

The Orion Group Annual Report

The *Orion* Group

25

Nau mai, haere mai

Welcome to The Orion Group Annual Report 2025

The Orion Group is committed to our purpose of powering a cleaner and brighter future with our community. With a steadfast dedication to serving central Waitaha Canterbury and beyond, we’re ensuring we meet the demand for electricity, both now and in the future.

People are at the heart of what we do, and we understand that an electricity system that is safe, reliable, resilient and innovative is essential for the health, wellbeing, and prosperity of everyone.

We invite you to read about some of the opportunities and challenges The Orion Group has faced this financial year, as we navigate the dynamic environment we’re operating in and prepare for an increasingly electrified future.

To learn more about The Orion Group you can read our Asset Management Plan and Statement of Intent on our website: oriongroup.co.nz

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Highlights

Being a force for good in the community we serve

283

households supported to be more energy efficient
12 less than last year



40

community groups supported by The Orion Group
15 more than last year



8.1/10

Customer Satisfaction rating
0.2 less than last year



16,455 tCO₂e

total Group emissions
1,480tCO₂e more than last year

Facilitating decarbonisation and hosting capacity at lowest cost

Creating the preferred workplace

681.3MW

network maximum demand
17MW below last year



61.5%

load factor — utilisation of our network



9.6%

Group employee turnover
1.8% more than last year



64%

Group employee engagement score
1% less than last year



Investing to maintain a safe, reliable, resilient network at lowest total lifecycle cost

Fit for purpose capital structure

229,981

customer connections
4,650 more than last year



3,668

gigawatt hrs of electricity delivered
41 more than last year



\$59.3m

earnings before interest and tax
\$12.7m above last year

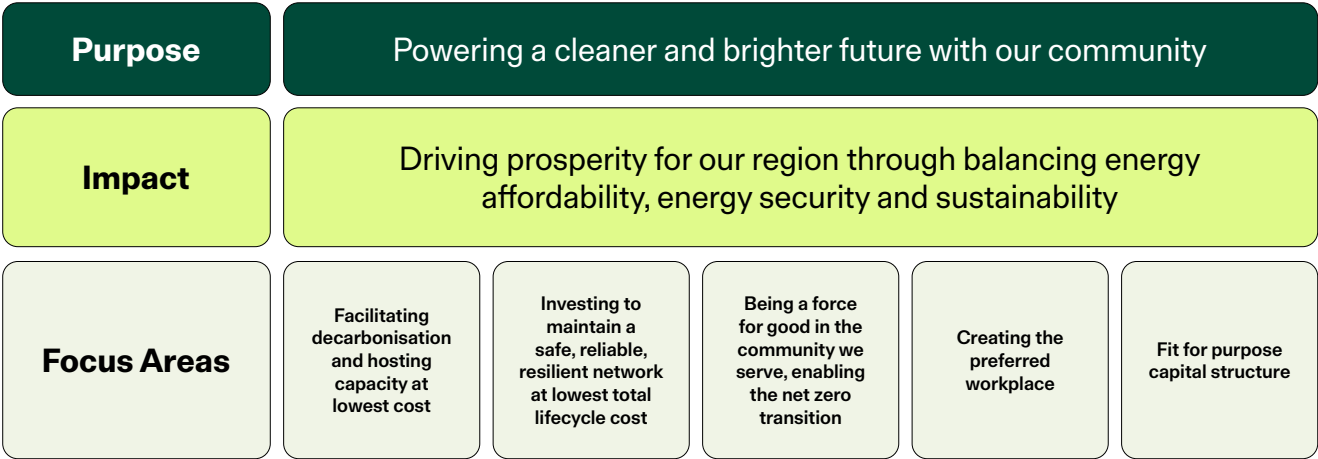
\$24m

profit after tax
\$12.4m below last year

\$25m

dividends
Same as last year

The Orion Group Strategy



Our Group strategy begins with our purpose — powering a cleaner and brighter future with our community — and talks to the impacts we want to make on regional prosperity through energy equity, sustainability, and energy security.

Our priority for the next five years is to get ‘match fit.’ This means our network will be ready for the increased demand as electricity plays a crucial role in decarbonising Aotearoa New Zealand.

The *Orion* Group



Chair and Chief Executive's Report

Tēnā rā tātou katoa

It is with great pride and a sense of purpose that we present The Orion Group's 2025 Annual Report. Like all infrastructure providers, we are navigating a complex landscape of opportunities and challenges to deliver the best outcomes for residents and businesses in our region. We have also marked some significant milestones over the past year, none more critical than progressing our customised price-quality path (CPP) application to the Commerce Commission. This is a central strategic focus to deliver on our purpose of powering a cleaner and brighter future with our community.

We are pleased to announce an improved financial performance this year, with \$24m net profit after tax. This strong result enabled us to pay \$25m of dividends to our shareholders, in line with the target set out in our Statement of Intent.

Our customised price-quality path application represents a pivotal step in shaping the future of our services. To ensure we continue to meet the evolving needs of our network and growing community, while maintaining standards of quality and reliability, we need to be investing more in our infrastructure. Like many organisations, we are operating in challenging conditions, with the cost of business constantly increasing. We are taking a proactive approach by increasing investment now, to avoid the potential pitfalls of an ageing asset base, and a decrease in our levels of service. At the same time, we are strengthening network resilience, preparing for new technologies, and driving efficiencies across our operations.

The significance of our CPP application extends far beyond the operational aspects of Orion. It is crucial for the economic stability and growth of our region. Following the earthquakes, our priority was restoring the network and supporting regional recovery, and some renewal work was deferred during this time. Now, it's critical to address these renewals to ensure the network remains reliable and resilient for the future.

Throughout this process, we are engaging in extensive consultations with customers, stakeholders, industry experts, and our community. The feedback we are receiving is invaluable for informing and reinforcing our investment approach.

This year has also seen a continued focus on infrastructure upgrades and innovation. Noteworthy among our achievements is the opening of the Milton Street Switching Station, which contributes significantly to our commitment to providing a safe, reliable and resilient network.

Additionally, our Community Energy Activator pilot with Ara Ake and the Community Energy Network has successfully engaged local communities. What came across clearly throughout the pilot was the potential of locally led energy-saving initiatives, fostering a stronger connection between our business and the people we serve.

Along with our focus on traditional network build, our forward-looking flexibility initiatives are aimed at optimising energy consumption and distribution. Flexibility is another tool in our toolbox for further bolstering our ability to respond to both current demands and future technological advancements. We wrapped up our Lincoln Flex trial in early 2025, and it yielded some promising results, providing us valuable lessons and insights to carry into future flexibility pilots, including our Resi-Flex partnership with Wellington Electricity.

The Resi-Flex project aims to incentivise flexibility from residential consumers by exploring commercial mechanisms in collaboration with flexibility stakeholders. We are now working to partner with flexibility suppliers to co-design customer offerings based on the selected commercial mechanisms and trial these with consumers.

A significant internal project this past year has been the rollout of The Orion Group's Integrated Asset Management (IAM) programme. While this work has been very much "behind the scenes", it will nevertheless have huge benefits for our contractors, customers, community, and of course our people. It marks a major step forward for The Orion Group in streamlining our processes, removing duplication of systems, and ultimately driving greater efficiency across the business.



Paul Munro
Chair



Nigel Barbour
Group Chief Executive

We encourage you to read on and find out more about these projects and how they contribute to achieving our purpose of powering a cleaner and brighter future with our community.

As we look ahead, we are excited about the possibilities that our CPP application, and indeed all these critical projects, unlock for The Orion Group. We remain dedicated to driving progress that benefits our customers, supports our communities, and contributes to the broader economic and environmental goals of central Waitaha Canterbury. We must make decisions in the long-term interest of our customers, as what we do now will shape a positive future for us and for generations to come.

In closing, we extend our sincere thanks to the dedicated team across The Orion Group. Your passion and commitment have been instrumental in driving so much critical mahi safely and diligently during yet another busy year. On behalf of our Board and Leadership team we wish to acknowledge our shareholders — Christchurch City Council (via Christchurch City Holdings Limited) and Selwyn District Council — for their support. Last but certainly not least we also extend our gratitude to our customers and stakeholders for their continued trust. Together, we are building a brighter, more sustainable future for all who call this wonderful region home.

Paul Munro
Chair

Nigel Barbour
Group Chief Executive

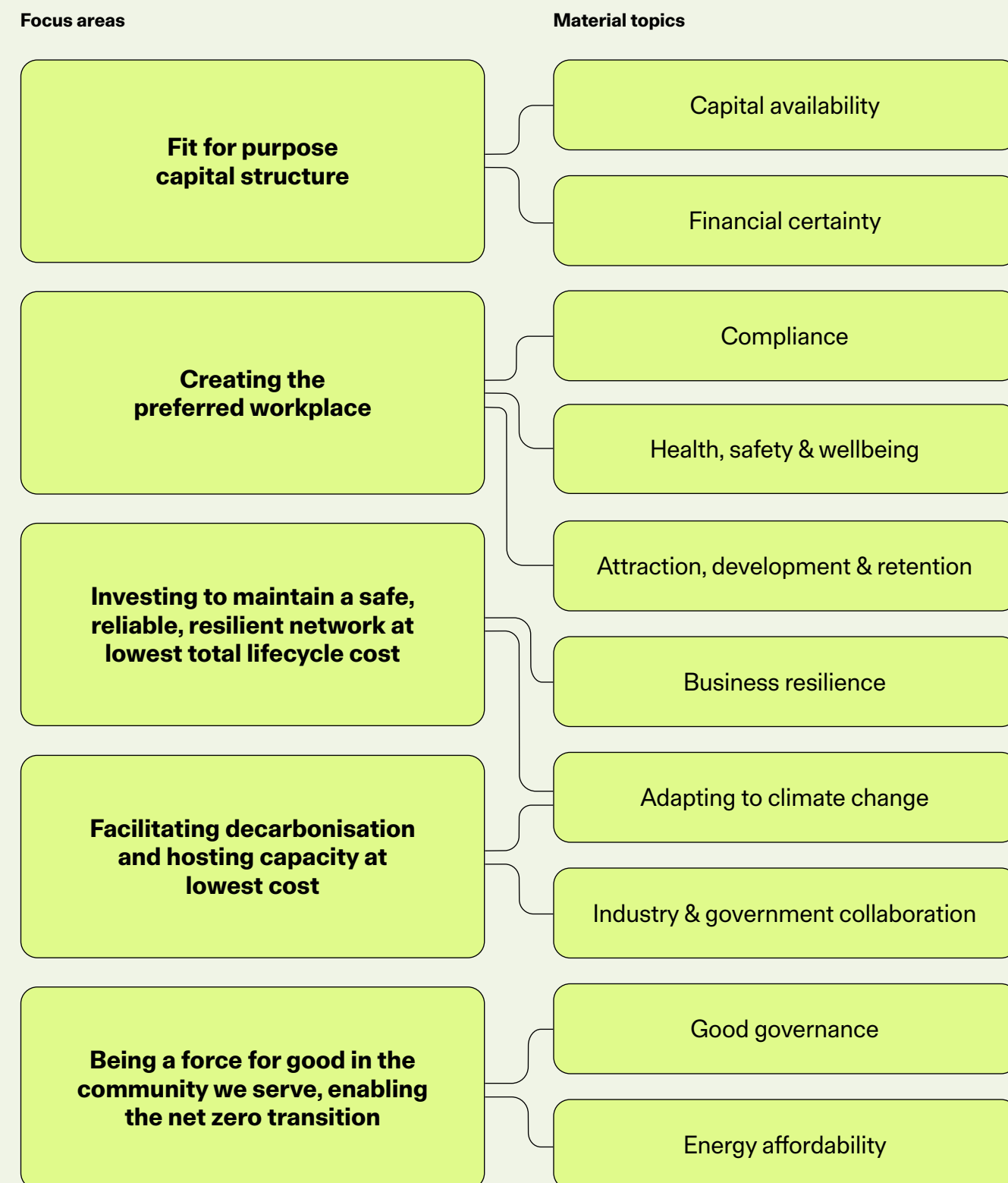
Materiality process

In 2024, The Orion Group updated its 2022 materiality assessment to align with global reporting standards and ensure alignment with our strategy. We incorporated a double materiality view, considering both financial and impact aspects.

This involved:

- Using an external facilitator.
- Identifying 19 topics which we mapped to GRI and SASB reporting standards.
- Engaging 17 external and 20 internal stakeholders through surveys and interviews.

Our top ten material topics align with our five strategic focus areas, confirming we're on the right path.



Risks

Access to capital	
Regulatory funding constraints	Constrained ability to invest in our network and execute essential initiatives due to limits on regulatory allowances.
Capital availability	The availability of capital can impact on Orion's ability to fund operations, projects, and strategic initiatives.
Electricity sector inflation	Global events have led to inflation in the electricity sector such as the price for copper and electrical components. There remains a risk that further global events may drive further cost increases.
Sudden asset loss	An event such as an earthquake or tsunami could leave parts of the network uninhabited and destroy the local electricity infrastructure. This could reduce Orion's asset base which would, under regulations, mean that Orion's ongoing revenue would reduce.
Workforce and change	
Insufficient workforce	Global increased competition for the specialist workforce required by Orion and its suppliers could diminish our ability to operate, maintain and grow the network.
Orion capacity to adapt	There is an increasing amount of change needed at Orion with the changing way customers interact with the network and an evolution in the skills needed to meet customer demand. Orion has a certain amount of capacity and faces a challenge to keep the skills at Orion current and fit for future requirements, alongside delivery of the volume of change, including technological change, required.
Electricity users and decarbonisation	
Decarbonisation	Our network could be a barrier to decarbonisation due to insufficient visibility of how our customers use our low voltage network, uncertainty around future decarbonisation paths, and network capacity constraints that may hinder decarbonisation efforts. Overinvestment may also result in unnecessary costs and excess network capacity.
New energy technologies	Energy solutions such as distributed energy, microgrids, flexibility services, and solar are evolving in New Zealand. The uptake of these solutions may impact how Orion manages load on the network and/or Orion may be precluded from participating in certain markets. This may lead to Orion incurring additional costs to adapt, or being excluded from potential new sources of revenue.
Safety and security	
Health and safety event	Orion could experience a serious health and safety incident that may result in fatalities or injuries to employees, contractors, or the general public.
Cyber event impacting assets or operations	Orion could suffer a security breach impacting Orion's assets, business operations, assets, or the private information of customers and staff.
Natural event causing significant damages (Earthquake, tsunami, fire, flood, weather)	Natural events such as earthquakes, tsunamis, fire, floods and storms can and do have significant impacts on electricity networks with large one off costs to repair. Climate change increases the likelihood and severity of fires, floods and storm events.
Regulatory	Orion has a wide range of mitigations in place to meet regulatory obligations. There is a risk that one of these is found to be insufficient.
Significant equipment or technology failure	Orion could experience a significant equipment or technology failure due to poor asset condition or human error.



Opportunities

Customer growth	<p>We expect significant growth in demand across our network in most of our future scenarios. In the next 10 years we can expect peak demand to grow between 10% to 44%.</p> <p>This presents The Orion Group with opportunities to grow its customer and asset base. The Group may also have opportunities to attract customers from outside of the region and to change the way it invests to deliver services to customers. Creating a more highly utilised network through technology to optimise network demand is a key efficiency and investment opportunity.</p>
Efficient change through technology	<p>A key element of our role in supporting decarbonisation is leveraging the power of integrated systems and data analytics to make our work smarter, more intuitive and to improve productivity.</p> <p>To support this ambition and realise the efficiencies associated with embracing new technologies such as drones, Orion is upgrading and developing new systems and processes and our 2024 AMP reflects significant investment to lift our asset management platforms and customer management tools to state of the art levels.</p>



Value creation model
Powering a cleaner and brighter
future with our community

Driving prosperity for our region through balancing
energy affordability, energy security and sustainability

Inputs

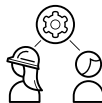
Assets

Our built network and value chain,
network management systems



Know-how

Technical knowledge and skills to
build and design, asset management
planning and technologies



Community

Reputation and goodwill, relationships
with our community, regional
partnerships for decarbonisation



Environment

Land for operations, SF6 use, delivering
renewable and non-renewable electricity



People

Our diverse workforce, technical skills
and capabilities



Financial

Shareholder equity and debt facilities
Regulated income from our customers
Innovating distribution pricing



What we do



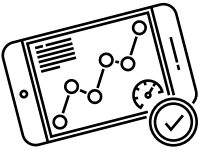
Connect people and power



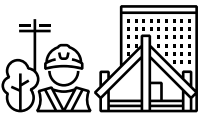
Enable electricity distribution



Build and manage our
network



Act to be future ready



Care for our people and
community

Outputs

➔ Designed, built and maintained
electrical infrastructure, for our
region and across Aotearoa

➔ A network that enables a safe,
reliable and consistent supply of
electricity to our customers

➔ Communicating with our customers
and community to minimise the
impact of disruptions

➔ Industry leadership and contribution

➔ Environmental and social impact of
our activities in our community

➔ Employee value proposition and
engagement

➔ Financial returns to our shareholders

Outcomes for our focus areas

Facilitating decarbonisation and
hosting capacity at lowest cost

- Using smart technologies
and data to maximise our
existing network
- Enabling participation
through flexibility

Investing to maintain a safe, reliable,
resilient network at lowest total
lifecycle cost

- Prioritising cost-
effectiveness and
efficiency
- Designing and building a
future-fit network through
continual innovation

Being a force for good in the
community we serve, enabling
the net zero transition

- Managing emerging
strategic threats and
opportunities
- Holding authentic,
respectful and
collaborative
relationships with Ngāi
Tahu and papatipu
rūnanga

Creating the preferred workplace

- Utilising our people's skills
and expertise
- Attracting, developing and
retaining an inclusive team

Fit for purpose capital structure

- Fit for purpose capital
structure
- Certainty to our
shareholders and
flexibility to respond to
unexpected shocks

Our customised price-quality path journey



Last year we signalled our intention to apply for a customised price-quality path for the five-year period from financial years 2028 to 2032. Since then, we’ve started engaging with our customers, stakeholders and community, and undertaken more detailed analysis of the investments we need to make in this period to continue providing a safe, reliable and resilient energy supply to our growing community.

The cost to provide electricity to homes and businesses is paid for by our customers through lines and new connection charges. Our distribution lines charges typically represent around 27 cents in each dollar of your power bill.

The Commerce Commission determines how much revenue we can earn from lines charges through a default price-quality path. However, this will not deliver the revenue we need to maintain the service levels our customers expect.

We can apply for a customised path if the default does not provide sufficient revenue to deliver the safe, reliable and resilient network you rely on.

From the early engagement we’ve undertaken, our customers have told us that a reliable and resilient network is top priority, along with affordability.

Our investment approach

Our aim is to strike a careful balance between cost-effective spending and network performance. Under our proposed investment approach, we would increase investment to provide the services our customers rely on by:

- Renewing ageing assets efficiently
- Maintaining critical equipment at current levels
- Efficiently managing network capacity
- Investing in network resilience
- Investing in digital tools and platforms

We shared our proposed investment approach in our 2025 AMP Update. Since then, we’ve continued to refine our plans in response to further analysis and customer feedback. As a result, our current view of forecast spend has been revised down to around \$300 million per year across the customised path period. We will continue to refine our investment plans as we progress the development of our draft customised path proposal and seek customer feedback on this in late 2025.

