FY2025/26

UNISON GROUP ANNUAL REPORT

PŪRONGO-Ā-TAU

CONTENTS Ngā Ihirangi

CHAIR & CHIEF EXECUTIVE'S ANNUAL REVIEW

Arotake ā-Tau a te Tiamana, Tumuaki hoki

Group Performance Overview

2025/26 was a year of steady progress for the Unison Group. Despite challenging conditions across parts of the sector, the Group remained focused on delivering value for customers, communities and shareholders, while continuing to invest in resilience, capability and future growth.

Financial performance across the Group reflected differing market and operating conditions. The electricity lines business and Services Division delivered solid earnings results and strong operating cash flows, underpinned by a strong and resilient balance sheet anchored by the core electricity network.

Performance in the Products Division was below expectations, particularly in ETEL, which led to a deliberate operational reset during the year. ETEL also recorded one-off accounting adjustments, reflecting a prudent reassessment of inventory and contractual positions, providing greater clarity over carrying values and establishing a clearer baseline for future performance.

With solid performance in the core network and services businesses, and improving operational discipline within ETEL, the Group enters the new financial year with a stronger platform for earnings growth.

We expect all our businesses to deliver strong returns, quality outcomes for customers, and disciplined operational execution consistent with the standards of the Unison Group.

Clear strategic expectations are positioning the Group's businesses to deliver sustainable value for customers, communities, and shareholders:

1. **Continuing to deliver a reliable electricity supply** that keeps communities safe, with minimal interruptions and rapid response systems.
2. **Building a resilient network** that can withstand disruptions through innovative solutions.
3. **Giving customers greater control and choice** over their energy use.
4. **Delivering sustainable returns** to our shareholders.
5. **Contributing to affordable electricity** by operating efficiently and making prudent network investment decisions to support fair and sustainable distribution charges.

ETEL has focused on disciplined operations, strengthening product quality and delivery reliability.

> "With solid performance in the core network and services businesses, and improving operational discipline within ETEL, the Group enters the new financial year with a stronger platform for earnings growth."

The Group's core business, Unison Networks Limited (UNL), continued to provide a stable foundation. The regulated electricity distribution business (EDB) delivered a sound operating result, underpinned by long-term investment in resilience, asset intelligence and network capability. These investments continue to support reliability, regional growth and customer outcomes across UNL's network regions.

The formation of Unison services and products divisions this period strengthened the Group's ability to leverage complementary strengths and build the capability needed to meet the demands of electrification, decarbonisation, and energy resilience.

The Services Division performed well, building momentum through expansion and operational excellence. Unison Contracting Services Limited (UCSL) has established a presence in Tauranga and continues to deliver complex projects, while PBA's contract extension with Transpower and focus on specialist high-voltage services position the Division well for further growth.

The Group's Products Division experienced a more volatile year. RPS Switchgear (RPS) experienced some operational challenges during 2025/26, resulting in subdued performance. However, improved market insight and product expansion delivered strong order intake and a substantial order book, supporting a more positive outlook for 2026/27. At ETEL, performance was below expectations and prompted a focused operational response. Following the appointment of a new Chief Executive in 2025, the business progressed an operational reset focused on strengthening operational discipline and delivery performance. This resulted in one-off adjustments in the current year, reflecting updated assessments of inventory and contract outcomes.

While these adjustments impacted reported results, they do not reflect ongoing trading. Both products businesses exit the period with improving operational discipline, stronger visibility over performance drivers and growing order books, supporting a more stable platform for improved earnings performance in 2026/27.

The year closed with even greater alignment across the Group and a clear focus on execution. With a strong and increasingly efficient network business, growing services capability, and decisive action underway in the Products Division, the Group is well positioned to deliver sustained value for customers, communities and shareholders.

THE UNISON GROUP

Ngā Kamupene ō Unison

The Unison Group owns a portfolio of businesses well-positioned to accelerate the transition to a new energy future. The Group's ambition is to play a leading role in this transformation.

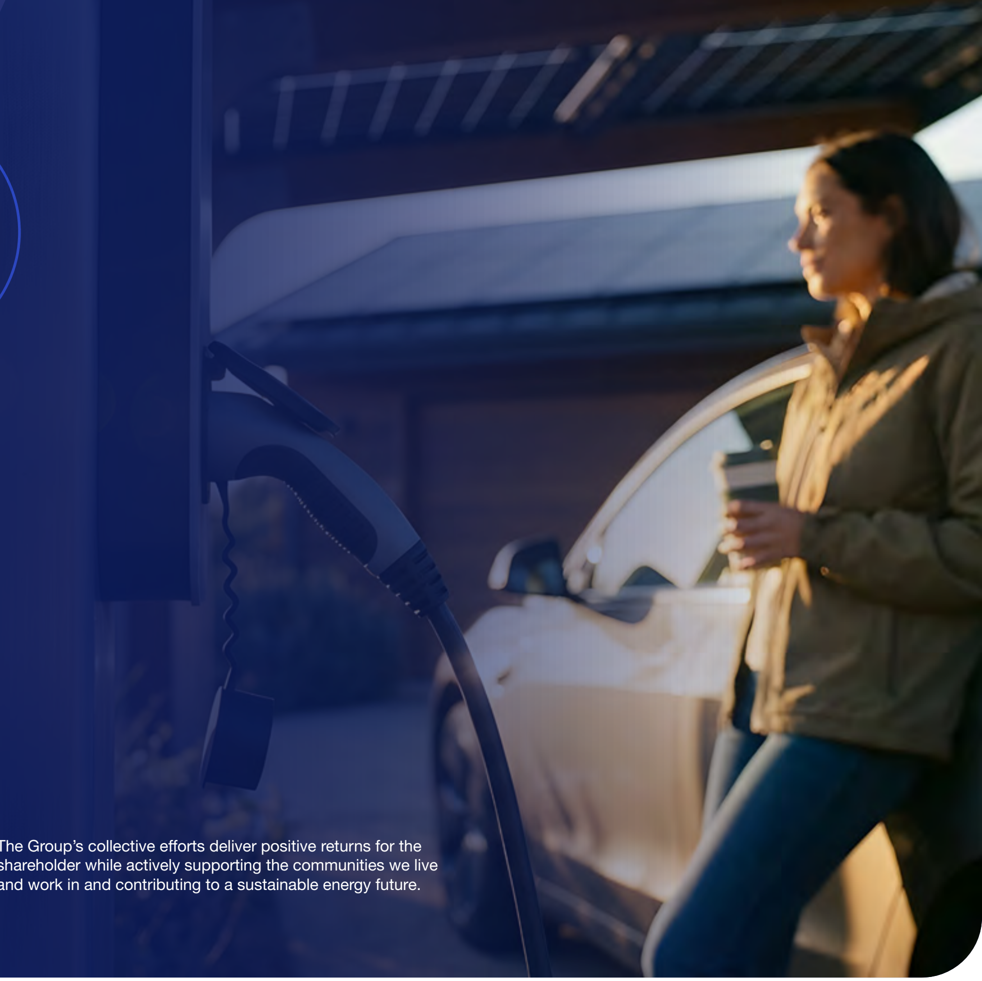
Within this vision, Unison Networks plays a critical role in driving innovation by developing, trialling and scaling new products and solutions. These can be manufactured through the Group's Products Division and delivered via its Services Division. This integrated capability enables the Group to deliver end-to-end solutions to EDBs, providing a seamless pathway to transition to a new energy future without requiring them to build this expertise themselves.

The Group is owned by the Hawke's Bay Power Consumers' Trust (HBPCT). The elected Trustees hold shares on behalf of electricity consumers connected to Unison Networks' Hawke's Bay network, with these consumers receiving an annual dividend.

This ownership model delivers direct benefits to the Hawke's Bay community, while providing the Group with the stability needed to focus on operational excellence and long-term value creation.

Our Vision:

Leading a sustainable energy future.



The Group's collective efforts deliver positive returns for the shareholder while actively supporting the communities we live and work in and contributing to a sustainable energy future.

Unison Group Companies:

unison networks

Unison Networks Limited

Unison Networks Limited (UNL) is an electricity distribution business providing a safe, reliable, and resilient power supply to consumers across Hawke's Bay, Rotorua and Taupō. UNL achieves this through the provision, operation and management of its electricity distribution infrastructure, including overhead lines, underground cables, transformers and substations. As a consumer-owned Electricity Distribution Business (EDB), UNL is subject to price – quality regulation by the Commerce Commission (the Commission).

unison insurance

Unison Insurance Limited

UNL's captive insurer provides limited self-insurance cover for UNL's primary uninsured risk – its non-substation electrical assets – and facilitates placement of property insurance through access to the reinsurance market. It helps safeguard the future of the network, so if a major disaster such as an earthquake causes substantial damage to underground cables, overhead power lines and other power equipment, UNL can access funds to contribute to network repair or rebuild.

Services Division

Unison Contracting Services Limited

Unison Contracting Services Limited (UCSL) delivers end-to-end electrical infrastructure services including power, civil, and vegetation services to UNL and other EDBs and customers. From depots in Hastings, Napier, Rotorua, Taupō, Tauranga, and Dunedin, UCSL expertly delivers safe, reliable, and future-ready solutions.

Learn More

UCSL delivered specialist services as a trusted delivery partner for energy businesses across New Zealand.

PBA Limited

PBA offers high voltage specialist services including transformer and circuit breaker, high-voltage direct current, secondary systems, and management services for transformer oil and sulphur hexafluoride (SF6).

Expert electrical services including testing, analysis, servicing, and overhaul of low and high voltage rotating electrical equipment are delivered by ESL (ETEL Services).

PBA also delivers underground construction and asset management services in Australia including maintenance, installation, testing, commissioning, project management engineering, and design; and specialist servicing of low and high voltage rotating plant equipment such as motors, pumps, and generators.

Distribution asset management, high and low voltage construction, overhead and underground project and contracted works services are delivered by Magnetic Power Services based out of Melbourne.

Learn More

THE HIGH VOLTAGE EXPERTS

PBA's specialist high-voltage capabilities support critical electricity infrastructure across New Zealand and Australia.

Products Division

ETEL's Auckland facility is at the centre of its New Zealand operations, combining engineering, manufacturing, quality and supply chain capability.

ETEL Limited

ETEL specialises in the design and manufacture of electrical distribution transformers. ETEL produces various types of transformers at its manufacturing plants in Auckland and Jakarta, Indonesia, supplying to New Zealand, Australia, Singapore and the Pacific. ETEL's core product range is medium voltage transformers including pole and ground mounted distribution transformers, cubicle transformers, arc fault kiosks, cast resin transformers, and industrial and mining application transformers.

Learn More

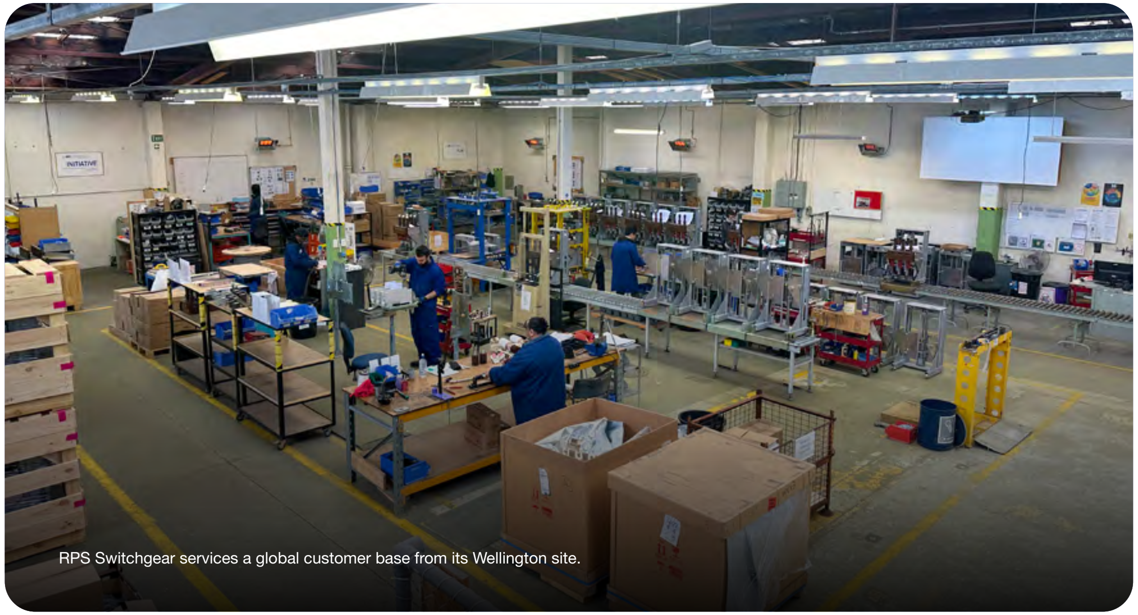
ETEL

RPS Switchgear Limited

RPS is a medium-voltage switchgear manufacturer and global supplier. RPS also provides specialist upgrade and retrofit services for existing switchgear including design, project management, spares management, installation, and after-sales services. RPS supplies extensively in New Zealand and exports to Australia, Africa, Asia, and the United Kingdom.

Learn More

RPS SWITCHGEAR
Reliability and safety you can trust



RPS Switchgear services a global customer base from its Wellington site.

UNISON GROUP MAJOR PROJECTS

Ngā Hunga Kaupapa Nunui ō Unison

The new zone substation at Taupō East delivers increased capacity to support the area's industrial growth.

Unison Group businesses collaborate where appropriate on major projects that strengthen network resilience, support sustainability outcomes, and enable growth for our customers and communities.

Taupō East Substation

UNL and UCSL collaborated to deliver a $18 million new Taupō East Substation. Equipped with ETEL transformers and switchgear from RPS, it delivers a dedicated supply for a major customer's new production facility and supports Taupo with increased capacity and enhanced reliability to support the region's economic backbone.

Learn More

Arataki & Havelock North Power Cable Upgrade

UNL and UCSL completed a multi-year $7 million upgrade project to strengthen electricity supply and resilience in Havelock North, Hawke's Bay – including a new underground 33kV sub-transmission cable. Alongside addressing capacity and security constraints, this project improves resilience under contingency events; and supports continued residential development, electrification, and future load growth in one of Hawke's Bay's fastest-growing communities

Bluff Substation, Southland

UCSL, assisted by PBA and specialist partners, completed a major upgrade of the Bluff Substation in Southland for PowerNet in February 2026. Delivered on time and within budget, the project upgraded end-of-life substation equipment to improve safety, reliability, and long-term network resilience.

Equipped with innovative switchgear from RPS, the upgraded Bluff Substation can now support future network expansion and changing demand across the region.

Learn More

Awatoto Coastal Zone Substation

Detailed engineering has been completed on an innovative design for a new Awatoto Coastal Zone Substation that prioritises flood protection, recovery readiness, and long-term resilience.

The existing substation supplies major commercial and industrial customers, in an area of Napier significantly impacted by flooding during Cyclone Gabrielle – highlighting the need for a more resilient solution.

The new modular design features relocatable components that can be rapidly replaced or repositioned after a major event, helping reconnect customers faster. This approach supports offsite construction, reducing onsite build time, costs, and complexity. A new, less vulnerable site has been identified and is being acquired.

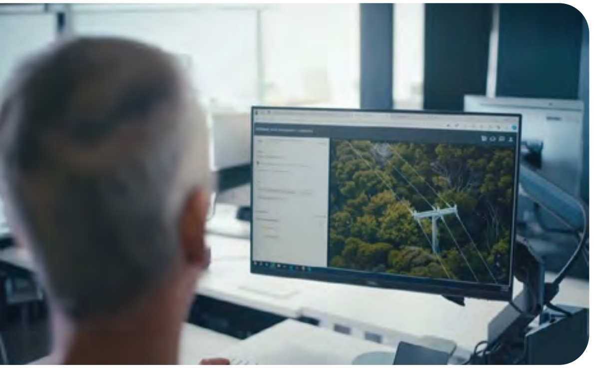
The project will support current supply needs while providing capacity for future industrial growth and establishing a blueprint for more resilient, standardised substations across the network.

INDUSTRY COLLABORATION

Ngā Mahi Ngātahi ā-Ahumahi

Unison and Transpower visit Redclyffe Substation, where they are collaborating on Transpower's $47 million substation rebuild to further boost electricity resilience and reliability for Hawke's Bay, due for completion in late 2027.

Unison partners with industry to improve network performance, support the energy transition, and deliver better outcomes for customers.



Partnership with Counties Energy

UNL entered a strategic partnership with Counties Energy, signing a Memorandum of Understanding to jointly develop standardised network services.

Combining UNL's long-term asset management and network planning capability with Counties Energy's low voltage (LV) expertise, the partnership focuses on delivering more consistent, customer-focused network services.

The partnership has already delivered standardised load and generation hosting capacity capability, providing clearer and more consistent information for customers and industry partners across both networks.

Counties Energy

Learn More

Tapestry Consortium

UNL joined Northpower, Orion Group and WEL Networks – EDBs collectively supplying more than 510,000 customers – in a consortium with Tapestry to use artificial intelligence (AI) to share data and insights that improve asset intelligence, network reliability, and operational efficiency.

Utilising Tapestry's GridAware platform, the consortium uses AI-enabled asset intelligence to identify asset condition earlier, enabling more targeted maintenance, better workforce efficiency, enhanced network reliability and improved long-term planning – while reducing duplication across networks.

Northpower Orion WEL Networks

Learn More

Energy Transition Framework

UNL joined with generators, retailers, electricity networks, gas operators and independent representatives to launch the Energy Transition Framework – an initiative to coordinate New Zealand's response to electrification.

The framework represents a greater level of industry collaboration to support greater alignment across the energy system, helping maintain a secure, affordable and reliable supply and improving how the system engages with customers and communities as it transforms to support economic growth and increased electrification.

INNOVATION & EFFICIENCIES

Auahatanga me Ngā Whaihua

Unison is using advanced solutions like drone technology for network management to improve employee safety, work more efficiently, and reduce the environmental impact of our operations.

The Group's digital transformation over recent years enabled it to more effectively harness technology, innovation, and data to improve efficiency, customer outcomes and network performance.

Gridsight LV Visibility

UNL partnered with Gridsight – an AI-powered grid technology platform – to obtain greater insight into low voltage (LV) network conditions using smart meter data and advanced analytics.

Gridsight's clear visibility of LV network conditions enables earlier detection of emerging issues and faults, faster investigation, and more informed planning and investment decisions.

It also helps UNL deliver more transparent, timely guidance to support customers making informed decisions about their energy options, including connecting technologies like rooftop solar, electric vehicle (EV) chargers, and battery storage.

