VENUES ŌTAUTAHI

STATEMENT OF INTENT

1 JULY 2026 – 30 JUNE 2029

VENUES
ŌTAUTAHI

CONTENTS

01 INTRODUCTION

Venues Ōtautahi Ltd is a Council Controlled Organisation (CCO) for the purposes of the Local Government Act 2002.

This Statement of Intent (SOI) is prepared by Venues Ōtautahi Ltd (VŌ) in accordance with Section 64(1) of the Local Government Act 2002.

This SOI specifies the objectives, nature, and scope of the activities to be undertaken by VŌ, and the performance targets and other measures by which the performance of the Company may be judged in relation to its objectives.

The SOI is a public and legally required document which is reviewed and agreed annually with the Company's sole Shareholder, the Christchurch City Council (Council) and covers a three-year period. This SOI covers the period from 1 July 2026 to 30 June 2029.

02 ABOUT VENUES ŌTAUTAHI

Venues and events are places for locals and visitors to connect for celebration, education, trade, and entertainment.

They, and the experiences they create, exist for community connection and to deliver social, cultural, environmental and economic benefits for the region and its community. It is these philosophies which underpin the VŌ ethos and culture.

VŌ, where Ōtautahi comes together, is the largest venue, event and culinary services management company in New Zealand.

Each year, VŌ attracts, plans, and delivers a diverse range of ticketed, business, civic, lifestyle, wedding, education, culinary and community events, including major entertainment and sporting events in the city of Christchurch and strategically manages a diverse and iconic portfolio of community assets.

The Company, established over 25 years ago, owns the Christchurch Town Hall and Wolfbrook Arena and manages the Air Force Museum of New Zealand, Hagley Oval, and One NZ Stadium.

The company also delivers large-scale events through the mobile culinary and event management services arm of the business and has a preferred catering agreement with Parakiore.

VŌ has a number of critical commercial partnerships including ticketing, content, sponsorship, premium hospitality, venue hire partnerships and pourage all contributing to the long-term financial sustainability of the company.

VŌ's mission is to strategically manage and leverage the venues to deliver positive social, cultural, environmental, and economic benefit to the region.

The venues are owned by the community and are for the community. VŌ are proud and privileged to manage them, and the community is proud to own them.

The diversity of the event portfolio is extensive, and the capability of the VŌ team reflects this.

Across the portfolio of venues under the VŌ umbrella the company delivers over 500 events and welcomes around 850,000 guests each year.

The events delivered across the portfolio of VŌ venues deliver around $80 - $90m of estimated direct and indirect economic benefit annually to the Canterbury region.

This significant contribution is made up of direct contribution to local suppliers, producers and hospitality vendors, to local service providers and contractors through our source local procurement strategy, the employment of around 1,000 local staff and around $55m of estimated economic benefit through visitation to the region.

VŌ's way of doing business is to be aspirational, agile, and kind with a culture underpinned by community centric principles, a focus on innovation and revenue growth, a drive to be socially and environmentally sustainable for the generations ahead, a deep connection to the cultural heritage of the region, and a genuine motivation to do the best by and for Christchurch.

VŌ's focus in moving forward into the period of this Statement of Intent is to remain committed to maximising the utilisation of the suite of venues in the portfolio, for growing and diversifying revenue streams to strengthen financial resilience and independence, for maximising the opportunity of One NZ Stadium for the city and enhancing the client and guest experiences, at the same while continuing to drive efficiencies across the business.

Underpinning all aspects of the business is the commitment to valuing and supporting our people to perform at their best, to delivering positive social and environmental outcomes, to protecting the assets we feel privileged to own and operate, to embedding and embracing the principles of Te ao Māori, and to nurturing and building strategic partnerships critical to future success.

03 NATURE AND SCOPE OF ACTIVITIES

VŌ undertakes the following activities.

- Venue marketing, communications, and event attraction
- Commercial event and venue partnerships
- Sponsorship, advertising and commercial partnerships
- Event planning, management, delivery, and venue operations
- Retail, corporate, and mobile culinary services
- Asset management and facilities maintenance
- Community and strategic local partnership and engagement
- Premium hospitality member programme
- Stadium tours and broader activations

04 CORE REVENUE MODEL AND COST STRUCTURE

VŌ operates an integrated venue management and event delivery model, generating income through diversified commercial streams while carrying significant responsibility for asset stewardship, workforce capability and event planning and delivery. The organisation's ability to manage a diverse portfolio of venues under a single operating model provides scale efficiencies and commercial consistency.

Food and beverage represents the organisation's primary source of revenue, accounting for approximately half of total operating income. This includes retail and corporate hospitality catering, conference and banquet services, premium hospitality delivery, and associated beverage rights arrangements.

The scale of One NZ Stadium materially enhances this revenue category, with higher attendance volumes and expanded premium hospitality offerings driving increased turnover and operating leverage.

Venue hire and management activities contribute materially to the company's total operating income with this revenue stream reflecting VŌ's role as both asset manager and event operator, encompassing sporting fixtures, concerts, business events, conferencing, long-term tenant arrangements and production-related services.

Premium hospitality at One NZ Stadium, a primarily new steady state revenue stream, contributes materially to total operating income,.

The introduction of this new revenue stream strengthens high-yield revenue streams and supports long-term financial sustainability. This segment is central to the commercial model underpinning the stadium and represents a material evolution of the company's earnings profile.

Commercial partnerships contributes a portion of operating income and include naming rights, sponsorship inventory, digital assets, ticketing, content and pourage. While proportionally smaller than other categories, this revenue stream provides strategic leverage and supports brand positioning and event attraction.

As a service-intensive business operating complex public venues, VŌ relies on specialist operational capability, event management expertise, asset and facilities management, health and safety leadership and corporate governance functions to deliver safe, high-quality experiences and to this end naturally permanent people costs make up a material portion of expenditure.

In the same ilk, casual labour, including food and beverage staff, guest hosts and event set-up crews, represents a material percentage of total operating and event expenses. This flexible workforce model enables the organisation to scale efficiently in response to event demand while maintaining service standards.

Core asset management costs, including rates, insurance and utilities, account for approximately 12 percent of total operating expenses reflecting the responsibility of maintaining major public assets to a high standard of compliance, resilience and long-term value protection.

Together the make up of these core revenue and expense items demonstrate VŌ's integrated commercial and delivery model and are those key levers that underpin the company's strategic imperatives through the period of this Statement of Intent.

05 STRATEGIC ALIGNMENT

VŌ's mission, ethos, and way of doing business is aligned with Council's vision for Ōtautahi, Christchurch to be a place of opportunity for all; open to new ideas, new people, new investment, and new ways of doing things – a city where anything is possible.

VŌ's nature and scope of activities align with and are driven to contribute to Council's Strategic Priorities.

Be an inclusive and equitable city
- Be an inclusive and equitable city which puts people at the centre of developing our city and district, prioritising wellbeing, accessibility and connection

Champion Ōtautahi Christchurch
- Champion Ōtautahi-Christchurch and collaborate to build our role as a leading New Zealand city.

Build Trust and Confidence in the Council
- Build trust and confidence in the Council through meaningful partnerships and communication, listening to and working with residents.

Reduce Emissions as a Council and as a city
- Reduce emissions as a Council and as a city, and invest in adaptation and resilience, leading a city-wide response to climate change while protecting our indigenous biodiversity, water bodies and tree canopy.

Manage ratepayer's money wisely
- Manage ratepayers' money wisely, delivering quality core services to the whole community and addressing the issues that are important to our residents.

Actively balance the needs of today's residents
- Actively balance the needs of today's residents with the needs of future generations, with the aim of leaving no one behind.

VŌ's nature and scope of activities align with and are driven to contribute to Council's Community Outcomes.

A collaborative and confident city

- Community is at the heart of everything we do.
- Community access to and connection with the venues is a strategic priority.
- Strategic partnerships and collaboration are core to the VŌ way of doing business.

A green, liveable city

- Environmental, business, and social sustainability are a strategic priority.
- Local sourcing procurement model across all services and supply.
- Focus on growth and diversity building business resilience.

A cultural powerhouse city

- Events celebrate our identity through arts, culture, heritage, sport, and recreation.
- Social and cultural impact of diversity of event portfolio held at VŌ venues.
- Community venues are critical in making Christchurch an events powerhouse.

A thriving and prosperous city

- Direct contribution to regional economy through local sourcing model.
- Economic impact of major entertainment and sporting events held at VŌ venues.
- Events at the city's venues support a vibrant and thriving city centre.

VŌ is committed to a close and collaborative partnership with our shareholder, the Council, to navigate our way through the inevitable challenges in the future, to celebrating successes for Ōtautahi, Christchurch and to ensuring the people of Christchurch have access to, connection with and importantly pride in their venues.

06 THE VENUES

1. Venue Ownership

Christchurch Town Hall is the city's premiere performance venue with a range of multi-purpose spaces, including the much-celebrated Douglas Lilburn Auditorium and James Hay Theatre as well as event spaces such as the Limes Room, Avon Room, and Victoria Room, all varying in capacity from 100 to 2,800. The Town Hall hosts around 280 events per year ranging from concerts, civic events, community events, trade shows, corporate and business events, gala dinners, school, and university events, performing arts and weddings.