Commerce Commission

To apply for a customised path, we must submit a detailed proposal to the Commerce Commission. This proposal undergoes rigorous auditing, verification, and evaluation to ensure our investment plans are justified and align with customers’ long-term interests.

We will submit the final customised path proposal to the Commission in mid-2026. They will thoroughly assess the proposal against regulatory rules and requirements and ask customers for feedback. The Commission will then determine our revenue allowance, and the customised price-quality path will take effect on 01 April 2027 (FY28).

What does this mean for our customers?

The benefits you can expect from the proposed investment approach include sustained levels of safety and reliability, a reduction in the risk of unplanned outages, and increased network capacity to support future growth. Additionally, resilience will improve, and we will support the decarbonisation of our region.

Delivering these benefits will cost Orion customers an additional \$6.00–\$8.00 per month in distribution lines charges over the five-year customised path period.

We’re inviting people to have their say

We’re keen to hear from our customers and community on our proposed investment plans. This input will help shape our customised path proposal, to be submitted to the Commerce Commission in mid-2026. We want to know what matters most to those who use our network. People can share their views via our consultation website at: www.haveyoursay.oriongroup.co.nz/cpp.



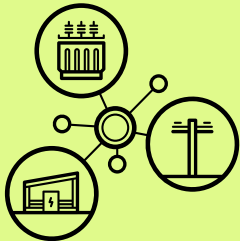


Charging up Orion's EV fleet.

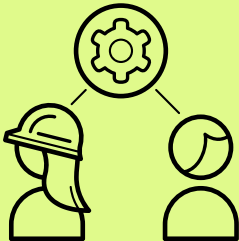
Focus area:

Facilitating decarbonisation and hosting capacity at lowest cost

Assets



Know-how



We have a critical role in ensuring our region can meet its emissions targets, as we strive towards an electrified future. As our reliance on electricity increases, so too does the need to grow our capacity. In addition to building and maintaining a traditional electricity network, The Orion Group is exploring exciting initiatives to help meet growing demand, including flexibility and how we can two-way power flow.

Shared ViSION

We were thrilled to share the groundbreaking ViSION project with Electricity Distribution Businesses (EDBs) across New Zealand. Visibility and System Insights for the Orion Network (ViSION) is an ambitious initiative aimed at gaining a deeper understanding of the Orion low voltage network, which, like most EDBs, was originally designed for passive household loads with one-way power flow. However, with the rise of solar energy and electric vehicles, consumer needs have evolved, necessitating two-way power flow.

The low voltage network supplies over 99% of customers, yet visibility into its condition and behavior has been limited. ViSION addresses this gap by bringing together three critical strands of data for analysis: smart meter operational data, low voltage distribution transformer monitors, and improved network topology data. This comprehensive approach will improve the accuracy of planned engineering solutions, drive cost efficiencies and increase network reliability. We are committed to transparency and collaboration, with all key insights being shared with other NZ EDBs.

Powering the Gigahub

It was exciting to see the opening of bp's first EV Gigahub™ in the southern hemisphere in Ōtautahi Christchurch in late 2024. Orion worked alongside Connetics and Aotea Electric Canterbury to provide the essential electricity infrastructure for bp's 12 fast EV charge points.

Given ongoing global supply chain challenges for high voltage electrical equipment, the team went above and beyond to ensure we got the Gigahub™ connected and provided the hosting capacity needed by the delivery date. Thanks to both bp charge and Christchurch International Airport Limited for their very important parts in this project and for leaning into the electrification of transport.

Celebrating success

We were thrilled to see a presentation by Orion Power Systems Manager Yuyin Kueh on “The Sea of Data: Orion’s Approach to Leveraging Datasets for Enhancing Network Management Practices,” won the ‘IET Best Presentation’ award at last year’s EEA Conference in Ōtautahi Christchurch.

In addition to the IET Best Presentation award for Yuyin’s presentation, Orion Head of Data and Artificial Intelligence Peter Jaksons was awarded ‘Best Paper — Member’ for his presentation on “Unlocking Efficiency and Innovation: The crucial role of data governance and a modern data platform in Orion’s AI adoption”. This demonstrated how we are using Artificial Intelligence to help make sense of all the data available and deal with the security and storage of this amount of data.



Learning from Lincoln

Following the early conclusion of the Lincoln Flexibility trial in March this year, we are reflecting on valuable lessons learned.

The trial, a partnership with energy retailer Ecotricity, has helped build our understanding of flexibility services as a non-network solution and how management of consumer energy resources can support cost-effective decarbonisation of electricity networks.

Lincoln was chosen as it is seeing large scale residential growth, which is raising the demand for electricity in the area. Traditionally that growth in demand would require more electricity network to be built, however by utilising batteries already in the community along with new installations, the Lincoln Flex trial reduced network demand at key times, for instance winter morning or evening peaks.

The partnership with Ecotricity was announced in late 2023, with the trial kicking off in mid-2024. The project was initially planned to run for just over two years, from inception through to the end of winter in 2025. The project’s aim was to deliver 100kW of demand response in the first year, growing to 500kW the following winter.

Some of the first-year targets were exceeded and integration with Orion and Ecotricity’s platforms demonstrated the ability of flexibility to help manage peak loads in the Lincoln area. However, following unanticipated challenges in scaling to 500kW for winter 2025, the decision was made by the two partners to end the trial ahead of schedule.

Flexibility remains central to our strategy, as one tool in our toolbox for managing congestion and enhancing hosting capacity at a lower cost. While it proved challenging to scale flexibility in the Lincoln area, year one of the trial demonstrated the feasibility of flexibility services and highlighted that flexibility market stimulation and deeper customer insight is needed to enable these solutions at scale.

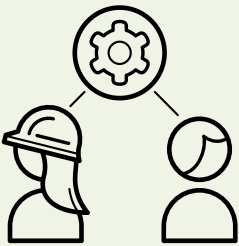
We’re now looking to carry forward the lessons and insights gained into our future flexibility initiatives. The biggest takeaway from Lincoln Flex is that it has proved this can work from a technical standpoint as a capacity solution. We shared findings from the trial in an industry webinar in early 2025.

Focus area:

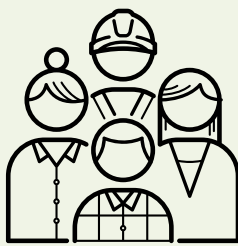
Investing to maintain a safe, reliable, resilient network at lowest total lifecycle cost



Know-how



People



As demand for electricity continues to grow; a safe, reliable and resilient network that’s cost-effective for our community remains a key focus for Orion.

Last year saw us increase our focus on smart technology to drive greater efficiency across our operations.

Getting it done with drones

We are continuing to embrace innovation across our Unmanned Aerial Vehicle (UAV) programme. In 2024 this expanded to the implementation of an automated drone to monitor our Norwood substation located in rural Selwyn.

Following over 250 successful trial flights throughout 2023, Orion’s partner UAV supplier Ferntech has received permission from the Civil Aviation Authority (CAA) to operate the drone autonomously at the Norwood site and for one of our 66,000 volt lines between substations.

The inspections will be overseen by our UAV supplier Ferntech, from their remote operations centre in Auckland. All Ferntech’s commercial UAV operations are conducted under Part 102 Certification issued by CAA.

Orion has been using UAV technology for several years to improve efficiency and speed with finding faults on the network and assist with inspecting network assets in hazardous or inaccessible terrain.

Let the power flow

Last year we were excited to announce another first for New Zealand with the addition of load profiling to the Distribution Power Flow (DPF), which assists our Automatic Power Restoration System (APRS) and Network Controllers with decision making. This is a significant technology improvement and is hugely beneficial for Orion and our community.

The enhancement of the DPF profile system with actual load profiles allows operators to get real-time and realistic network status calculations prior to switching equipment. This means that power can be restored quicker. The system will help operators identify potential overloads or voltage violations and provides us with problem-solving and analytics. Our Network Controllers are incredibly skilled at managing our network, particularly in emergency situations, and with DPF they’ll be able to make critical decisions at speed.

The system also provides improved load forecast accuracy with a year’s worth of load profiles now available for analysis. Previously forecasting was not as accurate because it was only using the current load on the network. By using the load profiles, load can accurately be forecast at any point in time. To put it simply, it’s essentially like using Google Maps to determine travel times, if traffic information is not up-to-date, you wouldn’t get an accurate picture.



The Orion Group Chair Paul Munro and Ariki Creative Kaihautū Hori-Te-Ariki Matakī unveil the information board for the tukutuku at the opening of Milton Street Switching Station. Photo credit: James Munro, @itch.nz

Switched on

We marked another milestone in our major works programme to upgrade the electricity network in Ōtautahi Christchurch with the official opening of the Milton Street Switching Station in September 2024. This is the largest cable project Orion has ever undertaken, and this section was the first stage in a programme of work to replace older oil-filled power cables in the city. The switching station allows us to switch between power circuits, meaning that we have alternatives in an outage and can restore power quicker.

On the outside of the new switching station building, artist Hori-Te-Ariki Matakī from Ariki Creative designed a special piece of cultural art telling the story of the natural environment of Ōpāwaho Heathcote River. Ōpāwaho was also an important travel route connecting peninsular settlements with Ōtākaro and north to Kaiapoi.

The switching station is a purpose-built, secure building housing high voltage switchgear and is located next to Faraday Street. Native trees and shrubs have also been planted around the switching station, to enhance biodiversity on the site and complement the tukutuku pattern on the building’s facade. Information boards on the site share the kōrero behind the artwork.



Focus area:

Being a force for good in the community we serve, enabling the net zero transition

Know-how



Community



Environment



With community at the heart of our organisation’s purpose, this year has seen us continue to build and foster key partnerships across our network region.

Practising for the big one

Orion participated in a South Island-wide exercise in late 2024 to test our response structures and protocols for an Alpine Fault (AF8) earthquake event. Exercise Pandora was carried out as an inter-regional tabletop exercise across multiple agencies, including Civil Defence Emergency Management, Councils, and utilities providers.

In the simulation, the Orion team worked through day three after the earthquake. The scenario had approximately 67,500 customers, or 36% of Christchurch customers, and approximately 3,500, or 9% of Selwyn customers, without power on the Orion network.

Using the Coordinated Incident Management System (CIMS), a mock Emergency Operations Centre was established at the Orion office, with key functions assigned to people, including Operations, Logistics, Welfare, Planning and Intelligence.

With a 75 per cent chance of an Alpine Fault rupture in the next 50 years, preparation is critical. Our priority is to restore power as safely and quickly as possible. However, in the event of a severe natural disaster like an Alpine Fault earthquake, power could be out for days or even weeks.

Tautoru Mautai

Mahi has continued at pace on our Tautoru Mautai partnership kaupapa with Wairewa Rūnanga to recloak farmland at Te Kaio Tumbledown Bay. The project is now entering its third year and over 133,000 trees have now been planted, with 59,000 planted in the 2025 financial year alone. While we had some challenges with sheep in the planting area, tree growth and survival has been good with remedial actions. The first was to remove the stock and the second was to release spray the nibbled seedlings to let them grow without grass competition. While not all seedlings survived, we planted enough to still have a successful outcome.

That’s a wrap for EVX

In 2019, we introduced the EV Experience in partnership with Business Canterbury and EECA. With an impressive range of over 400 kilometres on the vehicles, the initiative gave businesses the chance to integrate an electric vehicle (EV) into their fleet for a week at no cost. From 2019 to 2023, over 200 businesses participated, seizing the opportunity to test drive an EV and evaluate its potential for their own operations. It also gave us the chance to consider what EV uptake might look like on our network. Initially planned as a two-year programme, it was extended due to COVID-19 disruptions and strong interest from Canterbury businesses. The EV Experience successfully fulfilled its mission of promoting electric vehicles in the region and supporting decarbonisation efforts. The two EVs have now been retired, with one sold and the other planned for donation to a Canterbury charitable organisation.



Orion Community Energy Services Lead Hinerangi Pere addresses attendees at the conclusion of the Community Energy Activator pilot. Photo credit: Erica Austin, Peanut Productions.

Harnessing the power of community

Orion launched its first Community Energy Activator project last year. The pilot programme, a collaboration between Ara Ake, Orion, and the Community Energy Network (CEN), ran over three months in the Christchurch and Selwyn regions. It was designed to empower communities to actively participate in real-world energy initiatives. Among the projects the groups explored were community energy resiliency hubs, battery storage, peer-to-peer solar sharing and environmental education and carbon reduction through renewable installations, including artwork and solar powered pools.

Once the pilot concluded, eight of the nine groups participating in the Community Energy Activator presented their community energy aspirations and projects to an audience of over 100 stakeholders at an event held at Tūranga. The projects highlighted innovative ideas designed to enhance local energy resilience and sustainability while contributing to a net-zero future.

“The Activator is an opportunity to align closely with community energy interests to explore the energy future together,” said Hinerangi Pere, Community Energy Services Lead.

“Localised solutions can provide opportunities to increase resiliency, especially for our more rural and remote communities. It is a reminder that communities have energy aspirations for localised innovation to support affordability, environmental sustainability and resiliency.”

Community Energy Activator pilot groups were Ōtautahi Community Housing Trust, The Green Lab, Te Oraka, Shirley Intermediate School Pool Reactivation Project, Nōku Te Ao Charitable Trust / Te Pā o Rākaihautū, Lyttelton Energy Transition Society, Papanui Youth Development Trust, Christchurch Community House, Castle Hill Community Energy Project and Oxford Community Hub for Resilient Energy. You can read more about the Community Energy Activator, including an Impact Review, at araake.co.nz

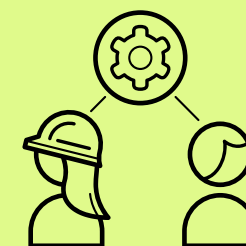


Orion kaimahi gather for an all-staff hui.

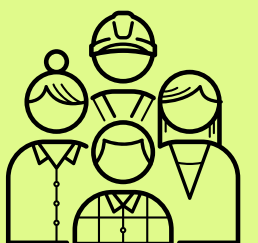
Focus area:

Creating the preferred workplace

Know-how



People



The Orion Group is committed to growing the electricity workforce by establishing itself as the preferred workplace. We are dedicated to fostering a positive culture of health and safety. We prioritise the wellbeing of our kaimahi, ensuring that every team member feels valued and supported. By embracing diversity, equity, and inclusion (DEI), we celebrate differences and create an environment where everyone can thrive while being themselves at mahi.

GirlBoss

The GirlBoss awards are an annual nationwide search for trailblazing young women. Orion and Connetics are proud to support this initiative that recognises amazing young wāhine leading the charge towards a brighter future. This year we were also proud to participate in 1:1 mentoring as part of the GirlBoss Edge programme. GirlBoss Edge is a 10-day accelerator aimed at young women aged 15–21 with a heart for Sustainability, Decarbonisation, Science, Engineering, Technology, Maths, Energy Justice & Access, Policy, Climate Action, Social Impact or Leadership.

EVelocity

We're proud to have been involved with EVelocity as a founding sponsor. EVelocity is helping tamariki across our region to build more than electric vehicles, by building the next generation of innovators, along with the skills they need to make a positive impact on their future, and the world they live in.

Attracting, retaining and developing kaimahi

We remain firmly committed to making sure Orion is a great place to work. Flexible working (including equipment to work from home), three My Days in addition to annual leave, a wellbeing allowance and a generous parental leave policy are just some of the ways we prioritise wellbeing. Our focus on developing our people includes career and leadership development and coaching, and support to attend professional conferences.

Health, safety and wellbeing

Through FY25, Orion matured our Critical Risk Management approach, in line with our focus area of creating a preferred workplace, supported by our safety, health and wellbeing strategic plan.

Key Focus Area delivered in FY25:

Incident reporting re-categorisation and clear descriptions aligned to critical risk profiles.
Injury consequence assessment moved beyond actual injury severity to include high potential for injury in our reporting.
Investigations were also reset in line with an increased level of scrutiny and control effectiveness evaluation of ‘near miss events that presented potential for serious harm injury’.

The FY25 (12-months) event data has been categorised in this revised format and provides the business with an accurate picture of both high frequency event types and high consequence event types, by critical risk profile.

The refreshed focus and use of a more structured data set now supports a deep dive framework for each critical risk and the data is also broken down by exposure group, our employees, our contractors and members of the public.

The highest frequency categories across our three exposure group data sets in FY25 were Fall from Height (person), Uncontrolled Energy Release (electrical release causing an unsafe condition), and Asset Failure (causing an unsafe condition).

The most severe injuries were sustained within the categories of Fall from Height, Orion Work Activity (causing an unsafe condition) and Asset Failure (causing an unsafe condition).

Internationally, there has been an increased focus on psychosocial risk and the impact of work tasks, environments, and culture on the mental and physical wellbeing of employees. Orion has included this in our critical focus area of work capacity and completed the first two of three phases of risk assessment process in this FY25 year.

Overall, Injuries or Illness sustained because of Orion work activity or asset condition reduced year-on-year and there were no employee or contractor events that resulted in serious harm.



The 2025 cohort gathers to celebrate graduating from Te Puna Manawa — CCHL's Women's Leadership Development Programme. Photo credit: Heather Joy.

Te Puna Manawa

We joined Christchurch City Holdings Limited (CCHL) in celebrating the graduation of the second cohort of Te Puna Manawa — CCHL's Women's Leadership Development Programme, empowering a further 16 females working across CCHL Group with greater skills and clarity on being great leaders and growing their careers. For the second year of the programme, we were thrilled to have kaimahi from The Orion Group once again taking part in this fantastic development initiative.

Three Orion kaimahi; Isabelle LeQuellec, Nicola Downes-Hogg and Kate Williamson and Jen Boyd from Connetics completed the programme.

“This programme overall has given me the chance to not only gain new skills and expand my leadership capabilities, but also given me insights into myself. While initially it can seem daunting, talking about yourself in a safe space with like-minded women is a great way to build confidence in yourself,” said Jen.

CCHL has been open about its role to play in helping all its organisations be more diverse, equitable and inclusive. CCHL CEO Matt Slater challenged attendees at the graduation event, especially those in Executive and Board roles, to “know your numbers” whether it be in leadership or front line roles, and to actively mentor and support diverse emerging leaders.

“The programme gave me the confidence to speak up, assert my needs, and proactively reach out to people I might not have otherwise. It has empowered me to pursue what I want, both in my career and personal life,” said Isabelle.

“Although I am not currently in a leader role, the programme shows that leadership can take many forms and is more about the impact you can have and the service you can be to others,” said Nicola.

Special thanks to The Orion Group's partner organisations Citycare Property, Citycare Water, Christchurch International Airport Limited, Enable Fibre Broadband, Lyttelton Port Company, EcoCentral for their support, and to Anna Johnstone from The Female Career for again leading this programme.

Congratulations to all the participants of Te Puna Manawa 2025!



Bridging the gap: Our practical push for gender equity

Connetics Head of Executive Services
Izzy Manson, Organisational Change
Lead Natasha Smith and Head of
People and Capability Mark Lewis.

When The Orion Group set out to tackle gender equity in its workforce, it wasn't about following trends. It was a response to a real and pressing challenge: access to talent. As part of The Orion Group, Connetics operates in the traditionally male-dominated world of electrical distribution and construction, sectors where skilled labour shortages may be a constraint to keeping up with the demands of the future. Addressing gender equity, then, became not only a values-based decision but a strategic imperative.

