

Kordia Group Annual Report

FOR THE YEAR ENDED 30 JUNE 2026



Trusted to connect New Zealand, 24/7 x 365

Maritime network

TRUSTED TO MANAGE AND OPERATE THE NETWORK PROVIDING VITAL COMMUNICATION SERVICES COVERING ALMOST A QUARTER OF THE WORLD'S OCEANS

Over 90 million km²



Digital microwave radio (DMR) network

PROVIDING UNPARALLELED ACCESS AND DIVERSITY FOR OUR CUSTOMERS



More than 200 sites across New Zealand

INCLUDING 50 LARGE LATTICE TOWERS



Four critical operations centres

NETWORK OPERATIONS CENTRE (NOC), SECURITY OPERATIONS CENTRE (SOC) AND 2 X MARITIME OPERATIONS CENTRES (MOC)



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Performance at a glance

FOR THE YEAR ENDED 30 JUNE 2026



\$140.5m

REVENUE



\$21.6m

EBITDA



\$4.4m

NPAT



+27

NET PROMOTER SCORE



99.99%

DIGITAL TERRESTRIAL TV (DTT)
NETWORK AVAILABILITY



1,191

CALLS FOR ASSISTANCE AT SEA
RESPONDED TO BY OUR MARITIME
OPERATIONS CENTRES



11.4 & 4.6

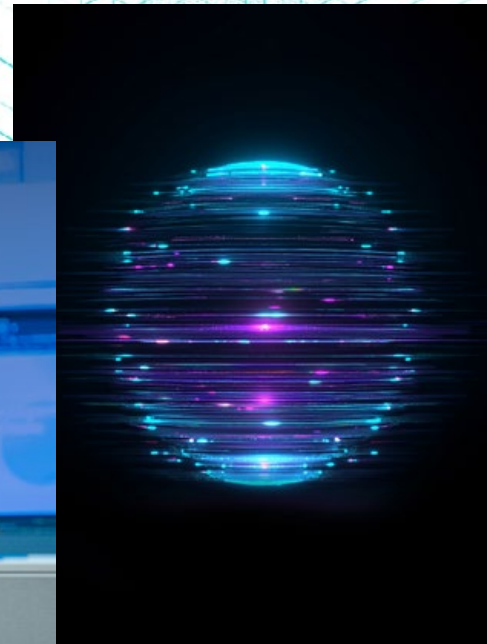
TRIFR

LTIFR



69%

STAFF ENGAGEMENT



If it's critical, it's Kordia.

**We design, build, manage and monitor
the vital systems that keep people and
organisations protected and connected
– across New Zealand, across oceans
and across the digital world.**

We are the trusted name behind the broadcast infrastructure,
communications networks, cyber resilience services and life-saving
maritime surveillance systems that are depended on the most.

With decades of expertise, our team of specialists operate at that invisible
but essential layer – always-on, and always delivering.

If it's critical, complex or consequential, you can count on Kordia.

OUR SPECIALIST CAPABILITIES:



**Maritime
Communications
& Safety Of Life**



**Media &
Broadcast
Solutions**



**Managed
Cyber Security
Services**



**Cyber Security
Advisory
& Testing**



**Connectivity
Solutions**



**Cloud &
Digital
Transformation**



**Infrastructure
Design, Build &
Maintain**



**Coverage
Services**



**24/7 x 365
Network
Operations**

Chair and CEO Report

FOR KORDIA GROUP AS AT 30 JUNE 2026

Kordia Group saw pleasing results in 2025/26, maintaining stability in the midst of continued transformation and economic pressures. The Group continues to navigate towards a refreshed strategic direction with a sharpened commitment to the core areas of expertise that we excel in.

Group revenue this year was \$140.5 million, while EBITDA was \$21.6 million. Net profit after tax (NPAT) was \$4.4 million. For the second year in a row, the Group delivered a pleasing result despite the challenging economic climate, and EBIT and NPAT reached approximately 94 percent of the budget adjusted for the sale of the Managed IT business. At 9 percent, return on capital was ahead of the adjusted budget, and we achieved an improved shareholder equity to total assets ratio.

We achieved these results thanks to a dedicated focus on our primary business and cost control activities, which have driven down spend and supported overall performance. The stability of our long-term work and the re-signing of several major contracts will continue to provide the Group with a solid financial base for the years ahead.

This year we declared a dividend to the Crown of \$2.6 million in addition to paying a special dividend of \$1.8 million from the sale of the Managed IT business.

We also invested \$1 million in Kordia's transformation to align the business with its refreshed strategic direction, positioning it for future growth while impacting short-term profitability.

PERFORMANCE HIGHLIGHTS

Kordia's Media and Maritime division enjoyed another outstanding year, delivering excellent results above budget and again making significant contributions to our overall performance. A highlight was our Maritime Operations Centre (MOC)'s partnership with Starboard Maritime Intelligence to monitor and protect critical underwater infrastructure. This successful collaboration has seen us start monitoring New Zealand's critical underwater infrastructure as well as six submarine cable segments in UK coastal waters, one of the busiest shipping routes in the world.

Media continues to be a strong revenue driver, and this year we renewed our contracts with TVNZ and NZME.

Our field engineering team enjoyed another solid year, with a highlight being the completion of the build of the Distributed Antenna System (DAS) at Christchurch's One NZ Stadium at Te Kaha. The DAS not only enhances mobile connectivity at the stadium during events, it also enhances the connectivity resilience of the Christchurch CBD during times of peak demand.

Following the success of DAS builds at other landmark properties, such as Auckland's Commercial Bay, Kordia looks forward to growing its Coverage as a Service business.

We also demonstrated our multi-faceted expertise in ensuring robust and reliable broadcast services, as our field engineering team worked with RNZ to successfully replace its ageing AM broadcast masts at its Henderson transmission site. Kordia led the design of the new mast, development of the works methodology, and the rigging works on an incredibly complex site.

Kordia's reputation as a leader in cyber security continues to grow, helped by the successful launch of our 2026 New Zealand Business Cyber Security Report – now in its 10th year. The report remains an annual talking point and a useful resource for business leaders, the media and the wider sector with the Privacy Commissioner citing its statistics in his address to a conference this year.



BEN KEPES, CHAIR

NEIL LIVINGSTON, CEO



OUR PEOPLE

Protecting the health, safety and wellbeing of our people remains our highest priority. We are committed to strengthening the systems and foundations to empower the Kordia team to reach their potential.

This year a more comprehensive approach to reporting resulted in a higher number of recorded near misses, injuries and incidents. While targets for LTIFR (Lost Time Injury Frequency Rate) and TRIFR (Total Recordable Injury Frequency Rate) were not met, we are confident that this demonstrates a more mature reporting culture rather than a decline in safety performance. From FY27, we will be strengthening our focus on leading measures, to continue to ensure our health, safety and wellbeing practices evolve and are world class.

Gender equality remains important for Kordia, with closing the gender pay gap a priority. We are pleased to report that this gap is now 3 percent, down from 15 percent in FY25. The exceptional progress made on closing the gender pay gap demonstrates our commitment to valuing everyone equally.

Our employee engagement score of 69 percent is strong and is reflective of the culture and the contribution all employees make in helping to create a workplace where people feel valued and want to build their careers.

OUR NORTH STAR

This year we entered an exciting new phase of our transformation with the refinement of our strategic direction.

The work Kordia does is consequential. Whether it's safety of life at sea, keeping networks running 24/7 – including during emergencies – or protecting organisations and people from cyber-attacks, these services are vital.

Our North Star – excellence in critical communications and cyber resilience – marks a subtle but important evolution in our way forward for the coming years. It will see us place greater emphasis on our key areas of expertise: designing, building, maintaining and monitoring the systems and infrastructure that matter the most.

Ben Kepes, Chair, and Neil Livingston, CEO

BOARD CHANGES

The Board Chair, Sophie Haslem, and Directors, Kent Pohio and Martin Matthews, retired on 30 June 2026. Ben Kepes was appointed Chair of the Board on 1 July 2026. David Boyes and Jason McDonald were appointed as Directors on 1 July 2026.

The Board acknowledges the significant contribution made by the retiring Directors and welcomes the appointment of the new Chair and Directors.



Board Members

FOR KORDIA GROUP AS AT 30 JUNE 2026



Sophie Haslem

CHAIR OF THE BOARD

Sophie is a Chartered member of the Institute of Directors New Zealand and a Graduate of the Australian Institute of Company Directors. She has a BCom and Post-Graduate Diploma in Management from The University of Melbourne. Over her executive career, Sophie has worked with a diverse range of companies across New Zealand and Australia developing extensive mergers and acquisition, innovation and growth strategy experience.

She has held senior positions at Citibank N.A., ANZ Investment Bank, Ernst & Young and New Zealand Post. Sophie is also Deputy Chair of CentrePort and an Independent Director of Livestock Improvement Corporation (LIC), Rangatira Investments, nib NZ and Payments NZ. Sophie is a member of Kordia's Audit, Risk & Environment and the People, Wellbeing & Safety Committees.



Ben Kepes

DEPUTY CHAIR OF THE BOARD

Ben is a globally recognised expert in cloud computing, enterprise technology and digital transformation.

Ben has consulted to many large technology vendors internationally and has been called upon as a technology and business adviser to a variety of organisations. A recipient of the Sir Peter Blake Leadership Award, Ben currently sits on the boards of a number of organisations in New Zealand including Pegasus Health, Paenga Kupenga, Cactus Outdoor and Corde. In addition, he is Deputy Chair of Unimed and Chair of Smartco Metering Solutions. Ben is a member of Kordia's Audit, Risk & Environment and the People, Wellbeing & Safety Committees.



Linda Robertson

BOARD MEMBER

Linda is a professional company director with more than 25 years' governance experience, combined with 30 years' senior financial management experience. Linda has worked in both the banking and energy sectors in New Zealand, and she has been a full-time company director since 2015. Linda's governance experience spans many areas including co-operatives, local authority-owned and state-owned entities and charities in industries such as banking, funds management, electricity generation retail and distribution and broadcasting services. She has a Bachelor of Commerce and a Diploma in Banking. Linda also holds a Sustainability and ESG Designation and a Climate and Biodiversity Certificate. Linda is a Distinguished Fellow of the Institute of Finance Professionals New Zealand (IFINZ), a Graduate Member of the Australian Institute of Company Directors, a Chartered Governance Professional and a Certified Fellow of the Institute of Directors New Zealand. Linda is the Chair of Kordia's Audit, Risk & Environment Committee.

Nicola Riordan

BOARD MEMBER

Nicola is a Chartered Member of the Institute of Directors New Zealand and the Australian Institute of Company Directors. She holds a MA in Strategic Marketing Management and a BBS in Business and IT.

Over her executive career, Nicola has worked with high-growth technology companies across New Zealand and globally including Xero, Skype and TweetDeck, developing deep expertise in innovation, customer strategy and commercial leadership.

She is a Director of the Real Estate Institute of New Zealand (REINZ), Realestate.co.nz, New Zealand Financial Services Group and LMG (Australia), and she is a Council Member at the University of Otago. Nicola is Chair of Kordia's People, Wellbeing & Safety Committee.

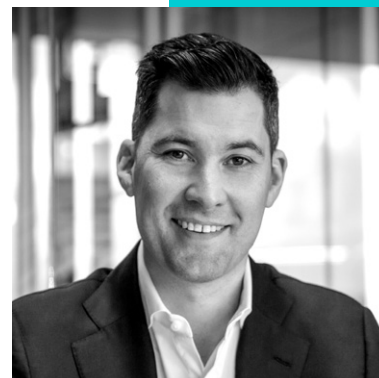


Kent Pohio

BOARD MEMBER

Kent is an executive and independent director with more than 15 years' experience across the energy and agriculture sectors working with a wide range of multinational companies. He is currently the General Manager at WSG Energy Services.

Kent brings strategic focus and expertise in asset and risk management to the Kordia Board. He is an authentic and strategic leader focused on developing high-performing teams and boards. Kent is of Ngāi Tahu, Ngāti Pikiao and Ngāti Kahungunu descent. He holds a Bachelor of Chemical and Process Engineering as well as a Master of Engineering Management from the University of Canterbury. Kent is a member of Kordia's People, Wellbeing & Safety Committee.



Martin Matthews

BOARD MEMBER

Martin is Chair of the boards for MetService and Wheako Ponake Experience Wellington. He is also a member of the Audit and Risk Committee for Whaikaha, the Ministry of Disabled People. Martin has previously held executive roles as Controller and Auditor-General, Secretary for Transport and CEO of the Ministry for Culture and Heritage. He has a BA (Hons) in Economics, is a Fellow of Chartered Accountants Australia and New Zealand and a member of the Institute of Directors New Zealand. Martin is a member of Kordia's Audit, Risk & Environment Committee.



Dhaya Sivakumar

BOARD MEMBER

Dhaya is a recognised technology leader in New Zealand with more than 25 years' management experience across a variety of industries including travel, hospitality, telco, payments, healthcare, financial services and agricultural technology. He is currently Chief Information Officer at dairy genetics company Livestock Improvement Corporation (LIC). Dhaya has significant experience in high growth start-up businesses as well as in large corporate transformations. He currently advises early-stage companies and is Chair of charitable trust Hau Tutu, aiming to increase the participation rates of Māori and Pasifika in the technology sector. Dhaya has a Bachelor of Business and brings a specific technology and product focus to the Kordia Board. He is a member of Kordia's Audit, Risk & Environment Committee.



Governance Overview

The Directors are pleased to present an overview of Kordia's governance and practices.

Shareholders

Kordia was established under the State-Owned Enterprises Act 1986 (SOE Act) and incorporated under the Companies Act 1993. As a State-Owned Enterprise, Kordia is wholly owned by the Crown, represented by the Minister of Finance and the Minister for State-Owned Enterprises as Shareholding Ministers. The Treasury, through the Commercial Operations Group, provides administrative support to the Shareholding Ministers.

The Board is responsible for overseeing Kordia's strategic direction, performance, resilience and long-term sustainability on behalf of Shareholding Ministers. The Board's governance approach is focused on supporting accountable decision-making, effective oversight and sustainable business performance.

Kordia provides Shareholding Ministers with quarterly reporting on performance against the Statement of Corporate Intent (SCI), alongside half-year and annual financial reporting, annual business plans and other updates in line with a "no surprises" approach. The SCI, half-year report and annual report are tabled in Parliament annually.

As a SOE, Kordia's principal objective is to operate as a successful business. Kordia aims to:

- provide high-quality services and products at market competitive prices;
- manage financial assets and liabilities prudently;
- make investment and business decisions that protect and enhance shareholder value;
- operate an efficient, effective and profitable business;
- provide an appropriate commercial return on capital employed; and
- foster safe workplaces and supply chains, creating an environment where people can thrive.

As a SOE, Kordia also recognises its role in supporting trusted and resilient infrastructure and services for customers, government and the communities it serves.

The Board

The Board is appointed by the Shareholding Ministers and currently comprises seven non-executive Directors. Each Director is independent of management and free from relationships that could materially interfere with the exercise of independent judgement.

Under the Board Charter, the Chair leads the Board in fulfilling its responsibilities and maintaining effective relationships with Shareholding Ministers and key stakeholders. The Chair also maintains a close working relationship with the Chief Executive.

