust Deed, the Companies Act 1993 and the Energy Companies Act 1992.

The financial statements for the 'Trust' are for the Waitaki Power Trust as a separate legal entity.

The financial statements for the Group are for the economic entity comprising Waitaki Power Trust and its subsidiary.

Waitaki Power Trust's subsidiary, Network Waitaki Limited, is:
- a New Zealand-registered Company under the Companies Act 1993;
- an energy Company as defined in the Energy Companies Act 1992.

Waitaki Power Trust is a profit-oriented entity for the purpose of complying with NZ IFRS RDR. In adopting NZ IFRS RDR, the Trust has taken a number of disclosure concessions.

The consolidated financial statements are prepared by combining the financial statements of the entities that comprise the consolidated entity, being the parent entity, and its subsidiary as defined in NZ IAS 27 Separate Financial Statements and NZ IFRS 10 Consolidated Financial Statements. Reliance for the consolidated figures has been placed on Network Waitaki Limited's audited accounts.

Subsidiary
The subsidiary is the entity over which the Group has control. The Trust is deemed to have control since it has the ability to appoint or remove members of the Board of Directors of the subsidiary.

The Group financial statements incorporate the financial statements of the entities that comprise the consolidated group, being the Parent, Waitaki Power Trust and its subsidiary, Network Waitaki Limited. Consistent accounting policies are used in preparation and presentation of the consolidated financial statements.

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair value at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If, after reassessment, the fair value of the identifiable net asset acquired exceeds the cost of acquisition, the deficiency is credited to profit or loss in the period of acquisition.

The consolidated financial statements include the information and results of each subsidiary from the date on which the Company obtained control and until such time as the Company ceases to control the subsidiary.

In preparing consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

Functional and presentation currency
The Group's financial statements are presented in whole New Zealand dollars, rounded to the nearest dollar, which is the Group's functional and presentation currency.

Transactions denominated in foreign currencies are translated into the reporting currency using the exchange rate in effect at the transaction date. Foreign currency monetary items at balance date are translated at the exchange rate in effect at the balance date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates ruling at the date when the fair value is determined.

Exchange differences on foreign currency balances are recognised in the Statements of Comprehensive Income in the period that they occur.

GST
The Statement of Comprehensive Income and Statement of Cash Flows have been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of receivables and payables.

Measurement base
The financial statements have been prepared on the historical cost basis and its modification by the revaluation of certain assets, as identified in specific accounting policies below.

Accounting policies adopted and applied ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Use of accounting estimates and judgements
The preparation of financial statements in conformity with NZ IFRS RDR requires management to make certain critical accounting estimates and judgements that affect the application of policies and the reported amount of assets, liabilities, income and expenses. The estimates and associated assumptions have been based on historical experience and other factors that are believed to be reasonable under the circumstances.

These estimates and judgements form the basis for making judgements about the carrying values of assets and liabilities, where these are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying judgements are regularly reviewed. Any changes to estimates are recognised in the period if the change affects that period, or in future periods if it also affects future periods.

In the process of applying the Group's accounting policies, management has made the following estimates and judgements that have had the most significant impact on the amounts recognised in these financial statements:

- Network reticulation assets are depreciated at the rates determined by the Commerce Commission in the Electricity Distribution Services Input. These rates are considered a reasonable estimate of useful lives. Depreciation rates applied are outlined in Note 11

- Long service leave entitlements are recognised on a proportional basis as probability of entitlement increases. This is outlined in Note 8.

New and amended standards adopted by the Group

No new or amended standards have been adopted by the company during the financial year.

PERFORMANCE

1. OPERATING REVENUE

Investment income

- Interest is recognised using the effective interest method.
- Dividends are recognised when the right to receive payment is established.
- Rental income is recognised on an accrual basis, in accordance with the substance of the relevant agreements.

Lease income

Revenue from operating leases is recognised on a straight-line basis over the period between rental reviews.

Network lines revenue

The Group provides network lines services to customers allowing connection to the wider distribution network. Such services are recognised as a series of distinct goods or services and is recognised as one performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits of the service. Revenue is recognised as the service is being provided using an output method based on the actual delivery services provided on a daily basis.

Pricing is determined annually and retailers are charged based on a published price schedule and quantities delivered. Pricing includes a transmission and distribution charge relating to the operation of the network. Payment is due in respect of the network line service in the month following the service being provided. A receivable is recognised by the Company reflecting the amount owing for services provided.

As the delivery services are a promise to transfer a series of distinct services that are substantially the same, revenue is recognised based on a measure of progress for the single performance obligation that best depicts the transfer of services to the customer. It is therefore appropriate for revenue to be recognised in line with billing, as this best reflects the transfer of value to the customer. Revenue will be recognised over time.

Capital contributions revenue

The Group constructs assets and provides related electrical connection services to customers to enable a connection to the wider distribution network. Such contracts are not considered to have an enforceable right to payment for the performance obligation until the connection is complete. This single performance obligation is satisfied at a point in time when the electrical connection work is complete.

Pricing is determined with reference to the time and material associated with a specific contract for electrical work and is based on the level of activity required to enable a connection. Payment is generally based on 50% deposit and the remainder due at the completion of the connection. A contract asset is recognised by the Company reflecting the amount owing for services provided.

