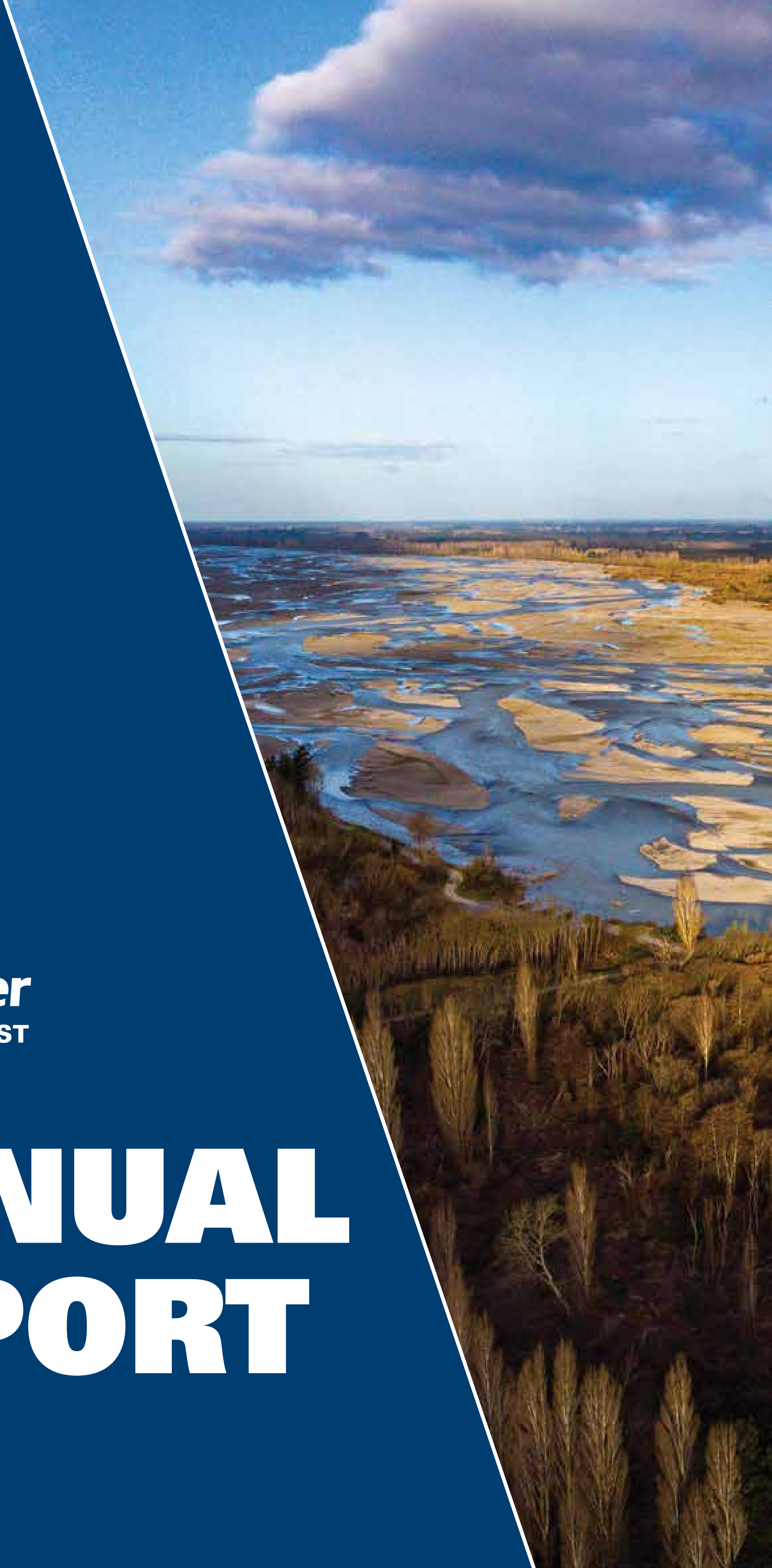

mainpower TRUST

ANNUAL REPORT

2025

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DIRECTORY

Trustees

Secretary

Kathy Hansell — Koller & Hassall Limited

Trust Office

267 High Street
PO Box 370
Rangiora 7400

Phone 03 313 8103
Email info@mainpowertrust.co.nz
Website www.mainpowertrust.co.nz

Banker

Westpac New Zealand

Solicitors

Simpson Grierson, Christchurch

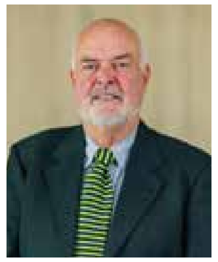
Auditor

Deloitte Limited

mainpower TRUST

MEET THE TRUSTEES

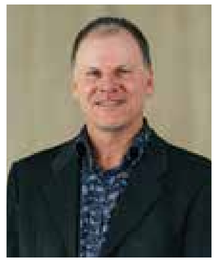
Left to right: Richard Allison, Andrew Thompson, Kevin Brookfield (Chair), Gary Walton, Cameron Henderson, Jo Ashby, Allan Berge, Kathy Hansell (Secretary)



Kevin Brookfield
Chair

Kevin has been the Trust Chair since March 2018.

Alongside MainPower Trust, Kevin presides over a 15 hectare lifestyle block in Amberley. Kevin enjoys a close family connection with four growing grandchildren, and wouldn't have it any other way.



Richard Allison
Deputy Chair

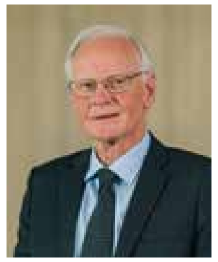
Richard was first elected to MainPower Trust in 1999 and is Deputy Chair. Following Massey University, he and his wife Jeanette worked in London and backpacked around Europe.

They returned to New Zealand and went farming. From 2001, they have been managing preschools in Rangiora and Christchurch.

Jo Ashby
Trustee

Jo was elected to the MainPower Trust in 2013. Jo and her family run a dairy farm business they have owned for more than 20 years. She is a qualified accountant (currently retired status) having specialised in rural accounting.

Jo has been involved with a number of community organisations over the 35 years she has lived in the Waimakariri district.



Allan Berge
Trustee

Allan was elected as a Trustee in March 2017. Allan held the position of Chief Executive and Managing Director of MainPower for 28 years prior to his retirement in 2015.

Allan is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants Australia and New Zealand, a Fellow of the Institute of Management New Zealand and a member of the Institute of Directors.

Cameron Henderson
Trustee

Cameron was elected to the MainPower Trust in 2023. Cameron and his family operate two irrigated farms near Oxford. One is home to a 50kW solar farm.

He has been involved in a range of local community groups having served as a president of North Canterbury Federated Farmers, deputy chair of the Waimakariri Zone Committee and current trustee of Waimakariri Landcare Trust.

