

Annual Report

2024/2025

Ara
Ake

Future
Energy
Development



Ara Ake Annual Report 2024/2025

Contents

Message from the Chair and Interim Chief Executive	4
Ara Ake Initiative Highlights	5
Sustainable Molecules	5
Flexibility and DER	6
Energy Resilience	7
Performance 2024-2025	8
Independent Auditors Report	9
Approval of Financial Report	13
Statement of Service Performance	14
Statement of Financial Performance	19
Statement of Financial Position	20
Statement of Changes in Equity	21
Statement of Cash flows	22
Statement of Accounting Policies	23
Notes to the Financial Statements	28

Message from the Chair and Interim Chief Executive

ARA AKE AIMS TO ACCELERATE
DEMONSTRATION, COMMERCIALISATION,
AND DEPLOYMENT OF ENERGY INNOVATIONS
TO SUPPORT AOTEAROA NEW ZEALAND'S
TRANSITION TO A MORE SUSTAINABLE,
RESILIENT, AND EQUITABLE ENERGY FUTURE.



Innovation alone is not enough to transition our energy system – it is the successful commercialisation of energy technologies that will define our path to a sustainable and resilient energy future. Over the past year, Ara Ake has accelerated commercialisation opportunities for various New Zealand and international partners, all aimed at making a positive impact on the energy sector. These initiatives have included capturing and utilising renewable carbon, developing community energy resilience projects, transforming waste into energy, sharing solar energy, and maximising the benefits of consumer energy resources like batteries and solar.

The challenges facing the energy system in New Zealand are substantial, and the role of Ara Ake has never been more critical. Throughout this year Ara Ake has focused intensively on accelerating the commercialisation journey for energy innovators, supported industry partners, and has actively engaged in the wider energy innovation ecosystem. Additionally, we have hosted conferences and regular forums designed to accelerate the deployment of renewable energy and support communities.

Looking ahead, we remain committed to accelerating New Zealand's energy transition through innovation, partnership, and investment. We acknowledge our stakeholders and partners who share the vision of a better energy future.

Ngā manaakitanga.

A handwritten signature in black ink, appearing to read 'Rob Campbell'.

Rob Campbell
Chair – Ara Ake

A handwritten signature in black ink, appearing to read 'Paul Goodeve'.

Paul Goodeve
Interim Chief Executive – Ara Ake

Ara Ake Initiative Highlights

ARA AKE INITIATIVES CAN BE GROUPED INTO THREE STRATEGIC PRIORITY AREAS: SUSTAINABLE MOLECULES, FLEXIBILITY AND DISTRIBUTED ENERGY RESOURCES AND ENERGY RESILIENCE.

Sustainable Molecules

The Sustainable Molecules portfolio focuses on hard-to-abate sectors that cannot be easily electrified or require hydrogen and carbon (which are typically fossil-derived) for high-value products such as methanol, ammonia and steel. Sustainable Molecules offers a significant opportunity for national-scale impact, especially in heavy transport, industrial energy use, industrial processes, and waste management, where innovative approaches could lead to substantial emissions reductions.

CASE STUDIES



OpenStar Technologies

OpenStar Technologies, founded in 2021 in Wellington, is pioneering commercial fusion through its levitated dipole reactor, aiming to replicate the process that powers the sun to deliver abundant, carbon-free energy.

Ara Ake is supporting OpenStar with upgrades to their half-tonne doughnut-shaped magnet named Junior. This is the first global, commercial use of a superconducting power supply (flux pump) in a high-field fusion class magnet. Ara Ake support will accelerate their research, foster international collaboration, and reduce long-term technical risks - bringing fusion energy one step closer to reality.

The team at OpenStar recently achieved a major milestone – producing a plasma around their prototype device, proving their Levitated Dipole Reactor design works. They're only two years in, but reaching this important milestone has enabled the team to open their Series A capital raise.