As a practical expedient in line with NZ IFRS 15, the Group has not adjusted the promised amount of consideration for any deposit received in respect of electrical contract works for a significant component. This is due to the period between when the Group transfers the electrical work to the customer and when the customer pays for the electrical work being less than one year.

Contracting revenue

The Group provides contracting services to a range of customers including the provision of labour to other electricity distribution businesses. Such contracts are not considered to have an enforceable right to payment for the performance obligation until the contracted work is complete. This single performance obligation is satisfied at a point in time when the contracted work is complete.

Pricing is determined with reference to the time and material associated with a specific job. Payment is due in respect of contracting services in the month following the service being provided. A receivable is recognised by the Group reflecting the amount owing for services provided.

Metering revenue

Revenue received from the rental of meters is recognised in accordance with the relevant agreements.

1. OPERATING REVENUE (continued)

	GROUP 2026 $	GROUP 2025 $	TRUST 2026 $	TRUST 2025 $
Operating revenue comprises:				
Revenue recognised over time				
Network lines revenue	33,675,419	28,147,234	-	-
Private network revenue	299,022	238,292	-	-
	33,974,441	28,385,526	-	-
Revenue recognised at a point in time				
Capital contributions	1,793,883	2,663,945	-	-
Contracting	5,004,951	2,397,880	-	-
Fault recoveries	126,340	272,276	-	-
	6,925,174	5,334,101	-	-
Other Revenue				
Metering	32,207	404,362	-	-
Bad debts recovered	3,319	859	-	-
Fibre rent received	514,857	500,618	-	-
EV Income	165,767	514,082	-	-
Rent received	-	1,084	-	-
Loss rental rebate	-	50,280	-	-
Other income	319,528	329,725	-	-
	1,035,678	1,801,010	-	-
	41,935,293	**35,520,637**	**-**	**-**

(i) As at 31 March 2026, the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) is $855,806 (2025 $230,046), of which 100% will be recognised as revenue during the next reporting period. The contract liabilities balance has been included in the Trade and Other Payables balance, as disclosed in Note 7.

2. OPERATING EXPENSES

	GROUP 2026 $	GROUP 2025 $	TRUST 2026 $	TRUST 2025 $
Operating expenses comprise:				
Operating costs	2,996,425	1,107,668	51,863	46,539
Network Maintenance	3,367,767	3,336,381	-	-
Consumer Asset Costs	494,993	472,655	-	-
Directors' fees	323,577	297,455	-	-
Insurance	1,007,810	941,011	10,140	10,548
Professional fees	945,558	1,002,509	32,080	3,918
Trustee fees	111,562	115,071	111,562	115,071
Donations	153,765	141,360	-	-
Audit fees (Financial Statements) – PwC	128,557	120,265	9,975	9,450
Information Disclosure Assurance – PwC	65,100	71,675	-	-
Taxation Services – Other Firms	32,603	15,803	-	-
Other Regulatory Audits –other firms	9,769	8,758	-	-
	9,637,486	**7,630,611**	**215,620**	**185,526**

Notes:

i. Audit Fees and Other Assurance Services include disbursements such as travel and accommodation costs.

3. DEPRECIATION, AMORTISATION AND IMPAIRMENT

	GROUP 2026 $	GROUP 2025 $	TRUST 2026 $	TRUST 2025 $
Depreciation of PPE comprises:				
Buildings	123,981	130,114	-	-
Core reticulation network	4,625,012	4,211,007	-	-
Private reticulation network	71,250	70,603	-	-
Plant and equipment	1,294,879	1,311,487	-	-
Fibre network	-	144,239	-	-
Intangibles	62,539	62,539	-	-
Total depreciation of PPE	6,115,122	5,929,989	-	-
(Gain)/Loss on disposal of property, plant and equipment	(55,045)	1,502,086		
Total depreciation and amortisation of PPE	**6,060,077**	**7,432,075**	**-**	**-**
Depreciation of right-to-use assets comprises:				
Network reticulation system	153,856	173,581	-	-
Plant and equipment	9,959	9,959	-	-
Total depreciation of right-to-use assets	**163,815**	**183,540**	**-**	**-**
Depreciation of Intangibles comprises:				
Intangibles	**5,298**	**62,539**		
Total depreciation and amortisation	**6229,190**	**7,615,615**	**-**	**-**

4. RECONCILIATION OF NET PROFIT WITH CASHFLOW FROM OPERATING ACTIVITIES

	GROUP 2026 $	GROUP 2025 $	TRUST 2026 $	TRUST 2025 $
Net profit/(loss) for the year	**8,181,211**	**5,024,342**	**(34,866)**	**112,601**
Add / (less) non-cash items:				
Depreciation and amortisation	6,229,190	7,615,615	-	-
Deferred taxation	1,236,809	892,125	-	-
	7,465,999	8,507,740	-	-
Add / (less) movements in working capital items:				
(Increase) / decrease in trade and other receivables	(980,434)	545,671	7,351	(1,905)
(Increase) / decrease in inventories	(68,142)	(46,816)	-	-
(Increase) / decrease in work in progress	(74,210)	210,033	-	-
Increase / (decrease) in tax payable	229,670	(66,520)	-	-
Increase / (decrease) in trade and other payables	(21,840)	(1,630,705)	(773)	(66)
Increase / (decrease) in employee entitlements	38,639	33,291	-	-
	(876,317)	(955,046)	6,578	(1,971)
Net cash flows from operating activities:	14,770,893	12,577,036	(28,288)	110,630

WORKING CAPITAL

5. TRADE RECEIVABLES

Trade receivables are amounts due from customers for goods or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in the financial asset policy.