Wolfbrook Arena is the largest indoor multipurpose arena in the South Island with a capacity of 9,000, hosting over 50 events per year. Wolfbrook Arena delivers a diverse range of events including major international concerts, major indoor sports, expos, large corporate events/dinners, school, and university events.

2. Management (Venue and Asset Management)

One NZ Stadium is Christchurch's newest venue, opening in 2026. One NZ Stadium is New Zealand's most premiere venue with a seating capacity of 30,000 and the ability to hold large concerts of around 37,000 guests. With a permanent roof One NZ Stadium is a multi-use facility hosting around 200 events per year across a diverse range of event types including rugby union, rugby league, football, motorsport, boxing, corporate events, expos and tradeshows, education and conferencing events, and large, medium, and intimate style concerts.

Hagley Oval/Hadlee Pavilion. Hagley Oval is Christchurch's iconic cricket ground and is home to the much-celebrated Hadlee Pavilion. The ground hosts around 30 events annually, has a capacity of 9,000 and hosts events ranging from international and domestic cricket, corporate events, and weddings.

3. Management (Events Only)

Air Force Museum of New Zealand. The Air Force Museum of New Zealand offers a wonderful and unique experience with a large open space and options to be surrounded by planes steeped in the history of war. The Air Force Museum hosts around 30 events annually of capacities up to 1,000 and hosts events ranging from expos, trade shows, art exhibitions, corporate and business events, gala dinners, and school events.

4. Venues Ōtautahi Mobile Events

The mobile culinary and event management services arm of the business delivering culinary, event and venue management services to venues aligned with the principles and ethos of VŌ as well as large scale mobile events such as SailGP.

07 PURPOSE AND MISSION

VŌ, where Ōtautahi comes together.

VŌ's mission is to strategically manage and leverage the venues to deliver positive social, cultural, environmental, and economic benefit to the region and to be aspirational, agile, and kind in how we achieve our mission.

Social benefits through inclusion and unity, cultural benefits through celebration of identity, pride in us and our city, economic benefits through employment, trade, visitor spending, city promotion and the impacts of local sourcing and employment and environmental benefits through guardianship, protection, and ethical sourcing.

Doing good for our community is at our very core and the ultimate measurement of success.

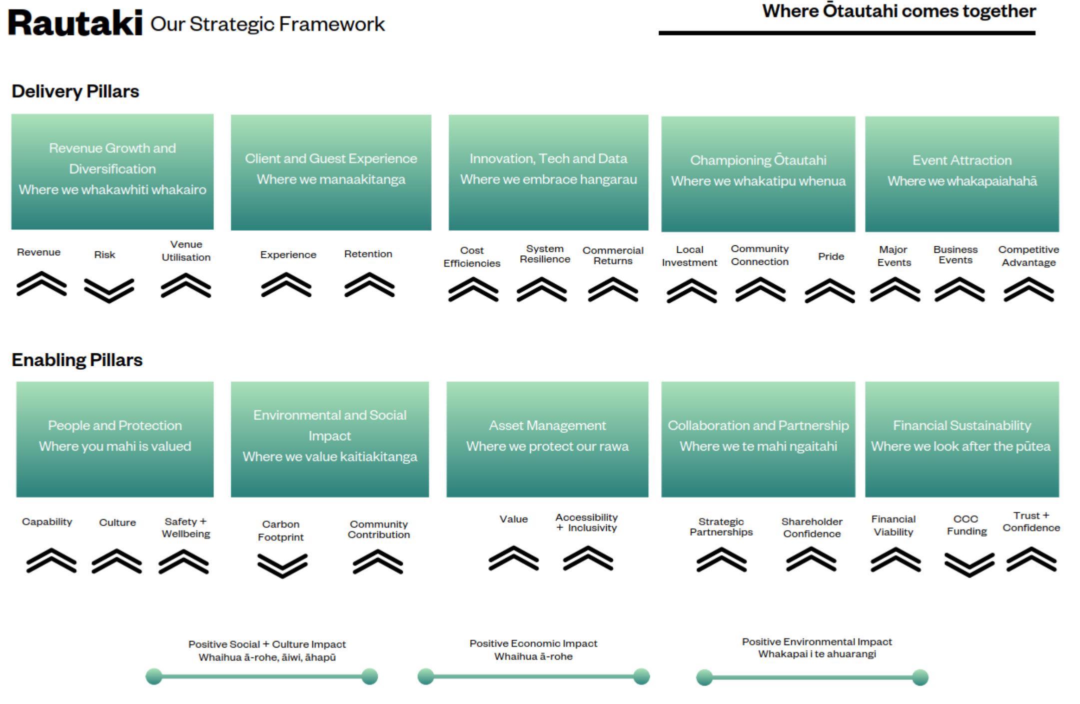
We aim to spend cautiously, invest wisely, and minimise operating grant funding while at the same time not allowing the latter to materially constrain economic, environmental, social, and cultural impact.

At a minimum the quantifiable economic and social benefit derived from the venues are expected to exceed the whole of life cost of developing, maintaining, and operating the venues.

Our people believe it is a special privilege to serve the venues and the community.

08 VENUES ŌTAUTAHI STRATEGIC FRAMEWORK

The VŌ strategic framework focuses on delivering commercial outcomes to ensure the company's long-term financial sustainability while creating meaningful social, cultural, environmental, and economic benefits for the Canterbury region. The framework is built on ten interconnected delivery and enabling pillars.



Delivery Pillars

1. **Revenue growth and diversification, where we whakawhiti whakaaro**
    - Increase revenue through venue portfolio growth, and commercial partnerships.
    - Reduce business risks by broadening income sources.
    - Increase venue utilisation through a strategic approach to event attraction and promotion.
    - Maximise the opportunity of One NZ Stadium to attract a diverse range of year round events

2. **Client and guest experience, where we manaakitanga**
    - Enhance the guest experience through the development of holistic, venue-specific strategies.
    - Increase client retention and confidence by assuring a seamless event planning experience.
    - Use One NZ Stadium as the blueprint for technology led guest experience enhancements

3. **Innovation, Technology and Data, where we embrace hangarau**
    - Develop and execute a data strategy leveraging insights to underpin all commercial decisions.
    - Build a robust stock control and inventory management system to deliver cost efficiencies.
    - Execute the ICT strategy to assure a resilient and fit for purpose ICT platform for the future.
    - Invest in innovation to enhance the guest experience and generate commercial returns.

4. **Championing Ōtautahi, where we whakatipu whenua**
    - Execute a source local procurement strategy to deliver economic benefit to the region.
    - Develop initiatives to assure community engagement and connection to their venues.
    - Embed celebrate local in the company's communications strategy to ensure community pride.
    - Leverage the One NZ Stadium platform to deepen local partnerships and support local growth

5. **Event Attraction, where we whakapaiahahā**
    - Attract more major events through strategic investment in event delivery infrastructure.
    - Engage key promoters and sporting bodies in commercially strategic partnerships.
    - Enhance technology infrastructure at all venues for high yield business events.
    - Maximise competitive position of One NZ Stadium to attract NZ exclusive major events

Enabling Pillars

1. **People and Protection, where your mahi is valued and we whakaruruhau i ō tātou iwi**
    - Execute a development framework to assure VŌ has the capability to deliver on its aspirations.
    - Build a strong and connected culture underpinned by a genuine care for each other.
    - Protect the safety of all by focusing on critical risk and a safety leadership culture.
    - Take a holistic approach to wellbeing with a focus on physical, mental, social and spiritual health

2. **Environmental and Social Impact, where we kaitiakitanga**
    - Execute a carbon reduction strategy to achieve carbon neutrality for all VŌ venues by 2030.
    - Deliver positive community outcomes by executing a social impact framework.
    - Showcase One NZ Stadium as the blueprint for industry leading environmental initiative

3. **Asset Management, where we protect our rawa**
    - Execute long-term asset management plans to maintain safety and compliance of all venues
    - Take a strategic approach to asset renewal to maintain the value of the assets.
    - Assure the same experience for all through accessible and inclusive venues.

4. **Collaboration and Partnership**
    - Strengthen strategic partnerships through collaboration and shared risk and reward.
    - Deepen the shareholder relationship through collaboration and a focus on shared outcomes.
    - Strategically enhance commercial partnerships utilising the strength of the venue portfolio.

5. **Financial Sustainability, where we look after the pūtea**
    - Focus on revenue growth and diversification to reduce Council operational support.
    - Develop an enterprise risk framework to assure the long-term financial viability of the business.
    - Take a transparent and responsible approach to assure public trust and confidence.
    - Leverage the power of the VŌ portfolio to create purchasing economies of scale.

09 STRATEGIC OPPORTUNITIES AND CHALLENGES

There are key strategic opportunities and challenges material to the future of the business and remain the focus of the VŌ Board and Management in developing and evolving strategy.

