tvnz

Annual Report

FINANCIAL YEAR 2025

Contents

FY25 in Review

UNDERLYING EARNINGS (EBIT)

$4.9m

↑ YOY FY24 ($28.5M)

NET PROFIT/(LOSS) (NPAT)

$25.7m

↑ FY24 ($85m)

REVENUE

$281.1m

↓ FY24 $288.9m

COSTS

$261.2m

↓ FY24 $379.5M

DIVIDEND

$3.1m

NEW ZEALAND'S MOST WATCHED

TVNZ+ REACHED

1.59m

New Zealanders each week

TVNZ STREAMED

802,941

average weekly accounts (up 10.7% YOY)

TVNZ REACHED

Over 1.5m

viewers daily on TVNZ 1, 2 & DUKE.

TVNZ SCREENED

19/20

of New Zealand's top shows on broadcast television

AUDIENCE SHARE

47.2%

Audience Share

AN AWARD WINNING YEAR: ACHIEVEMENTS & ACCOLADES

4 wins

AT THE 2025 VOYAGER MEDIA AWARDS

Best Current Affairs (short)
Children of Prisoners

Video Journalist of the Year
Zoe Madden-Smith, Re: News

Le Mana Pacific Award
Indira Stewart

Te Tohu Kairangi Award
Te Aniwa Hurihanganui

24 wins

AT THE 2024 NZ TV AWARDS

A record nine awards for
After The Party

Best News Coverage
Cyclone Gabrielle – One Year On for 1News

Best Current Affairs Programme and Best Presenter News and Current Affairs
Q+A and Jack Tame

Best Reo Māori Programme
Te Karere

1 Gold & 1 Silver win

AT THE 2024 ANZ PROMAX AWARDS

4th

IN THE 2025 KANTAR CORPORATE REPUTATION SURVEY

2 golds

AT THE IAB DIGITAL ADVERTISING AWARDS
with TVNZ+ winning Digital Product or Service of the Year

ALASTAIR CARRUTHERS

Chair's Address

Kia ora koutou

Te Reo Tātaki | TVNZ addressed FY25 with courage and a commitment to audiences and financial sustainability. It wasn't easy, but the outcomes have been good for viewers and our shareholder.

TVNZ has returned to profitability and is able to face the future.

After a challenging FY24, trading conditions in FY25 worsened and revenue fell further amid a local economic slump and a global digital revolution.

TVNZ became leaner and advanced long held plans to thrive in a digital world. I acknowledge TVNZers from across the business in FY25. I recognise how painful the changes have been.

The company went hard on cost, supported much loved news and shows, and faced tough reprioritisation. It built cash to invest (over the next two years) in digital systems to serve New Zealanders better than any other local or international streaming platform.It booked an underlying EBIT of $4.9 million, operational profit of $10.7 million, and Net Profit After Tax (NPAT) of $25.7 million. This includes positive non-cash impairment adjustments stemming from the FY24 impairment.

Put simply, the company is now more valuable than last year. It also has larger cash reserves to keep investing in great free-to-air shows and sport, premium paid global content, and a new streaming platform that will serve every kiwi viewer well into the future.

The media market is changing fast. TVNZ's total revenue decreased by 2.7% year-on-year to $281.1 million. Challenging trading conditions in FY24 carried into FY25, and they are likely to continue until the economy recovers. The company is focused on supporting advertisers through this period and transitioning them into the thrilling and customisable world of the new digital platform.

There has been excellent progress. Digital revenue grew 12.7% year-on-year, delivering a quarter of TVNZ's revenue and this is expected to grow to a third in FY26. While not yet enough to offset declines in broadcast TV, headway is being made and an inflection point is nearing. The direction of the business is evident.

I thank all Directors and the Executive team for their hard work.

At year end, we farewelled two Directors, Linda Clark and Meg Matthews. Their insights supported the company's significant change programme and helped us navigate the complex financial landscape.

In FY26, TVNZ is forecast to deliver an underlying operations (EBIT) loss at the full year as the business invests reserves in its digitally led future.

Throughout the next two investment years, TVNZ will need to stay laser-focused on managing costs and ensuring the underlying business model remains in line with revenues. The Board will work closely with Management to support this.

I know that in FY26 TVNZ will continue to innovate and embrace new content without losing sight of its all-important purpose, 'to inspire the conversations of Aotearoa'.

Our plans will ensure the business continues to be a trusted leader of national discourse, a connector of communities and generator of conversations well into the future.

Nāku noa, nā

Alastair Carruthers
CNZM


JODI O'DONNELL

CEO's Address

Kia ora koutou katoa

The past year has been challenging, but full of momentum for TVNZ. Throughout, we have remained relentlessly focused on our Digital+ 2030 strategy. The end goal of becoming a digitally led media business is now well within sight.

We have made strong progress towards securing our future while continuing to deliver our core business of brilliant content and trusted news for New Zealanders. Global media is undergoing a significant transformation, but we are evolving with it. I am confident we are in a strong position as we enter FY26.

There have been plenty of wins for TVNZ in FY25, achieved despite adverse market and economic conditions. Our digital audience grew more than 10% year-on-year, and we retained strong audiences on broadcast, most notably growing news viewership. TVNZ rose four places to fourth in this year's Kantar Corporate Reputation Survey. Our Commercial team launched innovative new advertising products, securing Product of the Year at the IAB Awards for the TVNZ+ Activate suite. We also prepared our Auckland building for new tenancy opportunities.

Most of all, I'm proud of our people, who have deftly navigated the past year and committed themselves wholeheartedly to the journey ahead.

DIGITAL+ 2030: THE FIRST YEAR

Our vision is to be the number one streaming platform of news entertainment and sport, and our Digital+ strategy provides us with a pathway towards achieving this. We have three clear goals under our strategy – to double digital audiences, triple digital revenue, and create a sustainable business model.

In FY25, we began the build of a 'co-viewing' model, which will allow us to more accurately measure and commercialise our TVNZ+ audience. Steps towards full cross platform trading were made with audience trading and ad mirroring introduced. News on TVNZ+, launched just over a year ago and now reaches more than 250,000 New Zealanders each week. We've improved the TVNZ+ user experience with increased personalisation and functionality and added FAST (free, ad-supported television) channels to our online offering.

Alongside these growth opportunities, TVNZ continued to focus on cost and ensuring a sustainable business model. We have now aligned our business with our strategic priorities, and believe we are in the right shape and size to deliver on these in the coming years.

AOTEAROATANGA: OUR NEW ZEALANDNESS

Te Reo Tātaki is a content business, and we're proud to be the largest commissioner of local content in Aotearoa. We have a close connection with our audiences, and our viewers trust us to provide them with compelling and authentic Kiwi stories. From new shows like *Diary of a Junior Doctor*, to the beloved *Hyundai Country Calendar*, Aotearoatanga, or New Zealandness, remains at the heart of our commissioning approach. In FY25, more than 2.4 million Kiwis watched our channels each week, and 1.6 million watched TVNZ+ each week.

It was also a massive year for sport, with a huge range of events available for Kiwis to watch for free. I was particularly proud of our coverage of the Paris 2024 Paralympic Games, which reached a record 2 million Kiwis on TVNZ 1 and nearly quarter a million more accounts on TVNZ+. We also showcased another summer of cricket, as well as tennis, netball, basketball, hockey and golf.

1News at Six remains our most-watched programme both on television and on TVNZ+. The team once again delivered exceptional local and international stories, keeping the country informed. News on TVNZ+ has allowed TVNZ to share news content specifically for a digital audience, from short form news clips to in-depth current affairs like Indira Stewart's *Gang Mums* or John Campbell's *Under His Command*, and with almost nine million streams we can see the content resonating with our viewers. How we deliver content is changing, but what will stay the same is our commitment to bringing all New Zealanders the best news, sports and entertainment on screen.

TECHNOLOGY TRANSFORMATION

A fundamental part our Digital+ strategy is a comprehensive upgrade to our existing technology infrastructure. The world is now digital, but our older technology holds us back from moving at the pace we need to stay competitive. As we progress through our five-year strategy, TVNZ will move to simpler, world-class business systems.

As well as ensuring our technology is fit for a digital future, in FY25, we have invested in upskilling our people. From integration of AI tools into our workflows, to helping our leaders understand the role of data in our business through bespoke training modules, a culture with strong digital capability is important for TVNZ.

FUTURE FOCUS: YEAR TWO OF DIGITAL+ 2030 STRATEGY

We have another big year ahead of us, but we are still pursuing the same goals, and our priorities are clear. The next financial year will see a large-scale investment, self-funded through our cash reserves, to guarantee TVNZ's endurance and success in an ever-changing media landscape. This investment will be in new revenue generating products, our new TVNZ+ platform, and our upgraded technology.

I feel privileged to lead TVNZ through this transformation. Throughout it all, we will continue to be grounded by our purpose of inspiring the conversations of Aotearoa and bringing Kiwis the best content each and every day.

Ngā mihi nui

Jodi O'Donnell

Digital+
TVNZ's 2030 Strategy

For more than 60 years, as 'the leading voice', Te Reo Tātaki | TVNZ has shared the stories that matter. We have a strong brand, the nation's most-watched news and current affairs, and a world-class platform in TVNZ+. Audience behaviour is changing rapidly, and we are transforming our business so we can continue to deliver innovative digital viewing experiences which build on this legacy.

Vision

OUR FUTURE

#1 streamer for trusted news, sport and entertainment

Strategic Objective

OUR FOCUS

Prioritise digital audiences and revenue, and leverage our expertise and leadership in broadcast TV to enable our success

Strategic Pillars

OUR PRIORITIES

1. Audiences
Deliver exceptional, digital-led content and experiences for viewers

2. Revenue
Be the preferred digital platform for NZ advertisers

3. Future Business
Realign our operating and cost models with a digital-first focus

Targets

WHAT WE WILL ACHIEVE BY 2030

1. Audiences
Double digital audience

2. Revenue
Triple digital revenue

3. Future Business
Sustained profitable earnings

OFF THE GRID WITH COLIN & MANU

Rārangi Take Matua
Leading Local

TVNZ is focused on delivering a compelling programming line-up each year. As the largest commissioner of local content in Aotearoa, our ambition is to share authentic stories, which reflect Māori perspectives, celebrate our diverse communities and serve the changing face of our country.

Local will always be at the core of our offering and is a distinct point of difference in an increasingly crowded streaming market. This emphasis ensures TVNZ has a close connection with our audiences, and this will remain a fundamental part of our future as the landscape changes and evolves.

Our Content team seeks out local shows with mass appeal alongside series which meet the needs of harder to reach and diverse audiences. This considered mix across news, sport and entertainment resonated with audiences in FY25 driving TVNZ+ growth and retaining broadcast viewership on TVNZ 1, 2 and DUKE.

In FY25, TVNZ placed more than eighty local shows into production or development, with half the content budget dedicated to local content. Factual content covered diverse subject matters and interests. *Diary of a Junior Doctor* offered an unfiltered look at the lives of young medical professionals, working in Auckland's Middlemore Hospital, while *Endangered Species Aotearoa* highlighted the plight of New Zealand's endangered wildlife. Kiwi comedian Bubbah addressed life's big questions in *Don't;* Colin Fassnidge and Manu Feildel returned to screens with a brand-new format *Off the Grid with Colin and Manu*, exploring New Zealand in a vintage caravan to discover local culture, cuisine, and landscapes; while the Tipene's gained an understanding of the grieving process across the globe in *The Casketeers: Life and Death Around the World*.

The Documentary New Zealand strand told important local stories, including an inside look at New Zealand's 501 deportees and the experience of living with ADHD. David Letele returned with more thought-provoking episodes of *Heavyweight with David Letele*, and one-off docuseries *Queer Aotearoa: We've Always Been Here* shared the history and experiences of New Zealand's LGBTQ+ community. New seasons of local favourites *My Family Mystery, Hyundai Country Calendar, Four Go Flatting, The Restaurant That Makes Mistakes, Down for Love, Taskmaster NZ, Celebrity Treasure Island*, and *Cold Case* made sure viewers were informed and entertained week after week.

TVNZ capitalised on New Zealanders' property fixation. *AAI Location Location Location NZ* showcased the challenges and triumphs of finding the perfect home, and new seasons of *Moving Houses* and *Grand Designs NZ* followed ambitious Kiwis designing and building their dream homes.

We continued to grow our sports offering, cementing TVNZ as the leading free-to-view sport broadcaster and streamer. The *Paris 2024 Paralympic Games* attracted record audiences, with two million Kiwis watching on TVNZ 1, alongside an additional 240,000 accounts on TVNZ+ across the 11 days of competition. Another successful summer of Cricket saw BLACKCAPS and WHITE FERNS matches reaching 402,800 viewers on TVNZ+ and 2.23 million New Zealanders on broadcast channels. Close to one million New Zealanders watched the always entertaining *T20 Black Clash* on TVNZ 1, while new entrant to the 'sports-tainment' genre, golf event *Chasing the Fox*, reached 643,100 viewers on TVNZ 1 and almost 100,000 more on TVNZ+. Lulu Sun's groundbreaking run at the *2024 Wimbledon Championships* was a highlight for our viewers both on air and streaming. TVNZ also became the free-to-view home of the *BNZ Breakers* and *ANZ Premiership Netball* in FY25, delighting fans.

TVNZ partnered with Whakaata Māori in FY25 to celebrate *Te Matatini o Te Kāhui Maunga* with extensive coverage of all kapa haka. *Te Karere* broadcasted live from the festival for the week, and TVNZ featured an intimate look at the lead-up to the festival with *The Road to Te Matatini* showcasing what it takes to prepare for the elite competition.

Perennial favourite *Shortland Street* was relaunched at the start of 2025, stepping into an exciting and action packed three night a week format. New drama *A Remarkable Place to Die* saw shocking homicides uncovered in picturesque Queenstown, while *The Brokenwood Mysteries, The Gone* and *Under the Vines* all returned with new seasons for their loyal fanbases.

TVNZ was proud to see our premium content offering recognised with 24 wins at the 2024 NZ TV Awards, including nine awards for After the Party. Our commitment to showcasing New Zealand stories and voices remains steadfast as we move forward with our digital transformation.

A REMARKABLE PLACE TO DIE

AFTER THE PARTY

NEWS ON TVNZ+ CAMPAIGN

Trusted News

TVNZ is proud to provide high value, relevant and trusted news to all New Zealanders. In FY25, *1News at Six, Breakfast, Seven Sharp, Q+A* and *Te Karere* delivered reliable and impartial news to communities across the country, showcasing a broad spectrum of perspectives and in-depth reporting on major stories at home and abroad. A testament to its enduring importance, *1News at Six* retained its position as TVNZ's most watched programme – on air and online.