Andrew Thompson
Trustee

Andrew was, until recently, the Chief Financial Officer of Forté Health and has previously held senior commercial roles with Fulton Hogan and Sealord. He is a Fellow of the Institute of Chartered Accountants Australia and New Zealand, and is on the Woodend-Sefton Community Board. A development role with MainPower in the mid-2000's advancing the Mt Cass Wind Farm and energy efficiency programmes cemented his interest in the electricity industry.

Gary Walton
Trustee

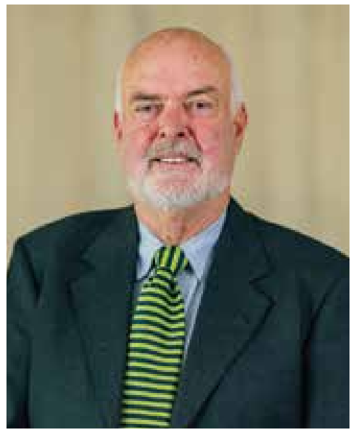
Gary was elected to the Trust in 2020. He is married to Julie and has five children and two grandchildren.

Together, they intensively farm a small block in Loburn, producing eggs at the gate, beef, lamb and a range of vegetables.

Gary operates his own farm advisory business and is the Chairman of Loburn Irrigation Company.

Kathy Hansell
Secretary

Kathy is a Chartered Accountant and a Director of Koller & Hassall Ltd in Rangiora. Kathy has been assisting the Trust as Trust Secretary since 2010.



CHAIR'S REPORT

Welcome to the MainPower Trust 2025 AGM.

Let me introduce you to your current trustees: myself, Richard Allison, Jo Ashby, Andrew Thompson, Allan Berge, Gary Walton, and Cam Henderson. Unchanged from last year, but with our next election cycle upcoming in March 2026, no doubt next year will provide opportunities for change.

Conversely, a number of appointments have impacted at Board level, effective from today's AGM. We farewell Graeme Abbott and Brian Woods, both of whom have provided years of governance expertise. The Trust thanks both of you for your professionalism through what at times have been challenging years.

We join Chair Tony King in welcoming Murray Taggart and Hilary Walton on to the MainPower Board. Murray and Hilary were chosen from over seventy candidates, and the Trust looks forward to engaging with you both following your first Board meeting.

On behalf of my fellow Trustees, I wish to acknowledge the retirement of MainPower's CEO Andy Lester. Andy's willingness to liaise, often at short notice, with the Trust on all matters has been much appreciated.

Last month the Trust was invited to join staff when inspecting the Head Office Control Room at Southbrook. Banks of computer screens monitor the state of infrastructure and the whereabouts of the lines crews on the MainPower grid. It served as a cue to me to again thank all in-house personnel and service crews for their 24/7 year-round efforts.

Again, special thanks to our professional advisors Kathy Hansell (Secretary) and Hugh Lindo (Legal).

Kevin Brookfield

Trust Chair
MainPower Trust

FINANCIAL REPORT 2025

FINANCIAL REPORT 2025

Audited consolidated financial statements

The Trustees are pleased to present the audited consolidated Group financial statements of MainPower Trust for the year ended 31 March 2025.

Authorised for issue on 28 July 2025 for and on behalf of trustees:

Kevin Brookfield

Trust Chair
MainPower Trust

Richard Allison

Deputy Chair
MainPower Trust

MAINPOWER TRUST CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 March 2025.

	Notes	Group 2025 $000	Group 2024 $000
Operating revenue	2	77,132	71,238
Other income	3	457	812
		77,589	72,050
Operating expenses	4	(40,971)	(38,474)
Impairment Expenses	12,16	(20,837)	(1,384)
Depreciation and amortisation		(18,854)	(17,670)
Net finance income/(expense)	5	(4,151)	(4,092)
Other Gain/(Loss) – Net	6	4,443	9
Accounted Joint Venture		–	(133)
		(80,370)	(61,744)
Profit before income tax expense		**(2,781)**	**10,306**
Income tax expense	7	(1,745)	(5,357)
Profit after Income Tax Expense		**(4,526)**	**4,949**
Attributable to:			
Equity holders of the parent		(4,526)	4,949
Non-controlling interests		–	(2)
		(4,526)	4,947
Other Comprehensive Income			
(Loss)/Gain on Revaluation of Property, Plant and Equipment, Net of Deferred Tax	12	(6,857)	–
Net (Loss)/Gain on cash flow hedges for interest rate swaps		(732)	(296)
Total Comprehensive Income		**(12,115)**	**4,651**
Attributable to:			
Equity holders of the parent		(12,115)	4,653
Non-controlling interests		–	(2)
		(12,115)	**4,651**

The accompanying notes form part of and are to be read in conjunction with these financial statements.

MAINPOWER TRUST CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025.

	Notes	Group 2025 $000	Group 2024 $000
Current assets			
Cash and Cash Equivalents		2,588	1,385
Trade and Other Receivables	8	6,646	6,480
Inventories	9	7,421	7,835
Prepayments		2,667	1,646
Tax Assets	7	65	423
Advances Receivable	23	–	3,795
Other Current Financial Assets	10	3,831	4,408
Current Interest Rate Swaps	28	39	–
Assets Held for Sale	16	1,518	8,389
Total Current Assets		24,775	34,361
Non-current assets			
Other Financial Assets	11	10,235	9,127
Property, Plant and Equipment	12	329,735	327,357
Capital Works Under Construction	13	18,314	18,376
Advances Receivable	23	–	8,200
Right-of-Use Assets	15	14,431	13,659
Non-Current Interest Rate Swaps	28	40	562
Intangible Assets	14	1,817	2,753
Total Non-Current assets		374,572	380,034
Total Assets		**399,347**	**414,395**
Current liabilities			
Trade and Other Payables	17	11,086	7,582
Interest Rate Swap	28	39	–
Borrowings	19	–	5,500
Other Current Financial Liabilities	22	2,681	2,339
Current Tax Liabilities		2,820	–
Total current liabilities		16,626	15,421
Non-current liabilities			
Other Non-Current Financial Liabilities	21	12,945	12,013
Deferred Tax Liabilities	18	48,504	53,985
Interest Rate Swaps	28	455	90
Non-Current Borrowings	19	50,000	50,000
Non-Current Provisions	20	807	762
Total non-current liabilities		112,711	116,850
Trust Funds			
Retained Earnings		234,697	239,122
Reserves / Gain on Revaluation		35,313	43,003
Total equity attributable to members of the trust		270,010	282,125
Total liabilities and equity		**399,347**	**414,395**

The accompanying notes form part of and are to be read in conjunction with these financial statements.

MAINPOWER TRUST CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2025.