	GROUP		TRUST	
	2026	2025	2026	2025
	$	$	$	$
Trade receivables	1,381,711	816,999	-	-
Loss allowance	(119,711)	(102,679)	-	-
Accruals	2,826,121	2,330,892	-	-
Total receivables	4,088,121	3,045,212	-	-
Other receivables	64,295	188,511	17,386	24,696
Prepayments	784,857	722,206	5,276	4,406
GST	2,548	3,459	2,548	3,459
Balance at the end of the year	4,939,821	3,959,388	25,210	32,561
Less non-current trade receivables	-	-	-	-
Current trade and other receivables	**4,939,821**	**3,959,388**	**25,210**	**32,561**
Trade and other receivables less than 90 days	4,803,677	3,908,163	25,210	32,561
Trade and other receivables greater than 90 days	136,144	51,225	-	-
Gross trade and other receivables	**4,939,821**	**3,959,388**	**25,210**	**32,561**

6. INVENTORIES

Inventories are valued at the lower of cost and net realisable value, with additional allowance for obsolescence where necessary. The cost of finished goods comprises direct materials and, where applicable, direct labour and other direct variable costs incurred in order to bring inventories to their present location and condition. Costs are assigned to individual items of inventory on a weighted average cost basis.

	GROUP		TRUST	
	2026	2025	2026	2025
	$	$	$	$
Stores inventory	4,081,973	4,013,830	-	-

7. TRADE AND OTHER PAYABLES

Trade and other payables are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. Trade and other payables are recognised at fair value.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Contract liabilities are capital contributions received but not yet recognized as the asset has not yet been commissioned or the contractual obligation spans financial years.

7. TRADE AND OTHER PAYABLES (continued)

	GROUP 2026 $	2025 $	TRUST 2026 $	2025 $
Trade payables	2,136,142	3,204,285	-	-
Accruals	1,311,982	1,213,330	20,492	21,265
Contract liability - capital contributions	855,806	230,045	-	-
GST payable	260,966	(60,925)	-	-
Balance at end of year	**4,564,896**	**4,586,735**	**20,492**	**21,265**

All trade and other payables have a maturity within one year.

	GROUP 2026 $	2025 $	TRUST 2026 $	2025 $
Contract liability – capital contributions				
Opening balance	230,046	813,284	-	-
Amount of transaction price received for unsatisfied performance obligations	2,419,643	1,501,085	-	-
Revenue recognised from performance obligations satisfied	(1,793,883)	(2,084,324)	-	-
Closing balance	**855,806**	**230,046**	**-**	**-**

8. EMPLOYEE ENTITLEMENTS

Wages, salaries and annual leave
Employee entitlements to salaries, wages and annual leave are recognised when they accrue to employees.

Sick and special leave
Employee entitlements to sick and special leave are recognised when taken by employees. A provision is made for the additional amount that the Group expects to pay as a result of unused sick or special leave that has accumulated at balance date.

Long service leave
Long service leave is not recognised in the first 10 years of service. After 10 years of service, an allowance is made of 1/5 per year towards long service leave entitlement. Employees are entitled to long service leave after serving for 15 years.

	GROUP 2026 $	2025 $	TRUST 2026 $	2025 $
Leave entitlements	878,481	810,050	-	-
Other entitlements	26,541	56,333	-	-
Total employee entitlements	**905,022**	**866,383**	**-**	**-**

Non-current Assets

9. INVESTMENTS

Subsidiary Entity	Interest Held	Date Started Trading	Balance Date	Principal Activity
Network Waitaki Limited	100%	27 September 1999	31 March	Ownership and operation of a network reticulation system

9. INVESTMENTS (continued)

Waitaki Power Trust investment in Network Waitaki Limited

	Shares at cost $
Opening balance as at 1 April 2024	14,000,000
Movement for the year	-
Closing balance as at 31 March 2025	14,000,000
Opening balance as at 1 April 2025	14,000,000
Movement for the year	-
Closing balance as at 31 March 2026	14,000,000

10. ADVANCES TO SUBSIDIARY

Waitaki Power Trust Advance to Network Waitaki Limited

	$
Opening balance as at 1 April 2024	1,150,000
Movement for the year	-
Closing balance as at 31 March 2025	1,150,000
Opening balance as at 1 April 2025	1,150,000
Movement for the year	-
Closing balance as at 31 March 2026	1,150,000

11. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise mainly buildings, land, meters and relays, and office equipment. Buildings, meters and relays purchased prior to the adoption of NZ IFRS, 1 April 2006, are shown at 'deemed cost' less subsequent depreciation and impairment write-down. Land purchased prior to 1 April 2006 is shown at deemed cost.

Property, plant and equipment acquired subsequent to the adoption of 'deemed cost', after 1 April 2006, is recorded at the value of the consideration given to acquire the assets, plus the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service, less subsequent depreciation and impairment write-down.