Across the year, extensive live and breaking news coverage was delivered to audiences. TVNZ journalists played a crucial role in informing New Zealanders of significance events, including the tangihanga for Kīngi Tuheitia Pootatau Te Wherowhero VII, the US Presidential election, the death of Pope Francis, and the Paris Olympics and Paralympics. Influential regional stories which served communities were also delivered, including coverage of staff and patient shortages at Nelson Hospital and the ongoing financial impacts of Cyclone Gabrielle.

At the end of FY24, TVNZ launched a dedicated home for news on TVNZ+. Offering a daily curation of news clips, in-depth stories, and investigations made exclusively for streaming audiences, News on TVNZ+ recorded 8.7 million streams in FY25 and now reaches over 250,000 viewers on a weekly basis. Built with digital audiences in mind, viewers enjoyed Indira Stewart's emotive series, *Children of Prisoners*, an investigation into the Shincheonji Church of Jesus in New Zealand in *Believers and Betrayers*; a celebration of 50 years of Auckland's Polyfest, and *Gang Mums*, a powerful series of interviews with gang-affiliated women and mothers. TVNZ Chief Correspondent, John Cambell started the year with an investigation into a mysterious death with *The Woman at the Bottom of the Stairs* and closed the year with a five-part dissection of Destiny Church in *Under His Command*.

1News.co.nz's weekly unique browsing audience sat at over 700,000 for FY25. Evening newsletter, 'Five Big Things That Happened Today' wrapped up the biggest news stories of the day. A new video series, 'News in 90 Seconds' was launched giving website visitors a new way to interact with TVNZ, and the feature amassed a total of 177,235 video plays in its first six weeks. Re: News, TVNZ's socially driven news service aimed at young New Zealanders, continued to connect with rangatahi audiences. Highlights included *Ahi Wānanga*, a six-part web series exploring what identity, belonging and resilience is to 12 young people from Aotearoa's Muslim and Māori communities, *The Regions*, a docuseries on regional rangatahi as well as reporting and explainers on a wide-range of youth issues.

TVNZ was the most popular and most trusted news source according to NZ On Air's 'Where Are The Audiences?' 2024 survey and third in AUT's annual Trust in News survey. While this is encouraging, TVNZ must continue to deepen trust with audiences in an environment where misinformation and disinformation are increasing. To support this newsroom training will roll out across the first half of FY26. 1News has already taken meaningful steps to enhance trust with several initiatives advanced, including clear disclosures of opinion content, news explainers, a Generative AI Policy which contemplates the unique position of news when engaging with AI tools, as well as a comprehensive complaints process. Many of these factors were bought together in FY25 in the codification of a new Editorial Independence policy.

TVNZ 1

Programme	Average Daily Reach
Breakfast	175,500
Te Karere	64,600
1 News	865,200
Seven Sharp	629,300
Q + A	141,300

Source: Nielsen TAM; consolidated; 01/07/24 – 30/06/25; TVNZ 1; AP 5+; Combined View; First Runs Only*

TVNZ+

Programme	Reach	Streams
Breakfast	198,267	1,522,203
Te Karere	39,624	162,697
1 News	616,015	15,751,784
Seven Sharp	183,426	914,990
Q + A	85,931	425,061

Source: GA; AP 13+; 01/07/24 – 30/06/25; Reach & Streams

AHIKĀROA

Reflecting Māori Perspectives

Te Reo Tātaki plays a unique role in connecting New Zealanders with Māori culture, history, and language. Highlighting te ao Māori and celebrating te reo Māori is in our DNA. We're focused on elevating Māori storytelling and promoting te reo Māori as a dynamic and living spoken language across our content slate. Underpinning our commitment is our Rautaki Māori, which provides us with a framework for delivering our mandate authentically and ensuring the overarching tenets of Te Tiriti o Waitangi are upheld and embodied by our business..

Events of significance formed the backbone of the of TVNZ's Māori content slate in FY25. *Te Matatini Herenga Waka Herenga Tangata 2025* was a major highlight for audiences. TVNZ and Whakaata Māori partnered to bring the festival to its broadest audience ever, showcasing high-quality reo Māori and culture on stage and engaging New Zealanders across the motu. Over 400,000 New Zealanders tuned in to TVNZ 2's coverage. On TVNZ+, 120,000 accounts watched live, and 130,000 accounts watched on demand, generating over 1.5 million streams. Accompanying programming, including a second season of *The Road To Te Matatini* further enriched the experience, enabling viewers to follow preparations for the elite kapa haka competition.

1News' extensive live coverage of the Kīngitanga tangi helped to facilitate nationwide mourning and acknowledgment of Kiingi Tuheitia's life. Lead by 1News Māori affairs correspondent Te Aniwa Hurihanganui, reporters Yvonne Tahana and Isobel Prasad, and Political Editor Maiki Sherman with support from across the newsroom, TVNZ's presentation secured runner up for Best Coverage: Live News Event at the 2025 Voyager Awards.

Matariki, a key event in the national calendar, was once again celebrated on air and online. Hosts Stacey Morrison and Mātai Smith broadcast live from the sacred Tirorangi Marae in Ohakune marking the occasion.

While the year was punctuated with significant moments, leading news and current affairs from a Māori perspective, *Te Karere*, *Marae* and *Waka Huia* continued to set the news agenda week in and week out. In FY25, Te Karere reached 65,000 viewers on air daily and another 40,000 online, offering a dedicated and nuanced Māori perspective on important stories. Our Māori news offering extended through to online with a Te Ao Māori home on 1News.co.nz and Re: catering for rangatahi audiences with exclusive streaming content including *My First Whare*, *Ahi Wananga* and *The Regions*.

Primetime and TVNZ+ content informed New Zealanders, with Tāmati Rimene-Sproat exploring Aotearoa's most pristine landscapes in a fifth season of *Wild Kai Legends*; David Letele returning with two specials, *Patched* and *Tipping the Scales*, to examine issues impacting Māori and Pacifica communities; Scotty and Stacey Morrison presenting a second season of *National Treasures*; and Francis and Kaiora Tipene embarking on a new adventure *The Casketeers: Life and Death Around the Globe*. In the scripted space, a sixth season of award-winning series *Ahikāroa* reached streaming audiences, *Hui Hoppers* served up more family drama and delicious kai and *Dead Ahead* blended humour and heart, with three tūpuna unleashed on the Wharekoa whanau.

While dedicated Māori content shone across FY25, utilisation of te reo Māori across the content slate including *1News* bulletins, *Shortland Street*, and Cricket commentary played an important role in the normalisation and revitalisation of te reo Māori, encouraging viewers to learn new words and have a greater understanding of our unique heritage.

To support the content shown on screen, in FY25, TVNZers expanded their capabilities and skills through in-house te reo Māori lessons. Now in its fifth year, over 200 kaimahi have participated in the beginners programme, with a number continuing their studies to intermediate and advanced levels. In addition, four TVNZ senior managers participated in the Tupu Toa Leadership programme which included five immersive wānanga, each designed to develop leadership capability, strengthen cultural identity, and foster meaningful connections. TVNZers also came together to celebrate Māori Language Week and Matariki. These occasions provided an opportunity to deepen our understanding of Māori culture and foster a sense of unity within the workplace with shared kai and waiata.

AHI WANANGA

THE CASKETEERS: LIFE AND DEATH AROUND THE GLOBE

Streaming Superstars

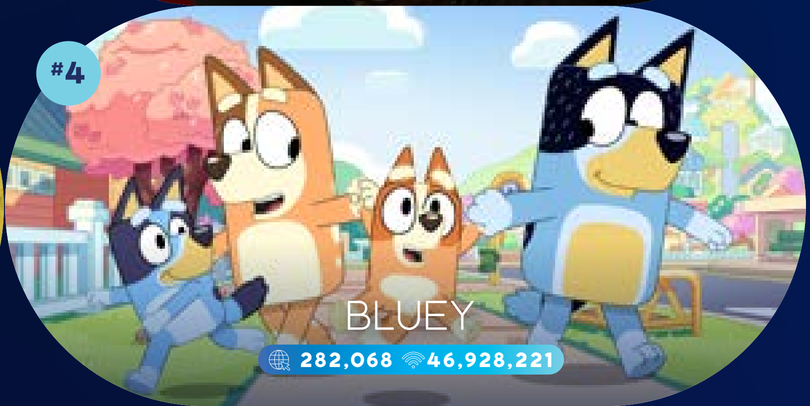
IN FY25, TVNZ+ PROVIDED THE BEST LOCAL AND INTERNATIONAL CONTENT FOR KIWI VIEWERS. FIVE OUT OF THE TOP 20 MOST STREAMED SHOWS WERE LOCAL .

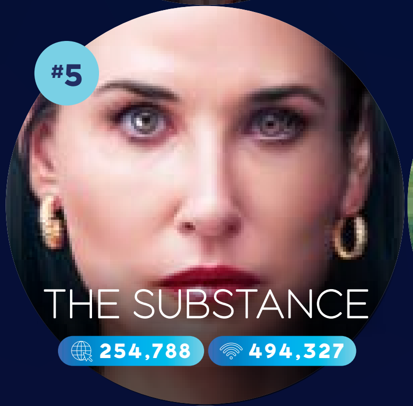
AVERAGE ACCOUNTS | TOTAL STREAMS


#1 1NEWS AT SIX
616,015 | 15,751,784


#2 THE DAY OF THE JACKAL
434,308 | 5,072,075


#3 THE ROOKIE
385,140 | 23,326,393


#4 BLUEY
282,068 | 46,928,221


#5 THE SUBSTANCE
254,788 | 494,327


#6 ROGUE HEROES
251,268 | 2,469,655


#7 LOVE ISLAND
239,053 | 7,800,088


#8 SHORTLAND STREET
226,692 | 15,379,616


#9 TULSA KING
220,514 | 3,445,696


#10 HYUNDAI COUNTRY CALENDAR
216,007 | 2,087,082

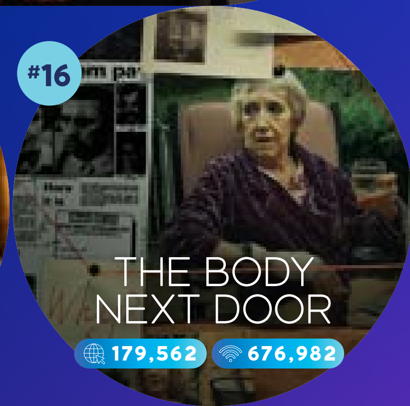

#11 COLIN FROM ACCOUNTS
202,388 | 2,160,186


#12 GYPSY ROSE: LIFE AFTER LOCK UP
199,899 | 2,302,664


#13 BREAKFAST
198,267 | 1,522,203


#14 SEVEN SHARP
183,426 | 914,990

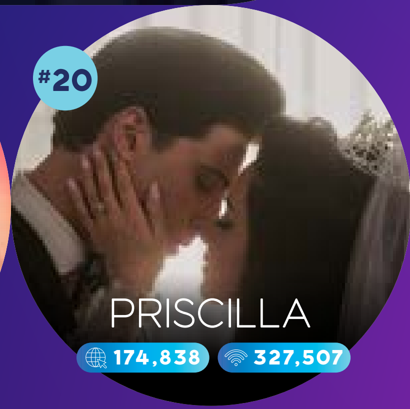

#15 KEEPING FAITH
180,422 | 3,167,995


#16 THE BODY NEXT DOOR
179,562 | 676,982


#17 MATLOCK
179,377 | 2,028,642


#18 MASTERCHEF AUSTRALIA
176,725 | 4,721,447


#19 LOVE ISLAND AUSTRALIA
176,150 | 5,254,860


#20 PRISCILLA
174,838 | 327,507

Source: GA: AP 13+; 01/07/24 – 30/06/25; Reach & Streams; Ranked by reach

Top Television

AVERAGE AUDIENCE

19 OUT OF 20 OF THE MOST WATCHED PROGRAMMES ON BROADCAST TELEVISION IN FY25 APPEARED ON TVNZ 1. FIFTEEN OF THESE TOP TITLES WERE LOCAL SHOWS.

#1 1NEWS AT SIX
594,600

#2 HYUNDAI COUNTRY CALENDAR
558,100

#3 NEW ZEALAND'S BEST HOMES WITH PHIL SPENCER
531,500

#4 GRAND DESIGNS NEW ZEALAND
461,700

#5 MOVING HOUSES
431,200

#6 SEVEN SHARP
402,600

#7 MY FAMILY MYSTERY
397,800

#8 TRAVEL GUIDES AUSTRALIA
392,600

#9 FIND MY COUNTRY HOUSE NEW ZEALAND
387,800

#10 OFF THE GRID WITH COLIN AND MANU
384,500

#11 THE CHASE: THE BLOOPERS
384,300

#12 INTL RUGBY CHALLENGE CUP*
371,600

#13 THE BROKENWOOD MYSTERIES
367,300

#14 CRICKET: T20 BLACK CLASH
364,500

#15 THE ROYAL VARIETY PERFORMANCE
345,300

#16 BORDER SECURITY
341,300

#17 AAI LOCATION LOCATION LOCATION NEW ZEALAND
330,600

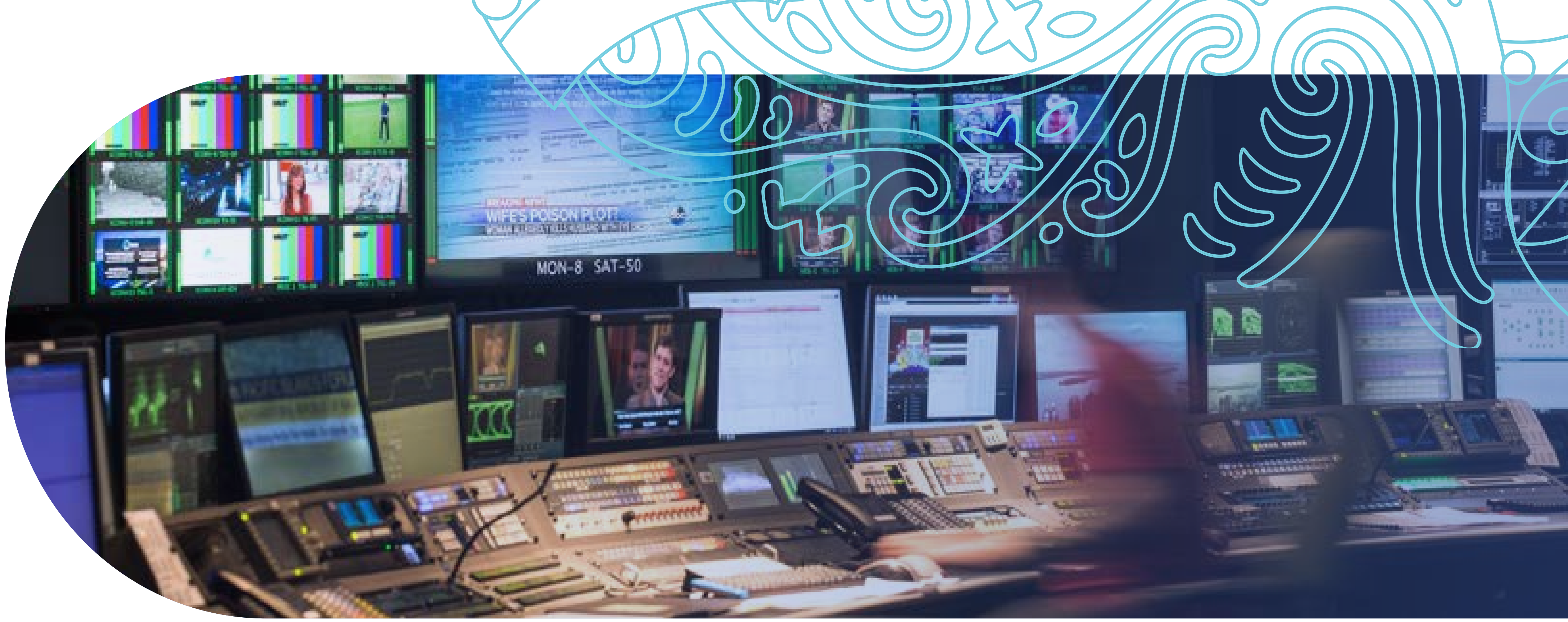
#18 BORDER PATROL
327,500

#19 ADHD: NOT JUST HYPER
323,800

#20 KIRSTIE & PHIL'S LOVE IT OR LIST IT UK
318,600

*aired on Sky in FY25

Source: Nielsen TAM; Consolidated; 01/07/24 – 30/06/25; AP 5+; Top Progs combined; All Linear channels; Ranked by Aud (000's)



Screen Standards

TVNZ broadcasts 20,000 hours of content each year, some of it sparking lively discussion and debate. We welcome feedback from our viewers and through the formal complaints process, they play an influential part in the maintenance of screen standards.

