

NEW ZEALAND RUGBY UNION

Financial Statements

for the year ended 31 December 2025

Income statement

for the year ended 31 December 2025

	NOTE	2025 \$000	2024 \$000
Income			
Broadcast rights		95,205	100,390
Sponsorship and licensing		142,214	125,818
Matchday		33,849	32,013
Other income		9,969	9,351
Interest income		10,490	14,371
Managed funds fair value gains		3,762	149
Gain on derivative financial instruments		4,323	-
Equity accounted surplus of associates and joint ventures	D2	58	235
Fair value gain on compound instrument derivatives	B12	4,375	2,920
Total income	A1	304,245	285,247
Expenditure			
Game development		50,956	44,435
Teams in black		86,688	83,758
Competitions		129,185	126,529
Administration		28,373	27,887
Interest expense		11,497	12,285
Foreign exchange losses		5,030	1,650
Foreign exchange losses - ineffective hedge		-	7,810
Transaction costs	B12	35	429
Total expenditure	A2	311,764	304,783
Income tax	A4	-	-
Net deficit		(7,519)	(19,536)

Net deficit attributable to:

Stakeholders of the parent		(7,519)	(19,536)
		(7,519)	(19,536)

Comprehensive Income statement

for the year ended 31 December 2025

	NOTE	2025 \$000	2024 \$000
Net deficit		(7,519)	(19,536)
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Net (loss)/gain on cash flow hedges	B2	(5,381)	(2,254)
Net (loss)/gain on equity investments	B4	1,453	(289)
Net gain arising from translation of foreign operations	B3	268	83
Total comprehensive income		(11,179)	(21,996)

Total comprehensive income attributable to:

Stakeholders of the parent		(11,179)	(21,996)
		(11,179)	(21,996)


Balance sheet

as at 31 December 2025

	NOTE	2025 \$'000	2024 \$'000
Current assets			
Cash and cash equivalents	B5	66,637	83,249
Investments	B6	85,000	125,667
Trade and other receivables	B7	39,264	29,887
Prepayments		8,473	4,782
Loans and advances	B8	59	-
Provincial union funding variation ledger	E3	-	5,015
Forward foreign exchange contracts	C1	1,365	1,077
Total current assets		200,798	249,677
Non-current assets			
Loans and advances	B8	1,810	1,130
Other investments	B11	92,553	46,022
Property, plant and equipment	E1	2,589	2,659
Intangible assets	E2	2,501	7,609
Investment in other entities	D2	2,752	2,426
Forward foreign exchange contracts	C1	1,594	2,929
Total non-current assets		103,799	62,775
Total assets		304,597	312,452
Current liabilities			
Trade and other payables	B9	18,589	18,871
Income in advance	B10	22,070	23,839
Benevolent and welfare fund	E3	2,921	2,638
Provision for medical costs	E3	914	976
Player payment variation account	E3	13,407	5,139
Forward foreign exchange contracts	C1	6,401	4,476
Provision for short term stakeholder payment	A3	2,244	2,229
Total current liabilities		66,546	58,168
Non-current liabilities			
Trade and other payables	B9	691	2,073
Income in advance	B10	8,106	6,055
Provision for medical costs	E3	3,474	3,664
Compound instrument - host contract perpetual debt	B12	146,069	145,152
Compound instrument - holder call option derivative	B12	99,271	103,647
Forward foreign exchange contracts	C1	4,096	6,170
Total non-current liabilities		261,707	266,761
Total liabilities		328,253	324,929
Net assets		(23,656)	(12,477)

		2025	2024
	NOTE	\$000	\$000
Equity			
Cash flow hedge reserve	B2	(4,638)	743
Foreign currency translation reserve	B3	377	109
Non-controlling interest	B12	6,840	6,840
Revaluation reserve - equity investments	B4	3,292	1,839
Retained earnings	B1	(29,527)	(22,008)
Total equity		(23,656)	(12,477)

For and on behalf of the Board who authorised the issue of the financial statements on 9th April 2026.



David Kirk, Chair



Grant Jarrold, Chair - Risk, Investment and Audit Committee

Statement of changes in equity

for the year ended 31 December 2025

		Cash flow hedge reserve	Foreign currency translation reserve	Revaluation reserve equity investments	Non- controlling interest	Retained earnings	Total equity
	NOTE	\$000	\$000	\$000	\$000	\$000	\$000
Balance as at 31 December 2023		2,997	26	2,128	5,741	(2,472)	8,420
B partnership units issued	B12	-	-	-	1,099	-	1,099
Net deficit for the 2024 year	B1	-	-	-	-	(19,536)	(19,536)
Other comprehensive income							
Movement in cash flow hedges	B2	(2,254)	-	-	-	-	(2,254)
Net gain on equity investments	B4	-	-	(289)	-	-	(289)
Exchange differences from translation of foreign operations	B3	-	83	-	-	-	83
Total comprehensive income, net of tax		(2,254)	83	(289)	-	(19,536)	(21,996)
Balance as at 31 December 2024		743	109	1,839	6,840	(22,008)	(12,477)
Net deficit for the 2025 year	B1	-	-	-	-	(7,519)	(7,519)
Other comprehensive income							
Movement in cash flow hedges	B2	(5,381)	-	-	-	-	(5,381)
Net gain on equity investments	B4	-	-	1,453	-	-	1,453
Exchange differences from translation of foreign operations	B3	-	268	-	-	-	268
Total comprehensive income, net of tax		(5,381)	268	1,453	-	(7,519)	(11,179)
Balance as at 31 December 2025		(4,638)	377	3,292	6,840	(29,527)	(23,656)

Cash flow statement

for the year ended 31 December 2025

	NOTE	2025 \$000	2024 \$000
Operating activities			
Receipts from broadcasting, sponsorship and licensing, and matchday		254,057	261,400
Interest income		14,467	12,462
Other income		9,969	8,368
Payments to suppliers and employees		(276,778)	(262,469)
Interest expense		(10,500)	(10,379)
Operating cash flows	B5	(8,785)	9,382
Investing activities			
Purchase of term investments		(95,000)	(137,495)
Maturity of term investments		134,500	165,000
Purchase of managed funds		(41,316)	(41,148)
Loans and advances issued		(677)	-
Purchase of property, plant and equipment		(1,072)	(914)
Purchase of intangible assets		-	(3,189)
Investing cash flows		(3,565)	(17,746)
Financing activities			
Issue of partnership units	B12	-	62,500
Financing cash flows		-	62,500
Net increase/(decrease) in cash held		(12,350)	54,136
Effect of exchange rate change on foreign currency balances		(4,262)	(1,339)
Cash and cash equivalents at start of the year		83,249	30,452
Cash and cash equivalents at end of the year		66,637	83,249

ABOUT THIS REPORT

The notes to the financial statements include information that is considered relevant and material to assist the reader in understanding changes in New Zealand Rugby's financial position or performance. Information is considered relevant and material if:

- the amount is significant because of its size and nature;
 - it is important for understanding the results of New Zealand Rugby;
 - it helps explain changes in New Zealand Rugby's business; or
 - it relates to an aspect of New Zealand Rugby's operations that is important to future performance.
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Reporting entity

New Zealand Rugby Union Incorporated (New Zealand Rugby) is an incorporated society registered in New Zealand under the Incorporated Societies Act 2022. Its principal activity is to promote and administer the sport of rugby union in New Zealand. The registered office of New Zealand Rugby is Level 3, 100 Molesworth Street, Thorndon, Wellington, New Zealand.

Basis of preparation

These financial statements have been prepared:

- in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Public Benefit Entity Standards (PBE Standards) as appropriate for Tier 1 Not-For-Profit entities. New Zealand Rugby is a Tier 1 public benefit entity as its annual expenses are greater than \$33m;
- on the basis of historical cost, except for the revaluation of certain assets and liabilities as outlined in the accounting policies;
- in New Zealand dollars, with all values rounded to thousands (\$000) unless otherwise stated; and
- using accounting policies provided throughout the notes to the financial statements.

Going concern

The financial statements have been prepared on the basis that the Group is a going concern which assumes the Group will be able to realise its assets and discharge its liabilities in the normal course of business for the foreseeable future. The group has negative equity of \$23.7m as at 31 December 2025 (2024: negative equity of \$12.5m).

The B partnership units issued by the Group to Silver Lake have been accounted for as a compound hybrid instrument with non-current liability components totalling \$245.3m as at 31 December 2025 (2024: \$248.8m). The B partnership units are only able to be converted into A partnership units and as such there is no contractual obligation to settle these non-current liabilities in cash. Refer to note B12 for further details.

The Board have assessed that the negative equity position does not cast significant doubt on the ability of the Group to operate as a going concern when taking into account the terms of the compound hybrid instrument and the future forecast cashflows of the Group.

Standards in effect for the first time this year

All standards, amendments, and interpretations effective for the current year have been adopted. No newly effective standard had a material impact on the financial statements.

Standards issued not yet effective

There are no standards that are issued, not yet effective, that will have a material impact on New Zealand Rugby's financial statements. All standards will be applied when they are effective.

KEY JUDGEMENTS AND ESTIMATES

In the process of applying the Group's accounting policies and the application of accounting standards, New Zealand Rugby has made a number of judgements and estimates. The estimates and underlying assumptions are based on historical experience and various other matters that are considered to be appropriate under the circumstances. Actual results may differ from these estimates.

Judgements and estimates that are considered material to understand the performance of New Zealand Rugby are found in the following notes:

Note B12: Accounting treatment of compound instrument and split of components recognised separately
Valuation of the components of the compound instrument including the valuation of the NZRC entity.

Note E3: Provision for medical costs

OTHER ACCOUNTING POLICIES

The accounting policies that are relevant to an understanding of the financial statements are provided below and throughout the notes to the financial statements.

Basis of consolidation

The Group financial statements comprise the financial statements of New Zealand Rugby Union Incorporated, its subsidiaries and investments in associates and joint ventures as contained in note D1 Subsidiaries and D2 Associates and Joint Ventures.

In preparing the Group financial statements, all material intra-group transactions, balances, income and expenses have been eliminated.

Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rates at the dates of the transactions. Foreign currency monetary assets and liabilities are translated at the rate prevailing at balance date.

The assets and liabilities of international subsidiaries and joint ventures are translated to New Zealand dollars at the closing rate at balance date. The income and expenses of these subsidiaries and joint ventures are translated at rates approximating the exchange rates at the date of the transactions.

Exchange differences arising on the translation of subsidiary and associates financial statements are recorded in the foreign currency translation reserve (within equity). Cumulative translation differences are recognised in the Income Statement in the period in which any international subsidiary is disposed.

Goods and services tax

Income, expenditure and assets and liabilities are recognised exclusive of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST, where invoiced.

A. FINANCIAL PERFORMANCE

This section explains the financial performance of New Zealand Rugby, providing additional information about individual items in the Income Statement, including:

- (a) accounting policies that are relevant for understanding items recognised in the Income Statement; and
- (b) analysis of New Zealand Rugby's performance for the year by reference to key areas including: income, expenditure and taxation.

A1 Income

Broadcasting, sponsorship, and licensing income are recognised over the period of the contract as the benefits are supplied by New Zealand Rugby. Matchday income is recognised in the period of the event. Interest income is recognised on an accruals basis using the effective interest method.

Any income received or invoices raised where work has not been performed or contracted benefits not supplied by New Zealand Rugby is included in the Balance Sheet as a liability for income received in advance.

	NOTE	2025 \$000	2024 \$000
Income from operations comprises of the following items			
Income from broadcasting, sponsorship and licensing, matchday *		271,268	258,221
Other income			
Income from government grants *	A1	5,022	5,180
Other income		4,947	4,171
		9,969	9,351
Interest income			
Bank deposit and bond interest		10,490	14,371
		10,490	14,371
Managed funds fair value gains		3,762	149
Gain on derivative financial instruments		4,323	-
Equity accounted profit of associates and joint ventures	D2	58	235
Fair value gain on compound instrument derivatives	B12	4,375	2,920
Total income		304,245	285,247

* These balances include non-exchange income which is shown in more detail in the table below.