The Board is responsible for guiding and overseeing Kordia's operations, strategic direction and long-term sustainability. The Board Charter sets out how the Board discharges its responsibilities and exercises its powers.

During the year, the Board focused on operational risks including cyber security, health and safety, and workforce capability. It also considered external risks and business resilience. Strategic oversight included reviewing key risks and opportunities, monitoring the execution of strategy and organisational performance and considering long-term investment priorities.

The Board oversees Kordia's annual and three-year planning processes, financial performance and capital investment priorities. Directors regularly engage with management to review strategic priorities, investment decisions and operational performance across the business.

Day-to-day management of Kordia is delegated to the Chief Executive.

Constitution, Charter, Reference and Policies

Kordia's Constitution is available on the Kordia website at kordia.co.nz/shareholder.

Kordia maintains a comprehensive suite of governance frameworks, Board and Committee charters, policies and supporting procedures that establish expected standards of conduct, accountability, risk management and decision-making across the organisation. Examples of key governance documents include:

- Kordia Group Board Charter;
- Audit, Risk & Environment Committee Terms of Reference;
- People, Wellbeing & Safety Committee Terms of Reference;
- Code of Conduct;
- Delegation of Authority Policy;
- Whistleblower Policy;
- Fraud and Corruption Prevention Policy;
- Procurement Policy;
- Treasury Policy;
- Tax Policy;
- Health and Safety Policy;
- Environmental Policy; and
- Modern Slavery Policy.

Code of Conduct and Ethics

Kordia's Code of Conduct sets out the standards of behaviour and ethical expectations that apply across the organisation. The Code supports compliance with legal obligations, promotes responsible decision-making and reinforces Kordia's values and expected workplace behaviours.

The Code is reviewed regularly to ensure it remains aligned with evolving legal requirements, stakeholder expectations and organisational priorities.

The Board and Executive continue to promote a culture of accountability, safety, ethical conduct and responsible risk management across the organisation.

Conflicts of Interest

Kordia maintains processes for identifying, disclosing and managing conflicts of interest.

The Code of Conduct includes guidance on disclosing and managing conflicts of interest. Directors disclose any actual or potential conflicts, with Director interests reviewed at each Board meeting. A Directors' Interests Register is maintained and regularly reviewed by the Board.

Employees are also required to disclose conflicts of interest in accordance with the Code of Conduct and supporting policies.

Whistleblowing

Kordia encourages employees and stakeholders to raise concerns about suspected wrongdoing through confidential reporting channels.

The Whistleblower Policy outlines the processes and protections available under the Protected Disclosures (Protection of Whistleblowers) Act 2022.



Governance Overview cont.

Health and Safety

The health, safety and wellbeing of Kordia's people, contractors and others interacting with the business remains a priority across all operations.

Kordia is committed to maintaining a proactive safety culture supported by continuous improvement and effective risk management practices. Each business unit maintains health and safety plans tailored to its operational activities and risk profile.

Kordia has identified a number of critical risks with potential for serious harm, including vehicle collision or rollover, contact with electricity, fall from height, radiofrequency (RF) exposure and mechanical or stored energy release. Controls relating to these risks are regularly reviewed to ensure they remain effective and fit for purpose.

Performance is monitored using a combination of leading and lagging indicators, including critical control reviews, Lost Time Injury Frequency Rate (LTIFR), incident reporting and corrective action tracking.

The Board receives regular reporting on critical risks, incident trends and control effectiveness across the business.

Throughout the year, our Executive Leadership Team and Directors take part in Leadership Walks across the business. These walks are an important tool for engaging with employees, gaining insight into our operations and supporting a strong culture of health, safety and wellbeing across Kordia.

WALKS COMPLETED	
Sophie Haslem	1
Ben Kepes	2
Linda Robertson	2
Nicola Riordan	1
Martin Matthews	0
Kent Pohio	2
Dhaya Sivakumar	1

Board Skills and Development

The Board seeks to maintain a complementary mix of skills, experience and perspectives aligned to Kordia's strategy, operating environment and long-term priorities.

Directors undertake ongoing professional development to support effective governance and maintain awareness of emerging issues, governance developments and industry trends. This includes participation in external education programmes, industry engagement, site visits and operational briefings.

The Board regularly evaluates its own performance, along with the effectiveness of its committees and individual Directors.

The most recent independent Board evaluation was conducted by BoardOutlook during 2025. A broader external governance review is planned for 2027 to support continuous improvement in Board and Committee effectiveness.

Board Skills Matrix

● Expert

● Advanced

● General + Limited

CATEGORY	DESCRIPTION	DIRECTOR RATINGS
Strategy Oversight	Oversight of strategic direction, long-term planning, capital allocation, growth opportunities and execution of organisational strategy.	● ● ● ● ● ● ●
Risk Management	Oversight of enterprise risk, governance, compliance, risk appetite and emerging strategic and operational risks.	● ● ● ● ● ● ●
Innovation and Disruption	Understanding emerging technologies, industry disruption, innovation opportunities and business model transformation.	● ● ● ● ● ● ●
Digital, Cloud and Cyber Security	Oversight of digital strategy, cloud technologies, cyber security, privacy, cyber resilience and technology risk.	● ● ● ● ● ● ●
Enterprise Technology (Customer Facing)	Experience with customer-facing technology, digital products, customer experience and enterprise technology delivery.	● ● ● ● ● ● ●
Corporate Governance	Board governance, director responsibilities, governance frameworks, committee leadership and regulatory compliance.	● ● ● ● ● ● ●
Major Projects	Oversight of major projects and programmes including governance, delivery, risk management and stakeholder engagement.	● ● ● ● ● ● ●
Physical Technology Infrastructure	Oversight of networks, communications infrastructure, operational technology, critical infrastructure and technology resilience.	● ● ● ● ● ● ●
Talent and Leadership	Leadership development, succession planning, organisational capability, culture and workforce planning.	● ● ● ● ● ● ●
Accounting and Financial Reporting	Financial reporting, audit, financial controls, accounting standards and financial governance.	● ● ● ● ● ● ●
Mergers, Acquisitions and Divestments	Oversight of mergers, acquisitions, divestments, due diligence, integration and transaction execution.	● ● ● ● ● ● ●
Safety	Oversight of safety governance, safety culture, risk management, compliance and continuous improvement.	● ● ● ● ● ● ●
Sustainability	Oversight of sustainability strategy, climate-related risks and Environmental, Social, and Governance (ESG) performance.	● ● ● ● ● ● ●
Government Engagement	Government relations, public policy, regulatory engagement and stakeholder advocacy.	● ● ● ● ● ● ●
Culture, Diversity and Inclusion	Oversight of organisational culture, diversity, equity and inclusion, employee engagement and workplace wellbeing.	● ● ● ● ● ● ●



Governance Overview cont.

Board Committees

The Board has established Committees to support detailed oversight of key governance responsibilities. Committees review matters within their remit and provide recommendations to the Board.

The Board currently operates two standing Committees.

AUDIT, RISK & ENVIRONMENT COMMITTEE

The Audit, Risk & Environment Committee supports oversight of financial reporting, enterprise risk management, internal controls, cyber security resilience and business continuity.

The Committee is chaired by Linda Robertson. Members are Sophie Haslem, Ben Kepes, Martin Matthews and Dhaya Sivakumar.

Key responsibilities include oversight of:

- financial reporting and audit processes;
- internal controls and compliance frameworks;
- enterprise risk management and risk appetite;
- disaster recovery and resilience planning; and
- environmental reporting and carbon reduction initiatives.

PEOPLE, WELLBEING & SAFETY COMMITTEE

The People, Wellbeing & Safety Committee supports the Board in fulfilling its responsibilities relating to people leadership, organisational culture, safety and wellbeing.

The Committee is chaired by Nicola Riordan. Members are Sophie Haslem, Ben Kepes and Kent Pohio.

Key responsibilities include oversight of:

- health, safety and wellbeing strategy and performance;
- people and culture initiatives;
- organisational capability and workforce planning; and
- Chief Executive performance and remuneration.

Meetings

In the last financial year, the Board met on seven occasions as scheduled. The Chief Executive attends all Board meetings. Other managers may attend Board meetings in relation to matters specific to their areas of responsibility. Directors have other opportunities, including site visits, for contact with employees.

Board and Committee meetings and attendees for the year ending 30 June 2026, are set out in the following table.

	Board Meetings	People, Wellbeing & Safety Committee	Audit, Risk & Environment Committee	Strategy Workshop
Sophie Haslem	7/7	5/5	4/4	2/2
Ben Kepes	7/7	5/5	4/4	2/2
Linda Robertson	7/7	-	4/4	2/2
Nicola Riordan	7/7	5/5	-	2/2
Martin Matthews	7/7	-	4/4	2/2
Kent Pohio	6/7	4/5	-	2/2
Dhaya Sivakumar	7/7	-	3/4	2/2

Risk Management

Kordia operates in a complex environment and is exposed to a range of strategic, external and operational risks. Effective risk management supports the resilient delivery of Kordia's strategy, operations and critical infrastructure services.

The Board oversees Kordia's approach to risk management, including approval of the Enterprise Risk Management Framework (ERMF) and Board-approved risk appetite settings. The Board Audit, Risk & Environment Committee supports the Board through regular oversight of Kordia's strategic, external and operational risk profile, internal controls, assurance activities and risk management practices.

Kordia's ERMF provides a consistent approach to identifying, assessing, managing and reporting risks across the organisation. Risk management is embedded within business operations and supported by specialist risk functions, with clear accountability for risk ownership and management across all levels of the business.

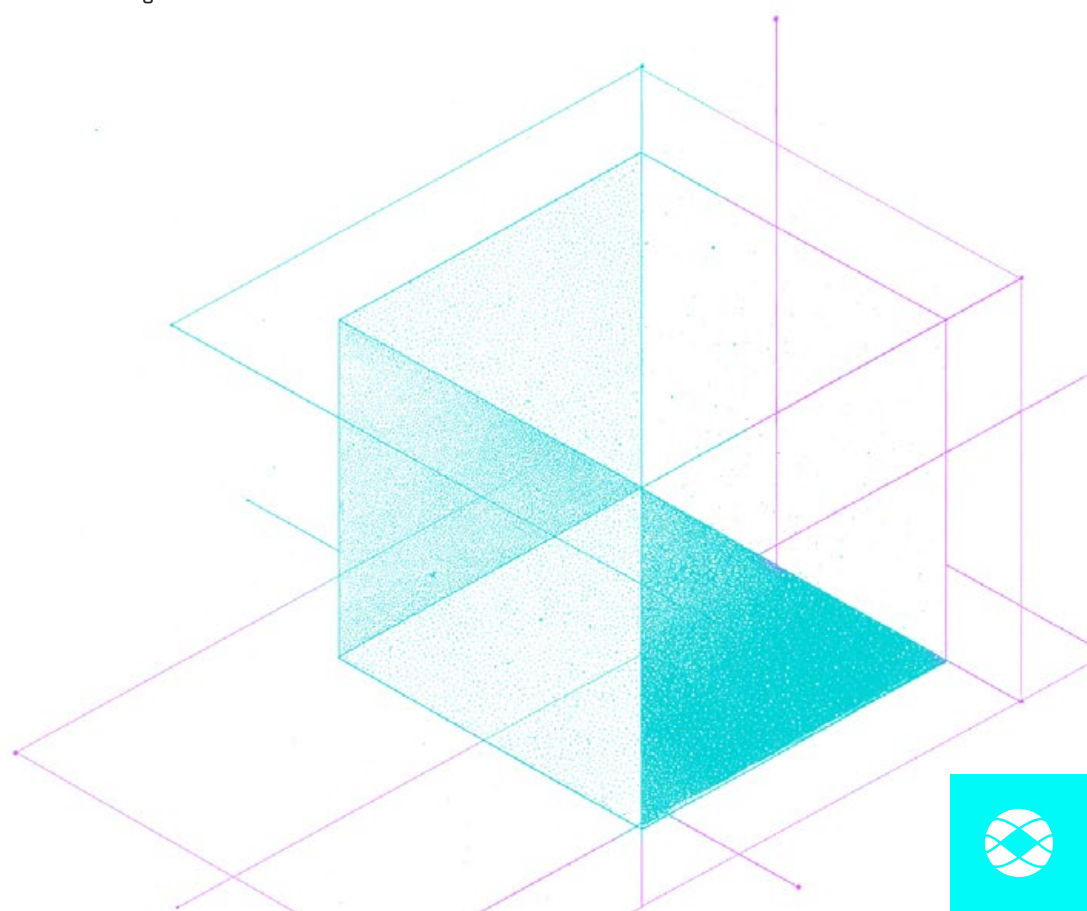
Strategic risks are identified through both top-down and bottom-up processes, drawing on insights from the Board, Executive Leadership Team, specialist risk functions and operational teams.

Operational risks are managed within business units through established controls, policies, procedures, incident management processes and monitoring activities.

Risks are assigned to Executive Risk Owners who are accountable for overseeing risk management activities, monitoring risk exposures and ensuring appropriate mitigation strategies are in place within Board-approved risk appetite settings.

Risks are regularly reviewed and reported to the Executive Leadership Team, the Board Audit, Risk & Environment Committee and the Board. Risk assessments consider both the potential impact and likelihood of risks after taking into account the effectiveness of existing controls and mitigations.

During the year, the Board maintained a strong focus on operational risks, including cyber security, health and safety, workforce capability and the resilience of critical infrastructure and services. The Board also considered external risks and business resilience, including economic conditions, regulatory change, technology developments and broader geopolitical uncertainty. Strategic oversight included reviewing key risks and opportunities, monitoring the execution of strategy and organisational performance, and considering long-term investment priorities to support Kordia's sustainable growth and resilience.



Directors' Report

FOR THE YEAR ENDED 30 JUNE 2026

The Directors have pleasure in presenting their report, together with the audited Financial Statements of the Group for the year ended 30 June 2026.

PRINCIPAL ACTIVITIES

The Group's principal activity during the year was the provision of telecommunications services (transmission, linking of telecommunications and broadcasting signals as well as design, build, operations and maintenance of transmission networks), cyber security, cloud solutions and maritime safety services.

The Directors regard the state of the Group's affairs as satisfactory.

SHAREHOLDING

The Group is wholly owned by His Majesty the King in right of New Zealand (the 'Crown').

The Shareholding Ministers (being Ministers of the Crown who hold the shares in Kordia Group Limited on behalf of the Crown) at balance date were:

Minister of Finance	Hon Nicola Willis
Minister for State-Owned Enterprises	Hon Simeon Brown

RESULTS FOR THE YEAR

The Group's consolidated net profit after taxation for the year was \$4,354,000 (2025: \$4,968,000).

DIVIDEND

The Directors approved a final dividend of \$2,063,800 be declared for the year ended 30 June 2026 (2025: \$2,484,000).

An interim dividend of \$548,000 (2025: nil) followed by a special dividend on 30 June 2026 of \$1,750,000 (2025: nil). The total dividend for the year will be \$4,361,800 (2025: \$2,484,000).

