

ANNUAL REPORT 2025



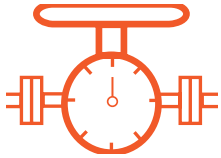
Sustainable solutions for our community, now and into the future

Contents

Our Performance 2024-25	2
Chair Report	4
Operations & Infrastructure	6
Environment & Hydrology	8
RDRML Report	10
Our Strategy	13
Our People	14
Division Performance	16
Statement of Comprehensive Income	18
Statement of Cash Flows	18
Statement of Financial Position	19
Statement of Changes in Equity	19
Additional Information	20
Audit Opinion	22

Our Performance

Water for Optimal Growth



- **60** stockwater bypass valves installed on Ruapuna pipeline
- Events SCADA replaced with Rubicon SCADA on Valetta pipeline
- Completion of PRV upgrade at Valetta
- Carew storage trigger level reduced from 50% to **25%**
- Valetta restrictions: **6** days at 21% and **1** day at 25%
- Open Race and Ruapuna restrictions: **0** days (demand above allocation 11 days)

Respect for the Environment

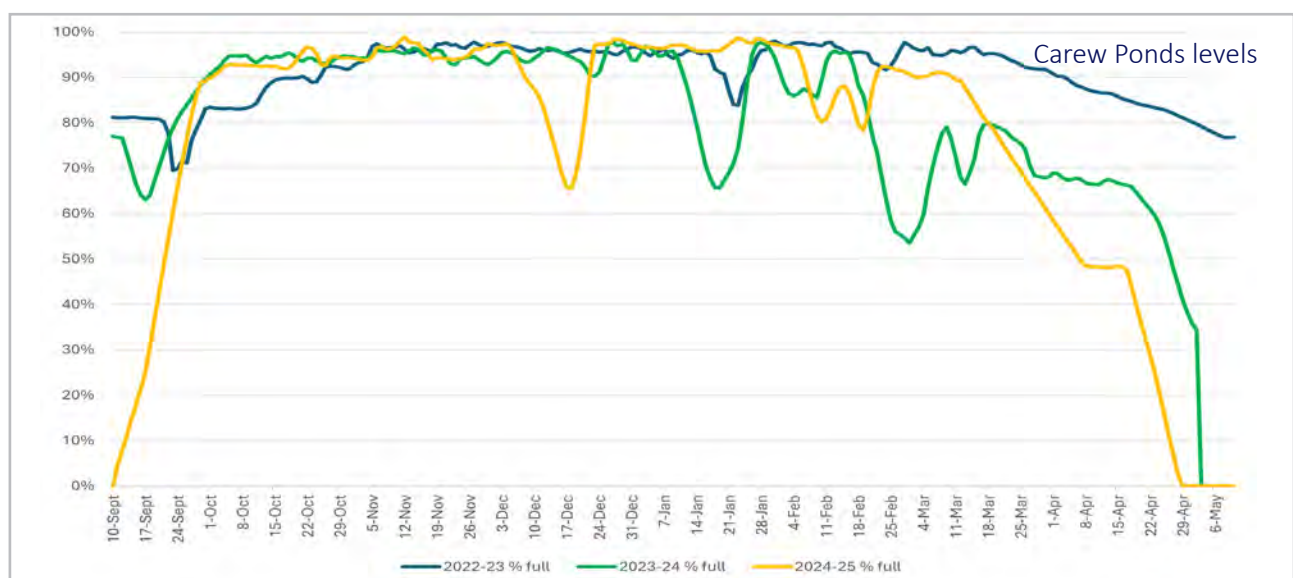
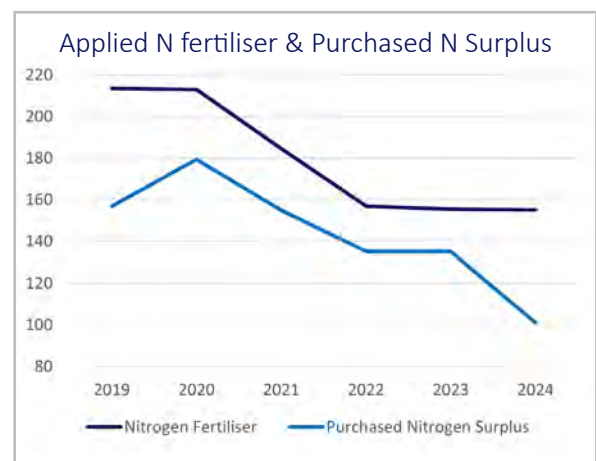
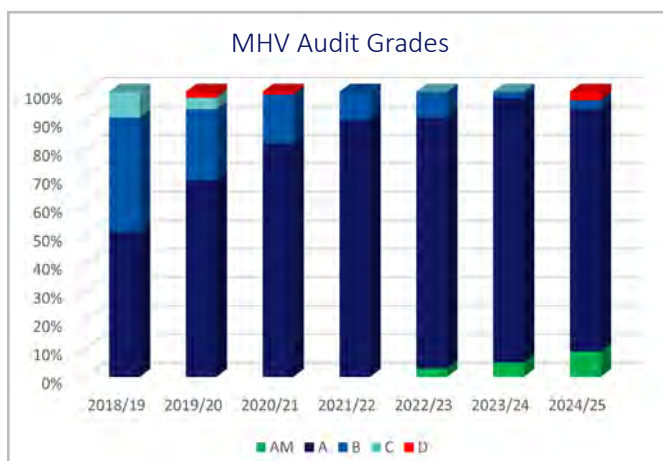
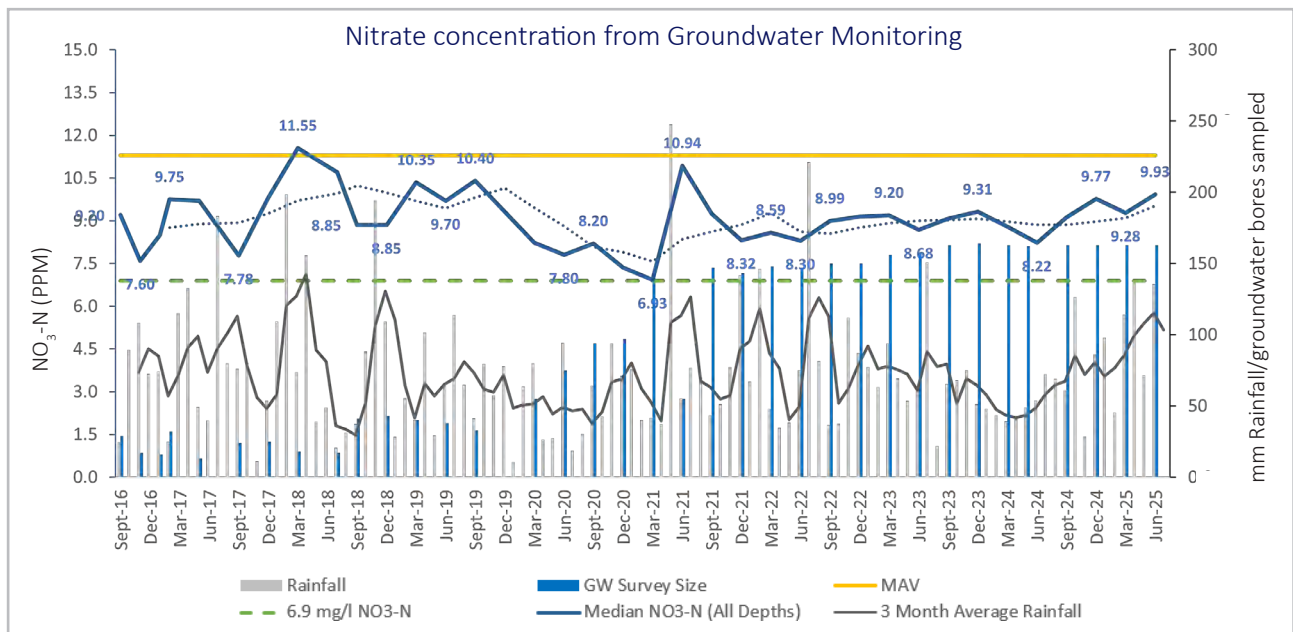