Learn More

Intelligent Inspection Solutions

Developed by UNL, Conductor Condition Recognition (CCR) leverages advanced technology to identify and categorise overhead conductor condition, offering earlier, more consistent network insights than traditional visual inspections. This enables more targeted maintenance and informed asset management and investment decisions.

As UNL advances CCR tools and broadens their application, the Group's Services Division is scaling CCR into a commercial service for wider adoption across electricity networks. In a recent collaboration, Counties Energy used CCR to support condition assessment and maintenance planning for its overhead assets.

Smarter Investment Through Asset Intelligence

UNL has optimised its capital investment by shifting from time-based asset replacement towards a more mature, condition and risk-based investment approach.

Improved technology-driven asset condition inspection has enabled more granular understanding of how assets are performing, aiding renewal decisions to be targeted where risk thresholds are genuinely being approached rather than relying on traditional lifespan assumptions. This is being delivered through thought partnerships with technology vendors across the world.

Optimising network investment and using capital efficiently helps manage the distribution component of customers' electricity bills to support affordability, while continuing to respond to competing drivers such as growth, climate risk and evolving energy use.

UNL's 2026-36 Regulatory Asset Management Plan details its long-term investment programme.

Learn More

Unison also utilises helicopters to complete essential work on networks more effectively and efficiently – particularly in challenging terrain.

SUSTAINABILITY

Toitūtanga

Unison Networks partnered with Greening Taupō to support their work restoring and protecting the local environment.

Sustainability Strategy

The Group established a Sustainability Strategy and roadmap to guide how environmental, social, and governance considerations are integrated more deliberately into planning and decision-making across the Group's businesses.

Focused on areas the Group has the greatest ability to influence – including people, communities, environmental footprint, emissions reduction, and network resilience – the strategy strengthens alignment between sustainability objectives, investment planning, and operational delivery.

Sustainability Report

In 2025 the Group released its first Sustainability Report, *Our Commitment to a Sustainable Energy Future*. It outlines the Group's shared direction, sustainability principles, and priority areas – reflecting a new phase of alignment across the Group to support a more sustainable, resilient, and equitable future.

Read the Report

Emissions Reporting

The Group developed maturity and consistency in how it measures, understands and reports greenhouse gas emissions across its businesses.

Emissions insights supported more informed decision-making, helping establish links between emissions sources and practical actions the Group can take to improve efficiency, reduce waste, and embed circular economy principles into operations, product design and service delivery.

Recent emissions figures demonstrate that initiatives like ETEL's transformer oil regeneration, PBA's SF6 gas recovery, and the Group's adoption of lower-emission technologies are translating into measurable emissions avoidance.

UNISON NETWORKS LIMITED


Unison Networks' Occupational Wellbeing Lead Sarah Stanger takes pride in supporting Unison's people to thrive.

Regulated EDB UNL delivered a solid result and remains the Group's financial anchor. A strong network performance reflects the benefits of proactive planning, improved asset intelligence, and maturing operational practices.

Major capital investment continued to strengthen security of supply and support regional growth across UNL's network regions.

Innovation, customer experience and contributing to affordability remained key focus areas. UNL's ongoing digital enablement journey supported delivery of these outcomes by improving how customers interact with the network and simplifying processes for capacity assessment and new connections, including load and distributed generation.

UNL also prepared for new electricity distribution pricing and connection requirements taking effect from April 2026.

> **"Major capital investment continued to strengthen security of supply and support regional growth across UNL's network regions."**


Unison Networks team members at Taupō District Council. We work closely with councils in Unison's network regions as we plan for a sustainable energy future.

SAIDI & SAIFI 1 April 2025 – 31 March 2026	Target	Actual
SAIDI Unplanned System Average Interruption Duration Index *Average duration of power outages experienced by customers*	<65.95	55.98
SAIFI Unplanned System Average Interruption Frequency Index *Average number of interruptions a customer experienced*	<1.428	1.123

Unison crews work to replace assets as part of a multi-year project to building a stronger, more reliable power network for the rural community in Kahurānaki, Hawke's Bay.

Network Performance

Network performance remained strong in FY2026, with SAIDI and SAIFI maintained within regulatory limits despite increased weather volatility. Controllable performance continued tracking well, reflecting effective management of network risk.

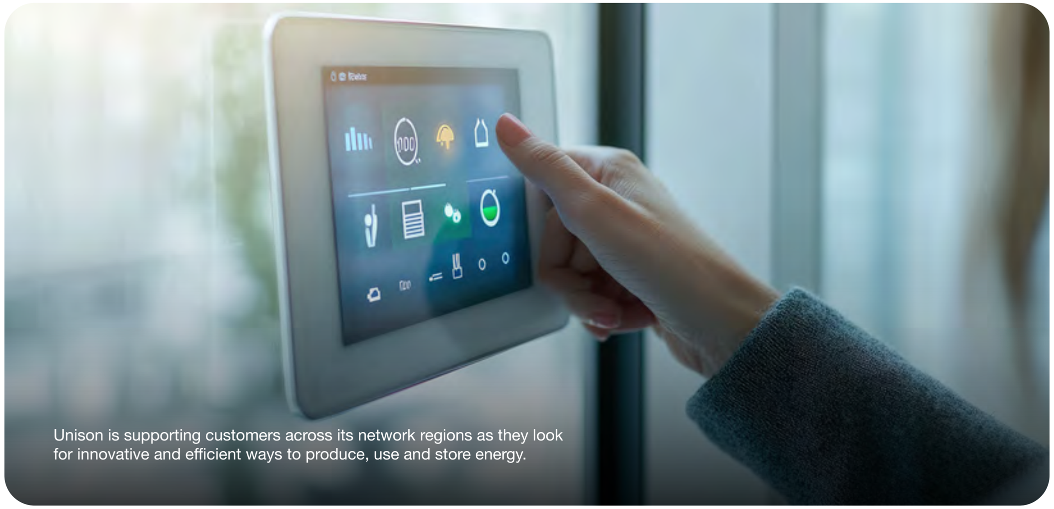
Customer impact was increasingly driven by a small number of severe weather events rather than underlying network condition. Four major event days were recorded, resulting in longer outage durations in affected areas. Outside these events, performance remained stable, supported by improvements in asset management and operational response.

Operational capability further improved. Enhancements in fault isolation and restoration, supported by the Coordinated Incident Management System (CIMS), enabled a more effective response and clearer communication during outages. Controllable performance also improved relative to historical levels, reflecting targeted investment in asset renewal and maintenance.

Vegetation remained the primary driver of extended outages during severe weather. While fault frequency was broadly stable, outage duration increased under storm conditions. UNL is transitioning to a technology-driven, risk-based vegetation strategy to reduce these impacts.

Equipment-related outages further declined and now represent a smaller component of customer impact, supported by improved asset monitoring and condition based maintenance.

Enhancements in fault isolation and restoration enabled a more effective response and clearer communication during outages."



Unison is supporting customers across its network regions as they look for innovative and efficient ways to produce, use and store energy.

Regulation & Pricing

This year distribution charges rose by an average of $14.46 per month for a typical residential household on UNL's network. Distribution charges make up around 27%[1] of the average household electricity bill — the rest covers electricity generation, transmission to the region, retailer costs, metering, and GST.

The increase reflects the Commerce Commission's new five-year price-quality path for electricity distributors, known as DPP4, which took effect on 1 April 2025. This sets the revenue EDBs are allowed to recover, and the level of investment expected to keep the network safe and reliable.

DPP4 resets allowances to reflect current economic conditions. The previous path (DPP3) was set in 2019, when interest rates were at historic lows and before the inflation surge of recent years. Under the regulatory model, UNL was not able to recover the impact of inflation during DPP3 – even though UNL's own costs were rising. DPP4 reflects the actual cost of running and investing in the network today.

The main drivers are:

- **A higher cost of capital:** DPP3 was set against historically low interest rates. DPP4 uses a higher benchmark interest rate reflecting the real cost of borrowing to fund long-life network assets.
- **Recovery of inflation:** Labour, materials and contractor costs rose sharply during DPP3, but the regulatory model did not allow those increases to flow into prices at the time. DPP4 reflects those higher input costs.
- **A growing network:** As UNL invests in new and replacement assets to support reliability and future demand, the recoverable value of those assets grows too.

Asset revaluations partly offset these pressures, softening the overall increase. In broad terms, around 55% of the increase covers the rising cost of running today's network, and around 45% supports continued investment to strengthen it for the years ahead.

> "DPP4 resets allowances to reflect current economic conditions. The previous path (DPP3) was set in 2019, when interest rates were at historic lows and before the inflation surge of recent years."

The revenue allowances under DPP4 enable EDBs to fund investments that support decarbonisation, strengthen network resilience, and ensure future reliable supply.

[1] Distribution charges are estimated by applying Unison's published line charges to average household consumption and bill data from the Electricity Authority and the Ministry of Business, Innovation & Employment, excluding transmission costs and reflecting typical residential time-of-use profiles.

1,456

New customer connections to UNL network in 2025/26

681

New distributed generation* connections to UNL network in 2025/26

*Distributed Generation refers to private electricity generation, such as solar panels or small wind turbines, that can produce and export excess energy back into the national electricity network.

Customers & Communities

UNL continued to improve customer experiences, guided by customer insights derived from UNL's annual customer experience survey, customer interactions, and feedback.

Outwardly, improved digital experiences for new connection and distributed generation applications simplified processes for customers to install solar and other technologies. Upgrades to the power outages webpage have improved the accuracy and clarity of crucial information for customers experiencing or expecting outages.

UNL also introduced new network capacity maps, providing customers clearer visibility of spare network capacity for new connections and hosting capacity for distributed generation, enabling more efficient connections, reducing uncertainty, and helping customers align their plans with network conditions. By improving visibility of where the network can accommodate new demand and generation, UNL optimises the use of existing infrastructure while supporting future growth and broader electrification outcomes.

Internally, insights, customer segmentation, customer journey mapping and company-wide customer experience training have clarified how different roles contribute to customer outcomes, resulting in a shared understanding of customers and a more structured, organisation-wide approach to customer experience.

These initiatives reflect UNL's continued shift toward a more customer-centric electricity distribution model – one combining reliable network performance with improved transparency and more responsive customer services.

UNL also continued to partner with and support local organisations and initiatives contributing to the growth and wellbeing of communities, particularly initiatives aiming to address cost-of-living pressures for households.

UNL continued its support of the EnergyMate programme in early 2025/26, providing vulnerable customers with tailored advice, advocacy and assistance to reduce energy stress and improve wellbeing.

With the EnergyMate programme coming to an end, UNL established a new partnership with not-for-profit Sustainability Options, supporting the 20 Degrees programme helping whānau live in healthier, more energy-efficient homes.

> **“By improving visibility of where the network can accommodate new demand and generation, UNL optimises the use of existing infrastructure while supporting future growth and broader electrification outcomes.”**

UNISON GROUP SUBSIDIARY BUSINESSES

Ngā Hoa Kaipakihi ō Unison

ESL – part of the PBA Group – delivers testing, analysis, servicing, and overhaul of low and high voltage rotating electrical equipment.

During 2025/26, the Group's subsidiary businesses operated in mixed market conditions, with solid performance across the services businesses offset by continued pressure within the products division.

Building on the integration and alignment realised in recent years, the Group established dedicated Services and Products Divisions, while retaining existing legal entities. This structure clarified accountability and enabled sharper strategic focus across the subsidiary businesses, while continuing to leverage shared capability and scale.

The Unison Networks Board continues to retain oversight of the regulated electricity distribution company, as well as the Group's investments in its subsidiary businesses.

The Services Division, comprising PBA and UCSL's unregulated activities, delivered a strong result, supported by sustained demand for contracting and specialist high-voltage services. UCSL and PBA both performed well, benefiting from complementary capabilities, geographic diversification and growing workloads across New Zealand and Australia.

The Products Division, comprising ETEL and RPS, delivered a less favourable performance. RPS faced some temporary challenges and recorded a modest loss, but progress in strengthening operational systems, improving market insight and expanding product capability supported new opportunities and a growing forward workload.

ETEL's performance was below expectations, reflecting both challenging market conditions and internal capability constraints. In response, the business made purposeful progress on a comprehensive operational reset focused on strengthening execution discipline, product quality, and delivery reliability, positioning ETEL to deliver improved and more consistent earnings performance over time.

> **Building on the integration and alignment realised in recent years, the Group established dedicated Services and Products Divisions, while retaining existing legal entities.**

“The establishment of a new Tauranga depot provides a permanent base to support growth across the upper North Island. Contract performance was strong, with higher than anticipated workloads matched by increased resourcing.”

UCSL was recertified for ISOs 45001 (Health and Safety Management System) and 9001 (Quality Management System), following comprehensive external audits by Telarc.

unison services

Unison Contracting Services Limited

UCSL delivered a strong performance in FY2025–26, building momentum through disciplined delivery, expansion, and strengthening its specialist capability. Robust demand for UCSL's services signals its critical role contributing to the Group's strategy of leveraging complementary service capability to deliver long-term value and growth.

UCSL expanded into the Western Bay of Plenty in July 2025 after being selected as a field services contractor on Powerco's network. The establishment of a new Tauranga depot provides a permanent base to support growth across the upper North Island. Contract performance was strong, with higher than anticipated workloads matched by increased resourcing. Powerco's FY2027 work programme indicates further growth in workload volumes.

UCSL delivered specialist services as a trusted delivery partner for other energy businesses across New Zealand, successfully completing complex, high value projects on time and within budget for Aurora Energy, Powernet, and Meridian Energy among others.

Safety and quality performance remained a priority, with UCSL recertified for ISO 9001 (Quality Management) and audited to maintain ISO 45001 (Occupational Health and Safety Management), as well as receiving external recognition for leadership in health and safety.

These developments highlight a year of sustained progress, positioning UCSL with a strong operational foundation and opportunities for continued expansion.

unison contracting

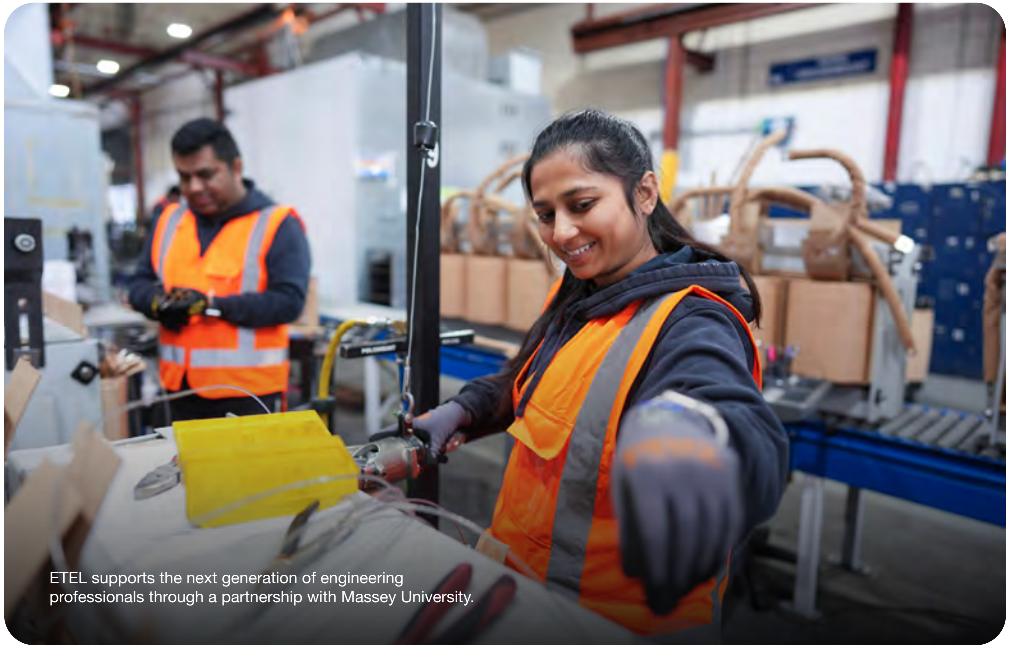
PBA Group

PBA exceeded financial targets and delivered a solid performance during 2025/26, underpinned by its specialist high-voltage capability and ongoing role supporting critical electricity infrastructure across New Zealand and Australia.

A key milestone was PBA extending its multi-year Master Grid Services contract with Transpower, reinforcing its position as a trusted delivery partner for the national grid. PBA also contributed to complex substation upgrade and maintenance projects, such as supporting Manawa Energy with an ongoing programme of generator refurbishment and associated electrical works at Coleridge Power Station.

A strategic review of the Services Division's portfolio led to the discontinuation of PBA's consulting operations. PBA's specialist high voltage services arm ESL and Australian contracting services are unaffected, and the Division's combined offering remains well positioned to support network investment programmes across New Zealand and Australia.

pba
THE HIGH VOLTAGE EXPERTS



ETEL supports the next generation of engineering professionals through a partnership with Massey University.

RPS Switchgear

RPS Switchgear operated in a subdued domestic manufacturing market and financial performance was below expectations following a strong 2024/25.

Implementation of a new enterprise resource planning system created short-term challenges but has strengthened cyber security, improved system resilience and established a more robust platform for inventory management, production planning and project delivery. Several customer orders scheduled for delivery late in the financial year were deferred due to supply chain constraints, with associated revenue recognition shifting into the following period.

Improved market insight and targeted product expansion underpinned a strong order intake, resulting in a substantial order book entering 2026/27. A key milestone was RPS's largest switchboard order in over a decade for a major Australian project. RPS also delivered its first full substation project supplying both 11kV and 33kV switchboards, marking an expansion from component supply into integrated project delivery.

While demand in the New Zealand market remained soft, RPS pursued opportunities across Australia and offshore markets including Africa, Asia and the United Kingdom. Product development activity and specialist retrofit and upgrade services for existing switchgear supported revenue diversification and reduced reliance on new build domestic manufacturing.

RPS enters the new financial year with improved execution capability, an expanded range, and a strong pipeline of work, positioning it to respond as market conditions improve.

RPS SWITCHGEAR
Reliability and safety you can trust

unison products

ETEL Group

In response to a demanding year, ETEL implemented a structured operational reset focused on strengthening execution discipline, product quality and delivery reliability. Targeted improvements to production processes, planning discipline and inventory alignment are supporting more consistent output and improving delivery outcomes.

From July, the appointment of new Chief Executive Brian Ropitini brought clearer leadership, sharper prioritisation and a stronger focus on disciplined execution, accelerating progress. Enhanced planning processes and improved alignment between inventory, production and customer demand are contributing to improved operational stability and consistency.