Strategic Opportunities

1. **One New Zealand Stadium**

- One NZ Stadium is a game changer for Ōtautahi, Christchurch and for VŌ.
- This SOI reflects the strategic opportunity the Stadium presents as follows:
    - VŌ's enhanced commercial position as a result of new revenue lines such as premium hospitality and strengthened position with respect to content attraction, corporate food and beverage revenue and commercial partnerships.
    - One NZ Stadium's ability to drive significant economic benefit to the region and the strategic opportunity to grow this by attracting more NZ exclusive content.
    - Maximising the design of the Stadium as a purpose built multi use facility materially enhancing the social and cultural fabric of the city by attracting a diverse range of al year round events.

2. **Venue Portfolio Growth**

- Acquiring the management of additional venues presents an opportunity for VŌ to expand its portfolio and increase revenue without the burden of asset ownership costs.
- By strategically selecting venues which complement rather than compete with the existing suite, this approach can deliver a strong commercial return, reduce reliance on shareholder funding, and enhance contributions to the local and regional economy.

3. **Diversification of Revenue**

- To strengthen financial resilience, reduce any financial support required from the shareholder, and enhance contribution to the local economy, the business seeks to diversify revenue streams where possible.
- For example the company continues to focus on growing the mobile arm of the business for offsite events and while remaining aligned with core business considers opportunities such as retail food and beverage services at other large public facilities.

4. Regional Leadership and Participation

- VŌ plays a vital role in fostering regional economic growth by championing local procurement and collaboration with Council family partners.
- Through its commitment to sourcing locally, VŌ has contributed significantly to the local economy and setting an example of sustainable and community-focused business practices.
- This success positions VŌ to take a leadership role regionally, supporting other businesses aspiring to adopt similar local procurement strategies.
- By leveraging partnerships, sharing best practices, and fostering collaboration, VŌ can drive collective economic benefits, strengthen the region's business ecosystem, and enhance community wellbeing.
- VŌ, in its role as a regional leader responsible for the largest portfolio of venues in the city, will also continue to play its role in the City Partners Group (CPG), the group responsible for governing the city's investment in major event attraction. This is irrespective of whether CPG funding is required by VŌ.
- To further enable VŌ's ability to contribute positively to the economic and social fabric of the region, VŌ has established a capital reserve of $5m. The purpose of this is, in line with the company's strategic direction, for investment in future capital developments which contribute positively to regional economic growth and commercial outcomes.

5. Long Term Financial Viability

- This SOI reflects initiatives to ensure the long-term financial viability of the business and goal to continue to reduce financial support required from the shareholder.
- This SOI reflects the core principle of the business to deliver high quality value for money services to the Christchurch community.
- A $5m operating reserve has been created. The purpose of this is to, despite inevitable economic, commercial or operational challenges in the future, to ensure no operating support is required from the Council throughout the period of the LTP.

Strategic Challenges

1. Economic Conditions

- Current economic conditions continue to present challenges for the events and venues industry especially in light of the ongoing cost-of-living crisis. Inflationary pressures, rising costs of goods and services, and wage expectations are impacting both businesses and households.
- For VŌ, these conditions bring specific challenges:
    - Rising Operating Costs, including increases in asset management and maintenance costs, cost of goods, freight and shipping for third parties, including promoters, and general operational overheads.
    - With the rising cost of living, employees are experiencing increased financial strain. This amplifies the need for competitive wages especially in a large casual workforce.
    - With a large casual workforce and variable nature of operations, maintaining the company's commitment to being a living wage employer and balancing this commitment with financial sustainability requires careful planning.
    - The economic environment also influences discretionary spending, impacting ticket sales, sponsorships, and other revenue streams. A reduction in disposable income among patrons may challenge venue profitability.
- VŌ is well positioned to navigate these economic headwinds by implementing strategies maximising revenue streams, establishing cash reserves to maintain long term financial viability, and building efficiencies into our workforce strategy. This includes a commitment to maintaining high service standards while addressing wage expectations to support staff well-being and remain competitive in attracting and retaining talent.

2. Te Pae

- The opening of Te Pae in 2021 increased venue supply in Christchurch.
- Te Pae's primary intent is to grow Christchurch's share of the international conference and convention market. With a number of new regional convention centres recently opened, the risk Te Pae shifts focus to the local market and therefore in more direct competition is heightened.
- Collaboration and city event attraction strategy development is key to the success of all city venues in this regard.

3. **Environmental Impact Aspirations**

- VŌ is deeply committed to achieving its sustainability aspirations, with environmental goals being a core element of its business strategy.
- However, implementing sustainable practices often comes with significant costs, presenting an ongoing challenge.
- The organisation remains focused on striking a careful balance between financial constraints and environmental responsibilities to ensure long-term, meaningful impact.

4. **Aging and/or Heritage Listed Infrastructure**

- Wolfbrook Arena is 28 years old and the Christchurch Town Hall, which reopened in 2019, despite having a significant restoration and repair post the 2011 earthquake is over 50 years old and is a heritage listed building.
- Both aspects present increased challenge due to aging facilities requiring higher costs for repairs, maintenance, and compliance with evolving safety and accessibility standards.
- Without continued investment, older (and particularly heritage listed) infrastructure can also struggle to meet modern event demands, including advanced technology and sustainability expectations, which can limit competitiveness and revenue opportunities.
- Balancing immediate upkeep needs with long-term investment for upgrades or redevelopment is a key challenge for ensuring the venues remain fit for purpose and financially viable.

5. **Section 17a Review**

- This SOI does not account for any potential outcomes impacting VŌ recommended for consideration by Council as a result of the Council's Section 17a review into its economic development activities.

10 CURRENT POSITION

1. Step Change in Scale, Responsibility and Impact

The addition of One NZ Stadium to the VŌ portfolio represents a transformational shift in the scale, complexity and impact of the organisation. Over the FY27–29 period, the stewardship of One NZ Stadium, a nationally significant venue and precinct, materially changes the organisation's financial profile, operating model and civic responsibility.

Between FY24/25 and FY26/27, the company's revenue grows from $24 million to circa $46 million. EBITDA increases from $300,000 to $1.6 million, reflecting both scale and improved operating leverage. Annual event delivery increases from 400 events to over 500 events, while guest attendance rises from 700,000 to over 850,000 visitors per annum.

Estimated economic impact to the region is projected to grow to approximately $80 million annually. Local employment across the organisation expands from 550 staff to approximately 1,000, reflecting both permanent capability growth and the expanded casual workforce required to operate five venues, including the Stadium.

This is not incremental growth; it is structural change. The addition of One NZ Stadium fundamentally reshapes VŌ's size, reach and influence within Christchurch and nationally. It also accelerates VŌ's transition toward financial sustainability. Over the same period, tax subvention materially reduces, and direct Council funding is eliminated from FY26/27.

VŌ does not underestimate the responsibility or privilege entrusted to it through stewardship of this asset.

VŌ recognises success is measured not only by revenue growth and profitability, but critically by the quality of the guest experience, the strength of partnership with mana whenua, community connection with the venue, the safety and wellbeing of all who work within it, and the long-term resilience of the asset itself.

The commercial uplift created by the stadium enables reinvestment across the broader VŌ portfolio and strengthens Christchurch's competitive position as a host city for major sport, entertainment and business events.

With the opportunity One NZ Stadium presents of generational proportions, VŌ is committed to maximising both the commercial return and the social dividend for the city, recognising the trust placed in the organisation to deliver enduring value for the city.

2. One New Zealand Stadium

VŌ acknowledges the responsibility entrusted by the Council and the city as operator of One NZ Stadium. The Stadium represents the single largest infrastructure investment in Christchurch's history. The privilege and the accountability that comes with maximising its commercial, social, cultural and environmental contribution to the city is not underestimated.

In recognition of the Stadium's role as a catalyst for wider economic activity, VŌ has established a Commercial Forum. This forum brings together local businesses, hospitality operators, accommodation providers, transport partners and key city stakeholders to ensure Christchurch maximises the commercial opportunity presented by major events.

It operates as a practical working group focused, through collaboration, on assuring the Stadium's success translates directly into measurable uplift for local enterprises and the broader Canterbury economy.

Alongside this, VŌ has established a Neighbours Forum to provide a structured and ongoing channel for engagement with local residents and businesses in and around the Te Kaha precinct.

This forum enables proactive discussion regarding operational matters such as traffic management, event scheduling, noise, crowd dispersal and precinct safety and operates as a collaborative problem-solving platform ensuring issues are addressed early, transparently and constructively. VŌ is driven to make sure the Stadium is a positive neighbour and long-term asset for the local community.

VŌ recognises Council's role as asset owner and shareholder and is committed to maintaining and enhancing shareholder value through disciplined financial management, proactive event acquisition, diversified revenue streams and rigorous asset stewardship.

The commercial model for the Stadium has been structured to continue to reduce reliance on Council operational support, supported by clear financial targets and a strong focus on the strength of commercial partnerships and consistent venue utilisation. Shareholder value is also maximised through careful lifecycle planning and preventative maintenance, ensuring the long-term integrity and performance of the venue.