The Broadcasting Standards Authority (BSA) is responsible under the Broadcasting Act 1989 for programme standards. All formal complaints must first be made in writing to the broadcaster (with the exception of allegations of privacy). Complainants may refer their complaint to the BSA if they are not satisfied with the outcome of the TVNZ process.

The higher-than-average number of complaints upholds in FY25 by the TVNZ Committee in part reflects the challenge of reporting on complex geopolitical issues and an increasingly divisive political landscape. Additionally misinformation continues to drive an increase in complaints to mainstream news outlets.

The TVNZ complaint process, which enables complaints to be escalated to an independent regulator, provides a robust way to support trust in TVNZ as a publicly owned institution.

In the period under review, TVNZ answered 1555 BSA formal complaints*

- 1003 fewer than in the previous year, reflecting that there were no complaint campaigns in this period as there have been in other years.
- Of these 1555 complaints, 114** complaints were upheld by the TVNZ Complaints Committee.

Online news and entertainment content falls under the jurisdiction of the Media Council. The TVNZ Complaints Committee responded to 87 complaints under Media Council Principles; one was upheld by the TVNZ Complaints Committee.

TVNZ COMPLAINTS COMMITTEE DECISIONS

TVNZ Complaints Committee receives and considers complaints under BSA and Media Council standards in the first instance.

FY24 → **FY25**

FY24

BSA

- 2,558 complaints
- 37 upheld

MEDIA COUNCIL

- 116 complaints
- 2 upheld

FY25

BSA

- 1,555 complaints
- 114 upheld**

MEDIA COUNCIL

- 87 complaints
- 1 upheld

REFERRALS

In FY25 the BSA handled 43 BSA referrals about TVNZ programming (referrals are counted per BSA decision). Of these two have been upheld by the BSA***.

TVNZ had 5 referrals to the Media Council, none were upheld.

FY24 → **FY25**

FY24

BSA

- 38 referred
- 2 upheld

MEDIA COUNCIL

- 4 referred
- None upheld

FY25

BSA

- 43 referred (42 decisions)
- 2 upheld***

MEDIA COUNCIL

- 5 referred
- None upheld

* FY24 data is based on date of Complaints Committee response; FY25 data is based on date complaint is received.
** two Complaints Committee upholds are under review and may be changed.
*** Some decisions are not yet determined

Our People

TVNZ is focused on fostering a vibrant, digitally led culture, where our people feel proud to come to work each day, and are excited about our transformation as an organisation.

We are committed to ensuring our people are remunerated equitably for equivalent roles. Each year we report on our gender pay gap, with this year's demonstrating -0.37% (meaning the average salary for women is 0.37% higher than the average salary for men). This is the third consecutive year that we have had a positive female pay gap.

We review our ethnic pay parity using the data from our annual inclusion and diversity survey encourages TVNZers to share their ethnic backgrounds. Our Māori Pay Gap is a positive outcome of -2.95%. It is great to see that our Māori kaimahi average salary is higher than the average salary of all non-Māori kaimahi, however we note that the difference has decreased from last year when it was -12.85%. Our Asian Pay Gap for all organisation is 8.80%. This has stayed stable over the last year. We know this is driven by a lack of representation in senior roles and our People Plan focuses on addressing this.

SUPPORTING TVNZERS THROUGH CHANGE

TVNZ is undergoing a significant, multi-year transition as we become a digital media organisation. In the first half of FY25, we reset our operational structure and streamlined the business to support our Digital+ strategy and meet the economic conditions. This meant the disestablishment of roles, the creation of others and a need to support our people through a period of significant change.

During our structural change process, we ran careers workshops focused on practical ways to open up new career pathways, led by TVNZ's Head of Talent Acquisition. Confidential, professional counselling and career support services for our people were also provided.

UPSKILLING OUR PEOPLE FOR A DIGITAL FUTURE

We're focused on upskilling our teams and building a culture that encourages evidence and data-driven decision-making. In FY25, our senior leaders took part in a data fundamentals programme, aimed at increasing understanding the crucial role of data in our strategic priorities and building new skills and capabilities through our workforce. Copilot, Microsoft 365's AI tool, has also been implemented across TVNZ. As TVNZ's digital transition accelerates, this AI assistant will help with productivity and efficiency by automating lower-level work and freeing up time for strategic and commercial activities.

LIVING OUR RAUTAKI MĀORI

Our Rautaki Māori, or Māori strategy, is realised each day at Te Reo Tātaki, and is expressed in the content we make and through the embodiment of our vision, our purpose and our values.

The celebration of Matariki has become a special occasion in TVNZ's calendar. We aim to bring the essence of this celebration to life with a period of reflection, remembrance, and renewal as a team. This year, TVNZers came together to share kai and learn more about the Māori New Year, under the theme of acknowledging and embracing different traditions. Alongside Matariki, Māori Language Week is embraced in our workplace as an occasion to learn, upskill and celebrate our national language. In FY25, TVNZ offered daily te reo challenges during Māori Language Week for our kaimahi, as well as sharing tips and encouraging everyday use of te reo. We also gathered for a shared lunch, encouraging our teams to take the time to mark the annual occasion together.

We welcomed new groups of TVNZers to take part in our popular on-site Te Reo Māori classes in late FY25, which will continue throughout the rest of the calendar year.

WELLBEING AND SAFETY

The core focus for our wellbeing and safety planning is to ensure we proactively and effectively manage TVNZ's critical risks and support our strategic wellbeing and safety pillars, which are holistic wellness, a safety mindset and safety in the field.

A particular focus for FY25 was implementing our online harm framework to ensure we have robust health and safety controls to manage online harm. Our people working in the field also remain a priority, as the risk to news media working in the field has been heightened over the last few years.

NEWSROOM

Our People

FULL TIME EQUIVALENT EMPLOYEES (FTE)

542

53.85%
Male

45.79%
Female

0.36% staff who identified as non-specific

WOMEN REPRESENT

45.8% of our total workforce

65% of our business leaders

66.7% of our executive team

42.9% of of our board

REMUNERATION PROFILES

Includes casual, part time and entry level roles

58.1% $50–$100k

23.7% $100–$150k

18.2% >$150k

PAY PARITY

TVNZ reviews pay annually to ensure parity for equivalent roles.

LIVING WAGE

TVNZ continues to ensure all permanent and part time (excludes casual/work experience students) employees are paid a minimum of the living wage and has done since 2014.

AVERAGE GENDER PAY GAP

-0.37%

FY24: -4.6% | FY23: -1.0%

This means the average salary for females is 0.67% higher than the average salary for males

Average male hourly rate compared with average female hourly rate across all permanent employees (excluding the CEO)

AVERAGE ETHNICITY PAY GAP

Māori FY25
-2.95%
This means the average salary for Māori is 2.95% higher than the average salary for all non-Māori

Asian FY25
8.80%
this means the average salary for Asian kaimahi is 8.80% less than the average salary for all non-Asian

Pasifika FY25
As we have less than 3% Pasifika employees the sample size is too small to accurately calculate the Pasifika Pay Gap.

Average Māori/Asian hourly rate compared with average hourly rate across all other permanent employees (excluding the CEO)

AGE

Our people range in age from 18-75

The average age is 46

TENURE

8yrs average tenure

27% of our people have been with TVNZ for over 10 years

FROM OUR 2025 INCLUSION & DIVERSITY SURVEY

95% Support diversity and inclusion within TVNZ

94% believe TVNZ people treat each other with respect, regardless of age, gender, disability, sexual orientation or other differences.

25 Different Languages Spoken

28% of TVNZ people identify with more than one ethnic group

TVNZ people identify with at least 25 DIFFERENT ETHNICITIES

The most common are:
- NZ European /Pākehā 71%
- NZ Māori 10%
- Indian 7%
- Chinese 5%

Other ethnicities in the top 10 list include:
- British
- Australian
- Filipino
- South African
- Samoan

Sustainability

In FY25, TVNZ continued to focus on pragmatic changes to reduce TVNZ's operational environmental footprint, while simultaneously providing wider benefits for our people and our cost base. TVNZ remains committed to achieving its 2030 internally set reduction goals and setting a positive example of sustainable business leadership.

TVNZ aims to reduce emissions: 10% by 2025 and 38% by 2030, and the changes we have made so far have put us in a strong position to achieve these targets.

For FY25, Toitū certified TVNZ's greenhouse gas emissions at 1,380 tCO_2e, marking a 2% increase from the previous year, with changes to the co-efficient factors impacting the result. As electricity usage and air travel are TVNZ's major sources of emissions, these areas will remain the focus of ongoing reduction initiatives.

TVNZ undertook an interior lighting upgrade in FY25, which reduced our energy consumption, costs, and improved the environment for our people. We also completed a lighting upgrade within our studios, replacing thirty-year old lighting with new lights that are eight times more efficient. These lights were sourced second-hand, in keeping with our sustainability goals.

In early 2025, we consolidated the footprint our Auckland office across four floors, and confirmed plans to sublease three floors, with the first tenant, RNZ, set to move in in FY26. With this consolidation comes a reduction in energy consumption and we are pleased to see the benefits of this in our emissions certification this year.

TVNZ partnered with All Heart NZ to redirect and repurpose unneeded office furniture, avoiding an estimated 5.38 tonnes of carbon emissions. Alongside this, TVNZ organised a sustainable garage sale initiative at our Auckland office, where used electronics, furniture and stationery were on sold to TVNZers, helping to contribute to a circular economy.

Additionally, TVNZ's E-Bike parking was upgraded, including the addition of more energy-efficient chargers with timers. The upgrade in facilities helped to encourage TVNZers to travel to work more sustainably, and reduced energy consumption.

We continue to work with the production sector and our commercial clients to support their sustainability goals. TVNZ remains a founding member of AdNet Zero, a body which exists to support and accelerate the sustainability goals of the advertising sector, by developing and supporting industry-level solutions.

TVNZ is building strong foundations and making meaningful progress toward carbon reduction each year. FY26 will see TVNZ's materiality assessment updated and the sustainability strategy aligned with Digital+ to ensure TVNZ's exciting future will be achieved in a responsible way that considers impacts to people and planet. goals. We want to increase the volume of advertising promoting sustainable products and services, and reduce our reliance on advertising and sponsorships that don't support our ambitions in this space.

TVNZ is setting solid foundations for the future, growing our ambitions and making meaningful progress each year.

TVNZ OFFICES

TVNZ ATRIUM

TE MATATINI 2025

FIFA+

Our Future

FY25 was the first year of TVNZ's Digital+ 2030 strategy. Our strategy is focused on three core pillars – Audiences, Revenue and Future Business – with two underlying foundations - Technology and People. Over five years it will see us double our digital audiences, triple our digital revenue, and create a more sustainable future for our business.

To ensure we land this result in 2030, each year we'll identify, execute and deliver key projects in service of our goals – our strategic initiatives.

FY25 involved setting the foundations for significant and business-wide technological change through design and mobilisation stages. With these stages now complete, TVNZ moves into execution and investment stages.

AUDIENCE

The key strategic initiative under our Audience pillar is the delivery of a new co-viewing model, which will allow us and our advertising partners to better measure all viewers. In FY25, we announced a partnership with industry expert Milton Data to develop this model. The solution will capture comprehensive data on shared viewing, significantly enhancing advertising insights, and unlocking incremental value. Co-viewing is set to launch in late 2025.

On TVNZ+, new propositions like the Bloomberg News and FIFA+ FAST (free ad-supported television) Channels were added. Additionally, the growth of News on TVNZ+ has been significant, with a dedicated team put in place in FY25, alongside enhanced search capabilities, autoplay and extended clips, and the development of new formats and content propositions. In FY26 and beyond, the user experience on TVNZ+ will be boosted with increased personalisation and added functionality.

In FY26, the new TVNZ+ platform will launch, providing TVNZ with a robust digital product to accelerate streaming audience growth.

REVENUE

In FY25, TVNZ issued an RFP for a partner to develop our Total TV product, which moves TVNZ to self-service, cross-platform audience trading, bringing the sales experience more in line with global digital platforms that compete for local advertising dollars.

Extensive product development within our advertising suite took place, including a 'sponsored splash screen' for TVNZ, with PAK'nSAVE the first brand to take over the 'front door' to our platform. Alongside this, we developed more Activate Measurement Solutions, Geolocation capability, the activation of Census data and Adobe Data Collaboration.

In FY26, Total TV will move into its third phase which will see self-service cross platform trading, building on the audience trading and ad-mirroring products in market. Pay TV capability will also be unlocked through the new TVNZ+ platform, enabling TVNZ to diversify into new revenue streams.

FUTURE BUSINESS

Realigning our operating model and reducing costs continued to be a strong focus in FY25, with the goal of returning TVNZ to sustained profitable earnings. A key initiative under this pillar was to prepare our Auckland building for subleasing.

