

A wide-angle photograph of a large industrial recycling facility. In the foreground, a conveyor belt is covered with various pieces of waste, including cardboard boxes, paper, and plastic. Two workers in orange high-visibility uniforms and hard hats are standing on either side of the belt, sorting the waste. In the background, there are more conveyor belts, large storage bins, and the high ceiling of the facility with many industrial lights.

ECO CENTRAL

Annual Report

For the year ended 30 June 2026

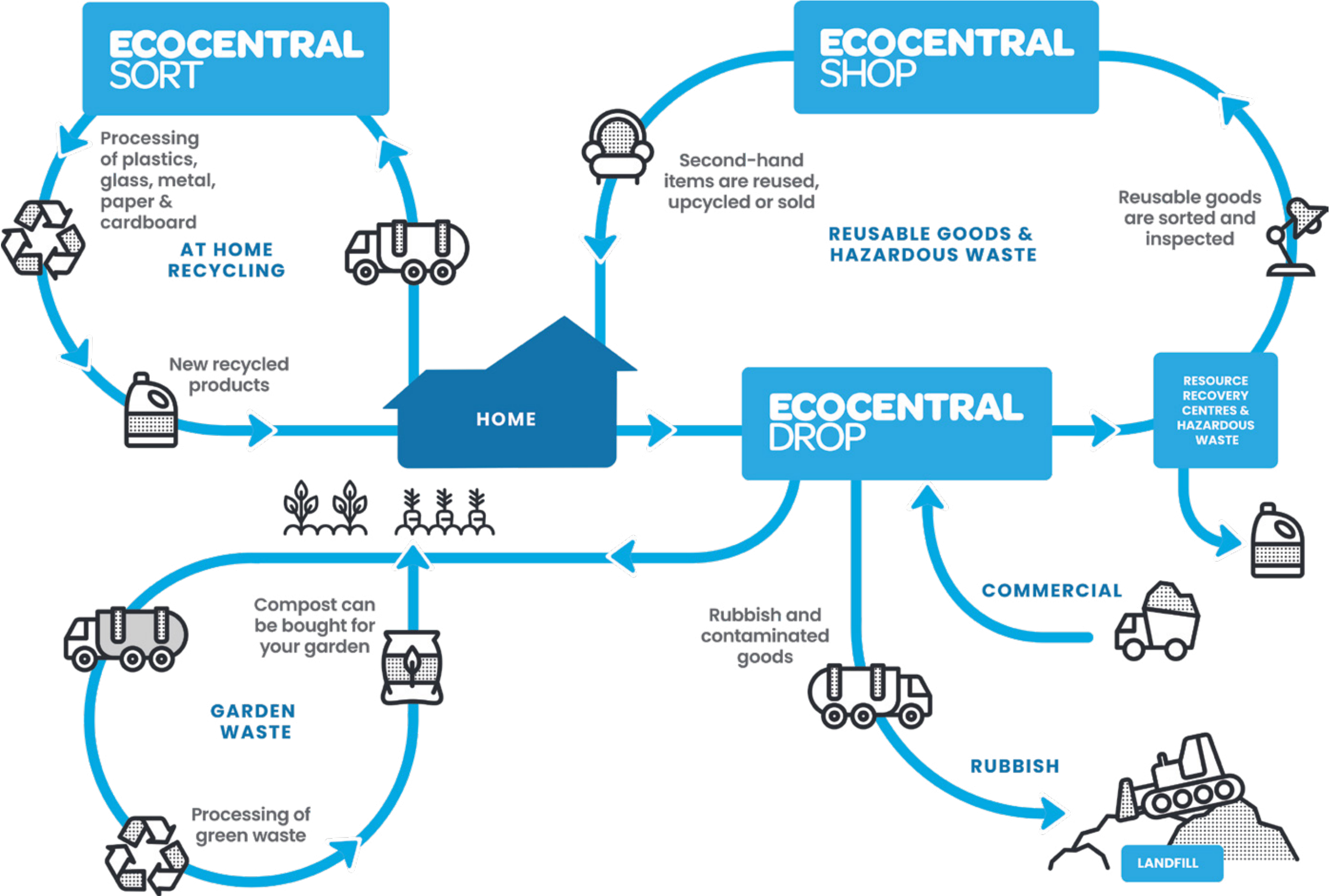
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How we've done

EcoDrop
customers served



525,841

2025: 520,414

EcoShop
customers served



149,642

2025: 142,871

EcoShop
items reused



1,368

Tonnes

2025: 1,423

Total glass
recycled



12,973

Tonnes

2025: 13,529

Total plastics
recycled



3,129

Tonnes

2025: 2,726

Total paper &
cardboard recycled



13,320

Tonnes

2025: 13,220

Total recycled/
diverted



60,166

Tonnes

2025: 60,951

Green waste
composted



16,835

Tonnes

2025: 17,200

Health & safety
TRIFR



16.36

(Total recordable injury frequency rate)

2025: 11.65

Chair and Chief Executive Officer's Review



FY26 was a year of delivery, investment, and preparation for the future.

In an environment shaped by economic uncertainty, changing global markets and increasing expectations around sustainability, EcoCentral delivered a strong performance while continuing to invest in the infrastructure, technology, and capability needed to support Christchurch's long-term resource recovery ambitions. Throughout the year, we remained focused on what matters most: operating safely, delivering value for our shareholders and customers, and helping build a more viable circular economy for Canterbury.

The strength of our FY26 result reflects the resilience of our business model and the dedication of our people. EcoCentral delivered a Net Profit After Tax of \$2.4 million, significantly ahead of budget. This outcome was achieved through disciplined financial management, strong recycling commodity performance and consistently high operational standards across our facilities. At EcoSort, our Materials Recovery Facility continued to produce exceptionally high-quality recyclable commodities, supporting strong market demand and providing value for customers, including Christchurch City Council.

While we are proud of our financial performance, our success is measured by more than financial results alone. Every day, EcoCentral plays an important role in reducing waste, recovering valuable resources and supporting positive environmental outcomes for our region. Through our network of EcoDrop sites, Resource Recovery Centres, EcoShop and EcoSort recycling facility, we continue to divert significant volumes of material from landfill and extend the life of valuable resources through reuse and recycling. During FY26, contamination levels in Christchurch's kerbside recycling stream remained low, supporting high quality recycling and reflecting the effectiveness of ongoing community education initiatives.

During the year we continued investing in the systems and infrastructure required to support future growth and operational resilience. We invested approximately \$1.8 million in capital improvements and fleet replacement programmes, strengthening our ability to deliver reliable services while improving efficiency and reducing environmental impact. A significant milestone was the introduction of our first electric loader at the EcoSort facility, supporting our Carbon Reduction Programme and our commitment to achieving carbon neutrality by 2030. This investment represents more than new equipment; it demonstrates our belief that environmental leadership and operational performance go hand in hand.

Alongside physical infrastructure investments, FY26 also saw important progress in modernising our internal systems. Upgrades to payroll, human resources and health, safety, environment and quality management platforms will improve efficiency, strengthen reporting capability and support our people as the organisation continues to grow. These initiatives may not always be visible to our customers, but they provide an important foundation for future success.