	Notes	Retained Earnings $000	Asset Revaluation Reserve $000	Non-Controlling Interests $000	Cash Flow Hedge Reserve $000	Total Equity $000
Group						
Balance at 31 March 2023		**234,057**	**42,761**	**73**	**652**	**277,543**
Profit after Income Tax Expense		4,951	–	(2)	–	4,949
Net (Loss)/Gain on Cash Flow Hedges		–	–	–	(296)	(296)
Transfer of Revaluation Surplus Disposal to Retained Earnings		114	(114)	–	–	–
Acquisition of Controlled Entity		–	–	(71)	—	(71)
Balance at 31 March 2024		**239,122**	**42,647**	–	**356**	**282,125**
Profit after Income Tax Expense		(4,526)	–	–	–	(4,526)
Net (Loss)/Gain on Cash Flow Hedges		–	–	–	(732)	(732)
Transfer of Revaluation Surplus Disposal to Retained Earnings		101	(101)	–	–	–
Loss on Revaluation, Net of Deferred Tax		–	(6,857)	–	–	(6,857)
		(4,425)	(6,958)	–	(732)	(12,115)
Balance at 31 March 2025		**234,697**	**35,689**	–	**(376)**	**270,010**

The accompanying notes form part of and are to be read in conjunction with these financial statements.

MAINPOWER TRUST CONSOLIDATED CASHFLOW STATEMENT

For the Year Ended 31 March 2025.

	Notes	Group 2025 $000	Group 2024 $000
Cash flows from operating activities			
Receipts from customers		77,791	70,540
Interest received		364	455
Dividends received		189	178
Payments to suppliers and employees		(38,303)	(40,468)
Interest and other finance costs paid		(3,577)	(3,167)
Income tax (paid)		(1,111)	(95)
Net cash provided by operating activities		35,353	27,443
Cash flows from investing activities			
Cash Flows (to)/from Investments		(1,349)	(3,004)
Payments for investments		(154)	(335)
Payment for property, plant and equipment		(27,374)	(33,101)
Proceeds from sale of property, plant and equipment		2,030	158
Payment for intangible assets		(439)	(257)
Acquisition of a Subsidiary – net of cash acquired		1,424	(62)
Net cash used in investing activities		(25,862)	(36,601)
Cash flows from financing activities			
Repayment of Lease Liabilities		(2,788)	(2,273)
(Repayment)/Drawdown of Borrowings		(5,500)	10,350
Net cash used in financing activities		(8,288)	8,077
Net increase/(decrease) in cash and cash equivalents		**1,203**	**(1,081)**
SUMMARY			
Cash and cash equivalents at beginning of year		1,385	2,466
Net increase/(decrease) in cash and cash equivalents		1,203	(1,081)
Cash and cash equivalents at end of year		**2,588**	**1,385**
Represented by:			
Cash and bank balances		2,588	1,385
Cash and Cash Equivalents at End of Year		**2,588**	**1,385**

The accompanying notes form part of and are to be read in conjunction with these financial statements.

NOTES

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

1. Statement of Accounting Policies

Reporting Entity

MainPower Trust (the 'Trust') is a Trust for the benefit of customers connected to the network of MainPower New Zealand Limited. The Group consists of MainPower Trust and MainPower New Zealand Limited and its subsidiaries.

The MainPower Trust was established by deed on 24th October 1995 and most recently amended 20th June 2024.

Statement of Compliance

These Consolidated Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime ('NZ IFRS – RDR') and other applicable accounting standards as appropriate for profit-oriented entities.

The Group has adopted External Reporting Board Standard A1 'Accounting Standards Framework (For Profit Entities Update)' ('XRB A1'). For the purposes of complying with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), the Group is eligible to apply Tier 2 For-profit Accounting Standards (New Zealand equivalents to IFRS Accounting Standards – Reduced Disclosure Regime ('NZ IFRS RDR')) on the basis that it does not have public accountability and it is not a large for profit public sector entity.

Basis of Preparation

The Consolidated Financial Statements have been prepared in accordance with NZ GAAP and NZ IFRS RDR.

These Consolidated Financial Statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments as outlined in Note 1(m) and property, plant and equipment as outlined in Note 1(f).

These Consolidated Financial Statements are presented in New Zealand dollars, rounded to the nearest thousand.

Revenue, expenses, cash flows and assets are recognised net of the amount of Goods and Service Tax (GST), except for receivables and payables which are recognised inclusive of GST. Cash flows in respect of payments to and receipts from Inland Revenue are shown net in the Consolidated Statement of Cash Flows.

Significant Estimates, Assumptions and Judgements

Preparing financial statements to conform with NZ IFRS RDR requires the trustees to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions have been based on historical experience and other factors that are believed to be reasonable under the circumstances and are regularly reviewed by the Group. Actual results may differ from these estimates.

Estimates and judgements have been made in the following areas:

- Electricity distribution network valuation (Note 12)
- Property, plant and equipment useful lives (Note 12)
- Carrying value of generation assets (Note 12)
- Fair values used in acquisition accounting (Note 23)
- Determination of held-for-sale classification (Note 16)

Specific Accounting Policies

The following material accounting policies have been applied in the preparation and presentation of these Consolidated Financial Statements:

(a) Changes in Accounting Policies and Disclosure

The accounting policies are consistent with those of the prior year except for the reclassification of Other Gains and Losses from Operating Revenue, and the reclassification of Impairment Expenses from Operating Expenses, both now separately disclosed in the Consolidated Statement of Profit or Loss.

(b) Revenue recognition

The Group's principal activities are providing electricity distribution services and contracting services for end users of its network.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

i. Electricity Line Revenue

Electricity Line Revenue is recognised at the fair value of services provided. These revenue streams relate to the provision of electricity distribution services; revenue is recognised over time based on an output method as the service is delivered to match the pattern of consumption.

Pass-through and recoverable cost revenue charged to customers includes transmission costs, statutory levies, and utility rates.

ii. Customer Contribution Revenue

Capital contribution revenue is recognised at the fair value of the works completed at a point in time.

iii. Contracting Revenue

Contracting revenue is recognised at the fair value of the works completed or goods provided. For contracts with multiple performance obligations, revenue is recognised at a point in time when the performance obligation is satisfied.

iv. Interest Revenue

Interest revenue is recognised in the Consolidated Statement of Comprehensive Income as it accrues, using the effective interest rate method.

v. Dividend Revenue

Dividend revenue from investments is recognised when the shareholders' rights to receive payment have been established.

(c) Finance Expenses

Finance Expenses are expensed using the effective interest rate method to the Consolidated Statement of Comprehensive Income, unless they directly relate to the construction of qualifying assets, in which case they are capitalised.

(d) Distinction between Capital and Revenue Expenditure

Capital expenditure is defined as all expenditure incurred in the creation of a new asset and any expenditure that results in a significant restoration or increased service potential for existing assets. Constructed assets are included in property, plant and equipment as each becomes operational and available for use. Revenue expenditure is defined as expenditure that has been incurred in the maintenance and operation of the property, plant and equipment of the Group.

(e) Inventories

Inventories are valued at the lower of cost at weighted average cost price or net realisable value.

(f) Property, Plant and Equipment

All property, plant and equipment are initially recognised at cost less accumulated depreciation and impairment losses. The cost of purchased property, plant and equipment is the fair value of the consideration given to acquire the assets and the value of other attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended use. The cost of self-constructed assets includes the cost of materials, direct labour and an allowance for overheads.