"We simply can't keep drawing from the same pool," says Mark Lewis, Head of People and Culture at Connetics. "Our 2030 growth strategy depends on expanding our workforce, and that means looking at who's missing—and why."

The pay gap, measured and moved

The centrepiece of Connetics' equity work is its progress on the gender pay gap, a simple and measurable marker of equality. While the sector norm still shows significant disparities, Connetics has committed to measuring, disclosing, and actively closing the gap.

Last year marked a turning point.

By embedding gender pay equity into its remuneration review process, Connetics was able to identify and address systemic issues, such as female employees entering roles at lower pay bands than male counterparts with similar experience.

"We've achieved a decrease of 3.1 percentage points in our gender pay gap over the last three years (from 16.8% to 13.7% using base salary), meeting our year-on-year target" says Natasha Smith, Operational Excellence Lead at Connetics. "But we're not complacent. The next phase is harder, we're working to ensure more women reach senior and trade roles, where the gap is often widest."

More than metrics: removing the roadblocks

For Connetics People Transformation Manager Terezka Kejdanová, the equity journey is deeply human. "It's not just about numbers," she says. "It's about removing the invisible barriers, unclear pathways, unconscious bias, a lack of support, and making it possible for anyone, especially women, to enter and then thrive in trade-based careers."

Connetics has overhauled its recruitment practices, introduced bias-aware selection processes, and actively supported female apprentices and emerging leaders. This includes participation in leadership development programmes, tailored return-to-work coaching, and identifying female successors for critical roles—all of which is work still in progress but is gaining significant momentum.

A wider lens: flexibility and family equity

Gender equity at Connetics is also about rethinking what it means to support families. "As a new mum, I've experienced how flexible and supportive Connetics can be," says Natasha Smith. "But our challenge now is to ensure that same flexibility exists in our field-based roles - not just the office."

Connetics has updated its flexible working policy, aiming to make it easier for all employees (not just women) to balance work and family life. That includes parental leave support for both primary and secondary carers, return-to-work coaching, and the overt permission for more personal conversations about flexibility.

"This isn't just good for women," Smith adds. "It's good for everyone. It creates stronger families, stronger communities, and a stronger organisation."

Inspiring the next generation

Beyond its own walls, Connetics is playing a role in changing perceptions about who belongs in STEM. Through its sponsorship and active involvement of GirlBoss initiatives, school-based STEM kits, and community sports, it is promoting equity from the ground up; which includes partnerships with industry bodies aiming to open doors for young women considering careers in energy and infrastructure.

On the right track

The team at Connetics acknowledge that progress is uneven and cultural change takes time. Some goals, like increasing the number of women in senior trade roles, will take years due to the long pathways involved. But the direction is clear, and so is the commitment.

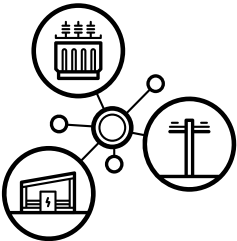
"We want people to be inspired but also surprised in a good way," says Mark Lewis. "Surprised that even in an industry that can be so male-dominated, with careful use of data, a navigating with care, and a commitment to challenge, change is within reach."



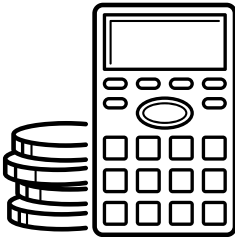
Focus area:

Fit for purpose capital structure

Assets



Financial



Our people sharing a laugh at mahi.

An appropriate capital structure enables Orion to ensure we are financially sustainable over the long-term and can enable investment to fulfil our purpose of powering a cleaner and brighter future with our community. It provides flexibility to manage our business and to adjust in response to both growth and unexpected shocks, whilst also delivering an appropriate level of certainty to our key stakeholders.

An improved financial performance

The Orion Group delivered an improved year of financial performance. Along with most other businesses, in recent years we have faced significant upwards pressure on all our costs. Under the Commerce Commission’s Default Price-quality Path (DPP) regulatory settings we are constrained in our ability to recover those costs in a timely manner. Our FY25 delivery revenue increased by \$20.1m over the prior year, due in part to an increased revenue allowance from the Commission as well as a recovery of under-charged revenue from FY23 under the Commission’s revenue framework.

Our FY25 profit after tax was \$24.0m, \$7.5m above our Statement of Intent (SOI) target.

Our FY25 earnings before interest and tax was \$12.7m above FY24’s result, primarily due to increased delivery revenue, but offset by increases in both cash expenses and depreciation.

Further analysis of our performance against our SOI targets and our prior year results is provided later in this report.

Dividends

The Group’s financial performance enabled us to pay \$25m of dividends to our shareholders — Christchurch City Council and Selwyn District Council — in line with our SOI target.

Network capital expenditure

We have continued to invest in our network to ensure it remains safe, reliable, resilient and can accommodate growth. Our network capital expenditure totalled \$111m in FY25. We also invested a further \$9m in our integrated asset management system, with a focus on improving our asset management through developing our data, processes and technologies.

Group assets

Group property, plant and equipment and intangible assets now total \$1.8b. Directors reviewed carrying values at year end and determined they were at fair value.

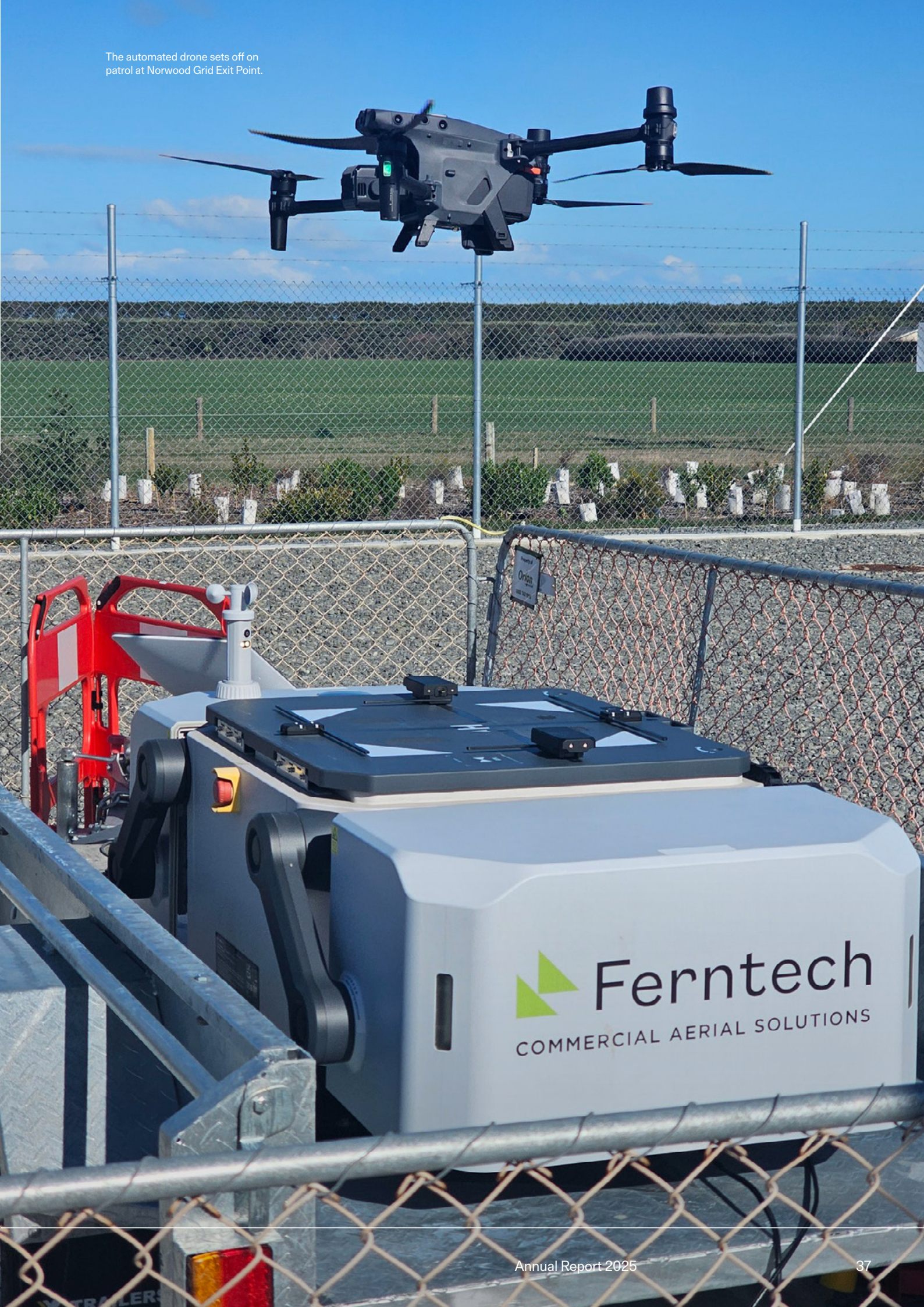
Connetics

Connetics’ profit was below the prior year with tight margins across all market segments. Connetics continues to focus on developing new business opportunities.

Debt to Regulatory Asset Base (RAB)

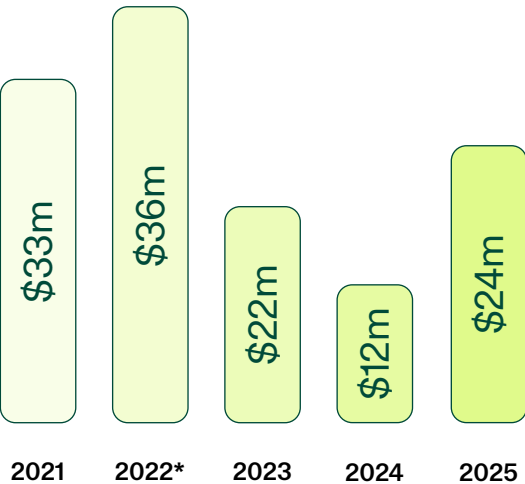
The percentage of debt to RAB is a measure of financial strength routinely applied to Electricity Distribution Businesses (EDBs). Orion’s estimated percentage for FY25 is 39%, comfortably below the Commerce Commission’s assessment of 41% for an EDB debt gearing ratio.

The automated drone sets off on patrol at Norwood Grid Exit Point.



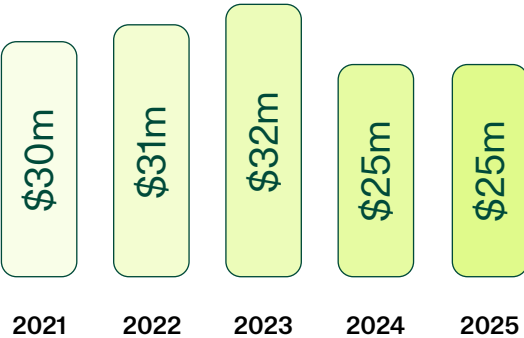
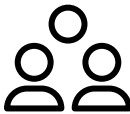
Five year comparisons

Net profit

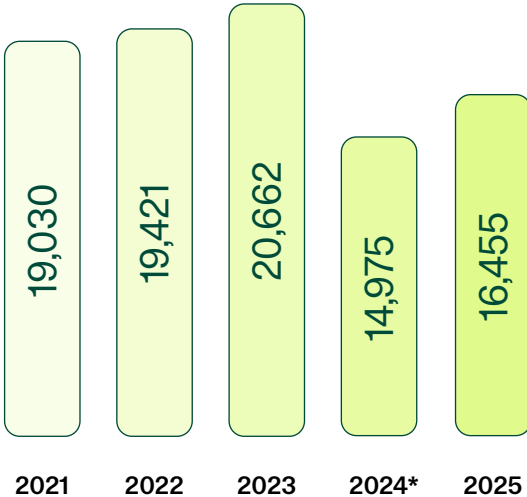



*2022 restated

Cash distributions to shareholders

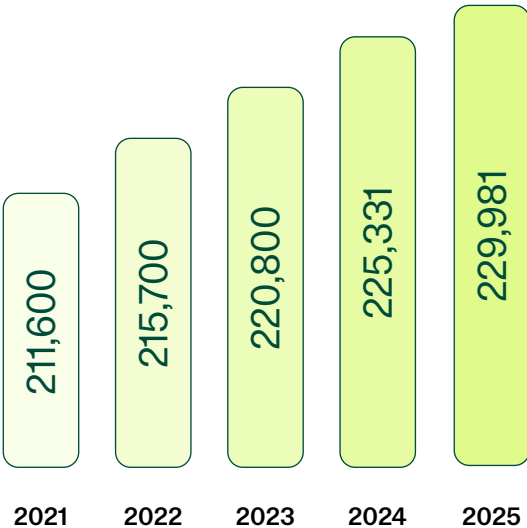



Greenhouse gas emissions for The Orion Group (tCO2e)

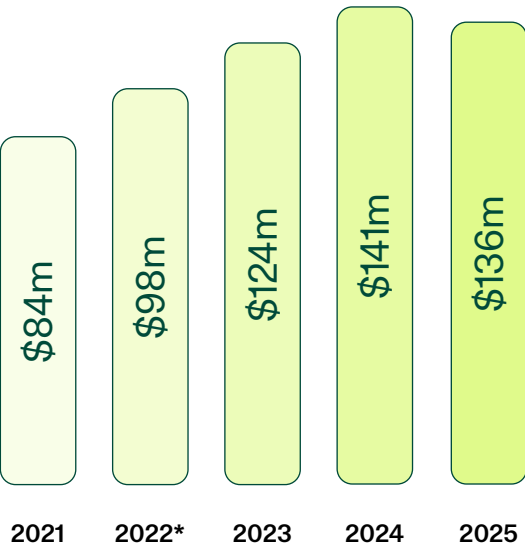



*2024 emissions were restated

Customer connections

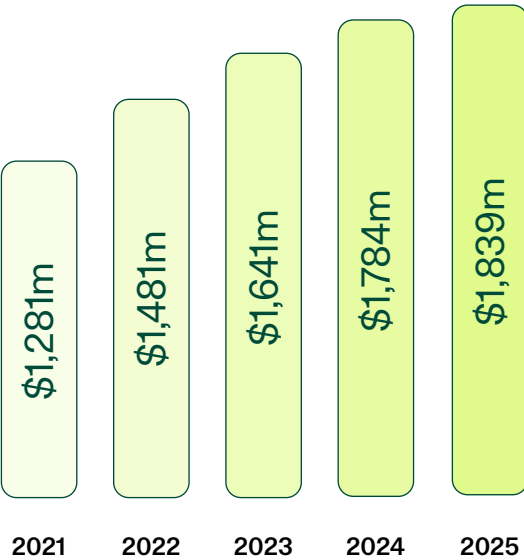



Group capital expenditure

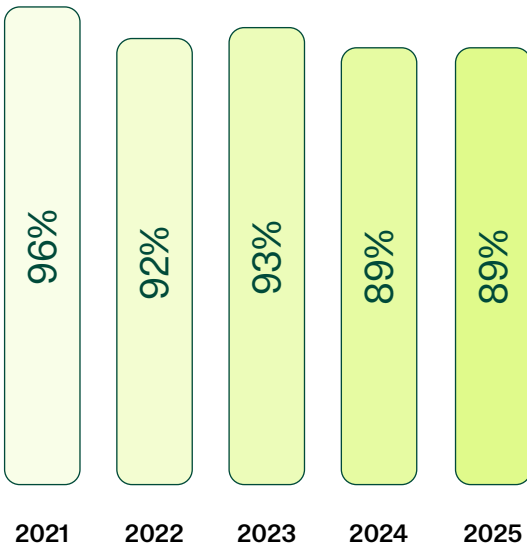



*2022 restated

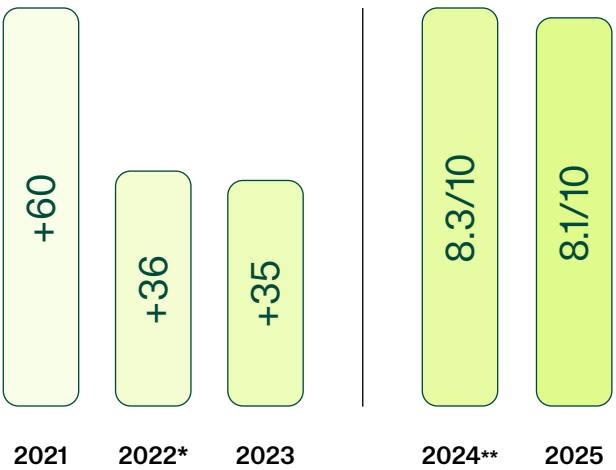

Total Group assets



Residential customer satisfaction with reliability



Residential customer Net Promoter Score



*Methodology changed to provide a more representative sample of our community

**Methodology changed to Customer Perceptions score to provide us with better data

Measuring our supply chain GHG emissions

We report on our audited Greenhouse Gas (GHG) emissions in the ‘performance measures’ section of this report. In FY25, we used a tool called Fair Supply to calculate our scope 3 supply chain emissions based on expenditure and revenue for emission categories where we do not hold primary data. Supply chain emissions are generated in activities in our upstream value chain, for example manufacturing of equipment we use, as well as downstream emissions, for example from products or services we may sell. The results of this process were not subject to audit, but

we think there is value in sharing them, to illustrate the total carbon impact of delivering our service, more detail on what we measured, and the results can be found below.

Fair Supply uses an environmentally extended multi region input-output (EE-MRIO) model to estimate scope 3 emissions. The model links our financial expenditure and revenue data with global emission factors across supply chains, enabling an assessment of upstream and downstream impacts across the categories defined in the GHG Protocol.

Categories	FY20 (tCO2e)	FY24 (tCO2e)	FY25 (tCO2e)
Purchased goods and services	9,661	10,400	10,042
Capital goods	7,767	11,595	9,441
Fuel—and energy—related activities	199	214	309
Upstream transportation and distribution	312	313	346
Upstream leased assets	6	21	22
Downstream transportation and distribution	17	17	19
Processing of sold products	40,747	40,749	44,898
Use of sold products	8,890	8,891	9,796
End of life treatment of sold products	1	1	1
Downstream leased assets	0	0	0
Franchises	0	0	0
Investments	0	0	0

Our Leadership Team



Nigel Barbour
The Orion Group
Chief Executive



David Freeman-Greene
CPP Director



Vaughan Hartland
Chief Financial Officer



Steve Macdonald
GM Electricity Network



Duane Makin
GM Data, Digital
and Technology



John Thompson
Chief Executive of
Connetics



Alice van den Hout
GM Investment Portfolio
and Capability



Karen Wiese
Chief Governance Officer



Nick Wong
GM Asset Management

Our Board of Directors



Paul Munro
B.Com (Finance & Accounting),
FCA, CFInstD

Paul joined the Orion Board for the second time as a director in February 2022 and Chair on 31 August 2022. He was Chief Executive of Christchurch City Holdings Limited for almost six years until March 2022. Prior to CCHL, Paul was a Corporate Finance Partner with Deloitte for 24 years. He was a director of Orion from 2012 to 2016, and is currently a director of EA Networks, Online Distribution, Lynn River, MHV Water, New Zealand King Salmon, and Tait International. He is a Chartered Accountant Fellow of CAANZ and a Chartered Fellow of the IoD.