Enhancing revenue from non-major event sources is a core component of strategy to ensure year-round activation of the Stadium. This diversified approach strengthens financial resilience and maximises the productivity of the asset.

One NZ Stadium is of reputational importance to Christchurch and to Council and to that end VŌ commits to notifying Council as early as possible of any matter that could negatively impact public enjoyment of the Stadium or Council's reputation.

During the 12-month defects liability period, VŌ will work closely with Council staff, contractors and delivery partners to ensure timely identification and resolution of any defects. A structured defects management process has been developed between VŌ and Council.

VŌ's focus moving forward throughout the period of this Statement of Intent will remain on protecting guest experience and operational continuity while ensuring asset rectification is addressed promptly and effectively.

VŌ will execute the Asset Management Plan, developed with the support of external specialists, in consultation with Council. Preventative maintenance scheduling, lifecycle forecasting, capital planning integration and condition monitoring will remain central to our operational model.

Given the scale and value of the Stadium asset, asset management is a strategic priority and will be supported by performance metrics and governance oversight to protect the long-term value of this generational investment.

Finally, VŌ will continue to execute the well-established and comprehensive public engagement plan to ensure the community is well informed of events and activities at the Stadium and aware of any potential impacts requiring preparation.

This plan will include forward event calendars, traffic and transport advisories, resident and business briefings, digital communication channels and structured stakeholder engagement sessions.

Proactive communication make sure residents and businesses can plan effectively for event days and share in both the excitement and the opportunity the Stadium generates.

3. Regional Impact

VŌ's mission is to positively contribute to the social, cultural, environmental, and economic well-being of the region.

Every investment made in VŌ is, by extension, an investment in the growth and vibrancy of the city and the people in our community.

a) Championing Ōtautahi

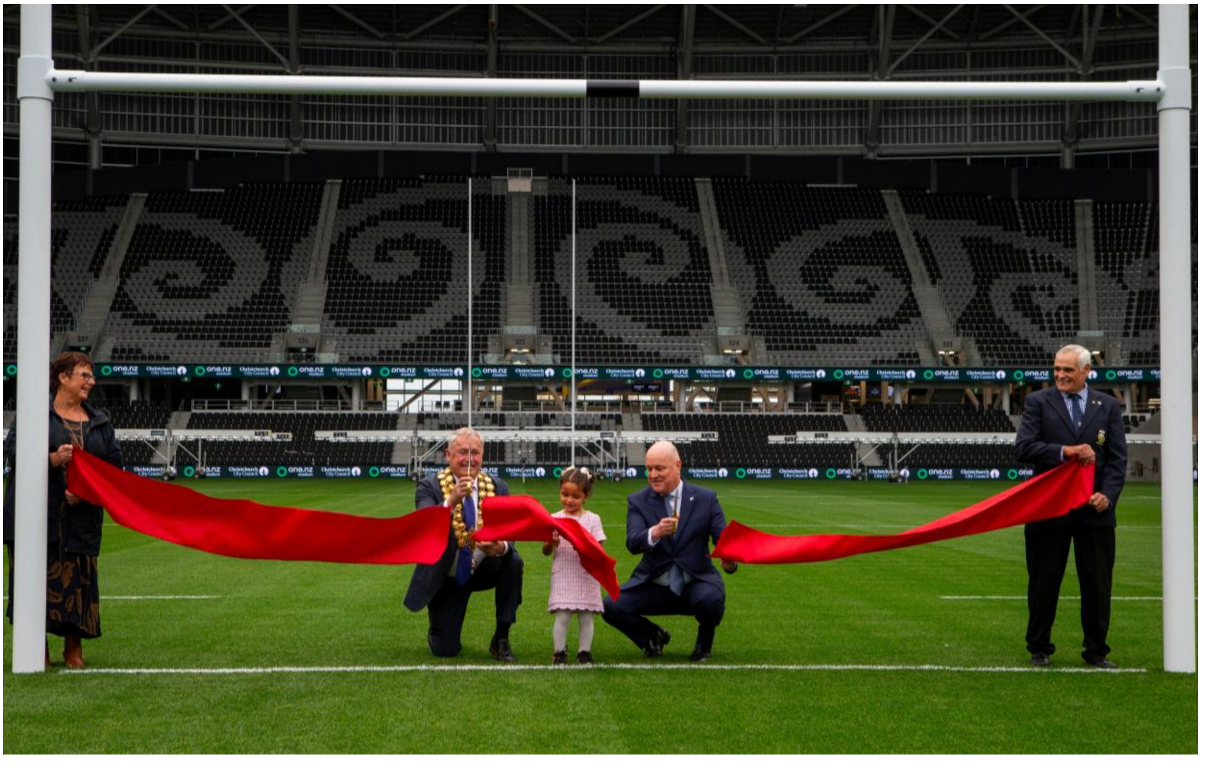
VŌ is the only venue and event management company in Australasia delivering its food and beverage services in house with all other companies contracting this core part of the business to third party catering service providers.

This is a unique point of difference for VŌ and in turn for Council and the city.

An in-house catering model underpinned by a focus on local procurement and championing Ōtautahi, delivers significant regional economic, as well as cost and revenue benefits.

80% of food across the venue portfolio and 70% of all contractors and service providers are sourced from Canterbury.

This direct contribution to local suppliers, producers, contractors and service providers sees a material step change over the period of this Statement of Intent with the opening of One NZ Stadium.



For One NZ Stadium, VŌ's approach to supporting and celebrating local extends to providing a platform for local eateries to showcase their wares at the Stadium through the Ōtautahi food collective.

Another way One NZ Stadium separates itself from the rest with no other venue in Australia taking the same approach.

Championing Ōtautahi will continue to underpin the way the company does business throughout the course of this Statement of Intent and beyond.

b) Visitation

Through the attraction of major entertainment and sporting events and National and International business events to the region, venues and events deliver significant economic benefit to the community with visitors who attend events from out-of-town spending on accommodation, hospitality, retail, and other activities.

Of the hundreds of events delivered across the portfolio, VŌ attract, plan, and deliver around 26 major events each year which deliver a large portion of the estimated economic impact to the region.

On this basis, the company is forecasting, from 2026 an estimated $80m - $100m of regional direct and indirect economic benefit each year from visitation to all events across the portfolio of venues, through the local procurement of food and beverage, from the engagement of local suppliers and contractors and, not previously included in economic forecast figures, from the employment of local staff.

VŌ for this reason, is focused on continuing to attract major and business events to its portfolio of venues, as these events deliver the most direct and indirect economic impact to the region.

With One NZ Stadium now included in the portfolio of venues, this is a powerful and competitive position for the region and one VŌ will leverage for the benefit of the city as a whole.

** The methodology utilised by VŌ in estimating economic benefit through visitation is industry methodology provided by Tourism New Zealand and is aligned with the methodology utilised by Council's economic development agency, ChristchurchNZ. This remains estimated as it is not externally validated.*

4. Social and Environmental Impact

Caring for the environment using thoughtful and sustainable methods, always acting with future generations in mind, taking a role in contributing to the health, vitality, and sustainability of the social fabric of the region are long term strategic priorities of VŌ.

Environmental sustainability is essential for the long-term viability of major events. In an industry of mass gatherings generating large volumes of waste and in venues with peaks and troughs in activity, taking a strategic approach to sustainability is both a challenge and an opportunity.

VŌ commits to building a culture whereby responsibility for positive sustainability outcomes is embraced by every member of our team, whatever their role or position. The establishment of the Board sustainability subcommittee, Executive Leadership Team sustainability steering group and internal sustainability committee demonstrating the genuine governance, management and team commitment to delivering positive environmental sustainability outcomes.

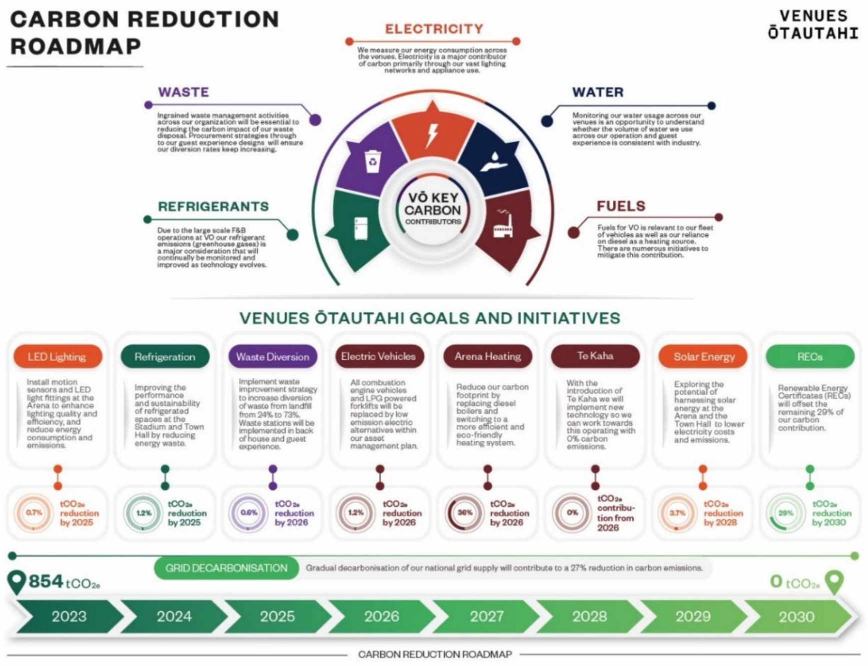
Making a positive social impact and contributing to the local community is a core part of our culture.

a) Environmental Impact

VŌ has a target of carbon neutrality by 2030. In 2023 the baseline carbon emission footprint for the business was established and a carbon reduction roadmap developed. In FY23/24 the execution of the roadmap, to achieve the company's 2030 target, commenced. The roadmap focuses on five key carbon contributors: stationery and transport fuels, electricity, water, waste and refrigerants.