DIRECTORS

During the year Board Chair, Sophie Haslem, and Directors, Kent Pohio and Martin Matthews, retired upon completion of their terms. Ben Kepes was appointed Chair of the Board. David Boyes and Jason McDonald were appointed as Directors on 1 July 2026.

The Board acknowledges the significant contribution made by the retiring Directors and welcomes the appointment of the new Chair and Directors.

AUDITOR

The Controller and Auditor-General is the auditor of the Group in accordance with Section 19 of the State-Owned Enterprises Act 1986 and has appointed Ed Loudon of KPMG to act for and on behalf of the Auditor-General, as auditor in respect of the year ended 30 June 2026.

On behalf of the Board



B Kepes
Chair

L M Robertson
Director

7 September 2026

Statement of Responsibility

FOR THE YEAR ENDED 30 JUNE 2026

The Board and management of Kordia Group Limited are responsible for:

- The preparation of these financial statements and the judgements used in them.
- Establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board and management these financial statements fairly reflect the financial position, performance and cashflows of Kordia Group Limited for the year ended 30 June 2026.



B Kepes
Chair



L M Robertson
Director

7 September 2026



People are our heart.



Our goal is to create a culture and employee experience that attracts and retains great talent, and enables our people to develop and thrive.

Our people are the heart of Kordia. We have employees who have built long careers here of more than 40 years and we also continue to attract and support those at the beginning of their careers.

Gender equality remains a priority for Kordia, with a strong focus on closing the gender pay gap. In FY26, this gap reduced to 3%, down from 15% in FY25 and 20% in FY24.

As part of developing Kordia's new group strategy, we worked collaboratively with our people to refresh our organisational values, ensuring they align with our refreshed strategic direction. The values – ownership, collaboration and excellence – are the foundation of what makes Kordia unique and reflect what our people and customers told us matters most.

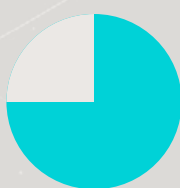
We have continued to offer all employees a Wellbeing Day every quarter, recognising that people need time to rest or connect with the things that matter most to them.

We also invested in improving the employee experience by upgrading our people systems and processes, making it easier for employees to access information and engage.



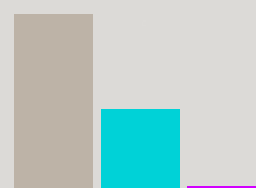
**Total number of staff
as of 30 June 2026:**

405



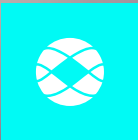
**Employee
engagement score:**

69%



**Gender split of
employees:**

**68% Male
31% Female
1% Other**





Keeping our people safe.

The health, safety and wellbeing of our people remains Kordia's highest priority.

Stronger and more comprehensive reporting systems and a greater focus on identifying hazards have resulted in more incidents and risks being reported across the business for the year. While this increase exceeded targets, Kordia is confident it reflects a stronger reporting culture rather than a decline in safety performance.

During the year, we focused on developing a more balanced approach to measuring safety and wellbeing performance for FY27, which will move beyond traditional lagging indicators such as injury frequency rates to a broader set of leading measures. These will provide better insight into how risk is managed, including the effectiveness of critical controls, exposure to serious harm risks, leadership engagement, workforce capability and injury management. The result will be more robust safety and wellbeing outcomes for our people.

TRIFR	LTIFR
11.4	4.6
GOAL < 5.00	GOAL < 2.00

Safe+Well ///
CONNECTED TO WHAT MATTERS



Environmental impact.

Reducing our environmental impact remains an important focus as we work to minimise waste, lower emissions and operate more sustainably.

For FY26, we reduced our Scope 1 and 2 emissions by 5.6%, representing a decrease from 684 tCO₂e in FY25 to 645 tCO₂e.

During the year Kordia began measuring the impact of business travel. The baseline provided will help us monitor and reduce our carbon emissions over time.

We have continued to assess the impact of our infrastructure and operations. During FY26, we began working with NIWA to obtain site-specific wind and ice modelling for our infrastructure and sites. We are also installing additional anemometers to gather real time information to provide a more accurate picture of weather patterns that impact site resilience. Collectively, this data will help us optimise sustainable tower design and maintenance practices. Where possible, we are reusing existing infrastructure assets to extend their life while also reducing waste.

Together, these initiatives are helping to build a more sustainable future for Kordia and the communities we serve.



Our commitments:



SUSTAINABLE PROCUREMENT



REDUCING CARBON EMISSIONS



BUILDING RESILIENCE



ENVIRONMENTAL STEWARDSHIP



REDUCE, RECYCLE, REUSE



Future-proofing emergency broadcasting for the next generation.



Kordia was proud to support RNZ to secure the future of its emergency broadcasting capability by delivering a complex infrastructure upgrade at its Henderson transmission site in Auckland.

The project involved replacing two ageing transmission masts - both more than 70 years old, including one that had been operating for over 90 years - with a single modern transmission mast designed to support broadcasting services for at least the next 50 years.

Delivered in a highly constrained environment, the project required specialist engineering expertise and careful coordination. Surrounded by high-voltage power lines, critical underground services, transport corridors and neighbouring properties, the site presented significant technical challenges. Throughout the works, RNZ's AM broadcasting services, including its critical emergency broadcasting capability, remained available with minimal disruption.

Kordia played a key role in the mast design, development of the construction methodology and delivery of complex rigging works. The project brought together structural engineering, helicopter operations, live-service management and multiple specialist partners to deliver the project safely on time and within budget.

The result is a more resilient broadcasting network that will ensure RNZ can continue to provide reliable information to Aucklanders when it matters most.



Keeping people and critical infrastructure safe at sea.

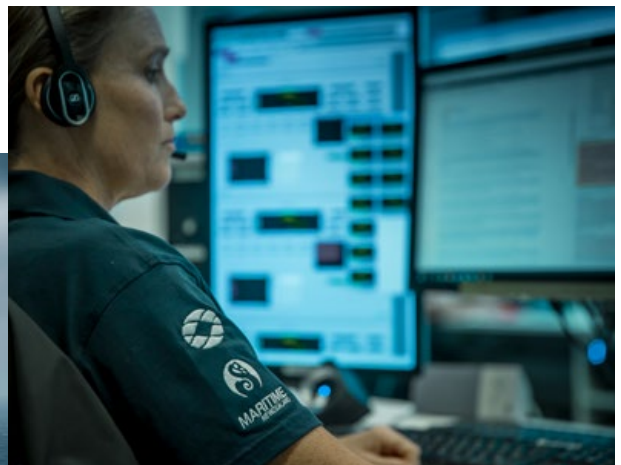
For more than 30 years, Kordia's Maritime Operations Centre (MOC) has helped keep New Zealanders safe on the water. On behalf of Maritime NZ, the MOC coordinates responses and provides around-the-clock support to mariners across one of the world's largest search and rescue regions.

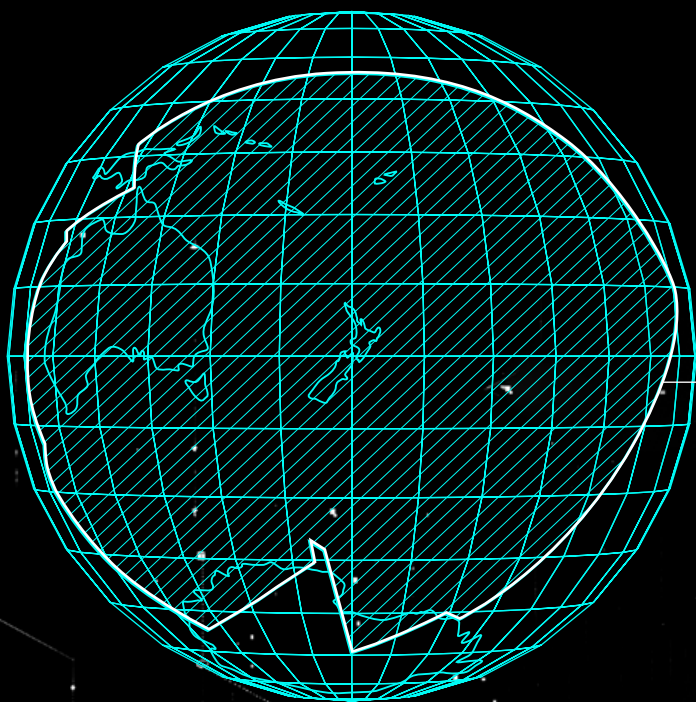
Building on this expertise, the MOC now helps protect critical underwater infrastructure, including the submarine cables that carry around 99% of New Zealand's international data traffic.

Working with Starboard Maritime Intelligence, which developed the world-leading technology, Kordia delivers a world-first National Surveillance and Warning Capability that monitors vessel activity near cable protection zones. When a risk is detected, MOC operators can contact vessels directly, helping prevent damage before it occurs.

Following the successful trial in New Zealand, Kordia's team is now supporting the protection of critical underwater infrastructure in UK coastal waters, working alongside organisations in the UK and Norway.

The project demonstrates how Kordia's expertise in mission-critical communications, monitoring and maritime operations can be applied to emerging challenges, helping protect people as well as the infrastructure that keeps countries connected.





TRUSTED TO MANAGE AND OPERATE
THE NETWORK PROVIDING VITAL
COMMUNICATION SERVICES OVER

90
million km²

THAT'S ALMOST 1/4 OF THE
WORLD'S OCEANS



**now supporting the
protection of critical
underwater infrastructure
in UK coastal waters,
working alongside
organisations in the UK
and Norway.**



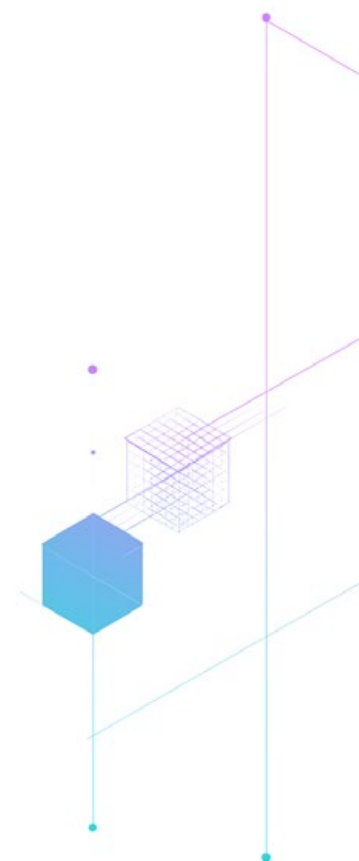
Securing vital infrastructure across New Zealand and Australia.

Kordia's specialist cyber security advisory, was engaged to develop the security strategy for SouthPAN – the Southern Positioning Augmentation Network, a joint initiative between Geoscience Australia and Toitū Te Whenua Land Information New Zealand (LINZ). The programme will improve GPS accuracy to within decimetres, supporting critical industries across both countries.

Working across thousands of technical documents, international suppliers and two national security frameworks, Kordia developed a security strategy that aligned requirements with international best practice and strengthened governance.

The success of this work led to Kordia being appointed as SouthPAN's primary security partner. Today, the cyber team provides ongoing strategic security advice, improves risk visibility and helps maintain a consistent, resilient security posture.

We're pleased to continue to support this important initiative that is delivering lasting benefits to New Zealand and Australia.



SUPPORTING CRITICAL INDUSTRIES:



AGRICULTURE



CONSUMER



RAIL



AVIATION



MARITIME



WATER UTILITIES



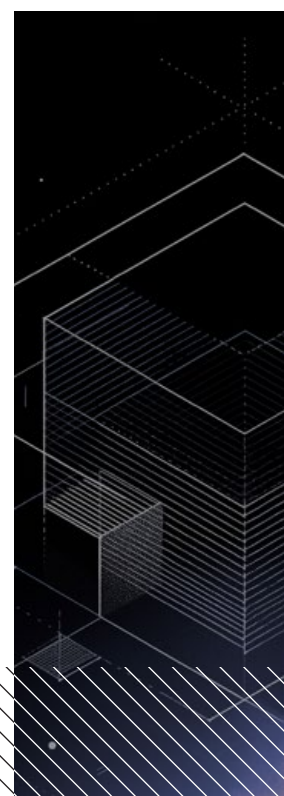
CONSTRUCTION

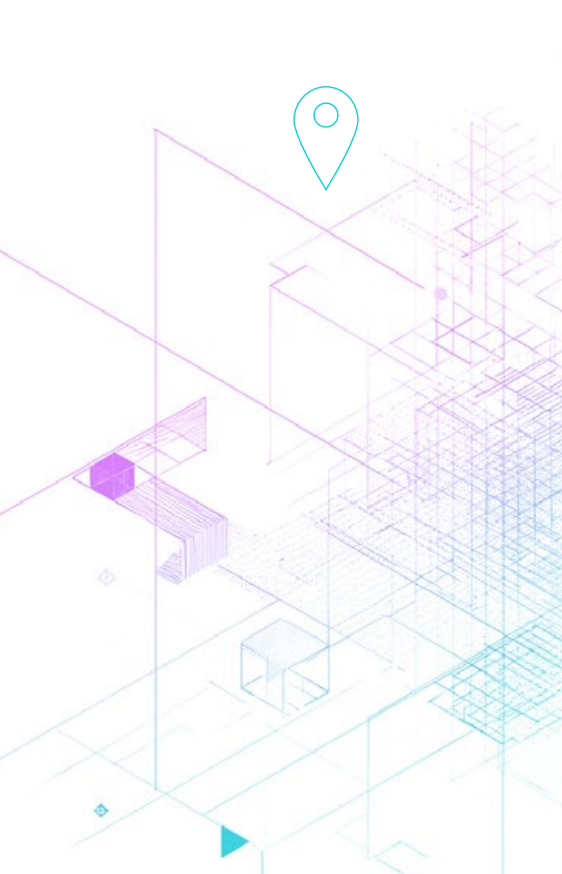


RESOURCES



HEALTHCARE





An enduring partnership.

In 2026, the Warkworth Satellite Earth Station marks 55 years of operation. Kordia has maintained this nationally significant site since 2004, helping ensure it continues to perform around the clock.

The site, now owned by Spark NZ, was originally designed primarily for telephone services but it was also significant in transforming television. Before Warkworth, international footage was flown in to New Zealand. Viewers who had watched Neil Armstrong step onto the moon in 1969 waited for the film to be hand carried on a flight from Australia. Warkworth changed that.

Not only could New Zealand receive live broadcast content but the station allowed New Zealand to televise the 1974 Commonwealth Games to the world live.

Over the years, the site has expanded and adapted – one of the original 100 foot (30m) satellite dishes has been dismantled and replaced as technology has evolved. Kordia has been involved in installing, commissioning and maintaining many replacements and additions, including 6.3m, 9m, 13m and 16m dishes.

Today, the Warkworth site continues to house more than 15 satellite dishes for organisations that provide highly specialised communications, such as maritime and space. It provides links to Scott Base in Antarctica, and other sites across the Pacific and the world.

Kordia's field team maintains the site 24 hours a day, 7 days a week, 365 days a year ensuring that the critical operations run seamlessly.





