

100% Consumer Owned

Electra is wholly owned by its 45,757 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.

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The Trust congratulates Electra for continuing to operate its core electricity network business to the highest standards of excellence, particularly in a year when the business faced significant operational challenges due to the arrival of Covid-19.



It is highly satisfying to note the network remains one of the very best performers in New Zealand. We look forward to continuing to work closely and collaboratively with the Board and Senior Leadership Team over the year ahead.

Sharon Crosbie,
CNZM OBE, Chair, Electra Trust

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Over the last 28 years we are proud to have been able to deliver more than **\$210.8M** in sales discounts to the consumers on the Electra network.

\$5.8M

in sales discounts issued in 2021

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



For the latest network information



Our Results

Highlights

For years ended 31 March In thousands of dollars	2021	2020	2019
Electricity sold (GWh)	421	415	416
Revenue (\$000)	45,387	45,890	50,937
Sales discount issued, excl GST (\$000)	5,100	8,000	7,900
Total shareholders' funds to total assets	57%	59%	61%

Network Company Only

For years ended 31 March	2021	2020	2019
Electricity operating costs per consumer	\$293	\$288	\$271
Capital expenditure costs per consumer*	\$313	\$561	\$259
Reliability average outage minutes per consumer per year	74	95	89

*2020 Capital expenditure includes one-off regulatory adjustments, value pre-adjustment is \$348

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Our core network business has delivered another 'best in class' performance over the last year despite the challenges of operating in a Covid-19 environment. The Group's asset valuations continue to rise, our balance sheet remains strong and significant opportunities exist to deliver greater value for the business and the customers and communities we serve.”



Financial Performance Highlights

In thousands of dollars

NZ IFRS

2021 2020

Total revenue (net of sales discount) earned by the group	Operating revenue	45,387	45,890
The discount for each individual consumer was based on the amount of network charges paid	Discount issued to consumers (excl. GST)	(5,100)	(8,000)
	Operating surplus / (deficit)	(731)	(2,973)
	Taxation	1,346	1,132
After sales discount and then deducting costs of running the business we're left with this figure	Net profit / (loss) after taxation	910	(2,742)
We paid a dividend to the Electra Trust to cover the Trust's expenses	Dividends	(300)	(330)

Net revaluations

Equity at start of year

Equity at end of year

Financial Position Highlights

In thousands of dollars

2021 2020

Share capital	18,000	18,000	
Retained earnings	75,633	74,974	
Reserves	80,724	70,597	
Total shareholders' equity	174,357	163,571	
Includes deferred tax liabilities of \$42m	Long term liabilities	121,259	86,302
	Total current liabilities	8,192	25,555
	Total shareholders' funds and liabilities	303,808	275,428
	Non current assets	283,078	269,095
	Current assets	20,730	6,333
The total assets of which 27% is funded by borrowings	Total Assets	303,808	275,428

Cash Flow Highlights

In thousands of dollars

2021 2020

The cash generated from day to day operations	Net cash flows from operations	9,176	10,086
The cash spent on assets and new businesses	Net cash flows to investing	(21,453)	(18,078)
The loans borrowed or repaid	Net loans raised and cash flows from financing	16,199	7,732
	Net (decrease)/increase in cash held	3,922	(260)
Cash in bank at the beginning of the year	Opening cash	1,145	1,405
The bank balance at the end of the year	Ending cash carried forward	5,068	1,145

The Electra Group

The Electra Group works together to deliver a range of products and services that contribute to the Group's overall financial performance and the value we provide to our owners - the consumers connected to the Electra network. We are also committed to supporting regional growth and the wellbeing of the communities we serve.

ELECTRA LIMITED

an electricity network company, based in Levin with a branch in Paraparaumu, employing 116 people.

ELECTRA SERVICES LIMITED

trading as SECURELY®, employing 54 people and based in Levin, the company is a medical alarm and security monitoring business as well as a call centre business.

CONNECT 8

an investment (50%) in New Zealand's premier construction contractor for the water, power and telecommunications sectors.

HOROWHENUA DEVELOPMENTS LIMITED

an investment (25%) in a large-scale commercial property development company, based in Levin.

QUAIL RIDGE COUNTRY CLUB

an investment (49.9%) in an established and well-run retirement village in Kerikeri in the Far North.

ELECTRA GENERATION LIMITED

the Auckland-based assets of this business were sold in 2020 - the company continues to collect revenue relating to past periods. It is expected to formally close in 2022 once this process is complete.