VŌ has implemented several key initiatives across these key carbon contributors including establishing a reporting and monitoring platform to track the company's carbon reduction progress.

VŌ to the end of 2025 had achieved a 16% reduction in electricity usage and carbon emissions, a 9% reduction in stationary fuel usage and carbon emissions, and a 49% reduction in usage and 47% reduction in carbon emissions for transport fuels.



Looking forward across the period of this SOI the focus for VŌ in continuing to reduce carbon emissions and maintain the momentum required to achieve the company's 2030 target, is to:

- Integrate the Stadium into the environmental sustainability framework*.
- Continue to progress to electrify the VŌ vehicle fleet.
- Consider how renewable energy certificates can contribute to the company's targets.
- Establish the ability to quantify refrigerants
- Utilise newly implemented water meters to measure and reduce usage.
- Build environmental sustainability requirements into venue hire agreements.
- Continue to build team engagement and participation.
- Align the environmental impact framework with the UN Sustainable Development Goals.

In addition, with around 50% of all VŌ carbon emissions being attributed to Wolfbrook Arena and 39% of the total carbon footprint being the diesel boilers at the venue, the project to replace these has also commenced and is expected to be complete in the 2028 financial year.

Once complete, this will have a material impact on VŌ achieving its carbon neutral target by 2030.

To assure and validate our programme of activity across all venues, VŌ will also seek Toitū Envirocare accreditation in the 2028 financial year.

- *Note, with still much to learn about the operation of One NZ Stadium from an environmental standpoint, the focus is on establishing baseline data and a programme of activity to integrate the venue in the carbon reduction roadmap*

b) Social Impact

In taking a holistic approach to sustainability, VŌ also strives to deliver positive social sustainability outcomes. The company's approach to sourcing local, employing local, contributing local and partnering local all underpin a positive contribution to the social fabric of the region.

VŌ is committed to a diverse and inclusive culture, and one connected to our cultural heritage where our people are enabled to innovate and find new and better ways of delivering value to clients, guests, and the community at large.

VŌ is proudly a living wage employer (noting living wage accreditation is under review), employing around 1,000 casual staff.

VŌ is both Hāpai and Sunflower accredited, affirming our commitment to inclusive practices and supporting hidden disabilities in our venues and utilises fundraising groups to support the delivery of events while supporting their fundraising efforts.

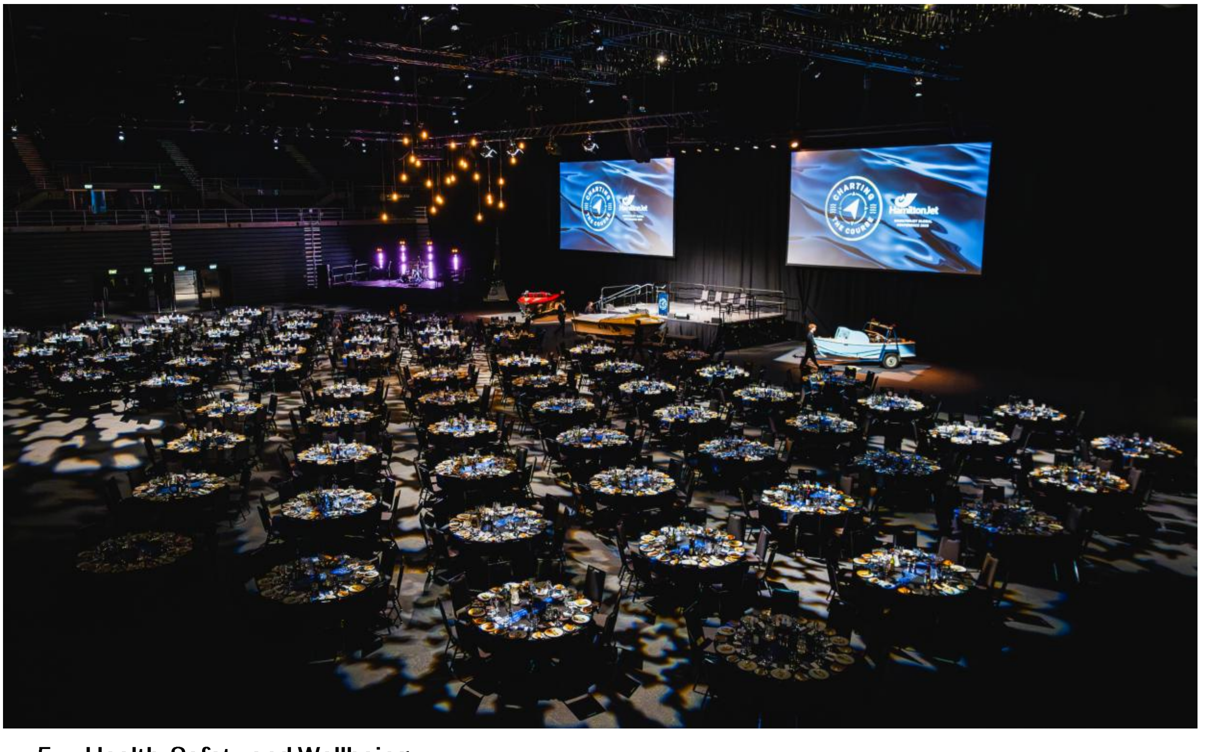
VŌ have a strong partnership with Ngāi Tūāhuriri with this cultural connection reflected in our culinary services offering, our front of house service and guest experience strategy and with the intention as we continue to deepen this partnership into future years, extending to training, development, and employment opportunities. All aspects of this partnership contributing to the economic growth of and support to our local Māori community.

Social responsibility and supporting those members of our community who need it the most is also core to the philosophies by which VŌ live by, and we are committed to meeting the highest standards of social and environmental performance, accountability, and transparency.

This includes for example the company's partnership with the Christchurch City Mission, with the Ministry of Social Development to create employment opportunities for those seeking work, with ChoicesNZ work experience program supporting inclusive employment initiatives, with Maia Health and with Full Bellies, supporting children in our community much in need.

VŌ believe in a system where businesses can benefit people, communities, and the planet, we intend to make long term strategic decisions over quick wins and will continue to measure our success in part based on the positive impact delivered by all aspects of the business.

Looking forward VŌ will integrate the social and environmental framework into a consolidated framework and roadmap reflecting the United Nations Sustainable Development Goals and will inherently continue to focus on where its efforts can support those in the community who need it most.



5. Health, Safety and Wellbeing

The health, safety, and wellbeing of our VŌ team, key delivery partners, clients, guests in the venues and all stakeholders involved with the business is paramount.

VŌ, in managing large civic assets, a high volume of contractors, venue and food safety for hundreds of thousands of guests, event safety for over 500 events of different scale and type each year, and hundreds of staff in a high-risk environment, assuring the health, safety and security of all is challenging and complex.

VŌ pursue collective and continuous improvement, genuine engagement across the business, have a focus on critical risk and a system underpinned by quality systems and processes to deliver outcomes focused on improving the health and wellbeing of all involved in or with the VŌ business.

By adopting best practices, VŌ ensures risk management strategies are not only effective but also integrated into everyday operations.

This focus on collective and continuous improvement across all aspects of health, safety, and wellbeing and the strategic management of critical risk is a strategic priority and will remain so into the future.

Mental health and wellbeing is also a core focus of the business and on this basis the development and implementation of a wellbeing strategy and approach that supports the mental, physical, social, and spiritual health of our people and strengthens the connection between us is a priority of VŌ, now and in the future.

6. Accessibility and Inclusivity

Assuring and enabling the same experience for all members of the community in all VŌ venues is a strategic priority of VŌ and on this basis accessibility and inclusivity are strategic fundamentals in everything we do.

Not only does the company have a focus on assuring all aspects of the business are reflective of the diverse make up of our community, but the venues evolve to assure the whole community has an enhanced but inherently safe and secure experience in all VŌ venues, including One NZ Stadium.

VŌ will continue work with the right community groups and individuals to understand the opportunities and the challenges not only for the current suite of venues but also for the new Stadium and the Te Kaha precinct throughout the period of this Statement of Intent.

7. Te ao Māori

VŌ has a deep connection to the community through the venues and to the rich cultural heritage of the region. VŌ is committed to continuing to deepen this connection through integrating Te Ao Māori principles across our strategic framework and how we do business.