Momentum strengthened in the second half of the year, with the fourth quarter demonstrating clear improvements in operational execution and underlying performance trends. These improvements reflect a business operating with increased control, stronger governance and more consistent delivery performance across key activities.

ETEL also delivered key strategic projects and strengthened important customer relationships. The business progressed geothermal projects in collaboration with UCSL and Ormat Technologies encompassing supply, manufacture, installation and commissioning. ETEL Indonesia – a strategically important production base – actively contributed to major projects, including supplying a significant number of transformers for Contact Energy's Glenbrook battery energy storage system (BESS). These projects highlight ETEL's role in supporting the energy transition across multiple markets.

ETEL is now operating on a more stable and controlled platform, with improved visibility over its forward workload and a strengthened order book. The business enters 2026/27 with enhanced execution capability and is positioned to deliver sustained improvement in earnings performance as those operational gains are embedded.

ETEL

"The appointment of new Chief Executive Brian Ropitini brought clearer leadership, sharper prioritisation and a stronger focus on disciplined execution, accelerating progress."

FINANCIAL PERFORMANCE

KEY METRICS

$104.6M
EBITDAF
↓ $3.8m on prior year

$22.2M
Group Profit After Tax
↓ $8.2m on prior year

$80.1M
Capital Expenditure
↓ $13.7m on prior year

$117.8M
Normalised EBITDAF
↑ $19.0m on prior year

$31.7M
Normalised Group Profit After Tax
↑ $8.2m on prior year

$82.4M
Operating Cash Flow
↑ $2.8m on prior year

$18.3M
Dividend Declared
↑ $0.5m on prior year

Read the Financial Statements

Financial Performance

Unison Group's reported EBITDAF for the year to 31 March 2026 was $104.6 million (2024/25: $108.3 million). Adjusted for significant non-recurring items, the Group's Normalised EBITDAF was $117.8 million (2024/25: $98.8 million).

The Group's underlying earnings growth was underpinned by the electricity distribution business and a steady Services Division result, which more than offset a weaker result in the Products Division.

The Group's reported EBITDAF result includes $15.4m of one-off write-downs and provisions within ETEL reflecting inventory and contract resets (2024/25: $1.4 million). This was partly offset by $2.2 million of final insurance proceeds received in relation to the Cyclone Gabrielle claim (2024/25: $10.9 million).

One year on from the appointment of a new CEO at ETEL, a comprehensive review of all aspects of the business is resulting in improving performance within the manufacturing operation. This exercise included an extensive reassessment of inventory carrying values and contractual commitments, informed by improved visibility over aged, slow-moving and non-conforming stock, and updated assumptions in relation to an offshore supply contract. This resulted in inventory write-downs and the recognition of additional provisions. These adjustments represent a prudent balance sheet reset, strengthening confidence in carrying values and improving transparency over future performance.

The adjustments are non-recurring in nature, with the inventory component non-cash and the contract provisions relating primarily to future obligations.

The review strengthens the integrity of reported positions and provides a more reliable platform for forward performance, supported by enhanced governance, improved demand planning, and tighter control over procurement and inventory management.

The electricity distribution network continued to provide a stable earnings base for the Group and was the key driver of the year-on-year increase in Normalised EBITDAF. EBITDAF from the electricity distribution network increased to $111.6 million (2024/25: $89.3 million), driven primarily by higher line revenue under the new DPP4 regulatory pricing path. Capital contributions, received in relation to customer driven network extensions, remained consistent with the prior year at $18.9 million (2024/25: $18.8 million).

EBITDAF from the Group's Services Division, comprising PBA and UCSL's unregulated activities, was broadly in line with the prior year at $8.7 million (2024/25: $9.5 million). UCSL's result normalised following a strong 2024/25, with the year reflecting the upfront investment to establish a new Tauranga depot to support its growth into Powerco's network. This was partly offset by PBA, who delivered a result ahead of the prior year despite economic conditions in New Zealand and Australia.

Normalised EBITDAF from the Group's Products Division was below the prior year, with a Normalised EBITDAF loss of $3.6 million (2024/25: $1.1 million profit). This was primarily driven by ETEL, which experienced lower sales volumes and ongoing impacts from a complex offshore supply project. Across both ETEL and RPS, targeted actions to strengthen operational execution, improve production planning and enhance inventory management have been implemented, providing improved visibility and greater control over future performance. With these operational improvements now embedded, the Products Division is positioned to deliver improved and more consistent earnings performance over time, supported by growing order books and expanding market opportunities.

Despite only a modest reduction in EBITDAF, Group profit after tax decreased to $22.2 million (2024/25: $30.3 million). This primarily reflects higher depreciation and amortisation ($3.4 million) and a higher income tax expense ($2.1 million) compared to the prior year. Adjusting for the impact of the significant non-recurring items noted above, Normalised Group profit after tax increased to $31.7 million (2024/25: $23.5 million).

Cash Flow

Cash flows from operating activities increased to $82.4 million (2024/25: $79.6 million). This was driven by the strong underlying performance of the electricity distribution business but also improved inventory management, lower cash tax paid, and insurance proceeds received during the year.

Capital expenditure of $80.1 million (2024/25: $93.8 million) reflects continued investment in the electricity distribution network, while being lower than the prior year reflecting the phasing of major projects across the capital programme and efficiencies in delivering the programme.

Balance Sheet

Total assets increased slightly to $1.22 billion at 31 March 2026 (2024/25: $1.19 billion), reflecting continued investment in network assets and infrastructure.

Shareholders' funds increased to $538.8 million (2024/25: $529.8 million), an increase of approximately 1.7% over the year.

Unison's borrowings (face value excluding fair value movements and bank overdrafts) increased by $20.0 million to $437.0 million as at 31 March 2026. The additional borrowings were deployed to fund continued investment in Unison's electricity distribution network including significant customer connection and related network capital investment of over $35 million.

During the year, the Group refinanced its bilateral bank borrowing facilities, increasing the total committed facility limits to $375.0 million and extending maturities to support future investment requirements. The Group has $137 million of undrawn committed facilities at balance date. The gearing ratio increased from 44% in the prior year to 45%, with Unison continuing to operate comfortably within its financial covenant requirements.

Dividend

This year, the Trust will receive a fully imputed final dividend of $18.3 million. The dividend will be paid to the Hawke's Bay Power Consumers' Trust on or around 4 August 2026.

Rob Wheater
Board Chair

Jaun Park
Group Chief Executive

CORPORATE GOVERNANCE STATEMENT

Tauaki ō Ngā Arataki Rangatōpū

For eighteen seasons Unison's Greatest Supporter Programme has supported 13,000 youth to get involved in team sports each year.

This statement provides an overview of the Company's main corporate governance policies, practices and processes adopted and followed by the board.

Unison is an electricity distribution business wholly owned by the Hawke's Bay Power Consumers' Trust on behalf of the consumer-beneficiaries connected to its Hawke's Bay network. The Board has adopted governance practices informed by the Financial Markets Authority's Corporate Governance Handbook and the Institute of Directors' Four Pillars of Governance Best Practice, scaled appropriately to the Group's ownership structure, scale and risk profile.

Role of the Board of Directors

The Board of Directors (the "Board") is appointed by the shareholders' representatives, the Trustees of Hawke's Bay Power Consumers' Trust.

The Board is responsible for setting and monitoring the strategic direction, policies, and control of the Company's activities, with day-to-day management delegated to the Group Chief Executive.

The Board has a formal charter that outlines the responsibilities of the Board and the Group Chief Executive and that provides a code of ethics to guide Directors and the Group Chief Executive in carrying out their duties and responsibilities. The Board Charter and supporting governance policies are available on request.

The Board meets at least seven times during the financial year in accordance with the Board Charter, with additional full meetings and sub-committee meetings being convened when required.

New Directors complete a structured induction programme covering the Group's strategy, regulatory environment, operations, risk profile and key policies. Directors are expected to maintain and develop the skills, knowledge and experience needed to discharge their duties, supported by ongoing education and external advice where appropriate. The Board undertakes to conduct an annual review of its performance, the performance of its committees, and the performance of individual Directors, with succession planning considered as part of that process.

Board Composition, Skills and Experience

The Board comprises six non-executive Directors appointed by the Hawke's Bay Power Consumers' Trust. The Board Charter sets a target size of between five and eight Directors. The Trust and the Board seek to maintain a balanced mix of skills, experience and perspectives appropriate to the strategic, regulatory and operational context of an electricity distribution business and its commercial subsidiaries.

The Board maintains a Director Skills Matrix covering competencies considered material to the Group's strategy and risk profile.

The current Board's collective experience covers:

- electricity distribution, networks and asset management
- regulatory, economics and the Commerce Commission framework
- finance, audit and treasury
- health, safety and wellbeing
- technology, digital and cyber security
- customer, community and Māori engagement
- environment, climate and sustainability
- people, culture and remuneration

Director Independence and Tenure

All Directors are non-executive. As the Company is wholly owned by the Hawke's Bay Power Consumers' Trust, Directors are appointed by the Trustees. The Board considers that all Directors are able to bring independent judgement to Board decisions, supported by the Interests Register processes set out below.

Director tenure on the Board as at 31 March 2026 was:

- Robert Wheater (Chair) — appointed February 2017
- Blair O'Keeffe (Deputy Chair) — appointed August 2022
- Dan Druzianic — appointed May 2020
- Barbara Elliston — appointed August 2022
- Wendie Harvey — appointed August 2024
- Jon Nichols — appointed August 2024.

Board Committees

Audit and Risk Committee

Unison has a formally constituted Audit and Risk Committee, assisting the Board to discharge its responsibilities for the integrity of the Group's financial reporting, the effectiveness of internal control and risk management, the external audit relationship, and the oversight of treasury and investment activity.

The Committee's responsibilities, as set out in its Terms of Reference and the Board Charter, include:

- reviewing the Group's accounting policies, financial management and annual and interim financial statements
- overseeing the systems of internal control, enterprise risk management and assurance, including the Group risk register and the principal risk profile
- overseeing compliance with regulatory disclosure obligations including the Commerce Commission Information Disclosure regime and Default Price-Quality Path
- oversight of the Treasury Management Policy, the Investment Policy and treasury performance against Policy
- oversight of the Group's tax risk governance, sustainability reporting and information security
- review of the appointment, independence, performance and fees of the external auditor

The Committee meets on average six times a year, with additional meetings being convened when required.

Group Remuneration Committee

The Board promotes remuneration of directors and executives that is transparent, fair and reasonable in a competitive market for the skills, knowledge and experience required by the Company.

The Committee operates under Terms of Reference and is responsible for:

- reviewing and recommending to the Board the remuneration framework, terms of appointment and annual remuneration of the Group Chief Executive
- reviewing the remuneration of senior executives and the Group's overall remuneration philosophy and structures
- setting and reviewing performance targets for the Group Chief Executive and reviewing performance against those targets
- overseeing succession planning for the Group Chief Executive and senior executives
- oversight of the Group's People & Culture strategy, including organisational capability, diversity and inclusion, and culture
- making recommendations to the Shareholder, where appropriate, on Director remuneration.

The Committee comprises a minimum of three non-executive Directors and includes the Board Chair. It meets at least three times a year and undertakes an annual review of its own performance against its Terms of Reference. External advice is sought where appropriate.

Other Committees

In addition, the Board establishes other committees on an "as required" basis to consider matters such as due diligence reviews of acquisitions and other major transactions.

Risk Management

The Board is responsible for overseeing the Group's risk management approach and for satisfying itself that an effective enterprise-wide risk management system is in place. Management is responsible for implementing that system and embedding risk-aware decision-making across the Group, so that risk and opportunity are considered alongside strategy, performance and resilience.

The Group's approach is set out in the Risk Management Policy and the supporting Group Risk Management Framework, which are aligned with ISO 31000:2018 Risk Management Guidelines. Together, these documents define the principles, framework and process by which risks are identified, assessed, treated, monitored and reported. They are supported by the Group's wider policy framework, including the Health and Safety Policy, Information Security and Cyber policies, Treasury Management Policy, the Sustainability Policy, the Tax Risk Governance Framework, Delegated Authorities Policies and the Code of Conduct.

The Board, with advice from the Audit and Risk Committee (ARC), sets the Group's risk appetite and tolerances. These are used by management to guide decisions on strategy, investment, operations and capital expenditure, and to determine when risks must be escalated. Material risks considered by the Board and ARC include operational and asset-related risks, health and safety, cyber and information security, regulatory and compliance risks, treasury and financial risks, tax risk, and climate-related and sustainability risks.

Day-to-day risk management is led by the Executive Management Team, supported by the Executive Risk Committee (ERC) and a network of Risk Champions and Risk Owners across the business. The ERC maintains the Group risk register, monitors changes in risk exposure and the effectiveness of mitigations and ensures that significant or emerging risks are escalated promptly. Risks are reviewed and reported to the ARC at least six-monthly, and the ARC reports to the Board on the status of the Group's principal risks, the effectiveness of controls and any matters requiring Board attention. The Trustees of the Hawke's Bay Power Consumers' Trust receive an annual report on the Group's risk profile.

The Board has approved a Tax Risk Governance Framework which sits within the Group's overall risk framework and confirms that Unison Group adopts a low tax risk profile in New Zealand and in the overseas jurisdictions in which Group subsidiaries operate. The Framework sets out roles and responsibilities for tax, the identification, assessment and documentation of tax positions, internal controls over tax compliance processes, the management of the NZ Consolidated Tax Group, and the use of external advisors where appropriate. Significant tax risks are escalated to, and regularly reported to, the Audit and Risk Committee, and the Framework is subject to periodic review.

The Risk Management Policy and Group Risk Management Framework are reviewed periodically to confirm they remain fit for purpose, and assurance over key controls is provided through a combination of management self-assessment, internal review activity and, where appropriate, independent external assurance.

Health and Safety Management

The Board recognises that the health, safety and wellbeing (HSW) of Unison's people, contractors, customers and communities is fundamental to the way the Group does business. The Group's commitment is set out in the Health and Safety Policy, which affirms the value placed on the safety and wellbeing of Unison's people, families and communities.

The Board's approach is set out in the Unison Group Health, Safety and Wellbeing Governance Framework.

Day-to-day responsibility for HSW rests with the Group Chief Executive and the Group Leadership Team, supported by the Group General Manager People, Safety and Culture and the Group Health and Safety Manager. Each of the Group's operating subsidiaries has its own Health & Safety Management System that provides an operational framework, covering worker engagement, hazard and psychosocial risk management, safety in design, occupational health and wellbeing, training and competency, contractor management, incident response and emergency readiness. Public safety risks arising from Unison Networks' Group's network assets are managed through a separate Public Safety Management System consistent with AS/NZS 7901:2014.

A particular focus is placed on the identification and active management of the Group's critical risks, supported by Board-endorsed critical risk tolerances and appetite statements and a balanced suite of lead and lag indicators. Detailed HSW reporting is provided to the Board and subsidiary Boards at each scheduled meeting. The Audit and Risk Committee supports the Board by reviewing HSW performance, monitoring key controls over critical risks, and overseeing assurance activities, providing recommendations where improvement or escalation is required. Assurance over key controls is delivered through a combination of HSW system activities, and internal and external audits, as well as Director site visits and field observations.

The Group expects its supply chain and industry partners to operate to standards consistent with Unison's. The Health and Safety Policy, Governance Framework and Safety Management System are reviewed regularly to confirm they remain fit for purpose and aligned with relevant legislation, industry standards and evolving good practice.

Diversity, Inclusion and Belonging

The Board is committed to creating and maintaining a diverse workforce and an inclusive workplace for all employees. This commitment is reflected in the Unison Networks' Diversity and Inclusion Policy.

Treasury Policy

The Group's exposure to treasury-related financial risks — liquidity, funding, interest rate, foreign exchange and counterparty credit risk — is managed in accordance with the Treasury Management Policy. The Policy sets financial and treasury management objectives, defines roles and limits of management authority, prescribes permissible financial instruments, counterparty credit standards, and reporting and monitoring requirements.

The Board approves the Policy and treasury strategies, including interest rate management. The Audit and Risk Committee reviews performance against Policy at least six-monthly. Interest rate and liquidity risks are managed to support earnings stability and prudent funding outcomes, with limits in place for maturity concentration, tenor, and counterparty credit exposure.

External Auditor

In accordance with section 45 of the Energy Companies Act 1992 and section 15 of the Public Audit Act 2001, the Auditor-General is the Group's auditor. The external audit is performed by Audit New Zealand on behalf of the Auditor-General. The Audit and Risk Committee oversees the external audit relationship, including the scope of work, the independence of the auditor, audit fees, and the conduct of the audit.

Audit and other fees paid to Audit New Zealand for the year ended 31 March 2026 are disclosed in the Statutory Information section of this Annual Report. The Committee reviews the nature of any non-audit services provided by the auditor to satisfy itself that the auditor's independence is not compromised.

Code of Conduct and Ethical Behaviour

The Board has approved a Code of Conduct that sets the standards of behaviour expected of all Directors, executives and employees, including in relation to conflicts of interest, the confidentiality of Group information, the use of Group assets, fair dealing, and compliance with laws and Group policies. The Code is supported by the Group's Conflicts of Interest, Anti-Bribery and Corruption, and Whistleblower (Protected Disclosures) policies and procedures.

Directors record interests in the Interests Register (see Directors' Interests Register below) and recuse themselves from Board consideration of matters in which they have a material interest. Concerns relating to suspected serious wrongdoing may be raised through the Group's protected disclosures channels in accordance with the Protected Disclosures (Protection of Whistleblowers) Act 2022.