The table below separates income between exchange and non-exchange income. Exchange income is whereby New Zealand Rugby receives income for services and gives approximately equal value to another entity in exchange. Non-exchange income is where New Zealand Rugby receives value from another entity without giving approximately equal value in exchange.

	2025 \$000	2024 \$000
Exchange income	272,710	280,067
Non-exchange income		
Other income and grants	31,535	5,180
Total non-exchange income	31,535	5,180
Total income	304,245	285,247

Income from government and gaming trust grants

Government and gaming trust grant income is recognised when the conditions of those grants are met.

	2025	2024
	\$000	\$000
Government and gaming trust grants		
Accident Compensation Corporation	1,870	1,545
High Performance Sport New Zealand	2,023	2,232
Ministry of Foreign Affairs and Trade	7	89
Ministry of Health	234	239
Sport New Zealand	888	1,075
Total government grants	5,022	5,180

A2 Expenditure

	NOTE	2025	2024
		\$000	\$000
Expenditure from operations comprises of the following items			
Expenditure from operating activities		152,113	143,479
Finance costs			
Bank interest		67	125
Coupon interest		10,500	10,254
Other Interest		14	74
Amortisation of compound instrument transaction costs	B12	916	1,832
		11,497	12,285
Net movement in doubtful debts provision	B7	(87)	(342)
Movement in provision for medical costs	E3	(252)	(28)
Depreciation of property, plant and equipment	E1	1,142	1,035
Amortisation of intangible assets	E2	2,552	5,307
Derecognition of intangible assets	E2	2,556	-
Operating lease rental expenses		1,485	1,346
Employee benefits		129,266	125,673
Defined contribution plan expenses		6,427	6,149
Foreign exchange losses		5,030	1,650
Foreign exchange losses – ineffective hedges		-	7,810
Short-term stakeholder payment	A3	-	(10)
Transaction costs	B12	35	429
Total expenditure		311,764	304,783

Provincial Union Funding

Included in expenditure from operating activities is Provincial Union Funding. New Zealand Rugby provides various forms of funding to Provincial Unions for Game development, Competitions and other initiatives. Provincial Union Funding is recognised when paid or when a liability arises.

	2025	2024
	\$000	\$000
Bunnings Warehouse NPC Provincial Unions		
Auckland	3,667	3,774
Bay of Plenty	2,936	2,384
Canterbury	2,964	3,168
Counties Manukau	2,100	2,157
Hawke's Bay	2,100	2,172
Manawatu	1,846	1,963
North Harbour	2,368	2,370
Northland	2,092	2,226
Otago	2,288	2,336
Southland	2,088	1,679
Taranaki	2,058	2,120
Tasman	1,944	1,960
Waikato	2,567	2,599
Wellington	2,372	2,552
Total Bunnings Warehouse NPC Provincial Union funding	33,389	33,460
	2025	2024
	\$000	\$000
Bunnings Warehouse Heartland Championship Provincial Unions		
Buller	442	464
East Coast	511	466
Horowhenua Kapiti	938	737
King Country	718	678
Mid Canterbury	610	611
North Otago	467	480
Poverty Bay	650	606
South Canterbury	638	642
Thames Valley	632	643
Wairarapa Bush	613	645
West Coast	444	443
Whanganui	636	655
Total Bunnings Warehouse Heartland Championship Provincial Union funding	7,299	7,070
Total Provincial Union funding	40,689	40,530

Super Rugby Club Funding

Included in expenditure from operating activities is funding to Super Rugby Clubs. New Zealand Rugby provides funding to Super Rugby Clubs for competition and professional development initiatives. Funding is recognised as paid or when a liability arises.

	2025	2024
	\$000	\$000
Super Rugby club		
Blues	1,490	1,150
Chiefs	1,422	1,182
Crusaders	1,374	1,303
Highlanders	487	459
Hurricanes	1,292	1,324
Total Super Rugby club funding	6,065	5,418

Associate Member Funding

Included in expenditure from operating activities is funding to Associate Members. New Zealand Rugby provides funding to Associate Members which is recognised when paid or when a liability arises.

	2025	2024
	\$000	\$000
Associate Member		
New Zealand Deaf Rugby Football Union	15	15
New Zealand Barbarian Rugby Club	73	97
New Zealand Rugby Foundation	400	400
New Zealand Schools Rugby Council	150	200
New Zealand Universities Rugby Football Council	18	18
Rugby Museum Society of New Zealand	40	40
Total Associate Member funding	696	770

A3 Short-term stakeholder payment

The Short Term Stakeholder Investment (SSI) is a contribution to members and rugby stakeholders to reflect their importance and value to the game.

	2025	2024
	\$000	\$000
Provision for short term stakeholder investment		
Short term stakeholder investment fund at the start of the year	2,229	2,184
New Zealand Rugby contribution to the SSI fund	73	109
Payments released from the provision	-	(10)
Payments from the fund to stakeholders	(58)	(54)
Short term stakeholder investment fund at the end of the year	2,244	2,229

A4 Taxation

New Zealand Rugby is exempt from income tax as a promoter of amateur sport under section CW 46 of the Income Tax Act 2007.

A subsidiary of the Group, New Zealand Rugby Promotions Limited is subject to income tax.

NZR Commercial LP (refer to note D1) is a flow through entity for tax purposes. The taxable profits and losses from the NZR Commercial LP are attributed directly to the limited partners and therefore no current or deferred income tax has been recognised in the Limited Partnership.

For Subsidiaries, Associates and Joint Ventures:

- **Current tax** is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).
- **Deferred tax** is accounted for using the comprehensive Balance Sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.
- **Deferred tax assets** are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

	2025	2024
	\$000	\$000
Income tax expense		
(Deficit)/surplus before income tax	(7,519)	(19,536)
Prima facie tax @ 28%	(2,105)	(5,470)
Tax effect of permanent differences (exempt activities)	2,105	5,470
Income tax expense	-	-

The Group has accumulated tax losses of \$5.225m (2024: \$5.225m) available to be carried forward and offset against future assessable income. The \$1.463m (2024: \$1.463m) future tax benefit of these losses has not been recognised as it is not probable that they will be realised. There was no tax effect of other temporary differences on the 2025 result (2024: nil).

B. MANAGING FUNDING

This section explains New Zealand Rugby's reserves and working capital. In this section there is information about:

- (a) equity, reserves and retained earnings;
- (b) cash and cash equivalents, term deposits, other investments; cash from operating activities; loans and advances, receivables and payables; and compound instruments.

B1 Retained earnings

	2025	2024
	\$000	\$000
Retained earnings		
Balance at the start of the year	(22,008)	(2,472)
Transfer from revaluation reserve - equity investments	-	-
Deficit for the year attributable to the stakeholder's of the parent	(7,519)	(19,536)
Retained earnings	(29,527)	(22,008)

B2 Cash flow hedge reserve

The cash flow hedge reserve represents the unrealised variance between the contracted rate and the market rate of unexpired foreign currency forward contracts designated as hedges as at 31 December 2025.

	2025	2024
	\$000	\$000
Cash flow hedge reserve		
Balance at the start of the year	743	2,997
(Gains)/losses on cash flow hedges taken to equity	(8,021)	(3,153)
Transfers to income in advance	(591)	(515)
Losses/(gains) transferred to profit or loss for the period	3,231	1,414
In year movements	(5,381)	(2,254)
Cash flow hedge reserve	(4,638)	743

B3 Foreign currency translation reserve

Exchange differences arising on the translation of associate financial statements are recorded in the foreign currency translation reserve (within equity).

	2025	2024
	\$000	\$000
Foreign currency translation reserve		
Balance at the start of the year	109	26
Gains arising from translation of foreign operations	268	83
Foreign currency translation reserve	377	109

B4 Revaluation reserve – equity investment

Equity investments comprise the cumulative net movement in the fair value of the equity investment.

		2025	2024
	NOTE	\$000	\$000
Revaluation reserve - equity investments			
Balance at the start of the year		1,839	2,128
Transfer to retained earnings on disposal of shares		-	-
(Losses)/gains on equity investments taken to equity	B11	1,453	(289)
Revaluation reserve - equity Investments		3,292	1,839

B5 Cash and cash equivalents

Cash and cash equivalents are made up of cash on hand, on demand deposits and other short-term deposits with original maturities of less than three months.

	2025	2024
	\$000	\$000
Cash and cash equivalents		
Cash on hand	20	12
Current and money market accounts	66,617	83,237
Total cash and cash equivalents	66,637	83,249

Reconciliation of net deficit after tax to cash flows from operating activities

	2025	2024
	\$000	\$000
Net Deficit	(7,519)	(19,536)
Changes in working capital items		
(Increase)/decrease in trade and other receivables	(9,377)	17,017
(Increase)/decrease in prepayments	(3,691)	1,791
(Decrease)/increase in trade and other payables	(1,664)	2,353
Increase in provisions and player/provincial union variation accounts	13,329	3,210
Increase/(decrease) in income in advance	282	(9,808)
	(1,121)	14,563
Adjustments for operating activities non-cash items		
Depreciation of property, plant and equipment	1,142	1,035
Amortisation of intangible assets	2,552	5,307
Loss on derecognition of intangible assets	2,556	-
Amortisation of compound instrument transaction costs	916	1,832
Non-cash adjustment to loan receivable	(62)	74
Share of associates and joint ventures (gains)/losses	(58)	(235)
Fair value movement in managed funds	(3,762)	(149)
Gain on financial instruments released to profit and loss	(4,323)	-
Ineffective hedges released to profit and loss	-	7,810
Fair value (gain) on compound instrument derivative	(4,375)	(2,920)
Non-cash write-off of investment	-	-
Interest on term deposit reinvested	1,167	224
Cashflow hedge reserve released to balance sheet	(160)	38
	(4,407)	13,016
Effect of exchange rate change on foreign currency balances	4,262	1,339
Cash flow from operating activities	(8,785)	9,382

Cash flows are inflows and outflows of cash and cash equivalents.

Operating activities are the principal income producing activities of New Zealand Rugby.

Investing activities are the acquisition and disposal of long-term assets or other investments not included in cash.

B6 Term investments

Term investments are made up of bank deposits with a maturity of greater than three months. Term investments are not subject to a significant risk of change in value.

	2025	2024
	\$000	\$000
Term investments		
Short-term bank term deposits	85,000	125,667
Long-term bank term deposits	-	-
Total term investments	85,000	125,667

B7 Trade and other receivables

Trade and other receivables are initially recognised at fair value, being their cost, and subsequently measured at amortised cost using the effective interest method, less any expected credit loss allowance. An allowance of \$0.13m has been made for estimated unrecoverable trade receivables (2024: \$0.04m).

Included in trade receivables are debtors with a carrying value of \$4.08m (2024: \$3.98m) which are past due at 31 December, \$0.13m are provided for (\$0.04m in 2024). No trade receivables were written off during the year (2024: \$0.08m).

	2025	2024
	\$000	\$000
Trade and other receivables		
Trade receivables *	33,910	14,662
Accrued income	5,480	15,264
Less: Expected credit losses	(126)	(39)
Total trade receivables	39,264	29,887
Goods and services tax (GST) receivable		-
Total trade and other receivables	39,264	29,887
<i>Current</i>	<i>39,264</i>	<i>29,887</i>
<i>Non-current</i>	<i>-</i>	<i>-</i>
Total trade and other receivables	39,264	29,887

Movement in expected credit losses

Opening provision	(39)	(381)
Provision created during the year	(87)	-
Provision reversed during the year	-	263
Write-offs to bad debts during the year	-	79
Closing expected credit losses	(126)	(39)

Aging of past due but not impaired trade receivables

30 - 60 days	2,724	298
61 - 90 days	677	1,150
91+ days	681	2,535
Total past due but not impaired trade receivables	4,082	3,983

* \$13.2m of trade receivables are from non-exchange income (2024: nil).