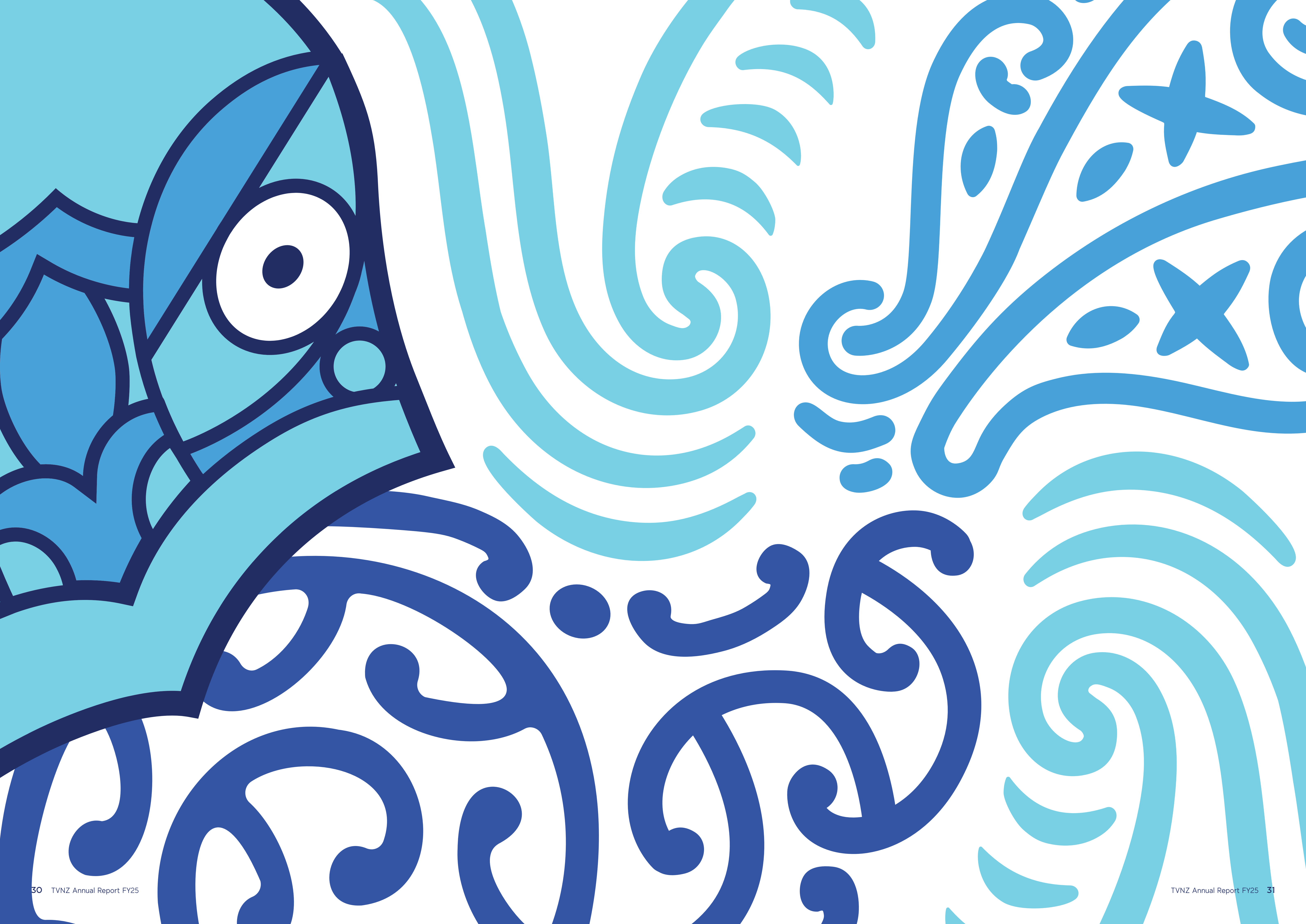
In FY26 strong cost management will remain a focus, and we will also welcome our first tenant into the building, RNZ.

TECHNOLOGY

TVNZ's large-scale technology transformation is well underway. In FY26 and future years, we will continue to work through the replacement of our Content Business Systems (the group of programmes related to the end-to-end content life cycle at TVNZ) with a modern, unified system. We will integrate multiple sources of data into a single self-service platform that will give our people easier access to robust information to support decision making through our data and analytics workstream. Work is underway to replace TVNZ+'s current platform to support our audience growth and revenue diversification aspirations and this will launch in FY26. Tech debt will continue to be prioritised as we upgrade legacy systems.

PEOPLE

TVNZ is committed to fostering a strong culture with enhanced digital capability, helping our employees develop and lead with a digital-first mindset. Key initiatives in FY25 included the rollout of Microsoft Copilot, data fundamentals training for our senior leadership group, and the onboarding of our new HRIS system in July, allowing TVNZers and leaders easier access to vital data for their teams.



Financial Summary

FOR THE YEAR ENDED 30 JUNE 2025

The financial results for the year ended 30 June 2025 show underlying operational earnings (EBIT) of $4.9 million and an adjusted Net Profit After Tax of $10.7 million.

The final reported Net Profit After Tax (NPAT) of $25.7 million includes net positive, non-cash impairment adjustments.

Total revenue decreased by 2.7% year-on-year to $281.1 million, driven by challenging trading conditions and market disruption

TV advertising revenue decreased 7.2% year-on-year.

Digital advertising revenue grew 12.7% year-on-year, making up a quarter of total advertising revenue.

Concerted efforts were made to reset the operating cost base of the business. Underlying costs reduced by $41.2 million. Additional accounting adjustments related to the FY24 impairment brought total costs to $261.2 million for FY25.

TVNZ confirmed a dividend of $3.1 million.

Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

Contents

Statement of Responsibility

FOR THE YEAR ENDED 30 JUNE 2025

The Board and management of Television New Zealand Limited are responsible for:

- The preparation of these financial statements and the judgements used in them.
- Establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board and management these financial statements fairly reflect the financial position of Television New Zealand Limited as at 30 June 2025 and its financial performance and cash flows for the year ended on that date.

For and on behalf of the Board,

Alastair Carruthers CNZM
Chair

John Quirk
Chair, Audit and Risk Committee

27 August 2025

Consolidated Income Statement

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 $000	2024 $000
Operating revenue	4	281,066	288,859
Expenses			
Programming		(97,667)	(171,881)
Personnel expense	5	(50,761)	(61,048)
Transmission, technology and telecommunications		(21,837)	(29,026)
Contracted services		(15,973)	(11,966)
Marketing		(11,822)	(12,355)
Premises and occupancy		(4,374)	(3,563)
Industry levies		(3,857)	(3,976)
Other		(9,248)	(9,802)
Depreciation and amortisation	5	(7,699)	(13,703)
Financial instruments/foreign currency gains/(losses)	7	79	(48)
Impairment	6	(38,039)	(62,105)
		(261,198)	(379,473)
Earnings before interest tax		19,868	(90,614)
Interest income		4,949	5,646
Interest expense		(284)	(253)
Profit/(Loss) for the period before tax		24,533	(85,221)
Income tax benefit/(expense)	8	1,177	209
Profit/(Loss) for the period		25,710	(85,012)

The accompanying notes form part of these financial statements.

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 $000	2024 $000
Profit/(Loss) for the period		25,710	(85,012)
Other comprehensive income that are not reclassified to profit or loss in subsequent periods			
Revaluation land and buildings	11	4,131	2,148
Income tax effect		(1,157)	(1,273)
Revaluation of land and buildings, net of tax		2,974	875
Total comprehensive income/(loss) for the period		28,684	(84,137)

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2025

	Share capital $000	Revaluation reserve $000	Retained earnings $000	Total $000
At 1 July 2024	140,000	68,023	(5,100)	202,923
Profit/(loss) for the year	0	0	25,710	25,710
Other comprehensive income net of income tax	0	2,974	0	2,974
Total comprehensive income/(deficit) for the year	0	2,974	25,710	28,684
At 30 June 2025	140,000	70,997	20,610	231,607
At 1 July 2023	140,000	67,148	79,912	287,060
Profit/(loss) for the year	0	0	(85,012)	(85,012)
Other comprehensive income net of income tax	0	875	0	875
Total comprehensive income/(deficit) for the year	0	875	(85,012)	(84,137)
At 30 June 2024	140,000	68,023	(5,100)	202,923

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

AS AT 30 JUNE 2025

	Notes	2025 $000	2024 $000
ASSETS			
Current assets			
Cash and cash equivalents	9	33,905	26,233
Short term investments	9	75,000	65,000
Trade and other receivables	10	38,149	37,644
Programme rights	12	3,033	0
Derivatives	19	46	324
Tax receivable	8	177	452
Total current assets		150,310	129,653
Non-current assets			
Property, plant and equipment	11	122,304	123,538
Right-of-use assets	13	2,987	2,477
Other intangibles	12	640	0
Total non-current assets		125,931	126,015
Total assets		276,241	255,668
LIABILITIES			
Current liabilities			
Trade and other payables	16	34,917	41,731
Employee entitlements	16	2,643	3,058
Deferred income	17	1,346	2,132
Lease liabilities	13	783	858
Derivatives	19	443	35
Provisions	18	497	1,799
Total current liabilities		40,629	49,613
Non-current liabilities			
Employee entitlements	16	620	679
Derivatives	19	0	1
Lease liabilities	13	2,385	1,658
Provisions	18	1,000	794
Total non-current liabilities		4,005	3,132
Total liabilities		44,634	52,745
EQUITY			
Share capital	21	140,000	140,000
Revaluation reserve	21	70,997	68,023
Retained earnings		20,610	(5,100)
Total equity		231,607	202,923
Total equity and liabilities		276,241	255,668

The accompanying notes form part of these financial statements.

For and on behalf of the Board, who authorised the issue of these financial statements on 27 August 2025.

Alastair Carruthers CNZM
Chair

John Quirk
Chair, Audit and Risk Committee

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 $000	2024 $000
Cash flows from operating activities			
Receipts from customers		273,565	288,726
Receipt of programme funding		7,863	5,182
Interest received		5,045	5,811
Payments to suppliers and employees		(264,456)	(303,533)
Interest paid		(52)	(116)
Net cash flows from operating activities	22	21,965	(3,930)
Cash flows used in investing activities			
Purchase of property, plant and equipment	11	(2,613)	(2,257)
Purchase of intangibles	12	(669)	(282)
Purchase of short term investments	9	(10,000)	0
Net cash flows used in investing activities		(13,282)	(2,539)
Cash flows used in financing activities			
Lease liability payments	13	(921)	(918)
Net cash flows used in financing activities		(921)	(918)
Net increase/(decrease) in cash and cash equivalents		7,762	(7,387)
Net foreign exchange differences	7	(89)	(48)
Cash and cash equivalents at the beginning of the year		26,233	33,668
Cash and cash equivalents at the end of the year	9	33,905	26,233

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

1) CORPORATE INFORMATION

Television New Zealand Limited and its subsidiaries (together, "TVNZ") operate as a multi-channel television and digital media broadcasting and production company in New Zealand.

TVNZ Limited is a limited liability company incorporated in New Zealand under the Companies Act 1993 and is wholly owned by the Crown. TVNZ is bound by the requirements of the Television New Zealand Act 2003. The Crown does not guarantee the liabilities of TVNZ in any way.

These consolidated financial statements were approved for issue by the Board of Directors on 27 August 2025.

2) SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

a) Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and the requirements of the Television New Zealand Act 2003, Financial Reporting Act 2013, Crown Entities Act 2004 and the Companies Act 1993. For the purposes of complying with NZ GAAP the entity is a for-profit entity. The consolidated financial statements have been prepared on a historical cost basis except for derivative financial instruments that have been measured at fair value, assets and liabilities that are designated in a fair value hedge relationship and land and buildings measured at fair value.

b) Statement of compliance

The consolidated financial statements of TVNZ comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate for profit entities.

The accounting policies set out in these notes to the financial statements have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

The consolidated financial statements are presented in New Zealand dollars ($), which is TVNZ's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand unless otherwise stated.

The consolidated financial statements provide comparative information in respect of the previous year.

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of Television New Zealand Limited and its subsidiaries at 30 June 2025.

Subsidiaries are those entities controlled, directly or indirectly, by TVNZ. The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intercompany transactions, balances and unrealised surpluses and deficits on transactions between TVNZ companies are eliminated on consolidation.

Subsidiaries are fully consolidated from the date on which control is obtained by TVNZ and cease to be consolidated from the date on which control is transferred out of TVNZ. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

d) Changes in accounting policies and disclosures

There are no new standards or amendments to existing standards which have or are expected to have a material impact on TVNZ in the current or future reporting periods.

3) 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. Estimates and assumptions are reviewed by management on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected. Actual results may differ from these estimates.

Impact on Policies

Management has identified the following accounting policies for which significant judgements, estimates and assumptions are made:

- Note 6 - Impairment
- Note 11 – Fair value of land and buildings

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

4) OPERATING REVENUE

Accounting policy

TVNZ derives revenue from the transfer of goods and services. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer at an amount that reflects the consideration to which TVNZ expects to be entitled in exchange for those services.

Revenue is stated exclusive of goods and services tax (GST).

Key classes of revenue are recognised on the following basis:

Advertising
TVNZ is in the business of providing advertising services on its free to air television and TVNZ+ digital streaming channels. Advertising revenue is recognised as income at the time the performance obligation has been met. Advertising revenue includes revenue from advertising, sponsorship and programme production funding on TVNZ 1, TVNZ 2, TVNZ DUKE, TVNZ + and tvnz.co.nz. Where TVNZ provides advertising for non-cash consideration, revenue is recognised at the fair value of the consideration received, unless TVNZ cannot reasonably estimate the fair value of the non-cash consideration; in which case revenue is recognised by reference to the stand-alone selling price of the advertising promised to the customer.

TVNZ provides retrospective volume bonuses to certain customers once the quantity of advertising services purchased during the period exceeds a threshold specified in the contract. Volume bonuses are offset against amounts payable by the customer. To estimate the variable consideration for the expected future bonuses, TVNZ applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. TVNZ then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future bonuses.

Programme funding
Programme funding is recognised initially as deferred income when there is reasonable assurance that it will be received, and that TVNZ will comply with the conditions associated with the funding. Funding that compensates TVNZ for expenses incurred are recognised as income on a systematic basis in the same periods in which the expenses are recognised. Where funding is payable directly to the programme producer, TVNZ does not recognise the funding revenue. The programme cost is recorded net of any funding received in TVNZ's Financial statements.

Other trading revenue
Other trading revenue is recognised in the accounting period in which the actual service has been provided. Other trading revenue includes revenue from production facilities, programme sales and multi feed service.

Significant financing component
TVNZ does not expect, at contract inception, that the period between the transfer of the promised goods or services from contracts with customers and when the customer pays for those goods and services to be more than one year. TVNZ applies the practical expedient in NZ IFRS 15 to not adjust the promised amount of consideration for the effects of a significant financing component.