Climate-related Disclosures

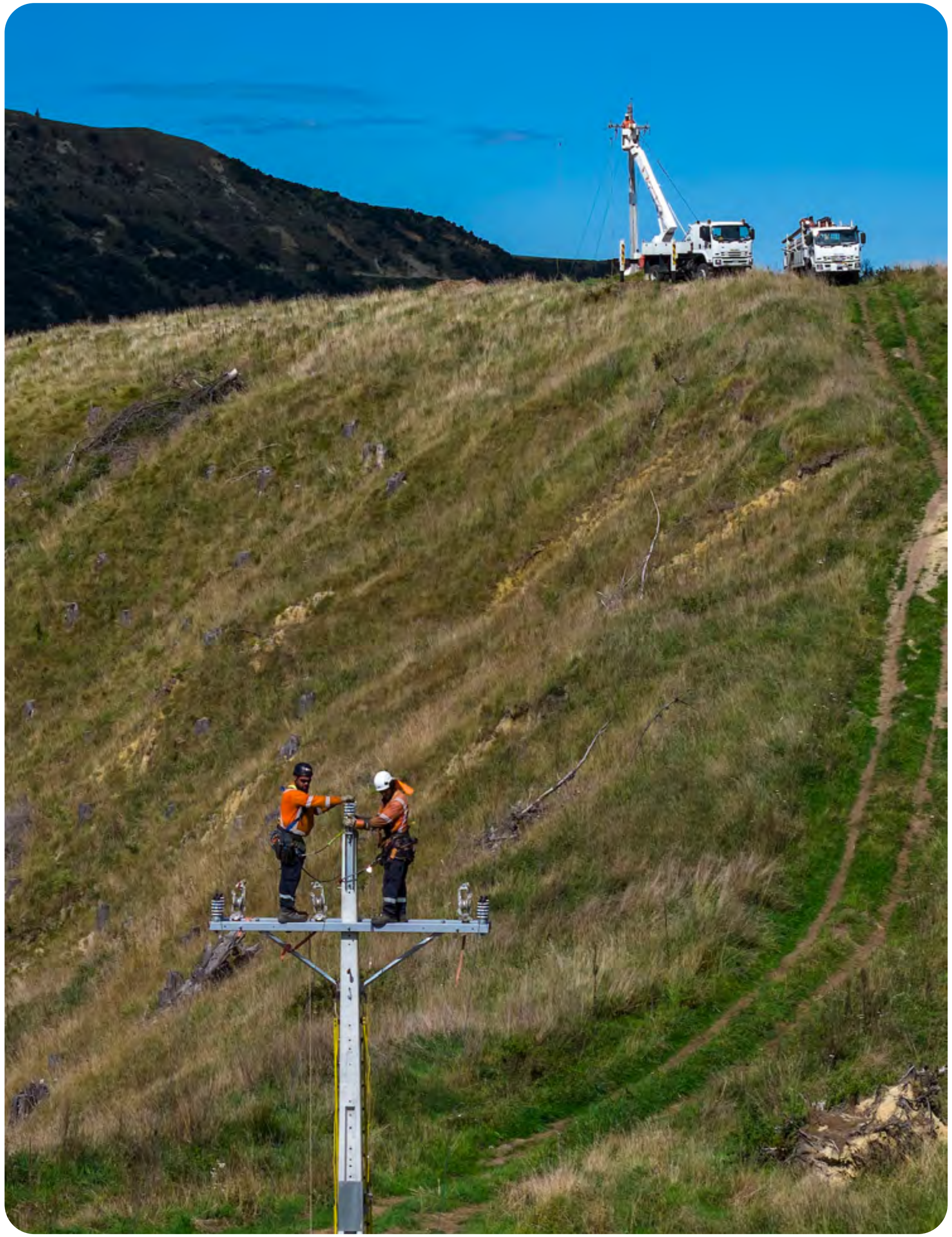
Unison Networks Limited is not a Climate Reporting Entity under Part 7A of the Financial Markets Conduct Act 2013 and is not required to prepare climate-related disclosures in accordance with the External Reporting Board (XRB) Aotearoa New Zealand Climate Standards. The Board nonetheless recognises that climate change presents both physical and transition risks to the Group's network, customers and communities. Climate-related risks are considered within the Group's enterprise risk management framework and the Group's Sustainability Policy, with oversight by the Audit and Risk Committee.

Statement of Corporate Intent

In accordance with Section 39 of the Energy Companies Act 1992, the Directors annually submit a Statement of Corporate Intent for the coming financial year to the Hawke's Bay Power Consumers' Trust for endorsement. This document outlines the Company's overall objectives, intentions and financial performance targets and is available on the Company's website.

Directors' Interests Register

The Company maintains and reviews monthly an Interests Register to record particulars of transactions or matters involving Directors.



BOARD OF DIRECTORS

Ngā Kaitohu Poari

1 Rob Wheater (Chair)

2 Blair O'Keeffe

3 Dan Druzianic

4 Barbara Elliston

5 Wendie Harvey

6 Jon Nichols

Inside the new zone substation at Taupō East.

1 Rob Wheater

Chair, Audit and Risk Committee Member and Group Remuneration Committee Member

Rob has worked in senior business roles in New Zealand, the Middle East, Australia, China and North America. This work included 27 years in the electrical industry where he gained experience in many fields including strategy, business development, mergers and acquisitions, electrical contracting and manufacturing, finance, and information technology.

He has served on various Boards, Advisory Boards and other governance committees. Rob joined the Board of Unison Networks Limited in February 2017 and is currently Chair. He previously served as Deputy Chair and Chair of the Audit and Risk Committee. He is also Director and General Partner at True North Equities Limited and a director of various other companies.

Rob lives in Havelock North and has an honours degree in Commerce and is a member of Chartered Accountants Australia and New Zealand. He is also a Chartered Member of the Institute of Directors.

2 Blair O'Keeffe

Deputy Chair, Group Remuneration Committee Chair, Audit and Risk Committee Member

Blair O'Keeffe is a Hawke's Bay based company director and advisor, with governance experience in NZX listed, central and local government, and private entities.

He is a former Chief Executive with 25+ years of local and international senior executive experience, including infrastructure, energy, property and transport.

Blair joined the Unison Board in August 2022. He is also currently Chair of NZX-listed Napier Port and Hawke's Bay Rescue Helicopter Trust and is a director of NZX-listed Livestock Improvement Corporation, Clarus Group of companies, and Central Air Ambulance Rescue Limited.

Blair is a member of the Institute of Directors and holds a post graduate honours degree in Business.

3 Dan Druzianic

Audit and Risk Committee Chair

Dan is a Chartered Accountant, business advisor and independent director with broad experience across business sectors including agribusiness, health, infrastructure, property and investment.

He holds a Commerce degree from Lincoln University, is a Fellow of Chartered Accountants of Australia and New Zealand and is a member of the New Zealand Institute of Directors.

Dan joined the Unison Board on 5 May 2020 and is based in Hawke's Bay. ther current governance roles Dan holds include Director of Unison Contracting Services Limited, Pringle Beleski and Associates Limited, PBA Consulting Limited, ETEL Services Limited, Unison Insurance Limited, and Director of Napier Port Holdings.

Barbara 4 Elliston

Audit & Risk Committee Member

Barbara is an electrical engineer with a power systems background and is active in the renewables sector. Her broad electricity sector experience over four decades spans consumer energy and industrial energy use, and upstream power distribution, transmission and generation. Her past directorships include Comalco Power, Transpower, Genesis and Counties Energy.

She is currently engaged in rooftop solar deployments and training of solar sector professionals and was instrumental in setting up PRETA Inc (Pacific Renewables Energy Training Alliance). Barbara holds board roles with ETEL Limited, RPS Switchgear Limited, the Australian solar peak body the Smart Energy Council based in Canberra, and Te Aponga Uira (the Cook Islands Power Authority) where she is the Chair of their Audit and Risk Committee. Barbara was recently inducted by the Smart Energy Council into the Solar Hall of Fame in Australia for her contribution to the sector's advancement and continues to participate in electricity industry development as a member of the Common Quality Technical Group of the Electricity Authority here in New Zealand.

Barbara joined the Unison Networks Board in August 2022.

5 Wendie Harvey

Audit and Risk Committee Member and Group Remuneration Committee Member

With a background in law, Wendie has extensive experience as a director, trustee, lawyer and business consultant. Her roles have extended across the public and private sectors (including listing on the NZX), local government and not for profit organisations.

Wendie's current directorships include Eastland Infrastructure (Chair), Hawke's Bay Water Services Advisory Board (Chair), Ahuriri Investments Limited, Port Taranaki, TAB New Zealand (Deputy Chair), Aurora Energy, and Counties Power.

Her former directorships include Hawke's Bay Airport, Fire and Emergency NZ, Centralines, EIT, Napier Port, QRS Wairoa, and Hawke's Bay Regional Recovery Agency. She knows Unison well from her time as GM Operations Support, a role she held until 2011 prior to her becoming a professional director.

Wendie joined the Unison Networks Board in August 2024.

6 Jon Nichols

Audit & Risk Committee Member

Jon joined the Unison Networks Board in August 2024. His background is in finance and commercial growth initiatives with over 30 years' experience. Jon's strengths include strategy development, risk management collaborations, infrastructure life cycle management and capital structuring. As an experienced director and consultant, he has led and overseen many strategic and operational initiatives across a variety of private, public and not-for-profit entities. Jon is a Fellow Chartered Accountant and a Chartered member of the New Zealand Institute of Directors.

His current directorships include Eastland Generation, Central Districts Water and Hawke's Bay Airport (Chair). Additionally, Jon is the Independent Chair of the Transitional Governance Group for water reform in Hawke's Bay.

Former directorships include Top Energy, Ngāwhā Generation, Palmerston North Airport, Napier Port, Eastland Group of Companies, and Centralines where Jon was the Chair.

STATUTORY INFORMATION

Kōrero Whakature

Unison has trialled heli-saws as an innovative approach to managing vegetation that could damage the network.

The Directors are pleased to present the Annual Report and accompanying Financial Statements in respect of Unison Networks Limited's operations for the twelve months to 31 March 2026.

Financial Results

The Group's earnings before interest and tax for the twelve months under review was $57.1 million, compared with $63.8 million for the previous twelve months. The net surplus for 2026 was $21.2 million (2025: $30.3 million).

Principal Activities

Unison Networks Limited provides electricity distribution services to consumers and businesses throughout the Hawke's Bay, Rotorua and Taupō regions. The Group also provides electrical, civil and vegetation contracting services; manufactures electrical products for the New Zealand, Australian, Pacific, Indonesian and Singaporean markets; provides integrated managed services to electricity distributors; and operates a captive insurance company.

Company's Affairs

The Directors consider the state of the Company's affairs to be well managed. Details of the year under review are included in the Annual Report and the Financial Statements accompanying this report.

Dividend

A fully imputed dividend of $17.77 million ($24.68 million inclusive of imputation credits), which equates to 27.8 cents per share, was declared during the year and paid to the Hawke's Bay Power Consumers' Trust on 4 August 2025.

On 25 June 2026, the Directors declared a fully imputed dividend of $18.30 million ($25.42 million inclusive of imputation credits), which equates to 28.6 cents per share, in respect of the 2025/26 financial year.

This dividend will be paid to the Hawke's Bay Power Consumers' Trust on or about 4 August 2026.

Directors

At the Annual General Meeting held on 30 July 2025, Mrs Barbara Elliston and Mr Blair O'Keeffe retired by rotation and were reappointed by the Shareholder.

Directors' Remuneration and Other Benefits

Directors' remuneration from the Company in the year to 31 March 2026 was:

	Parent	Subsidiaries
	$	$
R Wheater	150,000	16,667
B O'Keeffe	99,500	-
D Druzianic	99,500	51,667
B Elliston	75,000	51,917
W Harvey	75,000	-
J Nichols	75,000	36,667
P Hocquard	-	23,000
L Elwood	-	8,500
J Palairet	-	7,000
B Martin	-	3,500
P Lowe	-	5,250
L Richards	-	25,000
P Connell	-	45,000
A Armstrong	-	16,667

Directors’ Interests

Some Directors have an interest in transactions with the Company involving the supply of services on standard terms and conditions to premises in which they have interests. The interest which these Directors may have in such transactions is no different in kind, quality, benefit or obligation from transactions which the Company has with other consumers.

The following Directors declared interests in the entities listed. The declaration serves as notice that the Director may benefit from any transactions between the Company and the identified entity.

Director	Entity
Robert Wheater	• Shareholder, Ask Your Team. Ask Your Team may provide staff engagement survey services to companies within the Unison Group • Shareholder and Director, True North Equities • Director of Medical Holdings Limited and of its subsidiaries, Brookvale Land Limited, Te Mata Mushrooms Limited and Mt Herbert Land Limited **
Dan Druzianic	• Chair, Hawke’s Bay Regional Investment Company ** • Director, Napier Port Holdings Limited
Blair O’Keeffe	• Chair, Napier Port Holdings Limited • Director, Central Air Ambulance Rescue Limited • Chair, Hawke’s Bay Rescue Helicopter Trust • Chair, Hawke’s Bay Regional Recovery Agency ** • Director, Clarus Group • Director, Livestock Improvement Corporation *
Barbara Elliston	• Member, Advisory Board of Ergo Consulting Limited • Director, Timeless by Design Limited • Director, Easy Warm Limited, a residential solar installer/product supplier • Director, Australian Solar Energy Society Limited T/A Smart Energy Council Pty Limited. Domiciled in Australia • Director, Easy PV (Aust) Pty Limited. Domiciled in Australia • Member, Electricity Authority’s Future Security and Resilience Common Quality Technical Group (CQTG) • Board Member, Te Aponga Uira (Cook Islands Power Authority) • Society Secretary, PRETA Inc (Pacifica Renewal Energy Training Alliance Inc.) *
Jon Nichols	• Director, Eastland Generation Limited and Chair of its Audit and Risk Committee • Director, Top Energy Limited and Chair of its Audit & Risk Committee ** • Director, Ngāwhā Generation Limited and Chair of its Audit & Risk Committee ** • Chair of Hawke’s Bay Airport Limited (HBAL) • Independent Chair of Maungaharuru-Tanitu Trust Audit & Risk Committee ** • Managing Director, Nichols Consulting Limited • Independent Chair, Hawke’s Bay Water Company Governance Group *
Wendie Harvey	• Shareholder and Director, Excellence in Business Solutions • Chair, Eastland Infrastructure Limited • Director, Hawke’s Bay Airport Limited ** • Director, Aurora Energy Limited • Director, Port Taranaki Limited • Director, TAB • Board Member, Hawke’s Bay Regional Recovery Agency ** • Director, Counties Power Limited • Director, Ahuriri Investments Management Limited, effective 1 August 2025 * • Chair, Hawke’s Bay Water Services Establishment Advisory Board *

* Entries added by directors and effective during the year ended 31 March 2026;

** Entries removed by directors during the year ended 31 March 2026.

Directors' Indemnity and Insurance

The Company provides cover to its directors and certain executives for personal loss (being judgements, settlements and defence costs) caused by wrongful acts in the course of their duties where indemnity is not available from the Company.

Information Used by Directors

There were no notices from Directors requesting the use of company information received in their capacity as Directors, which would not otherwise have been available to them.

Donations

Donations of $23,000 were made by the Group in the financial year to 31 March 2026.

Auditors

In accordance with Section 45 of the Energy Companies Act 1992, and Section 15 of the Public Audit Act 2001, the Auditor-General continues as Auditor.

The amount payable by the Group to Audit New Zealand is $526,000. This is made up of:

Unison Networks Limited	$374,000
Unison Insurance Limited	$49,000
For other services	$103,000

Employee Remuneration

The following table notes the number of employees and former employees of Unison Networks Limited and its subsidiaries, not being directors of the company, who, during the accounting period, received total annual remuneration at or greater than $100,000 per annum, in brackets of $10,000. The annual remuneration of employees includes salary, overtime, employer's contribution to superannuation, and any other sundry benefits received in their capacity as employees.

Remuneration Range - $10k band	Total Group
$100,000 – $109,999	77
$110,000 – $119,999	88
$120,000 - $129,999	72
$130,000 - $139,999	60
$140,000 - $149,999	45
$150,000 - $159,999	38
$160,000 - $169,999	38
$170,000 - $179,999	30
$180,000 - $189,999	22
$190,000 - $199,999	10
$200,000 - $209,999	11
$210,000 - $219,999	4
$220,000 - $229,999	4
$230,000 - $239,999	6
$240,000 - $249,999	1
$250,000 - $259,999	3
$260,000 - $269,999	4

Remuneration Range - $10k band	Total Group
$270,000 - $279,999	2
$280,000 - $289,999	2
$290,000 - $299,999	2
$300,000 – $309,999	2
$320,000 - $329,999	2
$330,000 - $339,999	2
$340,000 - $349,999	1
$360,000 - $369,999	1
$370,000 - $379,999	1
$380,000 - $389,999	2
$450,000 - $459,999	2
$490,000 - $499,999	1
$820,000 - $829,999	1
Total	**534**

TRUSTEES' STATEMENT

Tauākī ō Ngā Tumu Whakahaere

1 Kirsten Westwood

2 Barbara Arnott

3 David Pearson

4 Jeff Farnworth

5 Craig Waterhouse

Trustees' Statement on the compliance by Unison Networks Limited with the Statement of Corporate Intent for the year ended 31 March 2026.

All of the shares in Unison Networks Limited are held by the Hawke's Bay Power Consumers' Trust on behalf of consumers who are connected to Unison's network in Hawke's Bay.

As the Trust is the majority shareholder, the Trustees are required to prepare a statement, for inclusion in Unison's annual report, commenting on the Company's compliance with the Statement of Corporate Intent.

The 2026 Statement of Corporate Intent

Key Purpose

Vision Statement:
Leading a sustainable energy future.

Compliance: The trading results for 2025-26 reflect a significant decline in profitability compared to the prior year, driven by the performance of the Products Division. Most of Unison's businesses performed strongly, particularly the regulated lines business, which continued to deliver reliable service and operational efficiency.

ETEL's performance was below expectations, with the year impacted by one-off adjustments in relation to inventory valuations and contractual provisions. In response, management undertook an operational reset focused on strengthening execution and delivery performance. The Trustees have sought explanations for the ongoing underperformance of ETEL and have been assured that actions are in place to return the subsidiary to profitability in 2026/27.

Group revenue rose to $373 million (from $371 million), while operating expenditure increased to $269 million. Reported Group profit after tax was $22.2 million, down from $30.3 million in the prior year, primarily reflecting the one-off items within ETEL.

Shareholders' funds increased by $9 million to $539 million.

Ratio of Consolidated Shareholders' Funds to Total Assets

The minimum target ratio of consolidated shareholders' funds to total assets is set at not less than 40%.

Target goal for 2026 – 45%.

Compliance: The minimum target ratio was achieved, and the target goal was slightly behind. The actual ratio was 45%.

Performance Targets

Unison's 2026 Statement of Corporate Intent sets targets for both financial and network performance.

Compliance: The Company did not achieve its financial earnings targets, reflecting the impact of one-off adjustments within the Products Division, though the total line business costs per consumer target was achieved, reflecting efficient management of network operating costs and contributing to affordability for consumers. Network performance targets were also achieved. On health and safety, there were no injuries related to critical risks and no public accidents resulting in serious harm; however, one public accident resulting in damage was recorded against a target of nil.

