

100% Consumer Owned

Electra is wholly-owned by its 44,987 consumers, stretching from Paekakariki in the south to Foxton and Tokomaru in the north. 'Shares' in the company are held on behalf of all consumers by a Trust whose six Trustees are elected under a Trust Deed to represent the owners' interests and protect their asset.

As your elected representatives, the Electra Trust is committed to ensuring power is delivered safely and reliably to every home, business, school and organisation that we represent.

We do this by working with the Board and Senior Leadership Team to maximise the annual Electra sales discount that is credited to each electricity account on the Electra network.



The Trust is encouraged by the company's work in further developing a forward looking strategy to focus on and invest in our region. This builds on the already excellent reputation Electra has established. At a time of change and challenge in the energy sector our owners can be assured their interests continue to be paramount.

SHARON CROSBIE CNZM OBE
ELECTRA TRUST CHAIR

Over the last 26 years we are proud to have been able to deliver more than \$196M in sales discounts to the consumers on the Electra network.

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ANNUAL REVIEW

For the year ended 31 March 2019

View Annual Report online
www.electra.co.nz/our-company/disclosures

\$9.1M
IN SALES DISCOUNTS
ISSUED IN 2019

Our Results

Highlights

For years ended 31 March	2019	2018	2017
Electricity sold (GWh)	416	405	404
Revenue (\$000)	51,478	56,694	58,940
Sales discount issued, excl GST (\$000)	7,900	7,700	7,500
Total shareholders' funds to total assets	61%	65%	65%

Network Company Only

For years ended 31 March	2019	2018	2017
Electricity operating costs per consumer	\$271	\$277	\$253
Capital expenditure costs per consumer	\$259	\$281	\$283
Reliability average outage minutes per consumer per year	89	122	89



It's been a positive year for the Electra Group. While this year's operating revenue of \$51.1m was down slightly on the previous year (\$55.7) due to the sale of Sky Communications Limited, profit after tax for the Group was \$4.6m, a 21% increase on the previous year of \$3.8m.



Financial Performance Highlights

In thousands of dollars

NZ IFRS

2019 2018

Total revenue (net of discount) earned by the group	Operating revenue	51,478	56,694
The discount for each individual consumer was based on the amount of network charges paid	Discount issued to consumers (excl. GST)	(7,900)	(7,700)
	Operating surplus	4,903	4,774
	Taxation	(345)	(1,035)
After sales discount and then deducting costs of running the business we're left with this figure	Net profit after taxation	4,558	3,739*
We paid a dividend to the Electra Trust to cover the Trust's expenses.	Dividends	(300)	(300)

Financial Position Highlights

In thousands of dollars

2019 2018

	Share capital	18,000	18,000
	Retained earnings	78,005	73,737
	Reserves	49,104	49,348
This is the amount that owners have invested in the company and is the company's net asset value. It's made up of the original share capital reserves and retained earnings (profits) that have been reinvested.	Total shareholders' equity	145,109	141,085

Includes deferred tax liabilities of \$33m

	Long term liabilities	67,955	32,234
	Total current liabilities	23,293	43,558
	Total shareholders' funds and liabilities	236,357	216,877
	Non current assets	225,743	203,709
	Current assets	10,614	13,168
The total assets of which 22% is funded by borrowings	Total Assets	236,357	216,877

Cash Flow Highlights

In thousands of dollars

2019 2018

The cash generated from day to day operations	Net cash flows from operations	12,402	12,047
The cash spent on assets and new businesses	Net cash flows to investing	(26,697)	(13,632)
The loans borrowed or repaid	Net loans raised and cash flows from financing	14,270	2,300
	Net (decrease)/increase in cash held	(24)	715
Cash in bank at the beginning of the year	Opening cash	1,429	714
The bank balance at the end of the year	Ending cash carried forward	1,405	1,429

* includes Goodwill impairment cost of (\$0.2m)

For the latest network information --



0800 LOST POWER



www.electra.co.nz



Mobile App

Key Highlights

\$51.5M in total Group revenue

\$4.6M net profit after tax

44,987 consumers connected to our network

24th year as principal sponsor of the Electra Kapiti Horowhenua Business Awards

\$196M in sales discounts (incl. GST) issued to electricity consumers over the last 26 years

\$13.4M spent directly supporting local people and businesses

503 new connections to the network this year.