Safety remains our highest priority and an area of ongoing focus for both the Board and management. We operate in environments that can present significant risks, particularly where public interaction is involved. A comprehensive review of the way we manage risk at our EcoDrop transfer stations was carried out during the year. The primary focus areas were restricting access to the rubbish pit and control of children. The outcomes were investment in physical pit barriers, public education, and proactive staff intervention. It has been rewarding to see the number of incidents at these sites reduce as a result of this work.

Our people remain the driving force behind everything we achieve. The commitment, expertise and passion demonstrated by our team throughout FY26 have been instrumental in delivering another successful year. Employee engagement remained strong at more than 75%, while female representation across the organisation increased to 38%. These outcomes reflect our ongoing focus on creating a workplace where people feel valued, supported and empowered to contribute to our shared success.

The year also highlighted the importance of strong partnerships. We value the constructive relationships we maintain with Christchurch City Holdings Limited, Christchurch City Council, our customers, community organisations and industry partners. Good progress has been made with CCC on how assets such as compactors and weigh bridges are upgraded and maintained. EcoCentral's expertise and operational experience position us to play an important role in helping shape Canterbury's future resource recovery system.

Looking ahead, we remain confident about the future. We have a clear strategic direction, a committed and capable team, strong shareholder support and a proven ability to adapt to changing circumstances. Most importantly, we have a clear purpose: helping our community recover more resources, reduce waste and create lasting environmental value.

During the past year we successfully processed the recyclable material of the Marlborough District Council while their facilities were out of action. The capacity we have in the Christchurch based MRF provides opportunities to increase scale by accessing other South Island recycling volume.

Finally, we would like to thank our employees for their dedication and professionalism, our Board for its guidance and stewardship, and our shareholders and stakeholders for their continued support. Together, we have delivered a strong FY26 and created a platform for future success.

2026 Highlights

Continued Fleet Electrification

EcoCentral continued to accelerate its fleet electrification programme in FY26, taking delivery of its first fully electric loader, along with four electric cars and two electric forklifts. This investment represents practical progress towards lower emissions operations and supports a more sustainable resource recovery network for Christchurch.

Fleet electrification is central to achieving EcoCentral's 2030 Scope 1 and 2 greenhouse gas emissions reduction targets. Replacing diesel loaders, cars and forklifts with electric alternatives will reduce operational emissions, lower fuel use and support more efficient day-to-day operations across EcoCentral's sites.

Introducing an electric loader marks a significant milestone for EcoCentral. Loaders play a central role across EcoSort and EcoDrop sites, moving large volumes of material every day, and have historically been one of the largest sources of EcoCentral's operational emissions.

This milestone forms part of a multi-year plan to transition EcoCentral's diesel loader fleet to electric alternatives. Over time, this will reduce fuel use, lower emissions and support more sustainable resource recovery operations across the network.

Community Engagement and Education

EcoCentral helps build community understanding of recycling, reuse and waste minimisation through public engagement and practical, hands on education.

In March 2026, EcoCentral hosted its annual open day at EcoSort, with more than 500 people attending. The free, family friendly event gave residents the opportunity to see how kerbside recycling is sorted and processed at the Parkhouse Road facility. Visitors were able to view the machinery used to sort and process recycling and speak with staff and recycling experts about practical ways to reduce waste and improve recycling behaviours.

EcoCentral also continued to support school visits through Christchurch City Council's Learning Through Action programme, A Waste of Time – Hangaruatia. The programme gives students practical insight into the waste hierarchy, including reducing, reusing and recycling, and connects classroom learning with real operations through visits to EcoSort, EcoDrop and EcoShop. EcoCentral also covers bus costs where required, helping ensure transport is not a barrier for schools.

EcoShop Give Items a Second Life

In FY26, the EcoShop continued to demonstrate the value of reuse in delivering practical environmental and community benefits for Christchurch. With more than 149,000 customers served, the EcoShop helped keep items in circulation by reselling quality checked second hand goods recovered through EcoCentral's Resource Recovery Centres and direct collection service from businesses and households.

The EcoShop offers a broad range of reusable products, including furniture, homewares, electrical goods, building supplies, garden tools, sports equipment, clothing and toys. By giving these items a second life, the EcoShop reduces waste to landfill while giving the community access to affordable alternatives to buying new, an important benefit during ongoing cost of living pressures.

EcoShop's impact extends beyond providing good value second hand items. During the year, donated materials supported a number of community organisations, including the Halswell Menzshed, which used supplied materials to build bed extensions for taller athletes attending the 2025 Special Olympics National Summer Games in Ōtautahi Christchurch.

Safe and Efficient Customer Experience

With more than 525,000 customer vehicles moving through EcoCentral's sites during FY26, delivering a safe, efficient and positive customer experience remained a key operational priority. This focus supported safer site movements and a better experience for customers using EcoCentral's services across Christchurch.

Managing a large volume of vehicle movements across operational sites requires clear systems, visible controls and consistent customer communication. Safety remains central to EcoCentral's operations, supported by practical improvements such as clearer site signage and pit-face safety barriers that help reduce the risk of customers entering restricted areas.

EcoCentral also continued to strengthen customer safety through targeted education. During the year, a campaign reminded customers visiting EcoDrop sites to keep children inside vehicles while on site. This simple, practical message helped improve customer behaviour, with reports of children leaving vehicles reducing significantly over the past 12 months.

Together, these initiatives contributed to safer site movements, stronger customer awareness and a more efficient experience for the large number of people using EcoCentral's services each year.





Our People

EcoCentral's success relies on the capability, commitment and care of its people. In FY26 overall employee engagement increased to 75%. This result reflects ongoing efforts to strengthen communication, support development and create an environment where people feel valued and connected to EcoCentral's values.

During the year, EcoCentral continued to recognise employee contributions through the monthly Employee of the Month programme. The programme celebrates employees who demonstrate EcoCentral's values, strengthen team culture and help deliver safe, reliable and customer-focused services.

EcoCentral commenced monitoring gender balance last year and continues to publicly report its gender pay gap. In 2026, the gender pay gap remained unchanged at 3.7%. Transparent reporting supports accountability and helps guide actions that promote gender diversity, inclusive recruitment and equitable opportunities across the business.

EcoCentral supports employees to develop cultural capability by offering access to te reo Māori courses through the CCHL He Huanui programme. These courses provide opportunities for employees to build confidence in te reo Māori, tikanga Māori and local cultural understanding.

Circular Economy

EcoCentral is helping advance the circular economy in Aotearoa New Zealand by keeping valuable resources in use for longer and reducing the amount of material sent to landfill.

In FY26, EcoCentral diverted 60,166 tonnes of material from landfill through recycling, composting, reuse and other recovery pathways. This result demonstrates the scale of resource recovery activity across EcoSort, EcoDrop Resource Recovery Centres and EcoShop, where materials are sorted, recovered and redirected for new uses instead of being sent to landfill.

EcoCentral also continued to raise community awareness by publishing monthly recycling and landfill diversion information on its website. Sharing this data makes the impact of resource recovery more visible and helps people understand how everyday choices contribute to a more circular system.

A key focus for EcoCentral is maximising the value recovered from recycled materials processed through its facilities. Efforts to grow and diversify the customer base for these materials contributed to EcoCentral achieving its highest revenue from recycled material sales. Securing strong returns helps reduce overall recycling processing costs for residents while supporting a more financially sustainable circular economy.