Incremental cost of obtaining a contract
TVNZ has elected to apply the optional practical expedient in NZ IFRS 15 for costs to obtain a contract which allows TVNZ to immediately expense sales commissions (included under employee benefits) because the amortisation period of the asset that TVNZ otherwise would have used is one year or less.

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

4) OPERATING REVENUE *(continued)*

	2025	2024
	$000	$000
Advertising revenue	266,385	272,743
Programme funding	5,399	5,140
Other trading revenue	9,282	10,976
	281,066	288,859

5) EXPENSES

Additional information in respect of expenses included within the Consolidated Income Statement is as follows:

	2025	2024
	$000	$000
Expenses include:		
Personnel expense		
Wages and salaries and other short term benefits	72,023	87,196
Superannuation contribution expense	2,853	3,603
Less employee benefits charged to programmes/capitalised	(24,721)	(30,875)
Other personnel expense	606	1,124
	50,761	61,048
Depreciation and amortisation		
Depreciation - PPE	6,810	11,187
Depreciation - right to use assets	889	738
Amortisation - software	0	1,674
Amortisation - licences	0	104
	7,699	13,703
Auditor's remuneration		
Audit of financial statements	390	393
Other assurance engagements*	5	5
Other non audit services**	8	8
	403	406
Reorganisation costs		
Reorganisation costs	4,101	5,882

*Broadcasting Standards Authority (BSA) levy return audit opinion pursuant to the Broadcasting Act 1989.

** Certain agreed upon procedures for Australasian Performing Right Association (APRA) and Recorded Music New Zealand (RMNZ).

Reorganisation costs refer to redundancy payments that were made or accrued during the year as a result of organisational changes. The total cost of $4.1 million relates to 75 individuals who were either made redundant or notified of redundancy during the year.

6) IMPAIRMENT

Assets are reviewed for impairment at each reporting date, when events or changes in circumstances indicate the carrying value may be lower than the recoverable amount. Due to the continuing deteriorating market conditions, ongoing impacts of disruption in the media market and the corresponding decline in revenues, management has undertaken an impairment assessment at 30 June 2025.

Assets are tested at an individual level where the asset generates cashflows that are largely independent of other assets. Where this is not the case, assets are tested at a cash generating unit (CGU) level. The recoverable amount, being the higher of its fair value less costs of disposal or value in use, is determined for the cash generating unit (CGU) the asset belongs to.

Management have reviewed the assets on hand at 30 June 2025 and determined none generate cash inflows independent of the others, therefore impairment should be assessed at a CGU level. Management has determined the company has one CGU for the purpose of impairment testing.

An independent valuation has been prepared to determine the fair value less cost of disposal of the company. In calculating the fair value, the valuation has considered long term forecasts for the company, benchmark growth/decline rates for comparable companies and the value of assets on hand. The fair value less cost of disposal of the CGU has been calculated as less than the carrying value, therefore an impairment is required.

Management have assessed the assets on hand and apportioned the impairment to write them down to the higher of their fair value less cost of disposal or zero. Management do not believe that the assets value in use is greater than its fair value.

In determining the fair value less cost of disposal, management have used judgment and considered:

- The condition and age of fixed assets
- Historical sale prices of fixed assets
- Number of plays remaining on programme rights, stage of completion for local content and potential yield
- Current market conditions

Management have determined the recoverable value of the asset categories listed below.

2025

An impairment of $38m has been calculated as at 30 June 2025 which has been included in the consolidated income statement and apportioned across the asset classes listed below:

Asset Class	Recognition Basis	Value subject to impairment	Impairment	Closing Value
		$000	$000	$000
Programme Rights	Amortised Cost	27,811	(24,778)	3,033
Prepaid Programme Rights*	Cost	8,130	(7,243)	887
Trade Prepayments*	Cost	5,446	(4,852)	594
Other Intangible Assets	Amortised Cost	669	(29)	640
Property, Plant & Equipment (excluding Land & Buildings held at fair value).	Cost less accumulated depreciation	4,440	(1,137)	3,304
		46,497	(38,039)	8,458

* Included in Trade and other receivables

Notes to the Consolidated Financial Statements *(continued)*
FOR THE YEAR ENDED 30 JUNE 2025

6) IMPAIRMENT *(continued)*

2024

An impairment of $62.1m was booked as at 30 June 2024 which has been included in the consolidated income statement and apportioned across the asset classes listed below:

Asset Class	Recognition Basis	Value subject to impairment	Impairment	Closing Value
		$000	$000	$000
Programme Rights	Amortised Cost	28,958	(28,958)	0
Prepaid Programme Rights*	Cost	17,440	(17,440)	0
Trade Prepayments*	Cost	5,344	(5,344)	0
Other Intangible Assets	Amortised Cost	2,887	(2,887)	0
Property, Plant & Equipment (excluding Land & Buildings held at fair value).	Cost less accumulated depreciation	10,016	(7,476)	2,540
		64,645	(62,105)	2,540

* Included in Trade and other receivables

7) FOREIGN CURRENCY

Accounting policy

Transactions in foreign currencies are translated to the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at balance date.

Differences arising on the translation of monetary assets and liabilities in foreign currencies are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Derivative financial instruments held are denominated in foreign currencies. The increase or decrease in value of the derivative at balance date represents an unrealised foreign currency gain or loss, which is recognised in the financial statements.

Transactions involving derivatives record the exchange rate at date of purchase or sale in the foreign currencies and the functional currency. When the derivative is settled, the payment or receipt is translated into the functional currency at the prevailing exchange rate and any difference between the recorded exchange rate and the actual exchange rate results in a realised foreign currency gain or loss which is recognised in profit or loss.

	2025	2024
	$000	$000
Fair value changes of derivative financial instruments gains/(losses)	(684)	565
Foreign currency realised gains/(losses)	(89)	(49)
Foreign currency unrealised gains/(losses)	852	(564)
	79	(48)

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

8) INCOME TAX

Accounting policy

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes, and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax is measured at the tax rates that are expected to apply when the temporary differences reverse, based on tax rates (and tax law) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

The imputation credit account arises from the settlement of assets/liabilities recognised at balance date from:

(a) imputation credits that will arise from the payment of the amount of the provision for income tax

(b) imputation debits that will arise from the payment of dividends recognised as a liability at the reporting date; and

(c) imputation credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

8) INCOME TAX *(continued)*

	2024 $000	2023 $000
a) Income tax		
The major components of income tax expense are:		
Income statement		
Current income tax		
Current period	7,501	5
Income tax under/(over) provided in prior years	(25)	35
Tax losses utilised	(7,496)	0
	(20)	40
Deferred income tax		
Origination and reversal of temporary differences	(1,157)	(3,533)
Impact of change to income tax legislation	0	3,284
	(1,157)	(249)
Total income tax (benefit)/expense	(1,177)	(209)
b) Reconciliation of income tax expense		
Profit/(loss) before income tax for the year	24,533	(85,221)
Taxation at 28%	6,869	(23,862)
Tax loss not recognised	(7,496)	7,931
Adjusted for the tax effect of:		
Non deductible expenditure	84	118
Income tax under/(over) provided in prior years	(25)	35
Impact of change to income tax legislation	0	3,284
Deferred tax asset not recognised	(610)	12,285
Total income tax (benefit)/expense	(1,177)	(209)

c) Recognised deferred tax assets/(liabilities)

	2025	
	Current income tax $000	Deferred income tax $000
Opening balance	452	0
Charged to income statement - tax expense	(7,481)	547
Charged to revaluation reserve	0	(1,157)
Transfer to other tax types	(290)	0
Tax losses utilised	7,496	610
Closing balance	177	0
Income tax benefit/(expense)		1,177
Amounts recognised in the balance sheet:		
Deferred tax asset		0

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2025

8) INCOME TAX *(continued)*

c) Recognised deferred tax assets/(liabilities) *(continued)*

	2024	
	Current income tax	Deferred income tax
	$000	$000
Opening balance	680	1,024
Charged to income statement - tax expense	(40)	3,533
Charged to revaluation reserve	0	(1,273)
Charged to income statement - income tax changes	0	(3,284)
Transfer to other tax types	(188)	0
Closing balance	452	0
Income tax benefit/(expense)		209
Amounts recognised in the balance sheet:		
Deferred tax asset		0

	Balance Sheet	
	2025	2024
	$000	$000
Deferred income tax at 30 June relates to the following:		
Deferred tax assets/(liabilities)		
Programme rights	2,000	1,349
Employee entitlements	1,365	1,346
Property, plant and equipment and software	(3,990)	(5,861)
Provisions	458	952
Other	11,405	14,499
Deferred tax asset not recognised	(11,238)	(12,285)
	0	0

d) Imputation credit account

	2025	2024
	$000	$000
The amount of imputation credits available for use in subsequent reporting periods	40,620	40,532

The subsidiaries of TVNZ form part of the same consolidated tax group.

9) CASH AND CASH EQUIVALENTS AND SHORT TERM INVESTMENTS

Accounting policy

Cash and cash equivalents in the statement of financial position comprises of cash held on call and in hand.

Short term investments comprise of bank term deposits with maturity terms less than twelve months.

	2025	2024
	$000	$000
Cash and cash equivalents	33,905	26,233
Short term investments	75,000	65,000
	108,905	91,233

10) TRADE AND OTHER RECEIVABLE

Accounting policy

Trade receivables are recognised and carried at original invoice amount (including GST) and subsequently measured at amortised cost, less an allowance for doubtful debts. Trade receivables are classified as subsequently measured at amortised cost on the basis of the assets contractual cash flow characteristics and TVNZ's business model for managing them. Trade receivables are held to collect the contractual cash flows.

Collectability of trade receivables is reviewed on an ongoing basis and debts that are known to be uncollectible are written off immediately. The allowance for doubtful debts is based on the difference between the contractual cash flows and those that TVNZ expects to receive. The allowance for doubtful debts considers historical loss experience adjusted for forward looking adjustments specific to the debtors and the economic environment.

	2025	2024
	$000	$000
Trade receivables	34,694	35,417
Less provision for receivables impairment	0	(7)
Prepaid programme rights	887	0
Prepayments - other	594	0
Other receivables	1,974	2,234
	38,149	37,644

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

10) TRADE AND OTHER RECEIVABLES *(continued)*

At 30 June, the ageing analysis of trade receivables is as follows:

	2025 $000	2024 $000
Current	30,790	33,339
Up to 30 days overdue	3,181	1,723
Between 30 and 90 days	626	265
Over 90 days overdue	97	90
	34,694	35,417

Fair value and credit risk
Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value (refer note 20 for details of credit risk).

11) PROPERTY, PLANT AND EQUIPMENT

Accounting policy
Items of property, plant and equipment (except for land and buildings) are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost to acquire the asset and other directly attributable costs incurred to bring the asset to the location and condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Items of work in progress are transferred to the appropriate class of property, plant and equipment on completion. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Land and buildings are measured at fair value less accumulated depreciation for buildings and impairments losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in other comprehensive income (OCI) and credited to the revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in the consolidated income statement, the increase is recognised in the consolidated income statement. A revaluation deficit is recognised in the consolidated income statement, except to the extent that it offsets an existing surplus on the same asset recognised in the asset's revaluation reserve.

Depreciation is calculated on a straight-line basis to allocate the cost of assets over their estimated useful lives. Land and work in progress is not depreciated.

The estimated useful lives for the current and comparable period are:

Buildings	up to 40 years
Plant and equipment	2 to 20 years
Motor vehicles	5 to 10 years

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

11) PROPERTY, PLANT AND EQUIPMENT *(continued)*

Impairment
The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit the asset belongs to. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Where an item of property, plant and equipment is derecognised, the gain or loss (calculated as the difference between the net proceeds and the carrying value of the item) is included in the income statement in the period the item is derecognised.

Judgements and estimates
The land and buildings fair values are based on market valuations prepared by CBRE on 30 June 2025 (2024: CBRE), a registered independent valuer who has valuation experience for similar land and buildings in New Zealand, in accordance with Level 3 of the fair value hierarchy.

The valuations completed by the valuer for land and buildings are based on the market capitalisation and discounted cash flow methods. The significant input for the market capitalisation method is the market capitalisation rate. The significant inputs for the discounted cash flow method are the discount rate, terminal yield, and average market growth rate.

The key assumptions used in determining the fair value of land and buildings are:

100 Victoria Street West, Auckland	2025	2024
Adopted market capitalisation rate	6.25%	6.25%
Adopted discount rate	7.75%	7.88%
Terminal yield	6.50%	6.50%
Average market growth rate (p.a.)	2.05%	2.16%

Changes in key assumptions would have an impact on the value of land and buildings. Significant decreases (increases) in market capitalisation rate, discount rate, or terminal yield would result in a significantly higher (lower) fair value. Significant increases (decreases) in average market growth rate would result in a higher (lower) fair value.

The land and buildings were revalued at $119,000,000 (FY24: $121,000,000), resulting in a net gain of $2,974,000 after accounting for the depreciation charged this year, which was recognised in Other Comprehensive Income (2024: net gain of $875,000). This year's revaluation movement was mainly driven by an increase in the capitalisation rate, reflecting current economic conditions. Higher interest rates and a softening in demand have also affected the value of commercial properties in today's market.

The estimated useful life of a particular asset is based on historical experience, the expected service potential of the asset and technological advances. Adjustments to useful lives are made when considered necessary.

11) PROPERTY, PLANT AND EQUIPMENT *(continued)*

	Land & Buildings $000	Plant & Equipment $000	Motor Vehicles $000	Work in Progress $000	Total $000
Year ended 30 June 2025					
At 1 July 2024 net of accumulated depreciation and impairment	121,037	1,835	338	328	123,538
Revaluation	4,131	0	0	0	4,131
Additions	0	0	0	2,613	2,613
Transfers from/(to) WIP	205	1,634	57	(1,896)	0
Reclassification to Software WIP	0	0	0	(29)	(29)
Disposals	0	0	(3)	0	(3)
Depreciation charge	(6,148)	(458)	(204)	0	(6,810)
Impairment	(225)	(912)	0	0	(1,137)
Closing net book amount	119,000	2,100	188	1,016	122,304
At 30 June 2025					
Cost and valuation	125,373	3,469	392	1,016	130,250
Accumulated depreciation and impairment	(6,373)	(1,369)	(204)	0	(7,946)
	119,000	2,100	188	1,016	122,304
Year ended 30 June 2024					
At 1 July 2023 net of accumulated depreciation and impairment	125,311	11,401	546	1,083	138,341
Revaluation	2,148	0	0	0	2,148
Additions	0	0	0	2,257	2,257
Transfers from WIP	112	2,040	58	(2,210)	0
Reclassification from Software WIP	0	0	0	(545)	(545)
Disposals	0	0	0	0	0
Depreciation charge	(6,335)	(4,586)	(266)	0	(11,187)
Impairment	(199)	(7,020)	0	(257)	(7,476)
Closing net book amount	121,037	1,835	338	328	123,538
At 30 June 2024					
Cost	129,271	80,125	2,295	585	212,276
Accumulated depreciation and impairment	(8,234)	(78,290)	(1,957)	(257)	(88,738)
	121,037	1,835	338	328	123,538

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

12) INTANGIBLE ASSETS

Accounting policy

Programme rights
Television programmes which are available for use, including those acquired overseas, are recorded at cost less amounts charged to the consolidated income statement based on management's assessment of the useful life, which is regularly reviewed, and additional write downs are made as considered necessary. Programmes produced internally for the purpose of broadcast are initially recognised as intangible assets at production cost. Production costs only include direct costs associated with the programme.