Jen Crawford
BA (Hons), LLB, CFInstD

Jen was appointed as an Orion director in August 2021. She is a professional director with a background in resource management and infrastructure projects. Jen has governance experience in a range of sectors and practiced for more than 20 years as a specialist lawyer in New Zealand and the UK, including as a Partner at Anderson Lloyd. Jen is currently a Deputy Chair of ChristchurchNZ, Nelmac, MHV Water and Chair of Rangitata Diversion Race Management Limited. Jen is a Chartered Fellow of the IoD and a Barrister and Solicitor of the High Court of New Zealand.



Vena Crawley
MBA, BA

Vena was appointed as an Orion director in March 2024. He holds a number of governance roles and is currently a Non-Executive Director at Summerset Group, Chair of the Business School Advisory Board at Auckland University of Technology, a member of the IoD Pacific Governance Advisory Group, and a Director of Variety.



Sally Farrier
BE (Hons), MBA, GDipAppFin

Sally was appointed as an Orion director in August 2020. She has more than 20 years' experience as non-executive director with specialist expertise in economic regulation and governance of energy, utilities and infrastructure. Sally is a director of Bluecurrent and Ergocorp. She has served on Ministerial panels, determination and review bodies related to pricing, planning and reform. She is an active angel investor and was a member of the team that founded Patientrack in the early 2000s.



Jason McDonald
BE Elec (Hons), MBA (Technology Management)

Jason was appointed as an Orion director in August 2017 and is Chair of Orion's subsidiary Connetics. He is an independent energy consultant and professional director. He is currently a director on the Clarus group of companies and is a director of Helios Energy and CentrePort. He was previously a director of Mevo, Top Energy and Red Bus. Jason has 30 years' experience in the energy sector including a number of executive roles at Meridian. He is a Chartered Member of the NZ Institute of Directors.



Mike Sang
BCA

Mike was appointed as an Orion director in August 2021. He has a finance background with a career in a variety of sectors including roles as CEO of Ngāi Tahu Holdings and CFO of PGG Wrightson. He is a professional director and has had a number of directorships with current roles including Government Super Fund Authority, BRANZ and Comvita. Mike is a Chartered Member of the IOD and a Chartered Accountant with CAANZ.

Audited financial statements

The Board of Directors is pleased to present the audited financial statements of Orion New Zealand Limited and its subsidiaries for the year ended 31 March 2025.

The Group’s audited information includes financial statements and performance information.

Performance information comprises:

- Financial
- Facilitating decarbonisation and hosting capacity at lowest cost
- Investing to maintain a safe, reliable, resilient network at lowest total lifecycle cost
- Being a force for good in the communities we serve, enabling the net zero transition
- Creating the preferred workplace

Authorised for issue on 18 June 2025
For and on behalf of the Board of Directors:



Paul Munro
Director



Mike Sang
Director

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Consolidated statement of comprehensive income

	Notes	2025 \$000	2024 \$000
Operating revenues	2	368,667	334,365
Operating expenses	3	(240,519)	(225,124)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		128,148	109,241
Depreciation, amortisation and impairment expenses	4	(68,827)	(62,605)
Earnings before net interest expense and tax (EBIT)		59,321	46,636
Interest income		103	301
Interest expense	5	(27,580)	(23,737)
Capitalised interest recovery	5	771	1,045
Net change in fair value of derivatives income	15	-	584
Subvention expense	21	(300)	(2,000)
Profit before income tax		32,315	22,829
Income tax expense	6	(8,349)	(11,234)
Net profit		23,966	11,595
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Gain on revaluation of property, plant and equipment	11	-	71,480
Deferred tax effect	6	-	(17,800)
Gain on revaluation of carbon emissions units	10	13	106
Deferred tax effect	6	(3)	(30)
		10	53,756
Items that may be reclassified to profit or loss in future:			
Change in fair value of cash flow hedges gain	15	(24,785)	(9,453)
Deferred tax effect		6,940	2,647
		(17,845)	(6,806)
Other comprehensive income net of tax		(17,835)	46,950
Total comprehensive income		6,131	58,545

The accompanying notes form part of these financial statements

Consolidated statement of changes in equity

	Share capital \$000	Retained earnings \$000	Asset revaluation reserve \$000	Cash flow hedge reserve \$000	Carbon revaluation reserve \$000	Total equity \$000
Balance as at 1 April 2023	105,000	466,981	253,357	16,720	330	842,388
Net profit	-	11,595	-	-	-	11,595
Other comprehensive income	-	-	53,680	(6,806)	76	46,950
Total comprehensive income	-	11,595	53,680	(6,806)	76	58,545
Transfers between reserves:						
Realised gain on disposal	-	1,014	(1,014)	-	-	-
Deferred tax on realised gain	-	(284)	284	-	-	-
Dividends paid	-	(25,000)	-	-	-	(25,000)
Balance as at 31 March 2024	105,000	454,306	306,307	9,914	406	875,933
Net profit	-	23,966	-	-	-	23,966
Other comprehensive income	-	-	-	(17,845)	10	(17,835)
Total comprehensive income	-	23,966	-	(17,845)	10	6,131
Realised gain on disposal	-	212	(212)	-	-	-
Deferred tax on realised gain	-	(59)	59	-	-	-
Dividends paid	-	(25,000)	-	-	-	(25,000)
Balance as at 31 March 2025	105,000	453,425	306,154	(7,931)	416	857,064

The accompanying notes form part of these financial statements

Consolidated statement of financial position

	Notes	2025 \$000	2024 \$000
Current assets			
Cash and cash equivalents		2,713	802
Trade and other receivables	8	41,233	41,281
Inventories	9	20,407	17,837
Prepayments		5,263	4,997
Income tax	6	-	800
Interest rate swaps	15	633	10,405
Total current assets		70,249	76,122
Non-current assets			
Prepayments		1,049	1,644
Intangible assets	10	25,482	15,027
Property, plant and equipment	11	1,741,565	1,686,783
Interest rate swaps	15	389	4,621
Total non-current assets		1,768,485	1,708,075
Total assets		1,838,734	1,784,197
Current liabilities			
Trade and other payables	12	40,422	48,082
Borrowings and other liabilities	14	43,309	682
Income tax	6	1,655	-
Employee entitlements	13	9,660	9,099
Total current liabilities		95,046	57,863
Non-current liabilities			
Borrowings and other liabilities	14	614,093	583,311
Employee entitlements	13	2,672	2,870
Interest rate swaps	15	12,037	1,256
Deferred tax	6	257,822	262,964
Total non-current liabilities		886,624	850,401
Shareholders' equity			
Share capital	16	105,000	105,000
Retained earnings		453,425	454,306
Reserves		298,639	316,627
Total equity		857,064	875,933
Total liabilities and equity		1,838,734	1,784,197

The accompanying notes form part of these financial statements

Consolidated statement of cash flows

	2025	2024
	\$000	\$000
Cash flows from operating activities		
Receipts from customers	367,016	335,407
Interest received	103	300
Payments to suppliers and employees	(251,905)	(234,606)
Payments for interest and other finance costs	(26,088)	(23,816)
Payments for income tax	(4,100)	(3,800)
Subvention payment	(2,300)	(2,827)
Net cash provided from operating activities	82,726	70,658
Cash flows from investing activities		
Proceeds from the sale of property, plant and equipment	791	583
Payments for property, plant and equipment	(122,070)	(124,312)
Payments for intangible assets	(6,615)	(7,666)
Payments for forestry investment	(343)	(321)
Net cash used in investing activities	(128,237)	(131,716)
Cash flows from financing activities		
Proceeds from bank loans	75,000	117,500
Proceeds from US Private Placement borrowing	-	200,000
Repayment of bank loans	(1,800)	(230,000)
Repayment of finance leases	(778)	(1,225)
Dividends paid	(25,000)	(25,000)
Net cash provided from financing activities	47,422	61,275
Net increase in cash and cash equivalents	1,911	217
Summary		
Cash and cash equivalents at beginning of period	802	585
Net increase in cash and cash equivalents	1,911	217
Cash and cash equivalents at end of period	2,713	802

The accompanying notes form part of these financial statements

Consolidated statement of cash flows continued

	2025	2024
	\$000	\$000
Reconciliation of profit to net cash from operating activities		
Net profit	23,966	11,595
Adjustments		
Gain on disposal of property, plant and equipment	(352)	(269)
Property, plant and equipment disposed and written off	409	474
Impairment loss on revaluation	-	419
Impairment reversal of property, plant and equipment	58	96
Depreciation, amortisation and impairment of property, plant and equipment	68,332	61,616
Internal costs allocated to property, plant and equipment and intangible assets	(12,690)	(9,375)
Change in fair value of derivatives	-	(584)
Increase in deferred tax liability	1,795	9,141
Impairment of financial assets	(75)	474
Other	51	51
	57,528	62,043
(Increase)/decrease in assets		
Trade and other receivables	48	(3,118)
Inventories	(2,570)	2,838
Prepayments	(340)	(1,661)
Increase/(decrease) in liabilities		
Trade and other payables	1,248	197
Employee entitlements	363	421
Income tax	2,455	(1,657)
	1,204	(2,980)
Net cash provided from operating activities	82,698	70,658

The accompanying notes form part of these financial statements

Notes to the financial statements

1. Statement of accounting policies

Corporate information

Orion New Zealand Limited (the company) is a for-profit company incorporated in New Zealand under the Companies Act 1993 and the Energy Companies Act 1992. The consolidated financial statements are for the group comprising the company and its subsidiaries (Connetics Limited and Orion New Zealand Ventures Limited (deregistered 10 January 2025).

The group primarily operates in one segment – it owns and operates the electricity distribution network in Christchurch and central Canterbury.

Statement of compliance

The financial statements comply with section 44 of the Energy Companies Act 1992. They also comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and with International Financial Reporting Standards.

Basis of financial statement preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). For the purpose of complying with NZ GAAP, the group is a for-profit entity. The financial statements have been prepared on the basis of historical cost, except for certain financial instruments, land and buildings, and the electricity distribution network, which have been measured at fair value.

The financial statements are presented in New Zealand dollars, rounded to the nearest thousand.

Significant judgements, estimates and assumptions

In applying the accounting policies, the group has made the following judgements, estimates and assumptions that have the most significant impact on the amounts recognised in these consolidated financial statements. The group regularly reviews these estimates and assumptions. Actual results may differ from the group’s estimates and assumptions.

Electricity delivery revenue

The company invoices electricity retailers monthly for electricity delivery services on the basis of actual usage, later adjusted for more accurate metering data when it becomes available from the electricity wholesale market and from electricity retailers. The company has made an allowance in revenue and in current assets/liabilities for estimated amounts under/over charged during the reporting period. Because final metering data is not available for up to 12 months after the initial invoices to customers, the final amounts payable or receivable may vary from that initially invoiced.

Electricity distribution network valuation

The company owns and operates an extensive integrated electricity distribution network in Christchurch and Central Canterbury, comprising large numbers of individual network asset components.

The company values its electricity distribution network on a discounted cash flow basis. The company has adopted assumptions and estimates in its discounted cash flow valuation, including the amounts and timing of future cash flows and the relevant discount rate. Key assumptions are outlined in Note 11.

The Commerce Commission (the Commission) has authorised the company to implement specific network delivery price increases for the five years commencing 1 April 2020 consistent with the Commission’s 2020-2025 Default Price-Quality Path (DPP) and for the five years commencing 1 April 2025 consistent with the Commission’s 2026-2030 DPP. There is less certainty in forecasting the company’s future revenue cash flows from 1 April 2030 as the company enters the subsequent DPP period, which will determine the allowable revenues and reliability limits that will apply from 1 April 2030 to 31 March 2035.

The company acquires certain electricity distribution assets for less than their replacement cost, sometimes at nil cash cost. The company considers that the cash consideration for these assets represents fair value. Only the cash consideration generates additional future cash inflows under the regulatory price control regime.

The group estimates and eliminates intra-group profits in new electricity distribution network assets.

Notes to the financial statements continued

Land and buildings valuation

The company values its land and buildings using various valuation techniques, including sales comparisons and capitalisation of assessed market rentals for equivalent properties. Key assumptions are outlined in Note 11.

Capitalisation of costs and impairment

The group makes judgements about whether costs incurred should be capitalised or expensed. The group assesses whether individual assets or groups of related assets (which generate cash flows independently) are impaired by estimating the future cash flows that those assets are expected to generate. The group applies assumptions and estimates when assessing future cash flows and appropriate discount rates.

Other areas of judgement

Other areas of judgement include estimating: useful lives of assets, provisions for doubtful debts, unrecoverable work in progress, provisions for employee benefits, revaluation of interest rate swaps, income tax, deferred tax, and network reliability (SAIDI/SAIFI) measures.

Significant accounting policies

The following significant accounting policies have been applied consistently to all periods presented in these financial statements:

(a) Basis of consolidation

A subsidiary is an entity that is directly or indirectly controlled by the company.

The consolidated financial statements are prepared by combining the financial statements of all group entities for the same reporting period, using consistent accounting policies. All intra-group balances and transactions, including unrealised profits arising within the group, are eliminated in full.

(b) Revenue recognition

Revenues from contracts with customers primarily come from the provision of electricity delivery services, customer capital contributions, contracting services and the sale of goods and services.

Electricity delivery service revenue relates to the provision of electricity distribution services to both electricity retailers and directly contracted customers. Electricity retailer delivery services are performed on a daily basis and considered as a series of distinct services provided over time. Prices are regulated and retailers are charged through a combination of fixed charges and variable charges based on the quantities delivered. Revenue is recognised over time using an output method based on the actual delivery services provided on a daily basis.

In applying NZ IFRS 15 *Revenue from Contracts with Customers* to directly contracted customers, the group has determined that the individual construction contracts and individual delivery service agreements were negotiated as a package with a single commercial objective, to provide the required delivery capacity to the customer. The performance obligation has been assessed as being satisfied over time based on the duration of the contractual arrangement. The contract term is the period during which the parties have present and enforceable rights and obligations. A term of ten years has been determined based on the requirements of the contract and the group’s business practice. The transaction price includes customer contributions and delivery charges based on an estimate of quantities delivered. Revenue is recognised over time based on an output method, as the performance obligation is satisfied on a straight-line basis over the term of the contract.

The group derives contracting service revenue from the construction and maintenance of overhead and underground lines for the delivery of utility and infrastructure services across New Zealand. The contracts are typically determined to have one single performance obligation which is integrated and is fulfilled over time.

However, some contracts can be entered into for a construction job including the supply of significant materials. In this case the group will identify the multiple performance obligations and allocate the total transaction price across each performance obligation based on stand-alone selling price. The transaction price is normally fixed at the start of the project. However, changes to job scope and bonuses or penalties, based on performance criteria, result in elements of variable consideration.

Notes to the financial statements continued

Revenue from contracting services where the output is easily measurable is recognised on the output method by reference to the direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract. The output method is also used for maintenance contracts, where regular maintenance services are provided to a customer at regular intervals.

Revenue from all other contracting services is recognised on the measured input by reference to recoverable costs incurred during the financial year plus the percentage of forecast profit earned. Percentage of fees earned is measured by the proportion that costs incurred to date bear to the estimated total costs of the contract.

The group derives revenue from supply and logistics services which require it to provide either a) a specified quantity of distinct goods or services or b) to make available an undefined quantity of goods or services over the duration of the contract period. There is typically one performance obligation (sale of goods). The contractual arrangement includes a requirement for the group to hold a certain level of inventory for a customer in which case there are two performance obligations (sale of goods and inventory/storage service). Revenue from the supply of goods is recognised at the point in time when sales are invoiced on despatch which is when the control of the goods has transferred to the buyer. Inventory/storage service recognises revenue over time.

Government grants are recognised where there is reasonable assurance that the grant will be received, and all associated conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

(c) Capital contributions

Customer contribution revenue relates to contributions received from customers towards the cost of new assets, including connections and network extensions. The customer’s supply of electricity is recognised separately, either interposed through a retailer or contracted directly, and is therefore not considered to impact the assessment of the customer or performance obligations of the connection contracts. Pricing is fixed and contributions are paid in advance for new connections. Capital contributions are recognised as revenue at the point in time of livening the connection to the network. Capital contributions that are refundable to customers are treated as a contract liability until refunded or applied.

The group also receives capital contributions from customers towards the relocation of existing assets and the construction of assets specific to that customer. Revenue is recognised over time on a contractual milestone basis.

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money, unless it is specifically provided for in the construction contract.

Where distribution assets are constructed by electricity users and transferred to the group at below full replacement cost, the group recognises the transfer price as being fair value.

(d) Income tax

Income tax expense comprises current tax and deferred tax.

Current tax is the income tax payable based on the taxable profit for the current year, plus adjustments to income tax payable for prior years. Current tax is calculated using rates enacted or substantively enacted by balance date.

Deferred tax is recognised on temporary differences between the carrying values of assets and liabilities and the equivalent amounts used for taxation purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available, against which the deductible temporary differences or tax losses can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the temporary differences will reverse.

Current tax and deferred tax are charged or credited to profit or loss. When deferred tax relates to items charged or credited to other comprehensive income, then deferred tax is recognised in other comprehensive income.

Notes to the financial statements continued

(e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset - an asset that takes a substantial period of time to get ready for intended sale or use and is of significant cost - are capitalised as part of the cost of that asset. The group calculates a weighted average funding cost to apply as it does not directly attribute incremental borrowings to specific capital projects. All other borrowing costs are expensed in the period in which they occur.

(f) Financial instruments

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI) or through profit or loss), and
- those to be measured at amortised cost

The classification depends on the group’s business model for managing the financial assets and the contractual terms of the cash flows.

All financial instruments are initially recognised at fair value plus directly attributable transaction costs where applicable.

Subsequent measurement of debt instruments depends on the group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost** – assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are recognised in the statement of profit or loss
- **Fair Value through Other Comprehensive Income (FVOCI)** – assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest and measured at fair value, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method
- **Fair Value through Profit or Loss (FVPL)** – assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises

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

Financial liabilities at amortised cost consist of trade and other payables and borrowings. Financial liabilities at amortised cost are measured using the effective interest rate method. Due to their short-term nature, trade and other payables are not discounted.

The group uses derivative financial instruments, such as interest rate swaps, to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The fair value of derivatives is determined, pursuant to NZ IFRS 13 Fair Value Measurement (Level 2), using valuation techniques and models where all significant inputs are observable.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative, and they are only offset against each other if the group has a legal right of offset.

Notes to the financial statements continued

For the purpose of hedge accounting an interest rate swap is classified as a cash flow hedge when hedging the exposure to variability in cash flows that is attributable to movements in interest rates on existing or forecast debt. At the inception of a hedge relationship, the group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio in the hedge relationship is the same as the quantity of the hedged item and of the hedge instrument that the group actually uses for hedging purposes

The group designates all interest rate swaps as cash flow hedging instruments. Existing swaps with a non-zero value at designation will have a portion of ineffectiveness until their maturity. The effective portion of the gain or loss on the hedging instrument is recognised in Other Comprehensive Income (OCI), while any ineffective portion is recognised immediately in net profit. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged item. The amount accumulated in OCI is reclassified to net profit as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

The group applies the NZ IFRS 9 *Financial Instruments* simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

(g) Inventories

Inventories are valued at the lower of cost and net realisable value, with an allowance for obsolescence where necessary. Net realisable value is the amount inventories are expected to realise in the ordinary course of business. Individual stock items are valued on a weighted average cost basis.

(h) Intangible assets

Computer software assets

Computer software assets have a finite life. Carrying values are amortised over their estimated useful lives, usually not exceeding three years. However, for significant projects, estimated useful lives may be assessed as up to ten years.