Corporate governance statement

This statement provides readers with an overview of EcoCentral's main corporate governance practices.

Role of the Board

The directors are appointed by the shareholder Christchurch City Holdings Ltd. The primary role of the board of directors is the corporate governance of the Company. The Board is responsible for the proper direction and control of the Company's activities and all decision-making within the Company.

The Board directs and overviews the business and affairs of the Company, including in particular:

- Ensuring that the Company's goals are clearly established and that strategies are in place to achieve them.
- Establishing policies for strengthening the overall performance of the operation to ensure enhancement of the shareholder value.
- Oversight of the role the Company can play in the recycling and waste industry in the Canterbury region.
- Monitor the performance of the different operations within the Company.
- Take the necessary steps to protect the financial position of the Company.
- Reviewing and approving the Company's annual plan and statement of intent.
- Ensuring the Company's financial statements are true and fair and otherwise conform with the law.
- Ensuring that the Company adheres to high standards of ethics and corporate behaviour.

Conduct of directors

The conduct of directors is required to be consistent with their duties and responsibilities to the Company and indirectly to the shareholder.

Directors are expected to keep themselves abreast of changes and trends in the business and in the Company's environment and markets.

Board composition and mix

The composition of the Board reflects the duties and responsibilities it has to discharge and perform in the interests of the shareholder, and in setting the Company's strategy and seeing that it is implemented.

The Board of EcoCentral Limited comprises four directors.

The Board meets at least nine times a year. In the 2026 Financial Year, the Board met nine times.

The Board receives monthly board papers, which cover health and safety, financial and operational performance and updates on progress of strategic initiatives against plan and statement of intent. Issues of health and safety are covered by the Board, as are decisions regarding senior management remuneration.

Subcommittees of the Board

There is one subcommittee of the Board:

- Audit and risk committee – this committee is responsible for the assurance and assistance to the Board on EcoCentral Limited's risk, control and compliance framework, and its external accountability responsibilities.

Directors' remuneration

The Shareholder recommends and approves the level of remuneration paid to directors.

Conflicts of interest

The Board charter outlines the board's policy on conflicts of interest. A full and updated interest register is available at all Board meetings.

Indemnities and insurance

The Company provides directors with directors' and officers' liability insurance cover while acting in their capacity as directors, to the fullest extent permitted by the Companies Act 1993. In addition, the Company has entered into a Deed of Indemnity with its directors, as permitted under the Companies Act 1993 and the Company's constitution.

Chief Executive Officer performance review

The Board reviews the performance of the Chief Executive Officer against key performance objectives on an annual basis.

Remuneration

Remuneration includes costs to the Company of benefits in addition to cash. In accordance with Section 211 of the Companies Act 1993 the remuneration and other benefits in excess of \$NZ100,000 paid to current employees of the Company are:

Salary bands	30 June 26	30 June 25
100-110	9	2
110-120	3	2
120-130	1	–
130-140	–	1
140-150	1	2
150-160	1	1
160-170	1	–
190-200	–	1
200-210	2	1
220-230	1	1
240-250	–	1
250-260	1	–
390-400	1	1



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Financial Statements

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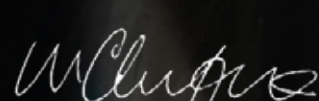
Financial Statements

The directors are pleased to present the audited financial statements of EcoCentral Limited for the year ended 30 June 2026.

For and on behalf of the Board



Mark Jordan
23 September 2026
Chair



Mark Christensen
23 September 2026
Director

Statement of comprehensive income
For the Year Ended 30 June 2026

	Note	30 June 26 \$'000	30 June 25 \$'000
Revenue			
Operating and other revenue	2	56,707	53,723
Financial income	3	244	421
Other gains	4	70	82
Total revenue		57,021	54,227
Expenditure			
Depreciation, amortisation and impairment	5	4,761	4,057
Finance costs	6	476	592
Personnel costs	7	10,080	9,963
Other expenses	8	38,281	36,328
Total expenditure		53,598	50,940
Surplus before tax		3,423	3,287
Income tax expense	10a	992	893
Surplus after tax		2,431	2,393
Total comprehensive income		2,431	2,393

The accompanying notes form part of these financial statements

Statement of financial position
As at 30 June 2026

	Note	30 June 26 \$'000	30 June 25 \$'000
Current assets			
Cash and cash equivalents	11	9,164	4,926
Short-term deposits		–	3,000
Trade and other receivables	12	3,418	3,187
Prepayments		53	42
Inventories	13	765	660
Total current assets		13,399	11,815
Non-current assets			
Property, plant and equipment	14	6,380	6,975
Right of use assets	15	7,354	8,770
Deferred tax asset	10d	936	1,081
Total non-current assets		14,669	16,827
Total assets		28,068	28,642
Current liabilities			
Trade and other payables	16	4,612	4,213
Employee entitlements	17	1,293	1,399
Provisions	18	–	213
Deferred income	19	221	221
Lease liabilities	20	2,834	2,566
Current tax liabilities	10b	256	778
Total current liabilities		9,216	9,390
Non-current liabilities			
Lease liabilities	20	4,987	6,596
Deferred income	19	388	610
Total non-current liabilities		5,375	7,206
Total liabilities		14,591	16,596
Net assets		13,477	12,046
Equity			
Capital and other equity instruments	21	6,100	6,100
Retained earnings	22	7,377	5,946
Total equity		13,477	12,046



Mark Jordan
Chair
For and on behalf of the Board



Mark Christensen
Director

The accompanying notes form part of these financial statements

Statement of changes in equity
For the Year Ended 30 June 2026

		Share capital \$'000	Retained Earnings \$'000	Total \$'000
	Note	21	22	
30 June 2025				
Balance at beginning of financial year		6,100	4,552	10,653
Net profit		–	2,393	2,393
Total comprehensive income		–	2,393	2,393
Dividends paid		–	(1,000)	(1,000)
Balance at end of financial year		6,100	5,946	12,046
30 June 2026				
Balance at beginning of financial year		6,100	5,946	12,046
Net profit		–	2,431	2,431
Total comprehensive income		–	2,431	2,431
Dividends paid		–	(1,000)	(1,000)
Balance at end of financial year		6,100	7,377	13,477

The accompanying notes form part of these financial statements

Statement of cash flows
For the Year Ended 30 June 2026

	Note	30 June 26 \$'000	30 June 25 \$'000
Cash flows from operating activities			
Receipts from customers and other sources		56,271	53,025
Interest received		244	421
Payments to suppliers and employees		(48,413)	(46,082)
Tax payments		(1,368)	(1,309)
Interest and other finance costs paid		(476)	(592)
Net cash flow from operating activities	23	6,257	5,464
Cash flows from investing activities			
Payment for property, plant and equipment		(1,443)	(2,765)
Proceeds from sale of property, plant and equipment		136	201
Proceeds from/(payment for) Short-term deposit		3,000	(3,000)
Net cash flow from/(to) investing activities		1,694	(5,564)
Cash flows from financing activities			
Repayment of lease liabilities		(2,714)	(3,313)
Dividends paid		(1,000)	(1,000)
Net cash flow from financing activities		(3,714)	(4,313)
Net increase/(decrease) in cash and cash equivalents		4,237	(4,414)
Cash and cash equivalents at beginning of year		4,926	9,340
Cash and cash equivalents at end of year	11	9,164	4,926

The accompanying notes form part of these financial statements

Notes to the Financial Statements

1. Statement of accounting policies

Reporting entity

EcoCentral Limited is a Tier 1 for-profit entity, incorporated in New Zealand under the Companies Act 1993. EcoCentral Limited is a wholly-owned subsidiary of Christchurch City Holdings Limited.