B8 Loans and advances

Loan and advances are measured at cost less impairment. Allowances for estimated unrecoverable amounts are recognised in the Income Statement when there is objective evidence that the loan is impaired. No allowance has been made for estimated unrecoverable loans and advances as at 31 December 2025 (2024: nil).

	2025	2024
	\$000	\$000
Current loans and advances		
WorkRide	26	-
Wellington Rugby Union	33	-
Total current loans and advances	59	-
Non-current loans and advances		
All Blacks Experience	1,188	1,130
Wellington Rugby Union	622	-
Total non-current loans and advances	1,810	1,130
Total loans and advances	1,869	1,130

New Zealand Rugby received nil (2024: nil) loan repayments in 2025.

WorkRide is an interest free advance for staff to purchase a bike for commuting purposes, repayable within 12 months. The increase in the balance of the loan to the All Blacks Experience reflects the capitalisation of interest on the loan over time. The full value of the loan is \$1.41m, interest free with repayments expected between 2028 and 2030.

New Zealand Rugby provided a loan to Wellington Rugby Union at 4% pa, repayments begin in October 2026 and continue to July 2031.

Loans are tested annually for impairment.

B9 Trade and other payables

Trade payables and other payables are recognised when New Zealand Rugby becomes obliged to make future payments resulting from the purchase of goods and services. Subsequent to initial recognition, trade payables and other payables are recorded at amortised cost.

	2025	2024
	\$000	\$000
Trade and other payables		
Trade payables	4,990	6,585
Employee entitlements	5,425	4,397
Goods and services tax (GST) payable	707	1,856
Other payables and accruals	8,158	8,106
Total trade and other payables	19,280	20,944
<i>Current</i>	<i>18,589</i>	<i>18,871</i>
<i>Non-current</i>	<i>691</i>	<i>2,073</i>
Total trade and other payables	19,280	20,944

* There are no trade and other payables from non-exchange transactions (2024: nil).

B10 Income in advance

Income in advance is recognised for any income received or due where work has not been performed or contracted benefits not supplied by New Zealand Rugby.

	2025	2024
	\$000	\$000
Income in advance		
Broadcasting, sponsorship and licensing, matchday	20,608	20,483
Government grants*	1,067	1,648
World Rugby	8,107	6,642
Other income*	394	1,121
Total income in advance	30,176	29,894
<i>Current</i>	<i>22,070</i>	<i>23,839</i>
<i>Non-current</i>	<i>8,106</i>	<i>6,055</i>
Total income in advance	30,176	29,894

*Included in income in advance are receipts from non-exchange income of \$1.445m (2024: \$1.890m).

B11 Other investments

	2025	2024
	\$000	\$000
Other investments		
Equity securities - at fair value through other comprehensive income	6,178	4,725
Managed funds - at fair value through profit or loss	86,375	41,297
Total other investments	92,553	46,022

Equity securities

In 2019, NZR obtained a 5% shareholding in Sky Network Television Ltd as part of a strategic alignment deal agreed between the two parties. At initial recognition, the Group classified the equity securities as fair value through other comprehensive income as the investment is not held for trading. These equity securities have been classified as such as they represent investments that the Group intends to hold for the long term, with no current plan for short-term selling or profit-taking. The investment was recognised on 1 November 2019 at an acquisition fair value of \$19.4m.

The fair value profit recognised in other comprehensive income for the period was \$1.5m (2024: \$0.3m loss). No portion of the investment was disposed of in 2025, and there were no transfers of any cumulative gain or loss within equity relating to these investments. There is no balance currently held in income in advance (2024: \$3.9m).

Managed funds

NZR invests into Managed Investments Funds to maximise return from available reserves. Managed funds include New Zealand Aggregate Bonds, Global Fixed Interest and Global Equities. The Group has designated these investments as fair value through profit and loss. This designation aligns with the Group's Statement of Investment Policy and Objectives ("SIPO"). Return objectives in the SIPO include measurement of investment performance against New Zealand's Consumers Price Index ("CPI").

B12 Compound instruments

Components	2025					
	Amortised cost	Fair value carrying amount				
	Host contract perpetual debt	Holder call option derivative	Derivative (asset)/ liability forward	Issuer put option	Non-controlling interest	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Tranche 1						
Value at 31 December 2024	49,582	39,943	-	-	5,461	94,986
Fair value (gain)/loss on derivative	-	(1,980)	-	-	-	(1,980)
Amortisation of transaction costs	916	-	-	-	-	916
Closing value at 31 December 2025	50,498	37,963	-	-	5,461	93,922
Tranche 2						
Value at 31 December 2024	56,790	39,930	-	-	280	97,000
Fair value (gain)/loss on derivative	-	(1,970)	-	-	-	(1,970)
Closing value at 31 December 2025	56,790	37,960	-	-	280	95,030
Tranche 3						
Value at 31 December 2024	38,780	23,774	-	-	1,099	63,653
Fair value (gain)/loss on derivative	-	(425)	-	-	-	(425)
Closing value at 31 December 2025	38,780	23,349	-	-	1,099	63,228
Total compound instruments	146,069	99,271	-	-	6,840	252,180

Components	2024					
	Amortised cost	Fair value carrying amount				
	Host contract perpetual debt	Holder call option derivative	Derivative (asset)/ liability forward	Issuer put option	Non-controlling interest	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Tranche 1						
Value at 31 December 2023	47,750	40,023	-	-	5,461	93,234
Fair value (gain)/loss on derivative	-	(80)	-	-	-	(80)
Amortisation of transaction costs	1,832	-	-	-	-	1,832
Closing value at 31 December 2024	49,582	39,943	-	-	5,461	94,986
Tranche 2						
Value at 31 December 2023	56,790	40,010	-	-	280	97,080
Fair value (gain)/loss on derivative	-	(80)	-	-	-	(80)
Closing value at 31 December 2024	56,790	39,930	-	-	280	97,000
Tranche 3						
Value at 31 December 2023	-	-	3,913	-	-	3,913
Fair value (gain)/loss on derivative	-	-	(1,590)	-	-	(1,590)
Issue on 11 January 2024*	38,780	24,944	(2,323)	-	1,099	62,500
Fair value (gain)/loss on derivative	-	(1,170)	-	-	-	(1,170)
Closing value at 31 December 2024	38,780	23,774	-	-	1,099	63,653
Total compound instruments	145,152	103,647	-	-	6,840	255,639

*On the issuance of tranche 3 the derivative forward is settled/derecognised.

Instrument	Tranche	Denomination currency	Face value \$'000	Coupon rate %	Issue date
Convertible partnership units	1	NZD	100,000	4%	30-Jun-22
Convertible partnership units	2	NZD	100,000	4%	30-Jun-23
Convertible partnership units	3	NZD	62,500	4%	11-Jan-24

Establishment of the commercial entity and the issuance of partnership units

New Zealand Rugby Commercial LP (NZR Commercial LP) was established to separate and operate the commercial activities of New Zealand Rugby Union Incorporated (NZR) on a stand-alone basis to leverage and expand the New Zealand Rugby brand.

As part of the establishment of NZR Commercial LP, Silver Lake, a Private Equity Investor, was selected by the NZR Board as the preferred partner to invest capital into the NZR brand against criteria of both capital and capability. Silver Lake invested in NZR Commercial LP by contributing \$100m on 30 June 2022 (Tranche 1), with a further \$62.5m (Tranche 3) intended to be raised on 31 March 2023 and \$100m on 30 June 2023 (Tranche 2). Tranche 3 did not complete on 31 March 2023 as originally envisaged and was later completed on 11 January 2024. In exchange for these contributions, Silver Lake was issued "B" Partnership Units (B PUs).

The B partnership units pay an annual coupon of 4% (with payments quarterly in advance) until converted into equity, at which time they will share in the profit or losses in the same manner as the A partnership units. The B partnership units constitute a compound instrument as they have features of both debt and equity which are separately recognised for accounting purposes.

Compound instruments issued

The B partnership units are classified as compound hybrid instruments with both a liability/debt component and an equity component. These instruments also contain embedded derivatives for the conversion options held by the holder and issuer. The B partnership units are convertible into equity by the holder after 30 June 2025 or earlier if there is an Initial Public Offering or Asset sale at a predetermined rate. NZ Rugby may also cause the conversion of the B partnership units into equity but at a variable rate. The option to convert has not been exercised by either the holder or issuer during the year.

The B partnership units have a host contract that is a perpetual debt instrument with a fixed rate of interest of 4% per annum, while the options to convert are embedded derivatives that are not closely related and are therefore separated from the host contract for accounting purposes.

On issuance of B partnership units the following components are recognised:

- Host contract perpetual debt – held at amortised cost;
- Holder call option derivative – held at fair value through profit and loss ('FVTPL');
- Issuer put option derivative – held at FVTPL (noting this has nil value due to the terms of the arrangement);
and
- Residual equity component

On initial recognition the components of the compound hybrid debt instrument are valued as follows:

- The fair value of the full compound instrument is determined;
- The fair value of the embedded derivative call and put options are determined using a binomial option pricing model;
- The fair value of the debt component is determined by discounting the stream of coupon payments into perpetuity using a market interest rate at the issuance date;
- The residual equity component is valued at inception by subtracting the values of the embedded derivatives and debt component from the fair value of the full compound instrument.

The host debt instrument is subsequently measured at amortised cost using the effective interest method. The equity component is not remeasured. Interest related to the financial liability is recognised in profit or loss. On conversion by either the holder or issuer, the financial liability is reclassified to equity and no gain or loss is recognised.

The embedded derivatives are measured subsequently at fair value through profit or loss.

Significant estimates and judgements - compound instruments

There are a number of significant judgements in respect of the convertible instrument that have an impact on the accounting treatment. The first key judgement is the determination that this is a compound instrument containing a liability component (the perpetual debt host contract), embedded derivatives in the form of a holder call option and an issue put option and an equity component (which is viewed in substance as a contribution by an owner for the additional equity-like rights (such as voting) over-and-above what a bond-holder or option-holder would normally have).

The valuation of the components of the compound instrument also includes some key estimates and judgements as inputs, in particular:

- **Initial valuation of the perpetual debt:** The perpetual debt is valued initially at fair value on issue date by estimating a market rate of interest that would normally be required by a debt provider for a loan of similar term and credit risk.
- **Valuation of the embedded derivatives:** The call options have been modelled using a binomial option pricing model, which estimates a fair value based on an expected distribution of stock prices over time. The put option held by NZ Rugby has been assessed as having nil value at inception given there is negligible value in exercising the option.

A significant input into the binomial option pricing model used to value both the embedded derivatives and the forward contracts is the business valuation of NZR Commercial LP. NZR Commercial LP prepared the valuation model in-house using a discounted cash flow methodology and observable market inputs where available. The valuation was prepared by personnel with appropriate valuation experience and was reviewed and approved by management. Management considers the resulting fair value measurement to be reasonable and appropriate as at 31 December 2025.

Valuation of the Equity in NZR Commercial LP:

In assessing the fair value of NZR Commercial LP several valuation methodologies were considered:

- Discounted cash flows; and
- Capitalisation of earnings, having regard to multiples applied by comparable transactions.

The valuation of the NZR Commercial LP business as at 31 December 2025 resulted in an estimated equity value range for 100% of the business of \$3,225 million to \$3,625 million. NZR Commercial LP selected the midpoint of this range, being \$3,425 million, for the purpose of valuing the instruments on issue as at 31 December 2025. This business valuation was used as a key input in the year-end valuation of derivatives and represents a significant judgement.