Recognising the profound value of indigenous wisdom, VŌ has woven traditional Māori values such as kaitiakitanga (guardianship), whanaungatanga (relationships), and manaakitanga (hospitality) into our operations.

This holistic approach not only honours the cultural heritage of Aotearoa but also fosters sustainable practices, fosters deeper connections with clients and communities, and enhances overall business resilience.

Given all venues under the VŌ portfolio fall within the rohe of Ngāi Tūāhuriri we give particular focus to continuing to forge a close and strategic partnership with Ngāi Tūāhuriri and to continuing our journey together as we embark on a step change for the business in the coming years.

8. Strategic Asset Management

VŌ holds a crucial responsibility for strategically managing and maintaining the city's significant portfolio of assets, ensuring their long-term value and functionality. The organisation oversees close to $1 billion in owned or managed assets.

A key objective of the company is to maintain the value of these city assets ensuring the venues remain safe, compliant, operationally functional, and aligned with evolving technological and competitive standards.

As one of the most critical functions of the organisation, asset management demands a sophisticated approach to integrating repairs and maintenance with the operational needs of highly utilised venues.

Balancing event activity with necessary upkeep is complex, requiring careful scheduling to allocate 20% of venue utilisation time for repairs and maintenance. This ensures the assets are preserved without significantly disrupting their availability for events and activities.

The cost of asset management and maintenance is significant, amounting to approximately $7.5 million annually. To manage these costs effectively, VŌ achieves efficiencies through its internal team, reducing reliance on external contractors and allowing for timely and responsive asset care.

Ultimately, this comprehensive and strategic management framework underpins the organisation's ability to sustain the value, safety, and functionality of its assets, ensuring they continue to serve the community and remain competitive in the marketplace.

VŌ has established asset management and preventative maintenance plans, utilising the services of an independent specialist, for all venues.

Wolfbrook Arena is 28 years old and continues to be in a period requiring significant asset renewal and improvement to maintain the quality, safety, compliance, and operational functionality of the asset.

The Christchurch Town Hall, despite being recently repaired and restored remains a heritage listed site and has maintained its over 50-year-old design features which makes this venue a more expensive asset to maintain and to operate.

Core to assurance the asset management plan is delivering safe, compliant and operationally functional venue in the most cost-effective way are the following key aspects.

- The asset management plans for Wolfbrook Arena, Christchurch Town Hall and One NZ Stadium Stadium are developed by an external specialist consultancy.
- VŌ qualified internal team work with the external specialist consultancy to provide a practical overlay to the Asset Management Plan to inform current state asset assessments.
- An annual internal and bi-annual independent review of the asset management plan is undertaken.

11 COMMUNITY

VŌ primarily supports the local community by managing and operating the Christchurch Town Hall, Wolfbrook Arena, Hagley Oval, and One NZ Stadium, those assets owned by the people of Christchurch for their economic, social, environmental, and cultural benefit.

The Company also operates the Air Force Museum of New Zealand and considers this asset as a strategic venue in the portfolio of assets adding to the significant economic, social, environmental, and cultural benefit delivered from events across the portfolio of assets.

VŌ endeavours, and makes a strategic priority, to ensure reasonable local cultural and community event access to all venues under its ownership or management through the provision of discounted venue hire rates.

With venue compliance, maintenance, and operating costs, particularly in relation to the heritage listed Christchurch Town Hall and the Wolfbrook Arena increasingly costly given the age of the asset, but generally across all major venues, making affordability for these groups more challenging.

Any consideration of future acquisition of assets or establishment of management services agreements for additional venues and the growth of the mobile arm of the business VŌ Events, will always be underpinned by the alignment with VŌ community principles and in the best interests of Ōtautahi, Christchurch.

12 GOVERNANCE

The VŌ Board is responsible for the strategic direction and control of the Company. The Board guides and monitors the business and affairs of VŌ on behalf of the Shareholder to whom it is accountable within the framework of the purpose, direction and objectives set out in this Statement of Intent.

The VŌ Board meets monthly and has three subcommittees of the Board focused on strategic and business critical matters. These include a sustainability committee, audit and risk committee, and a remuneration committee.

All Directors are required to comply with a formal Code of Conduct, based on the New Zealand Institute of Directors' Principles of Best Practice. The Board conducts periodic self-reviews of Board performance and effectiveness and in FY27/28, will undertake an independent review.

13 PERFORMANCE TARGETS

1. Operational Performance Targets

In addition to the company's financial performance measures, VŌ will report to the Shareholder on a quarterly basis on the progress against the following operational performance metrics:

Objective and Strategy	Performance Measure		
	2026/2027	2027/2028	2028/2029
Economic Impact			
Attract and manage events that generate positive social, cultural, environmental and economic impact.	Maximise visitor spending by holding at least 16 major ticketed events at One NZ Stadium and 10 major events at other VŌ venues[1,]	Maximise visitor spending by holding at least 17 major ticketed events at One NZ Stadium and 10 major events at other VŌ venues[1,]	Maximise visitor spending by holding at least 17 major ticketed events at One NZ Stadium and 11 major events at other VŌ venues[1,]
Contribute direct economic benefit to the region[2] through implementation of local procurement strategy where commercially viable	80% of food procured from Canterbury. 70% of all third-party suppliers and contractors[10,] from Canterbury.	80% of food procured from Canterbury. 70% of all third-party suppliers and contractors[10,] from Canterbury.	80% of food procured from Canterbury. 70% of all third-party suppliers and contractors[10,] from Canterbury.
Social and Cultural Impact			
Maximise attendance at VŌ venues including One NZ Stadium.	Guests to venues exceed 435,000 at One NZ Stadium and 415,000 at other VŌ venues[13]	Guests to venues exceed 465,000 at One NZ Stadium and 435,000 at other VŌ venues[13]	Guests to venues exceed 545,000 at One NZ Stadium and 455,000 at other VŌ venues[13]
Make venues available to support local community groups/individuals	At least 55 events receive the community rate, or the value of community discounts applied equate to at least $130,000	At least 60 events receive the community rate, or the value of community discounts applied equate to at least $150,000	At least 65 events receive the community rate, or the value of community discounts applied equate to at least $175,000
Client and Guest Experience			
Guest Net Promoter Score (NPS[4])	Achieve greater than 55 NPS[4] during the year across all VŌ venues[1] including One NZ Stadium.	Achieve greater than 60 NPS[4] during the year across all VŌ venues[1] including One NZ Stadium.	Achieve greater than 60 NPS[4] during the year across all VŌ venues[1] including One NZ Stadium.
Client NPS[4]	Achieve greater than 55 NPS[4] during the year across all VŌ venues[1] including One NZ Stadium.	Achieve greater than 60 NPS[4] during the year across all VŌ venues[1] including One NZ Stadium.	Achieve greater than 60 NPS[4] during the year across all VŌ venues[1] including One NZ Stadium.

Objective and Strategy	Performance Measure		
	2026/2027	2027/2028	2028/2029
People and Protection			
Ensure the health and safety of our VŌ team, key delivery partners, clients, guests in the venues and all stakeholders involved with the business.	No serious harm[5] incidents involving critical risks[6] for guests, staff, or third-party stakeholders at VŌ.	No serious harm[5] incidents involving critical risks[6] for guests, staff, or third-party stakeholders at VŌ.	No serious harm[5] incidents involving critical risks[6] for guests, staff, or third-party stakeholders at VŌ.
Develop and maintain a supportive and engaging workplace culture.	Achieve a permanent staff engagement score of greater than 75%.	Achieve a permanent staff engagement score of greater than 75%.	Achieve a permanent staff engagement score of greater than 75%.
Environmental Impact			
Contribute to reducing the City's carbon footprint by achieving target of net carbon neutrality by 2030.	Achieve reduction in carbon emissions[7] from prior year.	Achieve 20% reduction in carbon emissions from stationery fuels and reduction in carbon emissions[8] from prior year.	Achieve reduction in carbon emissions[9] from prior year (excluding One NZ Stadium).
Assure One NZ Stadium contributes to the City's carbon footprint target of net carbon neutrality by 2030.	Establish baseline carbon footprint for One NZ Stadium	Track and monitor carbon emissions for One NZ Stadium as part of overall VŌ environmental sustainability framework	Achieve reduction in carbon emissions[9] from prior year.
Governance			
Report to Shareholder	Meet all Local Government Act (LGA) and Council reporting deadlines.	Meet all LGA and Council reporting deadlines.	Meet all LGA and Council reporting deadlines.
Asset Management			
Maintain the value of the assets on the balance sheet through strategic approach to asset management.	Asset management plans for all venues in place, reviewed annually and execution on track.	Asset management plans for all venues in place, reviewed annually and execution on track.	Asset management plans for all venues in place, reviewed annually and execution on track.

