



ANNUAL REPORT • FY 2026

We are focused on
powering today,
building for tomorrow,
and standing with our
communities every
step of the way.



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H.V. INSULATED
WITH LINER FITTED

WAIMEA
GROUP

Insulated
Aerial
Work
Platform

DHT-160AS

DONGHAE

Business Performance Highlights

REVENUE
\$41.9m

\$35.5m
FY2025

13,894
CONNECTIONS

13,528
FY2025

FINANCIAL

	FY2026	FY2025
Net Profit	\$8.3m	\$5.1m
Capital expenditure	\$17.0m	\$19.7m
Total assets	\$176.0m	\$162.1m

NETWORK PERFORMANCE

	FY2026	FY2025
Maximum demand	67.0 MW	70.0 MW
Energy volume	282.0 GWh	308.0 GWh
SAIDI	104.2 min	127.1 min
SAIFI	0.90	1.03
System Length (km)	1,955	1,939
Number of Poles	22,069	21,759



HEALTH & SAFETY

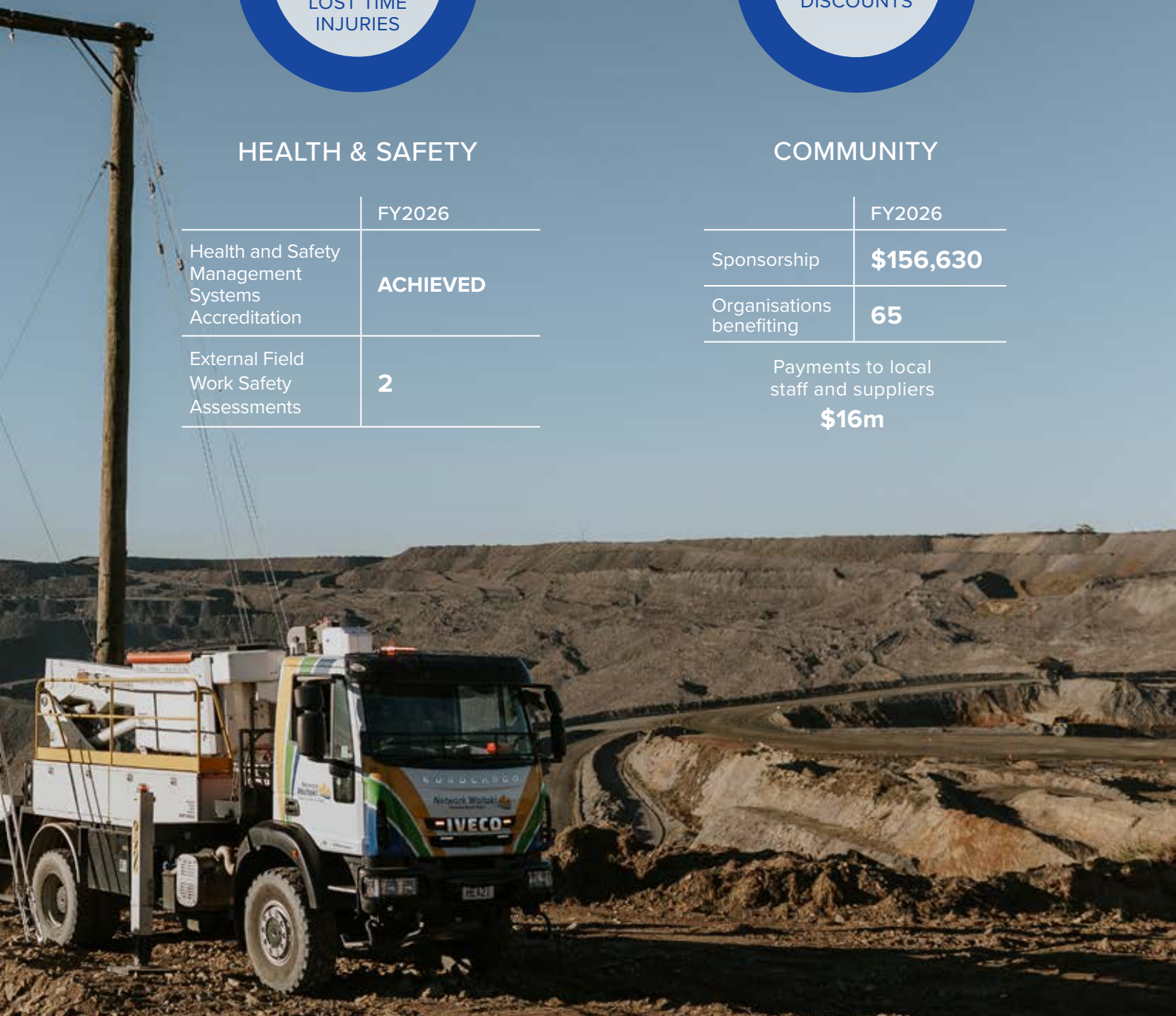
	FY2026
Health and Safety Management Systems Accreditation	ACHIEVED
External Field Work Safety Assessments	2



COMMUNITY

	FY2026
Sponsorship	\$156,630
Organisations benefiting	65

Payments to local staff and suppliers
\$16m





Our vision remains
‘Powering a
vibrant Waitaki’

Chairman and Chief Executive Officer Review

It is our privilege to share the Annual Report for Network Waitaki for the year ended 31 March 2026.

CREATING A SOLID BASE

Over the last year our team has worked hard to deliver a safe and reliable network that meets the energy needs of the people of the Waitaki region.

Maintaining a sound financial base remains central to our strategy. The Company delivered a Net Profit After Tax of \$8.3m (target: \$6.6m), supported by increased revenue and the prudent management of our capital programme. The decision to defer some planned investment reduced borrowing requirements and associated interest costs during the year. This strengthened our financial position while continuing to support network reliability and annual customer discounts.

As in previous years, profit has also been used to fund network investment to ensure we continue to deliver a safe, reliable and secure electricity supply to our consumers.

While the contracting market remained challenging, we were able to deliver positive external revenue growth on the back of our growing commercial relationships and the delivery of our own capital programme.

Health and Safety performance remained excellent, with zero Lost Time Injuries from critical risk incidents.

Network reliability also exceeded targets, with SAIDI of 104.2 minutes (target: 160.0) and SAIFI of 0.9 (target: 1.8), despite several major weather and external events, including a Transpower outage outside our network that affected 11,000 connections.



Michael de Buyzer
Chairman



Dylan Andrews
Chief Executive Officer

Climate adaption and improving resilience remains a priority as extreme weather events increase. Planning and preparing for these events is an integral part of our asset management planning process, while ongoing operational and technology improvements are enabling faster fault response and improved decision-making, supported by enhanced data integration and digital field tools.

We continued to invest in priority network upgrades, including improvements at Otematata and Pukeuri substations, and progressed planning for the North Otago Grid Exit Point (GXP). Engagement with large energy users has also strengthened our understanding of future demand.

Together, these initiatives position the network to provide a safe and secure electricity supply for decades to come.

Our recently released 2026 AMP outlines network investment of over \$140 million in the coming decade to renew our assets and build for growth, responding to regional growth and electrification in a way that allows us to safely and reliably supply power to our community today while planning ahead for those who may need to connect to the network in future.

From a customer perspective, we have expanded our self-service capabilities for customers, whilst continuing to assist those less digitally capable. Our processes are under constant review to ensure they are nationally consistent and simple to follow.



PROUDLY COMMUNITY OWNED

Network Waitaki is 100% locally owned by the Waitaki Power Trust, for the benefit of all electricity consumers connected to our network.

There is genuine value to local ownership in terms of service, support and financial returns. We returned \$1.14 million (including GST) to our consumers by way of an annual discount on their power bills, bringing the total return to over \$26.3 million (including GST) in the past 15 years while continuing to invest in the network to ensure it remains safe and reliable.

LOOKING AHEAD

We have a healthy balance sheet, a sustainable level of profit and cashflow to fund operations and prudent investments in our network.

The coming decade will see significant investment in the electricity network across New Zealand and here in the Waitaki region as New Zealanders embrace electrification for their heating, process heating and transportation needs.

We remain focused on providing security of supply, maintaining affordability, and meeting future demand in our region. Our work programme includes identifying efficiencies through collaboration with other like-minded electricity distribution businesses. Progress will be reported in future annual reports.



ACKNOWLEDGEMENTS

We would like to acknowledge the role of the Waitaki Power Trust over the past year as we worked together for the benefit of electricity consumers in our community.

Our people are our greatest asset, and on behalf of the Board and Management, we thank them for their hard work across the business in contributing to another successful period for Network Waitaki.

We are committed to continuing to develop and support our people, and together, we look forward to another year of successfully delivering for our customers and community.

Michael de Buyzer
Chairman

Dylan Andrews
Chief Executive Officer

Otematata Substation



The Otematata project is part of a larger programme to meet the future energy needs of the region by improving network capacity, reliability and security.

The existing 1 MVA 33/11kV power transformer and associated generator was over 50 years old, had reached the end of its working life and needed replacing.

Two new 3MVA 33/11kV transformers combined with the associated network reconfigurations and refurbishments have ensured the substation will continue to meet the foreseeable needs of the Waitaki Region.

This work took two years to complete at a total cost of \$1.15m.

Our Vision

Powering a vibrant Waitaki.

Our Mission

Promoting regional growth and wellbeing through the provision of innovative and sustainable energy solutions for our customers.

**POWERING
—OUR—
FUTURE**



«VERSALIFT»

Our Strategy

Our strategy is to utilise our core assets, operating expertise, reputation and financial strength to develop growth opportunities for a sustainable future.

We have operational and tactical plans to support the field and office teams to deliver the company strategy. We have the following particular focus areas to support attainment of our goals:

Operational Efficiency

- Target cost control of OPEX
- Operational transparency
- Consider full lifecycle costs
- Establish performance measures
- Apply continuous improvement
- Purchase competitively.

Commercially Astute

- Awareness of business opportunities
- Understand customer needs
- Grow external Contracting revenue
- Strengthen business acumen.

Network Investment

- Consider alternative scenarios
- Balance reliability/cost mix
- Balance timing and need
- Investment is future focused
- Seek economic efficiency.

Our Goal

Fit for the future / Meet customer needs
Win more external work / Demonstrated efficiency
Proud to work here / Financially sustainable

Health and Safety

We care about the safety of our people and the public.

At Network Waitaki our priority is to ensure our people return home from work safe and well every day, and our customers and the public are protected from harm from both our assets and the work we carry out on them.

Once again, we achieved our goal of zero serious harm to our people or the public, on the back of our culture of continuous improvement.

We track Lost Time Injuries (LTIs) from critical safety risk areas, which are workplace injuries that prevent an employee from working for at least one full day, tracked against the critical activities and environments carrying the highest potential for serious harm, such as working at height, with machinery or electrical exposure.

For the second consecutive year, we recorded zero LTIs from critical safety risk areas, underlining our continued vigilance in this area.

For an organisation of our size, health and safety results can be impacted by a small number of incidents, which is what happened this year - outside of our critical risks areas, we had two LTIs recorded and one recordable work-related injury (RWI).

Our results reflect our maturing health and safety culture, strengthened through the maintenance of ISO 45001 accreditation, increased critical risk oversight and consistent leadership engagement in safety conversations and assurance activities, and a focus on critical risks and controls.

Operating a safe and reliable network for our community and customers requires strong planning and operational management and delivery. It also requires an ongoing commitment to our people, and we have comprehensive health, safety and wellbeing programmes to make sure our people go home safe and well each night.

Having brought our People and Health & Safety teams together in 2024, we continued to focus on developing our health and safety knowledge and capabilities to train our people and keep them safe.

We remain committed to the continuous improvement of our Health and Safety Management System. This has been supported by external field assessments, Critical Risk Area reviews, and the ongoing achievement and maintenance of ISO 45001 Stage 2 certification.