Our Network

We own and operate the electricity network in the Kapiti and Horowhenua regions, stretching from Foxton and Tokomaru in the north, to Paekakariki in the south.

Our network of 2,289km in circuits supplies 44,987 consumers across an area of 1,628km², making us New Zealand's ninth largest lines company in terms of connections to the network.



TOTAL ELECTRICITY DELIVERED

416 GWh



AVERAGE SALES PER CUSTOMER

9,249 kWh



MAXIMUM DEMAND

102 MW



NETWORK AREA

1,628 KM²



TRANSMISSION & DISTRIBUTION

2,289 KM



TRANSFORMER CAPACITY

335,505 kVA

HELPING TO MAKE KIWI HOMES WARMER

Warmer Kiwi Homes is a Government programme that helps low-income households to install ceiling and underfloor insulation, and ground moisture barriers to make their homes warmer, drier and healthier.

In December 2018 we announced that we had formed a partnership with the Government agency, EECA, to jointly fund the installation of insulation into 70 homes in the Electra network area; a \$150,000 commitment to the community.



"Owning our first home and then finding out it wasn't insulated was a major concern for us. My little boy suffers from respiratory issues and has been in and out of hospital for much of his younger life so we knew that we had to do something, but having to find the extra finances was going to be a big issue. Then I came across the opportunity to be fully subsidised for home insulation. I was blown away by this kind gesture as it meant a warm and healthier winter for my children – thank you EECA and Electra."

Bronwyn, Horowhenua

DELIVERING GROWTH BEYOND THE NETWORK

The Electra Group is committed to delivering a safe, reliable and modern electricity supply to everyone connected to our network.

We are also working to identify opportunities that position the Group for future growth, increase our revenue streams and, ultimately, the level of value we can provide to both the communities in which we operate and the owners of our business – the customers connected to our electricity network.

Part of this strategy has been to invest in companies that complement the Group's core (electricity network) business and provide opportunities to add value and expanded services that enhance the benefit we can deliver to the Group.

In 2018 we invested in a joint venture opportunity with Spark. We sold Sky Communications Limited to Connect 8, a wholly owned Spark subsidiary, then took a 50% stake in the combined Connect 8 operation

This investment in New Zealand's premier construction contractor for the 'buried infrastructure industry' has immediately delivered significant returns to both joint venture shareholders and, as the business expands into new infrastructure sectors such as water and gas, Connect 8 offers huge future upside potential with annual revenues of \$50m being targeted.



SECURELY
the peace of mind company

PROVIDING PEACE OF MIND INDEPENDENCE

"Our mother was living alone and had been diagnosed with dementia, but was keen to remain in her own home for as long as she could. With Securely she was able to do that."

Securely's personalised service provided us with 24 hour monitoring of mums movements in the house. This included any falls, periods of inactivity, door alerts and smoke detection, with Securely contacting emergency services when needed.

We also received regular text messages and alerts and we could monitor mums movements in the house on line.

We felt safe using Securely. It gave us, as a family, an extra eye on our mother and allowed her to stay at home with her independence and dignity for a long time.

Mandy and Barbara

ELECTRA KAPITI HOROWHENUA BUSINESS AWARDS

We have been the principal sponsor of the hugely popular and successful Electra Business Awards since its inception in 1995. We are proud to support the Awards in recognising excellent local businesses that are helping to drive economic and job growth in the region.

Congratulations to Kenakena School for winning the 2018 Business of the Year Award, and to Woodhaven Gardens for being Highly Commended.