Key Highlights

\$45.4M
in total Group revenue

\$910K
Group net profit after tax

45,757
consumers connected to our network

\$210.8M
in sales discounts (incl. GST) issued to electricity consumers over the last 28 years

\$15.5M
annually spent directly supporting local people and businesses

404
new connections to the network this year

Our Network

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

Our network of 2,330km in circuits supplies 45,757 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
421 GWh

AVERAGE SALES PER CUSTOMER
9,201 kWh

MAXIMUM DEMAND
104 MW

NETWORK AREA
1,628 KM²

TRANSMISSION & DISTRIBUTION
2,330 KM

TRANSFORMER CAPACITY
338,850 kVA

Supporting Community Wellbeing

Customers are at the heart of our decision making and we continue to develop our product and service offerings across a broad number of areas.

Over the last year we have collaborated with other industry partners to provide greater support for community wellbeing.

EnergyMate is a free in-home energy coaching service, helping families at highest risk of energy hardship to reduce electricity costs and live in a warmer home. The scheme is a partnership between the Electricity Retailers Association of New Zealand (ERANZ) and leading electricity retailers, lines companies, community organisations and the Government.



We are proud to have partnered with Levin Budget Service to deliver this valuable service to local families. During home visits families are advised on the best electricity plan for them, cost-effective heating options, simple energy efficiency tips, and how they can get additional support such as insulation or budgeting.

You can learn more about the scheme at: www.energymate.nz

PROTECTING VULNERABLE CUSTOMERS

Vulnerable customers are a high-risk group that need additional support. During the year we worked with the Electricity Authority, Commerce Commission, MBIE and electricity retailers in the creation of the Consumer Care Guidelines.

The Guidelines will be followed by Retailers and Distributors to ensure that safeguards are in place for vulnerable customers access to electricity.

Electra was one of only four Distributors to participate in the process.

Partnering to Support Local Growth

Our growth strategy means we are constantly looking for opportunities that offer long term revenue growth and allow us to increase the value we can provide to both the communities in which we operate and the owners of Electra - the customers connected to our electricity network.

This strategy has seen us take large stakes in Connect 8 (50%) and Quail Ridge Country Club and its associated building company, Kerikeri Falls Investment Limited (49.9%).

In 2020 the Group's investment portfolio was further enhanced with a 25% stake taken in Horowhenua Developments Limited (HDL).

HDL had purchased a block of non-core and underperforming vacant industrial land on Roe Street, Levin from Horowhenua District Council in 2019.

In 2020 the property was consented, sub-divided and had infrastructure installed before being brought to market as the Horowhenua Business Park. Every lot was sold in under 18 months and construction is underway on several large-scale projects that will deliver long term benefits to the region.

The development has created substantial economic and social opportunities for our region with local tradespeople employed for the development and build phases, as well as permanent employment for local people once the various businesses commence operations.

The profits generated from The Business Park will be used to identify further opportunities to help grow the Horowhenua economy.

As well as direct financial returns to the Group, the success of the venture will contribute to regional growth and increased demand on our network.



Future Growth

The New Zealand economy entered 2021 in remarkably good shape having avoided much of the expected social and economic fallout from the Covid-19 pandemic. This has resulted in a faster bounce-back in the economy than was anticipated, with stronger employment numbers, increased consumer spending post-lockdown and a booming housing and construction market.

Locally, several key economic indicators (including business growth) lead the national averages and there is a growing interest in the region, particularly in northern areas.

As a critical infrastructure provider and a large local employer, our activity and growth makes a significant contribution to the regional economy.

The underlying performance of our core network business remains strong, and we are well positioned to achieve our ambitious growth targets. We will continue to seek acquisition and investment opportunities that complement our core capabilities, while delivering organic growth from our existing businesses.

As always, our first priority is to focus on delivering a safe and reliable electricity supply while maximising the level of sales discount we can return to all the consumers connected to our network.

Celebrating Business Excellence

We are proud to be the principal sponsor of the Electra Business & Innovation Awards, a role we've held since the Award's inception in 1993. Today, the Awards are New Zealand's longest running business awards programme, recognising and celebrating excellent businesses in Kāpiti and Horowhenua that are helping to drive economic and job growth in the region.



Congratulations to New World Foxton who were awarded the 2020 Business of the Year Award.