Programme rights are amortised on the following basis:

(i) Certain programme rights including news and current affairs, sports and locally commissioned programmes are amortised on transmission.

(ii) All other programme rights (movie and non-movie programme rights) are amortised on a straight-line basis such that all rights are amortised within a period not exceeding one year from the broadcast licence period start date.

Software
Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific asset. These costs are amortised on a straight-line basis over their estimated useful economic lives of two to ten years.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Frequency licences
Frequency licences are recorded at cost less amortisation and impairment losses. Amortisation is calculated on a straight-line basis over the period of the licence, 20 years.

Development costs
Development costs on internal projects are only capitalised when the following can be demonstrated:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- its intention to complete and use or sell the asset
- how the asset will generate future economic benefits
- the availability of resources to complete the asset
- the ability to measure reliably the expenditure during development.

Any development costs capitalised are amortised over the period of the estimated economic life of the asset to which they relate.

Where an intangible asset is derecognised, the gain or loss (calculated as the difference between the net proceeds and the carrying value of the item) is included in the consolidated income statement in the period the item is derecognised.

12) INTANGIBLE ASSETS *(continued)*

	Programme Rights $000	Software $000	Licences $000	Total $000
Year ended 30 June 2025				
At 1 July 2024 net of accumulated amortisation and impairment	0	0	0	0
Additions (internally generated)	44,898	0	0	44,898
Additions (externally purchased)	80,219	640	0	80,859
Reclassification from PPE WIP	0	29	0	29
Disposals	0	0	0	0
Amortisation charge	(97,306)	0	0	(97,306)
Impairment	(24,778)	(29)	0	(24,807)
Closing net book amount	3,033	640	0	3,673
At 30 June 2025				
Cost	125,118	669	0	125,787
Accumulated amortisation and impairment	(122,085)	(29)	0	(122,114)
	3,033	640	0	3,673
Current asset	3,033	0	0	3,033
Non-current asset	0	640	0	640
	3,033	640	0	3,673
Year ended 30 June 2024				
At 1 July 2023 net of accumulated amortisation and impairment	24,885	2,920	919	28,724
Additions (internally generated)	57,098	0	0	57,098
Additions (externally purchased)	118,856	282	0	119,138
Reclassifications	0	545	0	545
Disposals	0	0	0	0
Amortisation charge	(171,881)	(1,674)	(104)	(173,659)
Impairment	(28,958)	(2,073)	(815)	(31,846)
Closing net book amount	0	0	0	0
At 30 June 2024				
Cost	279,173	35,877	3,109	318,159
Accumulated amortisation and impairment	(279,173)	(35,877)	(3,109)	(318,159)
	0	0	0	0
Current asset	0	0	0	0
Non-current asset	0	0	0	0
	0	0	0	0

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

13) LEASES

Accounting policy

Right of use assets and lease liabilities arising from a lease are initially measured on a present value basis.

TVNZ recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. In considering the lease term, TVNZ applies judgement in determining whether it is reasonably certain that an extension or termination option will be exercised.

In calculating the present value of lease payments, TVNZ uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

	2025 $000	**2024** $000
Right of use assets		
At 1 July	2,477	2,943
Additions	1,399	272
Depreciation for the period	(889)	(738)
Closing net book amount	2,987	2,477
Lease liabilities		
At 1 July	2,516	3,034
Additions	1,399	272
Interest for the period	174	126
Lease payments made	(921)	(916)
Lease liabilities at 30 June	3,168	2,516
Lease Liability - current	783	858
Lease Liability - non-current	2,385	1,658
	3,168	2,516
Lease related expenses included in the income statement		
Depreciation	889	738
Interest on leases	174	126
	1,063	864

14) GROUP COMPANIES

The Group consists of TVNZ and its subsidiaries. The subsidiaries of TVNZ comprise:

		% holding	
Name	Principal activity	2025	2024
Freeview Television Limited	Non trading	100%	100%
NZOOM Limited	Non trading	100%	100%
TVNZ International Limited	Non trading	100%	100%
TVNZ Investments Limited	Non trading	100%	100%

All companies are incorporated in New Zealand. All have balance dates of 30 June.

15) INTEREST IN JOINT VENTURES

Accounting policy
TVNZ's interest in a joint venture is accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, TVNZ's share of the profits or losses of the joint venture is recognised in the income statement and the share of movements in other comprehensive income is recognised in the statement of other comprehensive income. The cumulative movements are adjusted against the carrying amount of the investment.

			% holding	
Name	Balance Date	Principal activity	2025	2024
Freeview Limited	30 June	Free to air digital platform	44.9%	44.9%

To the knowledge of the Directors, there are no contingent liabilities relating to TVNZ's interest in the joint venture and no contingent liabilities of the joint venture itself.

16) TRADE AND OTHER PAYABLES

Accounting policy
Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. Trade and other payables are recognised when TVNZ becomes obliged to make future payments resulting from the purchases of goods and services.

Provision is made for employee benefits accumulated as a result of employees rendering services up to balance date. The benefits include wages and salaries, incentives, compensated absences and retirement leave which are expensed in the income statement when services are provided or benefits vest with the employee. The provision for employee benefits is stated at the present value of the estimated future cash outflows to be incurred resulting from employees' services provided up to balance date.

16) TRADE AND OTHER PAYABLES *(continued)*

	2025	2024
	$000	$000
Current		
Trade accounts payables	3,126	7,863
Other payables and accruals	17,223	13,988
Overseas programme accruals	14,568	19,880
	34,917	41,731
Employee entitlements		
Current	2,643	3,058
Non-current	620	679
	3,263	3,737

The carrying value of trade and other payables is assumed to approximate their fair value.

17) DEFERRED INCOME

	2025	2024
	$000	$000
Programme funding (NZOA/TMP)	991	452
Other	355	1,680
	1,346	2,132

Programme funding received during the year was in the form of cash and has been recorded at fair value. New Zealand On Air (NZOA) and Te Māngai Pāho (TMP) provide funding for the production and broadcast of specific programmes.

Funding is recognised in the consolidated income statement to match the expenditure associated with this funding.

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

18) PROVISIONS

Accounting policy
Provisions are recognised when TVNZ has a present legal or constructive obligation as a result of a past event that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Movement in provisions

	Reorganisation $000	Make good $000	Total $000
At 1 July 2024	1,799	794	2,593
Raised during the year	0	206	206
Utilised during the year	(1,302)	0	(1,302)
At 30 June 2025	497	1,000	1,497
At 30 June 2025			
Current	497	0	497
Non-current	0	1,000	1,000
	497	1,000	1,497
At 1 July 2023	0	794	794
Raised during the year	1,799	0	1,799
Utilised during the year	0	0	0
At 30 June 2024	1,799	794	2,593
At 30 June 2024			
Current	1,799	0	1,799
Non-current	0	794	794
	1,799	794	2,593

Nature and timing of provision

Reorganisation
The reorganisation provision balance related to the costs of redundancy, outplacement and other costs associated with changes in operational areas of the business to align with TVNZ strategy and technology changes.

Make good
At the expiration of the Wellington property lease, TVNZ is required to restore the property to a standard as specified in the lease agreement. The estimated costs to restore the property have been prepared by independent advisors.

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

19) DERIVATIVES

Accounting policy
TVNZ uses derivative financial instruments, within predetermined policies and limits, to manage its exposure to foreign currency exchange rate risk. TVNZ also enters into programme supply contracts that contain a foreign currency embedded derivative.

Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative contract is designed to hedge a specific risk and qualifies for hedge accounting.

Each derivative that is designated as a hedge is classified as a fair value hedge when it hedges the exposure to changes in the fair value of a recognised asset or liability or a firm commitment.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the consolidated income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the hedging instrument expires or is sold, or when the hedge no longer meets the criteria for hedge accounting. At that point any cumulative gain or loss existing in equity remains in equity until the forecast transaction occurs. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss is immediately transferred to the income statement.

For derivatives that do not qualify for hedge accounting, any gains or losses arising from changes in fair value are recognised immediately in the consolidated income statement. The fair value of forward exchange contracts and embedded derivatives are calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

In accordance with its treasury policy, TVNZ does not engage in speculative transactions or hold derivative financial instruments for trading purposes.

Forward currency contracts
Derivative financial instruments are used by TVNZ in the normal course of business in order to hedge exposures to fluctuations in foreign exchange.

TVNZ has entered into forward exchange rate contracts which are economic hedges but do not satisfy the requirements for hedge accounting. The following table details the notional amounts of these derivative financial instruments at balance date.

	2025 $000	2024 $000
Current assets		
Forward currency contracts	46	324
Current liabilities		
Forward currency contracts	443	35
Non-current liabilities		
Forward currency contracts	0	1

19) DERIVATIVES *(continued)*

	2025 NZD $000	2024 NZD $000
Buy AUD/Sell NZD - Maturity 0-12 months	37,875	22,239
Buy AUD/Sell NZD - Maturity 13 - 24 months	0	553
Buy USD/Sell NZD - Maturity 0 - 12 months	5,696	4,108

20) FINANCIAL RISK FACTORS

TVNZ's activities expose it to a variety of financial risks including currency risk, credit risk, liquidity risk, and interest rate risk. TVNZ's overall risk management policy seeks to minimise potential adverse effects on TVNZ's financial performance.

Treasury policies have been approved by the Board for managing each of these risks including levels of authority on the type and use of financial instruments. TVNZ enters into derivative transactions, principally forward currency contracts, only if they relate to underlying exposures.

TVNZ has the following categories of financial instruments:

Held for trading financial assets (including derivative financial instruments); loans and receivables (including cash and cash equivalents and trade receivables); held for trading financial liabilities (including derivative financial instruments); and financial liabilities measured at amortised cost (including trade and other payables and loans and borrowings).

The carrying amounts of these financial instruments are disclosed on the face of the statement of financial position or in each of the applicable notes.

Currency Risk
TVNZ undertakes transactions denominated in foreign currencies, predominately Australian dollars, for programme rights' purchases. As a result of these transactions TVNZ has exposure to foreign exchange risk. TVNZ's foreign exchange policy is to hedge a portion of material foreign currency denominated costs at the time of the commitment on a rolling 36-month basis. TVNZ ensures that its net exposure to foreign denominated cash balances is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short term imbalances.

20) FINANCIAL RISK FACTORS *(continued)*

At 30 June TVNZ had the following foreign currency exposures:

	2025 $000	2024 $000
Financial assets		
Cash and cash equivalents	472	230
Trade and other receivables	0	30
	472	260
Financial liabilities		
Trade and other payables	(13,867)	(15,033)
Foreign currency derivatives		
Forward contracts	43,571	26,899
Total net exposure	30,176	12,126

At 30 June, had the New Zealand dollar strengthened/(weakened) by 10% against foreign currencies with all other variables held constant, post tax profit and equity would have been (lower)/higher as follows:

	Post tax profit		Equity	
	+10% $000	(10%) $000	+10% $000	(10%) $000
2025	(2,050)	2,094	(2,050)	2,094
2024	(450)	1,250	(450)	1,250

Interest rate risk
TVNZ's exposure to interest rate risk relates primarily to cash and cash equivalents.

At 30 June, TVNZ had the following mix of financial assets and liabilities exposed to variable interest rate risk.

	2025 $000	2024 $000
Financial assets		
Cash and cash equivalents	33,905	26,233
Short term investments	75,000	65,000
Net exposure	108,905	91,233

TVNZ uses interest rate swaps to hedge any underlying debt obligations. No interest rate swaps are held at 30 June 2025 (2024: nil).

20) FINANCIAL RISK FACTORS *(continued)*

Credit risk
Credit risk is the risk of financial loss to TVNZ if a customer or counterparty to a financial instrument fails to meet its obligations. In the normal course of business TVNZ incurs credit risk with financial institutions and trade receivables. TVNZ has a credit policy which is used to limit counterparty risk through restrictions on the amount of short-term investments that may be placed with any one approved financial institution.

The maximum exposure at balance date equals the carrying value of cash, derivative financial instruments (assets) and trade receivables as shown in the statement of financial position and specified in applicable notes.

The major concentration of credit risk within trade receivables is the extension of credit to advertisers through accredited advertising agencies. These agencies are required to comply with a formal accreditation process, which includes the regular review of their financial position. Each accredited agency is required to meet a certain financial ratio or alternatively provide other forms of financial reassurance to TVNZ.

TVNZ does not require collateral or security to support financial instruments due to the quality of the counterparties with which it deals.

Liquidity risk
Liquidity risk is the risk that TVNZ may be unable to meet its financial obligations as they fall due. It is TVNZ's policy to ensure that adequate funding is available at all times to meet future commitments as they arise. Management monitors rolling forecasts of TVNZ's liquidity reserve on the basis of expected cash flows.

The table below analyses the contractual cash flows for all financial liabilities and derivatives. The forward exchange contracts inflow and outflow are notional values.

	2025		
	Within one year $000	One to two years $000	Total $000
Trade and other payables	34,917	0	34,917
Forward exchange contracts - outflow	43,571	0	43,571
Forward exchange contracts - inflow	(43,174)	0	(43,174)
	35,314	0	35,314

	2024		
	Within one year $000	One to two years $000	Total $000
Trade and other payables	41,731	0	41,731
Forward exchange contracts - outflow	26,347	553	26,899
Forward exchange contracts - inflow	(26,636)	(552)	(27,187)
	41,442	1	41,443

20) FINANCIAL RISK FACTORS *(continued)*

Fair value
TVNZ uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in active markets.

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The fair value of the financial instruments is estimated using Level 2 criteria such as present value techniques, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. The fair value of land and buildings is estimated using level 3 criteria, refer to Note 11 for valuation details.

There were no transfers between Level 1 and Level 2 during the year (2024: none).

The fair values of the foreign currency contracts in Note 19 is assessed under Level 2 of the fair value hierarchy

For purposes of subsequent measurement, financial assets and liabilities are classified at fair value through profit or loss.

