

THE NATURE AND SCOPE OF OUR BUSINESS.

Kordia provides critical infrastructure, networks, and safety of life communication solutions for some of New Zealand's most significant organisations, from national broadcasters to frontline emergency service providers.

With over 65 years of experience, we have developed unique expertise in designing, building, maintaining and operating critical networks. We utilise this knowledge to provide managed service solutions and consulting services for other media and infrastructure providers in New Zealand and the wider Asian Pacific.

We are a key provider of maritime safety of life services for New Zealand and Australia, supporting the operation of distress communication systems for an area encompassing almost a quarter of the world's oceans.

Finally, we leverage our expertise in emerging technology and innovation to advise and support businesses with their cyber security, cloud, managed IT and connectivity needs.

OUR SPECIALIST CAPABILITIES:



MARITIME COMMUNICATIONS
AND SAFETY OF LIFE



MEDIA AND
BROADCAST SOLUTIONS



MANAGED CYBER
SECURITY SERVICES



CYBER SECURITY
ADVISORY AND TESTING



CONNECTIVITY
SOLUTIONS



CLOUD AND DIGITAL
TRANSFORMATION



INFRASTRUCTURE DESIGN,
BUILD AND MAINTENANCE



MANAGED IT AND
MODERN WORKPLACE



24/7 X 365 NETWORK
OPERATIONS

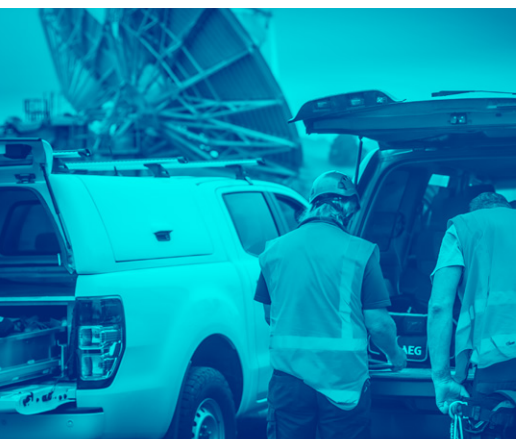
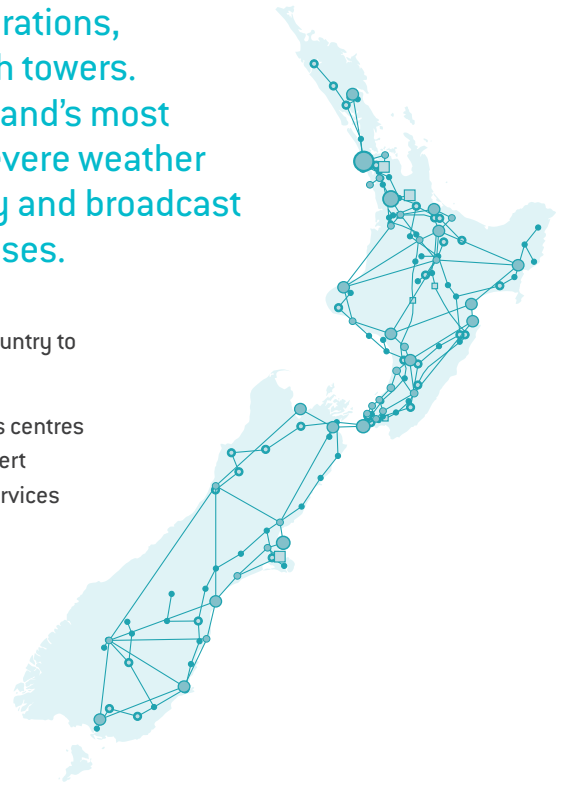


OUR OPERATIONS.

Kordia's network is the backbone of our operations, with over 200 sites, including 50 lattice high towers. Our sites are examples of some of New Zealand's most resilient infrastructure, standing through severe weather and natural disasters to deliver connectivity and broadcast transmissions to communities and businesses.

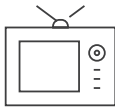
This is supported by our inhouse field team, positioned around the country to provide maintenance and urgent fault resolutions.

We ensure excellent performance and service through four operations centres that are managed 24x7, 365 days a week. From here, our team of expert engineers, security analysts and radio operators provide managed services to meet our customers' every need – from swiftly identifying and resolving network faults and ensuring uninterrupted TV and radio broadcasts, through to responding to distress calls at sea and detecting incoming cyber-attacks.





For over 65 years, Kordia has been building connections that shape lives and redefine the future.