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

(f) Property, Plant and Equipment (continued)

Land and buildings are valued at fair value as determined on the basis of a periodic independent valuation prepared by external valuers, based on discounted cash flows or capitalisation of net income (as appropriate). The fair values are recognised in these Consolidated Financial Statements of the Group and are reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not significantly different from fair value.

The electricity distribution network is valued at fair value as determined on the basis of a periodic independent valuation prepared by external valuers, based on a discounted cash flow methodology. The fair values are recognised in the Consolidated Financial Statements of the Group and are reviewed at the end of each reporting period to ensure that the carrying value of the distribution network is not materially different from fair value. Consideration is given as to whether the distribution network is impaired as detailed in Note 1(i).

Any revaluation increase arising on the revaluation of land and buildings and the distribution network is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense in profit or loss, in which case the increase is credited to the Consolidated Statement of Comprehensive Income to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of land and buildings and the distribution network is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve to a previous revaluation of that asset.

Capital Works Programme

The Group operates an extensive integrated electricity distribution network comprising large numbers of relatively minor individual network asset components. These components are replaced over time as part of an ongoing maintenance/ refurbishment programme, consistent with the Group's approved Asset Management Plan. Losses on contracts are taken to the Consolidated Statement of Comprehensive Income in the period in which they are identified. Refer also to Note 12 Property, Plant and Equipment regarding revaluations.

(g) Depreciation

Depreciation is charged to the Consolidated Statement of Comprehensive Income on a combination of straight line and diminishing value basis on all tangible assets with the exception of land, at rates calculated to allocate the assets' fair value, less any residual value, over their useful lives.

Depreciation on revalued buildings and the distribution network is charged to the Consolidated Statement of Comprehensive Income. On the subsequent sale or retirement of a revalued item, the attributable revaluation surplus remaining in the asset revaluation reserve, net of any related deferred taxes, is transferred directly to Retained Earnings.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. The main bases for the calculation of depreciation are as follows:

Buildings	6.5 to 100 years
Electricity Distribution Network	1 to 102 years
Plant, Equipment, Vehicles, Furniture and Fittings	2 to 25 years
Generation Assets	1 to 100 years

Included in Generation Assets is land and other land consents that are not depreciated as they have an indefinite useful life. These assets are tested for impairment annually.

The carrying amount for an item of property, plant and equipment is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These gains and losses are included in the Consolidated Statement of Comprehensive Income. When revalued assets are sold, the amounts included in the Asset Revaluation Reserve in respect of those assets are transferred to Retained Earnings.

(h) Intangible Assets

i. Computer Software

Computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives on a diminishing value basis. Useful lives are generally between three to five years.

Computer software is capitalised only to the extent to which the Group controls the software.

ii. Research and Development Costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised if future benefits are expected to exceed these costs. Otherwise, development expenditure is recognised as an expense in the period in which it is incurred.

(i) Impairment of Non-Financial Assets

The carrying amounts of the Group's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists for an asset, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amounts are the higher of fair value (less costs to sell) and value in use. In assessing value in use, the estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. A cash generating unit is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If a revalued asset is determined to be impaired, then the impairment is firstly applied against the related component of the Asset Revaluation Reserve, with any remaining impairment loss expensed in the Consolidated Statement of Comprehensive Income. If the impairment loss is subsequently reversed, the reversal is firstly applied to the Consolidated Statement of Comprehensive Income to the extent of previously expensed impairment losses relating to that asset, with any further increase taken to the Asset Revaluation Reserve. For assets which are not revalued, an impairment loss is expensed immediately in the Consolidated Statement of Comprehensive Income. Any impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

Equity instruments, being shares in subsidiaries, are deemed to be impaired whenever there is a significant or prolonged decline in fair value below the original purchase price. Any subsequent recovery of an impairment loss in respect of an investment in an equity instrument classified as available-for-sale is not reversed through the Consolidated Statement of Comprehensive Income.

(j) Leased Assets

The Group leases certain motor vehicles, plant and equipment, sites, accessways, concessions, and electricity distribution equipment. At contract inception all contracts are assessed as to whether they contain a lease. That is, if the contract conveys the right to control the use of the identified asset(s) for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and lease of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-Use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use.) Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the asset, as follows:

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

(j) Leased Assets (continued)

i. Right-of-Use Assets (continued)

Sites, Accessways and Concessions	4 to 40 years
Plant, Equipment and Vehicles	3 to 11 years
Electricity Distribution Equipment	16 to 21 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right of use asset is also subject to impairment in accordance with Note 1(i).

ii. Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate (IBR) at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Financial Liabilities apportioned into Current and Non-Current terms. (Refer Note 22).

iii. Short-term and Lease of Low-Value Assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.) It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low-value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(k) Income Tax

Income tax expense is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

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

(l) Employee benefits

Provisions made in respect of employee benefits expected to be settled within twelve months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Provisions made in respect of employee benefits which are not expected to be settled within twelve months, such as long service leave, sickness and retiring leave, are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date, taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement.

(m) Financial Instruments

The Group classifies its financial assets and liabilities into one of the categories below depending on the purpose for which the asset was acquired, or the liability was incurred. The Group's accounting policy for each material category is as follows:

i. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits held at call with banks and other short term highly liquid investments.

ii. Financial Assets at Amortised Cost

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Consolidated Statement of Financial Position.

iii. Fair Value through Profit or Loss or Other Comprehensive Income

The Group has certain derivatives which are stated at fair value and the movements are recognised in the Consolidated Statement of Comprehensive Income (refer to Note1(m)vi).

iv. Payables

Trade payables and other accounts payable are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. Trade payables are recognised at fair value (being cost), and subsequently at amortised cost.

v. Borrowings

Borrowings are recorded initially at fair value, plus transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowing using the effective interest rate method.

vi. Derivative Financial Instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risks, including interest rate swaps. Further details of derivative financial instruments are disclosed in Note 28. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Profit or Loss or Other Comprehensive Income depending on the hedge accounting designation of the derivative.

(n) Basis of Consolidation

i. Subsidiaries

Subsidiaries are entities controlled either directly or indirectly by the Trust. The financial statements of subsidiaries are consolidated into the Group's financial statements. All intergroup balances and transactions are eliminated in full.

ii. Joint Venture

A joint venture is where the Group shares joint control over an entity and has rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method.

(o) Adoption of New and Revised Standards and Interpretations

There were no new or amended accounting standards mandatory for the year ended 31 March 2025 that were considered to have a material impact on the Group.

(p) Adoption of New and Revised Standards and Interpretations – Standards and Interpretations in Issue not yet Effective

The Group is not an early adopter of NZ IFRS 18 Presentation and Disclosure in Financial Statements, which was issued in April 2024 and is effective for annual periods beginning on or after 1 January 2027. NZ IFRS 18 introduces a new structure for the statement of profit or loss and requires disclosure of management-defined performance measures. The Group is currently assessing the impact of this standard on its financial statements, including potential changes to the classification of income and expenses and the presentation of performance measures.