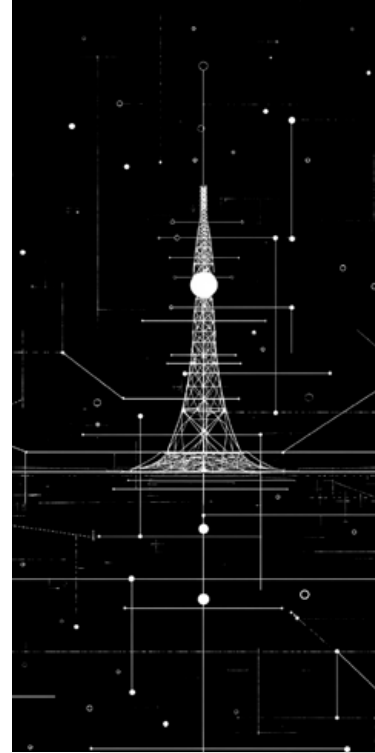
The enduring resilience of New Zealand's broadcast networks.

TVNZ and NZME have renewed their long-standing partnerships with Kordia, reaffirming the enduring nature of New Zealand's nationwide broadcast network and the vital role it continues to play in connecting communities.

Delivering Digital Terrestrial Television (DTT) and FM radio services across the country, Kordia's broadcast network provides reliable, free-to-air access to trusted news, entertainment and emergency information. The network remains the most effective way to reach large audiences simultaneously with high-quality coverage that is not affected by network congestion or internet connectivity. Built to withstand severe weather events and other emergencies, the network plays an important role in communicating to New Zealanders during emergencies.

As audience preferences evolve and streaming grows, broadcast and digital platforms will continue to play complementary roles in delivering content to New Zealanders.

Kordia is supporting broadcasters and content providers to navigate the changing landscape with solutions across both broadcast and digital platforms. Through partnerships with organisations including Arqiva, alongside our own managed media solutions, we help customers extend their reach, improve operational efficiency, reduce cost and adapt to changing audience preferences.



**DTT availability:
99.99%**

**Satellite TV availability:
99.99%**

**DTT coverage:
87% of the population**



Ten years of cyber security insights.

This year Kordia celebrated a significant milestone: the 10th edition of the New Zealand Business Cyber Security Report.

For a decade, the report has provided one of the country's most comprehensive views of the cyber security landscape, capturing the experiences, concerns and priorities of organisations across New Zealand. The research has helped track how threats have evolved and given valuable insight into emerging risks.

One of the most significant shifts over this period has been the rise of artificial intelligence (AI). When the report was first launched, AI was not considered a major cyber security concern. Today, it is firmly on the agenda of business leaders and boards. In our 2026 report, one in four organisations identified AI-generated cyber-attacks as their biggest cyber threat, while 14% reported being impacted by an incident involving an AI vulnerability.

While new technologies continue to reshape the threat landscape, some risks have remained consistent. Phishing is still the most common attack method, demonstrating the ongoing effectiveness of social engineering.

For 10 years, Kordia's New Zealand Business Cyber Security Report has helped organisations understand the threats that matter most. It's a contribution we're proud of, reflecting our commitment to building cyber resilience to protect the critical systems, networks and services that people and organisations depend on every day.



In 2026, 44% of large businesses were subjected to a cyber-attack or incident in the past 12 months, while 14% reported being impacted by an incident involving an AI vulnerability.



THE LATEST REPORT IS AVAILABLE AT:
KORDIA.CO.NZ/CYBER-SECURITY-REPORT-2026

How cyber resilient are New Zealand's large businesses?

OF THE BUSINESSES WE SURVEYED:



30%

Lack confidence that they could recover from a major cyber-attack



1 in 3

Say they would be willing to pay a ransom to a cybercriminal



1 in 3

Cyber incidents took more than two months to resolve



1 in 4

Have no cyber security awareness or training programme for their employees

How are New Zealand businesses being impacted by AI and security risks?

OF THE BUSINESSES WE SURVEYED:



1 in 4

Say AI-generated cyber-attacks are the biggest threat to their business



24%

Say improper AI use is among their top three challenges to improving cyber security





Kordia Group Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 2026

In thousands of New Zealand dollars	Notes	2026	2025
Revenue - New Zealand		128,271	135,239
Revenue - Australia		12,193	11,148
Total revenue	3	140,464	146,387
Direct costs and overheads	4	(54,796)	(54,541)
Employee and contractor costs	5	(64,064)	(68,996)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		21,604	22,850
Finance income	6	308	270
Finance expense	6	(2,425)	(3,273)
Depreciation of property, plant and equipment	9	(9,808)	(9,398)
Depreciation and impairment losses of right of use assets	10	(3,500)	(3,798)
Amortisation of intangibles	11	(953)	(1,218)
Share of net profit of associates and joint ventures accounted for using the equity method		-	7
Profit before income tax		5,226	5,440
Income tax expense	7	(872)	(472)
Profit for the year attributable to the equity holder		4,354	4,968
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences		985	(95)
Effective portion of changes in the fair value of cashflow hedges		148	33
Tax effect of the effective portion of changes in the fair value of cash flow hedges		(41)	(9)
Other comprehensive income for the period		1,092	(71)
Total comprehensive income for the period attributable to the equity holder		5,446	4,897

The accompanying notes set out on pages 41 - 68 are to be read as part of these financial statements.



Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2026

In thousands of New Zealand dollars	Notes	Share Capital	Retained Earnings	Foreign Currency Translation Reserve	Cashflow Hedge Reserve	Total Attributable to Owners
Balance 1 July 2024		87,696	(30,725)	4,900	(34)	61,837
Net profit for the year		-	4,968	-	-	4,968
Other comprehensive income						
Foreign currency translation differences		-	-	(95)	-	(95)
Effective portion of changes in the fair value of cashflow hedges	8	-	-	-	24	24
Total other comprehensive income loss		-	-	(95)	24	(71)
Total comprehensive income/(loss)		-	4,968	(95)	24	4,897
Balance 30 June 2025		87,696	(25,757)	4,805	(10)	66,734
Net profit for the year		-	4,354	-	-	4,354
Other comprehensive income						
Foreign currency translation differences		-	-	985	-	985
Effective portion of changes in the fair value of cashflow hedges	8	-	-	-	107	107
Total other comprehensive loss		-	-	985	107	1,092
Total comprehensive income/(loss)		-	4,354	985	107	5,446
Transactions with owners						
Dividends	8	-	(4,782)	-	-	(4,782)
Balance 30 June 2026		87,696	(26,185)	5,790	97	67,398

The accompanying notes set out on pages 41 - 68 are to be read as part of these financial statements.

Statement of Financial Position

AS AT 30 JUNE 2026

In thousands of New Zealand dollars	Notes	2026	2025
Assets			
Trade and other receivables	14	591	797
Property, plant and equipment	9	61,939	59,464
Right of use assets	10	16,645	14,597
Intangible assets and goodwill	11	21,877	26,778
Deferred tax asset	12	5,895	6,466
Total non-current assets		106,947	108,102
Cash		9,460	10,051
Inventories	13	1,615	1,611
Trade and other receivables	14	25,870	26,824
Taxation receivable		-	615
Derivative assets		28	43
Total current assets		36,973	39,144
Total assets		143,920	147,246
Equity and liabilities			
Share capital	8	87,696	87,696
Foreign currency translation reserve		5,790	4,805
Cashflow hedge reserve		97	[10]
Retained earnings		[26,185]	[25,757]
Total equity attributable to the equity holder		67,398	66,734
Trade and other payables	15	2,116	1,855
Loans and advances	16	25,700	28,200
Derivative liabilities		-	67
Provisions	18	8,397	7,558
Lease liabilities	17	16,121	12,147
Total non-current liabilities		52,334	49,827
Trade and other payables	15	20,213	26,116
Derivative liabilities		34	56
Provisions	18	358	566
Lease liabilities	17	3,583	3,947
Total current liabilities		24,188	30,685
Total liabilities		76,522	80,512
Total equity and liabilities		143,920	147,246

The accompanying notes set out on pages 41 - 68 are to be read as part of these financial statements.

On behalf of the Board



B Kepes
Chair



L M Robertson
Director

7 September 2026



Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2026

In thousands of New Zealand dollars	Notes	2026	2025
Cash flows from operating activities			
Receipts from customers		138,320	155,819
Payments to suppliers and employees		(119,871)	(130,837)
		18,449	24,982
Interest received		262	132
Interest paid		(2,036)	(2,859)
Taxes refunded/(paid)		615	783
Proceeds from sale of assets held for sale		-	12,332
Net cash from/(used in) operating activities	25	17,290	35,370
Cash flows from investing activities			
Proceeds from the sale of property, plant and equipment		-	13
Acquisition of property, plant and equipment	9	(11,782)	(11,245)
Acquisition of intangibles	11	(821)	(840)
Proceeds from the sale of a business unit	27	3,500	-
Net cash (used in)/from investing activities		(9,103)	(12,072)
Cash flows from financing activities			
Lease incentives		1,500	-
(Repayment)/Proceeds of loans and advances		(2,500)	(14,999)
Proceeds from finance lease assets		-	362
Repayment of lease liabilities	17	(3,416)	(3,866)
Dividends paid		(4,782)	-
Net cash (used in)/from financing activities		(9,198)	(18,503)
Net increase/(decrease) in cash and cash equivalents		(1,011)	4,795
Cash and cash equivalents at beginning of year		10,051	5,274
Effect of exchange rate fluctuations on cash		420	(18)
Cash and cash equivalents at end of year	21	9,460	10,051

The accompanying notes set out on pages 41 - 68 are to be read as part of these financial statements.



Statement of Material Accounting Policies

FOR THE YEAR ENDED 30 JUNE 2026

1. ABOUT THIS REPORT

(A) REPORTING ENTITY

Kordia Group Limited (the 'Company') is a limited liability company incorporated and domiciled in New Zealand under the Companies Act 1993 and is wholly owned by the Crown. The registered office of the Company is Level 3, 162 Victoria Street, Auckland Central, Auckland 1010, New Zealand.

The financial statements presented here are for the consolidated financial statements of the Group ("the Group"), comprising the Company and its subsidiaries.

The financial statements of the Group have been prepared in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 2013 and the State-Owned Enterprises Act 1986.

For the purposes of financial reporting, the Group is a for-profit public sector entity.

(B) STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Tier 1 of the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards, as appropriate for profit-oriented public sector entities. These financial statements also comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the directors on 7 September 2026.

The financial statements have been prepared on the basis of historical cost unless otherwise noted within the specific accounting policies below.

These financial statements are presented in New Zealand dollars (\$), which is the Group's reporting currency and is also the Company's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand.

(C) ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about areas of estimation of uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the notes relating to:

- During the current financial year, following the Group's strategic reset, management reassessed the composition of its cash-generating units (CGUs) and has determined that the revised CGU structure represents the lowest level at which largely independent cash inflows are generated and at which the related assets are monitored for internal management reporting and decision-making purposes. Measurement of the recoverable amounts of cash-generating units requires judgement in regards to future growth and WACC rates – Note 9 and 11.
- Provisions are dependent on discount rates used and estimate of future costs – Note 18.
- Deferred tax assets, management applies judgement in assessing the likelihood of future taxable profits and hence the recoverability of deferred tax assets – Note 12.
- Useful life of property, plant, equipment and intangibles – Notes 9 and 11.
- Values of lease liabilities and right of use assets are determined using discount rates and term of lease, a decision on likelihood of renewal is based on judgement – Notes 10 and 17.
- Percentage of completion for contracts is subject to analysis of terms and management judgement.

In the opinion of management, all adjustments necessary for a fair presentation of the results of operations, financial position and cash flows have been reflected.

2.1 STATEMENT OF ACCOUNTING POLICIES

(A) BASIS OF PREPARING GROUP FINANCIAL STATEMENTS

Subsidiaries

Subsidiaries are those entities controlled, directly or indirectly, by the Group. Control exists when the Group has the power over investees, exposure or rights to variable returns and ability to use power to affect returns. All intercompany transactions, balances and unrealised surpluses and deficits on transactions between Group companies are eliminated on consolidation. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases.

(B) REVENUE

Revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point or over time – requires judgement.

Sale of goods

Revenue is recognised when the customer has physical possession of the goods or has accepted the goods.

Rendering of services

Revenue from maintenance and other service contracts is recognised over time as performance obligations are satisfied and the customer simultaneously receives and consumes the benefits of the services provided.

Revenue from variations and claims is recognised when the associated consideration is approved or enforceable and is highly probable not to result in a significant revenue reversal.

Construction revenue

Revenue from construction contracts is recognised over time based on the stage of completion, as the Group's performance creates or enhances assets controlled by the customer.

Revenue from variations, claims and incentives is recognised only when approved or enforceable under the contract and it is highly probable that a significant revenue reversal will not occur.

Contract modifications

Contract modifications, claims and variations are included in the transaction price only when approved or enforceable and it is highly probable that a significant revenue reversal will not occur. In assessing claims and variations, the Group considers the nature of the claim, customer acceptance, and the stage of negotiations.

Performance obligations and contract duration

Revenue is allocated to each performance obligation and recognised when, or as, the performance obligation is satisfied, either at a point in time or over time.

Where distinct goods or services are substantially integrated or form a series with the same pattern of transfer, they are accounted for as a single performance obligation and revenue is recognised over time.

Revenue is recognised only for the period over which the parties have enforceable rights and obligations. Where a customer has the right to terminate a contract for convenience, the contract term is limited to the enforceable notice period.

The Group applies the practical expedient not to adjust the transaction price for the effects of a significant financing component where the period between the transfer of services and payment is expected to be one year or less.



CONTINUED

Statement of Material Accounting Policies

FOR THE YEAR ENDED 30 JUNE 2026

2.1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Measure of progress

Revenue recognised over time is measured using the method that best reflects progress towards satisfying the performance obligation. The Group measures progress towards complete satisfaction of its performance obligations using the cost-to-cost input method. Progress is determined by comparing costs incurred to date (life to date costs) against the current estimate of total forecast cost required to complete the contract. Management considers this method to faithfully depict the transfer of control to the customer as costs incurred are directly correlated with the Group's performance obligations in satisfying this obligation under the contract.

Loss making contracts

Loss making contracts are recognised under NZ IAS 37 Provisions, Contingent Liabilities and Contingent Assets as onerous contracts.

Costs to obtain a contract

For some contracts, commission is paid to employees for signing new contracts. Where the contract signed is for services to be provided by the Group over a period of time, the commissions are spread over the term of the contract which is usually 36 months.

(C) LEASES

As a Lessee

At the commencement date, the Group recognises a right-of-use asset and a corresponding lease liability. The right-of-use asset is initially measured at cost and subsequently depreciated over the lease term on a straight line basis and adjusted for any impairment or remeasurement of the lease liability.

The lease liability is initially measured at the present value of future lease payments, discounted using the Group's incremental borrowing rate where the interest rate implicit in the lease cannot be readily determined. Lease liabilities are subsequently measured at amortised cost using the effective interest method and remeasured when future lease payments change, with the corresponding adjustment recognised in the right-of-use asset or in profit or loss where the right-of-use asset has been reduced to zero.