1. ***Major Events*** *defined as:*
    1. *Arena: Event attendance > 5,000 and/or International Sport*
    2. *One NZ Stadium: Ticketed events > 10,000 and/or International Sport*
    3. *Hagley Oval: Ticketed events > 5,000 and/or International Cricket*
2. ***Regional is Canterbury****. Can include National or International suppliers if point of origin is Canterbury.*
3. ***Guests****. Guest numbers include attendees at events such as concerts and sports (ticketed events), dinners, conferences, expos and trade shows (non-ticketed events). Guest numbers for expos and trade shows are captured using a clicker system at the entry point to the venue.*
4. ***Net Promoter Score****. Any Net Promoter Score above 0 is 'good' and means that your audience is more loyal than not. A score above 20 is considered 'favourable'. Anything above 50 is excellent and means your organisation has considerably more satisfied customers than dissatisfied ones. An NPS score above 80 is World Class and means customers love you and your company generates a lot of positive word-of-mouth referrals.*
5. ***Serious harm*** *is a notifiable injury or illness as defined in section 23 of the Health and Safety at Work Act 2015.*
6. ***Critical risks*** *are those identified as per the Venues Ōtautahi critical risk framework.*
7. ***Carbon emissions*** *measured in FY26/27 are stationery and transport fuels, waste, energy and water.*
8. ***Carbon emissions*** *measured in FY27/28 are stationery and transport fuels, waste, energy, water and refrigerants.*
9. ***Carbon emissions*** *measured in FY28/29 are stationery and transport fuels, waste, energy, water and refrigerants.*
10. ***Third party*** *suppliers and contractors include operational expenditure only.*

2. Financial Performance Targets

Financial sustainability is a strategic objective of VŌ with a focus on business and revenue growth to eliminate the need for Council operational support. Since 2019, the company has been focused on developing a business framework underpinned by commercial growth and cost control/efficiency.

Over the period of this SOI, VŌ sees a forecast step change in its financial position with respect to the elimination of operational support from the shareholder coming to fruition, underpinned by consistently diligent cost management and strategic commercial partnerships.

The key assumptions underpinning the financial performance targets for One NZ Stadium are as follows:

- VŌ responsible for asset management and maintenance and commercial operations.
- Council will own the asset and will incur building maintenance expenses via pass through.
- Council manage the turf and will meet all turf management costs, including utilities.
- VŌ will pay a market licence to occupy the Stadium under an operator agreement with Council.
- Commercial and operational forecasts are conservative with a long-term view across all taken.
- Operational and capital asset management and maintenance costs account for risk of a large, complex and new asset (asset management plans for all owned and managed assets completed with the support of a specialist third part).
- VŌ portfolio approach applies with a consolidated view of overheads.
- Pre-opening expenses to be reimbursed by Council as per 2024-2034 LTP (FY25/26, with FY26/27 brought forward to June 2026).

Venues Ōtautahi Portfolio

The key assumptions underpinning the remainder of the VŌ portfolio are as follows:

- Event forecast and cost profile consistent with no cannibalisation of content from other venues.
- Apollo Projects Stadium ceased operations on opening of One NZ Stadium with no costs or revenue accounted for post 20 April 2026.
- Financial performance targets account for the increase to the living wage.
- Overheads include accounting for One NZ Stadium.

Of note, VŌ will continue to exercise restraint in executive remuneration underpinned by independent benchmarking. Considered in the setting of remuneration will be the need to attract and retain appropriately qualified people from either the public or private sector, the size, scale, complexity and growth of the organisation, the performance of individuals and type of expertise and specialisation needed.

Council Operational Funding

The VŌ FY27-29 SOI financial performance targets assume the following:

- No operational support from Council throughout the period of the SOI.
- Subvention receipt of $1m in FY26/27, $1.5m thereafter.
- The reimbursement of $1.6m of pre-opening expenses for One NZ Stadium in June 2026.
- No change to VŌ capital funding requirements versus the 2024-34 LTP.
- No capital funding required for One NZ Stadium across this SOI period.
- A $5m operating reserve has been created.
    - The purpose of this is to, despite inevitable economic, commercial or operational challenges in the future, to ensure no operating support is required from the Council throughout the period of the LTP.

a) EBITDA

The below represents the forecasted EBITDA split between event and venue operational performance (operations) and asset management, repairs, and maintenance (property) for FY27-29.

	2026/27	2027/28	2028/29
	$000	$000	$000
Event and Venue Operations (total)			
Existing operations excluding One NZ Stadium at Te Kaha			
Direct operating income	13,833	14,779	15,227
Less: Direct operating expenses	(7,286)	(7,924)	(8,283)
Operating margin (existing operations)	***6,547***	***6,856***	***6,944***
One NZ Stadium at Te Kaha			
Direct operating income	26,025	31,215	32,587
Less: Direct operating expenses	(13,967)	(17,042)	(17,659)
Operating margin (One NZ Stadium at Te Kaha)	***12,058***	***14,174***	***14,929***
Non-event income	3,440	3,391	3,436
Less: Net operating overheads and fixed costs*	(15,197)	(17,017)	(17,485)
Total Operating EBITDA	**6,849**	**7,408**	**7,823**
Asset Management, Repairs and Maintenance (Property)			
Direct operating income	1,408	1,804	1,836
VŌ Council operating support	Nil	Nil	Nil
Less: Net operating overheads and fixed costs*	(8,217)	(9,147)	(9,650)
Property EBITDA	**(6,810)**	**(7,342)**	**(7,814)**
Consolidated EBITDA	**39**	**61**	**9**

** Note that operating overheads and fixed costs are managed at a business-wide level, which allows for significant efficiencies in costs compared to as standalone venues.*

b) Consolidated Financial Performance Targets

The forecast Statement of Financial Performance targets for VŌ are as follows:

	2027 $000	2028 $000	2029 $000
OPERATING REVENUE			
Event revenue	40,070	46,229	48,053
Other operating revenue	4,848	5,196	5,272
Total operating revenue	44,918	51,424	53,326
OPERATING EXPENDITURE			
Event expenses	(15,541)	(18,267)	(18,921)
Personnel costs	(17,475)	(19,050)	(19,779)
Other operating expenses	(11,863)	(14,046)	(14,616)
Total operating expenditure	(44,879)	(51,363)	(53,316)
Operating surplus / (deficit)	**39**	**61**	**9**
NON-OPERATING REVENUE			
Council capital grant	4,586	3,836	3,774
Interest revenue	575	575	575
Total non-operating revenue	5,161	4,411	4,349
NON-OPERATING EXPENDITURE			
Depreciation and amortisation	(11,400)	(12,000)	(12,000)
Total non-operating expenditure	(11,400)	(12,000)	(12,000)
Surplus / (deficit) for the year before income tax	**(6,200)**	**(7,528)**	**(7,642)**
Income tax	1,000	1,500	1,500
Surplus / (deficit) for the year	**(5,200)**	**(6,028)**	**(6,142)**

The forecast Statement of Cashflow targets for VŌ are as follows:

	2027 $000	2028 $000	2029 $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	51,153	58,610	60,791
Subvention received	1,000	1,500	1,500
Payments to suppliers and employees	(48,745)	(55,941)	(58,072)
Net GST movement	(3,395)	(3,415)	(3,500)
Net cash provided by (used in) operating activities	12	754	719
CASH FLOWS FROM INVESTING ACTIVITIES			
Council capital grant	5,274	4,412	4,340
Pre-paid lease rental revenue	154	154	154
Payment for property, plant & equipment	(14,236)	(3,690)	(3,595)
Interest received	575	575	575
Net cash provided by (used in) investing activities	(8,232)	1,450	1,474
Net increase in cash and cash equivalents	(8,220)	2,204	2,192
Cash and cash equivalents at beginning of year	29,521	21,301	23,505
Cash and cash equivalents at end of year	**21,301**	**23,505**	**25,697**

The forecast Statement of Financial Position targets for VŌ are as follows:

	2027 $000	2028 $000	2029 $000
CURRENT ASSETS			
Cash and cash equivalents	21,301	23,505	25,697
Receivables from exchange transactions	2,904	2,890	2,870
Inventories	839	839	839
Other current assets	992	992	992
Total current assets	26,035	28,226	30,397
NON-CURRENT ASSETS			
Property, plant & equipment	226,111	217,801	209,397
Intangible assets	200	200	200
Deferred tax assets	290	290	290
Total non-current assets	226,601	218,291	209,886
Total assets	**252,636**	**246,517**	**240,284**
CURRENT LIABLITIES			
Payables under exchange transactions	4,680	4,680	4,680
Deferred revenue	6,707	6,707	6,707
Employee entitlements	973	973	973
Total current liabilities	12,360	12,360	12,360
NON-CURRENT LIABILITIES			
Deferred revenue	1,342	1,251	1,160
Deferred tax liabilities	55,621	55,621	55,621
Total non-current liabilities	56,963	56,872	56,781
Total liabilities	**69,323**	**69,232**	**69,141**
Net assets	**183,312**	**177,284**	**171,143**
EQUITY			
Capital and other equity instruments	244,636	244,636	244,636
Asset revaluation reserve	42,038	42,038	42,038
Operating reserve	5,000	5,000	5,000
Capital reserve	5,000	5,000	5,000
Accumulated surpluses/(deficits)	(113,362)	(119,390)	(125,531)
Total equity	**183,313**	**177,284**	**171,143**

c) Forecast Capital Structure

The forecast capital structure and ratio of shareholder's funds to total assets for the next three years is:

	2026/27	2027/28	2028/29
	$000	$000	$000
Issued shares and other equity instruments	244,636	244,636	244,636
Debt	Nil	Nil	Nil
Total Assets	252,636	246,517	240,284
Shareholder funds to total assets ratio	73%	72%	71%

d) Forecast Capital Expenditure

The forecast capital expenditure for VŌ owned venues is detailed below:

	2026/27	2027/28	2028/29
	$000	$000	$000
Asset management plan - Wolfbrook Arena *	8,237	497	1,260
Asset management plan - Christchurch Town Hall *	2,727	1,324	370
Operational equipment, ICT, other and reactive capex	3,231	1,868	1,965
Total Capital Expenditure forecast	**14,196**	**3,690**	**3,595**
Capital Grant (as per 2024/34 LTP)	4,586	3,836	3,774
Carried forward capital funding	7,164	Nil	Nil
Self-funded capital expenditure	3,744	Nil	Nil
The Capital Grant includes the inflationary adjustment as per the current Council forecast.			