Network reticulation assets comprises mainly low voltage, 11kV and 33kV conductor and associated transformers and substations. Reticulation assets are shown at deemed cost less subsequent depreciation and impairment write-down. Reticulation assets are depreciated at the rates provided by the ODV handbook issued by the Commerce Commission in 2004. These rates are considered a reasonable estimate of useful lives.

Network reticulation assets acquired subsequent to the adoption of 'deemed cost' are recorded at the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service less subsequent depreciation and impairment write-down.

11. PROPERTY, PLANT AND EQUIPMENT (continued)

Easements are recorded at cost. Assets sited on easements will normally be renewed at the end of their economic life in the same location in which they are currently housed. On this basis, the easement itself has an indefinite life. Annually, easements are tested for signs of impairment.

Contracting Equipment comprises mainly plant and equipment used in the construction and repair of network reticulation systems. Items are recorded at the value of the consideration given to acquire the assets and the value of directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service less subsequent depreciation and impairment write-down.

Depreciation of Property, Plant and Equipment is provided on all property, plant and equipment, other than freehold land, at rates that will allocate the assets' cost or valuation, to their residual values, over their estimated lives. All network reticulation system assets and contracting equipment assets are depreciated on a straight line basis; other assets are depreciated using both straight line and diminishing value.

The following depreciation rates have been used:

Item	Depreciation rate
Network reticulation system	1.0% to 25.0%
Buildings	1.25% to 13.5%
Plant and equipment	1.5% to 100.0%
Private network	1.4% to 8.3%

Gains and losses on disposal of property, plant and equipment are taken into account in determining the operating result for the year.

WORK IN PROGRESS
Work in progress is stated at actual direct costs incurred, less non-recoverable amounts.

IMPAIRMENT
Assets that have an indefinite useful life, for example easements, are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss 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 cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

11. PROPERTY, PLANT AND EQUIPMENT (continued)

WAITAKI POWER TRUST

	Plant & Equipment	Total
Gross Carrying Amount		
At 1 April 2024	11,108	11,108
Additions	-	-
Disposals	-	-
At 31 March 2025	11,108	11,108
Additions	-	-
Disposals	-	-
At 31 March 2026	11,108	11,108
Accumulated Depreciation and Amortisation		
At 1 April 2024	11,108	11,108
Charge for the Year	-	-
At 31 March 2025	11,108	11,108
Charge for the Year	-	-
At 31 March 2026	11,108	11,108
Net Book Values		
At 31 March 2025	-	-
At 31 March 2026	-	-

Notes to the Financial Statements (continued)

11. PROPERTY, PLANT AND EQUIPMENT (continued)

GROUP

	Core Reticulation Network	Private Reticulation Network	Land & Buildings	Meters & Relays	Fibre Network	Plant & Equipment	Total
	$	$	$	$	$	$	$
Gross Carrying Amount							
At 1 April 2024	168,841,243	2,704,412	4,378,317	2,595,397	2,604,400	12,399,617	193,523,386
Additions	17,625,397	-	775,045	-	-	2,172,321	20,572,763
Disposals	(1,146,056)	-	-	-	-	(194,683)	(1,340,739)
Transfers	(250,204)	-	-	-	-	250,204	-
At 31 March 2025	**185,070,380**	**2,704,412**	**5,153,362**	**2,595,397**	**2,604,400**	**14,627,459**	**212,745,411**
Additions	11,165,674	25,950	433,773	-	-	461,010	12,086,407
Disposals	(393,121)	-	(140,000)	(1,762,744)	-	(608,133)	(2,903,998)
At 31 March 2026	**195,842,934**	**2,730,362**	**5,447,135**	**832,653**	**2,604,400**	**14,480,336**	**221,937,820**
Accumulated Depreciation and Amortisation							
At 1 April 2024	49,384,840	208,662	1,084,831	2,595,397	2,460,161	7,527,540	63,261,429
Charge for the Year	4,211,007	70,603	130,114	-	144,239	1,311,487	5,867,450
Disposals	(553,051)	-	-	-	-	(187,560)	(740,611)
Transfers	(65,887)	-	616	-	-	65,271	-
At 31 March 2025	**52,976,909**	**279,265**	**1,215,561**	**2,595,397**	**2,604,400**	**8,716,738**	**68,388,268**
Charge for the Year	4,625,012	71,250	123,981	-	-	1,294,879	6,115,122
Disposals	(231,746)	-	(24,625)	(1,762,744)	-	(591,868)	(2,610,983)
At 31 March 2026	**57,370,175**	**350,515**	**1,314,917**	**832,653**	**2,604,400**	**9,419,748**	**71,892,408**
Net Book Values							
At 31 March 2025	132,093,472	2,425,147	3,937,801	-	-	5,910,723	144,367,143
Work in Progress	7,128,590	-	362,785	-	-	-	7,491,371
	139,222,062	2,425,147	4,300,586	-	-	5,910,723	151,858,518
At 31 March 2026	138,472,759	2,379,847	4,132,218	-	-	5,060,588	150,045,412
Work in Progress	11,951,971	-	485,434	-	-	-	12,437,405
	150,424,730	**2,379,847**	**4,617,652**	**-**	**-**	**5,060,558**	**162,482,817**

12. LEASES

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally not the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate 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 and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

	GROUP		TRUST	
	2026	2025	2026	2025
	$	$	$	$
Current	6,350	189,564	-	-
Non-current	-	6,350	-	-
Total lease liabilities	**6,350**	**195,913**	-	-

Interest expenses on these leases totaling $4,359 (2025: $13,041) is included in finance costs in the Statement of Comprehensive Income.