(D) FINANCE INCOME AND EXPENSES

Finance income comprises interest income on funds invested, loans receivable, finance leases, dividend income, foreign currency gains and gains on hedging instruments that are recognised in the Statement of Financial Performance. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Company's right to receive payment is established.

Finance expenses comprise interest expense on borrowings and leases, unwinding of the discount on provisions, foreign currency losses and losses on hedging instruments that are recognised in the Statement of Financial Performance. All borrowing costs are recognised in the Statement of Financial Performance using the effective interest method.

(E) TAXATION

Income tax comprises current and deferred tax and is recognised in profit or loss unless it relates to items recognised in other comprehensive income or equity, in which case it is recognised in those statements.

Current tax is based on taxable profit for the year using enacted or substantively enacted tax rates at the reporting date and includes adjustments for prior years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and their tax bases, except where recognition is prohibited under NZ IAS 12. Deferred tax is measured using enacted or substantively enacted tax rates expected to apply when the temporary differences reverse.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available to utilise the temporary differences and are reviewed at each reporting date.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

(F) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment losses. Cost includes the cost to acquire the asset and other directly attributable costs incurred to bring the asset to the location and condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Where an item of property, plant and equipment is disposed of, the gain or loss recognised in the Statement of Financial Performance is calculated as the difference between the sale price and the carrying value of the item of property, plant and equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items.

Items of property, plant and equipment that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before reclassification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter, the assets are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in the Statement of Financial Performance. Gains are not recognised in excess of cumulative impairment losses.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be reliably measured. The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Financial Performance as incurred.

Depreciation is provided for on a straight line basis on all tangible items of property, plant and equipment other than freehold land and work in progress, over their estimated useful lives as follows:

Freehold buildings	10 - 40 years
Leasehold improvements	2 - 10 years
Masts and aerials	4 - 25 years
Transmission equipment	3 - 25 years
Furniture and fittings	5 - 10 years
Office equipment	4 - 10 years
Information systems	2.5 - 5 years
Leased information systems	3 - 5 years
Motor vehicles	7 years

(G) INTANGIBLES

Goodwill

Goodwill arises on the acquisition of subsidiaries and businesses and represents the excess of the purchase consideration over the net fair value of the identifiable assets, liabilities and contingent liabilities acquired. When the excess is negative (negative goodwill), it is recognised in the Statement of Financial Performance. Subsequently, goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted associates, goodwill is included in the carrying amount of the investment.

Software

Software is measured at cost less accumulated amortisation and impairment losses. Maintenance costs are expensed as incurred, while directly attributable development costs that meet the recognition criteria are capitalised as intangible assets and amortised from the date the software is available for use.



CONTINUED

Statement of Material Accounting Policies

FOR THE YEAR ENDED 30 JUNE 2026

2.1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

Other intangible assets

Other intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the asset to which it relates. All other expenditure is recognised in the Statement of Financial Performance as incurred.

Amortisation is recognised in the Statement of Financial Performance on a straight line basis over the estimated useful lives of the intangible assets, from the date they are available for use. The estimated useful lives for the current and comparative periods are as follows:

Frequency licences	5-20 years
Software	3-5 years
Trademarks	5 years

(H) FINANCIAL INSTRUMENTS

Borrowings are classified as current unless the Group has the right at the reporting date to defer settlement for at least 12 months.

Non-derivative financial assets and liabilities, including trade receivables, cash and cash equivalents, loans, and trade and other payables, are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method, less any impairment losses for financial assets.

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are derecognised when the contractual rights or obligations expire or are transferred.

Cash and cash equivalents comprise cash held at bank that forms an integral part of the Group's cash management.

Derivative financial instruments are used only to manage foreign currency and interest rate risks in accordance with approved policies. The Group does not hold derivatives for trading or speculative purposes.

(I) INVENTORIES

Inventories comprise technical stores and customer premises equipment. All inventories are measured at the lower of cost and net realisable value. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(J) CONTRACTS WORK IN PROGRESS

Contracts work in progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Contracts work in progress is presented as part of trade and other receivables in the balance sheet. If payments received from customers exceed the income recognised, then the difference is presented as deferred income in the Statement of Financial Position.

(K) IMPAIRMENT

The Group assesses assets for indicators of impairment at each reporting date. Goodwill is tested for impairment annually. An impairment loss is recognised when an asset's carrying amount exceeds its recoverable amount.

Expected credit losses on financial assets measured at amortised cost are recognised using the expected credit loss model. Individually significant receivables are assessed separately, while other trade receivables are assessed collectively based on historical loss experience and forward-looking information.

The recoverable amount of a non-financial asset or cash-generating unit is the higher of its value in use and fair value less costs to sell. Impairment losses for cash-generating units are allocated first to goodwill and then to other assets on a pro rata basis.

Impairment losses on goodwill are not reversed. Impairment losses on other assets are reversed when there has been a change in the estimates used to determine the recoverable amount, but only to the extent that the carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised.

(L) PROVISIONS

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(M) EMPLOYEE BENEFITS

A liability for annual leave and /or long service leave accruing to employees is recognised in the Statement of Financial Position. The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The liability for annual leave is measured on an undiscounted basis and expensed as the related service is provided.

(N) FOREIGN CURRENCIES**Transactions**

Transactions in foreign currencies are translated to the presentation currency of the Group at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities in foreign currencies at balance date are re-translated to the functional currency at the exchange rates ruling at balance date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Exchange differences arising on the translation of monetary assets and liabilities in foreign currencies are recognised in the Statement of Financial Performance, except as detailed below.

Translation of foreign group entities

The assets and liabilities of foreign entities with functional currencies other than New Zealand dollars, including goodwill and fair value adjustments arising on acquisition, are translated at the rates of exchange ruling at the reporting date. The revenues and expenses of these entities are translated at rates approximating the exchange rates ruling at the date of transactions. Exchange differences arising on translation are taken directly to the foreign currency translation reserve (FCTR). When such an entity is disposed of in part or in full, the relevant amount in the FCTR is transferred to the Statement of Financial Performance.



CONTINUED

Statement of Material Accounting Policies

FOR THE YEAR ENDED 30 JUNE 2026

2.1 STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(0) DETERMINATION OF FAIR VALUES

Fair values have been determined for measurement and/or disclosure purposes in Note 20 based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Trade and other receivables

The fair value of trade and other receivables, excluding contracts work in progress and trade prepayments, is estimated as the present value of future cash flows, at a rate that reflects the credit risk associated with the asset. Trade and other receivables are financial assets categorised at amortised cost.

Trade payables and accruals

The fair value of trade payables and accruals is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. Payables are categorised as financial liabilities measured at amortised cost.

Derivatives

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

2.2 IMPACT OF STANDARDS ISSUED NOT YET ADOPTED

NZ IFRS 18, Presentation and Disclosure in Financial Statements, is effective for annual reporting periods beginning on or after 1 January 2027 and has not been early adopted by the Group. The standard replaces NZ IAS 1 and introduces new presentation and disclosure requirements, including defined subtotals in the statement of profit or loss, classification of income and expenses into operating, investing and financing categories, and enhanced disclosure requirements for management-defined performance measures. The standard does not change the recognition or measurement of assets, liabilities, income or expenses. The Group is currently assessing the impact of adopting NZ IFRS 18 and expects the primary impact to be on the presentation and disclosure of its financial statements rather than its reported financial position or financial performance.

There are no other new or amendments to the standards that are expected to impact the Group.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

In thousands of New Zealand dollars

Notes

2026

2025*

3. REVENUE:

Cyber Security & Consulting	16,526	20,021
Infrastructure & Field Solutions	101,868	112,223
Maritime	22,070	14,143
Total revenue	140,464	146,387

*During the year the Group revised the presentation of its disaggregated revenue disclosures to better reflect the nature of its revenue streams. There has been no change to the recognition or measurement of revenue under NZ IFRS 15. Comparative information has been re-presented on a basis consistent with the current year presentation.

4. DIRECT COSTS AND OVERHEADS INCLUDE:

Fees incurred for services provided by audit firm		
- audit of financial statements	387	457
- other assurance services		
- reasonable assurance on Telecommunications Development Levy return	16	15
- reasonable assurance on Broadcasting Levy return	13	12
(Gain)/loss on disposal of property, plant and equipment	(4)	(4)
Impairment of inventory	13	182
Reversal of provision for doubtful debts	(397)	(390)
Rental costs - short-term and low value assets	2,688	2,453
Project material and subcontractor costs	29,790	31,094
Direct network costs	12,721	12,163

5. EMPLOYEE AND CONTRACTOR COSTS:

Wages and salaries paid to employees	58,765	61,935
Severance payments	373	1,061
Defined contribution plan	2,675	2,751
Contractors costs	2,251	3,249
Total employee and contractor costs	64,064	68,996

6. FINANCE INCOME AND EXPENSE

Interest income on bank deposits and loan receivable	269	130
Net realised foreign exchange gain	32	36
Net unrealised foreign exchange gain	6	102
Dividend income	1	2
Finance income	308	270

Interest expense on loans and borrowings	1,136	1,895
Interest expense on lease liabilities	901	964
Unwind the discount on provisions	18	388
Finance expense	2,425	3,273

Net finance expense	2,117	3,003
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CONTINUED

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

In thousands of New Zealand dollars	Notes	2026	2025
7. INCOME TAX EXPENSE			
Current tax expense		(66)	249
Adjustment from prior periods		399	49
Deferred tax expense/(benefit)		539	174
Total income tax expense		872	472
Reconciliation of effective tax rate			
Net profit/(loss) before taxation		5,226	5,440
Taxation at 28%		1,463	1,523
Adjusted for the tax effect of:			
Difference in subsidiary income tax rates		59	94
Non-deductible expenses		433	(438)
Non assessable income		-	(2)
Under/(over) provided in prior periods		399	49
Utilisation tax losses		(1,482)	(754)
Taxation expense		872	472
Imputation credit account			
Imputation credits available to shareholders in future periods		28,378	30,822

The Kordia Group Limited consolidated tax group was formed on 1 July 2003 in New Zealand.

8. CAPITAL AND RESERVES

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences from the translation of the financial statements of foreign operations.

Share capital	2026	2025
On issue at beginning and end of the year (number of shares)	1,000	1,000

All issued shares are fully paid.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Cashflow hedge reserve

The cashflow hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedging transactions that have not yet occurred.

Dividends

The Directors approved a final dividend of \$2,064 be declared for the year ended 30 June 2026 (2025: \$2,484). An interim dividend of \$548 was paid (2025: nil) followed by a special dividend on 30 June 2026 of \$1,750 (2025: nil). The total dividend for the year will be \$4,362 (2025: \$2,484).

9. PROPERTY, PLANT AND EQUIPMENT

Work in progress

Work in progress represents property, plant and equipment which is not yet in service as it is under construction. The movement in work in progress between June 2025 and June 2026 is due to the capitalisation of transmission equipment which was under construction at June 2025.

Impairment of a cash-generating unit

In the prior year, the Group identified five cash-generating units ("CGUs"): Networks, PSN, Solutions, Maritime and Cyber. As a result of increased operational integration and shared utilisation of underlying assets, the cash inflows of the Networks, PSN and Solutions CGUs are no longer considered to be largely independent. Accordingly, the Networks, PSN and Solutions CGUs have been combined and are treated as a single CGU, Infrastructure & Field Solutions, for impairment testing purposes. The Maritime and Cyber CGUs continue to be assessed separately.

Given the structural changes that continue to occur in broadcast and media markets, the Directors continue to assess the recoverable amount of the Infrastructure and Field cash-generating unit on an annual basis using a value in use calculation based on a discounted cashflow model for five years from 2026. The cashflow projections are based on the financial budgets approved by management and considered reasonable in the current market. The assumptions regarding revenue growth and cost increases are based on past experiences and management's expectations of changes in the market and performance of new products. The budgeted EBITDA margin percentage growth over the five year forecast period is (2.75%) (2025: 7%). Beyond year five, a growth rate of 0% (2025: nominal rate of 2%) was assumed. A real pre-tax discount rate of 9.53% (2025: nominal pre tax discount rate 10.6%) was applied. Bancorp Corporate Finance Limited worked with the Group in determining the weighted average cost of capital.

Based on the assessment at 30 June 2026, the carrying amount of the Infrastructure and Field Services property, plant and equipment was determined to be below the recoverable amount indicating that no impairment is required.

Sensitivity analysis indicates that reasonably possible changes in the key assumptions used in the valuation models would not result in the carrying amount exceeding the recoverable amount.

Negative pledge

A negative pledge in the Group's banking facility restricts the disposal of assets, other than in the ordinary course of business or within certain materiality thresholds.



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Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

9. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

In thousands of New Zealand dollars	Land and buildings	Leasehold improvements	Mast and aerials	Transmission equipment
Cost				
Balance at 1 July 2024	34,774	5,692	75,049	254,148
Additions	1,140	37	1,510	4,070
Transfers	352	-	373	1,694
Disposals/adjustments	100	(1,083)	-	(4,430)
Effect of movements in exchange rates	(14)	(16)	(23)	(254)
Balance at 30 June 2025	36,352	4,630	76,909	255,228
Additions	343	-	841	4,647
Transfers	56	-	15	1,628
Disposals/adjustments	(21)	291	(10)	(11,117)
Effect of movements in exchange rates	129	67	212	1,752
Balance at 30 June 2026	36,859	4,988	77,967	252,138
Depreciation and impairment losses				
Balance at 1 July 2024	(28,592)	(4,055)	(66,239)	(223,061)
Depreciation for the year	(637)	(113)	(863)	(6,533)
Disposals / adjustments	5	841	-	4,429
Effect of movements in exchange rates	14	17	23	240
Balance as at 30 June 2025	(29,210)	(3,310)	(67,079)	(224,925)
Depreciation for the year	(629)	(144)	(1,137)	(6,563)
Disposals / adjustments	21	28	10	11,097
Effect of movements in exchange rates	(121)	(60)	(211)	(1,568)
Balance as at 30 June 2026	(29,939)	(3,486)	(68,417)	(221,959)
Carrying amounts				
At 30 June 2024	6,182	1,637	8,810	31,087
At 30 June 2025	7,142	1,320	9,830	30,303
At 30 June 2026	6,920	1,502	9,550	30,179

Furniture and fittings	Office equipment	Motor vehicles	Information systems	Work in progress	Total
1,450	1,993	2,762	19,107	5,941	400,916
28	6	356	550	3,548	11,245
14	17	-	264	(3,007)	(293)
(43)	(118)	(51)	(995)	-	(6,620)
(2)	(1)	(2)	(124)	(1)	(437)
1,447	1,897	3,065	18,802	6,481	404,811
1	36	88	631	5,195	11,782
-	12	36	28	(1,903)	(128)
(55)	(93)	(176)	(258)	-	(11,439)
17	5	22	1,014	21	3,239
1,410	1,857	3,035	20,217	9,794	408,265
(1,110)	(1,387)	(1,564)	(16,725)	-	(342,733)
(62)	(131)	(338)	(721)	-	(9,398)
43	14	51	995	-	6,378
2	1	2	107	-	406
(1,127)	(1,503)	(1,849)	(16,344)	-	(345,347)
(57)	(107)	(347)	(824)	-	(9,808)
52	73	148	245	-	11,674
(11)	(3)	(22)	(849)	-	(2,845)
(1,143)	(1,540)	(2,070)	(17,772)	-	(346,326)
340	606	1,198	2,382	5,941	58,183
320	394	1,216	2,458	6,481	59,464
267	317	965	2,445	9,794	61,939