Basis of preparation

Statement of compliance

The financial statements of the Company have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with NZ GAAP. They comply with IFRS and NZ IFRS, and other applicable financial reporting standards, as appropriate for Council Controlled Trading Organisations (CCTOs).

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain financial instruments (including derivative instruments). The accounting policies have been consistently applied in determining the earnings and cash flows for the year ended 30 June 2026, and the financial position as at that date.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of the Company is New Zealand dollars.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The main business contract with Christchurch City Council expires on 31 March 2029. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Significant accounting policies

Short term deposits

Short term deposits in the statement of financial position are investments with original maturities of more than three months and less than one year.

Foreign currency transactions

Foreign currency transactions are translated at the foreign exchange rate that exists on the day of the transaction. Foreign currency monetary assets and liabilities at the balance date are translated to NZ dollars at the rate that exists at that date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and services tax

Revenues, expenses, cash flows and assets are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense. Cash flows in respect of payments to and receipts from the Inland Revenue Department are shown net in the statement of cash flows.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue, and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

There are no estimates and assumptions that have a significant risk of causing a material misstatement within the next financial year.

Management has exercised the following critical judgement in applying accounting policies:

(i) Determining the lease term

The Company determines all its lease term as the non-cancellable period of the lease, together with the periods covered by an option either to extend or to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether it is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the company considers all relevant facts and circumstances including their contractual arrangements with Christchurch City Council.

(ii) Contract Extension with Christchurch City Council

On 20 December 2023, the company signed an extension of its existing contract with the Christchurch City Council, pushing out the expiry date of this agreement from 31 January 2024 to 31 March 2029. Following this extension, the company reviewed the useful life of its assets that were tied to the original contract expiry date. With the contract now extended, the useful life of the assets has been revised to reflect the new contract expiry date.

This change in accounting estimate has been applied prospectively from 1 January 2024, in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Adoption of new and revised standards

Certain new accounting standards and amendments have been issued that are not mandatory for the year ended 30 June 2026 and have not been early adopted by the company. The company has assessed that these are not likely to influence its financial statements.

Changes in accounting policy and disclosures

The accounting policies detailed above have been applied in the preparation of these financial statements for the year ended 30 June 2026 and have been consistently applied throughout the year.

There have been no changes in accounting policies in comparison with the prior year.

Subsequent events

There were no events subsequent to balance date.

2. Operating and other revenue

	30 June 26 \$'000	30 June 25 \$'000
Revenues from contracts with customers		
Processing of waste and recyclables	45,392	43,111
Sale of goods	10,102	9,484
Hazardous waste cost recoveries	754	688
	56,247	53,284
Other revenue		
Miscellaneous income	231	218
Government grants	221	221
Net foreign exchange gain	7	–
	460	440
Total operating and other revenue	56,707	53,723

Revenue recognition

Revenue is recognised when control of a good or service transfers to the customer and is based on the fulfilment of performance obligations.

(i) Processing of waste and recyclables

The company runs three refuse stations and a materials recovery facility where recyclable materials are processed. Revenue from processing waste and recyclables is recorded when the waste or materials are received. At that point, the company's work for the customer is complete and the price has been agreed.

Most prices are fixed under pre-agreed unit rates. However, some contracts have variable pricing and there is an annual adjustment based on company performance.

(ii) Sale of goods

The company receives revenue from the sale of its sorted recyclable products. Revenue is recognised for the exported product when it is delivered to the port. Title for the goods pass to the customer at this point as all goods are shipped under 'free alongside ship (FAS) terms. Revenue for recyclable metals sold within New Zealand is recognised once the product is delivered to the customer. Revenue for all other recyclable product sold within New Zealand is recognised once the goods are picked up by the customer. The company's performance obligations for each customer are satisfied at the time delivery or pick up has been made as no further work or processing is required.

The company runs a retail store that sells recycled goods that have been delivered by the public. Revenue is recognised when the company sells goods to the customer. Payment for each transaction is due immediately. The company offers a 60 day warranty for whiteware and electronic products over the value of \$250. Based on accumulated experience, it is highly probable that a significant reversal in cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

(iii) Hazardous waste cost recoveries

The company has a contract with the Christchurch City Council to invoice for the cost of disposal of hazardous waste received at its refuse stations. Revenue is recognised when the costs of disposal have been determined and a customer invoice has been generated. The company's performance obligations for each transaction are satisfied when the hazardous waste is removed from EcoCentral's property by the respective contractor.

3. Finance income

	30 June 26 \$'000	30 June 25 \$'000
Interest income – bank deposits	244	421
	244	421

4. Other gains

	30 June 26 \$'000	30 June 25 \$'000
Other gains		
Gains on disposal of property, plant and equipment	70	82
	70	82

5. Depreciation, amortisation and impairment

	30 June 26 \$'000	30 June 25 \$'000
Depreciation of property, plant and equipment	1,973	1,338
Depreciation of right of use assets	2,788	2,719
	4,761	4,057

6. Finance costs

	30 June 26 \$'000	30 June 25 \$'000
Interest on leases	476	592
	476	592

7. Personnel costs

	30 June 26 \$'000	30 June 25 \$'000
Salaries and wages	9,612	9,386
KiwiSaver contributions	290	265
Increase/(decrease) in employee entitlements	(106)	86
Other	284	226
	10,080	9,963

8. Other expenses

	30 June 26 \$'000	30 June 25 \$'000
Disposal costs	31,763	29,841
Repairs and maintenance	1,353	1,490
Directors' fees	195	201
Net foreign exchange losses	–	18
Other operating expenses	4,970	4,778
	38,281	36,328

Disposal costs relates to the cost of refuse disposal to landfill.

9. Remuneration of auditors

	30 June 26 \$'000	30 June 25 \$'000
The Audit Office		
Audit of the financial statements	95	102
	95	102

10. Income taxes

	30 June 26 \$'000	30 June 25 \$'000
(a) Components of tax expense		
Taxation payable for current year	934	1,012
Adjustment to tax expense in prior years	(62)	–
Adjustments to deferred tax in prior year	(25)	33
Deferred tax expense/(income)	145	(152)
Total tax expense	992	893
Reconciliation of prima facie income tax:		
Net profit before tax	3,423	3,287
Income tax expense calculated at 28%	959	920
Expenses not deducted for income tax	2	2
Deferred tax adjustment	32	(28)
Total tax expense	992	893
(b) Current tax payables		
Taxation payable	256	778
	256	778
Current tax is the amount of income tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.		
(c) Imputation credit account		
Imputation credits available for use in subsequent periods	2,665	2,207
	2,665	2,207

	Opening balance \$'000	Profit/Loss \$'000	Closing balance \$'000
(d) Deferred tax balance			
30 June 2025			
Deferred tax asset:			
Property, plant and equipment	579	(147)	432
Provisions and employee entitlements	393	22	415
Doubtful debts and impairment losses	–	1	1
Deferred Income	–	233	233
	972	109	1,081
30 June 2026			
Deferred tax assets:			
Property, plant and equipment	432	22	454
Provisions and employee entitlements	415	(105)	310
Doubtful debts and impairment losses	1	–	1
Deferred Income	233	(62)	171
	1,081	(145)	936

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.