The fair value of land and buildings is assessed under Level 3 of the fair value hierarchy. The value of land and buildings are determined based on market valuations prepared by an independent registered valuer. Changes in fair value are recognised in the Statement of Comprehensive Income.

Capital management
TVNZ capital includes share capital, reserves and retained earnings.

There have been no material changes to TVNZ's management of capital during the year.

21) SHARE CAPITAL AND RESERVES

For movements in share capital and reserves refer to the Statement of Changes in Equity..

Share capital
As at 30 June 2025 there were 140,000,000 shares issued and fully paid (2024: 140,000,000). All ordinary shares rank equally with one vote per share and carry rights to dividends.

Upon winding up, shareholders rank equally with regard to TVNZ's residual assets..

Revaluation reserve

	2025 $000	2024 $000
Movement in Revaluation reserve:		
Opening balance	68,023	67,148
Charged to other comprehensive income (net of tax)	2,974	875
Closing balance at 30 June	70,997	68,023

The revaluation reserve records the cumulative change in value, net of tax, of Land & Buildings held by TVNZ.

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

22) CASH FLOW STATEMENT RECONCILIATION

	Notes	2025 $000	2024 $000
Reconciliation of net profit after tax to net cash flows from operations			
Net profit/(loss)		25,710	(85,012)
Adjustments for:			
Depreciation and amortisation (excluding programme rights)	5	7,699	13,703
Unrealised foreign currency losses/(gains)	7	(168)	(565)
Impairment of Fixed Assets	6	1,166	10,363
Changes in assets and liabilities			
Increase)/decrease in trade and other receivables		(505)	36,772
(Increase)/decrease programme rights		(3,033)	24,885
Increase/(decrease) trade and other payables		(7,297)	(6,432)
Increase/(decrease) deferred income		(786)	329
Increase/(decrease) income tax payable		275	228
Increase/(decrease) provisions		(1,096)	1,799
Net cash from operating activities		21,965	(3,930)

23) RELATED PARTY DISCLOSURES

a) Subsidiaries

The consolidated financial statements include the financial statements of TVNZ and its subsidiaries, listed in note 14.

b) Joint venture

The following table provides the total amount of transactions that were entered into with Joint Ventures.

	2025 $000	2024 $000
Joint venture		
Revenue from Freeview Limited	1,031	1,025
Purchases from Freeview Limited	367	466
Amounts owed by Freeview Limited	169	175

All transactions with the joint venture arise in the normal course of business. None of the balances are secured.

c) Government entities

Funding from NZOA, TMP	5,339	5,061

Apart from funding received from NZOA and TMP, transactions with other government agencies such as government departments, SOEs, and Crown entities are not disclosed as related party transactions, since such disclosure is not required.

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

23) RELATED PARTY DISCLOSURES *(continued)*

d) Key management personnel

Key management consists of TVNZ's Directors, Chief Executive Officer and the members of the executive team (current and former during the year). Key management personnel compensation is as follows:

Executive team		
Salary and other short term benefits	3,108	4,795
Defined contribution superannuation expense	143	217
Termination benefits	263	383
	3,514	5,395
Directors		
Directors' Fees	421	369

24) COMMITMENTS

	2025 $000	2024 $000
Programme rights		
Within one year	49,878	62,044
One to five years	13,679	45,394
	63,557	107,438

The commitments are determined with reference to licence period start dates. Commitments for programme rights denominated in foreign currency are converted at the exchange rate ruling at the date of transaction and revalued at year end.

25) CONTINGENT LIABILITIES

In the normal course of business various legal claims have been made against TVNZ. TVNZ has confidence in its approach in respect of each claim. Given the absence of formal proceedings and uncertainty as to the outcomes of these claims, no estimate of the financial effect can be made and no provision for any potential liability has been made in the financial statements.

26) EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors has approved a fully imputed dividend of $3,100,000.

There have been no other significant events occurring since balance date requiring disclosure.

27) COMPARISON OF FORECAST TO ACTUAL RESULTS

Forecast amounts

The forecast amounts are those approved by the Board before the beginning of the 2025 financial year. They have been prepared using the same accounting policies as those used in the preparation of these financial statements. The forecast amounts have not been audited.

	Actual $000	Forecast $000
a) Financial performance		
Revenue	281,066	269,315
Operating expenses	(215,539)	(290,418)
EBITDAF	65,527	(21,103)
Interest income	4,949	5,206
Interest expense	(284)	(146)
Depreciation and amortisation	(7,699)	(13,126)
Financial instruments/foreign currency gains/(losses)	79	0
Income tax expense	1,177	0
Impairment	(38,039)	0
Net profit/(loss) for the year	25,710	(29,169)
b) Movements in equity		
Net profit/(loss) for the year	25,710	(29,169)
Other comprehensive income	2,974	0
Movements in equity for the year	28,684	(29,169)
Equity at start of the year	202,923	263,362
Equity at end of the year	231,607	234,193

Revenue reached $281.1 million was down on the previous year but exceeded the forecast by $11.8 million, primarily due to stronger than expected advertising revenue performance throughout the year. Operating expenses of $215.6 million were $74.9 million below forecast. This was partially driven by reduced content spending and lower employee-related costs with the balance due to accounting adjustments related to the FY24 impairment.

	Actual $000	Forecast $000
c) Financial position		
Current assets	150,310	155,165
Non-current assets	125,931	135,459
Total assets employed	276,241	290,624
Current liabilities	40,629	54,773
Non-current liabilities	4,005	1,658
Total liabilities	44,634	56,431
Share capital	140,000	140,000
Revaluation reserve	70,997	67,148
Retained earnings	20,610	27,045
Total equity	231,607	234,193
Total equity and liabilities	276,241	290,624

Notes to the Consolidated Financial Statements *(continued)*

FOR THE YEAR ENDED 30 JUNE 2025

27) COMPARISON OF FORECAST TO ACTUAL RESULTS *(continued)*

Current assets are below forecast by $4.8m due to impairment and write down of programme rights and prepaid programme rights.

Non-current assets are below forecast by $9.5m, predominantly due to impairment of Property, plant and equipment and Intangible assets.

Current liabilities are below forecast by $14.1m primarily due to lower trade payable and accruals following reduced operating expenses and lower employee entitlement accruals due to reduced FTE.

Non-current liabilities are $2.3 million above the forecast. This increase is mainly attributed to higher lease liabilities and provisions.

	Actual $000	Forecast $000
d) Cash flows		
Net cash flows from/(to):		
Operating activities	21,965	(13,900)
Investing activities	(13,282)	(13,144)
Financing activities	(921)	(851)
Net increase/(decrease) in cash held	7,762	(27,895)
Add opening cash brought forward	26,233	48,532
Net foreign exchange differences	(89)	0
Ending cash carried forward	33,905	20,637

Higher than expected EBITDAF performance resulted in cash flows from operating activities being $35.8m above forecast.

	Actual	Forecast
e) Performance targets		
Profitability		
Return on average equity	30.2%	-8.5%
Gearing		
Net interest bearing debt/net interest bearing debt plus equity	0.0%	0.0%
Financial stability		
Total equity/total assets	83.8%	80.6%
Interest cover		
EBITDAF/interest expense	231 times	-145 times

(EBITDAF - earnings before interest, tax, depreciation, amortisation and revaluation of financial instruments).

Report of the Auditor-General

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF TELEVISION NEW ZEALAND LIMITED'S GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

The Auditor-General is the auditor of Television New Zealand Limited (TVNZ) and its subsidiaries (the Group). The Auditor-General has appointed me, Lloyd Bunyan, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements information of the Group on his behalf.

OPINION

We have audited:

- the financial statements of the Group on pages 35 to 67, that comprise the consolidated statement of financial position as at 30 June 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion:

- the financial statements of the Group:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2025; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with International Financing Reporting Standards and NZ equivalents to International Financial Reporting Standards.

Our audit was completed on 27 August 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

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 FOR THE FINANCIAL STATEMENTS

The Board is responsible on behalf of the Group for preparing financial statements that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such

Report of the Auditor-General

internal control as they determine is necessary to enable them to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board 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 merge or to terminate the activities of the Group, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004, Television New Zealand Act 2003, Companies Act 1993 and the Public Finance Act 1989.

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements, 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.

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

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, 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 Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 financial statements 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 Group 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 obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Report of the Auditor-General

We communicate with the Board 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 is responsible for the other information. The other information comprises the information included on pages 34 and 72 to 78 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

Our opinion on the financial statements 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, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements 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. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

INDEPENDENCE

We are independent of the Group in accordance with the independence requirements of 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) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit we have provided other assurance and agreed upon procedures to the Group. Other than the audit, and these services, we have no relationship with or interests in the Group.

Lloyd Bunyan
On behalf of the Auditor-General
Auckland, New Zealand

Additional Information

PRINCIPAL ACTIVITY

TVNZ's principal activity during the year was television (programme content supply and delivery, production, acquisition of television programmes, and online services).

SHAREHOLDING

TVNZ is wholly owned by the Crown.

The Shareholding Ministers at balance date were:

Hon Nicola Willis	Minister of Finance
Hon Paul Goldsmith	Minister of Broadcasting & Media

DIRECTORS

Alastair Carruthers CNZM (Chair), Ripeka Evans (Deputy Chair), John Quirk, Aliesha Staples, Meg Matthews *(term ended 30 June 2025)*, Linda Clark *(term ended 30 June 2025)*, John Fellet *(appointed 1 September 2025)*, Paul Henry *(appointed 1 July 2025)*.

AUDITOR

The Auditor-General is the auditor of TVNZ in accordance with Section 14 (1) of the Public Audit Act 2001 and has appointed Lloyd Bunyan of Ernst & Young to act for and on his behalf as auditor in 2025.

GENERAL DISCLOSURES

The following disclosure of interests were made to the Board:

DIRECTORS' DISCLOSURES

General disclosures of interest given by TVNZ pursuant to Section 211 of the Companies Act 1993 as at 30 June 2025:

A K Carruthers CNZM (Chair)

Ringa Hora | Tertiary Education Commission	Workforce Development Council Member
Auckland Regional Amenities Funding Board	Board Member
Tātaki Auckland Unlimited	Director
Tāmaki Paenga Hira | Auckland War Memorial Museum	Trustee and Deputy Chair
Museum of Transport & Technology (MOTAT)	Board Member
Auckland University of Technology Foundation	Trustee
Cornwall Park Trust Board	Trustee
Sir Logan Campbell Residuary Trust	Trustee
Sir John Logan Campbell Medical Trust	Trustee
Homeland NZ Enterprises Limited	Director
Carruthers Consulting Limited	Director

R M Evans (Deputy Chair)

Tupu Tonu | Ngāpuhi Investment Fund Limited	Director
Te Aupouri ki Poneke Association	Chair
Te Tiriti Advisory Group to Pharmacy Council of New Zealand	Member
Ātiawa Toa Hauora Partnership Board	Manahautū
Courageous Conversation Aotearoa Foundation	Chair
Joint Research Committee, Wai 2700 Mana Wāhine Inquiry	Chair, Claimant Member
Wellington Regional Council Holdings Limited	Director
Greater Wellington Rail Limited	Director

J E Quirk

Aeroqual Limited	Chair
Harmoney Group	Director
Portainer.io	Chair
Quirk International	Director

A N E Staples

Antarctic Heritage Trust	Director
Click Foundation	Trustee
Creative Coworking Limited	Director
Dairy Flat Country Club Limited	Director
Institute of Directors	Director
Netball NZ	Director
New Zealand Football Foundation	Chair
Scanmonster Limited	Director
Staples Production Limited	CEO
StaplesVR Limited (UK)	Director
Staples Virtual Reality Pty Limited (Australia)	Director
University of Otago Karapitipitinga Industry Advisory Board	Member

M R Matthews

Christchurch International Airport Limited	Director
Halberg Foundation	Trustee
New Zealand Olympic Committee	Director
Port Nelson	Director
Real Group Limited and subsidiaries	Director

Additional Information

L Clark

Dentons Kensington Swan	Partner
Twinset Limited	Director & Shareholder
Redhead Productions Limited	Director & Shareholder

J Fellet

Auckland Little League Baseball	Director
Global Metal Solutions Limited - Hamilton	Member of Advisory Board
St Columba Presbyterian Church - Botany	Chairman

P Henry
Presenter of *The Chase New Zealand*

SPECIFIC DISCLOSURES

No specific disclosures were given pursuant to Section 211 of the Companies Act 1993.

USE OF COMPANY INFORMATION

No notices have been given to the Board under Section 145 of the Companies Act 1993 with regard to the use of Company information received by Directors in their capacity as a Director.

DIRECTORS' REMUNERATION & BENEFITS

The following persons held the office of Director of TVNZ during the year and received the total amount of remuneration and other benefits shown.

The Directors elected not to receive the 2025 Crown Board Fee increases they were eligible for during the period 1 January 2025 - 30 June 2025, given TVNZ's strategic change focuses at that time.

Director	$
Alastair Carruthers CNZM (Chair)	107,400
Ripeka Evans (Deputy Chair)	67,125
John Quirk	53,700
Aliesha Staples	53,700
Meg Mathews	53,700
Linda Clark	40,271*
John Fellet	44,750
Paul Henry	0
	420,650

*Linda Clark took leave without pay from her role on TVNZ's board from April to June 2025.

DIRECTORS' INDEMNITY INSURANCE

TVNZ arranged Directors' and Officers' liability insurance cover with QBE Insurance (International) Limited for $30 million. This cover includes all Directors and Officers of TVNZ. In addition, TVNZ holds Statutory Liability cover with QBE for the benefit of Directors and Officers which provided $6 million total cover.

TVNZ'S APPROACH TO EXECUTIVE REMUNERATION

TVNZ's executive remuneration policy is to pay for performance. The Company's policy line is market median for total remuneration package and upper quartile as required for critical roles where there is high market demand, and for employees identified as key talent.

Total remuneration is made up of fixed remuneration and short-term performance incentives (STI). Short term incentives are deemed 'at risk' as the outcome is determined by performance against a combination of predetermined financial and non financial objectives.

FIXED TERM REMUNERATION

Fixed remuneration consists of base salary and benefits (superannuation).

TVNZ executives are eligible to select between or contribute to both KiwiSaver and the Superlife Millennium super scheme. TVNZ will match employee contributions up to a maximum of 5% of gross taxable earnings.

SHORT-TERM PERFORMANCE INCENTIVES

Short-term incentives (STIs) are at-risk payments designed to motivate and reward for performance in that financial year.

The purpose of an 'at risk' element of total remuneration is to drive a strong performance culture and to differentiate between levels of achievement. The TVNZ framework links annual remuneration outcomes to individual and company performance.

The scheme has been designed to ensure an appropriate balance between fixed and "at risk" performance based pay. The target value of an STI payment is set as a percentage of the executive's base salary. For FY25 the target for the Chief Executive was 25%.