Critical risk awareness continues to be reinforced across the business through monthly themes designed to strengthen critical risk thinking and make controls more visible to day-to-day work. This has included different initiatives including scenario-based activities and field discussions aimed at translating critical risks into real-world operational decisions, as well as Nebosh, Bowtie and internal audit training.

We continue to focus on field-based coaching and operational management that aligns with crews and individuals' capabilities, maintaining a real "hands on" approach with our younger team members to ensure their safety and skills development in the field.

Our critical risk reporting provides ongoing attention to exposures and a continued emphasis on learning and prevention through field-based conversations and leadership interactions. Feedback provided from the Cosman-Parkes review has helped our leadership team understand their responsibilities to our Critical Risk framework and the objectives of the Health and Safety Steering Committee have been reviewed to ensure continuous improvement and strengthening the businesses awareness and assurance focus around critical risks and controls.





Once again, we achieved our goal of zero serious harm to our people or the public, on the back of our culture of continuous improvement.

We have consistently focused on audit and assurance over the last year, testing system effectiveness and field compliance by carrying out:

- ISO 45001 system preparation and readiness in advance of external audit and revalidation
- External field work assessments/audits to validate field practice and reinforce expectations, and
- Targeted corrective actions and reinforcement following audit findings, including hazard management and PPE compliance.

In-line with our SCI targets, we carried out two external field work assessments and reviewed four critical risk areas.

Independent field audits carried out by Network Compliance Limited remain an important aspect of our operational support in the field, offering assurance of our field practices and delivering valuable guidance on maintaining safe working procedures.

August saw another successful Safety Week completed, delivering compliance training and refreshers across EWRB safe working practices, switching, electrical first aid training, forklift certification, PPE refreshers and process and policy updates.

We continue to see high levels of staff engagement across the business, with robust field discussions and proactive risk identification during toolbox talks and tailgate meetings.

We have also kept the Board of Directors informed through critical risk updates and in-depth reviews.

In addition to building internal capability, we are focused on community facing safety engagement with participation in community safety events and education.

We also collaborated with first responders in our wider community supporting an EV fire training exercise across local brigades and Police, strengthening our emergency preparedness in the field. We continue to plan this work, alongside other similarly successful initiatives such as the traffic safety training partnerships we have with local schools.

Wellbeing has been actively integrated into the broader health and safety approach. Throughout the year wellbeing initiatives have been supported through survey feedback, targeted activities encouraging physical and mental wellbeing and visible promotion of participation in wellbeing programmes.

Wellbeing engagement in the latter part of the year included business-wide participation in the Push up Challenge, Mental Health Awareness Week and mental health first aid training, and the introduction of Mole Map skin checks, demonstrating positive staff connection to wellbeing and mental health initiatives.

CASE STUDY 2

Pukeuri Substation



The planned upgrade of the Pukeuri substation began in 2025 and involves the replacement of two 10MVA 33/11kV power transformers that are also more than 50 years old and have reached the end of their useful life.

This project also involves the upgrade of the existing site for improved operational and maintenance safety improvements, and the installation of two new 23MVA 33/11kV power transformers.

The new transformers are now on-site and are due to be commissioned in the 2026 calendar year at a cost of \$5.25m.

This investment will deliver the reliability, security and capacity the local and wider district needs to power the next 30-40 years.

Our People

We are One Team

Skilled and engaged people at Network Waitaki help us meet our goals.

To continually improve our performance and long-term organisational sustainability, we are investing in the training and development of our people, ensuring activities are deliberate, targeted, and aligned with both current role requirements and future business needs.

Individual development plans were created for our staff over the last year, with employees working with their managers to identify development objectives, capability gaps, and longer term career aspirations.

Structured development plans improve visibility of capability needs for both employees and leaders, and the implementation of the HR Information System (BambooHR) will further strengthen this approach by providing greater consistency and structure to capability development across the business.

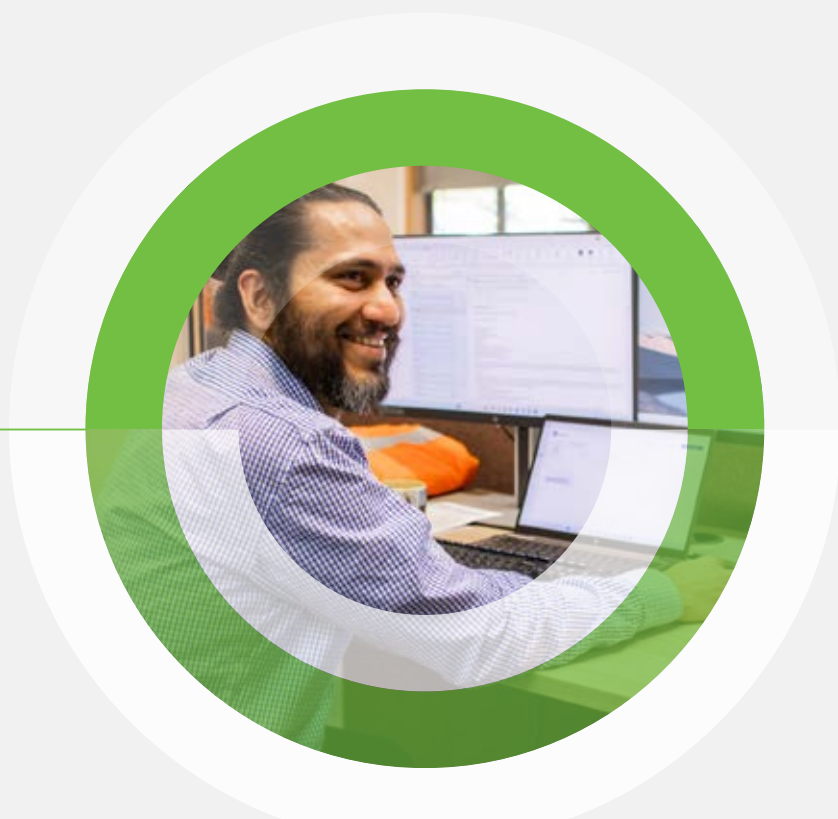
Recruitment activity throughout the year was largely focused on technical and specialist roles, primarily within the Network team. This continues to be a challenging area to recruit into, due to:

- high nationwide demand for these skills across the energy sector, and
- ongoing difficulty in attracting high-quality candidates willing to relocate to the region.

To mitigate these challenges and strengthen candidate pipelines we have taken a proactive approach, targeting and engaging with recruitment agencies to identify suitably skilled candidates beyond the local market.

Alongside the recruitment of skilled workers, we are committed to “growing our own” qualified people, filling future skills gaps by bringing people into Network Waitaki and training them through their career pathway.

The skills we need to achieve our company goals remain in high demand as the energy sector across New Zealand is in a period of significant investment in network infrastructure to meet the needs of consumers and businesses.





The Trade Coach has an important role in this approach, recognising the skills within our team that we can grow with appropriate support, then working with our people to develop these skills. Our Trade Coach has supported alignment of skills and qualifications to a Common Competency Framework, which has been particularly useful for our Contracting team where common certifications mean our staff can be quickly mobilised to complete out-of-network contract work in other EDB regions, such as in the wake of adverse events like the Southland Wind Storm in Oct 25.

We also continue school engagement through career expo events, the Gateway (trainee bootcamp) programme and our scholarship programme.

In 2025 a full Engagement Survey was undertaken, providing valuable employee feedback, including the need for greater transparency and communication around improving engagement outcomes.



Over the last year the People and Capability team have worked closely with senior management to develop an organisational Engagement Plan to directly respond to key themes identified in the survey and to strengthen the connection between leadership actions and employee feedback.

The plan was communicated across the business through a range of channels, including visual posters, regular updates in the staff newsletter and discussion at team and staff meetings.

In addition, the People and Capability team have trialled a more targeted approach to engagement measurement using pulse surveys – short, focused surveys designed to assess specific areas of interest or concern, such as wellbeing, organisational values, and effective communication.

This approach will complement the bi-annual engagement survey by focusing on key feedback areas, enabling quick responses to emerging issues through more timely insights.

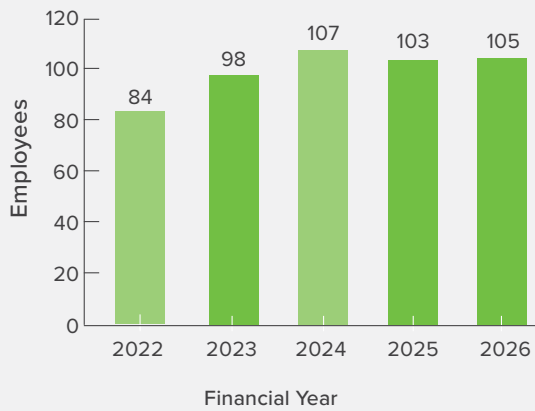
It is pleasing to report that, through all these efforts, employee turnover remained stable over the year. With annual turnover sitting at approximately 12%. This sits comfortably within range for the industry and the nationwide New Zealand average. This is a huge success given the current critical skill shortage within the range across the industry, reflecting a generally positive workforce environment with an ongoing focus on supporting retention through capability development, leadership focus and internal progression opportunities.

Employee numbers have remained relatively stable, with a modest increase of just four new hires compared to the previous year's total of nine.

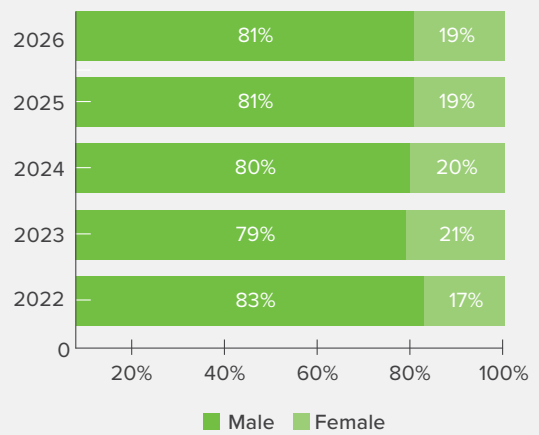
Our age demographics continue to reflect an aging workforce, with 47% of employees currently over the age of 45. Our gender distribution has remained consistent over the past four years, aligning with industry trends.



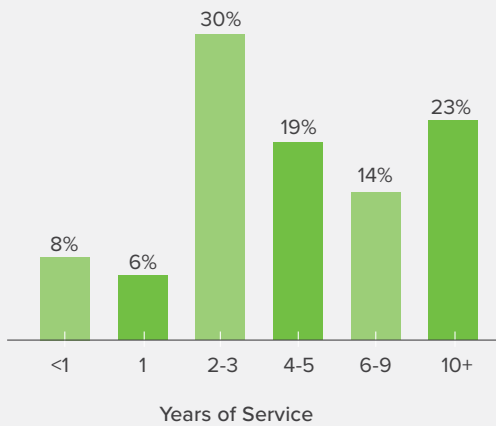
TOTAL EMPLOYEE NUMBERS



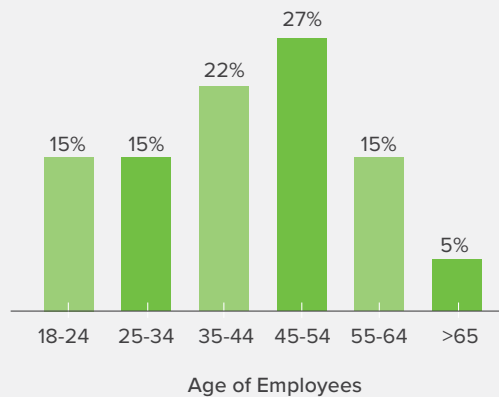
GENDER BALANCE MOVEMENT



LENGTH OF SERVICE



AGE RANGE OF EMPLOYEES



Customer and Community

Network Waitaki is proud to be 100% locally owned by the Waitaki Power Trust and together we are dedicated to sharing the benefits of trust ownership with our customers and community.