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

2. Operating Revenue

	Group 2025 $000	Group 2024 $000
Distribution Revenue	62,423	54,785
Pass-through and Recoverable Cost Revenue	10,147	10,064
Customer Rebates	(5,096)	(4,931)
Net Electricity Delivery Services Revenue	67,474	59,918
Capital Contributions Revenue	3,555	4,993
Contracting Revenue	2,746	2,685
Generation Revenue	2,296	1,872
Interest Revenue	358	315
Dividends	189	178
Gain on sale of Property, Plant & Equipment	–	124
Gain on Purchase of Subsidiary	–	9
Sundry Revenue	515	1,153
Operating revenue	77,132	71,238
Timing of Revenue Recognition		
Over Time	70,831	63,436
At a Point in Time	6,301	7,802
Operating revenue	77,132	71,238

3. Other Income

	Group 2025 $000	Group 2024 $000
Fair value movement on investments	457	812
	457	812

4. Operating Expenses

	Group 2025 $000	Group 2024 $000
Bad debts written off	(20)	128
Directors fees and expenses	430	433
Trustees fees and expenses	183	154
Network Operations	5,291	4,181
Network Maintenance	8,226	9,223
Employee remuneration and benefits	7,478	5,949
Loss on disposal of property, plant and equipment	1,386	1,293
Operating Lease Costs	70	75
Generation Production & Operations	1,914	1,337
Community Relationship Expenses	964	939
Transmission Rental Charges[1]	8,954	9,140
Audit of the Consolidated Financial Statements	107	104
Other Assurance Services[2]	30	30
Sundry Expenses	5,958	5,488
Operating Expenses	40,971	38,474

[1] Transmission Rental Charges and Operating Lease Costs presented above are net of payments relating to lease liabilities and associated right-of-use assets accounted for under NZ IFRS 16. Such payments are presented within Depreciation and Finance Expenses as appropriate

[2] Commerce Commission Information Disclosure audit.

5. Finance Expenses

	Group 2025 $000	Group 2024 $000
Interest Expense on Loans	3,520	3,435
Interest Rate Swaps Fair Value Movement	155	70
Interest Expense on Lease Liabilities	438	407
Sundry Finance Expenses	38	180
	4,151	4,092

6. Other Gains/(Losses)

	Group 2025 $000	Group 2024 $000
Gain on Purchase of Subsidiary (Note 23)	1,781	9
Gain on Disposal of Joint Venture (Note 23)	1,937	–
Net Fair Value Gains on Settlement of Advances Receivable	725	–
	4,443	9

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

7. Income Tax Expenses

	Group 2025 $000	Group 2024 $000
Income Tax Expense comprises:		
Current Income Tax Expense	4,160	1,177
Adjustments to Prior Years	256	7
Temporary Differences	(3,046)	1,862
Derecognition of tax losses	375	–
Deferred Tax Expense from Removal of Depreciation on Buildings	–	2,311
	1,745	5,357
Reconciliation of Profit Before Income Tax with Income Tax Expense:		
Profit Before Income Tax	(2,781)	10,306
Prima Facie Income Tax Expense calculated at respective tax rates	(740)	2,940
Other Permanent Differences	1,854	99
Deferred Tax Expense from Removal of Depreciation on Buildings	–	2,311
	1,114	5,350
(Over)/Under Provision in Previous Year	256	7
Derecognition of tax losses	375	–
	1,745	5,357

Other permanent differences for FY24 include additional deferred tax expense of $2.3 million at 31 March 2024, recognised as a result of the Government's removal of tax depreciation on commercial buildings effective from 1 April 2024.

The tax rates used in the above reconciliation are the trustee tax rate of 39% payable by New Zealand trustees on taxable income, and the company tax rate of 28% payable by New Zealand companies on taxable profits under New Zealand tax law.

Losses Carried Forward

The Parent (MainPower Trust) has unrecognised tax losses to carry forward arising from unused imputation credits of $1,117,336 (2024: $1,046,248).

8. Trade and Other Receivables

	Group 2025 $000	Group 2024 $000
Trade receivables and Other Accruals	6,749	6,641
Provision for Doubtful Debts	(122)	(178)
Interest receivable	19	17
	6,646	6,480

9. Inventories

	Group 2025 $000	Group 2024 $000
Inventory on Hand	7,421	7,835
	7,421	7,835

10. Other Current Financial Assets

	Group 2025 $000	Group 2024 $000
Distribution Network Self-Insurance Fund Investment	3,381	3,227
Forsyth Barr Portfolio	450	1,181
	3,831	4,408

11. Other Non-Current Financial Assets

	Group 2025 $000	Group 2024 $000
Forsyth Barr Portfolio	10,235	9,127
	10,235	9,127

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

12. Property, Plant and Equipment

	Freehold Land $000	Buildings $000	Electricity Distribution Network $000	Plant, Equipment, Vehicles, Furniture and Fittings $000	Generation Assets $000	Total $000
Consolidated Group						
Gross Carrying Amount						
Balance at 31 March 2023	5,970	16,653	362,354	13,355	7,905	406,237
Additions	1,826	842	27,830	1,011	–	31,509
Disposals	–	(136)	(1,563)	(743)	–	(2,442)
Impairment	–	–	–	–	(1,430)	(1,430)
Balance at 31 March 2024	7,796	17,359	388,621	13,623	6,475	433,874
Additions	–	396	27,365	1,205	260	29,226
Disposals	–	–	(3,597)	(931)	–	(4,528)
Assets Held for Sale	–	–	–	–	6,688	6,688
Impairment	–	–	–	–	(5,458)	(5,458)
Network Revaluation	–	–	(113,288)	–	–	(113,288)
Balance at 31 March 2025	7,796	17,755	299,101	13,897	7,965	346,514
Accumulated Depreciation and Impairment						
Balance at 31 March 2023	–	766	78,571	10,540	4,142	94,019
Depreciation expense	–	738	12,936	788	237	14,699
Disposals	–	(34)	(444)	(693)	–	(1,171)
Impairment	–	–	–	–	(1,030)	(1,030)
Balance at 31 March 2024		1,470	91,063	10,635	3,349	106,517
Depreciation expense	–	640	13,116	734	135	14,625
Disposals	–	–	(414)	(808)	–	(1,222)
Assets Held for Sale	–	–	–	–	(130)	(130)
Impairment	–	–	–	–	754	754
Network Revaluation	–	–	(103,765)	–	–	(103,765)
Balance at 31 March 2025	–	2,110	–	10,561	4,108	16,779
Net book value at 31 March 2024	**7,796**	**15,889**	**297,558**	**2,988**	**3,126**	**327,357**
Net book value at 31 March 2025	**7,796**	**15,645**	**299,101**	**3,336**	**3,857**	**329,735**

12. Property, Plant and Equipment (continued)

a. Generation Assets

Generation assets relating to the Mt Cass Wind Farm project previously classified as "held for sale", have been reclassified to Property, Plant and Equipment as they no longer meet the criteria for this classification. Generation Assets relating to the Cleardale Hydro Station have been classified as held for sale due to a sale agreement signed prior to 31 March 2025 that settled in July 2025 (refer to Note 16).

b. Revaluations and impairment review

i. Electricity distribution network

A valuation of the Group's electricity network distribution assets was undertaken by Ernst & Young as at 31 March 2025 in accordance with NZ IFRS 13 Fair Value Measurement. The Group's electricity network distribution assets were revalued to fair value of $299.20 million. The change in value, net of deferred tax, was recognised fully in the asset revaluation reserve.