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Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

10. RIGHT OF USE ASSETS

In thousands of New Zealand dollars	Property	Motor Vehicles	Total
Cost			
Balance at 30 June 2024	60,924	216	61,140
Additions	1,733	-	1,733
Effects of movements in exchange rates	(10)	-	(10)
Balance at 30 June 2025	62,647	216	62,863
Additions	5,546	-	5,546
Effects of movements in exchange rates	-	-	-
Balance at 30 June 2026	68,193	216	68,409
Depreciation and Impairment losses			
Balance at 30 June 2024	(44,422)	(48)	(44,470)
Deprecation and impairment for the year	(3,749)	(49)	(3,798)
Effects of movements in exchange rates	2	-	2
Balance at 30 June 2025	(48,169)	(97)	(48,266)
Deprecation and impairment for the year	(3,460)	(40)	(3,500)
Effects of movements in exchange rates	2	-	2
Balance at 30 June 2026	(51,627)	(137)	(51,764)
Carrying amounts			
At 30 June 2025	14,478	119	14,597
At 30 June 2026	16,566	79	16,645

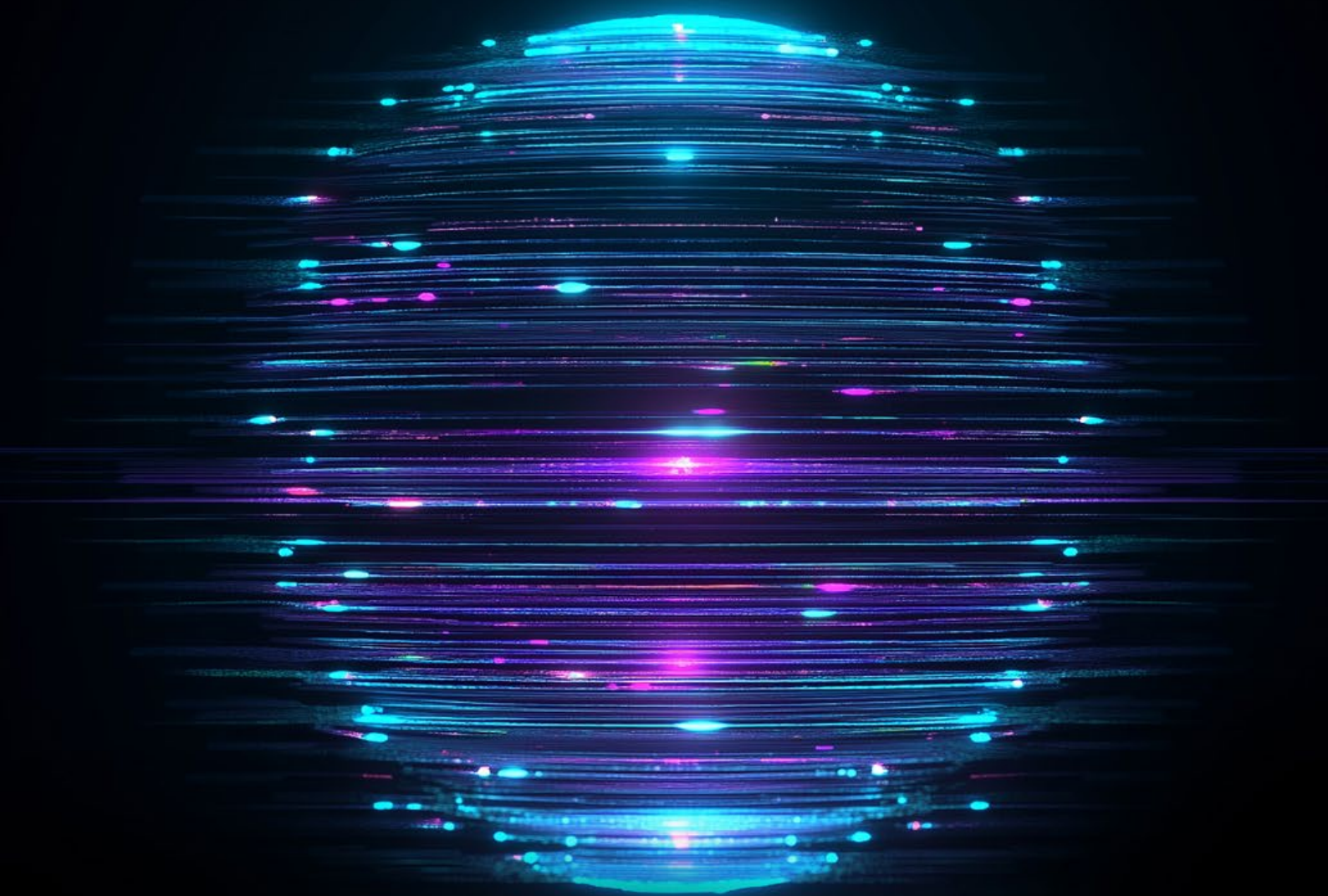
Kordia leases approximately 198 properties or parts of properties for the development of telecommunications infrastructure (e.g. telecommunications towers), office and warehouse space. The duration of such lease agreements is typically five to ten years and often has an option of automatic extension for a further term. The rent of the leases vary according to each location however most are indexed annually in line with the Consumer Price Index.

The Group also leases six motor vehicles with lease terms of up to five years.

Leased assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount less any lease incentives received. The lease term determined by the Group generally comprises the non-cancellable period and option to extend if the Group is reasonably certain to exercise that option.

An impairment review is undertaken for any right of use lease asset that shows indicators of impairment, and an impairment loss is recognised against the right of use assets that is impaired.

Depreciation of lease assets is calculated using the straight line method to allocate their cost, net of their residual values over their estimated useful lives being the lesser of the remaining lease term and the life of the asset.



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Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

11. INTANGIBLE ASSETS

In thousands of New Zealand dollars	Notes	Trademarks	Frequency Licences	Software	Goodwill	Total
Cost						
Balance at 1 July 2024		125	9,637	30,232	23,441	63,435
Additions		-	-	840	-	840
Transfers		-	-	293	-	293
Balance at 30 June 2025		125	9,637	31,365	23,441	64,568
Additions		-	-	821	-	821
Transfers		-	-	128	-	128
Balance at 30 June 2026		125	9,637	32,314	23,441	65,517
Amortisation and impairment losses						
Balance at 1 July 2024		(125)	(8,294)	(28,153)	-	(36,572)
Amortisation for the year		-	(143)	(1,075)	-	(1,218)
Balance at 30 June 2025		(125)	(8,437)	(29,228)	-	(37,790)
Amortisation for the year		-	(143)	(810)	-	(953)
Disposals	27			-	(4,897)	(4,897)
Balance at 30 June 2026		(125)	(8,580)	(30,038)	(4,897)	(43,640)
Carrying amounts						
At 30 June 2025		-	1,200	2,137	23,441	26,778
At 30 June 2026		-	1,057	2,276	18,544	21,877

Impairment

Goodwill is tested for impairment annually at the reporting date and whenever there is an indication of impairment. An impairment loss is recognised whenever the carrying amount exceeds the recoverable amount. The recoverable amount is assessed at the level of the cash-generating unit, which is the smallest group of assets generating cash flows independent of other cash-generating units that benefit from the use of the intangible asset.

For the purpose of impairment testing, goodwill is allocated to the Group's relevant subsidiaries or cash-generating units. The aggregate carrying amounts of goodwill of \$18,041 (2025: \$18,041) has been allocated to the Cyber cash-generating unit and \$503 (2025: \$5,400) has been allocated to the Infrastructure and Field Services cash-generating unit.

The recoverable amount of the Cyber cash-generating unit was based on a value-in-use calculation. The key assumptions used in the value in use calculations include revenue growth, cost increases and discount rates. A real pre-tax discount rate of 10.9% (2025: nominal pre tax discount rate 13.5%) was applied to Cyber and was derived from the pre-tax weighted average cost of capital. Bancorp Corporate Finance Limited worked with the Group in determining the weighted average costs of capital.

The recoverable amount of the Cyber business unit was calculated using cash flow projections for the five years from 2026 using the financial budgets approved by management. The budgets also incorporate cost savings and strategic initiatives that have been set in motion as the business aims to achieve its transformation goals. The budgeted EBITDA margin percentage growth over the five year forecast period is 22.4% (2025: 17%). Beyond year five a growth rate of 0% (2025: nominal rate of 2%) was assumed. The assumptions regarding revenue growth and cost increases are based on past experiences and management's expectations of changes in the market. Management considers the budgets to be reasonable in the current trading environment.

Based on the assessment at 30 June 2026, the carrying amount of the Cyber intangible was below the recoverable amount indicating that no impairment is required. Sensitivity analysis indicates that reasonably possible changes in the key assumptions used in the valuation models would not result in the carrying amount exceeding the recoverable amount.

Refer to Note 9 for the impairment assessment of the Infrastructure and Field Services cash-generating unit.

12. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are attributable to the following:

In thousands of New Zealand dollars	ASSETS		LIABILITIES		NET	
	2026	2025	2026	2025	2026	2025
Property, plant and equipment	2,908	3,659	-	-	2,908	3,659
Intangible assets	-	-	(305)	(305)	(305)	(305)
Derivatives	19	22	-	-	19	22
Trade and other receivables	-	-	(2,251)	(1,429)	(2,251)	(1,429)
Inventories	32	32	-	-	32	32
Employee entitlements	868	842	-	-	868	842
Other payables	-	-	(120)	(16)	(120)	(16)
Provisions	2,522	2,267	-	-	2,522	2,267
Lease liabilities	5,560	4,522	-	-	5,560	4,522
Right of use assets	-	-	(4,692)	(4,101)	(4,692)	(4,101)
Tax losses	1,354	973	-	-	1,354	973
Net tax assets/(liabilities)	13,263	12,317	(7,368)	(5,851)	5,895	6,466

The deferred tax assets/(liabilities) are attributable to the following jurisdictions:

New Zealand	5,475	5,913
Australia	420	553
Net tax asset	5,895	6,466

Movements in deferred tax have been recognised in the Statement of Financial Performance except for \$41 (2025: \$9) relating to derivatives which have been recognised in the cash flow hedge reserve, and (\$10) (2025: \$8) that have been recognised in the foreign currency translation reserve.

In the current financial year tax losses were utilised of \$1,482 (2025: \$754) leaving tax losses of \$71,868 (2025: \$68,010) available.



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Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

13. INVENTORIES

In thousands of New Zealand dollars	2026	2025
Inventory	1,917	2,035
Provision for write down	(302)	(424)
Total inventories	1,615	1,611

14. TRADE AND OTHER RECEIVABLES

In thousands of New Zealand dollars	2026	2025
<i>Current</i>		
Trade receivables	10,752	13,418
Provision for doubtful debts	(287)	(688)
Trade prepayments	4,453	6,214
Costs to obtain a contract	902	1,126
Contract asset – contract work in progress	9,833	6,607
Other receivables	217	147
Total Current Trade and Other Receivables	25,870	26,824
<i>Non-current</i>		
Costs to obtain a contract	591	797
Total Non-current Trade and Other Receivables	591	797

During the year, the Group utilised (\$225) (2025: (\$17)) of the provision for doubtful debts and decreased the provision by \$176 (2025: \$390).

During the year, the Group released \$1,126 (2025: \$1,250) of costs incurred to obtain a contract to the statement of financial performance.

Contract work in progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity. At June 2026, contract work in progress was \$9,833 (2025: \$6,607).

Contract asset movements were as follows:

Opening balance	6,607	11,952
Amount billed for work performed	(2,727)	(11,584)
Increase in work unbilled at year end	5,953	6,239
Closing balance	9,833	6,607

Deferred income, where billing exceeds recognised revenue, is disclosed in Note 15 and amounts to \$6,611 (2025: \$8,922).

Trade receivables are financial assets categorised at amortised cost.

15. TRADE AND OTHER PAYABLES

In thousands of New Zealand dollars	2026	2025
<i>Current</i>		
Trade payables and accruals	12,216	15,674
Contract liability - deferred income	4,585	7,127
Employee entitlements	3,412	3,315
Total Current Trade and Other Payables	20,213	26,116
<i>Non-current</i>		
Contract liability - deferred income	2,026	1,795
Employee entitlements	90	60
Total Non-current Trade and Other Payables	2,116	1,855
Contract liability movements were as follows:		
Opening balance	8,922	6,075
Released to income during the year	(7,014)	(5,590)
Contract work billed in advance	4,703	8,437
Closing Balance	6,611	8,922

Payables are categorised as financial liabilities measured at amortised cost.



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Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

16. LOANS AND ADVANCES

In thousands of New Zealand dollars	2026	2025
Bank loans (unsecured)	25,700	28,200

Loan facilities are repayable as follows:

Within one year	-	-
One to two years	-	28,200
Two to five years	25,700	-
	25,700	28,200

Weighted average interest rates:

Bank loans	3.78%	4.23%
Bank loans amended for derivatives, line fees and margin	3.01%	3.31%

On 29 June 2017 a facility agreement was entered into between Kordia and the members of the banking syndicate. The facility is split into two tranches (A and B) with different fee and margin structures. Tranche A is a cash advance facility and Tranche B is a term loan facility. There is a right of set off between the tranches of the loan facility.

On 31 January 2026, the Group entered into an amendment to its existing Syndicated Facility Agreement with Bank of New Zealand.

Under the amended terms, the total commitment was reduced from \$50,000 to \$40,000, the expiry date was extended to 31 January 2029, and Tranche B was repaid and cancelled.

17. LEASE LIABILITIES

In thousands of New Zealand dollars	Property	Motor Vehicles	Total
Balance at 30 June 2025	15,958	136	16,094
Additions	7,099	-	7,099
Payments	(3,355)	(61)	(3,416)
Exit of lease	-	(25)	(25)
Effects of movements in exchange rates	(48)	-	(48)
Balance at 30 June 2026	19,654	50	19,704
Current	3,908	39	3,947
Non-current	12,050	97	12,147
Balance at 30 June 2025	15,958	136	16,094
Current	3,540	43	3,583
Non-current	16,114	7	16,121
Balance at 30 June 2026	19,654	50	19,704
Maturity analysis of contractual undiscounted cashflows			
Less than one year	4,046	57	4,103
One to five years	9,862	115	9,977
More than five years	6,260	-	6,260
Total undiscounted cashflows June 2025	20,168	172	20,340
Less than one year	3,822	30	3,852
One to five years	11,565	112	11,677
More than five years	9,659	-	9,659
Total undiscounted cashflows June 2026	25,046	142	25,188

The lease liability is measured as the present value of the fixed and variable lease payments net of cash lease incentives that are not paid at balance date. Lease payments are apportioned between the finance charge and reduction of the lease liability using the incremental borrowing rate to achieve a constant rate of interest on the remaining balance of the liability. Lease payments for buildings exclude service fees for cleaning and other costs.