- **63** FEP Audits completed with 94% achieving A grade or Advanced Mitigation
- **5,869** plants funded and planted in first year of MHV Planting Fund
- Winter grazing practices commended by ECan during flyovers
- **10%** increase in groundwater samples and **20%** increase in surface water samples from 2023-24
- Radiometric soil survey of **694** hectares within scheme area
- **1098** ha non-scheme area joined the MHV Enviro Programme 2024-25

Robust and Enduring Co-op



- **204** Shareholders
- Revenue increased **\$272k (4.1%)**
- Expenses increased **\$915k (10.4%)**
 - Fair value movement in swaps (**\$533k**) (non-cash transactions)
 - Increase in finance costs due to interest rate movements (**\$113k**)
 - Admin expenses lifted due to two one-off costs (**\$126k** combined)
 - ★ The successful recruitment of the new CEO
 - ★ Legal costs from successfully defending the ELI high court challenge to our collective nutrient discharge consent
 - Operating expenses were up \$88k (2.4%) year on year



Ponds drained for maintenance 2024 and 2025

Chair Report

It's been a year of change, progress, and resilience across our scheme. I'd like to share a few key updates with you, aligned with our strategic purposes.

Optimised Water Delivery

We continue to look to the future to ensure reliability and security of water for our shareholders. Our partnership in Mid Canterbury Water Storage with Ashburton Lyndhurst is a key part of this, and we're pleased to have been added to the Fast Track list—a significant step forward. The board of Mid Canterbury Water Storage will progress the best consenting option for the storage whether it is Fast Track or other options.

The Board has supported technology developments across the scheme, including the rollout of Rubicon SCADA across Valetta, improving operational efficiency and responsiveness.

A positive change for water availability: the Carew storage usage trigger level has been adjusted from 50% down to 25% before restrictions are imposed, giving us greater flexibility in managing stored water. Every irrigation season is different and the scheme endeavours to utilise the Carew ponds as much as possible, however with the pond being at the lower end of the scheme at times this season we have been on the verge of restrictions for other parts of the scheme.

Respect for the Environment

The regulatory landscape continues to shift, with the removal of NES-F intensification regulations and changes to the RMA. The Board has received several enquiries about farm system or land use changes. Our position is clear: if a shareholder is willing to invest in a farm system change, it must not come at the expense of the environment. Conditions will be imposed to ensure changes are not detrimental to others within the Hekeao Hinds Plains. There is a fine balance that the board must consider when approving Farm Variations with what would be accepted for farms outside of the scheme.

It has been disappointing to have two farms received D Grades this year in their FEP Audits, both were for effluent breaches. As shareholders we need to be operating at a high level every day, have systems and accountability in place. Audits are not a surprise so there are no excuses for these breaches.

Regardless of which political party is in power, we must continue making meaningful, positive changes on farm for the betterment of our environment.

Governments and policies will change, but our consent is our regulator. Without improvements in groundwater quality, our social licence and our ability to farm could be at risk or further reductions could be imposed if we don't see improvements. We must act as a whole catchment, not relying on our neighbours to do the heavy lifting. Whilst the Managed Aquifer Recharge consent appeal is frustrating, we need to be doing our reductions on farm so once MAR is approved, we can see the full benefit.