Statement of Corporate Intent	Targets 2026	Actual Results 2026
Financial Performance		
Earnings before interest, taxation, depreciation, amortisation and financial instruments as a percentage of average assets employed	9.6%	8.8%
Earnings before interest, taxation as a percentage of average assets employed	5.6%	4.8%
Total line operating costs per consumer	$474	$434
Network Performance		
SAIDI - System Average Interruption Duration Index (Minutes)	<65.95	55.98
SAIFI - System Average Interruption Frequency Index	<1.428	1.123
Health & Safety Performance		
Injuries related to critical risks	Nil	Nil
Number of Public Accidents – Serious Harm	Nil	Nil
Number of Public Accidents – Damage	Nil	1

Compliance with Other Matters

The Statement of Corporate Intent also details matters relating to the Company's scope of activities, dividend distributions, accounting policies, information to be provided to shareholders and administrative matters relating to procedures and communications with the Trust, as the sole shareholder. The Trustees consider that the Company has complied in all material respects with the Statement of Corporate Intent for the year ended 31 March 2026.

Summary

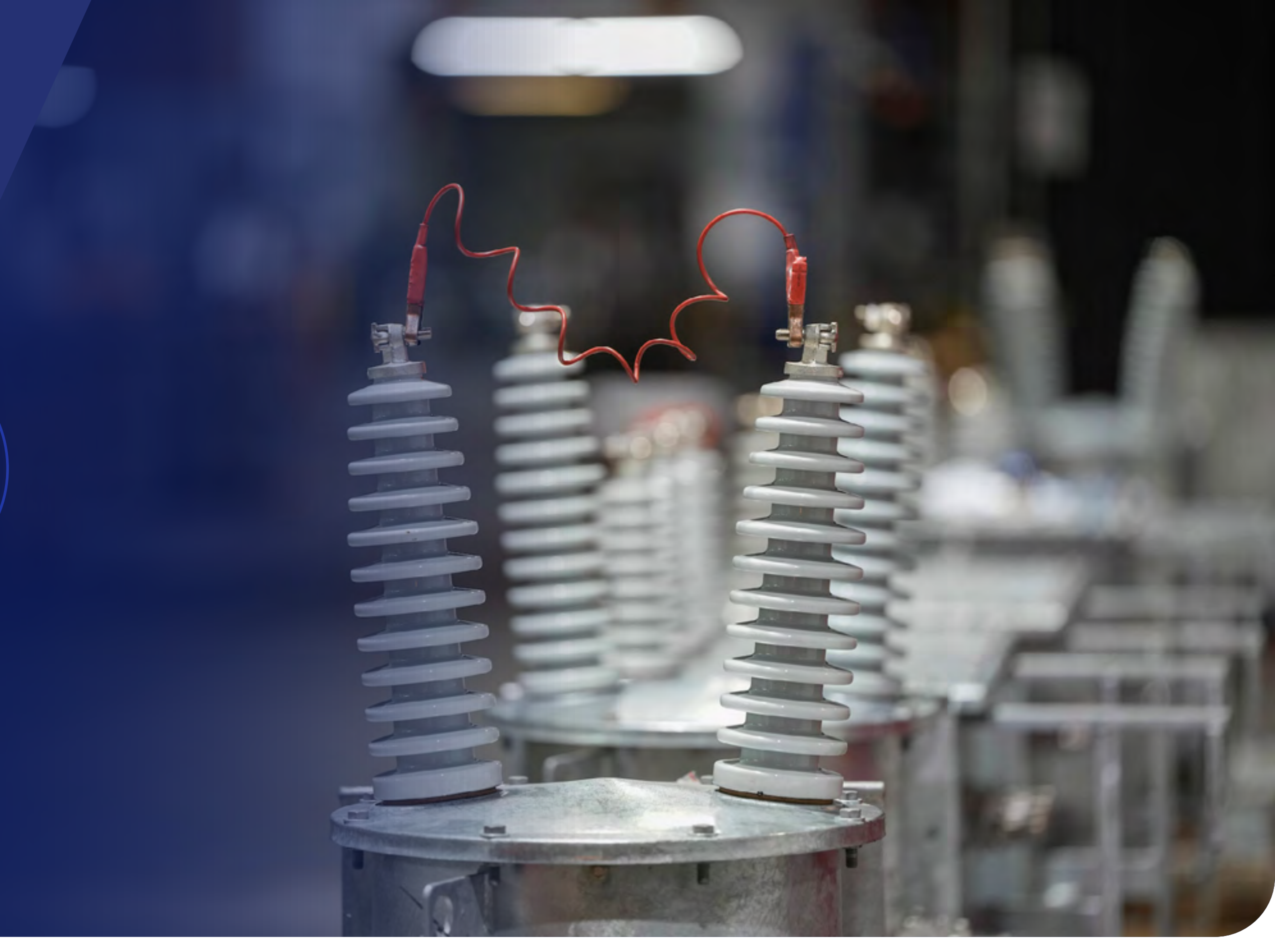
Overall, the Trustees consider the 2025-26 financial results to be disappointing, primarily as a result of one-off adjustments within the Products Division. The core electricity lines and Services businesses performed solidly, network performance targets were met, and health and safety outcomes were strong, with one minor exception. The Trustees note that actions are in place to support improved earnings performance in 2026/27.

Kirsten Westwood
Chair

On behalf of the Trustees – Barbara Arnott, David Pearson, Jeff Farnworth and Craig Waterhouse

FINANCIAL STATEMENTS

Ngā Tauaki Putea



Statement of performance

For the year ended 31 March 2026	Statement of Corporate Intent 2025/26 Targets	31 March 2026	31 March 2025
Safety performance			
Injuries related to critical risks[1]	Nil	**Nil**	1
Number of public accidents - Serious Harm[2]	Nil	**Nil**	Nil
Number of public accidents - Damage[3]	Nil	1	Nil
Operational performance			
Total Line Business Cost per Consumer[4]	$474	**$434**	$416
Network performance[5]			
Unplanned SAIDI - Unplanned System Average Interruption Duration Index[6]	< 65.95	**55.98**	54.45
Unplanned SAIFI - Unplanned System Average Interruption Frequency Index[7]	< 1.428	**1.123**	1.271
Group financial performance			
Earnings before interest, taxation, depreciation, amortisation and financial instruments as a percentage of average assets employed[8]	9.6%	**8.8%**	9.5%
Earnings before interest and taxation as a percentage of average assets employed[8]	5.6%	**4.8%**	5.6%
Profit as a percentage of average shareholders' funds[8]	5.5%	**4.1%**	5.9%
Ratio of shareholders' funds to total assets[8]	45%	**45%**	46%
Dividend target ($Millions)[9]	17.8	**17.8**	17.3

[1] Injuries related to Critical Risks - The number of class 2 or above injuries due to critical risks by employees related to the operation, construction, or failure of Unison Networks Limited assets. As defined under Unison's incident classification system. Class 2 (Serious Harm, Notifiable Injury).

[2] Number of Public Accidents – Serious Harm - The number of (serious harm) accidents sustained by the public directly related to the operation or failure of Unison Networks Limited assets.

[3] Number of Public Accidents – Damage - The number of serious property* damage incidents sustained by the public directly related to the operation or failure of Unison Networks Limited assets. *Property is as defined in NZS 7901:2014 (Public Safety Standard).

During planned electrical works in Hastings, an incorrectly installed wiring connection was identified shortly after completion and promptly rectified. No injuries occurred; however, the incident resulted in third-party property damage and was classified as a public safety event

[4] This represents the total operating costs of the Electrical Lines Business (which includes Unison Networks Limited and Unison Contracting Services Limited, excluding Unison Contracting Services Limited's margin and costs related to servicing customers other than Unison Networks Limited), but does not include the Transmission charges from Transpower New Zealand Limited.

Actual operating costs per ICP were $434 for the year, compared with a target of $474. This favourable variance primarily reflects regulated operating expenditure being approximately $5 million below forecast. The underspend was driven by factors including the deferral of certain IT projects and changes in cost allocation between regulated and unregulated activities.

[5] In 2025/26, Unison achieved both Statement of Corporate Intent (SCI) and regulatory reliability limits, with unplanned SAIDI and SAIFI remaining within target thresholds. Four SAIDI major events and two SAIFI major events were recorded, compared with none in 2024/25, largely driven by severe weather, particularly high winds. These conditions increased vegetation-related faults associated with the fall distance zone and extended restoration times, while network performance outside of major events remained stable.

An unplanned loss of supply event can, in some circumstances, be followed by restoration of supply to some consumers and then by a successive interruption as a result of isolating the initial cause or making repairs and completing the permanent restoration of supply to all consumers. Where this occurs, Unison's reported SAIFI records the initial outage and not any subsequent short duration outages required to affect the restoration of supply. Unison's reported SAIDI includes the consumer minutes from subsequent short duration outages required to affect the restoration of supply. This is consistent with prior periods.

The ADMS system that handles the capture of interruptions (the base information for all network reliability measures) can, in a small number of instances, record interruptions against records that are separate from the main outage records. These records go through a lesser degree of review and as such their categorisation is of lower quality. Processes are in place to automatically associate these records to the correct and reviewed outage record. In cases where this relation cannot be determined the categorisation is based on the information captured when the record is closed in the ADMS.

Customer outages, grouped together as incidents by the ADMS, are classified at that incident level. In the case of planned outages, the incident may be classified as planned even if not all customers have documented advertising records. That is, incidents only receive one classification and the interruptions within these incidents are not split between classifications. Some planned outages may receive a planned classification based on the originally recorded cause, but this may not be reflected in evidence capture – for example, outages advertised via direct-to-consumer letters do not have a definitive customer delivery date.

[6] Unplanned SAIDI - Unplanned System Average Interruption Duration Index – this represents the average number of minutes per annum that a customer was without power as a result of unplanned outages. Targets are based on normalised values, where SAIDI is adjusted to account for major events.

[7] Unplanned SAIFI - Unplanned System Average Interruption Frequency Index – this normalised value is based on the average number of interruptions per annum that a customer experiences as a result of unplanned outages. Targets are based on normalised values, where SAIFI is adjusted to account for major events outages.

[8] Profitability targets for the year ended 31 March 2026 were not achieved, primarily due to lower profitability in the Group's Products Division and the impact of one-off accounting adjustments, including inventory valuation and contractual provisioning updates.

[9] The dividend target is the dividend expected to be paid out during the financial year and hence relates to results from the previous financial year.

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 March 2026	Notes	2026 $'000	2025 $'000
Revenue			
Revenue from contracts with customers	3	368,361	358,263
Other income	4	5,063	13,040
Total revenue		**373,424**	**371,303**
Expenses			
Electricity transmission charges		(37,270)	(30,157)
Network maintenance		(17,414)	(16,640)
Raw materials and consumables used		(70,212)	(82,240)
Employee benefits expense		(75,704)	(70,357)
Other expenses		(68,237)	(63,564)
Total expenses		**(268,837)**	**(262,958)**
Earnings before interest, taxes, depreciation, amortisation and fair value movement of derivative financial instruments (EBITDAF)		**104,587**	**108,345**
Depreciation and amortisation expense	5,6	(47,866)	(44,497)
Gain/(loss) on disposal		364	(66)
Earnings before interest and tax (EBIT)		**57,085**	**63,782**
Borrowing costs	11	(25,344)	(25,040)
Operating profit before income tax expense		**31,741**	**38,742**
Change in fair value of derivative financial instruments		340	(596)
Profit before income tax expense		**32,081**	**38,146**
Income tax expense	15	(9,931)	(7,845)
Profit after income tax expense for the year		**22,150**	**30,301**

For the year ended 31 March 2026	Notes	2026 $'000	2025 $'000
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Gain/(loss) on revaluation of land and buildings, net of tax	5	-	(744)
Net change in the fair value of cash flow hedges taken to equity, net of tax		2,251	(4,654)
Foreign currency translation		2,421	1,689
Other comprehensive income for the year, net of tax		**4,672**	**(3,709)**
Total comprehensive income for the year		**26,822**	**26,592**
Profit for the year is attributable to:			
Non-controlling interest		(170)	(109)
Owners of Unison Networks Limited		22,320	30,410
Total Profit for the year		**22,150**	**30,301**
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(170)	(109)
Owners of Unison Networks Limited		26,992	26,701
Total comprehensive income for the year		**26,822**	**26,592**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Consolidated statement of financial position

As at 31 March 2026	Notes	2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	10	9,747	12,944
Trade and other receivables	8	57,802	60,612
Inventories	9	63,877	66,252
Investments		500	1,000
Derivative financial instruments	12	307	1,257
Current tax receivable	15	3,316	1,312
Total current assets		**135,549**	**143,377**
Non-current assets			
Property, plant and equipment	5	982,582	938,616
Intangibles	6	71,820	73,102
Investments		19,852	17,112
Derivative financial instruments	12	15,187	13,564
Total non-current assets		**1,089,441**	**1,042,394**
Total assets		**1,224,990**	**1,185,771**
Liabilities			
Current liabilities			
Trade and other payables		39,786	38,100
Borrowings	11	5,640	84,687
Employee benefits		12,992	11,768
Derivative financial instruments	12	1,869	1,839
Deferred income		15,245	12,331
Lease liabilities	7	5,885	4,997
Deferred Consideration		2,626	3,789
Total current liabilities		**84,043**	**157,511**

As at 31 March 2026	Notes	2026 $'000	2025 $'000
Non-current liabilities			
Borrowings	11	452,073	351,727
Lease liabilities	7	30,780	29,977
Derivative financial instruments	12	2,334	5,488
Deferred tax	15	115,699	108,091
Employee benefits		1,247	1,487
Deferred consideration		-	1,728
Total non-current liabilities		**602,133**	**498,498**
Total liabilities		**686,176**	**656,009**
Net assets		**538,814**	**529,762**
Equity			
Issued capital	16	66,661	66,661
Reserves		15,093	11,999
Retained profits		**457,400**	**451,223**
Equity attributable to the owners of Unison Networks Limited		539,154	529,883
Non-controlling interest		(340)	(121)
Total equity		**538,814**	**529,762**

For and on behalf of the Board of Directors of Unison Networks Limited, who authorised these consolidated financial statements for issue on 25 June 2026.

Director

Director

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Consolidated statement of cash flows

For the year ended 31 March 2026	Notes	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers		374,831	355,552
Payments to suppliers and employees		(262,909)	(246,025)
Interest paid		(26,982)	(24,040)
Interest received		770	626
Income taxes paid		(5,546)	(6,475)
Insurance proceeds received		2,200	-
Net cash from operating activities		**82,364**	**79,638**
Cash flows from investing activities			
Payments for property, plant and equipment	5	(78,530)	(90,694)
Payments for intangibles	6	(1,510)	(3,079)
Payments for investments		(5,189)	(5,145)
Proceeds from disposal of investments		4,296	4,258
Proceeds from disposal of property, plant and equipment		302	488
Deferred consideration settled		(3,153)	-
Net cash used in investing activities		**(83,784)**	**(94,172)**
Cash flows from financing activities			
Proceeds from borrowings		20,000	41,000
Dividends paid	17	(17,770)	(17,250)
Repayment of principal portion of lease liabilities		(4,960)	(4,808)
Net cash from/(used in) financing activities		**(2,730)**	**18,942**
Net increase/(decrease) in cash and cash equivalents		(4,150)	4,408
Cash and cash equivalents at the beginning of the financial year		8,257	3,849
Cash and cash equivalents at the end of the financial year	**10**	**4,107**	**8,257**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Reconciliation of profit after income tax to net cash inflow from operating activities

For the year ended 31 March 2026	2026 $'000	2025 $'000
Profit for the year	**22,150**	**30,301**
Adjustments for:		
Depreciation and amortisation	47,866	44,497
Net (gain)/loss on sale of property, plant and equipment and disposal of subsidiary	(364)	66
Fair value movement (gain)/loss in investments	(1,347)	(474)
Present value adjustment to deferred consideration via borrowing costs	(262)	831
Capitalised interest	(1,712)	(2,669)
Fair value movement in profit and loss - land and buildings revaluation	-	171
Change in fair value of derivative financial instruments	(340)	596
Change in assets and liabilities:		
(Increase)/decrease in receivables, prepayments and inventory	5,185	18,356
Increase/(decrease) in payables (excluding capital items), accruals and employee entitlements	5,584	(10,642)
Increase/(Decrease) in income taxes payable/receivable	(2,004)	(1,825)
Increase in deferred tax liabilities	7,608	430
Net cash inflow/(outflow) from operating activities	**82,364**	**79,638**

Consolidated statement of changes in equity

For the Year Ended 31 March 2026	Issued capital $'000	Retained earnings $'000	Foreign currency translation reserves $'000	Asset revaluation reserve $'000	Other reserves $'000	Non-controlling interest $'000	Total $'000
Balance as at 1 April 2024	**66,661**	**437,522**	**(310)**	**17,318**	**(655)**	**(116)**	**520,420**
Profit/(loss) after income tax expense for the year	-	30,410	-	-	-	(109)	30,301
Other comprehensive income for the year, net of tax	-	542	1,043	(744)	(4,654)	104	(3,709)
Total comprehensive income for the year	**-**	**30,952**	**1,043**	**(744)**	**(4,654)**	**(5)**	**26,592**
Transactions with owners in their capacity as owners: Dividends paid (note 17)	-	(17,250)	-	-	-	-	(17,250)
Balance as at 31 March 2025	**66,661**	**451,224**	**733**	**16,574**	**(5,309)**	**(121)**	**529,762**
Balance as at 1 April 2025	**66,661**	**451,224**	**733**	**16,574**	**(5,309)**	**(121)**	**529,762**
Profit/(loss) after income tax expense for the year	-	22,320	-	-	-	(170)	22,150
Other comprehensive income for the year, net of tax	-	1,626	844	-	2,251	(49)	4,672
Total comprehensive income for the year	**-**	**23,946**	**844**	**-**	**2,251**	**(219)**	**26,822**
Transactions with owners in their capacity as owners: Dividends paid (note 17)	-	(17,770)	-	-	-	-	(17,770)
Balance as at 31 March 2026	**66,661**	**457,400**	**1,577**	**16,574**	**(3,058)**	**(340)**	**538,814**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Notes to the Consolidated Financial Statements

1 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Basis of preparation

Statutory base

Unison Networks Limited is a company registered under the Companies Act 1993.

Statement of compliance

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP') and the requirements of the Companies Act 1993, the Financial Reporting Act 2013, and the Energy Companies Act 1992. They comply with New Zealand equivalents to IFRS Accounting Standards ('NZ IFRS') and other applicable Financial Reporting Standards, as appropriate for for-profit oriented entities.