Sensitivity analysis:

Significant unobservable inputs in the binomial option pricing model used to estimate the fair value of compound instrument derivatives at 31 December 2025 include:

- **Cost of debt:** 6.5% (2024: 6.4%)

Sensitivity: An increase of 50 basis points would increase the value of the call option derivative liability by \$7.5m. (2024: \$7.5m)

- **Dividend yield:** 6.5% (2024: 6.4%)

Sensitivity: A decrease of 50 basis points would increase the value of the call option derivative liability by \$2.4m. (2024: \$2.9m)

- **Volatility factor:** 30% (2024: 30%)

Sensitivity: An increase of 5% in the volatility factor would increase the value of the call option derivative liability by \$7.0m. (2024: \$7.6m)

- **Equity value of NZR Commercial LP:** \$3,425m (2024: \$3,541m)

Significant unobservable inputs to the valuation include the weighted average cost of capital (WACC), forecast future revenue growth incorporated in the cash flow projections, and the terminal growth rate. WACC has been assessed to be between 8.1% - 9.7% with a midpoint of 8.9%. A slight increase in WACC would result in a significant decrease in enterprise value, and vice versa, while a significant increase in forecast revenue growth or the terminal growth rate would result in a significant increase in enterprise value.

Sensitivity: A \$100m increase to the equity value due to changes in these key inputs would result in a \$5.9m increase to the call option derivative liability. (2024: \$5.7m)

- **Terminal Growth Rate:** 3.75% (2024: 3.75%)

The terminal growth rate represents the long-term growth of the business beyond the forecast period. A baseline terminal growth rate aligns with inflation expectations at 2%. Considering this, the historical growth rate of NZRC and the further real growth expected beyond the forecast period, there is an additional 1.75% applied to the baseline terminal growth rate.

Transaction costs

Transaction costs are included in the initial measurement of financial assets and financial liabilities, except for those measured at fair value through profit and loss and trade receivables initially measured at the transaction price. Transaction costs include only those costs that are directly attributable to the acquisition or origination of a financial asset or issue of a financial liability. They are incremental costs that would not have been incurred if the instrument had not been acquired, originated or issued – e.g. fees and commission paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, transfer taxes and duties, credit assessment fees, registration charges and similar costs.

Transaction costs that relate to the issue of a compound instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds. For compound instruments with embedded derivatives, the group has elected to allocate transaction costs on the liability component wholly to the host contract (perpetual debt).

The directly attributable transaction costs have been allocated as follows:

- to the perpetual debt portion which are deducted from the carrying value of the host contract liability (\$5.499m);
- to the equity portion which are deducted from equity (\$0.289m).

Other transaction costs were \$0.035m in 2025 (2024: \$0.429m, non-incremental).

Amortisation of compound instrument transaction costs amounted to \$0.916m for the year (2024: \$1.832m), transaction costs are now fully amortised.

C. FINANCIAL INSTRUMENTS USED TO MANAGE RISK

This section explains the financial risks New Zealand Rugby faces, how these risks affect New Zealand Rugby's financial position and performance and how New Zealand Rugby manages these risks. In this section of the notes there is information:

- (a) outlining New Zealand Rugby's approach to financial risk management; and
- (b) analysing financial (hedging) instruments used to manage risk.

C1 Financial risk management

New Zealand Rugby's activities expose it to a variety of financial risks, primarily risk of unfavourable movements in foreign currency exchange rates and interest rates. The Board approves policies, including foreign exchange and investment policies, that set appropriate principles and risk tolerance levels to guide Management in carrying out financial risk management activities to minimise potential adverse effects on the financial performance and position of New Zealand Rugby. Compliance with policies and exposure limits are reviewed on a regular basis. New Zealand Rugby does not enter into or trade financial instruments for speculative purposes.

Foreign currency risk management

The Group is exposed to foreign currency risk primarily due to receiving income from broadcasting, sponsorship and licensing and matchday denominated in foreign currencies (primarily Australian dollars, British pounds, Euros, Japanese yen and United States dollars). The exposure is managed with foreign currency forward exchange contracts that hedge the known foreign currency exposure.

The Group applies separate diminishing time scales of hedge cover for committed and projected exposures to reflect their different potentials for uncertainty, especially in future years, notwithstanding the committed contractual nature of its significant foreign exchange exposures. The Group uses forward exchange contracts to hedge its currency risk.

The Group designates some of these contracts as cash flow hedges and applies a hedge ratio of 1:1. The Group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instruments and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

	2025	2024
	\$000	\$000
Forward foreign exchange contracts fair value		
Assets		
Current foreign currency forward contracts	1,365	1,077
Non-current foreign currency forward contracts	1,594	2,929
Total assets	2,959	4,006
Liabilities		
Current foreign currency forward contracts	6,401	4,476
Non-current foreign currency forward contracts	4,096	6,170
Total liabilities	10,497	10,646
Total fair value of forward foreign exchange contracts	(7,538)	(6,640)

OUTSTANDING CONTRACTS	FORWARD FOREIGN EXCHANGE CONTRACTS							
	AVERAGE FORWARD EXCHANGE RATE		FOREIGN CURRENCY		CONTRACT VALUE		FAIR VALUE	
	2025	2024	2025 FC'000	2024 FC'000	2025 \$000	2024 \$000	2025 \$000	2024 \$000
Sell Australian dollar								
< 2 years	-	0.9062	-	1,849	-	2,041	-	5
Sell British pound								
< 2 years	0.4610	0.4713	4,773	2,374	10,352	5,039	(624)	(197)
2 - 5 years	-	0.4684	-	1,750	-	3,736	-	(57)
Sell Euro								
< 2 years	0.5252	0.5408	43,710	44,961	83,220	83,122	(5,962)	(941)
2 - 5 years	-	0.5173	-	21,735	-	42,014	-	541
Sell Japanese Yen								
< 2 years	70.69	74.23	1,003,900	1,068,700	14,201	14,396	2,891	1,907
2 - 5 years	-	68.58	-	481,700	-	7,024	-	1,091
Sell US dollar								
< 2 years	0.6394	0.6514	24,979	28,555	39,066	43,841	(3,787)	(6,413)
2 - 5 years	0.6009	0.6285	1,161	14,107	1,932	21,801	(56)	(2,577)
Total forward foreign exchange contracts					148,771	223,014	(7,538)	(6,641)
Total designated as hedges					122,955	174,568	(4,051)	1,169
Total not designated as hedges					25,816	48,446	(3,487)	(7,810)
Total					148,771	223,014	(7,538)	(6,641)

Interest rate risk management

The Group adopts a policy of ensuring that between 80% and 90% of its interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate as required.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities and the notional or par amounts.

Liquidity risk

The following table details New Zealand Rugby's exposure to interest rate and liquidity risk. This table is based on an analysis of the contractual undiscounted cash flows based on maturity dates.

MATURITY PROFILE	2025					TOTAL \$000
	WEIGHTED AVERAGE EFFECTIVE INTEREST %	DUE WITHIN 1 YEAR \$000	DUE IN 1 TO 2 YEARS \$000	DUE IN 3 TO 5 YEARS \$000	DUE AFTER 5 YEARS \$000	
Financial assets						
Cash and cash equivalents	1.99%	67,976	-	-	-	67,976
Term investments	4.01%	88,406	-	-	-	88,406
Managed funds - FVTPL	4.64%	-	-	-	137,204	137,204
Trade and other receivables		39,264	-	-	-	39,264
Loans and advances		131	135	1,886	101	2,254
Provincial union variation account		-	-	-	-	-
Forward foreign exchange contracts		1,378	1,662	-	-	3,040
Total financial assets		197,156	1,797	1,886	137,305	338,144
Financial liabilities						
Trade and other payables		18,589	691	-	-	19,280
Benevolent and welfare fund	1.95%	2,122	-	-	-	2,122
Player payment variation account		13,407	-	-	-	13,407
Provision for SSI		2,244	-	-	-	2,244
Coupon interest on perpetual debt*	4.00%	10,500	10,500	31,500	*	52,500
Forward foreign exchange contracts		6,292	3,880	59	-	10,231
Total financial liabilities		53,154	15,071	31,559	-	99,784

MATURITY PROFILE	2024					TOTAL \$000
	WEIGHTED AVERAGE EFFECTIVE INTEREST %	DUE WITHIN 1 YEAR \$000	DUE IN 1 TO 2 YEARS \$000	DUE IN 3 TO 5 YEARS \$000	DUE AFTER 5 YEARS \$000	
Financial assets						
Cash and cash equivalents	3.90%	84,395	-	-	-	84,395
Term investments	6.14%	132,370	-	-	-	132,370
Managed funds - FVTPL	4.08%	-	-	-	61,431	61,431
Trade and other receivables		29,887	-	-	-	29,887
Loans and advances		-	-	1,411	-	1,411
Provincial union variation account		5,015	-	-	-	5,015
Forward foreign exchange contracts		1,090	1,286	1,880	-	4,256
Total financial assets		252,757	1,286	3,291	61,431	318,765
Financial liabilities						
Trade and other payables		18,871	1,382	691	-	20,944
Benevolent and welfare fund	3.95%	2,742	-	-	-	2,742
Player payment variation account		5,139	-	-	-	5,139
Provision for SSI		2,229	-	-	-	2,229
Coupon interest on perpetual debt*	4.00%	10,500	10,500	31,500	*	52,500
Forward foreign exchange contracts		4,534	3,641	2,967	-	11,142
Total financial liabilities		44,015	15,523	35,158	-	94,696

*The coupon interest of 4% per annum is charged in perpetuity, until an option is exercised and the instrument is converted.

Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to New Zealand Rugby. Financial instruments which potentially subject New Zealand Rugby to credit risk consist principally of bank balances, accounts receivable, other receivables, loans and advances, managed funds, other financial assets and financial instruments. New Zealand Rugby has a credit policy which is used to manage its exposure to credit risk. Reputable financial institutions are used for investing and cash handling purposes. No collateral is required on these financial instruments. The maximum credit risk exposure equates to the Balance Sheet position.

Liquidity risk management

Liquidity risk is the risk that New Zealand Rugby may not be able to meet its financial obligations as they fall due. New Zealand Rugby manages this risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows matching the maturity profiles of financial assets and liabilities.

Capital risk management

New Zealand Rugby manages its capital to ensure that entities in the Group will be able to continue as a going concern. The capital structure comprises of reserves, retained earnings and investment through a convertible instrument including debt and equity components (refer note B12), this includes cash and other financial instruments. The Board reviews the capital structure annually whilst updating New Zealand Rugby's Statement of Investment Policy and Objectives.

Market risk management

Market risk is the risk that changes in market prices (such as foreign exchange rates, interest rates and equity prices) will affect New Zealand Rugby's income or value of its holdings in managed funds and equity investments. For managed funds this risk is limited through appropriate diversification and allocation between asset classes by external fund managers.

Sensitivity analysis - Equity price risk:

The equity investment in Sky NZ held by New Zealand Rugby is listed on the New Zealand Stock Exchange.

For this investment, a 10% change in the share price as at the reporting date would result in a change in equity of \$0.6m (2024: \$0.5m).

Mercer holds \$32.9m in managed funds, for this investment a 10% change in the share price as at the reporting date would result in a change in equity of \$3.3m (2024: \$0.1m).

C2 Financial instruments

Financial instrument recognition

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income – debt investment; fair value through other comprehensive income – equity investment; or fair value through profit and loss. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its management model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit and loss:

- it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as at fair value through profit and loss:

- it is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. On initial recognition, the NZ Rugby may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities - classification, subsequent measurement and gains and loss

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Cash flow hedge

New Zealand Rugby designates or classifies financial hedging instruments as cash flow hedges which are hedges of a particular cash flow associated with a recognised asset or liability or a highly probable forecast transaction. Hedging instruments are initially recognised at fair value on the date the contracts are agreed and are subsequently re-measured to their fair value at each reporting date.

Changes in fair value of hedges that are designated and qualify as cash flow hedges and are considered effective for accounting purposes are recognised in the cash flow hedge reserve (equity) and in other comprehensive income in net gain on cash flow hedges. The gain or loss relating to any ineffective element is recognised immediately in the Income Statement in foreign exchange gains.