Lease modifications are accounted for as a continuation of the existing lease with an effective date of the modification.



CONTINUED

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

18. PROVISIONS

In thousands of New Zealand dollars	Make good
Balance at 30 June 2024	8,300
Provisions (adjusted) during the period	(579)
Provisions utilised during the period	(11)
Unwind discount	414
Balance at 30 June 2025	8,124
Provisions (adjusted) during the period	265
Provisions utilised during the period	(22)
Unwind discount	388
Balance at 30 June 2026	8,755
Current	566
Non-current	7,558
Balance at 30 June 2025	8,124
Current	358
Non-current	8,397
Balance at 30 June 2026	8,755

Make good

The make good provision primarily relates to an obligation to return rented sites to their original condition at the end of the lease. The Group expects to utilise approximately 4.1% of the liability next year.

19. FINANCIAL INSTRUMENTS

(A) FOREIGN CURRENCY RISK

Exposure to foreign currency, interest rate and credit risk arises in the ordinary course of the Group's business. Derivative financial instruments are entered into in order to reduce exposure to fluctuations in foreign exchange rates and interest rates.

(B) INTEREST RATE RISK

As outlined in Note 16, the Group has a syndicated revolving cash advance facility committed to a maximum amount of \$40,000, [2025: \$50,000]. At 30 June the drawdown on these facilities was \$25,700 [2025: \$28,200], to fund on-going activities. The facilities expire on 31 January 2029. The Group does not have an overdraft facility.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

In thousands of New Zealand dollars	2026	2025
Variable rate instruments:		
Financial liabilities (debt)	25,700	28,200

(C) LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The maturity analysis below summarises the Group's exposure to liquidity risk on non-derivative financial liabilities.



CONTINUED

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

19. FINANCIAL INSTRUMENTS (CONTINUED)

In thousands of New Zealand dollars	2026						Carrying Amount
	Call	Within One Year	One to Two Years	Two to Five Years	More than Five Years	Contractual Cashflows	
Liabilities							
Payables*	-	(12,216)	-	-	-	(12,216)	(12,216)
Loans and advances	-	(971)	-	(25,700)	-	(26,671)	(25,700)
Total liabilities	-	(13,187)	-	(25,700)	-	(38,887)	(37,916)

*Excludes contract liabilities and employee entitlements

In thousands of New Zealand dollars	2025						Carrying Amount
	Call	Within One Year	One to Two Years	Two to Five Years	More than Five Years	Contractual Cashflows	
Liabilities							
Payables*	-	(15,674)	-	-	-	(15,674)	(15,674)
Loans and advances	-	(1,219)	(28,203)	-	-	(29,422)	(28,200)
Total liabilities	-	(16,893)	(28,203)	-	-	(45,096)	(43,874)

*Restated to exclude contract liabilities and employee entitlements.

(D) SENSITIVITY ANALYSIS

At 30 June 2026, it is estimated that a general increase of one percentage point in interest rates would decrease the Group's net profit after tax by \$329 (2025: \$267). At 30 June 2026, it is estimated that a general decrease of one percentage point in interest rates would increase the Group's net profit after tax by \$329 (2025: \$267). Interest rate swaps have been included in this calculation.

At 30 June 2026, it is estimated that a general increase of one percentage point in the value of the New Zealand dollar against other foreign currencies would increase the Group's profit before income tax by approximately \$38 (2025: \$47). At 30 June 2026, it is estimated that a general decrease of one percentage point in the value of the New Zealand dollar against other foreign currencies would decrease the Group's profit before income tax by approximately \$38 (2025: \$47). Forward exchange contracts have been included in this calculation.

(E) CREDIT RISK

In the normal course of its business the Group incurs credit risk with amounts deposited with financial institutions and also the extension of credit to trade debtors. The major concentration of credit risk within trade debtors and contract work in progress is the extension of credit to a majority of its customers for transmission services and contracting services. The carrying amounts of financial assets represent the Group's maximum exposure to credit risk. Kordia holds its cash assets with BNZ and NAB.

Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The group does not normally require collateral in respect of financial assets due to the quality of the financial institutions with which it deals.

The status of trade receivables at the reporting date is as follows:

In thousands of New Zealand dollars	2026		2025	
	Gross receivable	Impairment	Gross receivable	Impairment
Not past due	8,326	-	8,887	-
Past due 0-30 days	1,643	-	2,737	-
Past due 31-120 days	529	(66)	828	(151)
Past due 121-365 days	176	(153)	613	(256)
Past due more than 1 year	78	(68)	353	(281)
Total Trade Receivables	10,752	(287)	13,418	(688)

Trade receivables and contract assets are reviewed for impairment on a collective basis based on the number of days overdue and taking into account historical experience. Significant trade receivables and contract assets are reviewed on an individual basis. No individually significant trade receivables and contract assets were considered impaired at balance date. No impairment loss has been recognised for contract assets during the period. (FY25:nil)

20. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Fair value measurement: Financial instruments measured and recognised at fair value are derivatives that are designated in hedge relationships. The fair value of these derivatives are level 2 valuations based on accepted valuation methodologies. The contingent earn out consideration referred to in Note 27 is measured at fair value.

The carrying values of short-term financial assets and liabilities are equivalent to their fair values. Short-term financial assets include cash, trade and other receivables. Short-term financial liabilities include trade and other payables.

The carrying value of loans and advances measured at amortised cost is a reasonable approximation of fair value.

As at 30 June 2026, no financial assets or liabilities have been offset in the Statement of Financial Position although they are covered by an ISDA/Master netting agreement.



CONTINUED

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

21. CAPITAL MANAGEMENT

The Group's capital includes share capital, reserves and retained earnings. The Group's policy is to maintain a strong capital base so as to maintain creditors and market confidence and to sustain future development of the business. The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

22. CONTINGENCIES

As part of its contractual obligations with clients, Kordia Limited has an undertaking to provide services at a certain level and should this not be achieved, Kordia Limited may be liable for contract penalties. It is not possible to quantify what these may be until an event has occurred. The Directors do not expect any liabilities to occur as a result of these contractual obligations.

The company has three guarantees registered with the BNZ. Two of these relate to the One NZ Stadium project and one is to cover the Kordia Pty Ltd account with NAB.

The public safety radio communication contract includes a performance bond of \$2,500 in the event of non-performance, as with our other contracts, it is not possible to quantify what liability may arise until an event has occurred, and the Directors do not expect any liabilities to occur as a result of non-performance obligations.

23. CAPITAL COMMITMENTS

In thousands of New Zealand dollars	2026	2025
Capital commitments (including intangible assets) are:		
Within one year	942	2,132

24. RELATED PARTY TRANSACTIONS

Entity	Principal activity of entity	% holding	Country of Incorporation
Kordia Limited	Telecommunications and transmission services	100%	New Zealand
Kordia New Zealand Limited		100%	New Zealand
Kordia Pty Limited	Operations and maintenance services	100%	Australia

All subsidiaries have balance dates of 30 June.

The Crown is a 100 percent shareholder in Kordia Group Limited. All transactions with other Crown Entities, State Enterprises and Government Departments other than entities included in these consolidated financial statements are comprised of:

Crown Entities, State Enterprises and Government Departments	Transaction value year ended 30 June		Balance outstanding at 30 June	
	2026	2025	2026	2025
In thousands of New Zealand dollars				
Revenue from telecommunications services	36,093	34,663	1,096	1,504
Direct costs and overheads	3,187	3,554	24	252

All transactions with Kordia Group and its subsidiary companies are settled in cash within six months of the reporting date. None of the balances are secured.

In addition to the above related party transactions, the Group has transacted with its owner, the Crown. Refer to Note 7 (income tax) and Note 15 (trade and other payables).

Key management personnel

Key management personnel compensation comprised:

In thousands of New Zealand dollars	2026	2025*
Short-term employee benefits	3,270	3,102
Severance payment	-	134
Defined contribution plan	154	164
Directors' fees	413	331
Total KMP compensation	3,837	3,731

*Prior year comparatives have been re-presented to align with the FY26 team composition.

Unpaid amounts relating to the above are \$813 (2025:\$823)



CONTINUED

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2026

25. RECONCILIATION OF NET SURPLUS FOR THE YEAR WITH CASH FLOWS FROM OPERATING ACTIVITIES

In thousands of New Zealand dollars	Notes	2026	2025
Net surplus as per statement of financial performance		4,354	4,968
Add/(deduct) non-cash items:			
Depreciation of property, plant and equipment	9	9,808	9,398
Depreciation and impairment losses of right of use assets	10	3,500	3,798
Amortisation of licences and intangibles	11	953	1,218
Realised foreign currency (gains)		32	(8)
Change in deferred tax		571	138
Movement in provision for doubtful debts		(401)	(408)
Movement in other provisions		(28)	(194)
Unwind/change in make good	18	388	414
Derivatives at fair value through the profit and loss		-	64
Movement in customer acquisition costs		517	211
		19,694	19,599
Items classified as investing activities:			
(Gain)/loss on disposal of property, plant and equipment		(4)	(4)
(Gain) on investment equity accounted JV		-	(7)
		(4)	(11)
Movements in working capital:			
Receivables, prepayments and contract work in progress		1,131	5,831
Inventories		(4)	(69)
Earn out receivables		1,500	-
Payables and deferred income		(5,027)	(2,312)
Proceeds from sale of assets held for sale		-	12,332
		(2,400)	15,782
Net cash flows from/(used in) operating activities		17,290	35,370

26. NON-GAAP MEASURES

The Group uses EBITDA when discussing financial performance. EBITDA is earnings before interest, tax, depreciation and amortisation. Depreciation and amortisation includes impairment charges recorded in the respective non-current assets. EBITDA is a non-GAAP profit measure and is not recognised or standardised with IFRS. Non-GAAP financial measures should not be viewed in isolation nor considered as a substitute for measures in accordance with IFRS. Management believes that EBITDA provides useful information, as it is used internally to evaluate performance, and it is also a measure that market analysts focus on for comparative company performance purposes, as the measure removes distortions caused by differences in funding, asset age and depreciation policies.

EBITDA has been clearly labelled and presented on the face of the Statement of Financial Performance and is reconciled to profit after tax.

27. SALE OF MANAGED IT BUSINESS

On 31 October 2025, Kordia Limited completed the sale of its Managed IT business to Fusion5 Limited, with economic ownership transferring from 1 November 2025.

Consideration comprised an initial completion payment of \$3,500, a contingent earn-out consideration of \$1,500 and a working capital adjustment. The deferred consideration was recognised at the amount expected to be received, reflecting management's assessment that achievement of the relevant performance conditions was highly probable based on the information available.

The transferred assets, including goodwill and fixed assets, were derecognised at their carrying values. No material gain or loss was recognised on disposal.

28. EVENTS AFTER BALANCE SHEET DATE

On 27 August 2026 the Board of Directors declared a final dividend of \$2,064 payable for the year ended 30 June 2026.

There are no other events subsequent to balance date which have a significant effect on the financial statements.



Independent Auditor's Report

FOR THE YEAR ENDED 30 JUNE 2026

TO THE READERS OF KORDIA GROUP LIMITED'S GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

The Auditor-General is the auditor of Kordia Group Limited (the "Group"). The Auditor-General has appointed me, Ed Loudon, using the staff and resources of KPMG, to carry out the audit of the consolidated financial statements of the Group on his behalf.

OPINION

We have audited the consolidated financial statements of the Group on pages 35 to 68, that comprise the consolidated statement of financial position as at 30 June 2026, the consolidated statement of financial performance, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date and the notes to the consolidated financial statements that include accounting policies and other explanatory information.

In our opinion, the consolidated financial statements of the group present fairly, in all material respects, its consolidated financial position as at 30 June 2026, and its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with New Zealand equivalents to International Financial Reporting Standards.

BASIS FOR OUR OPINION

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

The Board of Directors is responsible on behalf of the group for preparing consolidated financial statements that are fairly presented and comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards.

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

In preparing the consolidated financial statements, 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 State Owned Enterprises Act 1986.

RESPONSIBILITIES OF THE AUDITOR 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 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 consolidated financial statements.

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

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 consolidated financial statements, 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 for 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 consolidated financial statements, 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group consolidated financial statements. We are responsible for the direction, supervision and review 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 obtained at the date of this auditor's report is the Directors' Report on page 15, Statement of Responsibility on page 16, Statement of Performance on pages 71 to 72 and Additional Information on pages 73 to 78, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the consolidated financial statements 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 consolidated financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the consolidated financial statements 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. The Annual Report is expected to be made available to us after the date of this Independent Auditor's Report and we will report the matters identified, if any, to those charged with governance.

INDEPENDENCE

We are independent of the group in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standards 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

For the year ended 30 June 2026, a Director of the Group is a member of the Auditor-General's Audit and Risk Committee. The Auditor-General's Audit and Risk Committee is regulated by a Charter that specifies that it should not assume any management functions. There are appropriate safeguards to reduce any threat to auditor independence, as a member of the Auditor-General's Audit and Risk Committee (when acting in this capacity) has no involvement in, or influence over, the audit of the Group.

KPMG has also provided other assurance services to the Group. Subject to certain restrictions, partners and employees of KPMG may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired KPMG's independence. KPMG has no other relationship with, or interest in, the Group.



Ed Loudon
KPMG
On behalf of the Auditor-General
Auckland, New Zealand
7 September 2026



Statement of Performance

FOR THE YEAR ENDED 30 JUNE 2026

	Statement of Corporate Intent - Target 2026	2026 Actual	2025 Actual
Financial Performance Targets (Consolidated)			
<i>Shareholder Return</i>			
Dividends declared	\$3.6m	\$4.4m	-
Dividend yield (dividends/avg commercial value)	4%	4.4%	-
Return on equity (net profit after tax from continuing operations as a percentage of average shareholders' equity)	8%	6.5%	7.7%
Total shareholder return [(commercial value end - commercial value beg + dividends)/ commercial value beg]	5%	8%	-10%
<i>Profitability/Efficiency</i>			
Earnings before interest and taxes from continuing operations (EBIT)	\$8.2m	\$7.3m	\$8.4m
Group net profit after tax from continuing operations (NPAT)	\$5.1m	\$4.4m	\$5.0m
Return on capital employed (EBIT adjusted for IFRS fair value movements/ average capital employed)	9%	9%	9.5%
Operating margin (EBITDA/Revenue) ^a	16%	15%	16%
<i>Leverage/Solvency</i>			
Gearing ratio (net debt/(net debt + shareholders' funds))	34%	21%	21%
Interest cover (EBITDA/net interest)	9.0	10.0	8.0
Net debt/EBITDA	1.3	0.8	1.5
Solvency (current assets/current liabilities)	2.6	1.2	1.3
Shareholders equity/Total assets	47%	47%	45%
<i>Growth</i>			
Capital replacement (Capex/(depreciation and amortisation))	1.1	1.2	1.1
Revenue growth (current year revenue / prior year revenue including discontinued operations)	3%	-4%	-1%
EBITDA growth (current year EBITDA / prior year EBITDA)	11%	-5%	34%
Non - Financial Performance Targets (Consolidated)			
Net Promoter Score (NPS) ^b	≥50	27	60
Lost time injury frequency rate (LTIFR)	<2	4.6	-
Total recordable injury frequency rate (TRIFR) ^c	<5	11.4	1.05
Staff engagement	≥75 %	69%	78%
NZ Digital Television Transmission (DTT) network availability (main metro sites measured annually) ^d	99.90%	99.99%	99.97%

Notes

- (a) EBITDA is the earnings before interest, tax, depreciation, amortisation and fair value movements.
- (b) Net Promoter Score (NPS) is a metric used globally to measure customer loyalty and advocacy levels. NPS establishes the likelihood of a customer to recommend a product or service to another person on a scale of 0-10. The overall NPS score is the percentage of customers who are detractors, subtracted from the percentage who are promoters, providing a score between -100 and 100.