POWERING OUR COMMUNITY

Being 100% community-owned by the Waitaki Power Trust enables Network Waitaki to fully engage in promoting and supporting our community through a wide variety of initiatives and activities.

Alongside the annual electricity account discounts we provide to every customer connected to our network, we invest in our local community through our annual Community Sponsorship Programme, which supports a wide range of projects, programmes or activities ranging from community health care, maintenance or upgrading of sport facilities through to the greater involvement of those with disabilities, the arts and education. Our Individual Sponsorship Programme allows individuals to apply for financial support for personal participation (locally or at representative level) or for skills development in a chosen field including but not limited to; music, arts and sport.

Supporting events, community initiatives and projects that help add to the vibrancy of the Waitaki region is an important annual contribution to our community.

Specific highlights over the last year have included our naming rights sponsorship of the Event Centre, and our continued support of the Otago Southland Rescue Helicopter Trust, A&P Show and the installation of community Christmas trees.

We strive to maintain our standing as an integral part of the community – both through our Trust ownership structure and the significant role we play in the community as both a service provider and employer.

NETWORK WAITAKI SPONSORSHIP PROGRAMME

65 Organisations Supported

\$156,630

Grants Paid to Community Groups

OUR LOCAL CONTRIBUTION

Our economic contribution to our local community through the employment of local staff and payments to local suppliers totalled

\$16m





POWERING -OUR- COMMUNITY



Network Performance

Delivery, reliability and considered investment

ENERGY DELIVERY

We understand the critical role Network Waitaki plays in supporting economic growth and wellbeing in the local economy, distributing energy to more than 13,500 homes and businesses in communities across our region.

Energy volume delivered through the network (282.0 GWh) was lower than the previous year (FY2025: 308.0 GWh), with another wet summer once again suppressing irrigation demand in the agricultural sector.

Maximum demand (67.0 MW) was also slightly lower (FY2025: 70.0 MW).

While seasonal variability such as warm winters or wet summers can cause short-term demand fluctuations, the overall longer-term trend indicates energy demand on our network is growing at an average rate of approximately 1% p.a.

RELIABILITY

Network performance is tracked using standardised industry measures that allow us to monitor our performance from year-to-year, as well as against other EDBs. These measures are:

- SAIFI¹: the average number of outages a customer will experience in a year, and
- SAIDI²: the average total outage time, in minutes, they will experience over the year.

Over the last year, our network performed well staying within our targets. This meant that customers experienced less outages and of shorter duration.

- SAIFI: 0.9 (target: 1.8)
- SAIDI: 104.2 minutes (target: 160 minutes).

Our network supply continues to perform reliably with our distribution fault rates (per 100km) performing well below the NZ average. Our analysis of trends indicates no systemic issues with the varied nature of fault causes and locations. We remain one of the higher performing rural networks in the country.

¹System Average Interruption Frequency Index (SAIFI)

²System Average Interruption Duration Index (SAIDI)



Our customers were subjected to a major unplanned Transpower outage outside our network on 26 April 2025 that had a significant impact on our network, affecting around 11,000 connections for up to three hours.

Our reliability is due, in large part, to our ongoing programme of incremental improvements made throughout the year to deliver a safe and reliable network, including inspecting 5,000 poles, replacing or installing 266 poles and 16km of new or replaced lines, laying 4km of 11kV cable, and upgrading aging switchgear at Ngapara substation.

We also completed the installation of two new transformers at Otematata substation and commenced work on upgrading the Pukeuri zone substation with two new transformers on site and expected to be fully operational by mid-2026.

These upgrades replace the previous transformers that had been in operation for more than 50 years and had reached end of life, ensuring the network can support regional growth for the next 50 years.

At the same time, we are working with Transpower to progress our plans to build a new North Otago Grid Exit Point (GXP) to address long standing transmission capacity and security constraints and to meet our region's growing energy demand. The new GXP is expected to be operational by 2030.

We understand that affordability is a real issue for many customers, especially in the current economic environment that is placing pressure on our local community and the businesses and homes that rely on our services.

For this reason, the cost of the new GXP will be funded through a works agreement with Transpower which spreads the cost over a longer term with the associated debt held by Transpower. This approach reflects a deliberate choice about fairness: a GXP built to serve increased future demand should not be funded entirely by today's customers.

We believe the work agreements represents the right balance between prudent financial management and equitable cost allocation, ensuring that future customers who connect to the network - and who will directly benefit from the additional capacity the new GXP provides - will contribute to paying for it over time. This spreads the financial burden across both current and future users of the network.





Like most businesses, we have continued to face cost inflation and market pressures over the last year, including an 18% increase in Transpower's costs for operating and maintaining the national grid. While we have had to pass on the Transpower cost increases, we have absorbed as many of the other increases as possible. We recently announced an average increase in line charges of 7% for the coming year including a 6.1% increase in the Network Waitaki (distribution) component of the charges and a 16.2% increase in Transpower charges.

Improvements continue to be made on our communication network, enabling us to identify potential outages before they occur, and extend the life of network assets. A combination of voice and data systems provide a vital link between our Control Room and operations staff and enable remote indication and control of network equipment. These systems enable us to operate our network and deploy our people effectively, reducing the impact of faults on customers.

We are also supporting regional growth by making it easy for customers to connect renewable energy sources to our network. Over the last year we expanded our generation hosting capacity report for all zone substations and HV feeders to include sub-transmission and produced additional load hosting capacity maps.

We are committed to supporting a decarbonised future by enabling the connection of distributed energy sources, like solar, to our network while also looking for opportunities to reduce the environmental impact of our operation.

NETWORK RESILIENCE REMAINS A KEY FOCUS

We acknowledge that the effects of climate change present challenges to managing our network, and we are committed to increasing network asset and operational resilience in a cost-effective way.

Our AMP and planning processes have been adapted to account for this increasing risk, with a programme of work having commenced that follows industry best practice in focusing on reduction, readiness, response and recovery.

Environmental and climate-related risks are treated as material considerations in both long-term planning and near-term decision making. Climate and hazard scenarios are used to understand potential future impacts on asset performance and service continuity, while recognising uncertainty in the scale and timing of those impacts.

As information improves, environmental risk assessments are updated and progressively embedded into asset risk models, design standards, inspection regimes, and renewal planning. This approach supports incremental improvement in resilience while avoiding assumptions of certainty.

Alongside this work we have also strengthened our environmental compliance and emergency preparedness, including:

- securing new global resource consents to support business as usual network operations
- updating crisis management arrangements to align with Common Incident Management Systems and successfully testing them
- completing a review of High Impact Events affecting network assets to inform resilience planning and risk management.



CONSIDERED INVESTMENT

While we are reaching network capacity, we are working hard to optimise the network and carefully manage our network assets through our asset management process. This process guides how we approach asset lifecycles including initial investment, ongoing maintenance, and refurbishment, and how we make decisions on asset investment.

Our Asset Management Strategy ensures our asset management practices continue to deliver agreed service levels set out in the Asset Management Plan at minimum long-term cost.

This systematic framework focuses on delivering a safe, reliable, secure, resilient, and cost-effective supply of electricity that meets customers' performance expectations, while complying with relevant New Zealand laws, regulations, and codes of practice.

At a high level our network investment framework requires us to consider the following:

- Consider alternate scenarios
- Balance reliability/cost mix
- Balance timing and need
- Investment is future focused
- Seek economic efficiency.

Many of our investment, maintenance and renewal decisions will be highly dependent on the outcomes of inspections of our network assets in the first five years, on customer growth, and other issues that are out of our control, such as the development of the Transpower transmission network.

We are confident we have a process framework, policy and asset management plan that will ensure our customers have a cost-effective, reliable and safe network to support our region.



Network Investment Highlights 2026

Otematata Substation transformer upgrade completed

Pukeuri Substation transformer upgrades commenced

10 km new
fibre cable

4 km new
and replacement
11kV cable

16 km new
and replacement
11kV lines

266 poles
installed or
replaced

5,000 poles
inspected

750
service boxes
inspected

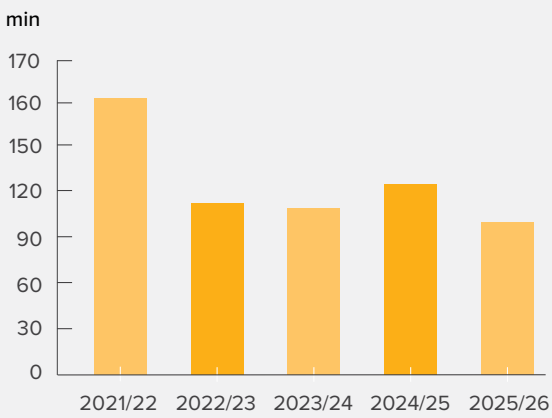
1,150
earth tests
completed

185
vegetation sites
resolved

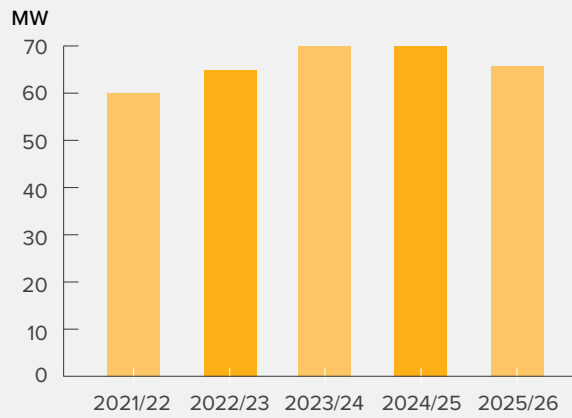
79 new
connections



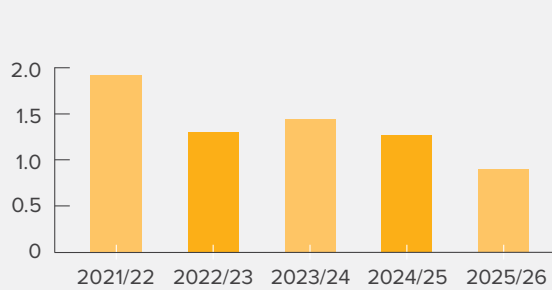
SAIDI RESULT – AVERAGE OUTAGE DURATION



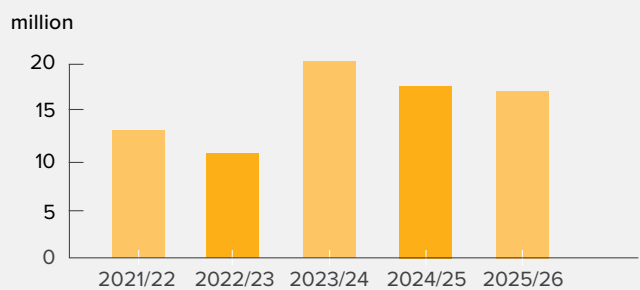
MAXIMUM DEMAND ON THE NETWORK



SAIFI RESULT – AVERAGE OUTAGE FREQUENCY

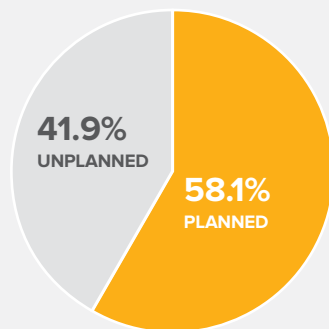


CAPITAL INVESTMENT IN NETWORK



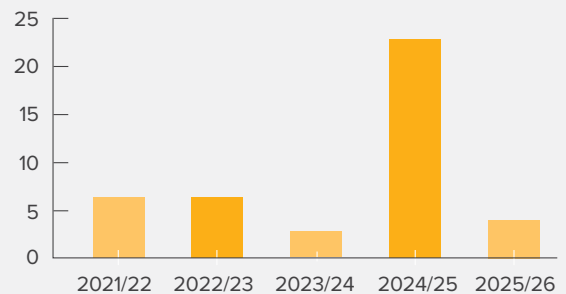


FY2026 SAIDI MINUTES



ADVERSE WEATHER FAULT

Faults



Our target SAIDI and SAIFI performance measures are set annually in the Statement of Corporate Intent. A summary of our performance for the 2025-2026 financial year indicates favourable results against all targets.