11. Cash and cash equivalents

	30 June 26 \$'000	30 June 25 \$'000
NZD Balances	9,160	4,922
AUD Balances	1	2
USD Balances	3	3
	9,164	4,926

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

12. Trade and other receivables

	30 June 26 \$'000	30 June 25 \$'000
(a) Current trade and other receivables		
Trade receivables (before impairment)	1,604	1,681
Other related parties	1,817	1,509
	3,421	3,190
Provision for impairment – trade receivables	(3)	(3)
	3,418	3,187
(b) Credit risk aging of receivables		
The company has reviewed the approach to measuring expected credit losses and considers the use of the NZ IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for financial assets to be appropriate.		
Gross receivables		
Not past due	3,372	3,123
Past due	50	67
	3,421	3,190
Impairment		
Past due more than 60 days	(3)	(3)
	(3)	(3)
Movement in provisions for impairment of receivables		
Balance at start of the year	(3)	(3)
Provisions made during the year	–	–
	(3)	(3)

Trade receivables, which generally have 30–60 day terms, are recognised initially at fair value and subsequently less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis at an operating level. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised following an expected credit loss model, using a simplified approach.



13. Inventories

	30 June 26 \$'000	30 June 25 \$'000
Inventory – spare parts	620	443
Inventory – finished goods	145	217
	765	660

Inventories are finished goods valued at the lower of cost and net realisable value.

14. Property, plant and equipment

Reconciliation of movement in property, plant and equipment

	Buildings \$'000	Plant & equipment \$'000	Total \$'000
Cost			
Cost at 1 July 2024	4,904	29,897	34,801
Additions	78	2,039	2,116
Disposals	–	(644)	(644)
Net movements in work in progress	(50)	1,495	1,445
Cost at 30 June 2025	4,932	32,787	37,719
Cost at 1 July 2025	4,932	32,787	37,719
Additions	–	3,044	3,044
Disposals	(33)	(1,698)	(1,731)
Net movements in work in progress	–	(1,602)	(1,602)
Cost at 30 June 2026	4,899	32,531	37,430
Accumulated depreciation			
Balance at 1 July 2024	(4,424)	(25,507)	(29,931)
Disposals	–	525	525
Depreciation expense	(111)	(1,226)	(1,338)
Balance at 30 June 2025	(4,535)	(26,208)	(30,743)
Balance at 1 July 2025	(4,535)	(26,208)	(30,743)
Disposals	33	1,633	1,665
Depreciation expense	(110)	(1,863)	(1,973)
Balance at 30 June 2026	(4,613)	(26,438)	(31,051)
Carrying amount at 30 June 2025	397	6,579	6,975
Carrying amount at 30 June 2026	287	6,093	6,380

The values in Note 14 include Work in Progress for 2026 \$143K (2025: \$1,745K).

Property, plant, and equipment are recognised at its historical cost less accumulated depreciation and any accumulated impairment losses.

Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

Buildings	8–20 years
Plant and equipment	2–15 years
Motor vehicles	3–10 years
IT Systems & Equipment	2–10 years
Furniture & Fittings	3–15 years

The plant and equipment relating to the materials recycling facility has been assessed as having its useful economic life expiring at the end of the contract term for the delivery of these services.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant, and equipment are recognised at its cost.

The assets' residual values, useful lives and depreciation methods are reviewed annually, and adjusted if appropriate, at each financial year end.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amounts of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

An item of property, plant and equipment is de-recognised after disposal or when no further future economic benefits are expected from its use or disposal.

Impairment

Items of property, plant and equipment are assessed for impairment on an annual basis. There was no impairment recognised during the current year or previous years.

15. Right of use assets

	Land & buildings \$'000	Total \$'000
Cost		
Cost at 1 July 2024	22,453	22,453
Additions	367	367
Cost at 30 June 2025	22,819	22,819
Cost at 1 July 2025	22,819	22,819
Additions	1,372	1,372
Cost at 30 June 2026	24,191	24,191
Accumulated depreciation		
Balance at 1 July 2024	(11,330)	(11,330)
Depreciation expense	(2,719)	(2,719)
Balance at 30 June 2025	(14,049)	(14,049)
Balance at 1 July 2025	(14,049)	(14,049)
Depreciation expense	(2,788)	(2,788)
Balance at 30 June 2026	(16,837)	(16,837)
Carrying amount at 30 June 2025	8,770	8,770
Carrying amount at 30 June 2026	7,354	7,354

Ecocentral's significant leases arise from the contractual arrangements with Christchurch City Council for waste processing and recovery and relate to land and buildings associated with operating the EcoDrops, Materials Recovery Facility and the EcoShop. In accordance with NZ IFRS 16 these leases are recognised as right of use assets and a corresponding lease liability is raised as the lease term exceeds 12 months.

Right of use assets are initially measured at cost (being the present value of the future lease payments at initial recognition) and are being depreciated over the term of lease with CCC which expires in March 2029.

Where there is a change in lease terms or lease payments, such as a contract modification, the lease liability is remeasured and a corresponding adjustment is made to the associated right of use asset. The associated lease liabilities are detailed in note 20.

Lease payments for short term leases and low value leases are recognised as an expense on a straight line basis over the lease term.

16. Trade and other payables

	30 June 26 \$'000	30 June 25 \$'000
Trade payables and accrued expenses	1,423	1,294
Amounts due to related parties	3,147	2,893
GST payable	41	25
	4,612	4,213

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.



17. Employee entitlements

	30 June 26 \$'000	30 June 25 \$'000
Current portion		
Accrued pay	223	194
Annual leave	832	987
Long service leave	88	100
Bonuses and redundancy provision	150	118
	1,293	1,399

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Long Service Leave

EcoCentral's net obligation in respect of long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Three key assumptions used in calculating this liability include the discount rate, staff turnover and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability. Expected future payments are discounted using forward discount rates derived from the New Zealand government 10 year bonds. The salary inflation factor has been determined after considering historical salary and wage inflation patterns.

18. Provisions

	Other provisions \$'000	Repairs & maintenance provisions \$'000	Total \$'000
Balance at 1 July 2024	216	45	261
Amounts used	(28)	(19)	(47)
Balance at 30 June 2025	188	25	213
Balance at 1 July 2025	188	25	213
Amounts used	(188)	(25)	(213)
Balance at 30 June 2026	–	–	–

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the entity expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

19. Deferred income

	30 June 26 \$'000	30 June 25 \$'000
Government grants		
Current	221	221
Non current	388	610
	610	831

Government grants are not recognised until there is a reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the company should purchase, construct, or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Revenue recognised from Government grants and assistance is disclosed under operating and other revenue (see note 2).