** Includes carried forward projects, and adjusted for current AMP including a number of material items delayed due to venue availability and new projects added.*

Capital funding in the 2027, 2028 and 2029 years is for costs associated with the continued delivery of the Asset Management Plan for required safety and compliance upgrades at Wolfbrook Arena and the Christchurch Town Hall as well as ongoing replacement of operational capital equipment.

VŌ has established a capital reserve of $5m. The purpose of this is, in line with the company's strategic direction, for investment in future capital developments which contribute positively to regional economic growth and commercial outcomes.

14 COMPENSATION FROM COUNCIL

1. Operational, Capital and Debt Servicing Support

Public assembly venues such as town halls, entertainment and sporting arenas, and stadia exist to deliver economic, environmental, and social benefits to their communities.

The whole of life costs of developing, maintaining, operating, and refurbishing these types of assets is a significant investment by the local authority.

The operator of these assets is fully funded for asset development and care and will normally require some form of operating subsidy to ensure market competitiveness in event attraction and community access.

a) Operational Funding

Operational funding support historically contributed around 50% of the fixed largely uncontrollable costs associated with managing the city assets, Christchurch Town Hall, Wolfbrook Arena, and Apollo Projects Stadium.

These fixed costs included repairs and maintenance, rates, insurance, building compliance, and utilities which by and large are fixed and in the current economic climate are subject to material increases year on year.

With the company working to achieve greater financial independence and reduced impact on the rate payer, this Statement of Intent shows no operational funding is required from Council.

With the impact of depreciation on overall results, the company is likely to continue to receive small subvention payments from the tax group, which can be used to offset capital requirements.

Over time as the assets continue to age and repairs and maintenance costs increase for One NZ Stadium increase, this may change, however it is the company's intention to continue to develop and execute strong, strategic commercial arrangements to maintain this position.

b) Capital Funding

Capital funding support is utilised to support the delivery of the asset management plan for the Christchurch Town Hall and Wolfbrook Arena.

To provide ongoing clarity and assurance to Council as to the appropriate allocation of operating and capital support, VŌ provides dashboard reporting on a quarterly basis to clearly reflect the prioritisation of these funds.

Capital funding in this Statement of Intent remains consistent with the FY26-28 VŌ Statement of Intent and the 2024-2034 Council Long Term Plan.

c) Debt Funding

The majority of the historical Lancaster Park loan (relating to the construction of the Deans Stand, which opened in 2010 in preparation for the 2011 Rugby World Cup) was repaid in FY24 with the remainder of all VŌ debt being repaid prior to this Statement of Intent.

Debt financing has been reduced to nil from the start of this Statement of Intent.

2. One New Zealand Stadium Operational and Capital Funding

a) Pre-opening Expenses

Since FY23 and through to FY26, through operating cashflows, VŌ met the pre-opening costs associated with the Stadium. The purpose of VŌ meeting these costs directly was to support Council in minimising rates impact for the 2023, 2024 and 2025 years.

With the criticality of delivering the best commercial outcome for the shareholder and the city and particularly given the magnitude of this opportunity and the time it takes to negotiate material commercial arrangements the commencement of the commercial strategy started well before the venue is operational.

Between FY23 and FY26 pre-opening expenses total $4.3m. As per the 2024-2034 LTP, $1.59m of these costs were to be reimbursed to VŌ in FY27 with these costs not being able to be offset with revenue prior to the venue being operational. The payment has been received in June 2026.

b) Operational and Capital Funding Support, One New Zealand Stadium

Due to One NZ Stadium being completed less than three months prior to the beginning of the Statement of Intent, no operational or capital funding support is required during FY27-29, with much of the initial maintenance covered by the building contractors and no material capital costs expected during the first three years of operation.

It is not expected capital funding support for One NZ Stadium will be required until year seven of operation due to there being no material asset items requiring renewal in earlier years.

As the asset ages, capital funding support will be required.

3. Consolidated Operational, Capital and Debt Financing Support

The total operating, debt and capital support funding for the period of this SOI are included in the chart below.

Operating, debt financing and capital support funding			
	2026/27	**2027/28**	**2028/29**
	$000	**$000**	**$000**
VŌ Council operating support	Nil	Nil	Nil
VŌ debt financing support	Nil	Nil	Nil
One NZ Stadium at Te Kaha pre-opening reimbursement	Nil	Nil	Nil
One NZ Stadium at Te Kaha operating grant	Nil	Nil	Nil
Total operating and debt financing funding	**Nil**	**Nil**	**Nil**
Capital grant as per 2024/34 LTP (including inflation)			
	2026/27	**2027/28**	**2028/29**
	$000	**$000**	**$000**
Capital Grant (as per 2024/34 LTP, including inflation)	4,586	3,836	3,774
Total Capital Grant	**4,586**	**3,836**	**3,774**

15 ACCOUNTING POLICIES

VŌ has adopted accounting policies that are consistent with New Zealand International Financial Reporting Standards (NZ IFRS), generally accepted accounting practice and the policies adopted by the Christchurch City Council Group.

The Company's detailed accounting policies are available in the VŌ most recent annual report for the year ended 30 June 2025, as published in the CCO section of the Council website.

The VŌ actual accounting policies during the three-year period of this SOI may change as a result of changes to NZ IFRS standards and interpretations.

16 ACQUISITION/DIVESTMENT AND OTHER SIGNIFICANT TRANSACTIONS POLICY

The subscription or acquisition of securities in any company or organisation, or a divestment of part of the existing business, will only be considered where it is consistent with the long term strategic and commercial objectives of VŌ.

When the subscription, acquisition or divestment is considered by Directors to be significant to VŌ business operations, it will be subject to consultation with, and where required approval of, the Shareholder.

Major transactions as defined in the Companies Act 1993, s129(2), will be subject to Shareholder approval by special resolution.

Distributions

During the period of this SOI VŌ will not return capital funds to its Shareholder.

17 ESTIMATE OF COMMERCIAL VALUE

The Shareholder investment in VŌ was assessed as at 30 June 2025 by Deloitte at $193.4 million on a net asset value basis. The VŌ Board consider that the investment value is an appropriate estimate of the commercial value.

18 INFORMATION TO BE REPORTED TO THE SHAREHOLDER

1. No surprises

VŌ will operate on a ‘no surprises’ basis in respect of significant Shareholder related matters, to the extent possible in the context of commercial sensitivity and confidentiality obligations. Any sensitive issue that may result in media enquiry will be communicated to the Shareholder as soon as possible.

The Board aims to ensure the Shareholder is informed of all major developments affecting the Company, while at the same time recognising commercial sensitivity may preclude certain information from being made public.

Within this constraint, information is communicated to the Shareholder through periodic reports, occasional briefings, regular reports, and informal updates on important issues.

2. Local Government Act 2002 reporting requirements

VŌ will provide information requested by the Shareholder in accordance with the requirements of the Local Government Act 2002 and as per the Council Letter of Expectation.

An Annual Report will be submitted to the Shareholder. The Annual Report will include audited financial statements and such other details as are necessary to permit an informed assessment of performance and financial position of the Company during the reporting period provided to the Shareholder.

Half Yearly Reports will also be provided to the Shareholder. These reports will contain unaudited information and comply with PBE IAS 34.

The SOI will be submitted to the Shareholder for consultation annually, as required by the Local Government Act 2002. The Directors will include any other information they consider appropriate and where it is necessary, due to significant changes, revised forecasts will be submitted to the Shareholder.

3. Other Reporting

Quarterly Reports will also be provided to the Shareholder, which will include the financial and non-financial performance of the Company and for the period of this SOI will include specific reporting on One NZ Stadium.

CONTACT DETAILS

Contact details for both the Chair and Chief Executive are at the VŌ registered office:

Address:	236 Hereford Street Central City Christchurch 8011
Telephone:	+64 3 339 3599
Website:	www.venuesotautahi.co.nz

VENUES
ŌTAUTAHI