1960'S

NZ begins building a national network to deliver television to the masses. The first TV transmission towers are still operated by Kordia today.



1970'S

Innovations open New Zealand to the world like never before - colour TV and satellite broadcasts from around the globe are ushered in with Kordia's expertise.



1980'S

Kordia develops New Zealand's FM radio network, transforming how we deliver and experience audio.



1990'S

Kordia establishes NZ's first Maritime Operations Centre, and begins designing and building a national VHF radio safety of life at sea network.



2000'S

Kordia's expertise helps propel the nation into the digital age by designing and building world-class cellular and fibre infrastructure.



2010'S

Kordia becomes the first NZ telco to link businesses directly to Microsoft Expressroute, Google Connect and AWS Direct Connect, empowering businesses with unmatched connectivity.



2010'S

As natural disasters such as the Christchurch earthquakes threaten communities, our infrastructure stands strong, keeping critical communications connected.



2010'S

Increasing cyber-attacks threaten businesses worldwide. Kordia acquires cyber security capabilities to help protect NZ from global cyber threats.



2010'S

Kordia's expertise in designing, building and maintaining critical communications infrastructure sees us building networks in the wider Pacific region.



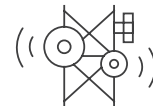
2010'S

Across Australia and NZ, Kordia helps roll out 5G networks and builds rural broadband wireless networks, powering high speed connectivity like never before.



2020'S

Deepening our specialist cloud capabilities, cyber defences and managed IT services, Kordia guides customers through significant digital transformations.



2020'S

When Cyclone Gabrielle ravages NZ, Kordia's infrastructure stands strong, supporting other telcos when it matters most.

From towering beginnings to a future without limits, Kordia continues to help keep New Zealand and our customers safe and connected.





200+
NETWORK SITES
INCLUDING 50 LARGE LATTICE TOWERS



OVER
459
EMPLOYEES



MONITORING ALMOST
A QUARTER
OF THE WORLD'S OCEANS



60+
GENERATOR AND
POWER BACKUP SITES



FOUR 24/7 X 365
OPERATIONS CENTRES:
NETWORK OPERATIONS CENTRE (NOC),
SECURITY OPERATIONS CENTRE (SOC)
AND MARITIME OPERATIONS CENTRES (MOC).



DIGITAL TERRESTRIAL TELEVISION (DTT)
COVERAGE FOR
87%
OF NEW ZEALAND



DIRECT CONNECTIONS TO
ALL
MAJOR PUBLIC CLOUDS



99.99%
COVERAGE
FOR SATELLITE TV ACROSS NZ

286



MARITIME SAFETY OF LIFE
INCIDENTS RESPONDED TO IN 2024



PURPOSE AND ASPIRATIONS

Under the Act, Kordia Group Limited is required to operate as a successful business and specifically, to achieve the following objectives:

- to be as profitable and efficient as comparable businesses that are not owned by the Crown;
- to be a good employer; and
- to exhibit a sense of social responsibility by having regard to the interests of the community in which it operates.

In pursuing its objectives, Kordia will take a medium to long-term view appropriate to the nature of the business and its assets whilst maximising its enterprise value. Kordia will also ensure the interests of all stakeholders in its ecosystem are considered as part of its process

OUR PURPOSE:

**WE KEEP NEW ZEALAND
AND OUR CUSTOMERS SAFE
AND CONNECTED.**

WHAT WE DO:

**WE DESIGN, BUILD
AND MANAGE SECURE
NETWORKS AND CRITICAL
INFRASTRUCTURE.**



CREATING VALUE

We're a trusted part of New Zealand's communities. With a legacy of over 65 years, we've evolved from providing the broadcasting transmissions that keep New Zealanders informed and entertained to building the essential networks and infrastructure services that keep people and businesses safe and connected.

As technological advancements bring challenges and opportunities for the industries we play in, we're committed to finding new ways to support our customers and add value to New Zealand.

No matter what, we're committed to providing best in class services and solutions.

We prioritise our financial goals that benefit our shareholder and our non-financial goals that meet the needs of our customers, our people, and the wider community.

CAPITALS

We recognise the value we create comes from different sources or capitals and benefits a broad range of stakeholders –from the wider community, to our people and our shareholder.

OUR AMBITIONS FOR OUR CAPITALS:

FINANCIAL SUSTAINABILITY

Financially strong, supporting our own future and returning value to the shareholder.

ROBUST AND RESILIENT INFRASTRUCTURE

Designing, building and maintaining resilient and robust communications infrastructure to service communities.