These general purpose financial statements have been prepared in accordance with IFRS Accounting Standards, as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements are prepared under the historical cost convention, except where assets or liabilities are measured at fair value, including derivative financial instruments, selected financial instruments, and land and buildings.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Unison Networks Limited ('parent entity') as at 31 March 2026 and the results of all subsidiaries for the year then ended. Unison Networks Limited and its subsidiaries together are referred to in these financial statements as the 'Group'. Refer note 2 'Interests in subsidiaries'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when it has the power to direct its activities and is exposed to returns from its involvement with that entity.

Subsidiaries are fully consolidated from the date control is obtained and de-consolidated from the date control ceases. Intercompany balances and transactions are eliminated on consolidation. Non-controlling interests are presented separately in equity and in the statement of profit or loss and other comprehensive income. Changes in ownership interests that do not result in a loss of control are accounted for as equity transactions.

Foreign currency translation

The financial statements are presented in New Zealand dollars, which is Unison Networks Limited's functional and presentation currency.

Foreign currency transactions are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The assets and liabilities of foreign operations are translated into New Zealand dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into New Zealand dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST')

All items in the financial statements have been prepared net of GST, with the exception of receivables and payables, which include GST invoiced.

Rounding of amounts

Amounts in this report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the External Reporting Board ('XRB') that are mandatory for the current reporting period.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

NZ IFRS 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces NZ IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained. There will be no impact on the recognition and measurement of items in the financial statements.

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.

There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation, amortisation and derivative financial instruments ('EBITDAF') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Group will adopt this standard from 1 April 2027.

IFRS 20 Regulatory Assets and Regulatory Liabilities

The IASB issued IFRS 20 Regulatory Assets and Regulatory Liabilities on 27 May 2026. The standard is effective for annual reporting periods beginning on or after 1 January 2029.

The XRB has not yet adopted an equivalent New Zealand standard. If an equivalent standard is issued, the Group will apply it in accordance with the effective date determined by the XRB. The Group is yet to assess the impact of IFRS 20 on its financial statements.

Critical judgements and estimations in applying accounting policies

In preparing these consolidated financial statements, the Directors have made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are based on historical experience and other relevant factors and are reviewed on an ongoing basis.

The areas involving significant judgement, and key sources of estimation uncertainty where applicable, that could result in a material adjustment.

Impairment of goodwill and intangible assets

Judgement is applied in identifying cash-generating units and estimating recoverable amounts, which are sensitive to assumptions such as forecast cash flows, discount rates and long-term growth rates (refer note 5 and note 6).

Inventory obsolescence provisioning

Judgement is applied in assessing net realisable value, having regard to inventory ageing, usage patterns and future operational requirements (refer note 9).

Financial instruments and hedge accounting

The valuation of derivatives and assessment of hedge effectiveness require judgement and the use of valuation techniques with observable and unobservable inputs (refer note 12 and note 13).

2 INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
Name of entity	Country of incorporation	2026 %	2025 %
Unison Contracting Services Limited	New Zealand	100	100
Unison Insurance Limited	New Zealand	100	100
Pringle Beleski and Associates Limited	New Zealand	100	100
- Pringle Beleski and Associates (Australia) Pty Limited	Australia	100	100
- PBA Consulting Limited	New Zealand	100	100
- Magnetic Power Services Australia Pty Limited	Australia	100	100
- Magnetic Training and Consultancy Pty Limited	Australia	100	100
- Magnetic Training and Consultancy Unit Trust	Australia	100	100
ETEL Limited	New Zealand	100	100
- ETEL Transformers Pty Limited	Australia	100	100
- ETEL Transformers (Singapore) Pte Limited	Singapore	100	100
- ETEL Services Limited	New Zealand	100	100
- Pt Lucky Light Globalindo	Indonesia	90	90
Unison Energy Limited	New Zealand	100	100
- RPS Switchgear Limited	New Zealand	100	100
- RPS Switchgear Pty Limited	Australia	100	100
- Kirkwall Holdings SA Pty Limited	South Africa	100	100

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is disaggregated by major product and service lines.

	2026 $'000	2025 $'000
Electricity line revenue	181,013	147,773
Capital contributions	18,881	18,788
Sale of manufactured goods	85,064	129,430
Electrical contracting services	76,427	55,652
All other revenue	6,976	6,620
Revenue from contracts with customers	**368,361**	**358,263**

Accounting policy for revenue recognition

Electricity line revenue

Line revenue relates to the provision of electricity distribution services and includes pass-through revenue and recoverable cost revenue. Prices are regulated, and customers are charged through a mix of fixed charges which are recognised on a straight line basis and variable charges which are recognised based on the volume of distribution services provided. Consistent with NZ IFRS 15 this revenue is recognised over time at the fair value of services provided based on an output method as the service is delivered to match the pattern of consumption. Pass through and recoverable costs include transmission costs, statutory levies and utility rates.

Capital contributions

Customer contribution revenue relates to contributions received from customers towards the construction of electricity distribution assets, including new subdivisions, uneconomic lines and network relocations.

Capital contributions are recognised as revenue over time, based on the percentage completion of the underlying construction activity, where the asset being constructed has no alternative use and the Group has an enforceable right to payment for work performed.

Sale of manufactured goods

The Group manufactures and sells a range of electricity distribution transformers and switchgear. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Electrical contracting services

The Group provides electrical contracting services to third parties. Revenue is recognised as the fair value of the service provided or asset being constructed. Where an asset is being constructed for a third party, revenue is recognised over time as a result of control of the asset transferring to the customer over time. Revenue is recognised using the measure of progress that best reflects the performance in satisfying the performance obligations within the contract over time. Progress is measured using the inputs method, whereby costs incurred to date are compared to the estimated total project costs to determine the percentage complete and therefore the revenue recognised.

Connection fee revenue is recognised at a point in time when the performance obligation is satisfied.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established. Other revenue mainly comprises sales of purchased inventory to third parties, scrap sales and managed services revenue.

Regulated revenue compared to maximum allowable revenue

Actual regulated revenue for the 2025–26 period was $181.7m (unaudited), compared to allowable revenue of $188.5m, resulting in an under-recovery of $6.8m based on actual revenue earned less allowable revenue.

This under-recovery is expected to be recovered through prices in the 2027–28 pricing year, subject to finalisation of the regulatory wash-up.

4 OTHER INCOME

	2026 $'000	2025 $'000
Investment income	1,767	759
Subsidies and grants	31	25
Insurance recoveries	2,177	10,915
Recovery of debt previously written off	17	20
Other services income	358	551
Interest received	713	770
Other income	**5,063**	**13,040**

Insurance recoveries

The Group has continued to work with its underwriters on the ongoing material damage and business interruption insurance claim in relation to Cyclone Gabrielle, with support from independent assessors and third-party engineers.

The Group received $15m of cash progress payments in the year ending 31 March 2024. An initial $4.1m was recognised in the year ending 31 March 2024 and a further $10.9m was recognised in the year ending 31 March 2025.

In November 2025, a final settlement of $17.2m was confirmed by the insurer and the additional $2.2m was recognised as insurance recovery income in the year ended 31 March 2026.

5 PROPERTY, PLANT AND EQUIPMENT

Reconciliations

Reconciliations of the net book value of property, plant and equipment at the beginning and end of the current and previous financial year are set out below:

	Electricity Distribution Network $'000	ROU Building Assets $'000	Land & Buildings $'000	Other Assets $'000	Assets Under Construction* $'000	Total $'000
Balance at 1 April 2024	**739,660**	**23,019**	**29,251**	**44,979**	**50,937**	**887,846**
Additions	83,846	1,118	788	13,033	(807)	97,978
Disposals	(1,122)	(37)	-	(2,894)	-	(4,053)
Revaluation	-	-	(1,450)	-	-	(1,450)
Depreciation expense	(26,187)	(4,355)	(814)	(10,349)	-	(41,705)
Balance at 31 March 2025	**796,197**	**19,745**	**27,775**	**44,769**	**50,130**	**938,616**
Additions	91,090	7,597	389	12,874	(21,442)	90,508
Disposals	(59)	-	(23)	(2,053)	-	(2,135)
Depreciation expense	(27,808)	(4,883)	(652)	(11,064)	-	(44,407)
Balance at 31 March 2026	**859,420**	**22,459**	**27,489**	**44,526**	**28,688**	**982,582**

As at 31 March 2025	Electricity Distribution Network $'000	ROU Building Assets $'000	Land & Buildings $'000	Other Assets $'000	Assets Under Construction* $'000	Total $'000
Cost	1,171,332	39,264	27,938	133,011	50,130	1,421,675
Accumulated depreciation	(375,135)	(19,519)	(163)	(88,242)	-	(483,059)
Closing net book value	**796,197**	**19,745**	**27,775**	**44,769**	**50,130**	**938,616**
As at 31 March 2026						
Cost	1,261,565	45,802	28,327	142,723	28,688	1,507,105
Accumulated depreciation	(402,145)	(23,343)	(838)	(98,197)	-	(524,523)
Closing net book value	**859,420**	**22,459**	**27,489**	**44,526**	**28,688**	**982,582**

** Assets under construction includes $688,000 (31 March 2025: $62,000) of intangible work in progress.*

Valuations of land and buildings

The basis of the valuation of land and buildings is fair value.

Land and buildings at Omahu Road, Hastings and Fleet Street, Taupō were independently valued by registered valuer CBRE Ltd, as at 31 March 2025.

Land and buildings are measured at fair value using observable market data, such as rental yields and sales of comparable properties. These valuations are classified as Level 2 under the NZ IFRS fair value hierarchy. Details of the Group's fair value hierarchy are set out in note 14 'Fair value measurement'.

Level 2 fair values of land, office buildings, workshops and warehouse facilities have been derived using the rental capitalisation approach. Market rental and sales data of comparable land and buildings in close proximity are adjusted for differences in key attributes such as building quality, tenant strength (if sold under a sale and leaseback arrangement), and other market factors. The most significant inputs into this valuation approach are price per square metre, and yield.

Land and buildings stated under the historical cost convention

If land and buildings were stated under the historical cost convention, the amounts would be as follows:

	2026 $'000	2025 $'000
Land and buildings - at cost	16,200	15,865
Less: Accumulated depreciation	(6,377)	(5,734)
Net book amount	**9,823**	**10,131**

Accounting policy for property, plant and equipment

Assets carried at historical cost

The electrical distribution network and other assets are recognised at historical cost less depreciation and impairment. Subsequent additions are recognised at cost and are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Routine repairs and maintenance are expensed as incurred.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Right-of-use assets

A right-of-use asset represents the Group's right to use an underlying leased asset for the lease term. Right-of-use assets are initially measured at cost and subsequently depreciated over the shorter of the lease term or the useful life of the asset. Short-term leases and leases of low-value assets are expensed as incurred. Refer note 7 'Lease liabilities'.

Presentation and materiality

Right-of-use assets arising from lease arrangements are recognised within property, plant and equipment and are predominantly classified within building-related asset classes. Depreciation of right-of-use assets is included within depreciation expense disclosed in note 5. The Group's lease portfolio primarily comprises long-term property leases with limited variability or judgement. Accordingly, right-of-use assets and related movements are not considered material as a separate class of assets and are held within property, plant and equipment.

Assets carried at fair value

Land and buildings are stated at fair value based on periodic, but at least five yearly, valuations determined by an independent registered valuation company, and are adjusted for additions at cost and depreciation at appropriate rates.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amounts arising on revaluation of land and buildings are credited to other reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is recognised in profit or loss, otherwise the increase is recognised in other comprehensive income. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to profit or loss.

Assets carried at fair value are assessed annually to ensure there is no material difference between the carrying value and fair value.

Self-constructed assets

The cost of self-constructed assets includes the cost of all materials used on construction, direct labour on the project, costs of obtaining Resource Management Act consents, financing costs that are directly attributable to the project and an appropriate proportion of variable and fixed overhead. Costs cease to be capitalised as soon as the assets are ready for productive use and do not include any inefficiency costs.

Assets under construction

The cost of assets under construction includes direct materials, labour, an allocation of overheads that directly relate to the work performed, and financing costs that are directly attributable to the project.

Disposal of Property, Plant and Equipment

When an item of property, plant or equipment is disposed of, any gain or loss is recognised in the profit or loss and is calculated as the difference between the sale price and the carrying value of the asset. On disposal of an item of property, plant or equipment, any revaluation surplus in respect of that asset is transferred to retained earnings.

Impairment of property, plant and equipment

The carrying amounts of the Group's property, plant and equipment are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of assets is estimated to determine the extent of any impairment loss. The recoverable amount is the higher of an asset's net selling price and value in use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income except impairment losses on revalued assets which are first taken to the revaluation reserve if there is a surplus in respect of that asset.

An assessment was carried out which concluded that there were no impairment indicators for the Unison Electricity Distribution Network, Unison Contracting and Unison Insurance.

Depreciation method and useful lives

The Group uses judgement to determine the useful lives of assets, as detailed below:

(i) Electrical Distribution Networks

Assessing the appropriateness of useful life and residual value estimates of network assets requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset, technological advances, regulation and expected disposal proceeds from the future sale of the asset.

(ii) Buildings

The estimated useful lives of buildings are determined by an independent registered valuation company when assessing the periodic valuation of land and buildings.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Asset class	Useful lives
Buildings	7-80 years
Plant and equipment	3-25 years
Electricity distribution network	5-80 years
Furniture and fittings	2-60 years
Motor vehicles	3-10 years
Information technology hardware	2-10 years
Leasehold improvements	5-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

6 INTANGIBLES

Reconciliations

Reconciliations of the intangible values at the beginning and end of the current and previous financial year are set out below:

	Goodwill $'000	Computer Software $'000	Other Intangible Assets $'000	Total $'000
Balance at 1 April 2024	**56,474**	**10,700**	**5,641**	**72,815**
Additions	-	2,904	184	**3,088**
Adjustments to opening balance *	(1,178)	-	1,072	**(106)**
Disposals	-	(30)	(60)	**(90)**
Exchange differences	187	-	-	**187**
Amortisation expense	-	(2,276)	(516)	**(2,792)**
Net book value at 31 March 2025	**55,483**	**11,298**	**6,321**	**73,102**
Additions	-	1,182	476	**1,658**
Disposals	-	(25)	-	**(25)**
Exchange differences	544	-	-	**544**
Amortisation expense	-	(2,906)	(553)	**(3,459)**
Net book value at 31 March 2026	**56,027**	**9,549**	**6,244**	**71,820**

	Goodwill $'000	Computer Software $'000	Other Intangible Assets $'000	Total $'000
As at 31 March 2025				
Cost	131,371	33,580	7,432	**172,383**
Accumulated amortisation	(75,888)	(22,282)	(1,111)	**(99,281)**
Closing net book value	**55,483**	**11,298**	**6,321**	**73,102**
As at 31 March 2026				
Cost	131,915	34,585	7,948	**174,448**
Accumulated amortisation	(75,888)	(25,036)	(1,704)	**(102,628)**
Closing net book value	**56,027**	**9,549**	**6,244**	**71,820**

* The adjustments to Goodwill and Other Intangible Assets reflect the finalised purchase price allocation for the acquisition of 100% of Magnetic Training and Consultancy Unit Trust and its corporate trustee Magnetic Training and Consultancy Pty Limited (together 'Magnetic'), by the Company's subsidiary; Pringle Beleski and Associates Limited ('PBA').

** Assets under construction in the Property, Plant and Equipment notes include $688,000 (31 March 2025: $62,000) of intangible work in progress, refer note 5.

Accounting policy for intangible assets

Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the net identifiable assets acquired in a business combination. Goodwill is not amortised and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it may be impaired.

Impairment losses recognised in respect of goodwill are not reversed.

Computer software

Computer software is initially recognised at cost. Computer software has a finite useful life and is subsequently measured at cost less accumulated amortisation and impairment.

Amortisation is recognised on a systematic basis over the asset's estimated useful life. The useful lives and amortisation method are reviewed annually, and changes are accounted for prospectively.

Other intangible assets

Other intangible assets include brand, customer relationship assets and land easements. Brand and customer relationship assets acquired as part of a business combination, are initially measured at their fair value at the acquisition date.

Intangible assets acquired separately are initially recognised at cost.

Indefinite-life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite-life intangible assets are subsequently measured at cost less accumulated amortisation and impairment.

Derecognition

The gain or loss arising on derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

Goodwill

Allocation of Goodwill

At 31 March 2026, Goodwill was allocated to the following cash-generating units (CGUs):

CGU	2026 $ Million	2025 $ Million
ETEL Limited (ETEL)	**28.3**	28.3
ETEL Services (ESL)	**0.6**	0.6
Unison Networks - Taupo/Rotorua Network	**14.0**	14.0
Pringle Beleski & Associates (PBA)	**6.1**	6.1
Magnetic Power Services Australia Pty Limited (Magnetic)	**7.0**	6.4
Total goodwill allocated by CGU	**56.0**	**55.4**

Impairment testing methodology

The recoverable amount of each CGU was determined using value-in-use calculations, based on discounted cash flow projections derived from approved budgets and strategic plans.

Cash flow forecasts generally cover a five-year period. For regulated electricity distribution network CGUs, longer forecast periods were applied where considered appropriate to reflect the long-term nature of the assets.

Impairment tests were performed at 31 March 2026 in accordance with the accounting policy.

Key assumptions and inputs

The key assumptions used in determining the recoverable amount of each CGU include forecast revenue and operating margins, discount rates, and terminal growth rates.

Discount rates applied were post-tax rates reflecting current market assessments of the time value of money and CGU-specific risks. The assumptions applied are consistent with those used in the prior year, except where updated to reflect current market conditions.

The principal assumptions and value-in-use model inputs applied for each CGU are summarised to the right:

CGU	Post-tax discount rate	Revenue assumptions	Operating expenditure and capital expenditure inputs
ETEL	**11.2%**	Cumulative average sales growth rate per year assumed for the next five years (2027 to 2031) is 5.6%.	Approved operating and capital expenditure forecasts in the 5 year business plan, with planned capex of $2.5m in FY27.
ETEL Services	**14.9%**	Compound annual growth rate for sales of ~3.7% per annum based on approved 5-year business plan.	Approved operating and capital expenditure forecasts in the 5 year business plan, with planned capex of $0.7m in FY27.
Taupo/Rotorua Network	**6.0%**	Distribution revenue based on Unison's FY27 budget and forecast allowable revenue modelling based on the Commerce Commission's building blocks revenue determination methodology.	Unison's FY27 budget and 2026 Regulatory Asset Management Plan.
PBA	**14.9%**	Compound annual growth rate~4.8% based on approved 5-year business plan.	Approved operating and capital expenditure forecasts in the 5 year business plan, with planned capex of $1.0m in FY27.
Magnetic	**14.0%**	Compound annual growth rate for sales of ~4.0% per annum based on approved 5-year business plan.	Approved operating and capital expenditure forecasts in the 5 year business plan, with planned capex of $0.7m in FY27.