On 26th August 2020, the New Zealand Government announced it would invest \$36.7 million in high-tech recycling plants nationwide. On 21st January 2021, EcoCentral signed deeds of funding with the Ministry for the Environment (MfE) to receive up to \$1.8 million grant funding for a plastics optical sorter and up to \$15 million grant funding for a fibre optical and mechanical sorter. This project was completed in December 2022. The \$16.8M MfE grant was initially recognised as deferred revenue and is subsequently being recognised as government grant revenue over the useful life of these assets. During the current year, \$221K of this balance has been recognised as government grant revenue (2025: \$221K). The actual cost for this project is now recognised in Property, Plant and Equipment (refer to Note 14).

20. Lease liabilities

	30 June 26 \$'000	30 June 25 \$'000
Current		
Non related parties	697	599
Related parties	2,137	1,967
	2,834	2,566
Non current		
Non related parties	943	576
Related parties	4,044	6,020
	4,987	6,596
	7,820	9,162
Maturity analysis		
Year 1	3,201	3,014
Year 2	3,105	2,714
Year 3	2,137	2,620
Year 4	–	1,787
	8,442	10,136

The majority of lease liabilities relate to the right of use assets described in note 15. Lease liabilities represent the fair value of future lease payments and after initial recognition are measured by increasing the carrying amounts to reflect interest and reducing the balance to reflect lease payments made. Where there is a change in lease terms or lease payments, such as contract modification, the lease liability is remeasured.

21. Capital and other equity instruments

	30 June 26 \$'000	30 June 25 \$'000
Fully paid redeemable preference shares		
Balance at 1 July	6,100	6,100
Balance at 30 June	6,100	6,100

In August 2012 5,000,000 redeemable preference shares were issued for \$1.00 per share, taking the share capital to 6,100,000 fully paid redeemable preference shares and 100 ordinary \$1.00 shares held by CCHL. These are the same as the authorised share capital. There were no changes to the number of issued shares during the current year or the previous year.

22. Retained earnings

	30 June 26 \$'000	30 June 25 \$'000
Balance at 1 July	5,946	4,552
Net profit for the period	2,431	2,393
Dividends paid	(1,000)	(1,000)
Balance at 30 June	7,377	5,946

During the year ended 30 June 2026, EcoCentral Limited declared and paid a dividend of \$0.16393 per share, \$1,000,000 (2025: \$0.16393 per share, \$1,000,000), to the shareholder, Christchurch City Holdings Limited.

23. Reconciliation of surplus to net cash flows from operating expenses

	30 June 26 \$'000	30 June 25 \$'000
Surplus for the period	2,431	2,393
Add/(less) non-cash items		
Depreciation, amortisation and impairment expense	4,761	4,057
Deferred tax charged/(credited) to income	145	(109)
	4,906	3,948
Add/(less) items classified as investing or financing activities		
Gain on disposal of property, plant & equipment	(70)	(82)
Deferred government grants credited to income	(221)	(221)
	(292)	(303)
Add/(less) movement in working capital items		
Trade and other receivables	(231)	(437)
Inventories	(105)	(60)
Prepayments	(10)	(6)
Trade and other payables	398	200
Provisions	(213)	(47)
Employee entitlements	(106)	86
Income tax payable	(522)	(307)
New changes in net assets and liabilities	(788)	(573)
Net cash from operating activities	6,257	5,464

24. Capital commitments

	30 June 26 \$'000	30 June 25 \$'000
As at 30 June 2026, the Company has the following capital commitments:		
(a) Capital commitments		
Property, plant and equipment – other	561	305
	561	305

25. Contingent liabilities and contingent assets

As at 30 June 2026 there were no contingent liabilities and no contingent assets (2025: Nil).



26. Financial instrument risks

Interest rate risk management

The Company's principal financial instruments comprise receivables, payables, bank loans and overdrafts, finance leases, cash and short-term deposits and derivatives.

Risk exposures and responses

The main risks arising from the financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The board reviews and agrees policies for managing each of these risks as summarised below. Primary responsibility for the identification and control of financial risks rests with the Chief Financial Officer under the authority of the board. The board reviews and agrees policies for managing each of the risks identified below, including the setting of limits for trading in derivatives, hedging cover of foreign currency and interest rate risk, credit allowances, and future cash flow forecast projections.

Interest rate risk

At balance date, the Company had the following mix of financial assets and liabilities exposed to New Zealand variable interest rate risk that are not designated in cash flow hedges. The following table summarises the Company's exposure to interest rate risk:

	30 June 26		30 June 25	
	Fixed \$'000	Variable \$'000	Fixed \$'000	Variable \$'000
Financial assets				
Cash and cash equivalents	–	9,164	–	4,926
Short term deposits	–	–	–	3,000
Trade and other receivables	1,600	–	1,678	–
Related party receivables	1,817	–	1,509	–
	3,418	9,164	3,187	7,926
Financial liabilities				
Lease liabilities	1,639	–	1,175	–
Lease liabilities – related parties	6,181	–	7,987	–
	7,820	–	9,162	–

Foreign currency risk management

Foreign currency risk is the risk that the value of the assets and liabilities or revenues and expenses will fluctuate due to changes in foreign exchange rates. The Company is exposed to currency risk as a result of transactions that are denominated in a currency other than New Zealand dollars. During the year, approximately 10.5% of sales were denominated in foreign currencies (2025: 10.0%), while almost all costs continued to be incurred in New Zealand dollars.

Capital management

The Company's capital includes share capital, reserves and retained earnings. The Company's policy is to maintain a strong capital base to maintain investor, creditor, and market confidence and to sustain future development of the business.

The board of directors regularly reviews the company's policies in respect of the management and allocation of capital. There has been no material change to the company's management and allocation of capital during the year. The Company is not subject to externally imposed capital requirements.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the entity. Credit risk arises from the Company's financial assets, which comprise cash and cash equivalents, trade and other receivables. The exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of the financial assets as outlined in each applicable note. The Company does not hold any credit derivatives to offset its credit exposure.

The Company only trades with recognised, creditworthy third parties, and as such collateral is not requested nor is it a policy to scrutinise its trade and other receivables. It is a policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer. These risk limits are regularly monitored. In addition, receivable balances are monitored on an on-going basis with the result that the level of bad debts has not been significant.

The Company has not renegotiated the terms of any financial assets which would result in the carrying amount no longer being past due or avoid a possible past due status other than trade receivables.

The following table summarises the maximum exposure to credit risk as at balance date:

	30 June 26 \$'000	30 June 25 \$'000
Maximum exposure to credit risk		
Cash at bank, term deposits and foreign currency	9,164	7,926
Trade and other receivables	3,418	3,187
	12,581	11,113
Counterparties		
Cash at bank, term deposits and foreign currency	9,164	7,926
	9,164	7,926

Liquidity risk

Liquidity risk arises from the Company's financial liabilities and its ability to meet obligations as they fall due. The Company's objective is to maintain adequate funding to ensure obligations can be met, while also making efficient use of available credit facilities.

The Company manages its liquidity risk by monitoring the total cash inflows and outflows expected on a monthly basis. In general, the Company generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities.