Hydrogen-powered aviation

Stralis Aircraft and Fabrum are collaborating to advance hydrogen-powered aviation by designing, developing and testing liquid-hydrogen storage tanks and a fuel system for Stralis aircraft.

This collaboration will enable Australasia's first liquid-hydrogen-powered flight, as well as strengthen industry ties between New Zealand and Australia. The project will build expertise in liquid-hydrogen storage refuelling, and aircraft integration, contributing to New Zealand's growing role in hydrogen aviation.

The support from Ara Ake has enabled Stralis and Fabrum to accelerate the development of this technology. This collaboration represents not just a technical milestone, but a pivotal step toward making zero-emission aviation a commercial reality in Australasia.

Flexibility and DER

New Zealand's energy system is rapidly evolving, with the increased electrification of industry and transport driving up electricity demand. The adoption of distributed energy resources (DER) – such as solar, smart appliances and batteries, will play a key role in meeting this demand. Flexibility in energy consumption and generation will be crucial for managing demand peaks and ensuring an affordable, efficient energy transition. Developing a flexible electricity system is essential for a successful energy transition.

CASE STUDIES



National Flex Discovery Fund

Flexible energy resources such as batteries and electric vehicles can reduce peak demand, avoid costly infrastructure upgrades, and enable consumers to play an active role in the electricity system. Yet much of New Zealand's flexibility remains invisible and unused.

To address this, Ara Ake launched the National Flex Discovery Fund to make flexibility more visible to the system and potential buyers, while supporting the commercialisation of emerging solutions.

Following a competitive application process, grants were approved for 13 providers. By the end of 2025, this funding will connect new providers across multiple platforms and support projects involving hot water controls, home energy management systems, smart EV charging, and commercial and industrial load. These connections represent a significant pool of new flexible resources, ready to help meet winter demand in 2026 and strengthen system resilience.

This funding has been pivotal in enabling flexibility innovators to demonstrate, make discoverable and commercialise their flexibility offerings.

“We’ve been preparing for a flexible future for a while now, and this funding will help us turn our trials and pilots into a scalable solution. We’re looking forward to supporting the grid as New Zealand’s vehicle fleet continues to electrify,”

Tom Rose, Product Owner, Evnex.



CentrePort Battery Energy Storage System project

Electrification is central to decarbonising heavy transport and industry in New Zealand. As an intermodal hub and marine port in Wellington, CentrePort is embracing this challenge by electrifying its operations and piloting new energy solutions.

With plans to install multiple 500kW EV chargers, CentrePort faces potential electricity supply constraints and is piloting a Battery Energy Storage System (BESS) to manage demand within its current supply capacity without triggering expensive infrastructure upgrades.

Ara Ake is supporting CentrePort with this project, which seeks to demonstrate the commercial value of distributed storage solutions in managing local energy constraints. It will also showcase innovative business models that unlock multiple market services, demonstrating how customer-driven BESS solutions can strengthen infrastructure resilience, improve asset utilisation, and accelerate New Zealand's transition to a low-emissions energy system.

“CentrePort is pleased to be partnering with Ara Ake on this, the next step in the port’s energy transition. It’s a great opportunity to show the benefits of a public/private partnership. This partnership means we continue to move at pace with our energy transition while reinforcing our position as the most efficient port in New Zealand.”

CentrePort Chief Executive Anthony Delaney

Energy Resilience

Decentralisation of the energy system is required to enable greater resilience. Simply put, transmission and distribution infrastructure are at increasing risk of disruption and damage from the inevitable increased risk of climate hazards. In addition to this disruption, remote and isolated communities can benefit from DER through the development of community energy projects in the form of micro-grids, as well as other innovative distributed energy solutions. Benefits include greater resilience, through locally sourced generation, greater choice and ultimately more affordable energy over time.

CASE STUDIES



Blackcurrent

Blackcurrent is driving energy equity in rural Aotearoa New Zealand through modern microgrids serving farmers, growers, orchards, lifestyle blocks and schools. Many of these communities face unreliable power and high costs, making energy reliability and affordability vital for their resilience and growth.