The Environmental Law Initiative (ELI) had applied for a judicial review of the ECan decision to grant MHV's discharge consent, citing non-compliance with the RMA and coastal policy, and a lack of public notification. The case was heard on 19 May 2025, and the judgement was released on 1 September 2025. The judgement saw the judicial review application being dismissed. This outcome, notwithstanding the potential for an appeal, is a great result but we mustn't take our eye off the ball. For us all it's business as usual, with a continuing strong focus on improving environmental outcomes across the scheme.



Robust and Enduring Co-op

Health and Safety remains a top priority. We are committed to ensuring that everyone gets home safe at night and that no one is at undue risk from our operations or infrastructure. Our Health and Safety Committee, made up of directors and team members, is now meeting regularly. Key focus areas this year include:

- Safe driving practices and training
- Traffic management and roadside work
- Asset and infrastructure safety improvements
- Reviewing and managing key risks

On the financial front, we continue to maintain a strong and stable position, ensuring we can invest in infrastructure, technology, and environmental improvements while keeping shareholder value front and centre. We understand the increased cost pressures on farm; the organisation is also under the same cost pressures. As you know we are a cost recovery business, and we want to make sure that we maintain our low cost and reliable water. We as shareholders will see increased water charges due to several factors including but not limited to RDRML, Mid Canterbury Water Storage, repairs to infrastructure and electricity.

During the year we also experienced a significant leadership transition. We farewelled CEO Melanie Brooks in December 2024 after 7½ years of dedicated service.

Under Mel's leadership, MHV underwent major transformation—from the merger of MHIL and VIL to form MHV, to operational improvements, launching the country's largest water monitoring programme, and leading environmental change.

Mel built strong relationships within our community and across the primary sector, ensuring MHV's voice was heard. Her recognition as a finalist for Cooperative NZ's Leader of the Year 2024 was a proud moment for us all.

Following Mel's departure, Jason Hurst served as Interim GM from January to May 2025. We thank Jason for his steady leadership during this time. Jason drove a team approach from day one in the role and made the transition period as seamless as possible.

After a thorough recruitment process led by Johnson Partners, we welcomed Andrew Mockford as our new CEO in May. Andrew brings strong operational and governance experience, and we're excited about the direction he will take us.

Thank you to our shareholders, my fellow directors, and the MHV team for your continued support and commitment. Let's keep working together to deliver sustainable solutions for our community—now and into the future.

Cole Groves

Chair



Cole Groves (Chair) with outgoing CEO, Melanie Brooks



Incoming CEO, Andrew Mockford, commenced May 2025

Operations and Infrastructure

This year has been one of progress and resilience across our scheme, with a strong focus on improving reliability, efficiency, and safety while meeting the day-to-day challenges of delivering water. Both the Operations and Infrastructure teams have worked closely together to strengthen our systems, respond to issues quickly, and continue building long-term value for shareholders.

Scheme Operations

It has been a busy season for the Operations team, managing higher-than-average rainfall and the associated fluctuations in demand. During wet periods, water orders dropped significantly, requiring careful balancing of inflows and supply. Effective management of these dynamic demand situations requires us all, including shareholders and water managers, to have our fingers on the pulse and ensure water orders reflect actual farm requirements and the pond space available.

Carew storage management was an important focus, with the trigger level for usage before restrictions reduced from 50% to 25%. At times, M shares were close to restriction, particularly in December when demand above Carew matched RDR supply.

Across the season, restrictions and allocation challenges were managed carefully, with the scheme experiencing:

- Valetta line restrictions: 6 days at 21% and 1 day at 25%
- MH Line: 11 days above allocation
- Total Scheme: 27 days above RDR daily allocation and 7 days above RDR shareholding

Despite these pressures, MHV successfully maximised storage by optimising unordered water within our RDR allocation.

Infrastructure Focus

Significant investment was made this year in modernising and strengthening infrastructure. At Valetta, the transition to Rubicon SCADA control was completed, providing consistency across the scheme, enabling enhanced data monitoring, and reducing system risks. This was supported by a move to a licensed radio frequency for improved performance and the roll-out of dedicated SCADA gateways at Gawler and Coldstream. Sixty further GE radio upgrades are also underway to expand capacity.



Operations Team from left: Mark Wilson, Sam Anderson, Cam Manson, Mark Gorman and Ben Naylor

Other major works included:

- Completion of the PRV upgrade programme at Valetta, delivering a standardised and resilient valve system
- Targeted Health & Safety improvements across scheme assets
- Stockwater bypass infrastructure on the Ruapuna pipeline, allowing off-season supply via the network
- Harris Drain pipeline extension installed
- Open race concrete drop repairs
- Compliance work under new dam safety regulations.

While challenges such as the inlet valve issues at Valetta required swift responses, the teams

managed these effectively, minimising disruption and ensuring both short- and long-term solutions are in place.

Alongside the infrastructure improvements and operational demands, the Operations team has also focused on training and development, welcoming new operator Cam Manson this year. Their efforts have ensured the scheme continues to run efficiently despite a challenging wet year.

We thank the whole team, and our shareholders, for their adaptability, problem-solving, and commitment to maintaining a reliable and resilient water supply.

Sam Anderson

Operations Manager

Ethan Forbes

Water Resource Engineer

PRV 6 before upgrade



PRV 6 after upgrade



Environmental & Hydrogeology

The combined efforts of MHV's Environmental and Hydrology teams have continued to drive progress towards resilient, sustainable water management across the Hekeao Hinds Plains.

This year's work has focused on education, compliance, monitoring, and research, alongside strong collaboration with community partners and universities. Together, these initiatives continue to strengthen our understanding of environmental challenges and support shareholders to meet evolving standards while building a more resilient future.

Education, Compliance and Shareholder Support

The Environmental Team has delivered targeted workshops on soil moisture monitoring, mixed pasture swards as a mitigation strategy, and effluent management, in collaboration with Ashburton Lyndhurst Irrigation, Barrhill Chertsey Irrigation and Enviro Collective.