Carbon emissions units

The asset class, New Zealand Units (NZUs) purchased by the group are initially recognised at cost on the date of acquisition. NZUs have an indefinite useful life and are subsequently measured using a fair value model based on observable market prices. Any increase in the fair value of the NZUs is recognised in other comprehensive income and the carbon revaluation reserve to the extent that it does not reverse a previous impairment. Any decrease in the fair value of the NZUs is recognised in other comprehensive income to the extent that it does not exceed the carbon revaluation reserve for that asset.

The asset class, Verified Emission Reductions (VERs) are initially recognised at cost on the date of acquisition. VERs have no established secondary market and therefore are subsequently measured at cost. VERs have an indefinite useful life. At each balance date VERs are assessed for indicators of impairment. Any impairment loss is recognised as an expense. Cancelled VERs are recognised as an expense.

The group is aiming to achieve carbon neutrality for corporate emissions. The NZUs and VERs are held to offset corporate carbon emissions. Excess units may be sold if no longer required by the group.

Forestry investment

The group participates in two native forest planting partnerships. The company intends that future carbon credits generated will offset residual corporate carbon emissions. Until the company generates New Zealand Units (NZUs), replanting costs are recognised as an intangible asset within work in progress.

Notes to the financial statements continued

(i) Property, plant and equipment

Property, plant and equipment acquisitions are initially measured at cost.

Land and buildings are measured at fair value, based on periodic independent valuations prepared by external valuers, which are based on comparable market sales, discounted cash flows or capitalisation of net income (as appropriate), less subsequent depreciation. Fair value is reviewed at the end of each reporting period to assess whether carrying value is materially different to fair value.

The electricity distribution network is measured at fair value based on a discounted cash flow methodology, using periodic valuations prepared by an external valuer or a management internal assessment. Fair value is reviewed at the end of each reporting period to assess whether the carrying value is materially different to fair value.

Any revaluation increase arising on the revaluation of land and buildings and the electricity distribution network is recorded in other comprehensive income and credited to the asset revaluation reserve in equity (offset by any deferred tax impact), except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A revaluation decrease is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve from previous revaluations of that asset.

Depreciation on property, plant and equipment, including freehold buildings, land improvements and right-of-use assets but excluding land, is charged to profit or loss.

Other plant and equipment and leasehold improvements are recognised at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. The cost of self-constructed assets includes the cost of materials and attributed direct labour.

Depreciation is calculated on a straight-line basis to write off the net cost, or other revalued amount of each asset, over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The main bases for the calculation of depreciation are periods generally not exceeding:

	Years		Years
Electricity distribution network	60	Cars and vans	5
Building structures	70	Trucks	10
Building services	30	Plant and equipment	15
Building fit-out	20	Computer equipment	3

Residual values for items of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

The carrying amount for an item of property, plant and equipment is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These gains and losses are included in profit or loss.

(j) Impairment of assets

The carrying amounts of the group's assets, other than inventory and deferred tax assets, are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists for an asset, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent of other assets, the group estimates the recoverable amount of the cash- generating unit to which the asset belongs. A cash-generating unit is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The group's integrated electricity distribution network is treated as a single cash-generating unit for the purposes of impairment assessment.

Notes to the financial statements continued

The recoverable amounts are the higher of fair value (less costs to sell) or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Goodwill is tested for impairment annually, and whenever there is an indication that it may be impaired. An impairment of goodwill is not subsequently reversed.

If a revalued asset is determined to be impaired, then the impairment is firstly applied against the revaluation reserve related to that asset, with any remaining impairment loss expensed in profit or loss. If the impairment loss is subsequently reversed, the reversal is firstly applied to profit or loss to the extent of previously expensed impairment losses relating to that asset, with any further increase taken to the revaluation reserve.

For assets which are not revalued, an impairment loss is expensed immediately in profit or loss. If an impairment loss is subsequently reversed, the carrying value of the asset is stated at not more than what its carrying value would have been had the earlier impairment not occurred.

(k) Right-of-use assets and lease liabilities

Leases are classified as leases of right-of-use assets whenever the lease terms transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments that are short-term or low value are recognised as an expense on a straight-line basis over the lease term.

Lease liability payments are allocated between expense and reduction of the lease liability over the term of the lease.

Capitalised right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the group will obtain ownership by the end of the lease term.

(l) New accounting standards and interpretations

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the group’s annual financial statements for the year ended 31 March 2024, except for the adoption of new standards effective as of 1 January 2024. The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The group has also applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2024 and note these did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

- Amendments to NZ IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
- Amendments to FRS-44 – Disclosure of Fees for Audit Firms’ Services

Standards, amendments and interpretations to existing standards that are not yet effective

Certain new accounting standards and amendments have been issued that are not mandatory for the year ended 31 March 2025 and have not been early adopted. Those new standards and amendments that are relevant to the group are:

NZ IFRS 18 Presentation and Disclosure in Financial Statements (effective 1 January 2027)

The standard introduces a more structured format for the income statement, including clearly defined subtotals such as Operating Profit and Profit Before Financing and Income Taxes. These subtotals must be derived using a prescribed classification of income and expenses into three categories: operating, investing, and financing. The standard also requires specific disclosures related to Management-Defined Performance Measures (MPMs) to enhance transparency around non-GAAP performance metrics. The group is currently assessing the full impact of NZ IFRS 18 on its financial reporting. While the standard is not expected to affect recognition or measurement of assets and liabilities, it will impact how financial performance is presented and how certain performance measures are disclosed.

The group intends to adopt NZ IFRS 18 from 1 April 2027 and is in the process of evaluating the changes needed to systems, controls, and processes to support compliance with the new requirements.

There are no other standards that are not yet effective and that would be expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

(m) Change in accounting policies

The accounting policies detailed above have been applied in the preparation of these financial statements for the year ended 31 March 2025 and have been consistently applied throughout the year.

There have been no changes in accounting policies in comparison with the prior year.

Notes to the financial statements continued

	2025	2024
	\$000	\$000

2. Operating revenues

Revenue from contracts		
<i>Recognised over time</i>		
Electricity delivery services	258,092	238,033
Contracting services	59,081	51,825
Consumer capital contributions	156	156
<i>Recognised at a point in time</i>		
Sale of goods and services	20,658	18,878
Contracting services	3,508	2,691
Consumer capital contributions	9,779	5,309
Other income		
Transmission rental rebates received from Transpower	16,042	14,323
Gain on disposal of property, plant and equipment	131	144
Other	1,220	3,006
	368,667	334,365

3. Operating expenses

Transmission	58,617	56,117
Transmission rental rebates passed to retailers	16,042	14,323
Employee benefits	92,932	88,214
Restructuring	809	-
Salary recoveries to capital projects	(12,690)	(9,375)
Network maintenance	29,011	32,464
Operating lease payments	687	559
Other	55,111	42,822
	240,519	225,124

4. Depreciation, amortisation and impairment expenses

Depreciation of property, plant and equipment	63,630	58,527
Depreciation of right-of-use assets	854	863
Impairment loss on revaluation of property, plant and equipment	-	419
Impairment of property, plant and equipment	58	96
Impairment of intangibles	28	-
Amortisation of intangible assets	3,848	2,226
Property, plant and equipment disposed and written off	409	474
	68,827	62,605

Notes to the financial statements continued

	2025	2024
	\$000	\$000
5. Interest expense		
Interest bearing floating rate debt	27,051	23,183
Lease liabilities	529	554
	<u>27,580</u>	<u>23,737</u>

Interest expense of \$0.8m was capitalised during 2025 (2024: \$1.0m). As the group does not borrow specifically for new projects, the weighted average interest rate attributable to all borrowings is applied to significant capital projects during construction. In 2025, the rate varied between 4.39% and 4.73% (2024, 4.07% and 4.80%).

6. Income tax and deferred tax

Income tax expense comprises:		
Current income tax charge	7,169	2,940
Adjustments to prior years	(615)	(846)
Temporary differences	1,795	3,912
Deferred tax expense from removal of depreciation on buildings	-	5,228
	<u>8,349</u>	<u>11,234</u>

Reconciliation of profit before income tax with income tax expense:		
Profit before income tax	32,315	22,829
Prima facie income tax expense calculated at 28%	9,048	6,392

Tax group loss offset in respect of current year	(216)	(1,440)
Other permanent differences	(483)	1,054
Deferred tax expense from removal of depreciation on buildings	-	5,228
Income tax expense	<u>8,349</u>	<u>11,234</u>

	Property, plant and equipment \$000	Derivatives \$000	Provisions \$000	Other \$000	Total \$000
Deferred tax liability					
Balance as at 1 April 2023	233,811	6,339	(2,636)	1,127	238,641
Charged/(credited) to income	8,483	164	(219)	712	9,140
Charged to other comprehensive income	17,800	(2,647)	-	30	15,183
Balance as at 31 March 2024	<u>260,094</u>	<u>3,856</u>	<u>(2,855)</u>	<u>1,869</u>	<u>262,964</u>
Charged/(credited) to income	749	-	(22)	1,068	1,795
Charged to other comprehensive income	-	(6,940)	-	3	(6,937)
Balance as at 31 March 2025	<u>260,843</u>	<u>(3,084)</u>	<u>(2,877)</u>	<u>2,940</u>	<u>257,822</u>

The group’s current income tax liability as at 31 March 2025 is \$1.7m (2024: \$0.8m asset). The liability mainly comprises the group’s residual instalment of provisional income tax for the 2025 year due in the 2026 year.

The Orion consolidated tax group comprises the company, Connetics Limited and Orion New Zealand Ventures Limited (deregistered 10 January 2025) for imputation credit account purposes.

The group's imputation credits available for use in subsequent reporting periods total \$20.9m as at 31 March 2025 (2024: \$14.5m), which includes the company income tax liability of \$1.7m (2024: \$0.8m asset).

Notes to the financial statements continued

	2025	2024
	\$000	\$000
7. Remuneration of the auditor		
Audit of the financial statements – current year	423	363
Audit of the financial statements – prior year	21	-
Default Price Path assurance engagement - current year	35	32
Default Price Path assurance engagement - prior year	-	-
Information Disclosure assurance engagement - current year	100	90
Information Disclosure assurance engagement - prior year	-	7
Commerce Commission additional information request assurance services – current year	27	-
Commerce Commission additional information request assurance services – prior year	-	-
	<u>606</u>	<u>492</u>

Assurance services comprise assurance reviews of the company's annual default price-quality path (DPP) compliance statement and regulatory information disclosures. We did not receive any other services from Audit New Zealand to those listed above.

8. Trade and other receivables

Trade receivables and accruals	36,381	36,056
Contract assets	5,075	5,404
Allowance for impairment of trade receivables	(223)	(179)
	<u>41,233</u>	<u>41,281</u>

Trade receivables before allowance for impairment:		
Current	34,761	34,193
1 month overdue	552	1,085
2 months overdue	268	220
3 months overdue	800	558
	<u>36,381</u>	<u>36,056</u>

9. Inventories

Goods for sale	10,443	8,257
Electricity distribution network stock	10,108	9,801
Allowance for impairment	(144)	(221)
	<u>20,407</u>	<u>17,837</u>

Notes to the financial statements continued

	Computer software \$000	Carbon emissions units \$000	Forestry investment \$000	Total \$000
10. Intangible assets				
Gross carrying amount				
Balance as at 1 April 2023	13,674	1,272	-	14,946
Additions	8,534	-	-	8,534
Carbon credits cancelled	-	(8)	-	(8)
Emissions units retired	-	(44)	-	(44)
Disposals	(1,390)	-	-	(1,390)
Balance as at 31 March 2024	20,818	1,220	-	22,038
Additions	13,279	-	1,091	14,370
Carbon credits cancelled	-	(6)	-	(6)
Emissions units retired	-	(41)	-	(41)
Disposals	(574)	-	-	(574)
Balance as at 31 March 2025	33,523	1,173	1,091	35,787
Accumulated amortisation, impairment and revaluation				
Balance as at 1 April 2023	6,708	(460)	-	6,248
Disposals	(1,357)	-	-	(1,357)
Amortisation	2,226	-	-	2,226
Revaluation gain through comprehensive income	-	(106)	-	(106)
Balance as at 31 March 2024	7,577	(566)	-	7,011
Disposals	(569)	-	-	(569)
Amortisation	3,848	-	-	3,848
Impairment	28	-	-	28
Revaluation gain through comprehensive income	-	(13)	-	(13)
Balance as at 31 March 2025	10,884	(579)	-	10,305
Net book value as at 31 March 2024	13,241	1,786	-	15,027
Net book value as at 31 March 2025	22,639	1,752	1,091	25,482
Capital work in progress included above:				
As at 31 March 2024	6,767	-	-	6,767
As at 31 March 2025	12,238	-	1,091	13,329
		NZUs	VERs	Total
Carbon emissions units held:				
As at 31 March 2024		26,376	21,482	47,858
As at 31 March 2025		26,268	18,308	44,576

Notes to the financial statements continued

	Freehold land, buildings and land improvements at fair value \$000	Electricity distribution network at fair value \$000	Plant and equipment at cost \$000	Total \$000
11. Property, plant and equipment				
Gross carrying amount				
Balance as at 1 April 2023	151,452	1,374,975	61,902	1,588,329
Additions	708	123,226	8,407	132,341
Disposals	(457)	(747)	(2,127)	(3,331)
Subsequent measurement of right of use asset	83	-	(16)	67
Revaluation	2,496	13,736	-	16,232
Balance as at 31 March 2024	154,282	1,511,190	68,166	1,733,638
Additions	3,058	110,305	7,783	121,146
Disposals	(109)	(496)	(4,450)	(5,055)
Subsequent measurement of right of use asset	(1,014)	-	-	(1,014)
Revaluation	-	-	-	-
Balance as at 31 March 2025	156,217	1,620,999	71,499	1,848,715
Accumulated depreciation and impairment				
Balance as at 1 April 2023	2,053	-	42,341	44,394
Disposals	-	(191)	(1,910)	(2,101)
Depreciation expense	2,313	51,796	5,281	59,390
Revaluation	(3,223)	(51,605)	-	(54,828)
Balance as at 31 March 2024	1,143	-	45,712	46,855
Disposals	(84)	(87)	(4,018)	(4,189)
Depreciation expense	2,188	56,606	5,690	64,484
Revaluation	-	-	-	-
Balance as at 31 March 2025	3,247	56,519	47,384	107,150
Net book value as at 31 March 2024	153,139	1,511,190	22,454	1,686,783
Net book value as at 31 March 2025	152,970	1,564,480	24,115	1,741,565
Capital work in progress included above:				
As at 31 March 2024	-	73,316	907	74,223
As at 31 March 2025	109	39,880	89	40,078

Notes to the financial statements continued

11. Property, plant and equipment continued

Electricity distribution network

The electricity distribution network, including substation buildings and easements, (the network) was revalued to fair value of \$1,440.7m as at 31 March 2024, based on a valuation range provided by independent valuer Deloitte Limited (as trustee for the Deloitte Trading Trust) (Deloitte), in accordance with NZ IAS 16 *Property, Plant and Equipment* , NZ IAS 36 *Impairment of Assets* , and NZ IRFS 13 *Fair Value Measurement* . Deloitte has significant experience in undertaking valuations of unlisted entities and assets for unit pricing, accounting and commercial purposes.

Including capital work in progress, Deloitte’s valuation resulted in a total network valuation of \$1,514.0m. Of this total, the fair value of \$2.7m of easements as at 31 March 2024 was included in freehold land at fair value.

In the absence of an active market for the network, Deloitte calculated fair value using significant unobservable inputs (level 3, as defined in NZ IFRS 13). Deloitte used a Discounted Cash Flow (DCF) methodology. Deloitte based its cash flow forecasts on the parent company’s cash flow forecasts and adjusted those forecasts to remove the impacts of expansionary growth on forecast future revenues, operating expenditure and capital expenditure, and to reflect Deloitte’s estimates of the regulatory Weighted Average Cost of Capital (WACC) for RCP4 and RCP5.

Deloitte’s key valuation assumptions were that:

- for the ten years ending 31 March 2034, estimated network revenues follow the Commerce Commission’s building blocks approach, but excluded growth assumptions related to expansionary growth
- for the five years ending 31 March 2030, network revenues would be reset to achieve returns based on the new expected regulatory parameters - reset regulatory WACC - on regulatory investment value, adjusted for any known or estimated wash-up amounts carried forward from the current regulatory period
- the estimated DCF mid-point discount rate was 6.65% (nominal, post-tax). The discount rate is a matter of professional judgement. Deloitte used the ten-year NZ government bond rate as at the valuation date as the basis of risk-free rate. This was used in conjunction with a view of an appropriate post tax market risk premium. Deloitte used the same level of asset beta and leverage to that set by the Commerce Commission for the five-year regulatory period commencing 1 April 2025. Deloitte performed sensitivity analysis as follows. The sensitivities were calculated by flexing a single variable at a time, noting that in practice the variables are inter-related within the regulatory framework.
- a capital expenditure increase/(decrease) of 5% would decrease/(increase) fair value by \$50.8m/(\$50.8m)
- an operating expenditure increase/(decrease) of 5% would decrease/(increase) fair value by \$72.0m/(\$72.0m)
- a discount rate increase/(decrease) of 0.5% would decrease/(increase) fair value by \$132.0m/(\$158.1m)
- an increase/(decrease) in distribution revenue of 0.5% would increase/(decrease) fair value by \$18.7m/(\$18.7m)

From 1 April 2024, the parent company processed asset additions at cost, removed assets on disposal and depreciated assets to determine carrying values as at 31 March 2025.

At 31 March 2025 the parent company reviewed the fair value of its electricity distribution network, including substation buildings and easements (the network) in accordance with NZ IAS 16, NZ IAS 36, and NZ IFRS 13. Management estimated the associated Regulatory Asset Base (RAB) as at 31 March 2025 and determined that the ratio of RAB to carrying value was within a range of multipliers observed for assets within the industry, as provided by Deloitte. The management team has an extensive background in valuation, finance, electricity regulation and financial modelling, and has a good understanding of the current regulatory and commercial environment.

Based on management’s analysis, reviewed by Deloitte, Directors formed a view that the carrying value of the electricity distribution network, including substation buildings and easements (the network) is materially at fair value as at 31 March 2025.

Notes to the financial statements continued

11. Property, plant and equipment continued

Land and non-substation buildings

The majority of the parent company’s land and non-substation buildings were revalued to fair value as at 31 December 2023, by John Pryor, in accordance with NZ IAS 16, NZ IAS 36, and NZ IFRS 13. John Pryor is a registered valuer and a director of Colliers International Limited. John Pryor used significant observable inputs (level 2, as defined in NZ IFRS 13).

John Pryor determined a fair value of \$146.8m for the parent company’s land and non-substation building assets. He:

- selected a representative sample of the parent company’s substation sites and valued land at those sites using sales comparisons and unit metre frontage methodologies (level 2). He compared his values with their respective rateable values and used those comparisons to develop standard site multipliers, which he applied to rateable land values for approximately 2,500 substation sites
- valued the parent company’s head office land and building using a market rental assessment and a capitalisation rate of 6.75% and compared his result with recent market transactions (level 2)
- valued the parent company’s Waterloo Road property using a market rental assessment and a capitalisation rate of 6.0% and compared his result with recent market transactions (level 2)

From 1 January 2024 to 31 March 2025, the parent company processed asset additions at cost, removed assets on disposal and depreciated assets to determine carrying values as at 31 March 2024. John Pryor confirmed that market movements between 31 December 2023 and 31 March 2024 were not material.