RIGHT-OF-USE ASSETS

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs

Right-of-use assets are generally depreciated over the shorter of the assets useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

12. LEASES (continued)

Right-of-use Assets (Group)

	Reticulation Network	Plant & Equipment	Total
	$	$	$
Gross Carrying Amount			
1 April 2024	1,199,957	39,835	1,239,792
New Leases	-	-	-
Variable Lease Adjustments	-	-	-
Terminated Leases	-	-	-
At 31 March 2025	**1,199,957**	**39,835**	**1,239,792**
New Leases	-	-	-
Variable Lease Adjustments	-	-	-
Terminated Leases	-	-	-
At 31 March 2026	**1,199,957**	**39,835**	**1,239,792**

Accumulated Depreciation (Group)

1 April 2024	**871,949**	**14,060**	**886,009**
Charge for the Year	173,581	9,959	183,540
Terminated Leases	-	-	-
At 31 March 2025	**1,045,530**	**24,019**	**1,069,549**
Charge for the Year	153,856	9,959	163,815
Terminated Leases	-	-	-
At 31 March 2026	**1,199,386**	**33,978**	**1,233,364**

Net Book Values

At 31 March 2025	154,427	15,816	170,243
At 31 March 2026	**571**	**5,857**	**6,428**

The Trust has no right-of-use assets.

LEASE INCOME

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial indirect costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective lease assets are included in the Financial Position based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

	GROUP		TRUST	
	2026	2025	2026	2025
	$	$	$	$
No later than one year	529,813	507,742	-	-
Later than one year and no later than five years	2,119,252	2,030,970	-	-
Later than five years	2,445,263	2,850,796	-	-
	5,094,328	**5,389,508**	-	-

13. INTANGIBLE ASSETS

Intangible assets consist solely of computer software, which is recorded at the value of the consideration given to acquire the assets plus the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

Amortisation of intangible assets is provided for at rates that will allocate the assets' cost or valuation, to their residual values, over their estimated lives. All intangible assets are amortised on a straight-line basis.

Intangible assets are carried at cost less accumulated amortisation.

The following amortisation rates have been used:

Item	*Depreciation Rate*
Computer Software	15% to 50%
Consents	2.86%

Intangible Assets (Group)

	Software	**Consents**	**Total**
	$	$	$
Gross Carrying Amount			
1 April 2024	1,445,864	-	1,445,864
Additions	-	-	-
Disposals	-	-	-
At 31 March 2025	**1,445,864**	**-**	**1,445,864**
Additions	9,139	108,582	117,721
Disposals	(88,353)	-	(88,353)
At 31 March 2026	**1,366,650**	**108,582**	**1,475,232**
Accumulated Depreciation and Impairment			
1 April 2024	1,381,205	-	1,381,205
Charge for the Year	62,539	-	62,539
Disposals	-	-	-
At 31 March 2025	**1,443,744**	**-**	**1,443,744**
Charge for the Year	2,712	2,586	2,712
Disposals	(88,353)	-	(88,353)
At 31 March 2026	**1,366,650**	**-**	**1,475,232**
Net Book Values			
At 31 March 2025	2,120	-	2,120
Work in Progress	-	96,679	96,679
At 31 March 2025	**2,120**	**96,679**	**98,799**
At 31 March 2026	8,547	105,996	114,543
Work in Progress	-	43,813	43,813
At 31 March 2026	**8,547**	**149,809**	**158,356**

The Trust has no intangible assets.

Net debt and equity

14. CASH AND CASH EQUIVALENTS

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.

Foreign currency bank account balances are revalued to NZD at spot rate as at balance date.

	GROUP		TRUST	
	2026	2025	2026	2025
	$	$	$	$
NZD bank accounts	3,875,911	1,974,626	35,777	64,960
USD bank account	429,918	-	-	-
Closing Balance	**4,305,829**	**1,974,626**	**35,777**	**64,960**

All term deposits and bank accounts are interest bearing including the USD bank account.

Short term deposits

Short term deposits comprise cash deposits held with financial institutions with a maturity greater than three months and less than twelve months. Interest income is recognised using the effective interest method.

Financial assets

Classification

The only financial instruments that the Group has are loans, receivables and available for sale investment in subsidiary.

Amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition and measurement

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVOCI, trade receivables and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast direction of conditions at the reporting date, including time value of money where appropriate.

The Group writes off a financial asset where there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings or in the case of trade receivables when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries are recognised in the statement of comprehensive income.

14. CASH AND CASH EQUIVALENTS (continued)

Borrowings

Borrowings are initially measured at fair value plus transaction costs. After initial recognition all borrowings are measured at amortised cost using the effective interest rate method.

Borrowing costs

Borrowing costs for assets are capitalised when the construction period for qualifying assets is greater than twelve months. The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is the current borrowing from financial markets.

15. TRUST EQUITY

	GROUP		TRUST	
	2026	2025	2026	2025
	$	$	$	$
Fully paid-up trust equity	14,500,100	14,500,100	14,500,100	14,500,100

This is the Trust's equity and not that of Network Waitaki Limited.