Fair value was determined using a discounted cashflow. The material assumptions used in the fair value assessment include:

- Market participants would be subject to the Default Price-Quality Path (DPP) regime
- Post-tax weighted average cost of capital of 6.4% used for discounting
- Forecast cashflows including estimates of network pricing, operating costs, and capital expenditure (excluding growth)
- Regulatory Asset Base multiples used in determining terminal value

ii. Mt Cass Wind Farm project

The Group's Mt Cass assets were reviewed for impairment at 31 March 2025. The assets subject to review include property, plant and equipment and capital WIP.

The Mt Cass assets were written down to their estimated recoverable amount resulting in impairment charges totaling $21.2 million. The provision for impairment has been applied to Capital Works Under Construction ($14.6 million) and Property, Plant and Equipment ($6.6 million).

The Group used a discounted cash flow (DCF) analysis to establish a value-in-use of the Mt Cass project as of 31 March 2025. This analysis was used by the Board to determine an appropriate valuation. The Directors obtained an independent assessment of the value of the project to assist with the valuation.

The inputs and assumptions used in the DCF analysis are **highly sensitive** to change, particularly those made in the calculation of an appropriate discount rate, and those predicting future generation revenues. As such, changes in future prices, or inputs used in deriving the discount rate, could have a material impact on the valuation of the Group's assets associated with the Mt Cass Wind Farm.

The major assumptions within the impairment review, and associated sensitivities, included:

a) Electricity pricing forecast taking into account expected supply and demand factors specific to the Mt Cass location. This is a highly sensitive input given the compounded effect over several years of a small change in predicted demand or supply. The Group considered a range of possible forecast electricity prices and has opted for an average price path in this valuation;

b) Weighted average cost of capital 8.14%. A change in one input used in the calculation of the WACC could have a material impact on the valuation. Where there is some uncertainty in particular input, the Group has generally opted for the mid-point of a given range;

c) Forecast cash flow, including operating costs and capital expenditure for the expected useful life of the assets.

iii. Land and non-substation buildings

The Group's Land and Buildings assets were revalued to fair value of $22.4 million as at 31 March 2022 in accordance with the independent valuation conducted by FordBaker Limited.

The major assumptions in the valuation were reviewed at the reporting date with no changes identified that would have a material impact on the fair value of the assets.

iv. Other

The Group's Plant, Equipment, Vehicles, Furniture and Fittings are carried at cost less accumulated depreciation.

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

13. Capital Works Under Construction

	Freehold Land $000	Buildings $000	Electricity Distribution Network $000	Plant, Equipment, Vehicles, Furniture and Fittings $000	Generation Assets $000	Total $000
Balance at 31 March 2023	–	–	**16,635**	**93**	**8**	**16,736**
Additions	159	73	29,159	302	190	29,883
Transfers	(159)	–	(27,830)	(246)	(8)	(28,243)
	–	73	1,329	56	182	1,640
Balance at 31 March 2024	–	**73**	**17,964**	**149**	**190**	**18,376**
Additions	–	441	24,987	385	17,218	43,031
Transfers	–	(514)	(27,292)	(426)	(237)	(28,469)
Impairment (Note 12)	–	–	–	–	(14,624)	(14,624)
	–	(73)	(2,305)	(41)	2,357	(62)
Balance at 31 March 2025	–	–	**15,659**	**108**	**2,547**	**18,314**

14. Intangible Assets

	Computer Software $000	Development Costs $000	Total $000
Gross Carrying Amount			
Balance at 31 March 2023	7,581	207	7,788
Additions	6	251	257
Transfers	201	(201)	–
Disposals	(17)	–	(17)
Balance at 31 March 2024	7,771	257	8,028
Additions	12	427	439
Transfers	449	(449)	–
Balance at 31 March 2025	8,232	235	8,467
Accumulated Amortisation and Impairment			
Balance at 31 March 2023	4,271	–	4,271
Amortisation Expense	1,021	–	1,021
Disposals	(17)	–	(17)
Balance at 31 March 2024	5,275	–	5,275
Amortisation Expense	1,375	–	1,375
Balance at 31 March 2025	6,650	–	6,650
Net Book Value at 31 March 2024	**2,496**	**257**	**2,753**
Net Book Value at 31 March 2025	**1,582**	**235**	**1,817**

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

15. Right-of-Use Assets at Present Value

	Sites, Accessways and Concessions $000	Plant, Equipment and Vehicles $000	Electricity Distribution Equipment $000	Total $000
Consolidated Group				
Gross Carrying Amount				
Balance at 1 April 2023	426	5,735	13,272	19,433
Additions	458	3,348	1,441	5,247
Modifications	(54)	(5)	(1,441)	(1,500)
Disposals	–	(1,621)	–	(1,621)
Balance at 31 March 2024	830	7,457	13,272	21,559
Additions	1,076	1,606	1,272	3,954
Modifications	–	(75)	(18)	(93)
Disposals	(195)	(718)	–	(913)
Balance at 31 March 2025	1,711	8,270	14,526	24,507
Accumulated Depreciation				
Balance at 1 April 2023	265	3,669	3,415	7,349
Depreciation expense	69	932	949	1,950
Disposals	–	(1,399)	–	(1,399)
Balance at 31 March 2024	334	3,202	4,364	7,900
Depreciation expense	223	1,321	1,311	2,855
Disposals	(177)	(502)	–	(679)
Balance at 31 March 2025	380	4,021	5,675	10,076
Net book value at 31 March 2024	**496**	**4,255**	**8,908**	**13,659**
Net book value at 31 March 2025	**1,331**	**4,249**	**8,851**	**14,431**

16. Assets Held for Sale

As at 31 March 2024 the Group disclosed $8.4 million assets held for sale in respect of an anticipated sale of those assets to Mt Cass Wind Farm Limited within 12 months. During the reporting period the sale agreement lapsed as a result of the funding partner's withdrawal, resulting in reclassification to property, plant and equipment.

Assets held for sale at 31 March 2025 are generation assets subject to a sale agreement signed prior to 31 March and settled in July 2025.