Farm Environmental Plans (FEPs) remain a key tool for shareholder engagement. All shareholder FEPs were updated during the year, with 63 FEP audits completed, 94% achieving an "A" grade or Advanced Mitigation status. These results reflect ongoing improvement in farm practices and increasing uptake of advanced mitigation options.



Mixed pasture swards workshop

Our annual compliance report was submitted to Environment Canterbury (ECan) in December and approved. Updates to the Environmental Management Strategy (EMS) also strengthened processes for Farm Activity Variation Applications (FAVAs), including cultural site mapping in partnership with Aoraki Environmental Consultants.

Positive highlights this year included:

- Excellent on-farm practices identified during ECan's winter grazing flyovers.
- Continued improvement in FEP audit grades.
- The first year of the MHV Planting Fund, which supported native planting along drains and wetland areas.

Challenges remain however, particularly around effluent pond management, irrigation timing during wet conditions, and winter grazing compliance.

Regulatory changes, including under the National Environmental Standards for Freshwater (NES-FW), have led to increased shareholder enquiries regarding conversions and FAVA applications. This is positive, so long as we ensure the environmental outcomes that result, are in line with our positive direction of travel.

Monitoring and Environmental Research

MHV continues to deliver a comprehensive water monitoring programme to support future decisions and actions, including consent renewals with the best possible understanding of our operating environment. Between July 2024 and June 2025, over 1,500 samples were collected:

- 725 groundwater samples (up 10% from the previous year).
- 860 surface water samples (up 20% from the previous year).

This programme supports catchment groups, consent monitoring, and research into highly modified waterways. Increased rainfall over recent years, driven by La Niña climate patterns, has resulted in short-term spikes in nitrate concentrations following flood events.

However, reductions in fertiliser application and improved farm management have led to an overall decrease in shallow groundwater nitrate since the 2021 floods. These are positives that need to be acknowledged but we are not yet where we aspire to be in terms of groundwater nitrate levels, and we need to remain focused on continuous improvement in this regard.

As part of our research programme, ≈1,350 water samples were analysed at the University of Otago for multi-element geochemical analysis. Results due in late spring 2025 will provide new insights into ground and surface-water interactions and migration.

Academic Partnerships and Knowledge Sharing

Collaboration with universities and research partners remains a cornerstone of MHV's approach:

- University of Canterbury (GEOG309): Students investigated whether small-scale community-developed wetlands can improve water quality, using the Montgomery Drain Community Wetland as a case study. Findings confirmed that the wetland effectively removes nitrates, met budget targets, and fostered strong community engagement.
- University of Otago: Ongoing analysis of MHV's water chemistry samples will enhance understanding of hydrological processes across the catchment.
- Peer-Reviewed Publications:
 - Journal of Hydrology: A study on nitrate responses following the 2021 rainfall event was accepted in March 2025.
 - Methods X: A practical guide on the use of optical nitrate sensors, drawing on MHV's five years of experience, was published in 2025.
 - Radiometric Soil Survey: Conducted with Land and Water Science and partners, this survey covered 694 hectares to assess soil variability at farm scale. Results will inform both environmental management and MHV's wider research programme.

Looking Ahead

Securing funding for a Vadose Zone Monitoring System (VMS) through MPI's Primary Sector Growth Fund marks a major milestone for future research. Planned for installation in 2026 near Ealing, the VMS will enable real-time monitoring of nitrate movement between the soil surface and groundwater, providing critical data to support management decisions and policy.

At the same time, the deadline to meet the 6.9 ppm nitrate concentration limit in groundwater and drains is rapidly approaching. Continued progress in on-farm practices, supported by robust monitoring and applied research, will be essential. The Environmental and Hydrology teams remain committed to supporting shareholders, strengthening partnerships, and advancing scientific understanding to achieve long-term water quality goals.

Nicole Matheson

Environmental Manager

Justin Legg

Senior Hydrogeologist



Radiometric soil sampling

RDRML Report

The Board governs RDRML on behalf of its shareholders with Directors appointed by MHV Water, Ashburton Lyndhurst Irrigation Limited, Manawa Energy and the Ashburton District Council. The two MHV Water shareholder appointees are Jen Crawford and Evan Chisnall.

We are focussed on the big strategic issues - ensuring asset resilience and retaining reliable access to water (including our social licence to operate).

The Highbank refurbishment project remains on track and RDRML continues to seek opportunities arising from unutilised water. RDRML has also supported the application by HHWET to allow the use of consented water for Managed Aquifer Recharge (MAR).

As with previous years, RDRML continues to be an active participant in the ongoing RMA reforms. RDRML also commissioned a landmark report by BERL that was published in October 2024. This report has highlighted the significant role that the Rangitata Diversion Race plays in supporting the mid-Canterbury economy.

Earlier in 2025 Contact Energy completed a share acquisition of Manawa Energy. Richard Spearman and Matt James remain on the Board as representatives of MEL and we welcome this continuity at the governance level.

Looking forward, at the 2025 AGM we will be marking the retirement of Neil Brown from the Board. Neil has made a considerable contribution to RDRML as a Director and to the Ashburton District in his capacity as Mayor.