16. RETAINED EARNINGS

	GROUP		TRUST	
	2026	2025	2026	2025
	$	$	$	$
Balance at beginning of the year	106,826,055	101,801,713	876,156	763,555
Net surplus / (deficit) for the year	8,180,736	5,024,342	(35,341)	112,601
Balance at the end of the year	**115,006,791**	**106,826,055**	**840,815**	**876,156**

Capital risk management

The Group's objective when managing capital, which comprises share capital plus retained earnings, is to safeguard the ability to continue as a going concern and to provide acceptable returns to shareholders.

The Group is not subject to any externally imposed capital requirements. In order to maintain or adjust the capital structure, the Group may adjust the amount of discount paid to consumers.

17. HEDGING RESERVE

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

	GROUP		TRUST	
	2026	2025	2026	2025
	$	$	$	$
Balance at beginning of the year	(125,102)	(18,474)	-	-
Fair Value Movement of Cashflow Hedges	84,053	(148,095)	-	-
Income Tax on Items Direct to Equity	(23,535)	41,467	-	-
Balance at the end of the year	**(64,584)**	**(125,102)**	**-**	**-**

18. FINANCIAL RISK MANAGEMENT

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies and evaluates relevant financial risks and acts to manage these risks, where possible, within the parameters set out by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk and credit risk.

Market risk

(i) Foreign exchange risk

The Group's revenue is entirely denominated in New Zealand dollars and it has limited currency exposure in the foreseeable future. The Group may from time to time purchase assets denominated in foreign currency. Board approval is required for foreign currency-denominated contracts valued above a specified threshold, together with a recommendation on the manner in which the foreign currency exposure is to be managed, which may include the use of foreign exchange contracts.

18. FINANCIAL RISK MANAGEMENT (continued)

$ NZD	Notional Amount of Hedge Instrument	Carrying Amount of Hedge Instrument	Statement of Financial Position	Change in Carrying Value
2025	**USD**	**Asset**		
Forward USD Exchange Contracts	914,160	100,837	Financial Derivatives	100,837
2026				
Forward USD Exchange Contracts	-	-	Financial Derivatives	-

(ii) Interest rate risk
The group manages its exposures to changes in interest rates on borrowings in line with the policy parameters set in its Treasury Policy. The Treasury Policy set minimum and maximum parameters allowing the group to have up to between 60% and 80% of its borrowings at fixed rates for terms up to 7 years to achieve an appropriate mix of mixed and floating interest rate exposures. This is achieved by borrowing at a floating rate and using interest rate swaps as hedges of the variability of cashflows attributable to movements in interest rates. The group applies a hedge ratio of 1:1

The group determines the existence of an economic relationship between the hedging instrument and the hedging item based on the reference interest rates, tenor, repricing dates, maturities and notional amounts. The group assesses whether the derivatives designated in each hedging relationship is effective in offsetting changes in changes of the hedged items using the hypothetical derivative method.

$NZD	Weighted Average Interest Rate	Notional Amount of Hedge Instrument	Carrying Amount of Hedge Instrument Liability	Statement of Financial Position	Change in Carrying Value
2025 NZD Interest Rate Swaps (terms 3-5 years)	4.18%	16,500,000	(274,590)	Financial Derivatives	(248,932)
2026 NZD Interest Rate Swaps (terms 2-5 years)	4.08%	21,000,000	(89,700)	Financial Derivatives	184,890

Credit risk for the subsidiary
Credit risk is managed by the Group under policy approved by the board. Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposure to customers, including outstanding receivables and committed transactions. Investments with approved counter parties are limited to a term of no more than 24 months The Company will diversify its investments, where it is economic to do so with no more than $3 million or 25% of current investments, whichever is greater, in any one institution. Credit risk associated with trade receivables is limited through electricity retailer invoicing for line and metering charges rather than individual consumer invoicing for line and metering charges. Credit risk is also limited in trade receivables by the requirement of a 50% deposit of the total cost of new connections before work is started. Credit risk for contracting activities are assessed on a per contract basis.

Credit risk for the Trust
For banks, only the ANZ Banking Group (New Zealand) Limited, Bank of New Zealand, National Australia Bank (NZ) Limited, The National Bank of New Zealand Limited, Westpac Banking Corporation, any member of Trust Bank group or any other bank listed in the register of registered banks referred to in Section 69 of the Reserve Bank of New Zealand Act 1989 are acceptable.

For other investments, only the shares or other equity securities or debt securities of Network Waitaki Limited or its successor Company, or the stock, funds or other securities of the New Zealand Government are acceptable.

Liquidity risk
Liquidity risk management has the objective of maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities to meet the short and long-term commitments of the Group as they arise in an orderly manner. Management monitors rolling forecasts of the Group's liquidity requirements on the basis of expected cash flow. The Board of Directors approves all new borrowing facilities for Network Waitaki Limited. Trustee approval is required for all new borrowing related to the Parent.

Surplus cash held by the operating entities over and above the balance required for working capital management is invested in interest-bearing call accounts and term deposits.

Notes to the Financial Statements (continued)

18. FINANCIAL RISK MANAGEMENT (continued)

Note 18 analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period, at the statements of financial position date to the contractual maturity date. Derivative financial liabilities are included in the analyses if their contractual maturities are essential for an understanding of timing of cash flows. The amounts disclosed in the table are contractual undiscounted cash flows.