The following table summarises the Company's contractual cash flows for its financial assets and liabilities into relevant maturity groupings based on the remaining period at year end to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows:

	Balance sheet \$'000	Contractual cash flows \$'000	Less than 1 year \$'000	1-2 Years \$'000	2-5 Years \$'000	5 years + \$'000
30 June 2026						
Financial assets						
Cash and cash equivalents	9,164	9,164	9,164	–	–	–
Short-term deposits	–	–	–	–	–	–
Trade and other receivables	1,600	1,600	1,600	–	–	–
Related party receivables	1,817	1,817	1,817	–	–	–
	12,581	12,581	12,581	–	–	–
Financial liabilities						
Trade and other payables	4,612	4,612	4,612	–	–	–
Lease liabilities	1,639	1,751	768	672	312	–
Lease liabilities – related parties	6,181	6,691	2,433	2,433	1,825	–
	12,432	13,054	7,812	3,105	2,137	–
30 June 2025						
Financial assets						
Cash and cash equivalents	4,926	4,926	4,926	–	–	–
Short-term deposits	3,000	3,000	3,000	–	–	–
Trade and other receivables	1,678	1,678	1,678	–	–	–
Related party receivables	1,509	1,509	1,509	–	–	–
	11,113	11,113	11,113	–	–	–
Financial liabilities						
Trade and other payables	4,213	4,213	4,213	–	–	–
Lease liabilities	1,175	1,250	645	344	261	–
Lease liabilities – related parties	7,987	8,886	2,370	2,370	4,147	–
	13,375	14,349	7,228	2,714	4,408	–

Commodity price and demand risk

The Company acknowledges the significant risk/benefit of material fluctuations in the commodity prices and demand of EcoSort products which are influenced by international demand. It does mitigate some of this risk by tendering and entering into supply contracts, and through the structure of its commercial contracts for incoming comingled product. In addition, the Company maintains sufficient financial flexibility through its statement of financial position to withstand commodity price fluctuations.

Classification of financial assets and liabilities

The following tables classify the company's financial assets and liabilities between the various categories set out in NZ IFRS 9 and NZ IFRS 7:

	30 June 26 \$'000	30 June 25 \$'000
Financial assets		
Financial assets at amortised cost		
Cash and cash equivalents	9,164	4,926
Short-term deposits	–	3,000
Trade and other receivables	3,418	3,187
Total financial assets	12,581	11,113
Financial liabilities		
Financial liabilities at amortised cost		
Trade and other payables	4,612	4,213
Lease liabilities	7,820	9,162
Net financial assets and liabilities	12,432	13,375

27. Related parties

	30 June 26 \$'000	30 June 25 \$'000
1 CCHL		
1(a) Transactions with CCHL		
Dividend paid	1,000	1,000
2 CCHL Subsidiaries		
2(a) Transactions with CCHL Subsidiaries		
Services provided to CCHL Subsidiaries	792	674
2(b) Balances with CCHL Subsidiaries		
Other balances owing by CCHL subsidiaries	70	58
3 CCC		
3(a) Transactions with CCC		
Services provided to CCC	18,092	17,135
Services provided by CCC	1,186	1,450
Lease payments to CCC – principle	2,019	1,858
Lease payments to CCC – interest	414	511
3(b) Balances with CCC		
Other balances owing by CCC	1,747	1,451
Other balances owing to CCC	612	566
Lease liabilities owing to CCC	6,181	7,987
4 Group entities excluding CCHL and CCC		
4(a) Transactions with group entities		
Services provided by group entities	29,103	27,302
4(b) Balances with group entities		
Other balances owing to group entities	2,610	2,378

The relationships above arise from EcoCentral Limited being 100% owned by Christchurch City Holdings Limited (CCHL) and the ultimate shareholder being Christchurch City Council (CCC).

EcoCentral Limited incurred charges of \$29,103,372 in 2026 (2025: \$27,302,477) in relation to the disposal of waste, to Transwaste Canterbury Ltd, a company in which CCC has a material shareholding.

No provision has been required, nor any expense recognised for impairment of receivables or other receivables to related parties (2025: \$nil).

During the year, no tax losses were transferred by subvention payment (2025: \$nil).

The Company has a contract with CCC until 31 March 2029 to run the 3 refuse stations in the city and the sorting plant for kerbside recycling.

5 Directors

Michelle Henderson was a Director of Meridian Energy Limited who provided electricity for EcoCentral Limited for the year totalling \$142,544 (2025: \$139,397). As at 30 June 2026, \$15,028 (2025: \$12,552) was owing to Meridian Energy Limited.

28. Remuneration

	30 June 26 \$'000	30 June 25 \$'000
Directors remuneration		
Mark Andrew Jordan (paid to Mark Jordan Ltd)	77	77
Mark Christensen (paid to Natural Resources Law Ltd)	44	43
Jacqueline Cheyne	40	27
Benjamin Reed	13	40
Glen Hughes (paid to Resource Co-ordination Partnership Trust RCP)	13	–
Michelle Hendersen (paid to Red Rabbit & Co Limited)	7	–
Sinead Horgan (paid to Morrison Horgan Ltd)	–	15
	195	201
Key management personnel remuneration		
Salaries and short term employee benefits	1,874	1,843

Key management personnel:

Craig Downie	Chief Executive Officer
Rob Wilson	Operations Manager
Vaughan Whitehead	Chief Financial Officer
Carol Allen	People & Capability Manager
Brandon Craine	Commercial Manager
Wayne Hocking	EcoDrop Manager
John Sandys	EcoSort Manager
Julie Radcliffe	EcoShop and Resource Recovery Manager
Judith Adams	Finance Manager

Financial performance targets

Financial performance targets	SOI \$'000	30 June 26 Actual \$'000
The financial performance targets for EcoCentral Limited were as follows:		
Revenue	56,800	57,021
Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)	6,290	8,416
Net profit after tax (NPAT)	963	2,431
Debt to EBITDA	–	–
Return on Capital	13.9%	19.1%
Equity	11,659	13,477
Debt	–	–
Shareholder Funds to Total Assets	48.1%	48.0%
Dividend Paid	750	1,000



Key operational performance targets	SOI Targets	Actual 2026	Commentary
EcoDrop Waste minimisation	Divert >60,000 tonnes from landfill	60,166	Achieved
EcoSort Plastic & Fibre quality	>95% processed and baled recyclables sold to external customers	97%	Achieved
EcoShop/Resource Recovery Number of customer sales	> 130,000	149,642	Achieved
Total Resource Recovery tonnes diverted from landfill.	> 7,500	9,512	Achieved
Continual improvement in health and safety Deliver Safe work observations as per the HSE Plan	150	159	Achieved
Zero serious harm incidents	0	0	Achieved
Zero workplace fatalities.	0	0	Achieved
Effective stakeholder engagement Implement the board approved stakeholder engagement plan			Achieved
Improve performance through a demonstrable commitment to diversity, equity and engagement The target was to achieve a 40/40/20 gender ratio at the shortlisting stage for each recruitment process. While this target was not achieved for every recruitment undertaken during the year, the overall outcome across all appointments was 41% female and 59% male. Continue to implement action plan to close gender pay gap by 2030.	40/40/20 male/female/any ratio –	Achieved for 33% of all recruitments –	Not achieved 2030 target
Maintain staff engagement >70%.	> 70%	74.7%	Achieved
Reduce Greenhouse Gas Emissions and provide reduction activity data for reporting purposes 10.5% reduction in a scope 1 and 2 emissions from year ended 30 June 2019 (base year), supporting the overall 42% reduction target by 2030.	10.5% Reduction from year ended 30 June 2019	16%	Achieved

Greenhouse gas emissions inventory

EcoCentral prepares an annual greenhouse gas (GHG) emissions inventory that quantifies the GHG emissions attributable to EcoCentral's operations within the declared boundary for each reporting period which is EcoCentral's financial year ending 30 June 2026.