Amounts accumulated in other comprehensive income are released in the Income Statement in the periods when the forecast transactions take place.

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency exposures. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedge item and the hedging instrument, including whether the changes in cashflows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge.

Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss. The Group designates only the change in fair value of the forward element of forward exchange contracts as the hedging instrument in cash flow hedging relationships.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Fair value of hedging financial instruments

The recognition and measurement of hedging financial instruments requires management estimation and judgement. Financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3 based on the degree to which the fair

- **Level 1 inputs:** Derived from quoted prices in active markets for identical assets or liabilities.
- **Level 2 inputs:** Either directly (i.e. as prices) or indirectly (i.e. derived from prices) observable inputs other than quoted prices included in Level 1.
- **Level 3 inputs:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments recognised on New Zealand Rugby's Balance Sheet at fair value have been valued within Level 2 of the valuation methodology hierarchy except for the Sky shares which are valued as level 1, and the compound instrument as Level 3 - as the inputs for derivatives aren't based purely on observable market data/inputs. There have been no transfers between the fair value hierarchy during the year ended 31 December 2025 (2024: nil).

Foreign currency monetary assets and liabilities

New Zealand Rugby held the following New Zealand dollar equivalent monetary assets and liabilities which are denominated in foreign currencies at balance date:

	2025 \$000	2024 \$000
Monetary assets denominated in foreign currency		
Australian Dollars	190	382
British Pounds	799	1,254
Euros	203	1,347
Japanese Yen	2,759	5,563
South African Rand	1	482
United States Dollars	20,482	3,744
Total monetary assets denominated in foreign currency	24,435	12,772
Monetary liabilities denominated in foreign currency		
Australian Dollars	512	67
British Pounds	10,478	7,527
Euros	-	173
Japanese Yen	1,493	4,349
United States Dollars	172	729
Total monetary liabilities denominated in foreign currency	12,655	12,843

Sensitivity analysis

A sensitivity analysis has been performed based upon the financial instrument balances as classified in the maturity profile table. The sensitivity analysis calculates the impact on New Zealand Rugby's reported profit or loss and equity if there was a deviation in either the interest rate by +/- 100 basis points or the exchange rate by +/- 10%.

	SENSITIVITY	INTEREST RATE		EXCHANGE RATE	
		2025 \$000	2024 \$000	2025 \$000	2024 \$000
Impact on profit	+/- 100 bps	1,501	2,036	+/- 10%	363 (7)
Impact on equity	+/- 100 bps	1,501	2,036	+/- 10%	15,680 21,952

D. GROUP STRUCTURE

This section provides information to help readers understand the New Zealand Rugby Group structure and how it affects the financial position and performance of the Group. In this section there is information about:

- (a) subsidiaries; and
- (b) investments in associates, joint ventures and joint operations.

D1 Subsidiaries

The consolidated financial statements include the financial statements of New Zealand Rugby Union Incorporated and the subsidiaries listed below. Subsidiaries are entities controlled, directly or indirectly, by New Zealand Rugby.

NAME OF ENTITY	COUNTRY OF INCORPORATION	CLASSIFICATION	INTEREST HELD	
			2025	2024
New Zealand Rugby Union Incorporated	New Zealand	Parent		
New Zealand Rugby Promotions Limited	New Zealand	Subsidiary	100%	100%
New Zealand Rugby Commercial LP	New Zealand	Subsidiary	100%	100%
New Zealand Rugby Commercial GP	New Zealand	Subsidiary	100%	100%
Computerised Match Ticketing Limited	New Zealand	Subsidiary	100%	100%
NZRC UK Limited	United Kingdom	Subsidiary	100%	100%
New Zealand Rugby Management LP	New Zealand	Subsidiary	100%	N/A
New Zealand Rugby Management GP Limited	New Zealand	Subsidiary	100%	N/A

New Zealand Rugby Management LP and New Zealand Rugby Management GP Limited were established during the year.

D2 Associates and joint ventures

Associates are entities in which New Zealand Rugby has significant influence, but not control, over the operating and financial policies. Joint ventures are entities in which New Zealand Rugby has joint control, but not outright control, over the operating and financial policies. The financial statements of all associates and joint ventures have been reflected in the Group financial statements on an equity accounting basis which shows New Zealand Rugby's share of profits or losses in the Income Statement and its share of post-acquisition increases or decreases in net assets, in the Balance Sheet. SANZAAR has been proportionally consolidated whereby New Zealand recognises its proportionate share of income and expenditure in the Income Statement. A list of associates, joint ventures and joint operations is disclosed below:

NAME OF ENTITY	COUNTRY OF INCORPORATION	CLASSIFICATION	INTEREST HELD	
			2025	2024
SANZAR Europe s.a.r.l.	Luxembourg	Associate	33%	33%
SANZAR Pty Limited	Australia	Associate	33%	33%
All Blacks Experience Limited Partnership	New Zealand	Joint Venture	51%	51%
SANZAAR	n/a	Joint Operation	25%	25%
Super Rugby Pacific Competition Joint Venture	Australia	Joint Venture	50%	50%
Super Rugby Pacific Pty Ltd	Australia	Joint Venture	50%	N/A

SANZAR Europe s.a.r.l. is a company used to facilitate the sale of broadcast rights into European markets. SANZAR Europe s.a.r.l. is jointly owned by New Zealand Rugby and the Australian and South African Rugby Unions. SANZAR Europe s.a.r.l. has a balance date of 31 December. New Zealand Rugby had broadcasting income rights transactions of \$6.99m (2024: \$6.64m) with SANZAR Europe s.a.r.l. during the year.

SANZAR Pty Limited acts as the agent for the SANZAAR unincorporated joint venture which administers the Lipovitan-D Rugby Championship and DHL Super Rugby competitions. The company is jointly owned by New Zealand Rugby and the Australian and South African Rugby Unions. SANZAR Pty Limited has a balance date of 31 December. New Zealand Rugby paid management fee transactions of \$0.942m (2024: \$1.110m) to SANZAR Pty Limited during the year.

All Blacks Experience Limited Partnership is a joint venture between New Zealand Rugby and NTT Auckland Tourism Limited, to create an All Blacks themed tourism experience in Auckland. The experience opened in December 2020. While New Zealand Rugby's stake is 51%, with NTT Auckland Tourism Limited owning the remaining 49%, the constitution requires unanimous agreement from both partners for any major decisions and therefore the business is accounted for as a joint venture. New Zealand Rugby is committed to provide an additional \$9k (2024: \$9k) of capital to All Blacks Experience Limited Partnership. All Blacks Experience Limited Partnership has a balance date of 30 June. As identified in note B8, All Blacks Experience has a non-current loan from New Zealand Rugby.

SANZAAR is an unincorporated joint operation of the South African, New Zealand, Australian and Argentinian Rugby Unions. The Unions each share one-quarter (25%) of the travel costs of the DHL Super Rugby and Lipovitan-D Rugby Championship through the unincorporated joint venture.

Super Rugby Pacific Competition Joint Venture is a joint venture between the New Zealand and Australian Rugby Unions for running the Super Rugby Pacific competition.

	2025	2024
	\$000	\$000
Associates and joint ventures		
Carrying value of associates and joint ventures at beginning of the year	2,426	2,108
Share of net surplus/(loss) for the year	58	235
Change in translation of foreign currency investment	268	83
Total investments in associates and joint ventures	2,752	2,426

E. OTHER

This section includes the remaining information relating to New Zealand Rugby's financial statements that is required to comply with financial reporting standards.

E1 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially recorded at cost. Cost includes the original purchase consideration and those costs directly attributable to bring the item to the location and condition for its intended use. After recognition as an asset, property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Depreciation of property, plant and equipment is provided on a straight-line basis at depreciation rates calculated to allocate the cost less estimated residual value, over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The classes of property, plant and equipment and their useful lives are:

- computer equipment (3 years);
- office equipment (5 years);
- office alterations and fixtures (10 years);
- coaching equipment (5 years).

\$000	COMPUTER EQUIPMENT	OFFICE EQUIPMENT	OFFICE ALTERATIONS AND FIXTURES	COACHING EQUIPMENT	TOTAL
Cost or fair value	3,425	593	4,798	1,054	9,870
Less accumulated depreciation	(2,558)	(483)	(3,282)	(767)	(7,090)
Net book value at 31 December 2023	867	110	1,516	287	2,780
Additions	808	25	63	74	970
Disposals	(1,388)	-	(151)	(16)	(1,555)
Depreciation expense	(523)	(54)	(374)	(84)	(1,035)
Accumulated depreciation on disposals	1,332	-	151	16	1,499
Net book value at 31 December 2024	1,096	81	1,205	277	2,659
Cost or fair value	2,845	618	4,710	1,112	9,285
Less accumulated depreciation	(1,749)	(537)	(3,505)	(835)	(6,626)
Net book value at 31 December 2024	1,096	81	1,205	277	2,659
Additions	620	9	313	130	1,072
Disposals	-	-	-	-	-
Depreciation expense	(611)	(24)	(413)	(94)	(1,142)
Accumulated depreciation on disposals	-	-	-	-	-
Net book value at 31 December 2025	1,105	66	1,105	313	2,589
Cost or fair value	3,465	627	5,023	1,242	10,357
Less accumulated depreciation	(2,360)	(561)	(3,918)	(929)	(7,768)
Net book value at 31 December 2025	1,105	66	1,105	313	2,589

E2 Intangible assets

\$000	CONTRIBUTION				TOTAL
	TO EDEN PARK	COMPUTER SOFTWARE	DIGITAL ASSETS	NZR+ CONTENT HUB	
Cost or fair value	10,000	6,538	-	6,767	23,305
Less accumulated amortisation	(6,500)	(6,470)	-	(609)	(13,579)
Net book value as at 31 December 2023	3,500	68	-	6,158	9,727
Additions	-	-	-	3,189	3,189
Disposals	-	(4,798)	-	-	(4,798)
Amortisation expenses	(500)	(60)	-	(4,747)	(5,307)
Amortisation expenses on disposals	-	4,798	-	-	4,798
Net book value as at 31 December 2024	3,000	8	-	4,601	7,609
Cost or fair value	10,000	1,740	-	9,957	21,697
Less accumulated amortisation	(7,000)	(1,732)	-	(5,356)	(14,088)
Net book value as at 31 December 2024	3,000	8	-	4,601	7,609
Additions	-	-	-	-	-
Disposals	-	(376)	-	-	(376)
Amortisation expenses	(500)	(7)	-	(2,045)	(2,552)
Loss on derecognition	-	-	-	(2,556)	(2,556)
Amortisation expenses on disposals	-	376	-	-	376
Net book value as at 31 December 2025	2,500	1	-	-	2,501
Cost or fair value	10,000	1,364	-	9,957	21,321
Loss on derecognition	-	-	-	(2,556)	(2,556)
Less accumulated amortisation	(7,500)	(1,363)	-	(7,401)	(16,264)
Net book value as at 31 December 2025	2,500	1	-	-	2,501

Contribution to Eden Park

In 2008, New Zealand Rugby contributed \$10m towards the redevelopment of Eden Park in return for certain benefits. The contribution to Eden Park is stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight line basis over the term of the agreement between the New Zealand Rugby, Eden Park Trust and the Auckland Rugby Football Union when the benefits will accrue to New Zealand Rugby. The term of the agreement is 20 years and the benefits started accruing to the New Zealand Rugby in 2011 at which time amortisation commenced.

Content hub

NZR Commercial LP has created a content hub, branded as NZR+. NZR+ is a key platform for viewing NZ Rugby content and includes archived content as well as original content.

In prior years, the content held on the content hub was assessed as meeting the requirements for capitalisation, which include being identifiable, controlled and generating future economic benefits. This was amortised on a diminishing value basis at a rate of 67%.

For 2025, the future economic benefit test was insufficient to support capitalisation. As a result, the existing capitalised content and content generated in 2025 has been expensed in 2025.