	Target	Actual	Performance Against Target	
SAIDI minutes (unplanned)	55	43.70	-11.30	✓
SAIDI minutes (planned)	105	60.50	-44.50	✓
SAIDI minutes Total	160	104.20	-55.80	✓
SAIFI (unplanned)	1.30	0.70	-0.60	✓
SAIFI (planned)	0.50	0.20	-0.30	✓
SAIFI Total	1.80	0.90	-0.90	✓

Contracting Performance

Our Contracting team maintained strong operational performance over the last year, with field teams consistently delivering safe, reliable and effective services that met Network expectations and supported internal work programmes.

Improved capability in pricing internal projects strengthened budgeting, project management, procurement and performance monitoring. This remains a key focus for the coming year as part of our commitment to continuous improvement and commercial transformation

We also increased our capacity to deliver through investment in training, with trainees progressing through our internal bootcamp programme and achieving Level 4 Electricity Distribution qualifications while contributing productively in the field.

Capability was developed across the team through the sharing of training insights with Alpine and MainPower, and growing our electrical services expertise in HV equipment maintenance, installation, testing and commissioning.

Financially, all areas of the Contracting team delivered positive results, with electrical services and vegetation management exceeding budgeted profitability and field services outperforming forecasts through high utilisation.

As a result, our Contracting team delivered a stable financial result despite ongoing external market constraints. Total revenue (\$12.7m) was ahead of the previous year (\$12.5m).

Improved forward planning between our Contracting and Network Engineering Teams provided greater clarity and certainty around the internal works programme for the financial year, around the delivery of the network works programme for the financial year.

Importantly, having the willingness and capability to adjust our own network work programme where required has allowed us to pursue and deliver external contracting opportunities without compromising internal commitments. We remain focused on customer-centric growth and strengthening our position as a preferred service provider.

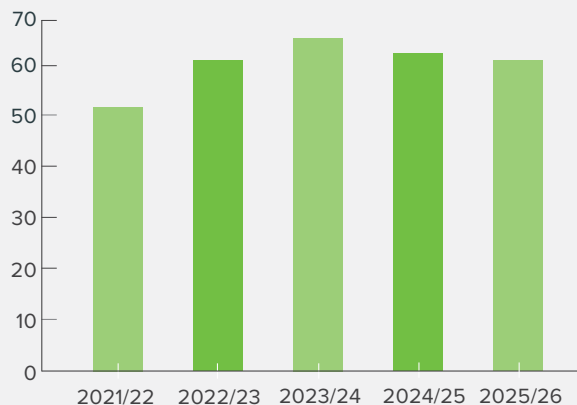
Our contracting team has the capacity to deliver projects for external customers and respond to events beyond our own network, making us one of the best resourced lines companies in the lower South Island.

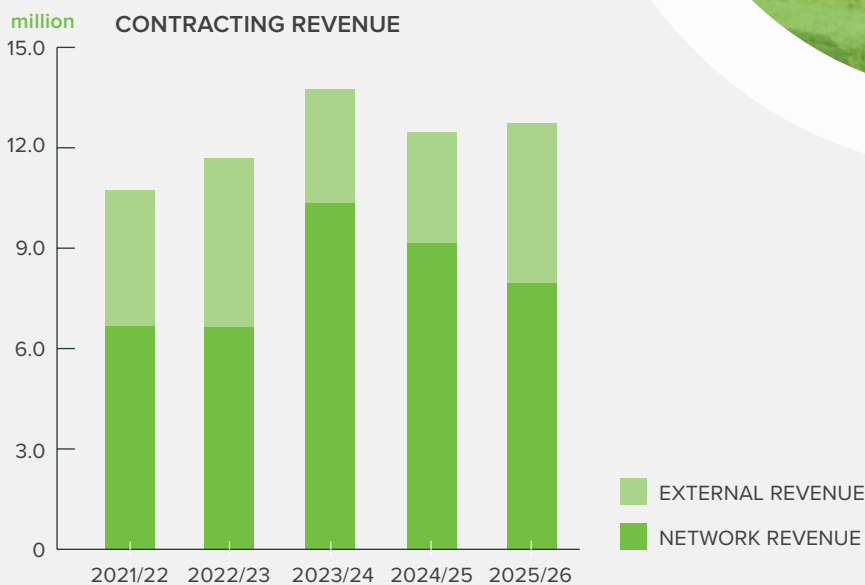
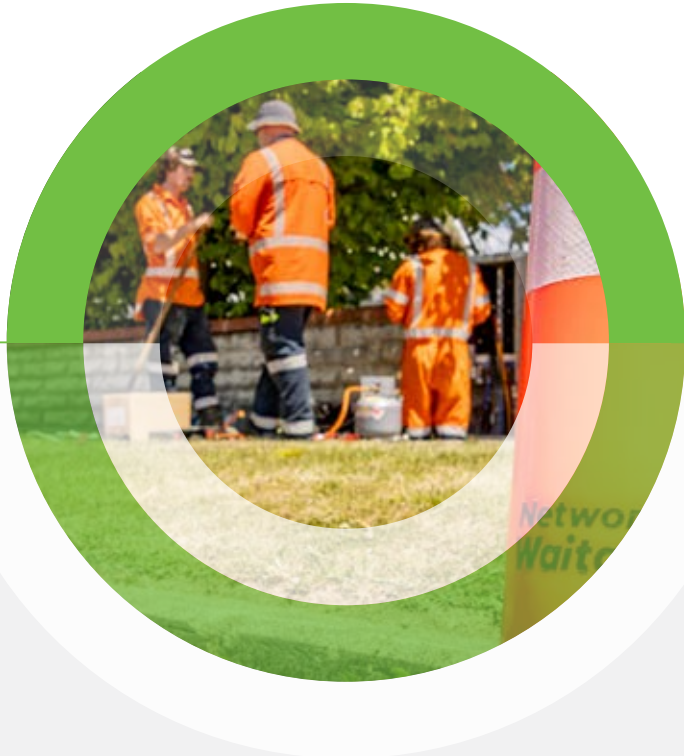
This has seen external revenue increased to \$4.8m on the back of strengthening relationships with neighbouring EDBs and a focus on operational efficiency and prudent financial management – a strong result compared to the previous year (FY2025: \$3.3m). Net profit also remained positive.

Oceana Gold continues to be a key client, with significant project work delivered at Macraes mine and a new service agreement signed in the last year.



CONTRACTING TEAM MEMBERS





Consistent engagement with Alpine Energy and MainPower in recent years, with work encompassing both overhead lines and vegetation management, has seen sizeable revenue. More importantly, it has reinforced our capabilities and highlighted our willingness to assist on future work opportunities. We look forward to growing these relationships over the coming years, including the potential integration of our Trade Coach and the Airedale Road Training Facility into Alpine Energy's future training and recruitment strategy.

PowerNet is another source of external revenue, although their preference is to retain work internally, where possible. In the last year we delivered stringing services on PowerNet's new sub-transmission infrastructure and provided restoration support after a significant wind event impacted their network.

As well as providing important revenue for our network, these projects help retain sufficient scale, expertise and staff to deliver on our own network projects. Our electrical services team continues to grow their expertise through hands-on experience in the maintenance and installation of high-voltage

(HV) equipment and substations, as well as strengthening their capabilities in testing and commissioning, ensuring high standards of safety and performance.

It is important we maintain a consistent and targeted approach to new business growth, particularly within our niche areas of expertise. Positioning ourselves as a preferred service provider and remaining top of mind is critical as market players continue to invest significantly in preparation for projected growth.

This aligns closely with our strategy to provide opportunities to utilise our Oamaru resources for external project delivery and will enable us to maintain our current scale, ensuring we can deliver our network works programme while pursuing external revenue opportunities nationally.

CASE STUDY 3

PowerNet



POWERNET CALLS IN THE EXPERTS

When PowerNet needed to upgrade their Awarua line near Invercargill to support a local dairy factory's conversion from coal to electricity, Network Waitaki was called in to help.

A new 18km 66kV overhead line needed to be strung along a new stretch of 191 poles and the decision was made to use a helicopter to minimise disruption and complete the work as quickly as possible.

Having worked with Heliventures on several heli-stringing projects around New Zealand, our specialist crew was brought in to handle this highly technical work.

Over a six-week period our team worked alongside Heliventures to successfully string the new conductors (powerlines) with precision and speed.

“When a major storm hits, lines companies don’t think in geographic boundaries. They think about what communities need and how they can support colleagues to restore power quickly and safely,”

Electricity Networks Aotearoa Chief Executive, Tracey Kai.



HELPING OUT OUR NEIGHBOURS

In October a major weather (wind) event hit the PowerNet network, causing significant damage across the region.

At the height of the event, thousands of windthrown trees caused power loss to over 55,000 connected PowerNet customers.

Network Waitaki crews mobilised immediately and were amongst the first external teams to have resources in the field. Over a three-week period, our people worked approximately 1,400 hours to restore power, as well as assisting in operational management of resources, temporary generation and material procurement.



Financial Performance

Network Waitaki's financial performance was driven by actively managing the impact of rising costs on our business and working through a weak economic environment.

We are pleased to report Network Waitaki has delivered a solid financial result for the year ended 31 March 2026 ahead of the expectations set in the Statement of Corporate Intent (SCI).

Overall revenue for the 2026 financial year of \$41.9m, was up from \$35.5m in the prior period. Net Profit After Tax (NPAT) of \$8.3m (up from FY2025 \$5.1m), was ahead of the \$6.6m SCI target and reflects a 6.5% return on Shareholder Funds before tax.

The increased profit is a combination of additional revenue and reduced expenditure.

Revenue growth reflects the increase in lines charges from April 2025 and increased Contracting external revenue. Lines revenue remained strong and ahead of budget, with peak consumption in Spring 2025. Customer contributions remained steady in the current economic environment.

Company-wide efforts have been made to prioritise and target our spending to reduce costs and maximise the value of any spend.

This financial performance generated operating cashflows of \$14.9m, enabling continued capital investment in network assets, plant and equipment totalling \$17m and seeing our Total Assets at year-end grow to \$176m (up 8.6% from \$162.1m). Our year-end debt position is \$22.15m and our Debt to Total Asset ratio remains low at only 12.6%.

The Company has taken a financially prudent approach to our capital spending including reassessing the need, scope and timing of projects to ensure they reflect current customer demand and maintain network reliability and security. Care is taken in managing debt levels, backed by strong financial disciplines through our Treasury Policy which stabilises our exposures to market movements.

This is reflected in the loan drawdowns of \$4.5m in FY 2026 which are significantly under budget (\$17.0m) due to the reduced capital spend and increased NPAT.

The lower level of loan drawdowns is reflected in the higher Net Assets per Share (\$9.15) and Ratio of Shareholders Funds to Total Assets (72.80%) compared to SCI targets.

We are particularly conscious of the impact of our pricing decisions and the impact they have for our network, our customers and our community as a whole. We are aiming to balance price rises being passed onto today's consumers and future borrowing to equitably spread the costs of investing in reliable, safe electricity distribution to our customers.

As a community Trust owned company it is essential we deliver our core service while maintaining the strong fiscal disciplines expected of us.