Jen Crawford
Chair



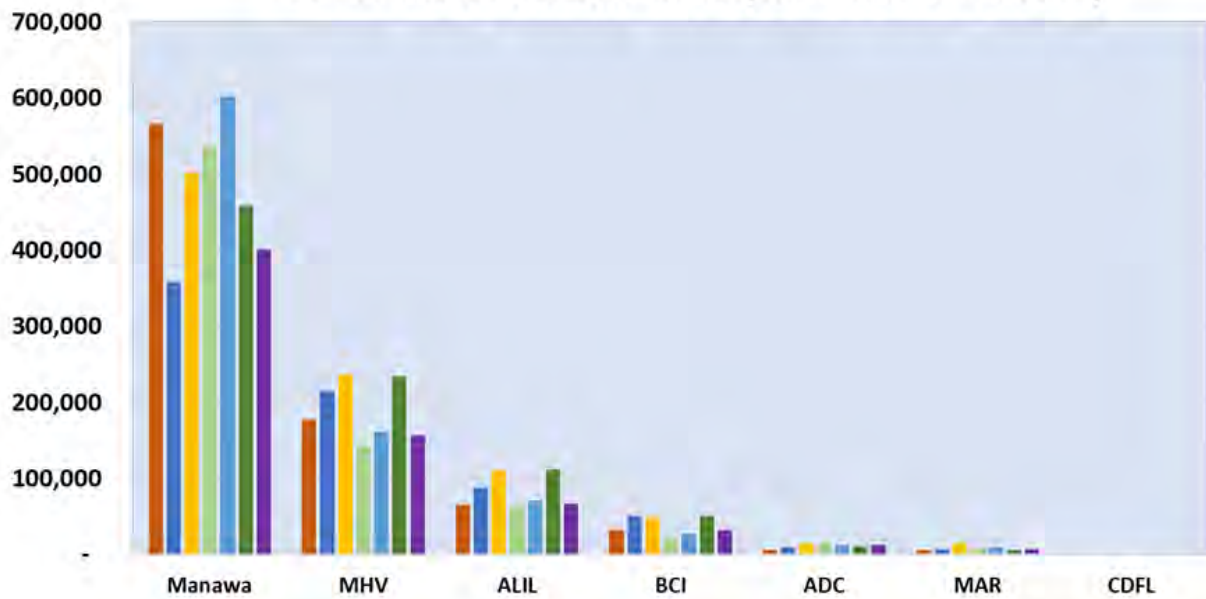
Evan Chisnall
Director

At the management level we will also be farewelling Tony McCormick who is stepping down as CEO at the end of 2025. Tony joined RDRML in 2019 and has led a number of milestones including the construction and commissioning of the fish screen, significant flood repair works and the sale of land to Mid-Canterbury Water Storage Limited for the Klondyke Project.

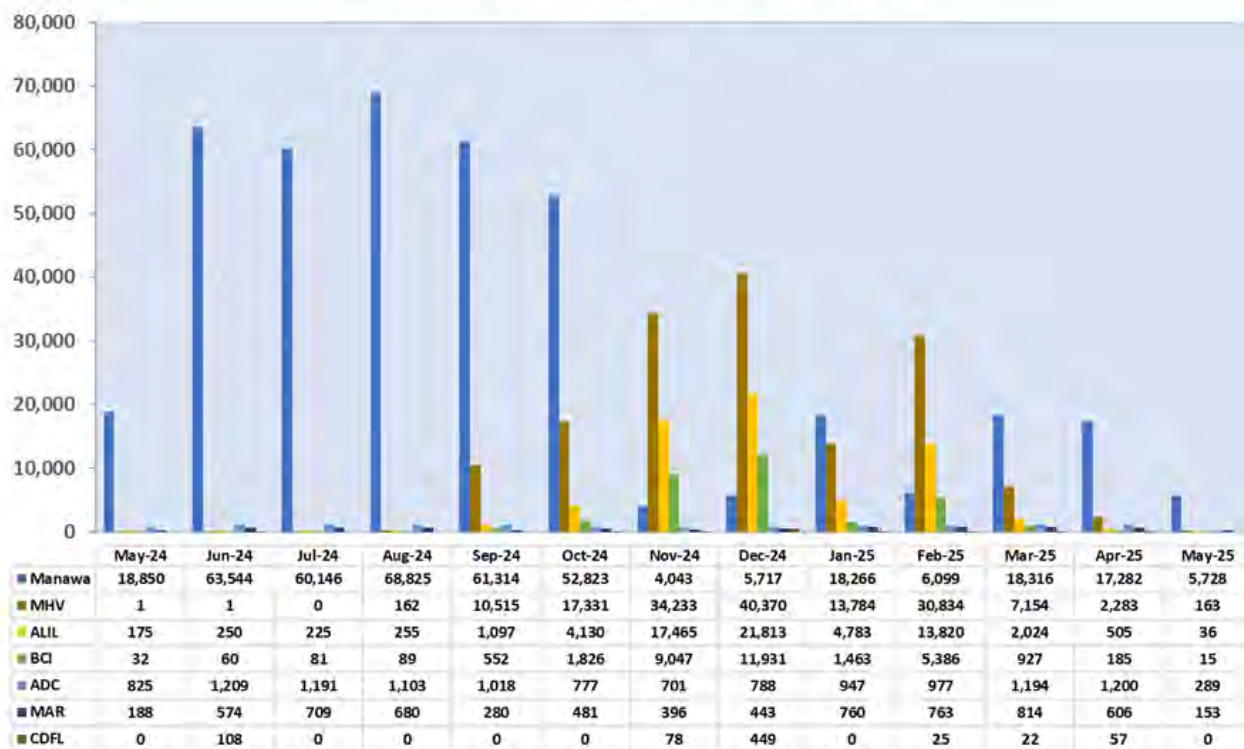
The Board thanks Tony for his contribution over the past six years and also acknowledges the wider management team for their ongoing work at RDRML.