E3 Provisions

Provision for medical costs

New Zealand Rugby provides injury and illness benefits to employees and players. The provision is based on New Zealand Rugby's obligations under the ACC Accredited Employer Programme (AEP), split between short-term open claims and long-term reopened claims.

Due to a change in the ACC cover from 1 April 2014 the long-term provision only relates to accidents that occurred prior to this date.

Until 1 April 2014, New Zealand Rugby was enrolled in the Full Self Cover Programme (FSCP) of the AEP. Under this programme, New Zealand Rugby paid a lower levy but was responsible for managing and compensating all costs arising from injuries in each cover year. After a number of years, any remaining open claims were passed back to ACC, along with a residual payment that is expected to cover the costs of the claim. New Zealand Rugby may also be liable for reopened claims if it can be demonstrated that the medical costs relate to an injury during the period of cover.

With effect from 1 April 2014, New Zealand Rugby moved to the Partnership Discount Programme (PDP). The levy that is charged is higher under this programme, but the New Zealand Rugby's future liability is limited only to the cost of claims arising in the two years following the cover year in which the claim occurred.

A provision is made for liabilities for short-term open claims and longer term and reopened claims that extend beyond the end of the financial year. The provision for medical and income costs is based on an annual independent actuarial valuation prepared by Craig Lough (FIAA, FNZSA), Fellow of the New Zealand Society of Actuaries of Melville Jessup Weaver, Consulting Actuaries. The Actuary has confirmed that the data provided by New Zealand Rugby was sufficient for the purposes of their report.

Short-term provision assumptions

The Bornhuetter-Ferguson (BF) actuarial method is used to determine the short-term open claims provision. The BF method uses the weighted average of past claims development applied to an estimate of the ultimate claims costs to project future claims development. The estimated ultimate claims costs are derived as a percentage of liable earnings based on past New Zealand Rugby claims experience. The graduated weighted average BF development factors were derived from the New Zealand Rugby's own past payments pattern.

The principal assumptions used by the Actuary, Craig Lough were:

- The assumed loss ratio of 3.00% of liable earnings prior to 1 October 2016, 2.75% to 30 September 2018, and rising to 3.25% at the valuation date was determined by considering the observed loss ratios for developed loss quarters
- The projected future payments were discounted for the time value of money based on secondary market Government bond yields as at 19 December 2025.

Long-term provision assumptions

The key assumptions that underpin the long-term medical provision calculation relate to the likelihood of players requiring surgery or treatment later in life based on injuries sustained during the period of cover and are derived from information provided by the New Zealand Rugby Medical Manager.

For these costs to be included in the provision, there must be a medically recognised link between the action (playing professional rugby for significant period) and the outcome (injury requiring medical remediation). Outcomes which have yet to have a medically recognised link or are anecdotal in nature are not included. At the date of this valuation, the only outcome with a medically recognised link to playing professional rugby relates to knee injuries.

Other inputs into the model are costs associated with surgery, consultations, rehabilitation and average weekly compensation which have been established using input from ACC and New Zealand Rugby. Economic assumptions were sourced from ACC and are consistent with their valuation basis. A key factor in the model is the number of serious knee injuries sustained over the period of cover as these are believed to be a strong indicator of the need for surgery in later life. The model allows for the possibility of multiple operations to be required over a player's lifetime. The model was constructed to illustrate the potential range of outcomes.

The actuarial calculation is a central estimate of the present value of expected future payments for claims and consistent with the prior year a prudential margin liability has not been included in the calculation as the actuary has determined that an additional risk margin is not required. New Zealand Rugby will remain in the ACC Partnership Programme for the foreseeable future.

	2025	2024
	\$000	\$000
Provision for medical costs at the start of the year	4,640	4,668
Payments made during the year	(637)	(602)
Revaluation of provision	(536)	(417)
Outstanding costs incurred in the current year	921	991
Provision for medical costs at the end of the year	4,388	4,640
<i>Current</i>	914	976
<i>Non-current</i>	3,474	3,664
<i>Provision for medical costs at the end of the year</i>	<i>4,388</i>	<i>4,640</i>

Player payment variation account

The player payment variation account represents the difference between the players' share of agreed revenue (Player Generated Revenue) earned during the term of the players' Collective Employment Agreement and the benefits paid to the players during the same period. Player costs are recognised in the year in which the Player Generated Revenue is earned. A new Players Collective Employment Agreement was agreed in November 2024 for a six-month term to 30 June 2025 and has rolled over for another 12 months while the agreement is being negotiated.

Subsequently, a new agreement has been signed, now referred to as a Partnership Agreement from 2026 – 2028. The Partnership Agreement records the intention of both parties to manage the player payment variation account in future contract years beyond the expiry date.

	2025	2024
	\$000	\$000
Player payment variation account at the start of the year	5,139	(243)
Movement in player payment variation account	8,268	5,382
Player payment variation account at the end of the year	13,407	5,139
<i>Current (Asset)/Liability</i>	13,407	5,139
<i>Non-current (Asset)/Liability</i>	-	-
<i>Player payment variation account at the end of the year</i>	<i>13,407</i>	<i>5,139</i>

Benevolent and Welfare Fund

The Benevolent and Welfare Fund was established in conjunction with the New Zealand Rugby Players' Association in 2006 in accordance with the players' Collective Employment Agreement. The purpose of the fund is to provide payments to players employed under the players' Collective Employment Agreement who are no longer able to play professional rugby due to sickness, injury, accident or death or to players who are suffering hardship. The funds allocated by New Zealand Rugby together with the investment returns are payable for the benefit of the players.

The Fund is held in cash and cash equivalents on the Balance Sheet and is held solely for the purpose of meeting New Zealand Rugby's obligations for the Benevolent and Welfare Fund.

	2025	2024
	\$000	\$000
Benevolent and Welfare Fund at the start of the year	2,638	2,049
New Zealand Rugby contribution to the Fund	1,000	1,000
Payments from the Fund	(784)	(535)
Interest received	67	124
Benevolent and Welfare Fund at the end of the year	2,921	2,638

Provincial union funding variation ledger

During 2025, the Provincial Unions agreed to a fixed funding arrangement, this removes the need for a variation ledger and it was agreed that the variation account balance would be waived. As a result, the outstanding balance of the variation ledger has been expensed.

	2025	2024
	\$000	\$000
Provincial union funding variation account at the start of the year	(5,015)	(2,504)
Movement in provincial union funding variation account	5,015	(2,511)
Provincial union funding variation account at the end of the year	-	(5,015)
<i>Current (Asset)/Liability</i>	-	(5,015)
<i>Non-current (Asset)/Liability</i>	-	-
<i>Provincial union funding variation account at the end of the year</i>	-	(5,015)

The movement in the provincial union funding variation account has been recognised in game development in the income statement.

E4 Related parties

Key management personnel compensation

The Group classifies its key management personnel into the following categories:

- Board Members
- Chief Executive Officers; and- Executive team.

The remuneration of Board members and other key management during the year was as follows:

	2025	2024
	\$000	\$000
Board member fees - New Zealand Rugby	610	660
Board member fees - New Zealand Rugby Commercial LP	597	617
Total board member fees	1,207	1,277
Chief Executive Officers and Executive Team		
Salaries and short-term benefits	6,161	6,400
Total key management personnel compensation	7,369	7,677

The Chief Executive Officer and Executive team consists of eleven full-time equivalent employees (2024: eleven).

Fees paid or payable to Board members for services as Board members during the year totalled \$1,207,000 (2024: \$1,277,000). There are no Board member fees outstanding at 31 December 2025 (2024: nil).

Related party transactions with associates and joint ventures are disclosed in Note D2.

E5 Auditor's remuneration

	2025	2024
	\$000	\$000
Auditor's remuneration to Deloitte Limited for:		
Audit of the group and subsidiary financial statements	300	304
Non-assurance services	-	-
Total auditor's remuneration	300	304

E6 Commitments

Operating leases

New Zealand Rugby leases certain office equipment and premises. Operating leases are leases where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items. Operating lease payments are recognised in Income Statement in equal instalments over the term of the lease.

	2025	2024
	\$000	\$000
Operating lease commitments		
Less than 1 year	1,513	1,327
Later than 1 year and not later than 2 years	1,381	1,263
Later than 2 years and not later than 5 years	199	1,199
More than 5 years	-	-
Total operating lease commitments	3,093	3,789

E7 Contingent liabilities

There are no contingent liabilities as at 31 December 2025 (2024: nil).

E8 Subsequent events

New Zealand Rugby Management Limited Partnership was established 25 November 2025 with agreement between New Zealand Rugby Union Incorporated, NZR Commercial LP and New Zealand Rugby Management Limited Partnership effective from 1 January 2026. A company, New Zealand Rugby Management Limited (NZRM), was incorporated to act as the sole general partner. NZRM will employ all NZR and NZRC staff (excluding rugby union players), and NZR will be the sole shareholder of NZRM and the sole limited partner of the partnership.

NEW ZEALAND RUGBY UNION

Statement of Service Performance for the year ended 31 December 2025

This Statement of Service Performance (SSP) for New Zealand Rugby (NZR) has been prepared in accordance with the New Zealand standard PBE FRS 48 - Service Performance Reporting as a Tier 1 Public Benefit Entity. The NZR Board believes that the statements contained in this report accurately reflect the overall performance of NZR for the year ended 31 December 2025. The SSP describes NZR's progress towards our strategic goals, and is comprised of:

- Our vision, purpose and values
- Our objectives - What NZR intended to achieve and how
- Our progress - How NZR performed this year against these objectives

Our Vision is to inspire and unify through rugby.

Our Purpose

The New Zealand Rugby Union Incorporated (known as New Zealand Rugby, or NZR) was formed in 1892 to administer the game of rugby union at the national level. We lead, support, grow and promote rugby in Aotearoa in partnership with, and on behalf of, our members: The 26 Affiliated Provincial Unions (PUs), the New Zealand Māori Rugby Board (NZMRB), the New Zealand Pasifika Rugby Council (NZPRC), our Associate Members (schools and other organisations that provide rugby or rugby-related services), and Life Members.

As an incorporated society, the New Zealand Rugby Union Constitution (December 2025) sets out what we do and how we operate. The Objects, or purposes, of the NZRU as per the Constitution are to:

- promote, foster and develop rugby throughout New Zealand and the world and to control rugby throughout New Zealand;
- arrange and participate in international, trial and other rugby matches and tours both within New Zealand and overseas;
- represent New Zealand rugby on World Rugby and to submit any amendments to the Laws of the Game and the by-laws and regulations of World Rugby, to World Rugby that the NZRU considers to be in the best interests of New Zealand rugby;
- subject to domestic safety law variations adopted by the NZRU, comply with the Laws of the Game and the by-laws, regulations and resolutions of World Rugby and to require Members to similarly comply;
- form and manage New Zealand representative rugby teams;
- foster rugby matches between Affiliated Unions;
- encourage participation in, and support for, rugby by all participants in, and supporters of, the game and at all levels (including by way of example, administrators, players, coaches, referees, match officials and supporters); and
- do all such other things to promote the interests of rugby as the NZRU may determine from time to time.

Our Values Te Ara Ranga Tira (the way that unites people): A shared set of values based on four pou:

- Te Pou Maioha – Be Welcoming
- Te Pou Hiranga – Be Our Best
- Te Pou Ihiihi – Be Passionate
- Te Pou Tika – Play Fair

Our Objectives

In 2025 a new strategy for rugby in New Zealand was adopted by NZR and our partners across the rugby system. Four key strategic goals are supported by long-term outcomes that guide annual planning by NZR and other rugby organisations.