FY26 TOTAL ASSETS

\$176m

A 8.6% INCREASE

\$17m

TOTAL CAPITAL EXPENDITURE

FY26 NPAT

\$8.3m

\$6.6M FY26 BUDGET

\$5.1m

FY25 NPAT

Board of Directors



Michael de Buyzer
LLB Notary Public
Chairman

Michael joined the Board in 2019 and was appointed Chair in 2023. He has been a partner with Berry & Co, Lawyers, Oamaru (who have offices in Queenstown and Invercargill) for over 30 years.

Michael was a Director of Whitestone Contracting Limited from 2008 until 31 December 2021, serving the last 5 years as company Chair. Michael is a founding trustee of the Observatory Village Charitable Trust, the sole shareholder of the Observatory Village companies which have developed and operate North Otago's largest Aged Care Facility caring for 120 plus residents and has been the Trust Chair since 2019.

A former Director of the Highlanders Rugby Franchise and NZ Law Limited, Michael has extensive governance experience and a broad legal practice which incorporates provision of advice to a varied mix of commercial entities.



Jackie Dalziel
B.Com (Ag), MInstD
Director

Jackie joined the Board in 2025. She brings governance experience across the mutual, co-operative and regional infrastructure sectors, supported by a commercial background in member owned organisations. Jackie and her husband operate two dairy grazing properties in the Waitaki district, giving her strong community ties and practical insight into the region's rural economy. She is committed to contributing to organisations that support the wellbeing and resilience of the Waitaki community.



Rob Caldwell
AT AFNZIM
Director

Rob joined the Board in February 2024. His experience in the Electricity Distribution industry includes 18 years as Chief Executive of a successful business which spanned distribution, generation and contracting in the sector. This leadership experience coupled with an accounting background provides Network Waitaki with a wide range of skills at Board level. In July 2024 Rob was appointed to the role of Chair of the Finance and Audit Committee.

Rob is also a Director of a business in the civil contracting sector and has experience as chair of a Risk and Assurance Committee in that sector along with in the local government sector.



Natalie Evans
B.Com C.A.PP
Director

Natalie has resided in the Waitaki region in excess of 30 years. This community held company is therefore very close to her heart. Natalie joined the Board in 2023 and brings a strong sense of judgement based upon extensive knowledge and experience gained in the fields of property, construction, asset management, facilities management, tourism and accommodation.

Natalie is a Chartered Accountant with a current practicing certificate. She is currently Executive Director of Anaro Group and Bella Vista Management Limited in addition to fulfilling Directorship roles in a number of property-owning companies and a retirement village.

Natalie supports the local community and is also a Trustee of the Observatory Village Charitable Trust.



Jonathan Kay
BE (Chemical & Materials)
(Hons), ME, DipBus
Director

Jonathan joined the Board in 2019. Jonathan brings a wealth of experience in the energy sector, in particular, the commercialisation of emerging technologies. He is currently Chair of Waipa Networks and a Director of Counties Energy, Horizon Energy and Whitestone Contracting. Prior to this he has held senior management positions at Vector, Unison Networks and Landis+Gyr.



Brett King
BAppMgt, Nat Dip Bus
(H&S), CMIInstD
Director

Brett joined the Board in October 2024 after a 25-year career in civil contracting across the Central South Island.

A seasoned governance professional with a robust background in strategic leadership and commercial management. Brett's career has been marked by a commitment to fostering sustainable growth and ensuring the highest standards of health and safety compliance. With a proven track record in asset management and community engagement, Brett has consistently delivered long-term value to shareholders and stakeholders alike.

Management Team



Dylan Andrews
Chief Executive Officer

Dylan joined Network Waitaki in February 2024. Dylan holds a M.B.A. from the University of Reading's Henley Business School and completed the Advanced Management Programme at the University of Melbourne's Melbourne Business School and is a Member of the NZ Institute of Directors.

Dylan has over 20 years of a range of executive roles in the energy sector. He has a strong affinity with community-owned distribution companies including a decade with Counties Power in Pukekohe leading areas of technology, strategy, and risk. He then moved to Electra in the Kapiti and Horowhenua region, where he held various executive roles with the most recent being Chief Operating Officer, before joining Network Waitaki.



Gina Cavanagh
GM People and Safety

Gina was appointed in March 2023 in the newly created role of People and Culture Manager and in 2024, her role evolved into General Manager People and Safety, reflecting the organisations focus on integrating safety and wellbeing to support a high performing workforce.

With a strong generalist human resources background across a range of industries, including prior experience with a Dunedin-based network and contracting company, Gina brings valuable strategic insight to the leadership team. In her role, she is committed to building a diverse and engaged workforce, fostering an inclusive culture, and promoting employee wellbeing, safety, and development in alignment with the organisation's values.

Gina holds a diploma in HR Management and is a member of the Human Resources Institute of New Zealand.



Geoff Jones
GM Contracting

Geoff brings more than two decades of expertise in the electrical distribution sector, with a broad spectrum of experience incorporating field delivery, network control room operations, project management and operational oversight.

Geoff was appointed to the GM Contracting role in April 2023. He oversees the strategic growth and day-to-day operations of the contracting business. His responsibilities include upholding customer service standards, mitigating operational risks, maintaining the resource capacity and capability for internal and external project execution, and playing a pivotal role in the company's overall management.

Geoff holds diplomas in Business Management and Project Management. Additionally, he is a certified Line Mechanic and a member of the New Zealand Institute of Management and Leadership.



Tricia Rands
Chief Financial Officer

Tricia was appointed as the Chief Financial Officer in June 2023 and has responsibility for overseeing the financial, IT and regulatory operations of the company. This includes financial planning, pricing and reporting along with treasury and risk management.

Tricia joined Network Waitaki in 2020. She previously held senior finance positions in the electricity distribution sector including both network and contracting operations as well as local government and audit experience.

Tricia has a Commerce Degree from Lincoln University and is a member of Chartered Accountants of Australia and New Zealand.



Shane Watson
GM Network

In the role of General Manager Network, Shane is responsible for the strategic development and operational management of the electricity and fibre networks, metering, and energy technology assets to ensure the delivery of safe, reliable, and cost-efficient electrical energy to meet the current and future needs of our customers and community. Shane was appointed GM Network in October 2021.

Shane has held roles in the electrical distribution and transmission industry, with over 40 years' industry experience across consulting, asset management, engineering, procurement and delivery of major projects.

Shane has a degree in Electrical and Electronics Engineering, a Master of Business Administration degree, is a current Chartered member of Engineering NZ and a Chartered member of Institute of Directors. He is also currently a Trustee of the Aruhiko Power Engineering Excellence Trust.

Governance Report

Roles and Responsibilities of the Board and Management

The primary objective of the Board is to protect and enhance the value of the company.

To ensure that Network Waitaki’s business objectives and strategies are achieved and to deliver value to the Company and its shareholder, the Board strives to understand, meet and appropriately balance the expectations of all its stakeholders, including its employees, customers and the wider community.

In carrying out its responsibilities and powers, the Board at all times recognises its overriding responsibility to act honestly, fairly, diligently and in accordance with the law. The Board works to promote and maintain an environment within Network Waitaki that establishes these principles as basic guidelines for all of its employees and representatives.

The Chief Executive has responsibility for the day-to-day management of Network Waitaki. He is supported in this function by the Network Waitaki management team. Details of the members of the management team are set out on pages 34-35 of this annual report and on our website (<https://www.networkwaitaki.co.nz/company/about-nwl/network-waitaki-management-team/>). The Board maintains the ultimate responsibility for strategy and control of Network Waitaki.

Board Membership

Network Waitaki’s Board comprises experienced directors from diverse backgrounds and who govern the Company on behalf of its shareholder and other stakeholders. The Board comprises six directors, all of whom are non-executive.

Biographies are set out on pages 32-33 of this annual report. The current directors possess an appropriate mix of skills, expertise and diversity to enable the Board to discharge its responsibilities and deliver the Company’s strategic priorities.

Director Independence

The Board has reviewed the position and relationships of all directors in office and considers that all directors are independent.

Board Committees

There are currently two Board committees, a Finance and Audit Committee and a Risk Committee. Each committee has a written charter setting out its purpose, objectives, responsibilities, structure and composition, meetings, and procedure, authority and reporting.

The members and chairs of each committee are:

Committee	Members
Finance and Audit Committee	Rob Caldwell (Chair)
	Michael de Buyzer
	Natalie Evans
Risk Committee	Jonathan Kay (Chair)
	Jaclyn Dalziel
	Brett King

External Auditor

In accordance with Section 45 of the Energy Companies Act 1992, the Controller and Auditor-General is responsible for the audit of Network Waitaki Limited. In accordance with Section 29 of the Public Finance Act 1977, the Controller and Auditor-General has contracted the audit of Network Waitaki Limited to Maxwell John Dixon using the staff and resources of PricewaterhouseCoopers. The auditor’s fee for 2025/26 is \$118,582 (2024/25 was \$110,815).

Risk Management

Network Waitaki operates in an environment where it is subject to a wide range of operational and strategic risks. Network Waitaki has a systematic approach to identifying and managing those risks to ensure it operates a safe, compliant, and sustainable business, with clear accountability for risk management across the business.

Risk management is overseen by the Board through its risk subcommittee, chaired by Jonathan Kay. The Board remains responsible for approving risk management policy, setting and monitoring the risk appetite for the business, and ensuring management have an effective risk management framework in place.

The key objectives of Network Waitaki's approach to risk management are:

- To protect people, the community, assets, reputation and financial position through effective identification, assessment, and management of risks;
- To ensure the business remains sustainable, relevant and maintains its social license to operate;
- To achieve the mission, vision, and strategic objectives within an acceptable level of risk (our risk appetite);
- To maintain a flexible and evolving risk management framework aligned to the AS/NZS ISO31000 Risk Management Standard;
- To ensure the business has effective systems and tools to assist in the management and reporting of risks;
- To consider the risks and opportunities arising from climate change, including the impact on the network and our business alongside changes to government policy and legislation;
- To regularly assess new or emerging risks, and to reassess previously identified risks in all aspects of the business operation;
- Consideration of all types of risks and how robust risk management supports better informed decision making;
- To regularly review the effectiveness of risk controls, and where necessary undertake assurance activities to verify effectiveness of controls;
- To ensure transparency and awareness of risks and risk controls across the business, including to Board level;
- To promote risk management processes and foster a culture of risk management awareness in all aspects of the business operations.

Internal Audit

Network Waitaki does not consider its scale large enough to require a dedicated independent internal audit function.

Ethical and Responsible Behaviour

Underpinning our commitment to ethical and responsible behaviour is our code of conduct. The key principles of our code of conduct include:

- At Network Waitaki, we work ethically and professionally, aiming for excellence in everything we do;
- We are committed to providing a modern, inclusive, and safe work environment that supports our employees and customers;
- Network Waitaki employees will conduct themselves with integrity, will be fair and honest in their dealings and will treat others with the dignity they deserve;
- Integrity at Network Waitaki means doing the right things and behaving properly at all times;
- Network Waitaki will ensure employees understand that the way they conduct themselves as they go about their business has a direct relationship with the way people view the company;
- Our team must work together and in partnership with customers and the wider community to provide a safe and healthy environment. We recognise how we behave reflects on Network Waitaki's reputation;
- Minimum standards of behaviour and performance are necessary so that a harmonious and safe environment may exist in the workplace.