CRITICAL COMMUNICATION AND SAFETY OF LIFE NETWORKS

Providing reliable, resilient safety of life at sea communications and broadcast and TV transmissions that continue to operate even in the event of natural disasters and emergencies.

CONNECTED AND SECURE CUSTOMERS

Enabling our customers to grow and compete by providing network connectivity, cyber security and cloud solutions tailored for New Zealand businesses.

ENGAGED AND INCLUSIVE TEAMS

Creating an environment where our diverse and capable experts can thrive, and work safely.

REDUCING OUR ENVIRONMENTAL IMPACT

Striving towards our ambitions of zero waste and zero harm to the environment, and reducing our carbon emissions.



KORDIA STRATEGY

Kordia has a unique positioning in the market with substantial strategic assets that provide an opportunity for Kordia to deliver best-in-class returns as well as to deliver value to New Zealand as a whole, now and into the future.

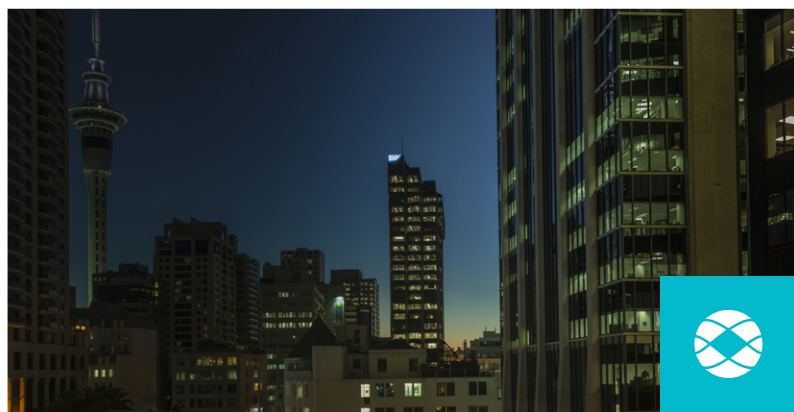
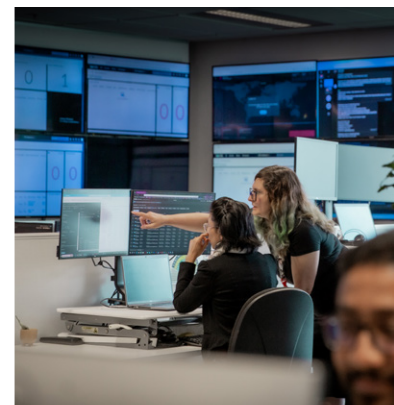
DELIVERING EXCELLENCE

Our lattice towers in key high sites throughout the country provide the ability for unequalled broadcast and communication coverage, our high bandwidth backbone microwave network provides connectivity and resilience when other networks fail, our Network Operations Centres provide unequalled 24/7 support, and our award-winning Cyber Security division keeps New Zealand businesses safe.

ENABLING THE FUTURE

Kordia has embarked on an ambitious transformation project that in the next 12-18 months will modernise our systems and processes and reduce costs. We will also invest heavily in ensuring our physical infrastructure provides connectivity resilience for New Zealand. The markets Kordia operates in are changing quickly which we see as an opportunity, and we will bring new innovative product offerings to market especially around scalable solutions for digital content delivery and emerging connectivity sectors.

Longer term, we at Kordia see ourselves as an essential enabler of New Zealand's smart city and smart utility strategy. High availability wireless ultra-connectivity will become even more important as New Zealand embraces and utilises these emerging technologies. Kordia sees our role to drive and support the enabling connectivity that will allow New Zealand to be a leader in this space.



KEY PERFORMANCE TARGETS

KEY PERFORMANCE TARGETS: NON FINANCIAL	FY26	FY27	FY28
CONNECTED AND SECURE CUSTOMERS			
Customer engagement - Net Promoter Score (12 months rolling average)	≥50	≥55	≥65
ENHANCED NETWORKS AND PLATFORMS			
NZ Digital Television Transmission (DTT) Network Availability (main metro sites measured annually)	99.90%	99.95%	99.95%
ENGAGED AND INCLUSIVE TEAMS			
Staff engagement	≥75	≥80	≥80
Zero harm in the workplace - Lost Time Injury Frequency Rate (LTIFR)	<2	<2	<2
Zero harm in the workplace - Total Recordable Injury Frequency Rate (TRIFR)	<5	<5	<5