	Group 2025 $000	Group 2024 $000
Major Classes of Assets and Liabilities Held for Sale		
Property, Plant, and Equipment	1,518	8,389
Capital Works Under Construction	–	984
Impairment	–	(984)
Total Assets Held for Sale	**1,518**	**8,389**

17. Trade and other payables

	Group 2025 $000	Group 2024 $000
Trade payables	6,495	3,464
Other Accruals	1,629	991
Employee Entitlements	2,693	2,666
GST Payable	269	461
	11,086	7,582

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

18. Deferred Tax Liabilities

	Group 2025 $000	Group 2024 $000
Opening Balance	53,985	49,812
Charged to Profit and Loss:		
– Property, Plant and Equipment	(2,912)	2,034
– Building Depreciation Removed	–	2,311
– Intangible Assets	(145)	(51)
– Other Temporary Differences	(101)	(121)
– Derecognition of tax losses	343	–
	(2,815)	4,173
Charged to other comprehensive income:		
– Property, Plant and Equipment	(2,666)	–
Closing Balance	**48,504**	**53,985**
Represented as:		
Deferred Tax on Property, Plant and Equipment	49,305	52,572
Deferred Tax on Building Depreciation Removed	–	2,311
Deferred Tax on Intangible Assets	314	455
Deferred Tax on Other Temporary Differences	(1,115)	(1,015)
Deferred Tax on tax losses	–	(338)
	48,504	53,985

19. Borrowings

	Group 2025 $000	Group 2024 $000
Current Term Loan	–	5,500
Non-Current Term Loan	50,000	50,000
Total Borrowings	50,000	55,500

The Group has multi-option bilateral credit facilities of $165 million which are unsecured and subject to a negative pledge arrangement.

Of the $165 million, $30 million is due for renewal by December 2025, $115 million is due for renewal by November 2026, and $20 million is due for renewal by March 2028. As at 31 March 2025, $50 million has been drawn down, none of which is due for renewal within 12 months of the reporting date.

During the year no interest was capitalised to MainPower's Generation or Electricity Distribution Network Assets (2024: Nil).

20. Non-Current Provisions

	Employee Entitlements $000
Balance at 31 March 2024	762
Amounts Utilised	(611)
Other Movements	656
Balance at 31 March 2025	**807**

The provision is an actuarial assessment of entitlements to long service, sick and retirement leave that may become due to employees in the future.

The provision is affected by a number of estimates, including the expected length of service of employees and the timing of benefits being taken.

The movements in the year comprise of the amounts paid out to employees during the year, a reclassification of vested long service leave to current liabilities, movements caused by reassessment of the actuarial assumptions at the reporting date and increases for estimates in sick leave payable to employees due to continued service.

21. Other Non-Current Liabilities

	Group 2025 $000	Group 2024 $000
Rebate Shares at Cost	5	6
Lease Liabilities (refer Note 22)	12,940	12,007
	12,945	12,013

Rebate shares have a nominal value of 10 cents per share. MainPower Trust holds 10,875 rebate shares with the remainder (43,469) relating to unclaimed redemptions from Qualifying Customers who have left the MainPower Network.

796 rebate shares were redeemed during the year at 10 cents each (2024: 647).

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

22. Lease Liabilities

	Group 2025 $000	Group 2024 $000
Opening Balance at 1 April	14,346	12,617
Additions	3,906	5,248
Modifications	(93)	(1,500)
Disposals	(189)	(153)
Accretion of Interest	439	407
Payments	(2,788)	(2,273)
Closing Balance as at 31 March	15,621	14,346
Represented as:		
Current	2,681	2,339
Non-Current (refer Note 21)	12,940	12,007
	15,621	14,346

The following amounts are represented in the Statement of Comprehensive Income:	Group 2025 $000	Group 2024 $000
Depreciation Expense on Right-to-Use Assets	2,769	1,950
Interest Expense on Lease Liabilities	439	407
Expenses relating to Low-Value Leases	70	75
	3,278	2,432

23. Group Structure

Details of the Group's material subsidiaries for the year ended 31 March 2025 are as follows:

Name	Principal Activity	Place of Operation	Ownership Interest and Voting Power 2025	Ownership Interest and Voting Power 2024
MainPower New Zealand Limited	Provision of electricity infrastructure services	New Zealand	100%	100%
MPNZ Investments Limited	Provision of growth initiative outside electricity distribution network	New Zealand	100%	100%
GreenPower New Zealand Limited	Non-trading 100% owner of Mt Cass Wind Farm Limited	New Zealand	100%	50%
Mt Cass Wind Farm Limited	Construction and operation of wind turbine farm	New Zealand	100% (as 100% owned by GreenPower New Zealand Limited)	50% (as 100% owned by GreenPower New Zealand Limited)
Kakariki Power Limited	Electricity energy sales operations	New Zealand	100%	100%

Transactions in FY2025

a. **GreenPower and Mt Cass**

On 25 July 2024 the Group re-purchased 50% shares in GreenPower New Zealand Limited ("GreenPower"), bringing the Group's ownership percentage back to 100%. At the same time, the Group acquired the rights to the shareholder loan from the other 50% shareholder to GreenPower. Details of the purchase consideration, the net assets acquired, and gain on bargain purchase are as follows:

i. Purchase consideration

	$000
Allocated transaction price	157
Fair value of equity interest in Greenpower joint venture	1,937
Total purchase consideration	**2,094**

The transaction price was allocated on a relative fair value basis between the shares and the rights to the loan.

The Group recognised a fair value gain on the remeasurement of the joint venture immediately prior to the acquisition of $1,937,000. This is included in Other Gains and Losses (Note 6).

ii. Assets and liabilities recognised as a result of the acquisition

	Fair value $000
Cash	1,581
Capital Works Under Construction	16,654
Right of Use assets	880
Lease liabilities	(913)
Shareholder Advances payable	(14,481)
Other net assets	154
Total fair value of net assets acquired	**3,875**

The acquisition results in a gain on bargain purchase of $1,781,000, included within Other Gains and Losses (Note 6).

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

23. Group Structure (continued)

Transactions in FY2024

b. **GreenPower and Mt Cass**

In May 2023 the Group sold 50% of its shares in GreenPower. GreenPower wholly owns 100% of Mt Cass Wind Farm Limited ("Mt Cass").

The transaction resulted in the derecognition by the Group of the GreenPower and Mt Cass subsidiaries and subsequent recognition of an equity-accounted joint venture. The contractual arrangement provided the Group with only the rights to the net assets of the joint arrangement and therefore the joint arrangement was classified as a joint venture.

The change resulted in the separate recognition of Advances receivable, being amounts owed by the joint venture to the Group for pre-construction activities for the Mt Cass Wind Farm project. In prior periods, as GreenPower and Mt Cass were recognized as 100% subsidiaries, these advances were eliminated as intragroup balances.

Kakariki Power Ltd

In March 2024 the Group acquired the 20% minority interest in Kakariki Power Limited bringing the Group's total ownership to 100%. The transaction resulted in a gain on bargain purchase.

24. Commitments

The Group was committed to capital expenditure amounting to $4.5 million (2024: $1.6 million) at the reporting date.

The Group is contractually committed to cash outflows relating to several service agreements over the next three years from the reporting date. The total committed operating expenditure for these contracts is $0.5 million (2024: $2.2 million).

25. Contingent Assets and Liabilities

The Group had no significant contingent assets or liabilities as at 31 March 2025 (2024: nil).