Impairment outcome

No impairment loss was recognised for any CGU during the year ended 31 March 2026.

The Directors believe that no reasonably possible change in the key assumptions used in the impairment assessments would cause the carrying amount of any CGU to exceed its recoverable amount.

Prior-year purchase price allocation adjustment

During the year ended 31 March 2025, the acquisition accounting for the purchase of Magnetic was finalised. This resulted in an adjustment to the purchase price allocation and a corresponding reduction in recognised Goodwill of $1.1 million.

7 LEASE LIABILITIES

The statement of financial position shows the following amounts relating to leases:

	2026 $'000	2025 $'000
Current liabilities		
Lease liability	5,885	4,997
Non-current liabilities		
Lease liability	30,780	29,977
Total lease liabilities	**36,665**	**34,974**

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The table below sets out Right-of-use assets by class of asset as disclosed in note 5 'Property, plant and equipment'.

As at 31 March 2026	Notes	2026 $'000	2025 $'000
Right-of-use assets*			
ROU Buildings	5	22,459	19,745
Substation Direct Fibre Access - Electrical distribution network	5	9,681	10,690
Total Right-of-use assets		**32,140**	**30,435**

* included in the line item 'Property, plant and equipment' in the statement of financial position.

The statement of profit or loss shows the following amounts relating to leases:

	2026 $'000	2025 $'000
Buildings depreciation	4,883	4,355
Substation Direct Fibre Access (Electrical distribution network) depreciation	567	567
Total lease depreciation	**5,450**	**4,922**
Interest expense (included in borowing cost)	1,856	1,867
Expenses relating to low-value assets and short-term leases (included in other expenses)	346	443
Total lease amounts recognised in borrowing costs and other expenses	**2,202**	**2,310**

Refer to note 13 for further information on financial risk management.

8 TRADE AND OTHER RECEIVABLES

	2026 $'000	2025 $'000
Trade receivables	40,582	41,681
Other receivables	9,055	11,283
Less: Allowance for expected credit losses	(1,079)	(666)
	48,558	**52,298**
Prepayments	4,718	3,803
Related party receivable	447	375
Interest receivable	4,079	4,136
Total trade and other receivables	**57,802**	**60,612**

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. Refer to note 13 'Financial Risk Management' for assessment of credit risk.

The Group applies the simplified approach to measuring expected credit losses. Expected credit losses are measured using a combination of portfolio-based assessment by ageing category, and specific assessment of individual debtors where credit risk is identified. Bad debt expense recognised in the period is included within other expenses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

9 INVENTORIES

	2026 $'000	2025 $'000
Raw materials	30,075	29,790
Work in progress	8,932	9,060
Finished goods	27,448	21,643
Electrical inventories	8,711	7,284
Less: Provision for obsolesence	(11,289)	(1,525)
Total inventories	**63,877**	**66,252**

Provision for obsolescence

Inventories are assessed at each reporting date for obsolescence and measured at the lower of cost and net realisable value. In the year ended 31 March 2026, the increased provision primarily relates to aged inventory holdings, including raw materials, work in progress and finished goods assessed as obsolete or not recoverable at cost.

The Directors consider the provision recognised at balance date to be appropriate based on conditions existing at 31 March 2026.

Accounting policy for inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost consists of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. The cost of purchased electrical related inventory is determined using the average cost method.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

10 CASH AND CASH EQUIVALENTS

	2026 $'000	2025 $'000
Current assets		
Cash at bank	9,747	12,944

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2026	2025
Balances as above	9,747	12,944
Bank overdraft * (note 11)	(5,640)	(4,687)
Balance as per statement of cash flows	**4,107**	**8,257**

Accounting policy for cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Changes in liabilities arising from financing activities

The table below details changes in the Group's interest-bearing borrowings and related hedge adjustments, arising from financing activities, including both cash and non-cash movements, in accordance with NZ IAS 7.

	1/04/2025 $'000	Financing cash flows $'000	Fair value adjustments $'000	Foreign currency movement $'000	31/03/2026 $'000
Bank loans and USPP Notes	416,953	20,000	-	-	**436,953**
USPP Notes - Fair Value and Foreign Currency movement	14,774	-	(1,513)	1,859	**15,120**
Interest rate swaps fair value hedging or economically hedging financing liabilities	5,875	-	(3,367)	-	**2,508**
	437,602	**20,000**	**(4,880)**	**1,859**	**454,581**

11 BORROWINGS

	2026 $'000	2025 $'000
Current liabilities		
Bank overdraft *	5,640	4,687
Bank loans - maturing within 1 year	-	80,000
Total current borrowings	**5,640**	**84,687**
Non-current liabilities		
Bank loans - maturing between 1 and 5 years	238,000	138,000
US Private Placement (USPP) notes - at amortised cost	198,953	198,953
Foreign currency movement - US Private Placement (USPP) notes	25,493	27,006
Fair value movement - US Private Placement (USPP) notes	(10,373)	(12,232)
Total non-current borrowings	**452,073**	**351,727**
Total interest bearing liabilities	**457,713**	**436,414**

* In the current year, bank overdrafts are disclosed within the borrowings line item and associated borrowings note. In the prior year, the comparable amount of $4,687,000 was presented as a standalone line item in the Statement of Financial Position with a separate note disclosure. This represents a change in presentation only.

Borrowings are a combination of:

(i) Bank Loans

The Group utilises multi tranche revolving debt bank facilities totalling $375 million (31 March 2025: $280 million) with maturities between 15 months and 4.5 years (31 March 2025: between 1 month and 2.7 years). Interest rates for all bank loans are floating based on the bank bill rate plus a margin.

(ii) US Private Placement (USPP) notes (also referred to as US Senior Notes)

The tranches of USPP notes and the corresponding NZD values are shown below:

Series	Date issued	NZ $M	US $M	Date of maturity
Series C	October 2021	99.1	70.0	October 2031
Series D	October 2023	99.8	59.0	October 2033
		198.9	**129.0**	

(iii) Bank overdrafts

The Group has a $9m facility available on the New Zealand dollar transaction bank account. The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Hedging Arrangements – USPP Notes

The Group uses cross-currency interest rate swaps to hedge both the foreign currency and interest rate risks associated with the USPP notes. The accounting treatment and financial statement impact of these hedging relationships are disclosed in note 12 'Derivative financial instruments' and note 13 'Financial Risk Management'.

Refinancing

During the year ended 31 March 2026 the Group refinanced its bank facilities, increasing the combined facility limit from $280 million to $375 million, and extending the maturity date of the facilities.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	2026 $'000	2025 $'000
Total facilities		
Bank overdraft	9,000	7,000
Bank loans	375,000	280,000
Total facilities	**384,000**	**287,000**
Used at the reporting date		
Bank overdraft	5,640	4,736
Bank loans	238,000	218,000
Total drawn at reporting date	**243,640**	**222,736**
Unused at the reporting date		
Bank overdraft	3,360	2,264
Bank loans	137,000	62,000
Total undrawn facilities	**140,360**	**64,264**

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have an average maturity of 3.1 years (2025: 1.5 years).

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group Treasury. Group Treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with Group Treasury policies and, if applicable, external regulatory or legal requirements – for example, currency restrictions.

Covenants

All borrowings are unsecured and are subject to a negative pledge and cross guarantee. Under the terms of its borrowing arrangements, the Group is subject to various lending covenants. The key covenants include interest coverage and gearing ratios. The Group was in compliance with all covenant requirements for the current and prior financial periods.

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Borrowings are recognised initially at the fair value of the drawn facility amount (net of any transaction costs paid) and are subsequently held at amortised cost using the effective interest method.

Any borrowings which have been designated as hedged items are carried at amortised cost plus a fair value adjustment under hedge accounting requirements.

Any borrowings denominated in foreign currency are retranslated to functional currency at each reporting date. Any translation effect is included in the "Foreign currency movement - US Private Placement (USPP) notes" row in the table, along with any amounts relating to fair value hedge adjustments. The Group uses cross-currency interest rate swaps (CCIRS) to manage its exposure to interest rates and borrowings sourced in foreign currency.

Information on the Group's management of interest rate and foreign currency risks, including contractual undiscounted maturity analyses of borrowings and related derivative instruments, and sensitivity analyses, is disclosed in note 13 'Financial Risk Management'.

Borrowing costs

Accounting policy

General and specific borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

The Group's policy is that an asset qualifies when the cost of construction is greater than $500,000 and the construction period is longer than six months. Capitalised borrowing costs are calculated using an effective yearly interest rate of 5.77% (31 March 2025: 6.07%).

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

	2026 $'000	**2025 $'000**
Interest and finance charged paid/payable	25,200	25,842
Lease interest expense	1,856	1,867
Capitalised interest	(1,712)	(2,669)
Total borrowing costs	**25,344**	**25,040**

12 DERIVATIVE FINANCIAL INSTRUMENTS

	2026 $'000	2025 $'000
Current assets		
Foreign currency forward contracts - hedged	307	1,257
Total Current derivative financial instrument assets	**307**	**1,257**
Non-current assets		
Interest rate swap contracts - cash flow hedges	2,080	261
Cross currency interest rate swaps - fair value/cash flow hedged	13,107	13,303
Total Non-current derivative financial instrument assets	**15,187**	**13,564**
Current liabilities		
Foreign currency forward contracts - hedged	(1,695)	(1,404)
Interest rate swaps - hedged	(174)	(388)
Interest rate swaps - unhedged	-	(47)
Total Current derivative financial instrument liabilities	**(1,869)**	**(1,839)**
Non-current liabilities		
Interest rate swaps - hedged	(2,334)	(5,488)
Total Non-current derivative financial instrument liabilities	**(2,334)**	**(5,488)**
Net derivative financial instrument asset/(liability)	**11,291**	**7,494**

Refer to note 13 for further information on financial risk management.

Refer to note 14 for further information on fair value measurement.

Instruments used by the Group

The derivatives disclosed in this note are primarily used to hedge risks arising from the Group's borrowings (refer note 11 'Borrowings') and forecast foreign currency transactions. Hedge accounting is applied where the relevant NZ IFRS 9 criteria are met.

The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and, as a current asset or liability, if the maturity of the hedged item is less than 12 months.

Forward foreign exchange contracts

The Group enters into forward foreign exchange contracts to hedge highly probable forecast transactions and recognised monetary items denominated in foreign currencies. These contracts are primarily used to manage foreign currency exposures arising from the Group's procurement of goods in foreign currency.

The notional principal amount of outstanding forward foreign exchange contracts at 31 March 2026 was $22 million (31 March 2025: $33 million).

Interest rate swaps

The Group holds interest rate swaps designated as cash flow hedges to manage variability in cash flows arising from floating-rate borrowings.

At 31 March 2026, the Group had outstanding interest rate swap contracts with a notional principal value of $411 million (31 March 2025: $346 million). Fixed interest rates on these swaps ranged from 2.94% to 4.65% (31 March 2025: 3.52% to 5.31%), excluding margins.

Cross currency interest rate swap ('CCIRS')

Cross-currency interest rate swaps are used to convert US dollar-denominated US Private Placement (USPP) notes into floating-rate New Zealand dollar obligations. These swaps form part of the Group's core funding structure rather than being entered into for stand-alone interest rate or foreign exchange management.

For hedge accounting purposes, the CCIRS are designated as follows:

- the benchmark interest rate component is designated as a fair value hedge;
- the designated portion of the foreign currency basis spread and issuance margin is designated as a cash flow hedge;
- changes in the foreign currency basis spread excluded from the hedge relationship are accounted for as a cost of hedging

This designation reflects the different risk components being hedged and aligns with the Group's risk management strategy.

Accounting policy for derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date.

The accounting treatment of changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the hedge relationship.

The Group designates derivatives as:

- hedges of the fair value of recognised assets or liabilities (fair value hedges); or
- hedges of highly probable forecast transactions or variable cash flows associated with recognised assets or liabilities (cash flow hedges).

At the inception of each hedge relationship, the Group formally documents each relationship in accordance with NZ IFRS 9, setting out:

- the risk management objective and strategy for undertaking the hedge;
- the hedged item and hedging instrument; and
- how hedge effectiveness will be assessed.

The Group assesses hedge effectiveness by determining whether an economic relationship exists between the hedged item and the hedging instrument and whether changes in credit risk dominate the value changes. Hedge ratios are determined based on the quantities of hedged items and hedging instruments that are consistent with the Group's risk management strategy.

Derivatives are classified as current or non-current depending on the expected period of realisation.

Cash flow hedges

Cash flow hedges are used to cover the Group's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability or a firm commitment which could affect profit or loss.

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income and accumulated in the cash flow hedge reserve within equity, whilst the ineffective portion is recognised in profit or loss.

Amounts recognised in the reserve are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs, with the resulting movements reflected in the statement of changes in equity.

Cash flow hedges are tested for effectiveness on a regular basis both retrospectively and prospectively to ensure that each hedge is highly effective and continues to be designated as a cash flow hedge. If the forecast transaction is no longer expected to occur, the amounts recognised in equity are transferred to profit or loss.

If the hedging instrument is sold, terminated, expires, exercised without replacement or rollover, or if the hedge becomes ineffective and is no longer a designated hedge, the amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Fair value hedges

For fair value hedges, gains or losses arising from remeasurement of the hedging instrument are recognised in profit or loss, together with the corresponding change in fair value of the hedged item attributable to the hedged risk. These amounts are presented within borrowing costs.

Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for, or are not designated in, hedge accounting relationships due to timing differences or changes in risk management objectives. Changes in the fair value of these derivatives are recognised immediately in profit or loss.

13 FINANCIAL RISK MANAGEMENT

Financial risk management objectives

Funding and hedging strategy

The Group funds its activities through a combination of bank debt and US Private Placement (USPP) notes. Bank borrowings are held at floating interest rates. Although the Group has issued debt in US dollars, this debt is converted into floating-rate New Zealand dollar exposure using cross-currency interest rate swaps. As a result, the Group's underlying borrowing exposure is floating-rate New Zealand dollars.

The Group uses vanilla interest rate swaps to hedge a substantial portion of this exposure. Hedging activity is guided by regulatory reset requirements and is predominantly concentrated in the regulatory reset window preceding each Regulatory Control Period.

Hedging levels are managed within Board-approved risk control limits under the Treasury Management Policy. Derivative instruments are used solely for risk management purposes.

Foreign currency risk

Foreign currency risk arises from operational procurement exposures in subsidiaries, particularly ETEL Limited, which manages these exposures under its own Board-approved policy.

The Group does not retain foreign currency exposure arising from its funding activities, as all foreign-currency borrowings are economically converted into New Zealand dollars using cross-currency interest rate swaps.

Foreign-currency exposure on imported capital expenditure items is managed in accordance with the Treasury Management Policy.

The Group's residual foreign currency exposure, arising primarily from operational procurement activities, relates mainly to the United States Dollar (USD), Singapore Dollar (SGD), Australian Dollar (AUD) and Indonesian Rupiah (IDR).

The table below illustrates the sensitivity of the Group's profit and equity to reasonably possible changes in foreign exchange rates at the reporting date. For the purposes of this analysis, a movement of one New Zealand cent in the relevant foreign exchange rates is considered a reasonably possible change. The analysis reflects foreign-currency exposures arising from recognised monetary assets and liabilities after taking account of foreign exchange hedging arrangements in place.

	2026 $'000	2025 $'000
Assets		
Profit / (loss) - strengthening in NZD	(686)	(753)
Profit / (loss) - weakening in NZD	706	776
Liabilities		
Profit / (loss) - strengthening in NZD	105	59
Profit / (loss) - weakening in NZD	(109)	(61)

As at balance date the Group held the following forward exchange contracts with maturities less than one year:

	2026 $'000	2025 $'000
Buy USD/Sell NZD		
Foreign contract amount (FC' 000)	1,725	4,800
Contract value (NZD' 000)	2,858	7,837
Average exchange rate	0.6035	0.6125
Sell AUD/Buy USD		
Foreign contract amount (FC' 000)	5,625	5,400
Contract value (NZD' 000)	8,394	8,043
Average exchange rate	0.6701	0.6714
Sell SGD/Buy NZD		
Foreign contract amount (FC' 000)	8,850	13,950
Contract Value (NZD' 000)	10,854	16,970
Average exchange rate	0.8154	0.8221

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group is exposed to interest rate risk because its underlying borrowings are floating-rate New Zealand dollar obligations. This exposure arises from floating-rate bank debt and USPP notes converted into NZD using cross-currency interest rate swaps.

Interest rate risk is managed by entering into vanilla interest rate swaps that convert a substantial portion of floating-rate exposure into fixed-rate exposure, consistent with regulatory reset periods and the Treasury Management Policy.

Interest rate repricing profile

This disclosure has been included to provide users with additional insight into the timing of the Group's exposure to changes in benchmark interest rates. It complements the interest rate sensitivity analysis by illustrating when floating-rate exposures reprice.

The table below presents the Group's exposure to changes in benchmark interest rates based on contractual repricing dates and reflects interest rate risk rather than funding or liquidity risk. Accordingly, the disclosure focuses on the timing of interest rate resets rather than the repayment of principal amounts.

The repricing profile represents the Group's residual exposure to benchmark interest rate movements at the reporting date and is not a measure of treasury hedge ratios or policy compliance. Floating-rate debt includes the USPP Notes after conversion to NZD benchmark interest rate exposure via cross-currency interest rate swaps.

Repricing period	Floating rate debt $'000	Interest rate swaps (pay-fixed) $'000	Net repricing exposure $'000
As at 31 March 2026			
< 1 year	437,000	(411,000)	26,000
1 – 2 years	-	-	-
2 – 5 years	-	-	-
> 5 years	-	-	-
Total	**437,000**	**(411,000)**	**26,000**
As at 31 March 2025			
< 1 year	417,000	(346,000)	71,000
1 – 2 years	-	-	-
2 – 5 years	-	-	-
> 5 years	-	-	-
Total	**417,000**	**(346,000)**	**71,000**

Sensitivity

If interest rates applicable to floating-rate borrowings at 31 March 2026 had been 50 basis points higher or lower, profit after tax and equity would have decreased or increased by approximately $93,000 (31 March 2025: $223,000).