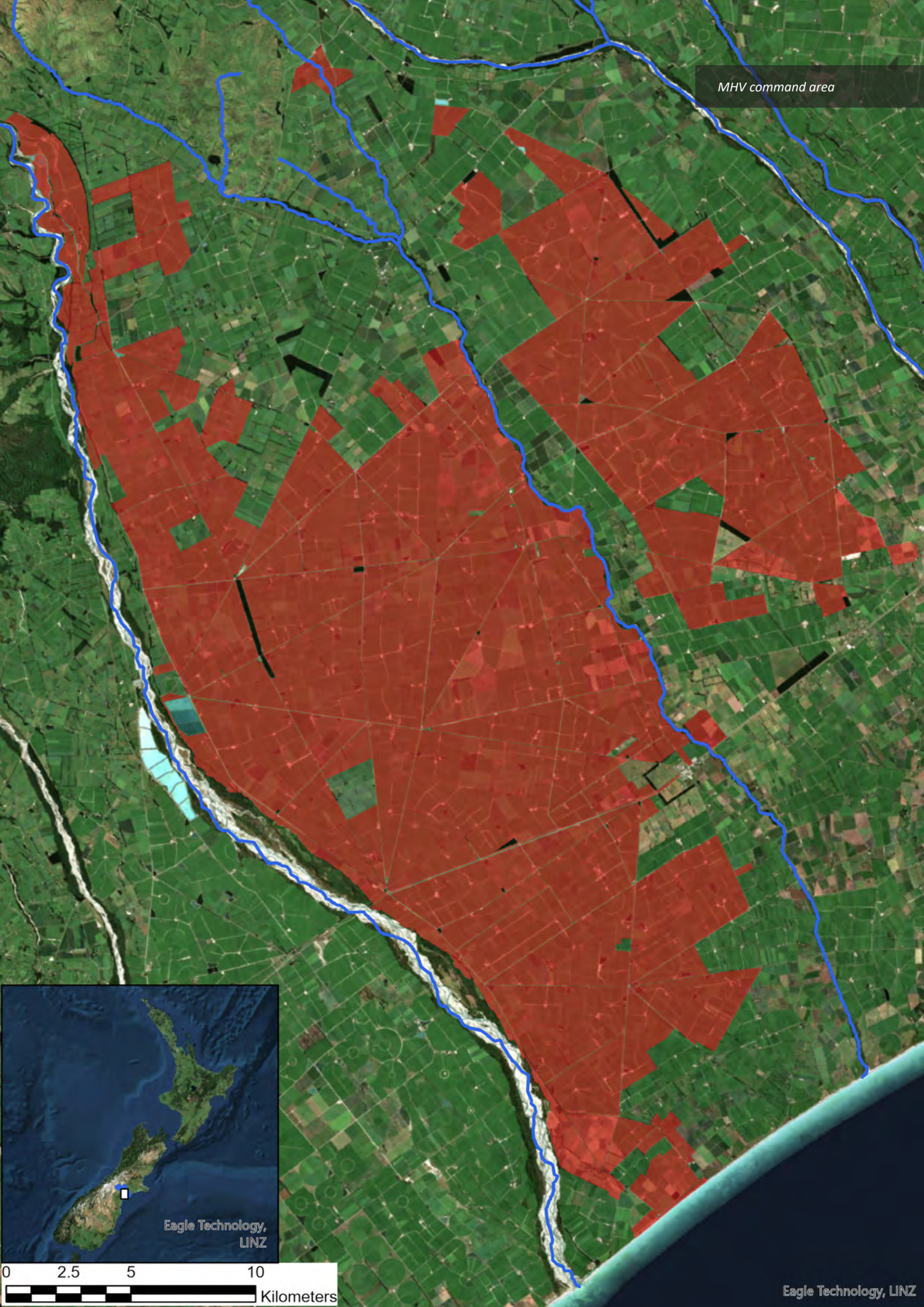
Jen Crawford
RDRML Chair

Rangitata Diversion Race
Annual Water Use 2018 - 2025 (Total Volume in 000 m³)

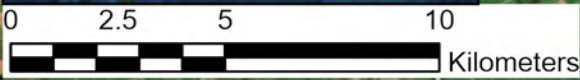


Rangitata Diversion Race
2024/25 Monthly Water Use (000 m³)





MHV command area



Our Strategy

OUR MISSION

*Sustainable solutions for our community,
now and in the future*

OUR VALUES

- Inter-generational focus
- Responsible stewards
- Community minded
- Co-operative spirit
- Enable innovation

OUR PURPOSES

- Optimised water delivery
- Respect for the environment
- Robust and enduring Co-op

OUR PRIORITIES

- Building strong partnerships with Arowhenua
- Support continuous improvement
- Waterbody health research
- Resource resilience
- Catchment collaboration
- Consent renewal pathways

Our People

Our Shareholders

MHV Water is a co-operative company with 206 farmer shareholders. Each share held entitles the shareholding to 0.01 litres per second of water.

Our Board

For the 2024-25 year, the Board was made up of five elected shareholder directors and two appointed independent directors. The Board meets on a six weekly basis to govern the company. Elected directors retire by rotation on a three-yearly basis at each AGM.

Our Team

MHV employs a team of thirteen staff delivering operations, groundwater science, infrastructure, environmental and administrative functions. The MHV team is lead by the Chief Executive.



Board of Directors

From left to right:

Simon King, Jen Crawford, Evan Chisnall, Cole Groves, Campbell Tait, Vince Lobb, Paul Munro



On-farm planting project supported by the MHV Planting Fund

Division Performance

	Environmental Research & Development	Mayfield Hinds Open Race \$	Ruapuna Extension Pipeline \$	Valetta Pipeline \$	Total \$
Year ended 31 May 2024					
Income					
Water charges	-	2,919,996	972,032	1,803,080	5,695,108
Other income	520,760	323,831	16,880	83,740	945,211
Total income	520,760	3,243,827	988,912	1,886,820	6,640,319
Expenses					
Operating expenses	382,801	210,593	136,044	90,095	819,533
Finance expenses	-	31,847	388,154	718,407	1,138,408
Shared scheme costs	-	2,871,293	229,037	775,083	3,875,413
Total expenses	382,801	3,113,733	753,235	1,583,585	5,833,354
Total operating profit	137,959	130,094	235,677	303,235	806,965
Non-cash expenses					(2,964,751)
Net profit/(loss)					(2,157,786)