KEY PERFORMANCE TARGETS: FINANCIAL	FY26	FY27	FY28
SHAREHOLDER RETURN			
Dividend \$'m	3.6	8.7	10.5
Dividend yield (dividends paid/average commercial value)	4%	9%	11%
Return on equity (ROE) (NPAT/average equity)*	8%	18%	20%
Total shareholder return [(Commercial value end less commercial value beg plus dividends paid less equity injected)/commercial value beg]	5%	9%	11%
PROFITABILITY/EFFICIENCY			
EBIT (\$m)	8.2	18.2	21.7
NPAT (\$m)	5.1	12.4	15.0
Return on capital employed (EBIT adjusted for IFRS fair value movements/average capital employed)*	9%	19%	24%
Operating margin (EBITDAF/Revenue)	16%	23%	26%
LEVERAGE/SOLVENCY			
Gearing ratio (net debt/net debt and equity)	34%	29%	17%
Interest cover (EBITDAF/interest paid)	9	14	16
Debt /EBITDA	1.3	0.7	0.4
Solvency (current assets/current liabilities)	2.6	2.5	2.2
Shareholders equity / total assets#	47%	49%	56%
GROWTH			
Capital replacement (CAPEX/(depreciation and amortisation)	1.1	1.2	0.8
Revenue growth (current year revenue/prior year revenue)	3%	3%	0%
EBITDA growth (current year EBITDA/prior year EBITDA)	11%	53%	11%

*FY26 ROE and Return on capital employed is affected by one off transformation costs. Adjusting for these the underlying NPAT and EBIT would be higher and would provide a ROE of 10% and a Return of capital employed of 12%.

Shareholders' equity means the total paid-up capital together with retained surpluses and reserves. Total assets means the sum of all current and non-current assets owned by Kordia to the extent that these have been attributed value in its financial statements.



COMMERCIAL VALUE OF THE CROWN'S INVESTMENT

IN MILLIONS OF NEW ZEALAND DOLLARS	2024 ESTIMATE		2025 ESTIMATE	
	LOWER	UPPER	LOWER	UPPER
Commercial value of the enterprise	117	152	100	142
Less net debt	26	26	23	23
Commercial value of the Crown's investment	91	126	77	119
Less equity book value	57	57	61	61
Valuation in excess of equity	34	69	16	58

The Board has estimated the commercial value of the Group and the Crown's investment in the Group for the financial year ending 30 June 2025. As part of this assessment the Board obtained an independent valuation, the results of which are depicted in the table above. This valuation, based on assumptions made by management as at May 2025, gave an estimate of the current commercial value of the Group as being between \$100 million and \$142 million and of the commercial value of the Crown's investment in Kordia as being between \$77 million to \$119 million.

As with the previous valuation, this valuation has been prepared in times of economic uncertainty, and in the context of a fast-moving industry, where asset values and cash flows are subject to variation over a relatively short period of time. Given these factors, the Board considers that, in terms of the environment in which the valuation has been undertaken, a range of \$100 million to \$142 million for the FY25 commercial value of the enterprise is a reasonable assumption.

KEY POINTS ABOUT THE MANNER IN WHICH THE VALUATIONS WERE ASSESSED ARE:

- The valuation was calculated as at May 2025.
- The valuation was prepared for each Cash-Generating Unit (CGU): Networks, Solutions NZ, Cyber, PSN and Maritime. The discounted cash flow (DCF) and Capitalisation of Future Maintainable Earnings (CME) methodologies were used in the assessment. All valuations were prepared on an after-tax basis.
- The DCF valuations were based on the real [i.e. not inflation-adjusted] future cash flows set out in the 2026-2028 budget with forward projections made for 2029–2030 for Kordia Networks which has a longer-term investment horizon.
- Post tax discount rates of 6.3%, 8.8%, 8.3%, 8.8% and 5.9% were assumed for the Networks, Solutions NZ, Cyber, PSN and Maritime businesses respectively. For the 2024 valuation, the discount rates were, for comparison 7.0%, 9.3%, 8.0%, 9.3% and 6.6%.
- The growth assumption in the DCF terminal value calculation was 0% for all five CGUs.
- The valuation was prepared externally by Bancorp Corporate Finance Ltd based on financial forecasts and supporting information provided by Kordia. The valuation was prepared in conjunction with Management prior to approval by the Board.



CAPITAL STRUCTURE

Kordia is a limited liability company incorporated in New Zealand under the Companies Act 1993 and is wholly owned by the Crown. The liabilities of Kordia are not guaranteed in any way by the Crown.

Kordia aims to maintain a capital structure that is similar to other comparable businesses not owned by the Crown.