Company Trend Statement

Financial Performance

\$000's	2026	2025	2024	2023	2022
Operating Revenue	41,935	35,521	34,256	33,038	29,294
Profit before Interest and Tax	12,691	8,178	5,486	6,094	6,509
Interest	(1,134)	(961)	(482)	(37)	(79)
Taxation	(3,241)	(2,105)	(1,590)	(1,710)	(1,816)
Net Surplus	8,316	5,112	3,414	4,346	4,614
Customer Discounts	990	989	997	1,000	991

Financial Position

\$000's	2026	2025	2024	2023	2022
Current Assets	13,357	9,976	10,363	13,396	11,940
Non-Current Assets	162,648	152,128	140,174	123,366	118,205
Total Assets	176,005	162,103	150,537	136,762	130,145
Less Liabilities	47,903	42,279	35,517	24,988	22,617
Net Assets	128,101	119,825	115,020	111,774	107,528
Share Capital	14,571	14,571	14,571	14,571	14,571
Retained Earnings and Reserves	113,530	105,253	100,449	97,203	92,957
Equity	128,101	119,824	115,020	111,774	107,528

Financial Ratios

	2026	2025	2024	2023	2022
NPBT to Shareholders Funds	9.0%	6.0%	4.4%	5.4%	6.0%
NPAT to Shareholders Funds	6.5%	4.27%	2.97%	3.9%	4.3%
Ratio of Shareholders' Funds to Total Assets	72.8%	73.9%	76.4%	81.7%	82.6%
NPBT Earnings Per Share in Cents	83	52	36	43	46
Net Assets Per Share	\$9.15	\$8.56	\$8.22	\$7.98	\$7.68

Network Performance

	2026	2025	2024	2023	2022
SAIDI (normalised)	104.2	127.1	110.6	117.6	166.9
SAIFI (normalised)	0.9	1.0	1.4	1.4	2.0

Directors' Responsibility Statement

The Directors are responsible for ensuring that the financial statements give a true and fair view of the financial position of Network Waitaki Limited as at 31 March 2026 and its financial performance and cash flows for the year ended on that date.

The Directors consider that the financial statements of Network Waitaki Limited have been prepared using appropriate accounting policies consistently applied and supported by reasonable judgements and estimates and that all relevant reporting and accounting standards have been followed.

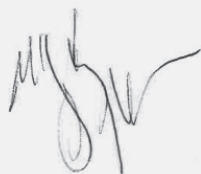
The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of Network Waitaki Limited and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors consider they have taken adequate steps to safeguard the assets of Network Waitaki Limited and to prevent and detect fraud and other irregularities.


The Directors have pleasure in presenting the Financial Statements of Network Waitaki Limited for the year ended 31 March 2026.

The Board of Directors of Network Waitaki Limited authorises these Financial Statements for issue on 25 May 2026.

For and on behalf of the Board of Directors.



Michael de Buyzer
Chairperson



Rob Caldwell
Chair Finance and Audit Committee

Financial Statements

Statement of Comprehensive Income

for the year ended 31 March 2026

\$NZD	Notes	2026	2025
Operating Revenue	1	41,935,293	35,520,637
Less Customer Discount		(990,171)	(989,160)
Operating Revenue after Customer Discount		40,945,122	34,531,477
Less Operating Expenses	2	(9,421,866)	(7,445,085)
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		12,691,347	8,177,538
Finance Income		40,664	61,200
Finance Costs		(1,174,678)	(1,022,118)
Finance Cost Net		(1,134,014)	(960,918)
Profit Before Tax		11,557,333	7,216,620
Taxation	18	(3,241,256)	(2,104,879)
Net Profit for the Year		8,316,077	5,111,741
Fair Value Movement of Cashflow Hedges	16	84,053	(148,095)
Income Tax on Items Direct to Equity	16	(23,535)	41,467
Total Comprehensive Income		8,376,595	5,005,113

Statement of Changes in Equity

for the year ended 31 March 2026

\$NZD	Share Capital	Retained Earnings	Hedging Reserve	Total Equity
Balance at 1 April 2024	14,571,119	100,467,039	(18,474)	115,019,684
Profit for the year	-	5,111,741	-	5,111,741
Fair Value Movement of Cashflow Hedges	-	-	(148,095)	(148,095)
Income Tax on Items Direct to Equity	-	-	41,467	41,467
Total Comprehensive Income	-	5,111,741	(106,628)	5,005,113
Dividend Paid	-	(200,000)	-	(200,000)
Balance at 31 March 2025	14,571,119	105,378,780	(125,102)	119,824,797
Balance at 1 April 2025	14,571,119	105,378,780	(125,102)	119,824,797
Profit for the year	-	8,316,077	-	8,316,077
Fair Value Movement of Cashflow Hedges	-	-	84,053	84,053
Income Tax on Items Direct to Equity	-	-	(23,535)	(23,535)
Total Comprehensive Income	-	8,316,077	60,518	8,376,595
Dividend Paid	-	(100,000)	-	(100,000)
Balance at 31 March 2026	14,571,119	113,594,857	(64,584)	128,101,392

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

Financial Statements

Statement of Financial Position

as at 31 March 2026

\$NZD	Notes	2026	2025
Assets			
Current Assets			
Cash and Cash Equivalents	12	4,270,052	1,909,666
Trade and Other Receivables	5	4,930,973	3,951,523
Inventories	6	4,081,973	4,013,830
Work in Progress		74,211	-
Financial Derivatives	17	-	100,837
Total Current Assets		13,357,209	9,975,856
Non-Current Assets			
Property, Plant and Equipment	9	162,482,817	151,858,518
Right-of-use Assets	10	6,428	170,243
Intangible Assets	11	158,356	98,799
Total Non-Current Assets		162,647,601	152,127,560
Total Assets		176,004,810	162,103,416
Liabilities			
Current Liabilities			
Trade and Other Payables	7	4,560,766	4,590,166
Employee Entitlements	8	905,022	866,383
Lease Liabilities	10	6,350	189,564
Taxation Payable		443,515	213,845
Total Current Liabilities		5,915,653	5,859,958
Non-Current Liabilities			
Loans and Borrowings	13	22,150,000	17,650,000
Lease Liabilities	10	-	6,350
Financial Derivatives	17	89,700	274,590
Deferred Tax	18	19,748,065	18,487,721
Total Non-Current Liabilities		41,987,765	36,418,661
Total Liabilities		47,903,418	42,278,619
Equity			
Share Capital	14	14,571,119	14,571,119
Retained Earnings	15	113,594,857	105,378,780
Hedging Reserve	16	(64,584)	(125,102)
Total Shareholders' Equity		128,101,392	119,824,797
Total Liabilities and Shareholders' Equity		176,004,810	162,103,416

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

Financial Statements

Statement of Cash Flows

for the year ended 31 March 2026

\$NZD	Notes	2026	2025
Cash Flows from Operating Activities			
<i>Cash was Provided from:</i>			
Receipts from Customers		39,965,672	35,054,357
Interest Received		40,664	61,200
		40,006,336	35,115,557
<i>Cash was Applied to:</i>			
Payments to Suppliers and Employees		(22,471,215)	(20,139,995)
Income Tax Paid		(1,783,153)	(1,279,274)
Interest Paid		(1,174,678)	(1,022,118)
Net GST Paid		321,891	(7,764)
		(25,107,155)	(22,449,151)
Net Cash from Operating Activities	4	14,899,181	12,666,406
Cash Flows from Investing Activities			
<i>Cash was Provided from:</i>			
Proceeds from Asset Sales		369,873	-
<i>Cash was Applied to:</i>			
Purchase of Property, Plant and Equipment and Intangible Assets		(17,119,105)	(19,569,617)
Net Cash from Investing Activities		(16,749,232)	(19,569,617)
Cash Flows from Financing Activities			
<i>Cash was Provided from:</i>			
Proceeds from Borrowings		4,500,000	7,500,000
<i>Cash was Applied to:</i>			
Dividends Paid		(100,000)	(200,000)
Finance Lease Principal Repayments		(189,563)	(198,906)
		(289,563)	(398,906)
Net Cash from Financing Activities		4,210,437	7,101,094
Net Increase in Cash Held		2,360,386	197,883
Cash and Cash Equivalents at Beginning of the Year		1,909,666	1,711,783
Cash and Cash Equivalents at End of the Year		4,270,052	1,909,666

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

Notes to the Financial Statements

Reporting Entity

Network Waitaki Limited is a consumer trust-owned electricity distribution network operator in the Waitaki region. The Company's registered office is 10 Chelmer Street, Oamaru, New Zealand. Network Waitaki Limited is wholly owned by Waitaki Power Trust. Network Waitaki Limited is a limited liability company incorporated and domiciled in New Zealand.

Date of Approval

These financial statements have been approved for issue by the Board of Directors on 25 May 2026. The directors do not have the power to amend the financial statements after its issue.

Basis of Preparation

The 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 applicable for profit-oriented entities.

Network Waitaki Limited is:

- a New Zealand registered company under the Companies Act 1993; and
- an energy company as defined in the Energy Companies Act 1992.

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013, the Companies Act 1993 and the Energy Companies Act 1992.

The company 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 company has no public accountability. In adopting NZ IFRS RDR, the company has taken a number of disclosure concessions. The Company is a profit-oriented entity for the purpose of complying with NZ IFRS RDR.

Functional and Presentation Currency

The Company's financial statements are presented in whole New Zealand dollars, which is the Company'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 Statement 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 are 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 judgments 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 in the circumstances.

These estimates and judgments form the basis for 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 judgments are regularly reviewed. Any changes to estimates are recognised in the period if the change affects that period, or in future periods if the change also affects future periods.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments 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 Methodologies. These rates are considered a reasonable estimate of useful lives. Depreciation rates applied are outlined in Note 9.
- Long service leave entitlements are recognised on a proportional basis as probability of entitlement increases. This is outlined in Note 8.

Further details and the material accounting policies utilising these judgements are included in note 8-10 of these financial statements.

New and amended standards adopted by the company

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

Performance

1. OPERATING REVENUE

Network Lines Revenue

The Company 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 receive and consume 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.

Individually assessed consumers are charged based on agreed prices, demand capacity 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 Company 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 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, Network Waitaki has not adjusted the promised amount of consideration for any deposit received in respect of electrical contract works for a material component. This is due to the period between the point in time Network Waitaki transfers the electrical work to the customer and when the customer pays for the electrical work being less than one year.

Contracting Revenue

The Company 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 Company 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 (CONT'D)

\$ NZD	2026	2025
<i>The company derives revenue in the following major classifications:</i>		
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	2,084,324
Contracting	5,004,951	2,977,501
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
Property and Other 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

Note:

- 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 \$230,045), 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

\$ NZD	2026	2025
<i>Operating Expenses Comprise:</i>		
Operating Costs	3,098,327	1,202,489
Network Maintenance	3,367,767	3,336,381
Consumer Asset Costs	494,993	472,655
Directors' Fees	323,577	297,455
Insurance	997,670	930,463
Professional Fees	913,478	998,592
Audit Fees (Financial Statements) – PwC	118,582	110,815
Other Services (Information Disclosure Assurance) - PwC	65,100	71,675
Taxation Services – Other firms	32,603	15,802
Other Regulatory Audits – Other firms	9,769	8,758
	9,421,866	7,445,085

Note:

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

3. DEPRECIATION, AMORTISATION, AND IMPAIRMENT

\$ NZD	2026	2025
<i>Depreciation of PPE comprises:</i>		
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
Total Depreciation of PPE	6,115,122	5,867,450
(Gain) / Loss on Disposal of Property, Plant and Equipment	(55,045)	1,502,086
Total Depreciation of PPE	6,060,077	7,369,536
<i>Depreciation of Right-to-use Assets comprises:</i>		
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
<i>Depreciation of Intangibles comprises:</i>		
Intangibles	5,298	62,539
Total Depreciation and Amortisation	6,229,190	7,615,615

4. RECONCILIATION OF NET PROFIT WITH CASHFLOW FROM OPERATING ACTIVITIES

\$ NZD	2026	2025
Net Profit for the Year	8,316,077	5,111,741
Add/(Less) Non-Cash Items:		
Depreciation and Amortisation	6,229,190	7,615,615
Deferred Taxation	1,236,809	872,342
	7,465,999	8,487,957
Add/(Less) Movements in Working Capital Items:		
(Increase) / Decrease in Trade and Other Receivables	(979,450)	522,880
(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	(46,737)
Increase / (Decrease) in Trade and Other Payables	(29,402)	(1,605,943)
Increase / (Decrease) in Employee Entitlements	38,639	33,291
	(882,895)	(933,292)
Net Cash Flows from Operating Activities	14,899,181	12,666,406

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 Company 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 company's impairment policies and the calculation of the loss allowance are provided in the financial asset policy.