Over the past 12 months, our Net Promoter Score (NPS) has been 27, below our target of 50. This result reflects both the impact of the company's transformation programme and identified inconsistencies in the survey methodology. As part of a review of our customer feedback approach, no surveys were issued in June while we assessed the most appropriate methodology and tool to ensure consistent, meaningful and reliable customer insights.
- (c) The Total Recordable Injury Frequency Rate (TRIFR) is an industry measure of the number of recordable injuries over a period of 12 months per million hours worked. A recordable injury is a work-related injury or illness resulting in an employee or contractor being unable to attend work for a full working day after the day of injury.
- (d) The measure of the availability of the DTT network is a measure of the reliability of the DTT network and the performance against customer service level agreements.



Additional Information

PRINCIPAL ACTIVITIES

The Group's principal activity during the year was telecommunications services (transmission, linking of telecommunications and broadcasting signals as well as design, build, operations and maintenance of transmission networks), cyber security and cloud solutions and maritime safety services.

GENERAL DISCLOSURES

The following disclosure of interests were made to the Board.

DIRECTORS' DISCLOSURES

General disclosures of interest given by the Company pursuant to Section 211 of the Companies Act 1993 for the year ended 30 June 2026 are as follows. Individual shareholdings that are not considered material, and are not relevant to the operations of the Group have not been included.

S HASLEM

CentrePort Limited	Deputy Chair
CentrePort Captive Insurance Limited	Director
CentrePort Investment Holdings Limited	Director
Livestock Improvement Corporation	Director
MyRepublic	Shareholder
nib NZ Insurance Limited	Director*
nib NZ Limited	Director
Omphalos Limited	Director/Shareholder
Payments New Zealand Limited	Director
Rangatira Limited	Director

B P KEPES

1Centre Limited	Shareholder
Albion Clothing (2019) Limited	Director
Autohive AI Limited	Shareholder
Beauty at Dukes Limited	Shareholder (as Trustee)
C Group Limited	Shareholder (as Trustee)
Cactus Outdoor Limited	Director/Shareholder
Corde Limited	Director
Devoli Ltd	Shareholder*
Diversity Limited	Director/Shareholder
Hoist Apps Limited	Shareholder
Holocaust Centre of New Zealand	Director
Health One (General Partner) Ltd	Director
Kepes Consulting Limited	Shareholder/Director
Kiasma Health Limited	Director*
New Zealand Jewish Council	Member of the Executive
Open Accounting Data Limited	Shareholder
Paenga Kupenga Ltd	Director
Pegasus Health (Charitable) Limited	Director/Shareholder
Pegasus Health (Health One) Limited	Director
Raygun Limited	Shareholder
Ridges Irrigators Limited	Director/Shareholder
Ridges Water Limited	Director
Road Guru Limited	Shareholder

B P KEPES CONT...

Royal Forest & Bird Protection Society Of New Zealand Incorporated
 SmartCo
 ThirteenThree Limited
 Umbrella Group Limited
 Union Medical Benefits Society

Board Member*
 Director/Chair
 Director
 Director/Shareholder
 Director

L M ROBERTSON

Aquaheat Facility Services Limited
 Aquaheat Fire New Zealand Limited
 Aquaheat New Zealand Limited
 Aquaheat South Pacific Limited
 Caldwell and Levesque Limited
 Central Districts Water Limited
 Central Lakes Trust
 Central Lakes Direct Limited
 Coollogic Refrigeration Limited
 Crown Irrigation Investments Limited
 Fraser Properties Limited
 Horizon Energy Distribution Limited
 Horizon Energy Group Limited
 Horizon Energy Limited
 Horizon Services Limited
 Invercargill City Holdings Limited
 New Zealand Local Government Funding Agency Limited
 Office of the Auditor General and Audit New Zealand
 RML Consulting Limited
 SBS Bank (Southland Building Society)
 The Treasury
 The Treasury

Director
 Director
 Director
 Director
 Director
 Director
 Chair
 Director*
 Director
 Chair
 Director
 Director
 Director
 Director
 Director
 Director*
 Member, Audit & Risk Committee*
 Director / Shareholder
 Director
 Member, Risk & Audit Committee*
 Member, Capital Markets Advisory Risk & Audit Committee*

N E RIORDAN

Loan Market Group Australia
 Nua Limited
 NZ Financial Services Group
 NZQA Information Systems Committee
 Realestate.co.nz
 REINZ
 Riordan Family Trust
 University of Otago

Director
 Shareholder
 Director
 Independent Committee Member
 Director
 Independent Director
 Trustee
 Council Member

K J POHIO

WSG Energy Services
 ZAG Consulting (Aust) Pty Ltd
 ZAG Family Trust

General Manager - Australia
 Director
 Trustee

M T H MATTHEWS

Auckland Council
 Experience Wellington
 Greater Wellington Regional Council
 Martin Matthews Consulting Limited
 Meteorological Service of New Zealand Limited
 Mongravia Enterprises Limited
 Ohmio Automation/HMI Technologies
 Whaikaha, The Ministry of Disabled People

Independent Member, Audit and Risk Committee*
 Chair
 Independent Chair, Finance, Risk and Assurance Committee*
 Director and Sole Shareholder
 Chair
 Director and Shareholder
 Strategic Advisor
 Member, Audit and Risk Committee

D P SIVAKUMAR

Jeed Trustee Limited
 Livestock Improvement Corporation (LIC)
 Māori and Pasifika Tech Careers Activation Trust
 Sivakumar Trustee Limited

Director
 CIO
 Chair
 Director

*Ceased during year ended 30 June 2026



CONTINUED

Additional Information

USE OF COMPANY INFORMATION

No notices have been given to the Board under Section 145 of the Companies Act 1993 with regard to the use of company information received by Directors in their capacity as a Director.

DIRECTORS' INDEMNITY INSURANCE

The Company has arranged directors' and officers' liability insurance cover with QBE Insurance (International) Limited for \$20,000 (2025: \$20,000). The 2026 premium (net of GST) was \$72 (2025: \$75). This cover is effected for all directors and employees in the Group in respect of directors and officers liability and is in accordance with the Companies Act 1993 and the Company's constitution.

DIRECTORS' REMUNERATION AND BENEFITS

The following persons held the office of director of the Company during the year and received the total amount of remuneration and other benefits shown.

DIRECTOR	COMPANY \$
S Haslem (Chair)	97,660
B P Kepes	61,040
N Riordan	53,713
L Robertson	53,713
M Mathews	48,830
K Pohio	48,830
D Sivakumar	48,830
Total	412,616

COMPANY PERFORMANCE AND REMUNERATION

Kordia's remuneration policy and key principles are designed to support the attraction, retention and motivation of employees, while aligning reward outcomes with company performance, strategic priorities and individual contribution.

The Short-Term Incentive Scheme (incentive scheme) provides a transparent framework for recognising eligible employees' contribution to Kordia's success. Participation is determined by position and organisational level, with all Executive Leadership Team members and their direct reports eligible.

INCENTIVE SCHEME TARGETS FY2026

Category	Weighting	Measure	Target
Financial	50%	NPAT > 80% of budget	EBIT \$7.4m Revenue \$147m Return on Equity 7%
Transformation / Innovation / Optimisation	30%	Various measures covering; 10% revenue from new products, AI deployment and cost optimisation	Various
Compliance (incl Safety) and Role Objectives	20%	Employee engagement score TRIFR and LTIFR Safety and Wellbeing events Various objectives dependent on role	> 75 <5 and <2 +4 per annum Dependent on role

Kordia's incentive scheme is designed to recognise strong performance and align remuneration outcomes with company performance, strategic priorities and individual contribution. The incentive scheme is only funded when Kordia achieves its minimum corporate performance gate which includes achievement of all of the following:

- at least 80% of budgeted NPAT
- no culpable or serious harm incidents
- no controllable cyber incursions

Once the corporate performance gate is achieved, incentive outcomes are determined based on financial performance and achievement against agreed financial, business unit and individual objectives. Outcomes also consider leadership behaviours and broader performance expectations. Incentive outcomes may scale up to a maximum of 130% of target incentive opportunities where performance exceeds agreed objectives.

The Chief Executive Officer is eligible for an incentive opportunity of up to 40% of base salary, while Executive Leadership Team members are eligible for up to 35% of base salary. Other eligible employees participate at lower incentive opportunity levels based on position and organisational level.

Incentive payments are made following confirmation of the audited year-end financial results and completion of the approval process. All payments remain subject to Chief Executive Officer and/or Board discretion.

CHIEF EXECUTIVE OFFICER INDIVIDUAL OBJECTIVES FY2026

Objective	Measure
Transformation	• Successfully complete the organisational restructure of the business as outlined and agreed with the Board in the Kordia 2.0 Gantt Chart (structure, financial re-baselining, strategy, People and Culture and company re-alignment). • Successful implementation of the Operational playbook and associated Ways of Working.
Innovation	• AI is embraced and implemented resulting in reduced costs, and profitable new product(s). Implementation includes appropriate policies and safeguards. • 10% of revenue is from new products and/or new markets.
Asset Management / Optimisation	• Implementation of the asset management strategy (AMS) which includes operating and capital expenditure aligned to company strategy. • Kordia's core network is re-designed to remove non profitable sites and be future proofed. • Kordia's product and services meet profitability targets.
Compliance (incl Health & Safety and Cyber Security)	• Cyber risk control effectiveness (no controllable cyber incursions that affect Kordia's ability to provide service to customers or provide significant reputational damage). • Ensure we meet all our obligations as a good corporate citizen and meet all the non-financial requirements of our shareholder as outlined in the SCL. • TRIFR <5 and LTIFR <2 + 4 Safety & Wellbeing events per year.
Relationships	• Continue to build and maintain excellent senior/CEO relationships with strategic customer, partners and stakeholders. • Employee engagement score is above 75. • The executive team continue to be proactively developed and benchmarked as high-performing.
Financial	• Earnings Before Interest and Tax Target: \$7.4m • Revenue Target: \$147m • Return on Equity Target: 7%



CONTINUED

Additional Information

CHIEF EXECUTIVE OFFICER REMUNERATION

Details of the Chief Executive Officer’s remuneration are set out below and include superannuation contributions. Incentive payments are linked to company and individual performance objectives and are paid following confirmation of audited year-end financial results and assessment of individual performance outcomes.

- 1. Benefits include KiwiSaver and SuperLife employer contributions.
- 2. Fixed remuneration comprises base salary and benefits.
- 3. Incentive payments relate to performance achieved in the current financial year but paid in the following financial year.
- 4. Incentive achievement percentage relates to performance for the current financial year.
- 5. During FY24, the outgoing CEO was paid \$985 consisting of fixed remuneration, superannuation and all amounts agreed on resignation.
- 6. Neil Livingston served as Acting Chief Executive Officer from 1 April 2024 to 31 December 2024.
- 7. Neil Livingston commenced as Chief Executive Officer on 1 January 2025.
- 8. Neil Livingston received an incentive payment in January 2025 relating to his performance as Acting Chief Executive from 1 April 2024 to 31 December 2024. The payment has been allocated across FY2024 and FY2025 based on the relevant performance periods.
- 9. Incentive achievement percentages represent the weighted performance outcome against agreed objectives for the relevant performance periods, comprising:
 - a) July to December 2024: 66%
 - b) January to June 2025: 122%

CHIEF EXECUTIVE OFFICER REMUNERATION FIVE-YEAR SUMMARY

Year	Chief Executive	Base salary \$000	Benefits ¹ \$000	Fixed remuneration ² \$000	Amount of Incentive paid/ accrued ³ \$000	Total remuneration \$000	% Incentive achieved ⁴ (0 to 130%)
2025/26	Neil Livingston	650	68	718	224	942	86%
2024/25	Neil Livingston ⁷	617	32	649	236 ⁸	885	95% ⁹
2023/24 (From Apr 2024)	Neil Livingston ⁶	145	8	153	36 ⁸	189	66%
2023/24 (July 2023 to Mar 2024)	Shaun Rendell ⁵	445	72	517	-	. ⁵	0%
2022/23	Shaun Rendell	586	36	622	223	845	100%
2021/22	Shaun Rendell	587	43	630	267	897	127%

EXECUTIVE REMUNERATION

Kordia's remuneration policy for the Executive Leadership Team is founded on three guiding principles:

- remuneration is aligned to long-term sustainable shareholder value;
- remuneration for individuals will reflect the level of performance and delivery of successful outcomes; and
- simplicity over complexity will be reflected in the design.

Total remuneration for the Executive Leadership Team includes base salary, the incentive scheme and benefits such as superannuation. Remuneration reviews consider external benchmarking to ensure competitiveness with comparable market peers, alongside each individual's performance, skills, expertise and experience. Kordia's policy is to set fixed remuneration with reference to the market median for comparable roles.

EMPLOYEE REMUNERATION

Employee remuneration includes base salary, the incentive scheme for those who are eligible, and benefits such as superannuation.

Kordia Group employees who received total remuneration of greater than \$100,000 are included in the following table. Employee remuneration in overseas operations has been converted to New Zealand dollars using the year-end exchange rate.

NZD	CONSOLIDATED	
	Current Employees	Former Employees
\$100,001 to \$110,000	30	3
\$110,001 to \$120,000	26	4
\$120,001 to \$130,000	38	-
\$130,001 to \$140,000	22	2
\$140,001 to \$150,000	25	-
\$150,001 to \$160,000	22	1
\$160,001 to \$170,000	16	1
\$170,001 to \$180,000	14	-
\$180,001 to \$190,000	11	-
\$190,001 to \$200,000	5	-
\$200,001 to \$210,000	6	-
\$210,001 to \$220,000	6	1
\$220,001 to \$230,000	4	-
\$230,001 to \$240,000	5	1
\$240,001 to \$250,000	3	1
\$250,001 to \$260,000	7	-
\$270,001 to \$280,000	2	-
\$280,001 to \$290,000	1	-
\$290,001 to \$300,000	1	-
\$320,001 to \$330,000	1	-
\$330,001 to \$340,000	1	-
\$370,001 to \$380,000	1	-
\$420,001 to \$430,000	1	-
\$430,001 to \$440,000	1	-
\$500,001 to \$510,000	3	-
\$540,001 to \$550,000	1	-
\$940,001 to \$950,000	1	-
	254	14



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Kordia is ready to help customers and communities in New Zealand and around the world usher in the next wave of technological innovation. From critical infrastructure and cyber resilience to scalable digital content delivery, coverage as a service and smart cities, we're enabling the next technical revolution.



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