DIVIDENDS

In normal circumstances the company policy is 70% of net profit after tax as the intended dividend taking into account:

- Meeting banking covenant requirements with a prudent margin for unforeseen events
- Medium term fixed asset expenditure programme, including replacement of core operating assets that have reached the end of their operating life
- Investment in new business opportunities
- Working capital requirements
- Kordia forecasts that a dividend of \$3.6m will be paid in respect of FY26.

ACCOUNTING POLICIES

Kordia's financial statements comply with the Companies Act 1993, the Financial Reporting Act 2013 and the Public Finance Act 1989 and are prepared on the basis of historic cost unless otherwise noted within the specific accounting policies contained in its Annual Report.

SHAREHOLDER

In accordance with Section 15 of the SOE Act, Kordia will provide to Shareholding Ministers an Annual Report and will report on the achievement of the objectives and targets set out in this Statement of Corporate Intent.

In accordance with Section 16 of the SOE Act, Kordia will also provide to Shareholding Ministers a half-yearly report, which will include an unaudited Income Statement, a Statement of Comprehensive Income, a Statement of Changes in Equity, a Statement of Financial Position, a Statement of Cash Flows and such details as are necessary to permit an informed assessment of the Company's performance during that reporting period.

Kordia will deliver a summary Business Plan to Shareholding Ministers for discussion prior to the commencement of each financial year.

Kordia will deliver a Quarterly Report to Shareholding Ministers no later than the end of the month following the quarter.

In accordance with Section 18 of the SOE Act, Kordia will provide other information relating to the affairs of the Company as requested by the Shareholding Ministers.

Consultation will take place with Shareholding Ministers relating to the material expansion of Kordia's activities into new business areas as well as the sale of existing activities or shares and details relating to subsidiary and associate companies. Consultation arrangements are detailed in Appendix I.

Kordia will seek full compensation from the Crown for any activities or obligations which will result in a reduction of Kordia's net profit or net worth, which Kordia is required by the Crown to undertake and for which a normal commercial return is not forthcoming. At the time of preparing this Statement of Corporate Intent no such requests had been received.



APPENDIX I - SUBSIDIARY AND ASSOCIATED COMPANIES AND CONSULTATION

SUBSIDIARY AND ASSOCIATED COMPANIES

Kordia will at all times ensure that:

- Kordia shall appoint the majority of directors for every subsidiary, and shall approve the majority of directors for every subsidiary of a subsidiary
- All directors approved or appointed by Kordia shall be:
 - Directors or employees of Kordia; or
 - Directors or employees of another subsidiary of Kordia; or
 - Appointed or approved by the directors of Kordia on some other basis.
- Where permitted by the constitution of the subsidiary, and to the extent permitted by law, the directors of every subsidiary of Kordia (including the subsidiary of a subsidiary) shall control the subsidiary in the best interests of Kordia, as determined by a majority of the Board of Kordia from time to time, even though that might not be in the interests of that subsidiary.
- The appointment of each director to the board of a subsidiary of Kordia (or to the board of a subsidiary of a subsidiary) shall be voted on individually as required by section 155 of the Companies Act 1993 (N.Z.) and in accordance with the constitution of Kordia.

CONSULTATION

Kordia will, in relation to any single or connected series of transactions, consult with its shareholding Ministers on substantial matters (defined as >\$5m) not contemplated in the business plan, including:

- Any substantial capital (or equity) investment above the agreed threshold for activities within Kordia's scope of its core business in Australia or New Zealand;
- Any substantial capital (or equity) investment outside of Australia or New Zealand above the agreed threshold;
- Any substantial expansion of activities outside the scope of its core business above the agreed threshold;
- The sale of any shares or the sale of all or substantially all of Kordia Limited's network assets;
- The sale or disposal of the whole or any substantial part of the business or undertaking of Kordia;
- Where Kordia holds more than 20% or more of the shares in any company or body corporate (not being a subsidiary of Kordia), the sale or disposal of any shares in that company.

Shareholder consent will be obtained for the sale of any of the shares of Kordia Limited or the sale of all, or substantially all, of Kordia Limited's network assets.

Shareholding Ministers will continue to be advised of any other significant transactions even if they do not meet the thresholds.



DRIVING INDUSTRY INNOVATION AND VALUE FOR THE NEXT EVOLUTION OF NEW ZEALAND

Kordia is ready to help New Zealand usher in the next wave of technological innovation.

From a future defined by smart cities and infrastructure, to scalable digital content delivery and emerging connectivity sectors, Kordia is ready to enable New Zealand's next technical revolution.



kordia[®]