At 31 March 2025, the parent company reviewed the fair value of its land and non-substation buildings in accordance with NZ IAS 16, NZ IAS 36, and NZ IFRS 13. Based on a review by management which considered price movements in the prior twelve months in the residential, commercial and industrial sectors, Directors formed a view that the carrying value of the parent company’s land and non-substation buildings was materially at fair value.

Minor land and building assets are carried at a combination of depreciated cost or government valuation totalling \$1.0m as at 31 March 2025 (2024: \$1.0m). The carrying value of freehold land also includes \$2.8m (2024: \$2.7m) of easements, valued as part of the electricity distribution network.

Notes to the financial statements continued

11. Property, plant and equipment continued

Asset impairment

As at 31 March 2025 the group considered whether any assets showed indicators that their carrying value should be impaired. No indications of impairment were identified. Of note:

- the carrying value of the parent company's electricity distribution network and substation buildings are materially in line with the Regulatory Asset Base (RAB) allowed by the New Zealand Commerce Commission. The RAB is a key determinant of the cash flows that assets generate
- land and non-substation buildings were reviewed, as described above
- other assets are sold at market values close to their carrying value and are not material to overall carrying values.

Restrictions over title

There are no restrictions over the title of the group's property, plant and equipment, nor is any property, plant and equipment pledged as security for liabilities.

	2025	2024
	\$000	\$000
Right-of-use assets		
Right-of-use assets are included in property, plant and equipment at fair value as follows:		
• Electricity distribution network	7,466	7,901
• Buildings and land improvements	1,965	1,323
Additions to right-of-use assets were:		
• Buildings and land improvements	2,077	-
The remeasurement of a lease liability during the year ended 31 March 2025 resulted in a decrease of \$1,014,000 in the carrying value of the associated right-of-use asset (2024: increase of \$64,000).		

Other assets

Other assets are carried at cost less accumulated depreciation. The group undertakes an annual impairment test for non-revalued assets and has determined that these assets are not impaired.

Notes to the financial statements continued

	2025	2024
	\$000	\$000
12. Trade and other payables		
Trade payables and accruals	33,636	39,419
GST payable	747	313
Subvention payable	-	2,000
Other	6,039	6,350
	40,422	48,082

The group has a liability which relate to a service agreement with Transpower New Zealand Limited (Transpower) for Transpower to install new assets at or near its local grid exit points at Norwood. The asset was commissioned in October 2023, with payments deferred until 1 April 2024. At 31 March 2025, the Transpower Works Agreement has a remaining term of 29 years (2024: 30 years). The group does not own the assets at the end of the service term. There is no security provided for the arrangement. The payment amounts are reviewed periodically by Transpower based on prevailing interest rates and agreed margins. At 31 March 2025, a liability of \$0.3m (2024: \$1.0m) has been recognised in trade payables and accruals as the liability and transmission expenses are spread over the 40-year expected useful life of the asset. The payment amounts will be paid monthly over the 30-year term of the Transpower Works Agreement, and any difference between the liability and payments will be recognised as a prepayment and released over the 40-year expected useful life of the asset.

13. Employee entitlements

Current	9,660	9,099
Non-current	2,672	2,870
	12,332	11,969

Employee entitlements include a provision for employee long service leave. Key assumptions in the actuarial assessment of the provision as at 31 March 2025 include the risk-free rate 4.61% to 4.63% (2024: 4.64% to 4.65%) and salary inflation 2.92% to 3.00% (2024: 3.94% to 4.00%), and an assessment of the probability of employees receiving each long service leave entitlement.

14. Borrowings and other liabilities

Current		
Lease liabilities	409	682
Bank loans*	42,900	-
Total current borrowings	43,309	682

*On 28 May 2025, the loan facility was amended to expire on 29 September 2028.

Non-current		
Lease liabilities	9,093	8,611
Bank loans	165,000	134,700
Intra Group Funding Facility loans	100,000	100,000
US Private Placement floating rate notes	340,000	340,000
Total non-current borrowings	614,093	583,311

The group has lease liabilities which relate to agreements with Transpower New Zealand Limited (Transpower) for Transpower to install new assets at or near its local grid exit points, and for the lease of properties in the Wellington and Central Otago areas. At 31 March 2025, the Transpower agreements have remaining terms of between one and 29 years (2024: between two and 30 years). The group does not own the assets at the end of the lease term and there is no residual value. There is no security provided for the arrangements. The monthly payment amounts are reviewed periodically by Transpower based on prevailing interest rates and agreed margins.

Notes to the financial statements continued

14. Borrowings and other liabilities continued

	Minimum future lease payables		Present value of minimum future lease payables	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
Lease liabilities				
No later than one year	1,175	1,174	409	682
Later than one year and not later than five years	4,684	3,367	1,971	1,625
Later than five years	13,620	11,313	7,122	6,986
Minimum lease payments	19,479	15,854	9,502	9,293
Less future finance charges	(9,977)	(6,561)	-	-
Present value of minimum lease payments	9,502	9,293	9,502	9,293
Current			409	682
Non-current			9,093	8,611
			9,502	9,293

15. Financial intruments

Exposures to interest rates, foreign currency, liquidity and credit risk arise in the normal course of the group’s business. The group has policies to manage the risks associated with financial instruments. The significant accounting policies and methods adopted, including the criteria for recognition and the basis of measurement applied in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1.

Capital management

The group’s capital includes share capital, reserves and retained earnings. The group’s policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors regularly reviews the group’s policies in respect of the management and allocation of capital. There has been no material change to the group’s management and allocation of capital during the year.

All bank loans are unsecured against the group. The group provides certain covenants to its key lenders, by way of a negative pledge deed, that it will not create any material security interest over its assets to any party, except under certain agreed circumstances. The deed has other covenants that restrict certain asset disposals, the lending of money to other parties, non-commercial transactions with related parties, the alteration of share capital where this would have a material adverse effect and any material change of business. The deed includes an EBITDA interest coverage requirement and an obligation that the guaranteeing group will comprise at least 75% of the group in terms of assets and earnings. The deed places other undertakings and obligations on the company – for example the obligation to provide relevant lenders with information, comply with the law and to pay taxes as they fall due. The company has complied with all covenants during the two years ended 31 March 2025.

The Intra Group Funding Facility loans are unsecured against the group. The loan facility agreement with Christchurch City Holdings Limited (CCHL) has terms which are substantially similar to those in the negative pledge deed referred to above. The loan agreement was executed 30 August 2022.

The US Private Placement floating rate notes are unsecured against the group. The Note Purchase agreement with the US investors has terms which are substantially similar to those in the negative pledge deed referred to above. The company has complied with all terms of the agreement during the two years ended 31 March 2025.

All financial instruments are denominated in New Zealand dollars.

Liquidity risk management

Liquidity risk represents the risk that the group may not be able to meet its financial contractual obligations. Prudent liquidity risk management implies maintaining sufficient cash, sufficient committed credit facilities and the ability to close out market positions.

Notes to the financial statements continued

15. Financial intruments continued

The group manages its liquidity in accordance with its board-approved treasury policy. This policy requires that the group must ensure that prudent levels of committed funding facilities are in place at all times, using management’s best overall judgement in conjunction with the board, and based on prudent cash flow forecasts.

The group generates sufficient cash flows from its operating activities to meet its contractual obligations and it has sufficient funding arrangements in place to cover potential shortfalls. The group evaluates its liquidity requirements on an ongoing basis. The group’s current forecasts for its debt/debt-plus-equity and its interest coverage indicate that it will maintain its financial ability to meet its contractual obligations for the foreseeable future, at least for the next 12 months.

	2025	2024
	\$000	\$000
Unsecured bank overdraft facility, payable at call:		
Amount used at reporting date	-	-
Amount unused at reporting date	500	500
	500	500
Unsecured bank loan facilities mature as follows:		
20 September 2025	75,000	75,000
31 July 2026	100,000	100,000
29 September 2026	15,000	-
29 June 2027	60,000	-
	250,000	175,000
Amount used at reporting date	207,900	134,700
Amount unused at reporting date	42,100	40,300
	250,000	175,000
Unsecured CCHL Intra Group Funding Facility floating rate notes mature as follows:		
30 June 2038	150,000	150,000
Amount used at reporting date	100,000	100,000
Amount unused at reporting date	50,000	50,000
	150,000	150,000
Unsecured US Private Placement floating rate notes mature as follows:		
20 September 2028	45,000	45,000
20 September 2030	95,000	95,000
22 November 2033	100,000	100,000
22 November 2035	100,000	100,000
	340,000	340,000
Amount used at reporting date	340,000	340,000
Amount unused at reporting date	-	-
	340,000	340,000

Notes to the financial statements continued

15. Financial intruments continued

Interest rate risk management

The group has interest bearing floating rate debt, and so the group is exposed to variations in market interest rates.

Interest rates on the group’s bank loans are based on market rates for bank bills plus a margin. As at 31 March 2025, interest rates (including margins) on the group’s bank loans averaged 4.51% (2024: 6.52%). Daily commitment fees are also payable on the bank loan facilities.

Interest rates on the group’s Intra Group Funding Facility floating rate loans are based on market rates for bank bills plus a margin. As at 31 March 2025, interest rates (including margins) on the company’s intra group funding facility loans averaged 4.72% (2024: 6.71%).

Interest rates on the group’s US Private Placement floating rate notes are based on market rates for bank bills plus a margin. As at 31 March 2025, interest rates (including margins) on the group’s floating rate notes averaged 5.47% (2024: 7.41%).

Interest rates on the group’s Transpower lease liabilities are at rates set by Transpower plus, for some contracts, a margin. As at 31 March 2025, interest rates on the group’s Transpower lease liabilities averaged 5.67% (2024: 5.71%).

Interest rates on the group’s property lease liabilities are assessed at the incremental borrowing rate for the entity at inception of the lease. As at 31 March 2025, interest rates on the group’s property lease liabilities averaged 5.81% (2024: 4.66%).

The group’s other financial liabilities are non-interest bearing.

The group enters into interest rate swaps to manage the company’s interest rate risk based on the five-year regulatory price reset periods (regulatory hedge strategy). The group aims to hedge as close as practicable to 80% of each year’s forecast average interest-bearing debt for each regulatory period. This approach creates an effective partial hedge between the group fixing interest costs on the majority of its forecast debt and the Commerce Commission fixing regulatory WACC and applying that to the company’s forecast regulatory asset value during the five-year regulatory period.

The swaps are with various New Zealand registered bank counterparties with such credit ratings and within limits set by the Board of Directors. The swaps’ cash requirements are limited to the contracted fixed interest rates for the periods specified in each swap. The group usually enters swaps for periods of up to six years in tenor.

Under interest rate swap contracts, the group agrees to pay fixed interest rates and to receive floating interest rates, calculated on agreed notional principal amounts for specified periods. The swaps effectively convert portions of floating rate debt into fixed rate debt. All swaps are held by the company. These swaps are designated as cash flow hedges. There is an economic relationship between the interest rate swaps and the group’s debt as the terms of the interest rate swaps match the terms of the debt, as regards notional amounts and interest reset dates. The group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swaps contracts are identical to the risks of the debt and are expected to move in opposite directions. To test the hedge effectiveness, the group uses the hypothetical derivative / match terms method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. The group expects that its hedges will be highly effective, however some ineffectiveness may arise from the credit value adjustment of the bank counterparty and from existing swaps with a non-zero value at designation during the period to maturity of those swaps.

The fair values of interest rate swaps are based on market values of equivalent instruments at the reporting date and are disclosed below.

Notes to the financial statements continued

15. Financial intruments continued

The group’s interest rate swaps as at the reporting date were:

	Average contracted fixed interest rates	Notional principal		Carrying value asset/(liability)	
		2025	2024	2025	2024
		\$000	\$000	\$000	\$000
Swap maturity dates	%				
March 2025	1.3	-	265,000	-	10,405
April 2025	1.5	100,000	100,000	633	4,621
April 2027	4.8	150,000	150,000	(4,393)	(1,256)
March 2030	3.9	820,000	-	(7,255)	-
		1,070,000	515,000	(11,015)	13,770

Disclosed as:

Current assets	633	10,405
Non-current assets	389	4,621
Non-current liabilities	(12,037)	(1,256)
	(11,015)	13,770

Change in fair value recognised in:

Profit and loss income	-	584
Other comprehensive income	(24,785)	(9,453)
	(24,785)	(8,869)

The group manages its liquidity in accordance with its board-approved treasury policy. This policy requires that the group must ensure that prudent levels of committed funding facilities are in place at all times, using senior management’s best overall judgement in conjunction with the board, and based on prudent cash flow forecasts.

The group considers that a reasonably possible movement in New Zealand interest rates is a 1% movement in either direction. The group assesses that the impact on the fair value of interest rate swaps which hedge bank loans, Intra Group Funding Facility loans and USPP floating rate notes is as follows:

	2025 \$000	2024 \$000
Increase of 1% in interest rates as at reporting date		
Increase in profit before income tax	-	-
Increase in other comprehensive income	30,166	6,605
Decrease of 1% in interest rates as at reporting date		
Decrease in profit before income tax	-	-
Decrease in other comprehensive income	31,983	6,864

When interest rates rise, the benefit from the revaluation of the group’s multi-year interest rate swaps outweighs the additional one-year interest expense on the company’s floating rate debt. The converse applies when interest rates decrease. For the group’s other financial assets and liabilities, an increase/decrease of 1% in interest rates would have an immaterial impact on the group’s profit before income tax.

Notes to the financial statements continued

15. Financial intruments continued

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the group. Financial instruments that potentially subject the group to concentrations of credit risk consist of cash, short term investments, trade receivables and derivative financial instruments.

The group places its cash, short term investments and derivative financial instruments with registered New Zealand banks. Only independently rated banks with a minimum Standard & Poor’s (or equivalent) credit rating of ‘A’ or better are accepted. The group limits the credit exposure to any one bank in accordance with its board-approved treasury policy.

The group manages its exposure to credit risk from trade receivables by performing credit evaluations on customers requiring credit wherever practicable and monitoring credit exposures to individual customers. There are no significant concentrations of credit risk within trade receivables. Trade receivables are non-interest bearing. The carrying value of trade receivables approximates their estimated fair value.

Pursuant to the electricity participation code, the group may only require collateral securities from its electricity retailer customers if those customers do not have a Standard & Poor’s (or equivalent) minimum credit rating of ‘BBB-minus’. The group invoices electricity retailers and its direct major customers by the 10th working day of the month following the month of usage with payment due on the 20th of that month. Invoiced amounts are subject to subsequent adjustments for later more accurate metering data as outlined under critical judgements, estimates and assumptions in Note 1. Collateral security is not generally required from the group’s other customers.

Bad debts written off mostly relate to debtors who have damaged the company’s electricity distribution network assets. The company enters arrangements with some of these debtors to allow them to pay their debts off over time. These rearranged debts form the majority of the ‘three months overdue’ category in Note 8.

The maximum exposure to credit risk for bank balances, accounts receivable and derivative financial instrument assets is equal to the carrying values of these assets.

Carrying values of financial instruments

Cash and cash equivalents, trade and other receivables, trade payables and borrowings are measured at face value less impairment.

The group uses observable market prices and discounted cash flow techniques to calculate the fair value of its interest rate swaps. The discount rate used is based on the applicable market swap curve. This is the ‘level 2’ valuation category as described in NZ IFRS 13.

16. Share capital

At 31 March 2025, the group has 70 million fully paid ordinary shares on issue with a par value of \$1.50 per share, total \$105m (2024: \$105m).

17. Information about subsidiaries

Connetics Limited is a contractor in the electricity distribution and utility sectors. The company has owned a 100% equity interest in Connetics since April 1996. Orion New Zealand Ventures Limited ceased trading in 2024 and was deregistered on 10 January 2025.

Notes to the financial statements continued

	2025	2024
	\$000	\$000

18. Commitments

Capital expenditure	44,455	36,788
Operating leases	218	130

Most commitments are expected to be incurred in the next financial year.

19. Contingent assets and liabilities

Performance bonds	1,565	1,333
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The expiry dates for the performance bonds range from 2026 to 2028 depending on the specific terms and conditions of their respective contracts (2024: 2025 to 2030).

Revenue above and below maximum allowable revenue

The group is permitted to receive a Maximum Allowable Revenue (MAR) for its electricity distribution services under the Commerce Commission’s default price path regime. Due to differences between quantity estimates and CPI estimates used in price setting and actual quantities and actual CPI during the year ended 31 March 2025, as well as differences between budgeted and actual pass-through costs, the group estimates that it charged customers \$14.46m below its MAR (2024: estimated \$12.26m below MAR). This amount is still subject to wash-ups as improved information becomes available. The group will adjust the final amount plus interest when it sets delivery prices for the year ending 31 March 2026 (2024: recovered within delivery prices in the year ending 31 March 2026).

Other than the potential issues above, the group had no significant contingent assets or liabilities as at 31 March 2025 (2024: nil).

20 Significant events after balance date

The group is not aware of any other significant events between the preparation and authorisation of these financial statements on 18 June 2025.

Notes to the financial statements continued

21. Related parties

Group structure
The parent is Orion New Zealand Limited, which is owned by Christchurch City Holdings Limited (CCHL) (89.275%) and the Selwyn District Council (SDC) (10.725%). CCHL is owned by the Christchurch City Council (CCC).
Related parties include:
<div><div>• subsidiary Connetics Limited</div><div>• subsidiary Orion New Zealand Ventures Limited (deregistered 10 January 2025)</div><div>• CCC and SDC</div><div>• the subsidiaries of CCC and SDC</div><div>• the group’s key management personnel</div></div>
The group undertakes many transactions with the CCC and SDC and their related parties, which are carried out on a commercial and arms-length basis. The group utilises the Electricity Act 1992 and historical arrangements to determine the capital contributions required from CCC and SDC towards underground conversion and asset relocation projects. These contributions may not recover all costs incurred. No material transactions, other than the payment of dividends to CCHL and SDC and subvention payments payable to CCC, were entered into with related parties during the year. The group’s dividend policy is outlined in its FY25 Statement of Intent approved by the Orion Board on 20 June 2024.
Other transactions involving related parties
Some members of the CCC group are grouped for tax purposes. As a nominated member of the CCC group, the company reduced part of its prior year income tax liability by making a subvention payment of \$2,300,000 to CCC (2024: \$2,827,000) and tax loss offset of \$771,000 (2024: \$5,143,000).
The group paid directors’ fees totalling \$499,000 during the year ended 31 March 2025 (2024: \$413,000). No directors received retirement gifts during the year ended 31 March 2025 (2024: nil). No other transactions were entered into with any of the group’s directors, other than the payment of directors’ fees and the reimbursement of valid company-related expenses such as travel costs to board meetings.
Key management personnel are defined as:
<div><div>• the company’s directors (refer above for directors’ fees)</div><div>• the Group Chief Executive and the integrated leadership team (ILT) (refer below for compensation)</div></div>
No key management personnel purchased goods and services from the group during the year ended 31 March 2025 (2024: nil). A total of nil was due from key management personnel as at 31 March 2025 (2024: nil). All transactions were conducted on standard commercial terms, except as noted above.
The total key management personnel compensation for the year ended 31 March 2025 was \$4,842,000 (2024: \$4,576,000). All director remuneration is considered short-term employee benefits.