Interest bearing borrowings					
Opening balance	(134,406)	(2,379,997)	2,041,286	473,116	-
Operating profit	(137,959)	(130,094)	(235,677)	(303,235)	(806,965)
Fixed assets movements	-	310,660	7,630	1,429,012	1,747,302
Debt movements	-	(1,240,726)	(2,096,154)	(2,462,120)	(5,799,000)
Equity movements	-	(307,633)	(24,584)	-	(332,217)
Other movements	-	3,845,945	306,759	1,038,176	5,190,880
Total interest bearing borrowings	(272,365)	98,155	(740)	174,949	-
Westpac loans	-	1,240,726	8,889,868	15,180,185	25,310,779
Total interest bearing borrowings	(272,365)	1,338,881	8,889,128	15,355,134	25,310,779

Year ended 31 May 2025	\$	\$	\$	\$	\$
Income					
Water charges	-	3,186,879	982,684	1,872,758	6,042,321
Other income	531,653	279,323	11,100	68,118	890,194
Total income	531,653	3,466,202	993,784	1,940,876	6,932,515
Expenses					
Operating expenses	416,778	205,734	116,291	105,303	844,106
Finance expenses	-	63,938	462,252	817,002	1,343,192
Shared scheme costs	-	2,984,058	238,032	805,522	4,027,612
Total expenses	416,778	3,253,730	816,575	1,727,827	6,214,910
Total operating profit	114,875	212,472	177,209	213,049	717,605
Non-cash expenses					(3,514,801)
Net profit/(loss)					(2,797,196)

Division Performance (Continued)

Interest bearing borrowings					
Opening balance	(272,365)	98,155	(740)	174,949	-
Operating profit	(114,875)	(212,472)	(177,209)	(213,049)	(717,605)
Fixed assets movements	-	109,030	8,681	1,950,756	2,068,467
Debt movements	-	200,000	300,000	(828,000)	(328,000)
Equity movements	-	(280,309)	(22,401)	-	(302,710)
Other movements	-	(533,634)	(42,488)	(144,030)	(720,152)
Total Internal borrowings	(387,240)	(619,230)	65,843	940,626	-
Westpac loans	-	1,040,726	8,589,868	16,008,185	25,638,779
Total interest bearing borrowings	(387,240)	421,496	8,655,711	16,948,811	25,638,779

MHV Water Limited currently only operates in one division, being water scheme and environmental management. This may change going forward if MHV starts providing significant environmental management services to customers who it does not also provide water scheme management to.

For shareholder transparency, separate reporting is provided above in relation to the four separate cost centres, the Mayfield Hinds Open Race, Ruapuna Extension Pipeline, Valetta Pipeline and the Environmental Research & Development, on a similar basis that is reported to the Directors by Management.

Directors and Management have agreed a cost and capital allocation policy where the guiding principle is that costs are shared equally by all users unless there is a valid reason not to. As the four cost centres have different capital and operating costs, each is treated separately. This is consistent with the merger protocol document between Mayfield Hinds Irrigation Ltd and Valetta Irrigation Ltd which required the water between the two lines to be managed separately.

The following guidelines are followed:

- Income specific to a part of the infrastructure should be allocated to that infrastructure.
- Costs specific to a piece of specific infrastructure are separately identified and apportioned to the users of that infrastructure.
- Capital raised is allocated to the share class releasing water for sale.
- Interest costs shall be allocated to the specific infrastructure to which the debt relates. Where accumulated funds from one line are utilised by another line to minimise the entity interest costs, a notional interest charge will be made between the two lines. This may result in a negative finance expense for one or more lines which reflects the benefit from managing debt on a Company basis.
- Costs not specific to a piece of infrastructure will be treated as Shared Scheme costs.
- Shared costs should be allocated to the infrastructure based on the water entitlement of that infrastructure. As all shares have the same water entitlement (0.01 lps), the number of shares for each line is used as the basis for allocating the Shared Scheme costs.
- Depreciation and other non cash expenses are not allocated to the four separate cost centres as the Directors and Management budget and review expenditure on a cash basis, including operating cost and capital requirements, to determine water charges.

Statement of Comprehensive Income

	2025 \$	2024 \$
Income		
Revenue	6,921,716	6,649,630
Fair value movement in interest rate swaps	-	-
Total Income	6,921,716	6,649,630
Expenses		
Operating expenses	3,698,456	3,610,296
Administration expenses	1,153,838	993,170
Other operating expenses	29,435	25,850
Depreciation and amortisation	2,696,791	2,680,268
Finance expenses	1,309,341	1,196,500
Fair value movement in interest rate swaps	818,010	284,483
Total Expenses	9,705,871	8,790,567
Other income		
Share of associates profit/(Loss)	(13,041)	(16,849)
Total other income	(13,041)	(16,849)
Operating Profit/(Loss) before tax	(2,797,196)	(2,157,786)
Income tax expense	56,890	(153,934)
Net profit/(loss) for the year	(2,740,306)	(2,311,720)
Other comprehensive income for the year, net of income tax	-	-
Total comprehensive income	(2,740,306)	(2,311,720)

Statement of Cash Flows

	2025 \$	2024 \$
Cash flows from operating activities		
Cash received	7,057,408	6,596,222
Cash paid	(5,835,164)	(6,362,468)
Net cash flows from operating activities	1,222,244	233,754
Cash flows from investing activities		
Cash received	248,886	138,756
Cash paid	(2,170,230)	(6,396,872)
Net cash flows from investing activities	(1,921,344)	(6,258,116)
Cash flows from financing activities		
Cash received	630,712	6,131,217
Cash paid	(55,737)	(55,737)
Net cash flows from financing activities	574,975	6,075,480
Net increase (decrease) in cash held	(124,125)	51,118
Add cash at start of year	352,715	301,597
Closing Balance	228,590	352,715