The GHG emissions inventory is prepared following the GHG Protocol Corporate Accounting and Reporting Standard. The inventory includes Scope 1 and Scope 2.

Scope	Category	Tonnes of CO ₂ e	
		30 June 26	30 June 19
Scope 1	Mobile combustion	486	599
Scope 2	Purchased electricity (location based)	136	140
Total Scope 1 and 2		622	739

For the year ended 30 June 2026, EcoCentral's total Scope 1 and 2 GHG emissions were 622 tCO₂e, representing a 16% reduction against the 2019 baseline of 739 tCO₂e.

Organisational boundary and consolidation approach

EcoCentral accounts for GHG emissions using the operational control consolidation approach. This includes 100 percent of emissions from operations under EcoCentral's operational control, including all EcoCentral facilities.

GHG emissions sources and emissions factors

Scope 1 and 2 emissions are calculated using activity data obtained directly from fuel and electricity suppliers. This data is combined with independent published emissions factors to calculate emissions. The majority of the emissions factors used in the inventory are sourced from the Ministry for the Environment's Measuring Emissions Catalogue 2026.

Uncertainty

There is a level of inherent uncertainty in reporting GHG emissions, which is due to uncertainty in measuring emissions factors as well as the estimation uncertainty in the measurement activity quantity data.

A close-up photograph of a person's hand operating a large, industrial valve. The person is wearing a blue long-sleeved shirt and an orange safety vest with reflective white stripes. The valve has a large, circular wooden wheel with a metal rim. The background is blurred, showing an outdoor industrial setting with various pipes and structures.

**ECO
CENTRAL**

Report of the Auditor General



Independent Auditor's Report

To the readers of EcoCentral Limited's financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of EcoCentral Limited (the Company). The Auditor-General has appointed me, Yvonne Yang, using the staff and resources of The Audit Office, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the Company that comprise the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include material accounting policy information and other explanatory information on pages 20 to 51; and
- the performance information that consists of the statement of service performance for the year ended 30 June 2026 on pages 52 to 55.

In our opinion:

- the financial statements of the Company present fairly, in all material respects its financial position as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards; and
- the performance information accurately reports, in all material respects, the Company's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026, and has been prepared, in material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Basis for our opinion

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

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

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

Responsibilities of the Board of Directors for the financial statements and performance information

The Board of Directors is responsible on behalf of the Company for preparing financial statements that are fairly presented and comply with New Zealand equivalents to International Financial Reporting Standards. The Board of Directors is also responsible for preparing the performance information contained in the statement of service performance of the Company in accordance with the Act.

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

In preparing the financial statements and performance information, the Board of Directors is responsible on behalf of the Company for assessing the Company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and performance information.

For the budget information reported in the performance information, our procedures were limited to checking that the information agreed to the Company's statement of intent.

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

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the Company's readers to judge the actual performance of the Company against its objectives in its statement of intent.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and performance information consisting of statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and performance information or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

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

Other than in our capacity as auditor, we have no relationship with, or interests in, the Company.



Yvonne Yang
The Audit Office
On behalf of the Auditor-General
Christchurch, New Zealand
23 September 2026

Statutory disclosures

The following are particulars of general disclosures of interest given by the Company pursuant to Section 140(2) of the Companies Act 1993:

Directors’ interests

The following Directors have made general disclosures of interest with respect to any transaction that may be entered into with certain organisations on the basis of their being a Director, Partner, Trustee or Officer of those organisations during the year:

Mark Andrew Jordan	Central Express Ltd – Director Charter Trucks (2008) Ltd – Director Keith Andrews Ltd – Director Keith Andrews Trucks Ltd – Director Keith Andrews Holdings Ltd – Director Landpower Group Ltd – Director Mark Jordan Ltd – Director/Shareholder Wealleans Groundspread Ltd – Advisor (resigned 3/09/2024) Wigram Close Investments Ltd – Director AMURI Irrigation – Director
Mark Christensen	Animal Control Products Ltd – Director Better World Initiative Trust – Trustee Committee for Canterbury Trust – Trustee EEB Trustee Company – Director Lake Hood Extension Project Joint Venture – Independent Chair (resigned 31/01/2026) Life Sciences Network Charitable Trust – Trustee Natural Resources Law Ltd – Director/Shareholder Pest Free Banks Peninsula Initiative (Project Oversight Group) – Chair (resigned 30/03/2025)
Jacqueline Cheyne (appointed 24/11/2024)	External Reporting Board – Board Member Sustainability Reporting Board – Board Member Queenstown Airport Corporation – Director Pioneer Energy Ltd – Director Stride Property Ltd – Director (resigned 30/11/2024) Snow Sports Ltd – Chair (resigned 20/03/2026)
Glen Hughes (appointed 24/02/2026)	Harrison Grierson Consultants Ltd – Shareholder Rata Business Trust – Director Resource Coordination Partnership Ltd (RCP) – Senior Associate
Benjamin Elliott Reed (retired 30/10/2025)	C W F Hamilton & Co Ltd and subsidiaries – Managing Director Learning City Christchurch – Trustee (retired 1/01/2025) Link Engine Management Limited – Independent Director Yarns Men – Trustee
Michelle Henderson (appointed 20/10/2025) (resigned 27/01/2026)	Cycling NZ Incorporated – Board Member Meridian Energy Ltd – Director New Zealand Post – Director Red Rabbit & Co Ltd – Director and Shareholder South Port NZ Ltd – Director

Remuneration of Directors

Remuneration was paid to six Directors totalling \$194,583 during 2026 for services (2025: \$201,250). There were no other benefits paid or due to directors for services as a director or in any other capacity during the year (2025: nil).

Use of company information

During the year the Board received no notices from directors of the Company requesting to use Company information received in their capacity as directors, which would not otherwise have been available to them.

Directory

Registered Office

Ground Floor, 9 Baigent Way
Christchurch

Principal Place of Business

Ground Floor, 9 Baigent Way
Christchurch

Chair

Mark Andrew Jordan

Directors

Mark Andrew Jordan
Mark Raymond George Christensen
Jacqueline Margaret Cheyne
Glen Hughes

Chief Executive Officer

Craig Downie

Bankers

ANZ Bank New Zealand Limited

Solicitors

Chapman Tripp Christchurch

Auditors

The Audit Office (on behalf of the
Controller and Auditor-General)
Christchurch

Ownership

100% owned by Christchurch City
Holdings Limited

Website

ecocentral.co.nz

ECO
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ECOCENTRAL

**ECO
CENTRAL
SHOP**

**ECO
CENTRAL
DROP**

**ECO
CENTRAL
SORT**