Fair value estimation
The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value for any financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Analyses of Financial Liabilities

	Less than 1 Year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
GROUP				
At 31 March 2025				
Trade and Other Payables	4,586,735	-	-	-
Bank Loans	16,500,000	-	-	-
Total Non-Derivative Liabilities	**21,086,735**	**-**	**-**	**-**
Interest Rate Swaps	565,085	565,085	1,094,657	-
	21,651,820	**565,085**	**1,094,657**	-
At 31 March 2026				
Trade and Other Payable	4,564,896	-	-	-
Bank Loans	21,000,000	-	-	-
Total Non-Derivative Liabilities	**25,564,896**	**-**	**-**	**-**
Interest Rate Swaps	731,285	695,983	1,052,681	9,671
	26,296,181	**695,983**	**1,052,681**	**9,671**
TRUST				
At 31 March 2025				
Trade and Other Payables	20,492	-	-	-
At 31 March 2026				
Trade and Other Payable	20,492	-	-	-

19. LOANS AND BORROWINGS

	2026	2025
GROUP	$	$
Bank Loans	21,000,000	16,500,000
Total Loan and Borrowings	**21,000,000**	**16,500,000**

The Bank Loans are secured by way of negative pledge over the asset of the company. The current bank loan facility expires in August 2028.

19. LOANS AND BORROWINGS (continued)

	Weighted Average Interest Rate		2026		2025	
	2026	2025	Face Value	Carrying Value	Face Value	Carrying Value
Longer than One Year						
Bank Loans	5.03%	5.37%	21,000,000	21,000,000	16,500,000	16,500,000
Total Loans and Borrowings			**21,000,000**	**21,000,000**	**16,500,000**	**16,500,000**

Other

20. INCOME TAX

Income tax expense in relation to the profit or loss for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable on the taxable profit from the current year, plus any adjustments to income tax payable in respect of the prior year. Current tax is calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or receivable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on the temporary difference arising on investments in associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

	GROUP		TRUST	
	2026 $	2025 $	2026 $	2025 $
Tax expense for period made up of:				
Income tax expense	2,004,447	1,232,537	-	-
Deferred taxation expense	1,236,808	872,342	-	-
	3,241,256	**2,104,879**	**-**	**-**
Operating surplus (loss) before income tax	11,421,256	7,129,221	(35,341)	112,601
Prima facie taxation	3,224,390	2,057,812	(11,663)	37,158
Movement in income tax due to:-				
Non-deferred tax differences				
Non-deductible expenses	7,016	8,186	-	58
Prior period adjustment	(1,813)	76,098	-	-
Trust loss not recognised	11,663	(37,217)	11,663	(37,217)
	16,867	47,067	11,663	(37,159)
Tax Expense	**3,241,257**	**2,104,879**	**-**	**-**

20. INCOME TAX (continued)

GROUP DEFERRED TAX	Depreciation	Other	Total
Deferred Tax Liability			
Opening Balance as at 1 April 2024	15,558,507	2,078,556	17,637,063
Change in the Year – Income	742,486	149,639	892,125
Change in the Year – Equity	-	(41,467)	(41,467)
Closing Balance as at 31 March 2025	16,300,993	2,186,728	18,487,721
Opening Balance as at 1 April 2025	16,300,993	2,186,728	18,487,721
Change in the Year – Income	1,448,647	(211,838)	1,236,809
Change in the Year – Equity	-	23,535	23,535
Closing Balance as at 31 March 2026	**17,749,640**	**1,998,425**	**19,748,065**

Waitaki Power Trust tax loss carried forward for 2026 is $ 1,541,796 (2025: $1,427,974).

21. RELATED PARTY TRANSACTIONS

Payments from Waitaki Power Trust to Network Waitaki Limited	**2026**	**2025**

The loan is interest only, with no maturity date; however, the Waitaki Power Trust has agreed to give Network Waitaki Ltd a minimum of 12 months' notice of the requirement to make any repayment of the advance outstanding or part thereof. Interest payable from the Borrower to the Lender on the balance of the loan outstanding is calculated at an interest rate equivalent to the prescribed rate for Fringe Benefit Tax

	2026	2025
Loan Outstanding at Balance Date	1,150,000	1,150,000

Payments from Network Waitaki Limited to Waitaki Power Trust

	2026	2025
Interest	75,029	96,649
Interest outstanding at balance date	16,382	-

Payments from Network Waitaki Limited to A.J. Wood Chartered Accountants Limited

A.J. Wood Chartered Accountants Limited is related to Network Waitaki Limited through its Director, Tony Wood, who is a Shareholder and Director of A.J. Wood Chartered Accountants Limited.

	2026	2025
Directors Fees		11,468

Payments from Network Waitaki Limited to Berry & Co

Berry & Co is related to Network Waitaki Limited through its director, Michael de Buyzer, who is Partner of Berry & Co.

	2026	2025
Purchase of goods and services	36,258	28,861
Payments outstanding at balance date – trade payables	512	4,418

Payments from Network Waitaki to Clements Electrical

Clements Electrical Limited is related to Network Waitaki Limited through John Clements being a Trustee of the Waitaki Power Trust until 9 July 2025 and being a Shareholder of Clements Electrical Limited.