Notes to the financial statements continued

	2025	2024
	\$000	\$000
21. Related parties continued		
Group Chief Executive and ILT personnel compensation		
Salaries and short-term employee benefits	4,241	4,066
Post-employment benefits	102	97
	<div>4,343</div>	<div>4,163</div>
Transactions during the year		
Dividends paid to CCHL and SDC	25,000	25,000
Subvention expense payable to CCC	300	2,000
Group loss offset	771	5,143
Subvention expense paid to CCC	2,300	2,827
CCHL Intra Group Funding Facility interest expense	6,124	6,628
Purchases from CCC/SDC	6,150	5,660
Underground conversion and asset relocation contributions from CCC/SDC	932	1,455
Other sales to CCC/SDC	13,981	10,103
Purchases from other related parties	19	628
Sales to other related parties	732	2,594
Outstanding balances as at 31 March		
Accounts payable to CCC/SDC	2	18
Subvention payable to CCC	-	2,000
Group loss offset payable to CCC	-	5,143
CCHL Intra Group Funding Facility	100,000	100,000
CCHL Intra Group Funding Facility interest expense payable	155	220
Accounts receivable from CCC/SDC	1,734	2,237
Accounts payable to other related parties	-	-
Accounts receivable from other related parties	33	69
Loans outstanding from subsidiaries*	18,341	13,037
*Orion New Zealand Limited parent company disclosure only		
Commitments for capital expenditure		
Contracts with subsidiary	15,275	16,157

Performance targets — Fit for purpose capital structure

	Notes	Actual 2025	Target 2025	Actual 2024
Profit after tax (\$m) (including capital contributions)	1,2	24.0	16.5	11.6
Profit after tax (\$m) (excluding capital contributions)	1,2	16.8	12.0	7.7
Earnings before interest, tax, depreciation and amortisation (EBITDA) (\$m)		128	114	109
Dividends (\$m)		25	25	25
Total Shareholder Return (%)	4,5	2.7%	5.3%	9.6%
Return on equity (PAT incl capital contributions/ Average Equity) (%)		2.8%	1.9%	1.3%
Debt over EBITDA (times)	3	5.1x	5.9x	5.3x
Debt over estimated Regulatory Asset Base (RAB)(%)	3	39%	40%	37%

Refer also to the company's Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Fit for purpose capital structure **continued**

	Variances post-tax \$m
Note 1	
Net profit after tax was \$7.5m above the Statement of Intent target because of:	
Below budget network maintenance expenditure	2.9
Above budget capital contribution income	2.7
Above budget delivery gross margin	1.7
Below budget net interest expense	0.6
Other (net)	1.4
Below budget Connetics' net profit after tax	(1.8)
	<u>7.5</u>
Note 2	
Net profit after tax was \$12.4m above last year's profit because of:	
Increase in delivery gross margin	12.6
Impact of one-off deferred tax changes in prior year	5.2
Increase in capital contribution income	3.2
Increase in capitalised labour	2.4
Reduction in network maintenance expenditure	2.5
Other (net)	1.6
Reduction in Connetics' net profit after tax	(1.5)
Increase in interest expense	(2.8)
Higher depreciation and amortisation expense - due to significant capital expenditure and our March 2024 revaluation	(4.3)
Increase in net operating expenses - in part due to significant CPI movements	(6.5)
	<u>12.4</u>

Note 3

Debt is defined as interest bearing group borrowings, net of cash and cash equivalents. Equity is defined as shareholders' equity.

Note 4

These measures are impacted by the revaluation of property, plant and equipment.

Note 5

The group's total shareholder return measure calculation assumes an annual revaluation uplift. The group did not revalue its property, plant and equipment in the current year.

Refer also to the company's Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Creating the preferred workplace

	Actual 2025	Target 2025	Actual 2024
Engagement Score	64% Positive	>66% Positive	66% Positive
Voluntary Turnover	9.20%	<14%	7.8%

Gender

Improve gender balance at all levels (people leaders and staff) (female: male: any gender)	33:40:27 (female: male: any gender)	34:40:26 (female: male: any gender)	34:40:26 (female: male: any gender)
Reduce gender pay gap - Orion	< 8.7%	< 14.9%	11.7%
Reduce gender pay gap - Connetics	Published	Publish Gender Pay Gap	Not Achieved

Health and safety

Events that did or could have resulted in serious injury to employees (notified events)	1	≤4	5
Events that did or could have resulted in serious injury to service providers (notified events)	1	≤4	1
Events that did or could have resulted in serious injury to the public, excluding car versus pole incidents	1	≤1	2

Events that did or could have resulted in serious injury to employees (notified events)

This measure records events for all Orion group employees on all networks.

Events that did or could have resulted in serious injury to service providers (notified events)

This measure records events on the Orion network.

Events that did or could have resulted in serious injury to the public, excluding car versus pole incidents

We had one incident involving a member of the public who climbed a pylon and received burns, likely from an electrical arc flash. The event was notified to Worksafe. An Independent Investigation was completed which was provided to Worksafe, following which, no further action was taken by Worksafe.

We maintain an active public education programme that is designed to assist any member of the public interacting on or near our fixed assets.

Refer also to the company’s Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Being a force for good in the communities we serve, enabling the net zero transition

Reduce the environmental impact of our operations

- Collaborate with our local authorities and stakeholders on regional decarbonisation plans
- Play a proactive role, working with other trusted organisations, to support our customers to close the “knowledge gap” on how they can move to a more energy efficient and greener way of living
- Foster and promote energy efficiency.

A locally led energy transition is key to delivering carbon net zero in the cheapest and most effective way possible, with more local support, better tailoring to local needs, and economic and social benefits. Given the role of electrification in decarbonisation, we will need to increase our collaboration and alignment with local stakeholders to build our understanding of customer and community needs on their energy transition journey. Our stakeholder NPS (Net Promoter Score) and depth of connections with our communities and customers allow us to track how successful we are.

	Actual 2025	Target 2025	Actual 2024
Collaborative local energy planning			
Key stakeholder agreement that Orion is considered a trusted core partner in the development of collaborative climate/energy strategies and plans (on a scale of 1 to 10)	Yet to be Measured	6/10	New Measure

Empowering our customers and communities

Our customers agree that Orion is prepared for a very different future for electricity	51%	42%	40%
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Reducing the environmental impact of our operations

Group operational carbon emissions (tCO2e)	Location based: 2,802 tCO2e Market Based: 2,644 tCO2e	2,456	Location based: 3,282 tCO2e Market Based: 3,137 tCO2e
Planting of native forest in partnership with Wairewa Rūnanga	57,792 seedlings planted	45,000 seedlings planted	50,000 seedlings planted

Collaborative local energy planning

We continue to collaborate with local authorities and stakeholders on regional climate and energy plans, establishing Orion as a trusted core partner in the development of collaborative climate and energy strategies. However, a method to measure that Orion is considered a trusted core partner by key stakeholders has yet to be completed.

Refer also to the company’s Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Being a force for good in the communities we serve, enabling the net zero transition continued

Approach to measurement and reporting

Organisational boundaries are set with reference to the methodology described in the GHG Protocol and ISO 14064:2018 standards. We use an equity share consolidation approach. This approach includes consolidating emissions from our wholly owned subsidiary Connetics. Emissions and reductions are reported using both a location-based methodology, and a market-based methodology for Scope 2 purchased electricity, identifying where renewable electricity certificates have been purchased to achieve reductions. The majority of the disclosures stated below used the 2024 Ministry of Environment (MfE) emission factors, as using the 2025 emissions factors would only have a minor impact on the results, except for Scope 2 electricity, where the 2025 MfE electricity factors were applied. Where MfE has not provided an emission factor we have sourced factors from alternative sources such as Gazette notices for specific landfills, the UK GHG Conversion Factors 2024 publication for recycled waste and Knowledge Auckland spend based emission factors for rental cars.

As our financial year spans a calendar year period, for electricity emissions associated with our buildings and EV chargers we use the annual factors released by MfE for the calendar year that covers the April to December (9 months) period of our disclosure. The exception is our Scope 2 T&D losses, where we use the quarterly factors released by MfE. However, due to a time lag in the provision of these factors, no factor is available for the 1 January 2025 to 31 March 2025 quarter. In our calculation we have assumed the factor for this period will be consistent with the factor for the 1 October to 31 December period. For Air travel we have elected to use the MfE emissions factor that includes radiative forcing.

Wherever possible information on emission sources is drawn from the vendor as this is the most robust measure available (for example, litres of fuel). Where this is not possible, we rely on spend-based emission factors which carry a greater level of uncertainty. Our Inventory Management Report, produced with Toitū Envirocare, includes ongoing actions to improve the data quality of emission sources over time by working together with our vendors.

This year, we undertook a re-baselining of our FY20 carbon emissions to improve data accuracy and reflect updated methodologies. This included revisiting key assumptions, incorporating more complete activity data, and aligning our approach with 2024 emission factors and best practice guidelines. The table below shows the differences between the original FY20 emissions and the new re-baseline figures.

Table: Differences from FY20 baseline calculations

	FY20 original tCO2e	FY20 re-baseline tCO2e	Explanation of difference
Scope 1	2,979	2,930	Updated emission factors applied, some fuel classification errors corrected.
Scope 2	17,334 (including T&D losses) 174 (excluding T&D losses)	15,428 (including T&D losses) 173 (excluding T&D losses)	Updated emission factors applied using methodology described above.
Scope 3	295	233	Updated emission factors and aircraft specific emission factors applied, additional international flights added to correlate with international accommodation, freight updated with more accurate, category-specific data.
Total	20,608 (including T&D losses) 3,448 (excluding T&D losses)	18,592 (including T&D losses) 3,336 (excluding T&D losses)	

T&D losses referred to above are Transmission and Distribution losses

Refer also to the company's Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Being a force for good in the communities we serve, enabling the net zero transition continued

In FY25 we also recalculated our FY24 emissions. See the tables below for the original emissions versus the recalculated emissions.

Table: FY24 Group operational emissions

Scope	Original Emissions tCO2e	Recalculated Emissions tCO2e	Difference
Scope 1	2,671	2,628	Reduction in diesel, premium petrol and regular petrol emission factors
Scope 2	109 location based 7 market based	115 location based 3 market based	Increase in electricity emission factors
Scope 3	498	506	Increase in some domestic aircraft emission factors
Total	3,278 location based 3,174 market based	3,249 location based 3,137 market based	

Table: Emissions not included in Group operational emissions - FY24

Scope	Original Emissions tCO2e	Recalculated Emissions tCO2e	Difference
Scope 2	10,932 T&D losses	11,838 T&D losses	Increase in quarterly electricity emission factors used.
Scope 3	19 WFH and accommodation	24 WFH and accommodation	Increase in NZ accommodation emission factor.

Table: Restated GHG emissions

	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total tCO2e
FY20 (baseline year)	2,930	173	233	3,336
FY24 Actual	2,628	Market based: 3 Location based: 115	506	Market based: 3,137 Location based: 3,249
FY25 Budget	2,081	2	373	2,456
FY25 Actual	2,255	Market based: 2 Location based: 160	385	2,644

Refer also to the company's Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Being a force for good in the communities we serve, enabling the net zero transition continued

The emission sources included and excluded from our group operational carbon emissions target are detailed below, along with the reasons for exclusion where the emission source is material.

Table: group operational carbon emissions - sources included

Scope 1	Mobile combustion (diesel, petrol), stationary combustion (diesel, LPG), leakage of refrigerants
Scope 2	Imported electricity – commercial buildings, EV chargers
Scope 3	Business travel – transport, upstream freight – paid by the Orion group, Downstream freight – paid by Connetics, Disposal of solid waste to landfill and recoveries for recycling, Scope 3 T&D losses from electricity consumed in Orion group buildings outside the Orion network area.

In FY25 we completed our first measurement of all Scope 3 emission categories, including non-operational sources, using the Fair Supply platform. This assessment provides a full value chain view of our emissions profile and aligns with the GHG Protocol framework. These additional new categories that we weren't already measuring did not require assurance for FY25, so are presented in the narrative section "Measuring our Supply Chain GHG Emissions" of our Annual Report.

We have also excluded emissions associated with any properties leased to third parties by Orion New Zealand as we do not have any control or influence over emissions from these locations. Toitū Envirocare describes Scope 3 value chain emissions as 'mandatory'⁽¹⁾ or 'additional'⁽²⁾. Emissions classed as 'additional' are excluded from our current operational reduction target until we are satisfied data quality and level of influence is sufficient to include them. This means material emission sources such as emissions embodied in capital goods are currently not reflected.

Table: Emissions not included in group operational emissions

	Scope 2 tCO2e	Scope 3 tCO2e
FY20 non-operational emissions audited but excluded from base year target	15,255 Transmission & distribution losses	Additional Scope 3 emissions not measured 24 Accommodation
FY24 non-operational emissions audited and excluded from target	11,838 Transmission & distribution losses	Other Additional Scope 3 emissions 24 Working from home Accommodation
FY25 non-operational emissions audited and excluded from target	13,813 Transmission & distribution losses	Other Additional Scope 3 emissions 342 Working from home Accommodation Commuting

⁽¹⁾ Mandatory emissions are Emissions from business travel and freight paid for by the organisation - Emissions associated with waste disposed of by the organisation, as well as the transmission and distribution of electricity, and natural gas

⁽²⁾ Additional emissions are any Scope 3 emissions that are not mandatory

Refer also to the company's Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Being a force for good in the communities we serve, enabling the net zero transition continued

Our target

Orion group has committed to a gross reduction target, to reduce its group operational emissions by 50% from its FY20 base year by 2030. The emissions within this target include only those emissions sources noted in the *Table: Group operational carbon emissions - sources included*. Our group operational reduction target covers the parts of our Scope 1, 2 and 3 emissions where we have the most influence. On that basis, we exclude our intractable scope 2 distribution losses from our Group operational carbon target as, although these are material, they are largely outside of our control at the present time and we also exclude other scope 3 sources noted in the *Table: Emissions not included in group operational emissions*, for the same reason. This allows us to focus our reduction efforts on the areas of operations where we believe we can actively make a difference.

We have worked with the Planetary Accounting Network to ensure our target is aligned with keeping global warming within 1.5 degrees as much as possible. We do not call our target 'science based' because we exclude our Scope 2 T&D losses from the reduction target. Our targets and reduction plans are also certified to meet the requirements of the Toitū Envirocare CarbonReduce programme.

We have a reduction plan certified to meet the requirements of the Toitū Envirocare Carbonreduce programme and our annual carbon 'budget' is set in line with reduction pathways identified by targeting key drivers of carbon usage at Orion and Connetics. Carbon drivers include items such as vehicle type in our fleet and how our team use their vehicles. We also purchase Renewable Energy Certificates (RECs) to reduce emissions associated with our Scope 2 operational electricity use.

Uncertainty

There is a level of inherent and estimation uncertainty in the quantification of GHG emissions because the scientific knowledge and methodologies to determine the emission factors and processes to calculate or estimate quantities of GHG sources is still evolving, as are GHG reporting and assurance standards. We are unable to mitigate inherent uncertainty, however we work to help mitigate estimation uncertainty as much as possible, through engagement of Toitu Envirocare to provide guidance on the correct methodology, review trends in emission factors and update the emission factors used in our calculations, which are predominantly those issued with the Ministry for the Environment (MfE).

Refer also to the company's Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Facilitating decarbonisation and hosting capacity at lowest cost

	Actual 2025	Target 2025	Actual 2024
Network transformation			
RAB/Maximum System Coincident Demand. Note: better performance is that less RAB/MW of system coincident demand	>= Mid Quartile	In top 25% of EDBs	>= Mid Quartile
Number of installed monitors on transformers over 200kVa	200	200	New Measure
Accuracy of operational/day ahead load forecast used for network peak demand management	>=95%	>=85%	>=80%
Maximising flexibility			
400kW flexibility in Lincoln trial	Trial Cancelled	400kW	New Measure

Network transformation

Through our Network Transformation Programme, we are addressing the challenges and opportunities decarbonisation presents. Our programme’s focus is ensuring we transition to a dynamic, energysharing, “smart” network that facilitates customer participation and integration of a range of renewable energy sources, electric vehicles, energy storage, and low carbon technologies (LCT), in a cost-effective way through optimising the network and leveraging spare capacity.

Maximising flexibility

The Lincoln flexibility trial demonstrated the feasibility of using flexibility services to manage peak electricity demand. The first year exceeded some targets, successfully integrating consumer batteries to reduce peak network demand. However, unforeseen challenges in scaling the programme further to 500kW for winter 2025 led to the decision to conclude the trial earlier than planned. Despite this, the trial provided valuable insights into flexibility market stimulation and customer engagement, which will inform Orion’s future flexibility initiatives.

Refer also to the company's Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Performance targets — Investing to maintain a safe, reliable, resilient network at lowest total lifecycle cost

	Actual 2025	Target 2025	Actual 2024
Network Performance			
SAIDI – planned	29.8000	39.68	24.09
SAIDI – unplanned	23.3900	84.71	60.86
SAIDI – total minutes per customer	53.19	124.39	84.95
SAIFI – planned	0.0997	0.1496	0.0775
SAIFI – unplanned	0.4233	1.0336	0.6306
SAIFI – total number of interruptions per customer	0.5230	1.1832	0.7078
Resilience of our rural and urban network			
Hoon Hay zone substation upgrade and replacement of oil filled 66kV cables from Milton to Hoon Hay	Started	Started	New Measure
Replacement of oil filled 66kV cables from Halswell to Hoon Hay	Started	Started	New Measure
Integrated view of our assets and processes			
Integrated Asset Management programme deliverable	Implement-ation in Progress	Business Case Complete	New Measure
Customer experience of our network			
Overall performance – customers are satisfied with Orion as a lines company	8.1/10	8.3/10	8.3/10

Refer also to the company's Statement of Intent 2025-2027, available at www.oriongroup.co.nz/our-story/our-publications

Audit New Zealand independent auditor’s report



Independent Auditor’s Report

To the readers of Orion New Zealand Limited’s Group financial statements and performance information for the year ended 31 March 2025

The Auditor-General is the auditor of Orion New Zealand Limited and its controlled entities (collectively referred to as “the Group”). The Auditor-General has appointed me, Dereck Ollsson, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information of the Group on his behalf.

Opinion

We have audited:

- the financial statements of the Group on pages 47 to 75, that comprise the consolidated statement of financial position as at 31 March 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated 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 Group on pages 76 to 85.

In our opinion:

- the financial statements of the Group:
 - present fairly, in all material respects:
 - its financial position as at 31 March 2025; 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; and
- the performance information of the Group presents fairly, in all material respects, the Group’s achievements measured against the performance targets adopted for the year ended 31 March 2025.

Our audit was completed on 19 June 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw your attention to inherent uncertainties in the measurement of greenhouse gas emissions. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Emphasis of Matter – Inherent uncertainties in the measurement of greenhouse gas emissions

The Group has chosen to include measures of its greenhouse gas (GHG) emissions in its performance information. Without modifying our opinion and considering the public interest in climate change related information, we draw attention to page 83 of the performance information (Being a force for good in the communities we serve, enabling the net zero transition section), which outlines the inherent uncertainty in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources is still evolving, as are GHG reporting and assurance standards.

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 Group 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 Group for preparing performance information that is fairly presented.

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 Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors’ responsibilities arise from the Energy Companies Act 1992.

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.