Statement of Financial Position

	2025	2024
	\$	\$
Current assets	1,946,701	2,230,494
Non-current assets	57,676,587	59,467,789
Total assets	59,623,288	61,698,283
Current liabilities	1,521,946	1,078,642
Non-current liabilities	27,516,704	27,294,697
Total liabilities	29,038,650	28,373,339
Net assets	30,584,638	33,324,944
Equity		
Share capital	42,195,286	42,195,286
Capital reserves	(981,399)	(981,399)
Retained earnings	(10,629,249)	(7,888,943)
Total Equity	30,584,638	33,324,944

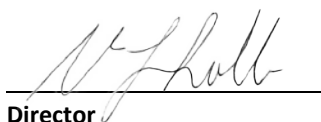
Statement of Changes in Equity

	Share capital	Retained earnings	Capital Reserve	Total
	\$	\$	\$	\$
Equity at 31 May 2023	42,195,286	(5,577,223)	(981,399)	35,636,664
Net profit/(loss) for the year	-	(2,311,720)	-	(2,311,720)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(2,311,720)	-	(2,311,720)
Issue of shares	-	-	-	-
Equity at 31 May 2024	42,195,286	(7,888,943)	(981,399)	33,324,944
Net profit/(loss) for the year	-	(2,740,306)	-	(2,740,306)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(2,740,306)	-	(2,740,306)
Issue of shares	-	-	-	-
Equity at 31 May 2025	42,195,286	(10,629,249)	(981,399)	30,584,638

Signed for and on behalf of the Board dated 22 September 2025



Chair



Director

Additional information

REPORTING ENTITY

MHV Water Limited (the "Company") is a co-operative company registered in New Zealand under the Co-Operative Companies Act 1996 and Companies Act 1993 on the 23 February 2009 and domiciled in New Zealand.

The company is an FMC reporting entity for the purposes of Part 7 of the Financial Markets Conduct Act 2013.

These summary financial statements are in compliance with FRS 43: Summary Financial Statements. The full financial statements for each period presented in the summary financial statement have been audited and the nature of the audit opinion is unmodified.

The Company is a water supply and environmental management company receiving its share of water from the Rangitata Diversion Race Management Limited (RDRML) and distributing this water to its shareholder members. The Company's scheme area is on the northern bank of the Rangitata River through to the southern bank of the Ashburton River and from the foothills in the west down to the east coast. The company also administers land use and discharge consents for its members.

BASIS OF PREPARATION

The full financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with the New Zealand Equivalents to International Financial Reporting Standards ('NZ IFRS') and other applicable Financial Reporting Standards, as appropriate for Tier 1 profit orientated entities.

The financial statements are presented in New Zealand dollars(\$), rounded to the nearest dollar.

The full financial statements for the year ended 31 May 2025 were authorised for issue on 22 September 2025 by Cole Groves (Board Chair) and Vincent Lobb (Director).

The specific disclosures included within these summary financial statements have been extracted from the full financial statements. Therefore, these statements cannot be expected to provide as complete of understanding as the full financial statements.

The full financial statements can be sourced upon request.

CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous year.

CAPITAL COMMITMENTS

There are no capital commitments at balance date.

CONTINGENT LIABILITIES

The company has acted as guarantor for an external loan arrangement for Mid Canterbury Water Storage Limited. The maximum exposure the company has is \$3.835 million (2024: \$3.835 million). Mid Canterbury Water Storage Limited has provided security interest over its property in respect of this loan. This facility has an expiry date of the 27th March 2026. It is expected that the facility will be renewed on similar terms and conditions.

SUBSEQUENT EVENTS

On 14 August 2024 ELI (The Environmental Law Initiative) applied for a judicial review of the decision by Environment Canterbury (ECan) to grant the Company discharge consent CRC185857. MHV Water Limited are named as the second respondent.

The case was heard in the high court on 19-20 May 2025 with the judgment released on 1 Sep 2025. The judgement was that the application sought by ELI for judicial review is dismissed. This allows MHV Water to continue to operate under discharge consent CRC185857. This decision is still within a 20-working day period where it can be appealed; the appeal period ends 26 Sep 2025.

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF MHV WATER LIMITED

Opinion

The summary financial statements on pages 16 to 21, which comprise the summary statement of financial position as at 31 May 2025, and the summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, and related notes are derived from the audited financial statements of MHV Water Limited (“the Company”) for the year ended 31 May 2025.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with FRS-43: *Summary Financial Statements* issued by the New Zealand Accounting Standards Board.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). Reading the summary financial statements and the auditor’s report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor’s report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Our Performance 2024-25 snapshot, Chair and Chief Executive Report, the RDRML Report, Our People and Our Strategy reports, but does not include the summary financial statements and our auditor’s report thereon.

Our opinion on the summary financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon. We have read the other information and, in doing so, considered whether the other information is materially inconsistent with the summary financial statements, or our knowledge obtained in the audit of the summary financial statements or otherwise appears to be materially misstated. We have nothing to report in this regard.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 22 September 2025. The auditors report on the audited financial statements includes communication of key audit matters.

Directors' Responsibilities for the Summary Financial Statements

Directors are responsible on behalf of the entity for the preparation of the summary financial statements in accordance with FRS-43: *Summary Financial Statements*.

Auditor's Responsibilities for the Audit of the Summary Financial Statements

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised) *Engagements to Report on Summary Financial Statements*.

Other than in our capacity as auditor we have no relationship with, or interests in, MHV Water Limited.

The engagement partner on the audit resulting in this independent auditor's report is Warren Johnstone.

BDO Christchurch Audit Limited

BDO Christchurch Audit Limited
Christchurch
New Zealand
22 September 2025