The STI targets specify a performance 'floor' and 'ceiling'. Below the 'floor' results in an achievement rating of 0%. The 'floor' results in a minimum achievement rating of 50%. Achieving 'target' results in an achievement rating of 100%. Achieving the 'ceiling' or above results in a maximum achievement rating of 100%. A linear scale is used to assess achievement between floor and ceiling targets.

The targets, hurdles and weighting for the STI scheme are set annually by the Board. The Board may agree a change to the targets, hurdles and weighting during a financial year and from year to year at its sole discretion. Such changes could result from shifts in market environment, changes to strategy and business direction, and business financial circumstances.

Additional Information

SHORT-TERM PERFORMANCE INCENTIVES *(continued)*

Payments for the STI scheme are made at the sole discretion of the board. Significant changes in the economic environment or financial circumstances of the company may result in the board electing not to make payments in a given year, even if specific targets have been met.

The incentive scheme for Business Leaders for FY25 (excluding the CEO STI) is divided into three parts:

1. Total Costs - 40%
The financial performance measure for Total Cost objectives is evaluated at the end of the year against predetermined targets. A multiplier ranging from 0% to 100% is then applied to the results.

2. Digital Audience – 30%
Digital Audience covers non-financial performance measures, such as reach objectives, which are also assessed at year-end against set targets. A multiplier from 0% to 100% is applied to the results.

3. Digital Revenue – 30%
The financial performance measure for Digital Revenue is reviewed at the end of the year against established targets, with a multiplier between 0% and 100% assigned based on performance.

CHIEF EXECUTIVE REMUNERATION

The CEO remuneration paid during the year ended 30 June 2025 is illustrated in the table below:

Jodi O'Donnell

	2025 $	2024[1] $
Base Salary	700,000	290,293
Benefits	35,660	15,355
Fixed Remuneration	735,660	305,648
STI Paid	0	0
Total	735,660	305,648

[1] Salary for 2024 is for the period from 30 Janurary 2024 to 30 June 2024

Brent McAnulty (Interim CEO) 1 July 2023 to 29 January 2024

	2025 $	2024 $
Base Salary	0	346,813
Benefits	0	18,181
Fixed Remuneration	0	364,994
STI Paid	0	0
Total	0	364,994

Note:

- The annual short-term performance incentive paid in September of each year relates to performance against the criteria set for the previous financial year. Incentives paid to the individuals above during FY24 were not related to their role as CEO and have therefore been excluded from the calculation.
- The Chief Executive is a member of the Superlife Millennium super scheme. As a member of this scheme, the Chief Executive is eligible to contribute and receive a matching company contribution of up to 5% of gross taxable earnings.
- The board have approved a CEO STI payout for FY25 which will be paid in FY26. The payment approved equates to 94% of the target STI for FY25.

FIVE-YEAR SUMMARY – CHIEF EXECUTIVE'S REMUNERATION

	Base salary $	Total remuneration paid $[1]	Percentage STI against maximum %[2]	STI target as % of base salary
FY25	700,000	735,660	0%	25%
FY24	637,106[4]	670,642	0%[3]	25-40%
FY23	777,622	1,006,149	120%	45%
FY22	810,571	2,349,474	136% & 144%	62.5% & 45%
FY21	840,857	897,628	0%	62.5%

[1] Total remuneration paid including salary, benefits and STI payments

[2] STI payments are related to performance for the previous financial year.

[3] Incentives paid to the CEO and Interim CEO during FY24 were not related to their role as CEO and have therefore been excluded from the calculation.

[4] Base salary paid for FY24 includes the salary of the Interim CEO. Brent McAnulty from 1 July 2023 to 29 January 2024 and CEO Jodi O'Donnell from 30 January 2024 to 30 June 2024.

BREAKDOWN OF CHIEF EXECUTIVE'S PAY FOR PERFORMANCE FOR FY25

Jodi O'Donnell CEO - Current

Short Term Incentive	Performance Measures	Percentage achieved %
Set at 25.0% of base salary. Based on a combination of key financial and non-financial performance measures.	40% based on Total Costs	100%
	20% based on Digital Audience	90%
	30% based on Digital Revenue	87%
	10% based on Workforce Development	100%
	Total Award	**94%**

Additional Information

EMPLOYEE REMUNERATION

Employee remuneration includes salary, at risk remuneration, payments for projects, programme production, presentation, motor vehicles, employer's contributions to superannuation and health schemes, redundancy, other compensation on termination of employment and other sundry benefits received in their capacity as employees.

Employees include executives and staff involved in programme production and presentation where applicable.

Employee remuneration in overseas locations has been converted to New Zealand dollars at current exchange rates.

TVNZ is committed to paying its permanent employees the living wage as a minimum and has done so since 2014.

	Current employees	Former employees	Total
$100,001 - $110,000	48	8	56
$110,001 - $120,000	35	9	44
$120,001 - $130,000	37	6	43
$130,001 - $140,000	23	5	28
$140,001 - $150,000	17	3	20
$150,001 - $160,000	15	4	19
$160,001 - $170,000	15	3	18
$170,001 - $180,000	10	4	14
$180,001 - $190,000	15	4	19
$190,001 - $200,000	8	3	11
$200,001 - $210,000	10	3	13
$210,001 - $220,000	9	1	10
$220,001 - $230,000	1	1	2
$230,001 - $240,000	3		3
$240,001 - $250,000	5	2	7
$250,001 - $260,000	2	1	3
$260,001 - $270,000	2	2	4
$270,001 - $280,000	1	1	2
$280,001 - $290,000	4		4
$290,001 - $300,000	1		1
$310,001 - $320,000	1	1	2
$330,001 - $340,000	1		1
$340,001 - $350,000		1	1
$350,001 - $360,000	1		1
$360,001 - $370,000	1	1	2
$370,001 - $380,000	2		2
$380,001 - $390,000	1		1
$410,001 - $420,000	2		2
$490,001 - $500,000	1		1
$650,001 - $660,000	1		1
$740,001 - $750,000	1		1
	273	63	336

Corporate Governance

The Board

ROLE OF THE BOARD

In addition to its duties under the Television New Zealand Act 2003 and the Companies Act 1993, the Board, under Section 92 of the Crown Entities Act 2004, must ensure that the Company acts in a manner consistent with its objectives, functions, Statement of Intent and Statement of Performance Expectations.

The Board negotiates the Statement of Intent and Statement of Performance Expectations with its shareholding Ministers. It includes the Company's objectives, nature and scope of the activities to be undertaken and the performance targets and other measures by which its performance may be judged for the current year and following two years. The Board monitors management's performance relative to these objectives and targets.

The full Board met formally eleven times during the financial year. Much of its focus was on the Company's Digital+ strategy and investment in strategic initiatives and core systems modernisation to enable TVNZ's digital transformation, and strategic responses to challenging economic conditions.

The Board has delegated day-to-day management to the Chief Executive Officer. Policies are in place which define the individual and collective responsibilities of the Board and management. In particular, the Board has approved specific delegated authorities to enable management to incur expenditure and create binding obligations.

APPOINTMENT OF DIRECTORS

Shareholding Ministers, being the Minister for Media and Communications, and the Minister of Finance make all appointments to the Board, including that of the Chair. Appointments are for fixed terms not exceeding three years, which may be renewed. The Board comprises individuals with a wide range of experiences and skills to ensure that all governance responsibilities are completed in a manner consistent with best possible management practice. Profiles of each of the Directors who were serving at year end are set out on page 78 of this report.

BOARD COMMITTEES

The Board has three standing committees:

Audit & Risk Committee
The Audit and Risk Committee met four times during the year.

The Committee assists the Board in fulfilling its responsibilities by providing recommendations, counsel and information concerning its accounting and reporting responsibilities under the Companies Act 1993 and related legislation and evaluating risk management practices.

At year end, membership of the Committee was comprised of Meg Matthews (Chair), Alastair Carruthers, John Quirk and Aliesha Staples.

Remuneration, People & Culture Committee
The Remuneration, People & Culture Committee met five times during the year.

Its work is consistent with TVNZ's obligations to be a good employer under the Crown Entities Act 2004. In addition to its role of adding value to TVNZ People and Culture plans and practices at a strategic level, the Committee approves any movement to the remuneration of the Company's senior executives and presenters. The Committee also approves the level of any 'at risk' payments to be awarded to executives, based on the Company's business performance.

TVNZ operates a remuneration system designed to ensure that employees are rewarded for individual performance, for the responsibilities and skills required in their jobs, benchmarked against both external and internal relativities.

At year end, membership of the Committee was comprised of Ripeka Evans (Chair), Alastair Carruthers and Linda Clark.

Strategy & Tech Committee
The Strategy and Tech Committee met nine times during the year. The Committee's role is to oversee Digital+ strategic roadmap including technology strategy and core systems modernisation, and the Company's investment in the strategic initiatives which will enable TVNZ's digital transformation.

At year end, membership of the Committee comprised of John Quirk (Chair), Alastair Carruthers, Meg Matthews, and Aliesha Staples.

Key Governance Statements

OCCUPATIONAL WELL-BEING AND SAFETY

TVNZ's health and safety policy is to promote excellence in health, safety and wellness by implementing best practice health and safety systems while seeking continuous improvement.

BUSINESS CONTINUITY, INSURANCE AND RISK MANAGEMENT

TVNZ has developed business continuity plans for use in any emergency situation facing the Company.

TVNZ maintains a number of insurance policies designed to support the philosophy that, in the event of a disaster, the Company would not be materially affected and could continue to operate in line with its statutory obligations and audience expectations.

The Company has in place policies and procedures to identify and manage risks. Exposure to foreign exchange and interest rate risk is managed in accordance with a comprehensive Board-approved Treasury policy, which sets limits of management authority. Derivative instruments are used by the Company to manage specific business risk; they are not used for speculative purposes.

EDITORIAL INDEPENDENCE

TVNZ has in place an editorial protocol that details the duties and responsibilities of TVNZ, its Board and its executives on editorial matters. The principle of editorial independence recognises the importance of isolating control of editorial content from commercial or political influence. This principle is reflected in the Television New Zealand Act 2003.

EXTERNAL AUDITOR

The Auditor-General is the Company's auditor pursuant to Section 14 of the Public Audit Act 2001. The Auditor-General has appointed Lloyd Bunyan of Ernst & Young to act as external auditor on his behalf in the current financial year.

LEGISLATIVE COMPLIANCE

The Company has in place a legislative compliance programme to ensure the Company's compliance with its various statutory obligations. A bi-annual review is undertaken, the results of which are reported to the Audit and Risk Committee.

Media Standards

The Broadcasting Act 1989 places an obligation on the Company for the broadcasting of programmes to comply with the requirements of that Act and with codes of practice approved by the Broadcasting Standards Authority. TVNZ as a broadcaster is required to receive and consider formal complaints and to have procedures for investigating them.

In addition, the Company's online news and entertainment content is subject to the jurisdiction of the New Zealand Media Council.

Director Profiles

AS AT 30 JUNE 2025

ALASTAIR CARRUTHERS

CHAIR – AUCKLAND

Alastair Carruthers is a widely experienced governor and has held Chief Executive positions for Chapman Tripp, Kensington Swan and Unitech. His areas of expertise include financial management and accountability, law, marketing and communications, and digital technology and systems. His numerous previous directorships include chairing the Allpress Espresso Group of companies globally, the Arts Council of New Zealand, and the NZ Film Commission. He is a current board member of several other entities spanning property, food production, culture, and tertiary education.

RIPEKA EVANS

DEPUTY CHAIR – WELLINGTON

Ripeka is an experienced Executive and Non Executive Director with governance experience on commercial, Iwi, Crown, multimedia, infrastructure, tertiary education, regulatory, health, culture and identity and Māori development boards.

She is a director of Tupu Tonu -Ngāpuhi Investment Fund Limited, Wellington Regional Holdings, Greater Wellington Rail and Chair of Courageous Conversation Aotearoa Foundation. Former Chair, Northtec, Deputy Chair, Toi Ohomai and member of the Te Ao Māori Advisory Panel of the RBNZ.

Ripeka is a member of the Institute of Directors. She is of Ngāpuhi, Ngāti Kahu, Te Aupouri, Ngai Takoto and Ngāti Porou descent.

MEG MATTHEWS

NELSON

Meg is a qualified accountant with more than 20 years' senior management experience across key business disciplines of finance, human resource management, strategic planning and marketing. Meg held the position of Head of Marketing (Australasia) for Air New Zealand and then Chief Executive of World of Wearable Art. She started at the national airline in Corporate Finance after beginning her career with Deloitte.

A Member of the Institute of Directors, Meg is currently the Chair of Cawthron Institute, Nelson Regional Development Agency, and director of Kono, Port Nelson and the Halberg Foundation. Meg is of Ngāi Tahu descent.

ALIESHA STAPLES

AUCKLAND

Aliesha comes from a 15-year film industry and VR/AR/tech creation background, she is the founder of Staples VR an emerging tech consultancy and development company and the co-founder of Click Studios. Aliesha is a pioneer of new technology and was the first female to win the High-Tech Awards Young Achiever in 2017 and the first person to win the award twice when she also won in 2018.

She was also a finalist in the 2019 New Zealander of the Year awards for innovation. Aliesha is currently the CEO of StaplesVR and working as director who specialises in innovation and digital disruption.

JOHN QUIRK

AUCKLAND

John is a professional director with an extensive business and governance career. He has deep experience in technology and digital transformation. As a strategic investment and corporate advisor his specialist area was high tech / high growth companies going global.

He is a director of ASX-listed Harmoney Corp, and Chair of Aeroqual Ltd and Portainer.io Ltd. He is also the former Chair of the Kordia Group and was a director on the Strong Public Media initiatives. John is a chartered member of the Institute of Directors.

LINDA CLARK

WELLINGTON

Linda is a partner at Dentons Kensington Swan specialising in public law, litigation and defamation. She has previously served on the boards of NZ on Air, Read NZ and NZORD. Prior to launching her legal career, Linda was a journalist and broadcaster. She was TV One's Political Editor throughout the 1990s.

JOHN FELLET

AUCKLAND

John is a 45 year veteran of the international and domestic broadcast industry. He is a member of the Institute of Directors and a qualified accountant.

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TVNZ

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OUR BOARD*

Alastair Carruthers CNZM, *Chair*
Ripeka Evans, *Deputy Chair*
Aliesha Staples
John Quirk
Linda Clark
Meg Matthews
John Fellet

OUR EXECUTIVE*

Jodi O'Donnell, *Chief Executive Officer*
Rob Hutchinson, *Chief Digital Officer*
Brent McAnulty, *Interim Chief News and Content Officer*
Liz O'Neil, *Acting Chief Operating Officer*
Valerie Walshe, *Chief Revenue Officer*
Tracey Richardson, *Chief Financial Officer*

*as at 30 June 2025

TE REO TĀTAKI