Audit New Zealand independent auditor’s report continued

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 Group’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 evaluate the appropriateness of the reported performance information within the Group’s framework for reporting its performance.

- 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 Group’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 Group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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 the information included on pages 1 to 46 and 88 to 97 but does not include the financial statements and the performance information, and our auditor’s report thereon.

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

In connection with our audit of the financial statements 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 our work, 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.

Independence

We are independent of the Group 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)*, issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out assurance engagements pursuant to the Electricity Distribution Information Disclosure (Targeted Review 2024) Amendment Determination 2024 [2024] NZCC 2, and the Electricity Distribution Services Default Price-Quality Path Determination 2020 as well as the section 53ZD of the Commerce Act 1986, requesting Orion NZ Limited to provide the Commerce Commission with interruption data as specified in schedule A of the Notice, for assessment periods 1 April 2019 to 31 March 2024 and a section 53ZD of the Commerce Act 1986, requesting Orion NZ Limited to provide it with information relating to operating leases and depreciation calculations. These assurance engagements are compatible with those independence requirements. Other than the audit and these assurance engagements, we have no relationship with or interests in the Group.



Dereck Ollsson
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Governance

Shareholders

Our shareholders are:

Christchurch City Holdings Limited – 100% owned by the Christchurch City Council	89.275%
Selwyn District Council	10.725%
	<u>100.00%</u>

Principal objective and principal activities

In accordance with section 36 of the Energy Companies Act 1992, the group’s principal objective is to operate as a successful business. The group’s principal activities during the year were to provide electricity distribution services to Ōtautahi Christchurch and central Canterbury and to provide contracting services in the utilities sector.

Statement of Intent (SOI)

In accordance with section 39 of the Energy Companies Act 1992 and the company’s constitution, the Orion board submits a draft SOI to shareholders in March each year. After due consultation with the shareholders and after considering their comments (and board approval) the final SOI is delivered to shareholders by the end of June. A copy of the latest SOI is available on the company website.

Board of Directors

Our shareholders appoint the directors to govern Orion New Zealand Limited. The Orion Board appoints the directors of Connetics Limited. The Orion Board is the overall and final body responsible for the direction and control of the activities and decision-making for both companies.

The boards’ responsibilities include the overall strategy, objectives, stewardship, performance and reporting of the relevant entities and Group.

Our boards are committed to best practice governance. Our boards’ operations are subject to the companies’ constitutions and the Board Charter. The Charter sets out how the boards and directors shall undertake their responsibilities.

The Orion Chair leads the Board and its relationship with shareholders and other major stakeholders. The Chair maintains a close professional relationship with the Group Chief Executive and leadership teams. New directors undertake an induction process to familiarise them with matters related to the company.

Board meetings and committees

Each board meets approximately eight times per year. Additional meetings are convened as and when required. The boards’ annual work programmes are set by each board before the start of each calendar year. The boards receive formal agenda papers and regular reports, generally a week in advance of meetings. The Orion Integrated Leadership Team (ILT) and the Connetics Senior Leadership Team (SLT) and other business leaders in the group are regularly involved in board discussions. Directors also have other opportunities to obtain information and may seek independent expert advice.

The boards delegate some responsibilities and tasks to board committees, but the boards retain the ultimate responsibility and accountability for any committee’s actions or inactions. Subject to any conflict of issues, all directors receive agenda papers for committee meetings and all directors may attend committee meetings.

Governance continued

The Orion board has two standing committees:

- Audit Risk committee: liaises with the company’s independent external auditor and reviews the effectiveness of internal controls, financial and regulatory information, and climate reporting
- People and Culture committee: reviews the company’s remuneration policies and practices. It reviews and sets the remuneration of the companies’ Chief Executives and ILT as well as providing guidance and feedback on succession planning, talent development, inclusion and diversity and other people and culture policies and practices

Connetics report Audit Risk and People and Culture activity to the full Connetics Board.

The following directors served as standing committee members during the year ended 31 March 2025:

Audit Risk committee

Sally Farrier
Paul Munro
Mike Sang – chair

People and Culture committee

Jen Crawford – chair
Vena Crawley
Jason McDonald
Paul Munro

The board may convene special purpose committees for specific tasks.

Performance management

The boards regularly review their performance and the performance of the Group Chief Executive. The reviews identify opportunities and set plans for performance development and improvement. Orion maintains a regularly reviewed Orion directors’ skills matrix with the skills and areas of expertise Orion needs mapped against our strategy and current capabilities.

Risk management

The group provides a flexible and purpose-built approach to the application of risk management and is consistent with ISO31000:2018 Risk Management Guideline. Our risk management processes and tools are embedded within our business operations, to drive consistent and accountable decision-making through an Enterprise Risk Management (ERM) approach. This ensures we have a complete, integrated, group-wide focus on managing our strategic and operational risks and enables the group to make clear decisions around opportunities. Our risk management approach is reviewed by the full Orion Board and reported to the Orion Board at least twice yearly.

Liability insurance and indemnity

The group arranges comprehensive liability insurance policies within the limits and requirements as set out in the Companies Act 1993 and the group’s constitution. The group also indemnifies directors and employees within the limits and requirements set out in the Act.

Legislative compliance

As a purpose driven group our aspiration is to accelerate Aotearoa New Zealand’s transition to a low-carbon, affordable, equitable economy. To ensure we deliver on our purpose we need to balance what is in the best interest of our community while managing our compliance under relevant legislation and regulation.

The board receives regular updates and representations from management on legislative compliance. Compliance manuals are updated at least annually, training is made available to all employees and the group engages independent experts for advice on some issues.

Governance continued

Matatika code of ethics, conflicts of interest policy and reporting serious wrongdoing (whistle-blower) policy

These three policies require all directors and employees to:

- act honestly, fairly, and with integrity both professionally and personally
- comply with the law, apply good judgement and proactively identify, disclose and manage conflicts of interest
- promptly disclose or report any significant potential or perceived conflicts of interest or wrongdoing
- protect those who report suspected wrongdoing in good faith

Group reporting

The board delivers a publicly available group integrated annual report to shareholders before 30 June each year, which includes:

- audited financial statements
- performance relative to SOI targets
- how the group otherwise contributes to community aspirations
- how we are delivering on our Group Purpose and Strategy
- climate reporting
- other information to enable an informed assessment of the group's governance, performance and financial position

The board also delivers half-year reports to shareholders that contain summarised unaudited information similar in content to annual reports, in compliance with financial reporting standard NZ IAS 34 *Interim Financial Reporting* . The company also provides regular updates to shareholders on financial, strategic, risk and operational issues.

The group's accounting policies comply with applicable NZ IFRS standards and interpretations and are consistent with the accounting policies adopted by the CCC group.

Loans to directors

The group does not make loans to directors.

Donations

The group made \$90,000 of donations to charitable causes during the year ended 31 March 2025 (2024: \$31,000).

Auditor

Audit New Zealand on behalf of the Auditor-General is the group's independent auditor.

Subsidiary companies

The following persons served as directors of the company's subsidiaries during the year ended 31 March 2025:

Connetics Limited	Orion New Zealand Ventures Limited (deregistered 10 January 2025)
Geoff Vazey (chair) to 5 December 2024	Vaughan Hartland
Nigel Barbour	
Jason McDonald (chair) from 6 December 2024	

Governance continued

Financial Market Authority's good governance guidelines

The FMA's guidelines promote eight principles of good governance. The company's governance practices compare as follows:

FMA principle	Orion relative to the FMA principle
Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for delivering these standards throughout the organisation.	Directors are required to comply with the board charter and company policies. Employees are also required to comply with company policies – including the code of ethics, conflicts of interest, fraud, bribery and corruption, reporting serious wrongdoing (whistle-blower), sustainability and diversity and inclusion policies.
	The board regularly reviews the company's key policies for alignment with the company's purpose and objectives and monitors compliance with policies and legislative requirements – including via liaison with the company's independent auditors.
To ensure an effective board, there should be a balance of skills, knowledge, experience, independence and perspectives.	The board has a good degree of such a balance. Achieving that balance is the responsibility of the company's shareholders, who appoint all directors. The shareholders usually consult with the board chair in that process. All directors are independent non-employees.
The board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility.	The board charter specifies the terms of reference and delegated authorities for the audit risk and people and culture committees. Both committees are chaired by a director other than the board chair. The board may also establish committees for other specific tasks. The board charter specifies that delegations to board committees do not absolve the board from the overall responsibility for a committee's actions or inactions.
The board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.	The board scrutinises internal and external reporting and liaises closely with the company's independent auditors to ensure integrity in reporting.
	The board has an independent internal audit programme to further assist assurance in this area.
	As an electricity distribution business, the company is subject to significant ongoing regulatory information disclosure requirements. The group's annual financial and performance statements and certain regulatory information disclosures are subject to director certification and independent audit. Annual Reports include financial and non-financial disclosures.
The remuneration of directors and executives should be transparent, fair and reasonable.	The company's shareholders review and approve the total pool of directors' fees by way of shareholder resolution, which currently applies for the three years to 30 June 2027. The board allocated the total pool to per-director positions and for board committee members. The Orion board reviews and approves directors' fees for Connetics. Orion executives do not receive fees as Connetics directors.
	The people and culture committee oversees the Group Chief Executive's, company executives' and other employees' remuneration policies and practices and it reviews relevant market information as part of that process. The overall policy for employee remuneration is for the group to meet the relevant market, subject to employee performance.
Directors should have a sound understanding of the key risks faced by the business and should regularly verify there are appropriate processes to identify and manage these.	The board receives regular reports on and reviews the company's: <ul style="list-style-type: none">• risk context and key risks – which include, strategic, natural disasters (especially a major earthquake), health and safety, cyber security, climate risk, critical network equipment failure and global pandemic• risk treatments – including risk reduction and risk transfer (insurance)
The board should ensure the quality and independence of the external audits process.	The board and the board audit risk committee have a good professional relationship with the group's independent internal and external auditors. Audits can be financial and/or non-financial, including for regulatory information disclosures. Audit committee meetings have staff-excluded time to ensure auditors' independence from management. The External auditor meets with Chair of ARC.
The board should respect the rights of shareholders and foster constructive relationships with shareholders and stakeholders. Shareholders should be encouraged to engage with the entity.	The board charter requires this principle and the group's Statement of Intent also commits the group to this. The board chair and the Group Chief Executive lead this process for the board but given the nature of the group's business and its community ownership, such respect and constructive relationships with shareholders occur at many levels of the group. The company operates on a proactive 'no surprises' basis with its shareholders and key stakeholders.

Governance continued

Interests register

Directors recorded the following in the interests register during the year ended 31 March 2025:

Jen Crawford		
Anderson Lloyd	To 20 June 2024	Consultant
ChristchurchNZ Limited		Director
ChristchurchNZ Holdings Limited		Director
Jen Crawford Limited		Director and shareholder
Koparima Family Trust		Trustee
MHV Water Limited		Director
Nelmac Limited		Director
Rangitata Diversion Race Management Ltd		Director
Vena Crawley		
Added Value Limited		Director and shareholder
AUT Industry Board		Director
Health NZ/Te Whatu Ora	To 31 July 2024	Director
Institute of Directors		Member
Summerset Group Holdings Limited		Director
Variety		Director
Sally Farrier		
Arc Innovations Limited		Director
Bluecurrent Assets NZ Limited		Director
Bluecurrent Holdings NZ Limited		Director
Bluecurrent NZ Limited		Director
Bluecurrent No.2 NZ Limited		Director
Bluecurrent No.3 NZ Limited		Director
Bluecurrent Services NZ Limited		Director
Bluecurrent Assets Pty Limited		Director
Bluecurrent Pty Limited		Director
Bluecurrent Holdings Pty Limited		Director
Bluecurrent No.2 Pty Limited		Director
Bluecurrent No.3 Pty Limited		Director
Ergo Corp Pty Limited		Director
Independent Energy Appointment Selection Panel (Australia)		Member

Governance continued

Interests register continued		
Jason McDonald		
CentrePort Limited		Director
CentrePort Captive Insurance Limited	From 2 April 2024	Director
CentrePort Properties Limited		Director
Connetics Limited		Director
First Gas Limited		Director
First Gas Midco Limited		Director
First Gas Topco Limited		Director
Firstlight Network Limited		Director
First Renewables Limited		Director
First Renewables Power Limited		Director
First Renewables Power Midco Limited		Director
First Renewables Power Topco Limited		Director
First Sunrise Bidco Limited		Director
First Sunrise Topco Limited		Director
First Sunrise Midco Limited		Director
First Sunrise Holdco Limited		Director
Flexgas Limited	From 1 May 2024	Director
Gas Services NZ Limited		Director
Gas Services Midco Limited		Director
Helios Energy Limited		Director and shareholder
Helios Energy Hold GP		Shareholder
Jason McDonald Consulting Limited		Director and shareholder
Jaspen Ventures Limited		Director and shareholder
Jaspen Family Trustee Limited		Director and shareholder
Jaspen Investment Trustee Limited		Director and shareholder
Rockgas Limited		Director
Paul Munro		
Cambridge Partners Limited		Director
Electricity Ashburton Limited		Director
Green Peak Investments Limited		Director and shareholder
King Salmon Limited	From 23 April 2024	Director
Lynn River Limited		Director
Lynn River Holdings Limited		Director
Maccure Seafoods Limited	From 23.April 2024	Director
McKenzie Balfour & Associates Limited		Director
MHV Water Limited		Director
Mid Canterbury Water Storage Limited		Director
New Zealand King Salmon Exports Limited		Director
New Zealand Salmon Investments Limited		Director
New Zealand King Salmon USA Inc		Director

Governance continued

Interests register continued

NZKS Custodian Limited	From 23 April 2024	Director
Omega Innovations Limited	From 23 April 2024	Director
Ora Kinga Limited	From 23 April 2024	Director
Regal Salmon Limited	From 23 April 2024	Director
R F Industries Pty Limited		Director
RFI Holdings Limited		Director
Southern Eye Specialists Limited		Director
Southern Ocean Salmon Limited	From 23 April 2024	Director
Southern Ocean Seafoods Limited	From 23 April 2024	Director
Tait International Limited		Director
The New Zealand King Salmon Co Limited	From 23 April 2024	Director
Mike Sang		
Building Research Assn. of NZ (BRANZ)		Director
Comvita Limited		Director
Government Super Fund Authority		Board member
		Orion
		Connetics
		\$000
		\$000
Directors' remuneration		
Jen Crawford		63
Vena Crawley		57
Sally Farrier		60
Jason McDonald		57
Paul Munro		116
Mike Sang		67
Geoff Vazey		-
		420
		79

Employee remuneration

The group aims to attract, retain, develop and motivate high calibre employees. The group’s employee remuneration approach aims for consistency, fairness and alignment with the group’s principal objective, to operate as a successful business. The group regularly compares employee remuneration against relevant market data. In general, the group aims to meet the market, subject to employee performance.

All individual employment agreement terms and conditions are subject to ‘one-up’ approval. For example, the Orion board approves the Group Chief Executive’s employment terms and conditions, and the board remuneration committee approves those of the Group Chief Executive’s direct reports. Three collective employment agreements cover approximately 30% of the group’s employees.

Governance continued

The number of group employees and former employees, whose total remuneration fell within specified bands:

	\$000	2025	2024
100 - 110	69	82	
110 - 120	69	57	
120 - 130	68	66	
130 - 140	77	64	
140 - 150	54	42	
150 - 160	25	29	
160 - 170	24	25	
170 - 180	26	17	
180 - 190	19	12	
190 - 200	8	8	
200 - 210	8	2	
210 - 220	5	1	
220 - 230	4	3	
230 - 240	1	3	
240 - 250	2	6	
250 - 260	6	4	
260 - 270	2	2	
270 - 280	2	1	
280 - 290	2	2	
290 - 300	1	1	
300 - 310	1	2	
320 - 330	1	-	
350 - 360	2	2	
360 - 370	-	1	
370 - 380	1	-	
380 - 390	1	1	
390 - 400	-	1	
400 - 410	2	-	
420 - 430	-	2	
430 - 440	1	-	
440 - 450	1	-	
450 - 460	-	1	
490 - 500	1	-	
840 - 850	-	1	
880 - 890	1	-	

The board determines the Group Chief Executive’s remuneration, after taking independent expert advice and considering relevant market data. The board reviews the Group Chief Executive’s remuneration annually. Nigel Barbour’s total remuneration as Group Chief Executive for the year ended 31 March 2025 was \$880,000 (2024: \$842,000).

Five year trends

	2025	2024	2023	2022	2021
	\$000	\$000	\$000	\$000	\$000
Statement of comprehensive income					
Operating revenue	369	334	323	311	302
EBITDA	128	109	103	111	109
EBIT	59	46	46	58	56
Profit before income tax	32	23	28	49	46
Net profit	24	12	22	36	33
Other comprehensive income	(18)	47	61	110	4
Total comprehensive income	6	59	83	146	37
Statement of financial position					
Current assets	70	76	65	55	32
Non-current assets	1,769	1,708	1,576	1,425	1,249
	1,839	1,784	1,641	1,480	1,281
Current liabilities	52	58	57	50	52
Current borrowings	43	1	151	186	1
Non-current borrowings	614	583	347	234	358
Deferred tax liability	258	263	239	215	180
Other non-current liabilities	15	3	5	2	12
Shareholders' equity	857	876	842	793	678
Total liabilities and shareholders' equity	1,839	1,784	1,641	1,480	1,281
Statement of cash flows					
Operating cash flows	83	71	65	53	76
Investing cash flows	(128)	(132)	(111)	(87)	(75)
Financing cash flows	47	61	46	31	-
Financial measures					
Dividends paid	25	25	32	31	30
EBITDA margin %	34.8	32.7	32.0	35.6	36.2
Net profit to average shareholders' equity %	2.8	1.4	2.6	4.8	4.9
Net interest-bearing debt to debt-plus-equity %	43	40	37	35	35
Other measures					
Electricity maximum demand (MW)	681	698	661	721	629
Electricity deliveries into the network (GWh)	3,668	3,628	3,521	3,416	3,384
Number of customer connections (000)	230	225	221	216	212

Directory As at 18 June 2025

Directors

Paul Munro – Chair
Jen Crawford
Vena Crawley
Sally Farrier
Jason McDonald
Mike Sang

Leadership team

Nigel Barbour

Group Chief Executive

David Freeman-Greene

CPP Director

Vaughan Hartland

Chief Financial Officer

Steve Macdonald

GM Electricity Network

Duane Makin

GM Digital, Data and Technology

Orion main office

565 Wairakei Road
PO Box 13896
Christchurch 8140
New Zealand
P: + 64 3 363 9898
E: info@oriongroup.co.nz
W: oriongroup.co.nz

Other sources of information

Christchurch City Council – ccc.govt.nz
Christchurch City Holdings Limited – cchl.co.nz
Selwyn District Council – selwyn.govt.nz

Auditor

Audit New Zealand, on behalf of the Auditor-General

John Thompson

Connetics Chief Executive

Alice van den Hout

GM Investment Portfolio and Capability

Karen Wiese

Chief Governance Officer

Nic Wong

GM Asset Management

Connetics main office

11 Islington Avenue
PO Box 2237
Christchurch 8140
New Zealand
P: + 64 3 353 7200
E: enquiries@connetics.co.nz
W: connetics.co.nz

Orion New Zealand Limited
565 Wairakei Road

PO Box 13896
Christchurch 8140
+64 3 363 9898
oriongroup.co.nz