\$ NZD	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	63,271	188,511
Prepayments	779,581	717,800
Balance at End of Year	4,930,973	3,951,523
Less Non-Current Trade Receivables	-	-
Current Trade and Other Receivables	4,930,973	3,951,523
Trade and Other Receivables less than 90 days old	4,794,829	3,900,299
Trade and Other Receivables greater than 90 days old	136,144	51,224
	4,930,973	3,951,523

The company applies the simplified approach to measure the loss allowance on amounts due from customers and trade receivables at an amount equal to lifetime expected credit losses, taking into account the historic default experience and future prospects of the electricity industry.

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.

\$ NZD	2026	2025
Stores Inventory	4,081,973	4,013,830

7. TRADE AND OTHER PAYABLES

Trade and Other Payables are recognised when the Company 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 Company has a present legal or constructive obligation as a result of past events, 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 recognised as the asset has not yet been commissioned or the contractual obligation spans financial years.

\$ NZD	2026	2025
Trade Payables	2,136,142	3,204,285
Accruals	1,307,852	1,216,761
Contract Liability - Capital Contributions	855,806	230,045
GST	260,966	(60,925)
Balance at End of Year	4,560,766	4,590,166

All trade and other payables have a maturity within one year

Contract Liability – Capital Contributions

\$ NZD	2026	2025
Opening Balance	230,045	813,284
Amount of transaction price received for unsatisfied performance obligations	2,419,644	1,501,085
Revenue recognised from performance obligations satisfied	(1,793,883)	(2,084,324)
Closing Balance	855,806	230,045

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.

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.

\$ NZD	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. 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.

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%
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.

Property, Plant & Equipment

\$NZD	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	12,388,509	193,512,278
Additions	17,625,397	-	775,045	-	-	2,172,321	20,572,763
Disposals	(1,146,055)	-	-	-	-	(194,683)	(1,340,738)
Transfers	(250,204)	-	-	-	-	250,204	-
At 31 March 2025	185,070,381	2,704,412	5,153,362	2,595,397	2,604,400	14,616,351	212,744,303
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)
Transfers	-	-	-	-	-	-	-
At 31 March 2026	195,842,934	2,730,362	5,447,135	832,653	2,604,400	14,469,228	221,926,712

Accumulated Depreciation and Impairment

At 1 April 2024	49,384,840	208,662	1,084,831	2,595,397	2,460,161	7,516,431	63,250,322
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	8,705,629	68,377,161
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)
Transfers	-	-	-	-	-	-	-
At 31 March 2026	57,370,175	350,515	1,314,917	832,653	2,604,400	9,408,640	71,881,300

Net Book Values

At 31 March 2025	132,093,472	2,425,147	3,937,801	-	-	5,910,722	144,367,142
Work in Progress	7,128,590	-	362,786	-	-	-	7,491,376
	139,222,062	2,425,147	4,300,587	-	-	5,910,722	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	-	-	5,060,588	162,482,817

10. 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 Company.

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 Company under residual value guarantees
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Company 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 Company, 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 Company 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.

Leases

\$ NZD	2026	2025
Current	6,350	189,563
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 income statement.

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 asset's 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.

\$NZD	Reticulation Network	Plant and Equipment	Total
Gross Carrying Amount			
At 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
Variable Lease Adjustments	-	-	-
Terminated Leases	-	-	-
At 31 March 2026	1,199,957	39,835	1,239,792

Accumulated Depreciation and Impairment

At 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

Lease Income

Lease income from operating leases where the Company 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.

\$ NZD	2026	2025
Lessees – Operating Leases		
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

11. 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	Amortisation Rate
Computer Software	15% to 50%
Consents	2.86%

\$ NZD	Software	Consents	Total
Gross Carrying Amount			
At 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 Amortisation and Impairment			
At 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	5,298
Disposals	(88,353)	-	(88,353)
At 31 March 2026	1,358,103	2,586	1,360,689
Net Book Values			
At 31 March 2025	2,120	-	2,120
Work in Progress	-	96,679	96,679
	2,120	96,679	98,799
At 31 March 2026	8,547	105,996	114,543
Work in Progress	-	43,813	43,813
	8,547	149,809	158,356

Net debt and equity

12. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents include 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:

\$ NZD	2026	2025
NZD bank account	3,840,134	1,909,666
USD bank account	429,918	-
Closing Balance	4,270,052	1,909,666

All bank accounts are interest bearing.

SHORT TERM DEPOSITS

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

FINANCIAL ASSETS

Classification

The Company's only financial assets are measured at amortised cost.

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 Company has transferred substantially all risks and rewards of ownership.

Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income (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 Company always recognises lifetime expected credit losses (ECL) for trade receivables and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company'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 Company 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 Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries are recognised in the statement of comprehensive income.

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 of qualifying assets is greater than twelve months. The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is the current cost of borrowing from financial markets.

13. LOAN AND BORROWINGS

\$ NZD	2026	2025
Loan from Waitaki Power Trust	1,150,000	1,150,000
Bank Loans	21,000,000	16,500,000
Total Loans and Borrowings	22,150,000	17,650,000

The Loan from Waitaki Power Trust is unsecured. 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.

\$ NZD	Weighted Average Interest Rate		2026		2025	
	2026	2025	Face Value	Carrying Value	Face Value	Carrying Value
Longer than One Year						
Loan from Waitaki Power Trust	5.77%	8.41%	1,150,000	1,150,000	1,150,000	1,150,000
Bank Loans	5.03%	5.37%	21,000,000	21,000,000	16,500,000	16,500,000
Total Loans and Borrowings			22,150,000	22,150,000	17,650,000	17,650,000

14. SHARE CAPITAL

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

\$ NZD	2026	2025
Fully Paid-up Ordinary Shares	14,000,000	14,000,000
Total Number of Ordinary Shares Authorised	14,000,000	14,000,000

The Company has one class of shares, which is "ordinary shares". Each ordinary share has a value of \$1.00 and ranks equally for voting and distribution rights. All shares are held by Waitaki Power Trust.

A share premium of \$571,119 was paid with the acquisition of shares.

As at the date of authorisation for issue of these financial statements, no dividends have been proposed or declared that are not recognised as a distribution in the 2026 year (2025 Nil).

15. RETAINED EARNINGS

Provision is made for the amount of any dividend declared on or before the end of the financial year but not distributed at balance date. Distribution of dividends to the Company shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Board of Directors.

\$ NZD	2026	2025
Balance at Beginning of Year	105,378,780	100,467,039
Net Surplus for Year	8,316,077	5,111,741
Dividend Paid	(100,000)	(200,000)
Balance at End of Year	113,594,857	105,378,780

Capital Risk Management

The Company'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 Company is not subject to any externally imposed capital requirements.

In order to maintain or adjust the capital structure, the Company may adjust the amount of discount paid to consumers.

16. 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.

\$ NZD	2026	2025
Balance at Beginning of 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 End of Year	(64,584)	(125,102)

17. 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.

Foreign Exchange Risk

The Company's revenue is entirely denominated in New Zealand dollars. The Company may from time to time enter into agreements for purchases 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 pre-purchase of foreign currency or the use of foreign exchange contracts.

\$ 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	-

Interest rate risk

The company 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 company 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 company applies a hedge ratio of 1:1.

The company 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 company 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	Statement of Financial Position	Change in Carrying Value
2025			Liability		
NZD Interest Rate Swaps (terms 2-5 years)	4.18%	16,500,000	(274,590)	Financial Derivatives	(248,932)
2026					
NZD Interest Rate Swaps (terms 2-6 years)	4.08%	21,000,000	(89,700)	Financial Derivatives	184,890

Credit Risk

Credit risk is managed by the Company 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 the 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 minimum of 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.

Liquidity Risk

Cash flow forecasting is performed in the operating entities of the Company. The Company monitors its rolling forecast liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom at all times. Such financial forecasting takes into consideration the Company's debt financing plans and compliance with the Statement of Corporate Intent.

Surplus cash held over and above the balance required for working capital management is invested in interest-bearing accounts.

The table below analyses the Company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period, at the statement 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 the cash flows. The amounts disclosed in the table are contractual undiscounted cash flows.

At 31 March 2025

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loan from Waitaki Power Trust	96,715	96,715	290,145	1,633,575
Bank Loans	16,500,000	-	-	-
Trade and Other Payables	4,590,166	-	-	-
Total Non Derivative Liabilities	21,186,881	96,715	290,145	1,633,575
Interest Rate Swaps	565,085	565,085	1,094,657	-
	21,751,966	661,800	1,384,802	1,633,575

At 31 March 2026

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loan from Waitaki Power Trust	66,355	66,355	199,065	1,481,775
Bank Loans	21,000,000	-	-	-
Trade and Other Payables	4,560,766	-	-	-
Total Non Derivative Liabilities	25,627,121	66,355	199,065	1,481,775
Interest Rate Swaps	731,285	695,983	1,052,681	9,671
	26,358,406	762,338	1,251,746	1,491,446

The contractual cashflows of the bank loans are based on the next loan maturity/rollover which is independent of the facility term. The Loan from Waitaki Power Trust is interest only, with no maturity date; however, the Waitaki Power Trust has given an undertaking to give a minimum of 12 months' notice of the requirement to make any repayment of the advance outstanding or part thereof. The over 5-year amounts allow for payments up to 10 years.

18. 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 temporary differences arising on investments in associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

\$ NZD	2026	2025
Tax Expenses For Period Made Up Of:		
Current Taxation Expense	2,004,447	1,232,537
Deferred Taxation Expense	1,236,809	872,342
Tax Expense	3,241,256	2,104,879
Profit Before Income Tax	11,557,333	7,216,620
Prima Facie Taxation @28 cents	3,236,053	2,020,654
Movement In Income Tax Due To:		
Non-Deductible Expenses	7,015	8,127
Prior Period Adjustment	(1,812)	76,098
Change in Temporary differences:		
	5,203	84,225
Tax Expense	3,241,256	2,104,879

Deferred Tax Liability

\$ NZD	Depreciation	Other	Total
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
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

19. RELATED PARTY TRANSACTIONS'

\$ NZD	2026	2025
Waitaki Power Trust to Network Waitaki Ltd		
Loan Outstanding at Balance Date	1,150,000	1,150,000
Network Waitaki Ltd to Waitaki Power Trust		
Interest	75,029	96,649
Interest outstanding at balance date	16,362	-
Network Waitaki Limited to A.J. Wood Chartered Accountants Ltd		
A.J. Wood Chartered Accountants Ltd is related to Network Waitaki Ltd through its director, Tony Wood, who is a shareholder and director of A. J. Wood Chartered Accountants Ltd		
Director's Fees	-	11,468
Network Waitaki Ltd to Berry & Co		
Berry & Co is related to Network Waitaki Ltd through its director, Michael de Buyzer, who is partner of Berry & Co.		
Purchase of goods and services	36,258	28,861
Payable Balance at Balance Date	512	4,418
Network Waitaki Ltd to Lone Wolf Enterprises Ltd		
Lone Wolf Enterprises Ltd is related to Network Waitaki Ltd through its director, Jonathan Kay, who is a shareholder and director of Lone Wolf Enterprises Ltd.		
Director's Fees	47,700	47,243
Payable Balance at Balance Date	-	3,975
Network Waitaki Ltd to Original Performance Solutions Ltd		
Original Performance Solutions Ltd is related to Network Waitaki Ltd through its director, Chris Bailey, who is a shareholder and director of Original Performance Solutions Ltd.		
Director's Fees	15,902	47,243
Payable Balance at Balance Date	-	3,975
Network Waitaki Ltd to SBK Ltd		
SBK Ltd is related to Network Waitaki Limited through its director, Brett King, who is a shareholder and director of SBK Limited		
Director's Fees	47,700	21,574
Payable Balance at Balance Date	3,975	3,975
Network Waitaki Ltd to Key Management Personnel		
Employee Costs	1,328,370	1,277,712

20. 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:

\$ NZD	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:

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

21. 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.