Strategic Goal	System Outcomes
Maintain and grow a thriving community game	Increased junior-level participation.
	Increased teenage player retention.
	Increased club playing, coaching, refereeing and administration numbers.
	Popular, well-supported, financially sustainable provincial and club competitions.
	Improved club health across the rugby system.
Teams in Black winning	Teams in Black consistently winning pinnacle events and major series and maintaining and enhancing historic winning percentages.
	Teams in Black style of play reflects our identity as a rugby nation.
	Teams from New Zealand express and celebrate the culture of Aotearoa New Zealand.
	Player and coach development pathways and competitions attract tribal fans, are financially successful, and keep our professional players and coaches in New Zealand.
	Rugby continues to contribute to our national identity, bring communities together, express our culture, and promote youth development.
	New Zealand plays a leadership role in shaping the global game.
A successful, growing and profitable business	NZR is renowned for the quality of its sports governance and management.
	Strong and sustainable revenue growth across the media rights and sponsorship cycle.
	Sustainable annual cashflow, sufficient to fund annual operations and investment for the future.
	The All Blacks & Black Ferns are the No. 1 global rugby brands with the highest number of engaged fans.
	NZR maintains a roster of sponsors, media and commercial partners of the highest quality.
	The business has a strong balance sheet.
	All important business relationships are healthy and constructive.
Engage and align all stakeholders and partners	A clearly articulated and well-understood strategic plan, committed to by the whole game.
	Agreed operating models (how we work together), investment plans and outcomes – whenever we invest money, we have a clear understanding of the financial and/or social return we expect to achieve.
	Regular, meaningful and supportive communication between all stakeholders and partners.
	Healthy and constructive relationships with commercial partners and the media.
	A highly positive public perception of the game.

Our progress

Strategic Goal	Progress indicator	2025	2024
Maintain and grow a thriving community game	Total participation in community rugby [^]	153,952 registrations	170,371 registrations
	Female participation in community rugby [^]	34,105 registrations	36,874 registrations
	Mental health and wellbeing knowledge and capability improvements through Mind Set Engage [^]	Average 25.3% improvement in pre-/post-workshop evaluation scores	Average 31.3% improvement in pre-/post-workshop evaluation scores
	ACC serious injury claims from rugby	1-3 claims received by ACC	1-3 claims received by ACC
Teams in Black winning	All Blacks annual match win record*	10 from 13, or 76.9%	10 from 14, or 71.4%
	Black Ferns annual match win record*	8 from 10, or 80%	4 from 8, or 50%
	All Blacks Sevens annual tournament win record*	1 from 7, or 14.3%	2 from 9, or 22.2%
	Black Ferns Sevens annual tournament win record*	5 from 7, or 71.4%	6 from 9, or 66.7%
	Pinnacle Events won by Teams in Black [^]	Women's Rugby World Cup: 0 from 1	Men's/Women's Sevens, 2024 Olympics: 1 from 2
	All Blacks world ranking [^]	Highest ranking - #1	Highest ranking - #3
		Median weekly ranking - #2	Median weekly ranking = #3
	Black Ferns world ranking [^]	Highest ranking - #3	Highest ranking - #2
Median weekly ranking - #3		Median weekly ranking - #2	
A successful, growing and profitable business	NZR Staff engagement score [^]	72%	77%
	NZR gender pay gap*	+16.7%	+19.0%
	NZR reserves as a percentage of operating expenses*	51.1%	57.6%
	NZR Adjusted Operating Result*	\$0.7m	-\$8.7m
	NZR and Teams in Black social media audiences [^]	+41% on 2024	+59% on 2023
		+10.6% on 2024	+15% on 2023
Contactable fans*	up 12% on 2024	New measure from 2025	
Engage and align all stakeholders and partners	Approved Legacy Fund grants*	\$687,438	Fund established from 2025

* new measure for 2025, to reflect new strategy

[^] existing measure revised for 2025 – See Disclosures

Maintain and grow a thriving community game

Changes in community rugby participation

Significant changes have been implemented across community rugby, designed to better support the modern grassroots game. Together these mean our participation data looks different for 2025, compared to previous years.

Rugby Xplorer (RX) was introduced for 2025 to enable greater flexibility and functionality across our community rugby registration and competition management systems. The new, mostly online system requires participants (or their caregivers) to create a profile and register themselves. This change particularly affected PU-led primary school engagements, which used an alternative mixture of paper and online forms to register participants on the National Rugby Database (NRD) for 2025. Secondary schools were less impacted with teenagers able to create their own profiles. Some participants or organisations may also have opted not to register through the new system for 2025. Development and rollout will continue in 2026.

The underlying model for participation measurement in community rugby was also revised for 2025 onwards. The new model is designed to more closely reflect the New Zealand rugby system, and provide a more accurate understanding of those in it. Players are now counted when assigned to a team, and roles have been standardised across the system with more flexibility for people to choose the role(s) that best describes their activity. The registration season also moved from an October-September to calendar-year cycle to reflect the increasingly year-round game, with the transitional 2025 season being three months longer (October 2024-December 2025).

The continued rollout of changes to the junior rugby development model, Small Blacks, means more junior teams stayed smaller, for longer (requiring a different mix of coaches, team managers and referees to players) and age-group eligibility has also been standardised to 1 April.

Total participation in community rugby

2025 saw a total of 153,952 registrations in community rugby across the core roles of player, coach, team manager and referee (a person counts once per registration type), below 2024's total of 170,371 registrations. For 2025, the most significant change was in our junior (5-12 year old) players. Primary schools and PUs are both facing ongoing capacity issues that make it more challenging to offer playing opportunities for this age group, and some also likely ran events without using RX, so are not captured in our registration numbers. The number of teenage (13-18 year old) players increased and seniors (19+ years) decreased slightly. In the non-playing roles, numbers were down slightly overall, with a notable shift from Coach to Team Manager roles, and fewer male referees registering. Given the level of change in the system, further participation data from 2026 onwards will be needed to confirm any emerging differences.

Female participation in community rugby

34,105 women and girls registered across community rugby in 2025, our second-highest result ever. The most change was again seen in fewer primary school age players, however more teenage girls and seniors registered this year. The number of women taking up non-playing roles continued to increase.

Managing player health, safety and wellbeing

Improved mental health and wellbeing knowledge and capability in community rugby through Mind Set Engage[^]

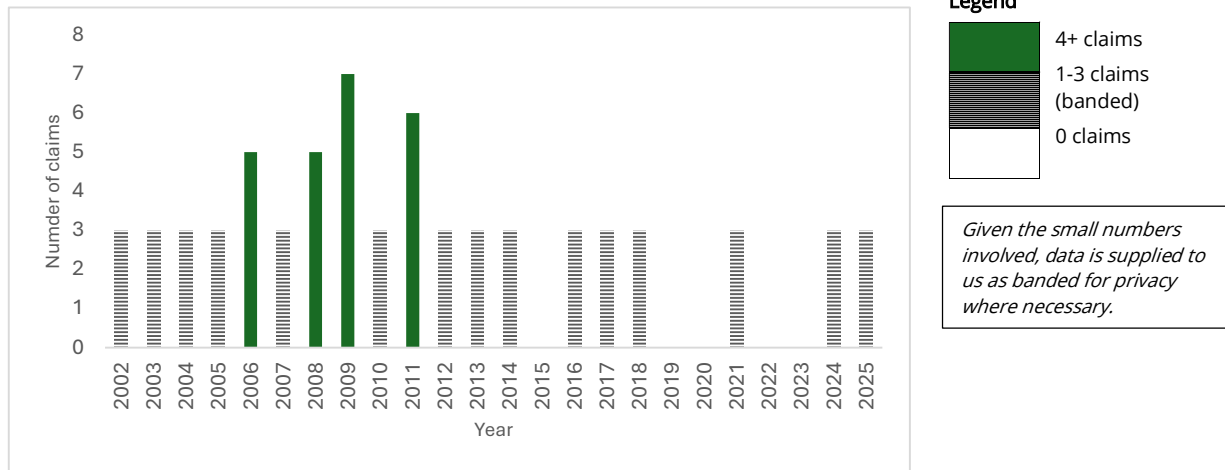
Mind Set Engage (MSE) is NZR's flagship Mental Health and Wellbeing (MHAW) programme, incorporating the delivery of mental health workshops for both players and staff in school, community and contracted rugby environments.

In 2025 the programme included the delivery of 62 community-based workshops reaching 1,853 attendees across several regions, funded by Te Whatu Ora. This was up from 38 workshops in 2024, and the biggest year since the programme was launched in 2017. Comparison of pre- and post-evaluation scores for those attending these funded workshops showed an average 25% improvement in knowledge of mental health and wellbeing, knowledge of support pathways, and confidence among participants to support themselves and others within the rugby community with mental health and wellbeing challenges.¹ This means the workshops are effectively building both personal wellbeing capability and peer-support

¹A total of 963 individual survey responses were received from 1853 workshop attendees (52% response rate), of which 861 completed both the pre- and post-workshop surveys.

confidence. MSE continued to reach its priority audiences and reflect those that participate in rugby, with the 2025 cohort 29% female (up from 9% in 2024).

Number of ACC serious injury claims from rugby



In 2025, between one and three new claims classed as serious injury related to rugby were accepted by ACC². While any serious injury is significant, the numbers remain low and consistent with previous years. NZR continues to develop and implement initiatives to prevent injuries and minimise harm where possible.

Teams in Black Winning

Teams in Black maintaining or enhancing win records

All Blacks annual Test match win record for 2025 - 76.9%^{3*}

The New Zealand men's side opened their 2025 season with a clean sweep at home against France. South Africa won the Rugby Championship for 2025 with a dominant performance in Wellington. The All Blacks retained the Bledisloe Cup over Australia and won against Ireland in Chicago. The end of year Northern Tour concluded with wins over Scotland and Wales and a loss to England. The team's 10 wins from 13 Tests means they finished the year with a 76.9% success rate (up from 71.4% in 2024), and enhanced their all-time test win record to 76.7%.

Black Ferns annual Test match win record for 2025 - 80.0%*

The women's international calendar for 2025 was dominated by the World Cup, played in August-September. The Black Ferns season provided the ideal buildup, claiming both the Pacific Four series and the O'Reilly Cup presented by Bupa against Australia. The Black Ferns record of eight wins from 10 games or 80% for the year is well above 2024's four wins from eight, but just below their all-time test win record which is now 82.1%.

All Blacks Sevens annual tournament win record - 14.3% for 2025*⁴

²New accepted injury claims registered by ACC as occurring within the 12 months 1 Jan-31 Dec, and classified by ACC as a 'Serious Injury caused by playing rugby'. This classification describes claimants with specific types of serious injury who are likely to have complex and long-term injury-related needs, and includes moderate-to-severe traumatic brain injuries, spinal cord injuries or other comparable injuries, that have the potential to result in permanent disablement. Data is provided suppressed/banded by ACC where necessary to avoid potentially identifying patients. The data reflects known accepted claims at a single point in time and may differ if re-run in future.

³Fifteens results from <https://stats.allblacks.com/>; Tests won of Tests played for All Blacks 1903-2025, Black Ferns 1991-2025; calculated as 1 point for match win, 0 points for draw or loss.

⁴Sevens results from World Rugby - Results from World Rugby, Olympic and Commonwealth Games events for All Blacks Sevens 1993-2025, Black Ferns Sevens 2009-2025; calculated as 1 point for tournament win/0 points for other placing.

2025 Results: 1 tournament won of 7 played across the calendar year, made up of:
24-25 SVNS series: 0 tournament wins from 5 played
25-26 SVNS series: 1 from 2

The premier men's team continued to struggle against intense opposition this year, making the podium twice in seven tournaments, however had a strong showing in the Dubai and Cape Town legs at the end of 2025. Their 2025 results have brought their all-time tournament win record down slightly, from 33.6% to 33.0% as at 31 December 2025.

Black Ferns Sevens annual tournament win record - 71.4% for 2025*

2025 Results: 5 tournaments won of 7 played across the calendar year, made up of:
24-25 SVNS series: 4 tournament wins from 5 played
25-26 SVNS series: 1 from 2

The Black Ferns Sevens continue to excel on the world stage with five wins from seven tournaments this year, and podium finishes from all but one tournament in the last three years. This year's five wins lifted their all-time tournament win record from 62.3% at the end of 2024, to 63.2% overall.