This sensitivity analysis reflects the Group's residual exposure after taking into account interest rate hedging arrangements in place at the reporting date.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The impairment provision has been calculated based on expected losses from the Group's pool of debtors. Expected losses have been determined based on analysis of specific debtors.

The ageing of the Groups trade receivables is as follows:	2026 $'000	2025 $'000
Trade receivables		
0 - 30 days	36,931	38,418
Past due 31 - 60 days	1,987	1,513
Past due more than 60 days	1,664	1,750
Total Trade receivables	**40,582**	**41,681**

Credit risk - financial Instruments

Financial instruments which potentially subject the Group to credit risk principally consist of bank balances, term deposits, interest receivable, debt investments and related party receivables. No collateral is held on these amounts (31 March 2025: nil).

The Group minimises its exposure to credit risk by: pre-qualifying the financial institutions or Brokers/Dealers with which the Group will do business. In principle larger investments and those with longer durations will be made in higher quality investments; and diversifying the investment portfolio so that potential losses on individual investments will be minimised.

An analysis of the credit quality of financial assets that are neither past due nor impaired is as follows:

	2026 $'000	2025 $'000
Counterparties with external credit rating (S&P)		
A1	456	-
AA	279	-
AA-	7,710	9,886
A+	3,861	812
A	289	500
A-	463	358
BBB+	242	65
BBB-	301	355
BB+	51	150
Unrated	102	1,604
Total	**13,754**	**13,730**

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Facility	2026 $'000	2025 $'000
Bank overdraft	3,360	2,264
Bank loans	137,000	62,000
Total undrawn facilities	**140,360**	**64,264**

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

31 March 2026	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 3 years $'000	Over 3 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	39,786	-	-	-	**39,786**
Interest-bearing - variable					
Borrowings	836	30,836	100,000	322,073	**453,745**
Lease liability	7,784	7,710	5,092	31,865	**52,451**
Total non-derivatives	**48,406**	**38,546**	**105,092**	**353,938**	**545,982**
Derivatives					
Interest rate swaps net settled	(4,629)	(41)	1,752	1,902	**(1,016)**
Forward foreign exchange contracts	(1,695)	-	-	-	**(1,695)**
Cross currency interest rate swaps outflows	(9,180)	(11,317)	(12,102)	(246,114)	**(278,713)**
Cross currency interest rate swaps inflows	9,411	9,372	9,417	271,703	**299,903**
Total derivatives	**(6,093)**	**(1,986)**	**(933)**	**27,491**	**18,479**

31 March 2025	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 3 years $'000	Over 3 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade and other payables	38,100	-	-	-	**38,100**
Interest-bearing - variable					
Borrowings	83,179	103,448	38,311	213,726	**438,664**
Lease liability	6,299	6,195	6,151	36,138	**54,783**
Total non-derivatives	**127,578**	**109,643**	**44,462**	**249,864**	**531,547**
Derivatives					
Interest rate swaps net settled	1,671	1,494	1,427	2,565	**7,157**
Interest rate swaps (Unhedged) net settled	39	-	8	-	**47**
Forward foreign exchange contracts	1,404	-	-	-	**1,404**
Cross currency interest rate swaps outflows	10,774	10,774	10,774	248,939	**281,261**
Cross currency interest rate swaps inflows	(8,687)	(8,687)	(8,687)	(242,282)	**(268,343)**
Total derivatives	**5,201**	**3,581**	**3,522**	**9,222**	**21,526**

The Group's derivative financial instruments are entered into for the purpose of managing interest rate and foreign currency risks arising from its borrowing activities and forecast transactions.

The contractual maturity analysis above includes undiscounted cash flows for derivative financial instruments. For net-settled derivatives, the amounts disclosed represent expected net cash flows. For cross-currency interest rate swaps, gross cash inflows and outflows are disclosed, reflecting the contractual structure of the instruments.

Derivative cash flows disclosed above do not represent additional liquidity risk for the Group, as the instruments are used to hedge risks associated with underlying borrowings (refer note 11 'Borrowings'). The Group does not anticipate the need to settle derivative positions prior to contractual maturity.

Liquidity risk is managed by maintaining adequate cash balances and committed borrowing facilities. The Group has sufficient liquidity to meet all derivative and non-derivative financial obligations as they fall due.

Foreign currency inflows for cross currency interest rate swaps are translated at the foreign exchange rate used at inception.

For cross currency interest rate swaps, the cash inflows and outflows include cash flows for cross currency interest rate swaps in asset and liability positions.

Hedging instrument maturity profile

To supplement the disclosure of interest rate risk and repricing exposure, the table below presents the nominal amount of derivative hedging instruments used by the Group, analysed by maturity period. This provides information on the timing of hedging instruments over future periods, consistent with the Group's risk management strategy.

The hedging instruments presented below operate at different levels of the Group's funding structure. Cross-currency interest rate swaps are used to convert the Group's USD-denominated USPP borrowings into New Zealand dollar floating-rate exposure. Interest rate swaps are then applied to this underlying NZD exposure to manage interest rate risk.

31 March 2026		1 year or less $'000	1-2 years $'000	2 and 3 years $'000	Over 3 years $'000	Contractual Amount
Interest rate swap	$'000	30,000	70,000	60,000	392,000	**552,000**
Weighted average interest rate	%	3.82%	3.88%	3.33%	3.92%	**-**
Cross-currency interest rate swaps (CCIRS)	USD $'000	-	-	-	129,000	**129,000**
Weighted average USD fixed rate received under CCIRS	%	-	-	-	4.21%	**-**

31 March 2025		1 year or less $'000	1-2 years $'000	2 and 3 years $'000	Over 3 years $'000	Contractual Amount
Interest rate swap	$'000	86,000	30,000	40,000	342,000	**498,000**
Weighted average interest rate	%	4.51%	3.82%	4.43%	3.98%	**-**
Cross-currency interest rate swaps (CCIRS)	USD $'000	-	-	-	129,000	**129,000**
Weighted average USD fixed rate received under CCIRS[1]	%	-	-	-	4.21%	**-**

[1] Comparative weighted average USD coupon has been updated from 4.37% to 4.21% to align with the methodology applied in the current period, ensuring consistency in the calculation of weighted average rates across periods.

The weighted average USD fixed rate reflects the fixed-rate USD leg of the cross-currency interest rate swaps, which offsets the coupon on the underlying USPP borrowings.

Categories of financial assets and liabilities

Financial assets and liabilities as per Statement of Financial Position

31 March 2026	Amortised cost $'000	Fair value through profit or loss $'000	Fair value through OCI $'000	Total $'000
Assets				
Cash and cash equivalents	9,747	-	-	**9,747**
Trade and other receivables	57,802	-	-	**57,802**
Investments	-	20,352	-	**20,352**
Derivative financial instruments	-	-	15,494	**15,494**
Total financial assets	**67,549**	**20,352**	**15,494**	**103,395**
Liabilities				
Trade payables	39,786	-	-	**39,786**
Bank overdraft	5,640	-	-	**5,640**
Borrowings	436,953	-	15,120	**452,073**
Lease liability	36,665	-	-	**36,665**
Derivative financial instruments	-	-	4,203	**4,203**
Total financial liabilities	**519,044**	**-**	**19,323**	**538,367**

31 March 2025	Amortised cost $'000	Fair value through profit or loss $'000	Fair value through OCI $'000	Total $'000
Assets				
Cash and cash equivalents	12,944	-	-	**12,944**
Trade and other receivables	60,612	-	-	**60,612**
Investments	-	18,112	-	**18,112**
Derivative financial instruments	-	-	14,821	**14,821**
Total financial assets	**73,556**	**18,112**	**14,821**	**106,489**
Liabilities				
Trade payables	38,100	-	-	**38,100**
Bank overdraft	4,687	-	-	**4,687**
Bank loans	416,953	-	14,774	**431,727**
Lease liability	34,974	-	-	**34,974**
Derivative financial instruments	-	47	7,280	**7,327**
Total financial liabilities	**494,714**	**47**	**22,054**	**516,815**

14 FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

31 March 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Equity securities	15,817	-	-	**15,817**
Debt investments	4,035	-	-	**4,035**
Term Deposits	-	500	-	**500**
Foreign exchange contracts	-	307	-	**307**
Interest rate contracts	-	2,080	-	**2,080**
Cross currency interest rate swaps	-	13,107	-	**13,107**
Total assets	**19,852**	**15,994**	**-**	**35,846**
Liabilities				
Interest rate contracts	-	2,508	-	**2,508**
Foreign exchange contracts	-	1,695	-	**1,695**
Total liabilities	**-**	**4,203**	**-**	**4,203**

31 March 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Equity securities	12,636	-	-	**12,636**
Debt investments	4,476	-	-	**4,476**
Term Deposits	-	1,000	-	**1,000**
Foreign exchange contracts	-	1,257	-	**1,257**
Interest rate contracts	-	261	-	**261**
Cross currency interest rate swaps	-	13,303	-	**13,303**
Total assets	**17,112**	**15,821**	**-**	**32,933**
Liabilities				
Interest rate contracts	-	5,923	-	**5,923**
Foreign exchange contracts	-	1,404	-	**1,404**
Total liabilities	**-**	**7,327**	**-**	**7,327**

There were no transfers between levels during the financial year.

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

15 INCOME TAX

	2026 $'000	2025 $'000
Current tax expense		
Current tax on profits for the year	3,310	4,951
Prior period adjustment - current tax	(104)	(48)
Total current tax	**3,206**	**4,903**
Deferred tax expense		
Deferred tax associated with temporary timing differences	6,225	5,620
Prior period adjustment - deferred tax	500	(2,678)
Total deferred tax expense	**6,725**	**2,942**
Total income tax expense	**9,931**	**7,845**
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	**32,081**	**38,146**
Tax at the statutory tax rate of 28%	**8,983**	**10,681**
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Income not subject to tax	(10)	(199)
Expenses not deductible for tax purposes	886	417
	9,859	**10,899**
Prior period adjustment - current tax	(104)	(48)
Prior period adjustment - deferred tax	500	(2,678)
Effect of difference in foreign tax rate	37	(424)
Other	(361)	96
Income tax expense	**9,931**	**7,845**

Deferred tax liability/ (Asset)	Property, plant and equipment and intangibles $'000	Employee provisions $'000	Derivative financial instruments $'000	Lease liability $'000	Other $'000	Total $'000
Balance at 1 April 2024	**111,101**	**(2,390)**	**(394)**	**(766)**	**110**	**107,661**
Charged/(credited) to profit or loss	8,931	(759)	140	(3,190)	(2,180)	**2,942**
Credited to equity	(536)	-	(1,810)	-	(166)	**(2,512)**
Balance at 31 March 2025	**119,496**	**(3,149)**	**(2,064)**	**(3,956)**	**(2,236)**	**108,091**
Charged/(credited) to profit or loss	16,309	277	-	(6,321)	(3,540)	**6,725**
Charged/(credited) to equity	114	(48)	871	(16)	(38)	**883**
Balance at 31 March 2026	**135,919**	**(2,920)**	**(1,193)**	**(10,293)**	**(5,814)**	**115,699**

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities 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 not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

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

16 ISSUED CAPITAL

	2026 Shares	2025 Shares	2026 $'000	2025 $'000
Ordinary shares - fully paid	64,000,000	64,000,000	66,661	66,661

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

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

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

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

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Accounting policy for issued capital

Ordinary shares are classified as equity.

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

17 DIVIDENDS

Dividends paid during the financial year were as follows:	2026 $'000	2025 $'000
Final dividend for the year ended 31 March 2025 of 27.8 cents (2025: 27.0 cents) per ordinary share	17,770	17,250

FY 2025/2026 dividend

On 25 June 2026, the Directors declared a fully imputed dividend of $18.30 million ($25.42 million inclusive of imputation credits), which equates to 28.6 cents per share, in respect of the 2025/26 financial year. This dividend will be paid to the Hawke's Bay Power Consumers' Trust on or about 4 August 2026.

Accounting policy for dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

As per company law in New Zealand, a distribution is authorised when it is approved by the Directors. A corresponding amount is recognised in equity.

18 IMPUTATION CREDIT ACCOUNT

	2026 $'000	2025 $'000
Imputation credits available for use in subsequent financial years	51,418	51,507

19. RELATED PARTY TRANSACTIONS

Related parties of the Group include:

- Hawke's Bay Power Consumers' Trust
- Centralines Limited
- The Group's Directors and key management personnel
- Entities in which Directors had an economic interest

Key management personnel

Key management personnel compensation for the years ended 31 March 2026 and 31 March 2025 is set out below.

The key management personnel are all the directors of the Group and the executives with the greatest authority for the strategic direction and management of the Group, being the Group Leadership Team.

	2026 $'000	2025 $'000
Short-term employee benefits and Directors fees	3,609	3,351

Transactions with related parties

The following transactions occurred with related parties other than key management personnel or entities related to them.

- The Hawke's Bay Power Consumers' Trust holds the shares of the Group on behalf of the consumers in their capacity as owners.

- The Group operates a management contract for Centralines Limited, an electricity lines company based in Waipukurau. This contract provides for executive, financial, technical and managerial services for Centralines Limited. For commercial reasons the value of this contract is not disclosed.

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:	2026 $'000	2025 $'000
Current receivables (sales of goods and services): Centralines Limited	447	375

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

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

20 CONTINGENCIES

Contingent liabilities are subject to uncertainty or cannot be reliably measured and are not provided for. Disclosures as to the nature of any contingent liabilities are set out below. Judgements and estimates are applied to determine the probability that an outflow of resources will be required to settle an obligation. These are made based on a review of the facts and circumstances surrounding the event and advice from both internal and external parties.

Contingent liabilities

The Group is not aware of any material contingent liabilities at balance date (31 March 2025: nil).

21 COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:	2026 $'000	2025 $'000
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	3,452	6,072
Intangible assets	-	4
Total Capital commitments	**3,452**	**6,076**

The above balances have been committed in relation to future expenditure on capital projects. Amounts already spent have been included as assets under construction.

22 REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by Audit New Zealand, the auditor of the company, its network firms and unrelated firms:

	2026 $'000	2025 $'000
Audit services - Audit New Zealand		
Audit of the financial statements	423	386
Audit or review related services - Audit New Zealand		
Default price path assurance engagement	32	31
Information disclosure assurance engagement	63	61
Agreed upon procedures solvency return under the Insurance Act 2010	8	8
Notice to supply information assurance engagement	-	31
Total audit or review related services - Audit New Zealand	**103**	**131**
Total remuneration for Group auditor	**526**	**517**
Audit services - subsidiary company auditors - KPMG		
Audit of the financial statements [1]	240	234
Audit or review related services - KPMG		
Taxation returns preparation (foreign jurisdiction) - KPMG	33	32
Compilation services - financial statements - KPMG	28	25
Total audit or review related services - KPMG	**61**	**57**
Total fees incurred for services provided by audit firm - KPMG	**301**	**291**
Audit services – other auditors (foreign jurisdictions)		
Audit of the financial statements [1]	**46**	**76**
Total fees incurred for services provided by the audit firm	**873**	**884**

[1] Prior year comparative amounts have been reclassified between audit service categories to improve consistency of presentation. Total audit fees disclosed are unchanged from prior years.

23 EVENTS AFTER THE REPORTING PERIOD

Apart from the dividend declared as disclosed in note 17, no other matter or circumstance has arisen since 31 March 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

INDEPENDENT AUDITOR'S REPORT

Audit New Zealand
Mana Arotake Aotearoa

To the readers of Unison Networks Limited's group financial statements and performance information for the year ended 31 March 2026

Opinion

The Auditor-General is the auditor of Unison Networks Limited and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Chris Webby, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Group on his behalf.

We have audited:

- the financial statements of the Group on pages 36 to 63, that comprise the consolidated statement of financial position as at 31 March 2026, 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 page 35.

In our opinion:

- the financial statements of the Group:
  - present fairly, in all material respects:
    - the Group's financial position as at 31 March 2026; and
    - the 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 equivalent to International Financial Reporting Standards and IFRS Accounting Standards; and
- the performance information of the Group:
  - accurately reports, in all material respects, the Group's achievements measured against the performance targets adopted for the year ended 31 March 2026; and
  - has been prepared, in all material respects, in accordance with section 44 of the Energy Companies Act 1992 (the Act).

Our audit was completed on 25 June 2026. This is the date at which our opinion is expressed.

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 in accordance with the Act.

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

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the Group for assessing the Group'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 Act.

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

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

For the budget information reported in the performance information, our procedures were limited to checking that the information agreed to the Group's statement of corporate intent.

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 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the Group's readers to judge the actual performance of the Group against the performance targets adopted in its statement of corporate intent.
- We plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and review of the audit work performed for the purposes 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 all of the information included in the annual report but does not include the financial statements and the performance information, and our auditor's report thereon.

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) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out the financial audit of Unison Insurance Limited, and the following assurance engagements pursuant to:

- the Electricity Distribution Information Disclosure (Amendments related to IM Review 2023) Amendment Determination 2024 [2024] NZCC 31 (the Determination);
- the Electricity Distribution Services Default Price-Quality Path Determination 2025 [2024] NZCC 28; and
- Unison Insurance Limited Annual Solvency Return compliance with the Interim Solvency Standard 2023.

These are compatible with those independence requirements. Other than the audit and these engagements, we have no relationship with or interests in the Group or its subsidiaries.

Chris Webby

Audit New Zealand
On behalf of the Auditor-General
Palmerston North, New Zealand

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Board of Directors

Robert Wheater	**Chair**
Blair O'Keeffe	**Deputy Chair**
Dan Druzianic	
Barbara Elliston	
Wendie Harvey	
Jon Nichols	

Group Chief Executive

Jaun Park	

Group Executive Team

Greg Morgan	**Group Chief Financial Officer**
Jaclyn Hankin	**Group General Manager Strategy & Sustainability**
Dave Robertson	**Group Chief Digital Officer**
Rachel Masters	**Group General Manager People, Safety & Culture**

Unison Networks Limited Executive Management

Jason Larkin	**Group General Manager Customer, Commercial & Regulatory**
Gaganpreet Chadha	**General Manager Networks & Operations**

Unison Contracting Services Limited Executive Management
Pringle Beleski & Associates Limited (PBA) Executive Management

Quentin Varcoe	**Chief Executive Unison Services Division**

ETEL Limited Executive Management

Brian Ropitini	**Chief Executive**

RPS Switchgear Limited Executive Management

Ronald Bekker	**Chief Executive**

Auditors

Audit New Zealand, on behalf of the Auditor-General

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