22. 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.

Statement of Service Performance

Performance targets, as set out in the Statement of Corporate Intent (SCI) approved by Directors

Financial Performance Measures

Statement of Comprehensive Income for year ended 31 March 2026

\$NZD	Actual \$	SCI \$	Variance \$
Statement of Comprehensive Income			
Revenue Excluding Capital Contributions	40,141,410	39,619,630	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 and Tax	13,835,282	12,233,341	1,601,941
Less Interest Income/(Expense)	(1,134,014)	(1,745,313)	611,299
Sponsorship	(153,764)	(277,000)	(123,236)
Less Discount	(990,171)	(1,000,000)	9,829
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

\$NZD	Actual \$	SCI \$	Variance \$
Shareholders' Equity			
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 The company has maintained a strong working capital position while debt levels are less than forecast with reduced capital spend due to the timing of some larger projects.

Key Financial Reporting Measures

	Actual	SCI	Variance
NPBT to Shareholder Funds	9.0%	7.30%	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%

Comment 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 Reporting Measures

	Actual	SCI	Variance
Reliability			
SAIDI minutes (unplanned)	43.7	55.0	(11.3)
SAIDI minutes (planned)	60.5	105.0	(44.5)
SAIDI minutes total ¹	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 ²	0.9	1.8	(0.9)

1. SAIDI is the average duration of supply interruptions per connected consumer in a year in minutes.

2. SAIFI is the average number of supply interruptions per connected consumer in a year.

These SAIDI and SAIFI measures above have been normalised to exclude Major Event Days in line with standard industry measures of network reliability.

Comment 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	0	No non-compliance with resource consents	Achieved

Comment 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.



Independent auditor's report

To the readers of Network Waitaki Limited's financial statements and performance information for the year ended 31 March 2026

The Auditor-General is the auditor of Network Waitaki Limited (the company). The Auditor-General has appointed me, Maxwell John Dixon, using the staff and resources of PricewaterhouseCoopers, to carry out the audit of the financial statements and the performance information of the company on his behalf.

Opinion

We have audited:

- the financial statements of the company on pages 40 to 59, that comprise the statement of financial position as at 31 March 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include material accounting policy information and other explanatory information; and
- the performance information of the company on pages 60 to 61.

In our opinion:

- the financial statements of the company:
 - present fairly, in all material respects:
 - its financial position as at 31 March 2026; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime; and
- the performance information of the company:
 - accurately reports, in all material respects, the company's achievements measured against the performance targets adopted for the year ended 31 March 2026; and
 - has been prepared, in all material respects, in accordance with section 44 of the Energy Companies Act 1992 (the Act).

Our audit was completed on 26 May 2026. This is the date at which our opinion is expressed.

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

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

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

Responsibilities of the Board of Directors for the financial statements and the performance information

The Board of Directors is responsible on behalf of the company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board of Directors is also responsible on behalf of the company for preparing performance information in accordance with the Act.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the company for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Act.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, 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 it is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and performance information.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the company's readers to judge the actual performance of the company against the performance targets adopted in its statement of corporate intent.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report but does not include the financial statements and the performance information, and our auditor's report thereon. The other information we obtained prior to the date of this auditor's report comprised the Statutory Information. The remaining other information is expected to be made available to us after that date.

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

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information 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.

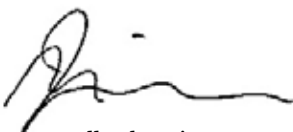
When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors and use our professional judgement to determine the appropriate action to take.

Independence

We are independent of the company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* as applicable for audits of public interest entities issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit we have carried out an assurance engagement in the area of compliance with the Electricity Distribution (Information Disclosure) Determination 2012 which is compatible with the independence requirements.

Other than the audit and this engagement, we have no relationship with, or interests in, the company.



Maxwell John Dixon
PricewaterhouseCoopers
On behalf of the Auditor-General
Christchurch, New Zealand

Statutory Information

DIRECTORS' INTERESTS

The following Directors of Network Waitaki Ltd have declared interests in identified entities as shareholder and/or director. The declaration serves as notice that the Director may benefit from any transactions between Network Waitaki Ltd and the identified entities

Michael de Buyzer (Chairman)

Michael has been a Director since June 2019, Chairman from Aug 2023 and declares the following interests:

2032 Trustee Ltd	Director and Shareholder
Banco Trustees Ltd	Director and Shareholder
BCO Trustees (2011) Ltd	Director and Shareholder
BCO Trustees (2012) Ltd	Director and Shareholder
BCO Trustees (2013) Ltd	Director and Shareholder
BCO Trustees (2014) Ltd	Director and Shareholder
BCO Trustees (2015) Ltd	Director and Shareholder
BCO Trustees (2016) Ltd	Director and Shareholder
BCO Trustees (2017) Ltd	Director and Shareholder
BCO Trustees (2018) Ltd	Director and Shareholder
BCO Trustees (2019) Ltd	Director and Shareholder
BCO Trustees (2020) Ltd	Director and Shareholder
BCO Trustees (2021) Ltd	Director and Shareholder
BCO Trustees (2022) Ltd	Director and Shareholder
BCO Trustees (2023) Ltd	Director and Shareholder
BCO Trustees (2024) Ltd	Director and Shareholder
BCO Trustees (2025) Ltd	Director and Shareholder
BCO Trustees (Mertha) Ltd	Director and Shareholder
BCO Trustees (Robertson) Ltd	Director and Shareholder
BCO Trustees (Schofield) Ltd	Director and Shareholder
BCO Trustees (Williams) Ltd	Director and Shareholder
Berry & Co	Partner
Camp Street Properties Ltd	Director and Shareholder
Friendly Bay Ltd	Director and Shareholder
Mallinson Trustees Ltd	Director
Observatory Village Charitable Trust	Trustee
PTJ Devery Trustee Company Ltd	Director and Shareholder
S & M Walker Family Trustee Ltd	Director and Shareholder
Walker Investment Trustee Ltd	Director and Shareholder

Rob Caldwell

Rob has been a Director since February 2024 and declares the following interests:

Grey District Council	Independent Chair, Risk and Assurance
Westroads Ltd	Deputy Chair and Chair Risk and Assurance

Jaclyn Dalziel

Jaclyn has been a Director since July 2025 and declares the following interests:

Dalziel Ag Ltd	Director and Shareholder
Dalziel Family Trust	Trustee
FMG Insurance	Associate Director
Lower Waitaki Irrigation Company	Shareholder
Papakaio School	Board Member

Natalie Evans

Natalie has been a Director since July 2023 and declares the following interests:

Anaro Group Ltd	Director and Shareholder
Anaro Investments Ltd	Director and Shareholder
Bella Vista Management Ltd	Director and Shareholder
Fitzherbert (PN) Ltd	Director
McMaster Properties Ltd	Director and Shareholder
Observatory Village Charitable Trust	Trustee
Pembrook Investments Ltd	Director
Rei Investment Ltd	Director and Shareholder
Vogel Investments Ltd	Director and Shareholder
Waiareka Holdings Ltd	Director
Wenlock Investments Ltd	Director

Jonathan Kay

Jonathan joined the board in June 2019 and declares the following interests:

Aquaheat Facility Services Ltd	Director
Aquaheat Fire New Zealand Ltd	Director
Aquaheat New Zealand Ltd	Director
Caldwell and Levesque Ltd	Director
Coollogic Refrigeration Ltd	Director
Counties Energy Ltd	Director
Horizon Energy Distribution Ltd	Director
Horizon Energy Group Ltd	Director
Horizon Energy Ltd	Director
Horizon Services Ltd	Director
Inframax Construction Limited	Director
Lone Wolf Enterprises Limited	Director and Shareholder
Waipa Networks Limited	Chair
Waipa Networks Growth Ltd	Director
Whitestone Contracting Limited	Director

Brett King

Brett joined the board in October 2024 and declares the following interests:

FENZ – Canterbury Local Advisory	Committee Member
Fulton Hogan	Shareholder
SBK Ltd	Director and Shareholder

Use of Company Information

There were no notices from Directors of Network Waitaki Limited or a Director of a related body corporate requesting to use company information received in their capacity as Directors which would not otherwise have been available to them

Dividends

No dividend is proposed for the year ended 31 March 2026 (2025 Nil).

Discount

A discount (excluding GST) of \$990,171 has been paid to Customers in the year (2025 \$989,160).

Donations

The company made donations (excluding GST) totaling \$156,630 in the year (2025 \$155,335).

Indemnification and Insurance of Officers and Directors

The Company continues to indemnify all Directors named in this report against any liability to any person other than Network Waitaki Limited or a related company for any act done or omission made in a Director's capacity as a Director of Network Waitaki Limited and all costs incurred in defending or settling any claim or proceedings related to such liability, unless the liability is criminal liability or liability for breach of Section 131 of the Companies Act 1993.

During the financial year, Network Waitaki Limited paid insurance premiums in respect of Directors' and Officers' liability insurance. The policies do not specify the premium for individual Directors and executive officers.

The Directors' and Officers' liability insurance provides cover against all costs and expenses involved in defending legal actions and any resulting payments arising from a liability to persons (other than Network Waitaki Limited or a related body corporate) incurred in their position as Director or executive officer unless the conduct involves a willful breach of duty or an improper use of inside information or position to gain advantage.

Remuneration of Directors

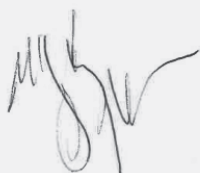
\$ NZD	Total Directors' fees paid
Michael de Buyzer (Chairperson)	81,100
Chris Bailey (to July 2025)	15,902
Rob Caldwell	47,700
Jaclyn Dalziel (from July 2025)	35,775
Natalie Evans	47,700
Jonathan Kay	47,700
Brett King	47,700
Total	323,577

Employee Remuneration


The Companies Act 1993 requires the number of current and former employees receiving remuneration greater than \$100,000 to be disclosed. Details of remuneration¹ 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	-

This annual report is dated 25 May 2026 and signed on behalf of the Board by:



Michael de Buyzer
Chairperson



Rob Caldwell
Chair Finance and Audit Committee

¹Remuneration includes base salary, overtime and performance payments as well as private vehicle use, employer contributions to Kiwisaver and Southern Cross and associated fringe benefit tax.

Directory

NETWORK WAITAKI LIMITED

DIRECTORS:

Michael de Buyzer (Chairperson)
Rob Caldwell
Jaclyn Dalziel
Natalie Evans
Jonathan Kay
Brett King

CHIEF EXECUTIVE OFFICER:

Dylan Andrews

WAITAKI POWER TRUST

TRUSTEES:

Lichelle Guyan (Chairperson)
George Kelcher
Helen Fortune
Sven Thelning
Herbert Tonkin

SOLICITORS:

Berry & Co, Oamaru
Galloway Cook Allan, Dunedin
Lane Neave, Christchurch

AUDITORS:

Maxwell John Dixon
PricewaterhouseCoopers
Christchurch
ON BEHALF OF The Auditor-General

PRINCIPAL BANKERS:

ANZ, Dunedin
ASB, Christchurch

REGISTERED OFFICE

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