	2026	2025
Contracting Services	7,780	17,435
Payments outstanding at balance date – trade payables	-	115

Payments from Clements Electrical to Network Waitaki Limited

Clements Electrical Limited is related to Network Waitaki Limited through John Clements being a Trustee of the Waitaki Power Trust until 9 July 2025 and being a Shareholder of Clements Electrical Limited.

	2026	2025
Contracting services	-	11,697
Payments outstanding at balance date – trade receivables	-	4,306

Payments from Network Waitaki Limited to Lone Wolf Enterprises Limited

Lone Wolf Enterprises Limited is related to Network Waitaki Limited through its Director, Jonathan Kay, who is a Shareholder and Director of Lone Wolf Enterprises Limited.

	2026	2025
Directors Fees	47,700	21,574
Payments outstanding at balance date – trade payables	3,975	3,975

21. RELATED PARTY TRANSACTIONS (continued)

	2026	2025
Payments from Network Waitaki Limited to Original Performance Solutions Limited		
Original Performance Solutions Limited is related to Network Waitaki Limited through its Director, Chris Bailey, who is a Shareholder and Director of Original Performance Solutions Limited.		
Directors Fees	15,902	47,243
Payments outstanding at balance date – trade payables	-	3,975
Payments from Network Waitaki Limited to SBK Ltd		
SBK Ltd is related to Network Waitaki Ltd through its Director, Brett King, who is a shareholders and director of SBK Ltd		
Purchase of goods and services	47,700	47,243
Payments outstanding at balance date – trade payables	-	3,975
Payments from Network Waitaki Limited to key management personnel		
Payments to key management personnel are made in accordance with employment agreements.		
Employee Costs	1,328,370	1,277,712

22. COMMITMENTS

On 20 December 2021, Network Waitaki Limited entered into an agreement with the Waitaki District Council and the Waitaki Event Centre Trust for sponsorship and naming rights to the Waitaki Event Centre. The future aggregate payments are as follows:

	GROUP		TRUST	
	2026 $	2025 $	2026 $	2025 $
Within One Year	127,000	127,000	-	-
After one year but not more than 10 years	1,143,000	1,143,000	-	-
Total	**1,270,000**	**1,270,000**	**-**	**-**

Capital commitments contracted at balance date was:

	GROUP		TRUST	
	2026 $	2025 $	2026 $	2025 $
Network Assets	632,888	2,567,292	-	-
Non-Network Assets	3,218,699	657,120	-	-
Total	**3,851,587**	**3,224,412**	**-**	**-**

23. CONTINGENT LIABILITIES

On 4 October 2020 a fire started in the Lake Ohau area. The fire spread over 5,000 hectares of land and destroyed 48 homes and buildings. In November 2021, Fire and Emergency New Zealand (FENZ) released a Wildfire Investigation Report into the origin and cause of the fire. They found the fire was accidentally caused by an electrical short circuit on a power pole on the company's network. The company disputes FENZ's findings. In 2023, a group of plaintiffs filed proceedings in the High Court against the company alleging that the company's network infrastructure caused the fire and that the company is liable to them for losses suffered as a result of the fire. The alleged losses suffered are said to be $59 million. The company denies the plaintiffs' claims. A hearing date has been set down for July 2027.

Also on 4 October 2020, a vegetation fire occurred in McKenzie Road, Livingstone which spread over 948 hectares of land. FENZ have concluded that the fire was most likely caused by a tree falling on and breaking 11kV conductors on the company's network. The damaged conductors then ignited vegetation. The company agrees with these conclusions. In 2025 the company received a claim from an affected landowner seeking financial damages in excess of $10m from the fire. The company denies the landowner's claim. To date, no claim has been filed in Court.

Network Waitaki has entered into agreements with Transpower for the completion of a solution study and design along with the pre-purchase of materials in relation to the development of the new North Otago GXP. These agreements require Network Waitaki to repay the agreed amounts expended by Transpower if the GXP development does not proceed. The total value of the agreements is $3.9m.

24. SUBSEQUENT EVENTS

A review of events subsequent to 31 March 2026 through to the date the annual report was issued has been undertaken, and it has been determined that there were no such events requiring recognition or disclosure in the Annual Report.

Independent auditor’s report

To the Trustees of Waitaki Power Trust

Our opinion

In our opinion, the accompanying consolidated financial statements (the financial statements) of Waitaki Power Trust (the Trust), including its subsidiary (the Group), present fairly, in all material respects, the financial position of the Group as at 31 March 2026, its financial performance, and its cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR).

What we have audited

The Group's financial statements comprise:

- the statement of financial position as at 31 March 2026;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

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

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

Independence

We are independent of the Group in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board (PES 1) and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with PES 1 and the IESBA Code.

In our capacity as auditor and assurance practitioner, our firm also provides other assurance services. The firm has no other relationship with, or interests in, the Group.

PricewaterhouseCoopers, PwC Centre, 60 Cashel Street,
PO Box 13-244, Christchurch 8141, New Zealand
T: +64 3 374 3000

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Trustees for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-7-1/

This description forms part of our auditor's report.

Who we report to

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

The engagement partner on the audit resulting in this independent auditor's report is Maxwell John Dixon.

For and on behalf of:

PricewaterhouseCoopers Christchurch
9 July 2026