Teams in Black winning pinnacle events[^]

Pinnacle Events won, of those played – 0 from 1 (placed third)

The Women's 2025 Rugby World Cup was the pinnacle event of this year's rugby calendar. The Black Ferns achieved third place with wins against Spain, Japan, Ireland and South Africa in pool play. They were beaten by Canada 34-19 in the semi-final but won the bronze medal match 42-26 over France.

All Blacks and Black Ferns world rankings

All Blacks world ranking – median 2, highest 1^{^5}

The All Blacks held the #1 men's ranking for four weeks of the 2025 season, for a median ranking of #2 across the year. South Africa started and finished the year as #1, with New Zealand and Ireland not far behind. The men's rankings continue to be tightly contested, with the top five men's teams often separated by less than five ranking points.

Black Ferns – median 3, highest 3[^]

With their World Cup win in September, England pulled away at the top of the women's World Rugby rankings. At the end of December, the Red Roses were 6.56 points ahead of second-ranked Canada, with the Black Ferns only 1.68 points behind in third.

A Successful, Growing and Profitable Business

High-quality governance and management

NZR Staff engagement - 72%[^]

NZR aims for our staff engagement score to be amongst the top quartile (highest 25%) of all New Zealand companies. This year's result of 72%⁶ is higher than the current NZ median engagement score (67%) but just outside this year's top quartile score of 75%.

The annual engagement survey for 2025 reflected a busy year for NZR staff. Results and feedback from the survey informed development of an action plan for 2026, focussed on re-aligning corporate structure, and organisational planning and prioritisation.

⁵ <https://www.world.rugby/rankings>, Men's and Women's

⁶ Engagement score calculated across individuals' responses to five specific 'engagement index' questions (<https://www.cultureamp.com/blog/employee-engagement-survey-questions>); response rates 90% (2025), 93% (2024), and 91% (2023); and compared to the engagement scores of all NZ organisations surveyed by Culture Amp in the 12 months to July 2025.

NZR gender pay gap - 16.7%^{7*}

Our 2025 pay equity assessment showed NZR's gender pay gap reducing to 16.7%, compared with the national average of 13.7%. The remaining pay gap is largely driven by the distribution of men and women across the organisation, particularly at entry-level and senior roles. When we compare pay for women and men doing similar roles at the same job level (horizontal pay gap), NZR's average gap in 2025 is within the current New Zealand benchmark of around 2.7%. Addressing this remains a focus of our workforce and talent planning.

Sustainable cashflow and revenue growth

NZR operating expenses held in reserves – 51.1%^{*}

The NZR Cash Reserves Policy required NZR to maintain operating reserves⁸ above 50% of annual operating expenses⁹ for 2025. Holding appropriate reserves supports sufficient cashflows and maintains our ability to meet fixed cost obligations, withstand financial shocks, and protect future investment. This measure tracks performance against the policy as part of regular financial management reporting. 2025 operating expenses of \$283.3m were matched by reserves of \$144.7m as at 31 December 2025, or 51.1%, which satisfied the policy.

NZR Adjusted Operating Result for the year ended 31 December 2025 - \$0.7m^{10*}

Our management reporting also monitors the Adjusted Operating Result before Project Future items as a non-GAAP measure. This is useful as it shows the core operating result, separate from the Project Future items listed.

Statutory \$m	2025	2024
Income	304.4	285.2
Expenditure	(311.9)	(304.8)
Statutory Loss per NZ IFRS	(7.5)	(19.5)
<i>less</i>		
Significant Project Future Items:		
Transaction Costs	1.0	2.3
Commercial Growth Initiatives ¹¹	11.7	11.5
Compound Instrument Fair Value	(4.4)	(2.9)
2025 Adjusted Operating Profit	0.7	(8.7)

⁷ Vertical gender pay gap calculated amongst eligible non-Executive corporate staff in May 2025 as part of our annual remuneration cycle, based on total fixed remuneration, following the Korn Ferry-Hay method, and compared to Korn Ferry's average NZ pay gap to March 2025.

⁸ NZR Operating Reserves include cash and cash equivalents, deposits, equities, other managed funds, and tradeable securities; less benevolent and welfare funds; medical provision; any player payment pool variation ledger owing; PU variation ledger owing; NZMRB stakeholder incentive; tagged deferred subscription investment; tagged Legacy Fund; and other funds held in trust for other parties, not within NZR's control.

⁹ Operating expenditure figure used is as per monthly financial management reporting, which may differ from the annual financial statements.

¹⁰ This non-GAAP (Generally Accepted Accounting Principles) financial measure is intended to aid understanding, and supplement rather than substitute for the GAAP or IFRS measures included in the financial statements. As this measure is not defined according to a specific accounting standard, they may differ from other assessments made by stakeholders.

¹¹ Expenditure incurred on commercial growth initiatives funded from tagged Deferred Subscription investment.

International growth in digital fans and engagement

NZR and Teams in Black social media audiences^{12A}

NZR's corporate social media accounts gained 41% more followers across our core platforms in 2025. Of these, Facebook and Instagram again showed strong growth, adding more than 67,000 followers. Our specific Teams in Black accounts (All Blacks, Black Ferns and Sevens) are well-established on social media and continue to deliver steady growth with a global audience, up 10.6% on 2024. Pages on Facebook and Instagram alone now have over 9.5 million followers. Our focus on the Black Ferns in their World Cup year, including a new, dedicated YouTube channel, attracted 550,000 more BFs followers across the key platforms, up more than 60% on 2024. Black Ferns video content was viewed more than 53 million times.

Contactable fans*

These are fans we can contact directly, through email or push notifications. In 2025 we added 12% more opted-in email subscribers, through gamification-based fan acquisition campaigns, and with growth from external ticketing and retail licensing sources.

Engage and align all stakeholders and partners

A clear strategic plan and strong stakeholder engagement

The NZR Board has adopted a new system-wide strategy for rugby in New Zealand for 2025 and beyond, that emphasises the importance of stakeholder engagement and alignment in achieving outcomes for rugby in Aotearoa.

Rugby and our community

Approved Legacy Fund grants of \$687,438*

The Legacy Fund was established to support the grassroots rugby community to deliver intergenerational impact and protect rugby as a taonga for future generations. NZR provides administrative, investment and operational support to the Trust, with annual investment earnings from the Fund available for distribution. The Fund was established in 2025 and had \$900,000 available for distribution in the first round.

This first round, opening in August, received 140 applications. 16 of these applications were shortlisted for presentation to the Legacy Fund Advisory Group (LFAG) in November for consideration, and from these, 12 were recommended for approval to the NZR Board, as sole corporate trustee of the Legacy Fund Trust. These 12 were all approved to progress, awarding total funding of \$687,438 or 76% of the available \$900,000.

For more details on the Legacy Fund and its performance in 2025, see the Fund's Annual Report and Statement of Service Performance.

¹² As at 31 December 2025, and compared to the previous 31 December:

a) NZ Rugby followers across core social media platforms (Facebook, Instagram, LinkedIn, TikTok and X);

b) All Blacks, Black Ferns, NZ Sevens followers across core social media platforms (Facebook, Instagram, TikTok, YouTube subscribers, X)

Disclosures to the Statement of Service Performance

Changes to existing performance measures for 2025

Measure	2025 definition	2025 Change(s)
Total Participation; Female Participation	A count of valid community rugby registrations in NZR's National Rugby Database (NRD) for the current season, in the specific roles of player, coach, team manager and/or referee, as at 31 December. A person counts only once per role, but may be registered with (and counted under) multiple roles within a season. This differs from the number of individual participants, and reflects the depth of involvement individuals have across the system as well as aligning with existing reporting. Includes primary school engagements; excludes volunteer administrator roles other than those specified.	Measure name and definition updated for clarity, but not otherwise changed from 2024. System changes within Community Rugby (like Small Blacks changes, registration season dates) mean that our actual registration profile is different for 2025, and is also assessed differently under a new model of participation measurement (differences in roles and the point at which participation is counted) and via new technology (Rugby Xplorer) which also changes how people register and interact with the system.
Increase in players retained within rugby over a 3-year period	n/a	Discontinued as a measure
Improved mental health and wellbeing knowledge and capability in community rugby through Mind.Set.Engage	Average percentage-point improvement pre-/post-workshop, for community players and staff attending Mind.Set.Engage Programme workshops held August 2024 to July 2025, that were funded by Te Whatu Ora (Health NZ) and evaluated by Nicholson Consulting. Other workshops were also held.	Measure name amended to reflect breadth of workshop attendees, and definition updated to reflect the change in funder (was Te Aka Whai Ora) and the time period covered.
Pinnacle Events won by Teams in Black	Pinnacle Events (PEs) are significant, non-annual international rugby tournaments, tours or series for Teams in Black (All Blacks, Black Ferns, All Blacks Sevens, or Black Ferns Sevens); generally 15s and 7s World Cup tournaments, Olympic Games, or other highlights; specifically by year: 2023 - 1 PE (Men's Rugby World Cup) 2024 - 2 PEs (Paris Olympics - Men's/Women's 7s) 2025 - 1 PE (Women's RWC)	Pinnacle Events for each year updated to reflect the latest international match calendar
All Blacks world ranking; Black Ferns world ranking	For each team - a) reaching #1 as highest rank during the year; and b) median weekly ranking across the current calendar year, compared to previous year	The measure previously tracked number of weeks at #1 for each team
NZR Staff Engagement	Result compared to upper quartile (top 25%) of NZ organisations as reported by Culture Amp	The measure previously tracked performance against the NZ median, as reported by Culture Amp
Percent female directors on the NZR Board	n/a	Discontinued as a measure
NZR and Teams in Black social media audiences	No change	Under Teams in Black, a new @blackferns account is now tracked as well as @allblacks on YouTube.

Independent Auditor's Report

To the Members of New Zealand Rugby Union Incorporated

Opinion

We have audited the consolidated consolidated performance report ('performance report') of New Zealand Rugby Union Incorporated ('NZ Rugby') and its subsidiaries ('the Group'), which comprise the consolidated financial statements on pages 2 to 38, and the consolidated statement of service performance on pages 39 to 47. The complete set of consolidated financial statements comprise the consolidated balance sheet as at 31 December 2025, and the consolidated income statement, the consolidated comprehensive income statement, the consolidated statement of changes in equity and the consolidated a cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated performance report presents fairly, in all material respects:

- the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and cash flows for the year then ended; and
- the consolidated service performance for the year ended 31 December 2025 in that the service performance information is appropriate and meaningful and in accordance with the Group's measurement bases or evaluation methods

in accordance with Public Benefit Entity Standards ('PBE Standards') issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing ('ISAs'), and the audit of the consolidated service performance information in accordance with the ISAs (NZ) and New Zealand Auditing Standard 1 (Revised) *The Audit of Service Performance Information* ('NZ AS 1 (Revised)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Performance Report* section of our report.

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

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

Other than in our capacity as auditor, we have no relationship with or interests in NZ Rugby or any of its subsidiaries, except that partners and employees of our firm deal with NZ Rugby and its subsidiaries on normal terms within the ordinary course of trading activities of the business of NZ Rugby and its subsidiaries.

Director's responsibilities for the consolidated performance report

The Directors are responsible on behalf of the Group for:

- the preparation and fair presentation of the consolidated performance report in accordance with PBE Standards;
- the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with PBE Standards;
- the preparation and fair presentation of service of service performance information in accordance with the Group's measurement bases or evaluation methods, in accordance with PBE Standards;
- the overall presentation, structure and content of the service performance information in accordance with PBE Standards; and
- such internal control as the Directors determine is necessary to enable the preparation of a consolidated performance report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated performance report

Our objectives are to obtain reasonable assurance about whether the consolidated performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this consolidated performance report.

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

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13-1/>

This description forms part of our auditor's report.

Restriction on use

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

Deloitte Limited

Wellington, New Zealand
9 April 2026