26. Significant Events after Balance Date

There are no events after the reporting date that would materially affect these financial statements.

27. Related-party transactions

Group Structure

There were no significant related party transactions within the Group during the year (2024: Nil).

No provisions were made for doubtful debts relating to the outstanding balances nor any doubtful debts expense was recognized in relation to related parties during the period.

	Group 2025 $000	Group 2024 $000
Key Management Personnel Compensation		
Employee Remuneration and Benefits	2,607	2,931

Executive staff remuneration comprises salary and other short-term benefits. MainPower executives appointed to the boards of related companies do not receive directors' fees personally.

Other Transactions Involving Related Parties

The Group may transact on an arm's length basis with companies in which Directors have a disclosed interest. Stephen Lewis as a sole trader has provided services to the Network outside of his commitments as a director. This was invoiced monthly, and the total did not exceed $1,000 for any individual transaction. There were no other such transactions exceeding $1,000.

The Group paid directors' and trustees' fees totaling $410,222 and $176,759 respectively (2024: $403,973 and $147,500).

Key Management Personnel of the Group purchased sundry goods and services from Group companies during the period. Until August 2024 the Group offered all employees and directors the option of joining its electricity retailer, Kakariki Power, and some Key Management Personnel had taken this up. After this date Kakariki Power no longer provided retail sales to any residential customers including staff or directors. Excluding Kakariki Power all other purchases by Key Management Personnel did not exceed $1,000 for any individual (2024: all less than $1,000). There were no significant outstanding balances with Key Management Personnel at the end of the period (2024: nil). All transactions were conducted on standard commercial terms.

28. Financial Instruments

The Group has exposure to the following risks in the normal course of the Group's business:

- Liquidity risk
- Interest Rate risk
- Credit risk

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The significant accounting policies and methods adopted, including the criteria for recognition and the basis of measurement applied in respect of each class of financial asset, financial liability, and equity instrument are disclosed in Note 1.

Liquidity risk management

Liquidity risk represents the risk that the group may not be able to meet its contractual obligations.

The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its contractual obligations and it has sufficient funding arrangements in place to cover potential shortfalls.

Unsecured multi option credit facilities as at 31 March 2025 maturing as follows:

$30 million on 16 December 2025

$115 million on 30 November 2026

$20 million on 29 March 2028

	Group 2025 $000	Group 2024 $000
Amount used at Reporting Date	50,000	55,500
Amount unused at Reporting Date	115,000	109,500
	165,000	**165,000**

NOTES (CONTINUED)

Notes to the consolidated financial statements.

For the year ended 31 March 2025.

27. Financial Instruments (continued)

Interest rate risk management

Interest rate risk is the risk that the value of the Group's assets and liabilities will fluctuate due to changes in market interest rates. The Group has interest bearing debt which is subject to interest rate variations in the market.

In accordance with the Group's treasury policy, interest rate swaps are used to manage the Group's interest rate exposure on long term floating rate borrowings within the range of 30% and 70% of borrowings. The Group has entered into interest rate swaps with Westpac New Zealand Limited and annually undertakes a valuation to establish the fair value of those swaps.

Swaps entered into after December 2021 are hedge accounted, meaning that any fair value gain or loss is recognized in the Cash Flow Hedge Reserve through Other Comprehensive Income. Fair value gains or losses on hedges entered into prior to December 2021 are recognized through Profit or Loss.

The following table details outstanding interest rate swaps as at the reporting date.

	Average contracted fixed interest rates	Notional principal swap amounts		Carrying value asset/(liability)	
	%	2025 $000	2024 $000	2025 $000	2024 $000
Swap maturity rates					
31 March 2026	3.91	7,000	7,000	(39)	116
30 June 2025	2.77	5,000	5,000	10	142
30 June 2025	2.91	5,000	5,000	9	134
30 December 2025	2.84	5,000	5,000	20	170
8 March 2029	4.45	10,000	10,000	(336)	(63)
10 March 2030	4.17	5,000	5,000	(119)	(27)
30 September 2030 (forward start)	3.63	10,000	–	40	–
		47,000	**37,000**	**(415)**	**472**
Disclosed as:					
Current Assets				39	–
Non-Current Assets				40	562
Current Liabilities				(39)	–
Non-Current Liabilities				(455)	(90)
				(415)	**472**

Credit risk management

Credit risk is the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group.

The Group manages its exposure to credit risk by:

- Placing cash, short term investments and derivative instruments with registered New Zealand banks with a minimum rating in line with the Group's treasury policy;
- Performing credit evaluations on customers requiring credit wherever practical and monitoring credit exposures to individual customers.

	Group 2025 $000	Group 2024 $000
Cash and Cash Equivalents	2,588	1,385
Trade and Other Receivables (refer Note 8)	6,646	6,480
Other Current Financial Assets (refer Note 10)	3,831	4,328
Trade and Other Payables (refer Note 17)	11,086	7,582

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Independent Auditor's Report

To the Trustees of MainPower Trust

Opinion

We have audited the financial statements of MainPower Trust and its subsidiaries (the 'Group'), which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements, on pages 11 to 38, present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2025, and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards – Reduced Disclosure Regime ('NZ IFRS RDR').

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

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

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

Other than in our capacity as auditor and the other assurance engagement in relation to the Commerce Commisission disclosure audit, we have no relationship with or interests in the Company or any of its subsidiaries. These services have not impaired our independence as auditor of the Company and Group.

Trustees' responsibilities for the consolidated financial statements

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

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

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Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Company's shareholders, as a body, in accordance with Section 207B of the Companies Act 1993. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Deloitte LImited
Christchurch, New Zealand
28 July 2025

This audit report relates to the consolidated financial statements of MainPower Trust (the 'Company') for the year ended 31 March 2025 included on the Company's website. The Trustees are responsible for the maintenance and integrity of the Company's website. We have not been engaged to report on the integrity of the Company's website. We accept no responsibility for any changes that may have occurred to the consolidated financial statements since they were initially presented on the website. The audit report refers only to the consolidated financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these consolidated financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited consolidated financial statements and related audit report dated 14 July 2025 to confirm the information included in the audited consolidated financial statements presented on this website.

REQUESTS FOR INFORMATION BY BENEFICIARIES

MainPower Trust is a signatory to the ETNZ Guidelines for Access to Information by the Beneficiaries of Electricity Community and Consumer Trusts (the Guidelines). As such, the Trust is required to provide details of requests for information by beneficiaries during the previous year (excluding items referred to in Clause 6.2 of the Guidelines). The Trust is required to provide details of the number of requests received and the cost of processing those requests. It is also required to report on the number of Trust decisions not to supply such information which have been subject to review and the cost and outcomes of such reviews.

There were no requests received in the twelve months to 31 March 2025 for information by beneficiaries other than for items included in Clause 6.2 of the Guidelines. There was therefore no additional cost to the Trust in processing any requests.

There were no instances where information was not disclosed to qualifying customers during the year to 31 March 2025. As a result, there were no Trust decisions subject to review and no associated costs.

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