With Ara Ake's support, Blackcurrent is delivering two major projects: Farmlands FLEX and SIDE Grid Hub. In partnership with Farmlands, Farmlands FLEX enables farmers to manage energy use and costs by turning equipment like rooftop solar panels into smart energy assets. These systems reduce fossil fuel reliance and can generate income from exporting surplus energy.

Ara Ake's co-funding and collaboration have been pivotal in validating and expanding these solutions, accelerating rural energy innovation and strengthening resilience, affordability and sustainability across Aotearoa's farming communities.



Franklin Energy Sharing

In Franklin, South Auckland, Ara Ake is working with Counties Energy and Climate Connect Aotearoa to pilot an energy sharing model that explores how solar power, battery storage, and peer-to-peer trading can deliver benefits to the local community.

At Counties Energy's headquarters, solar panels and a community-scale battery have been installed, with the electricity generated being shared with community organisations that provide essential services to families experiencing hardship. By gifting renewable electricity, the pilot helps these organisations reduce energy costs and continue supporting their communities.

The pilot demonstrates how peer-to-peer energy sharing can deliver social, environmental and economic benefits. It supports community organisations in lowering operational costs, reduces emissions by making local renewable energy more accessible, and tests new ways to trade electricity paving the way for greater consumer participation in the energy system.

Performance 2024-2025



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF ARA AKE LIMITED**

Report on the Audit of the General Purpose Financial Report

Opinion

We have audited the general purpose financial report of Ara Ake Limited ("the company"), which comprise the entity information on pages 12, the statement of service performance on pages 14 to 18 and the financial statements on pages 19 to 40. The complete set of financial statements comprise the statement of financial position as at 30 June 2025, the statement of financial performance, statement of changes in equity and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying general purpose financial statements present fairly, in all material respects:

- the financial position of the Company as at 30 June 2025, and its financial performance and its cash flows for the year then ended; and
- the service performance for the year ended 30 June 2025, in accordance with the Company's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)") and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standards (NZ AS) 1 The Audit of Service Performance information (NZ). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In addition to audit services, BDO provides advice on systems and processes related to management reporting and corporate governance. We have no relationship with or interests in the Company.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the annual report, but does not include the financial statements and our auditor's report thereon.

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 and, in doing so, 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 the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Directors' Responsibilities for the General Purpose Financial Report

Those charged with governance are responsible on behalf of the Company for:

(a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;

(b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report those charged with governance are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the service performance information 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 conducted in accordance with ISAs (NZ) and NZ AS 1 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

This description forms part of our auditor's report

Report on Other Legal and Regulatory Requirements

Who we Report to

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

A handwritten signature in blue ink, appearing to be 'BDO'.

BDO Taranaki
New Plymouth
New Zealand
20 October 2025

Entity information

Ara Ake Limited

For the year ended 30 June 2025

‘Who are we?’, ‘Why do we exist?’

The company was established to lead and facilitate the development of low-emissions energy innovation and technology in New Zealand. This is the company’s third year of operation.

Legal Name of Entity

Ara Ake Limited.

Entity Type and Legal Basis

Company.

Registration Number

8043029

Entity’s Purpose or Mission

To reduce the time, cost and risk associated with the development and commercialisation of energy innovation in Aotearoa by fostering a new energy ecosystem and leveraging national and global knowledge, as New Zealand transitions to a low emissions future.

Entity Structure

The company is owned by 13 shareholders. Each entity owns 1 Ordinary share.

The shareholders are:

- Taranaki Chamber of Commerce Incorporated
- Independent Electricity Generators Association
- Victoria University of Wellington
- Aotearoa Wave and Tidal Energy Association Incorporated
- Bioenergy Association of New Zealand Incorporated
- BusinessNZ
- Carbon and Energy Professionals New Zealand Incorporated
- Electricity Networks Association Incorporated
- Engineering Taranaki Incorporated
- Kiwi Innovation Network Limited

- New Zealand Geothermal Association Incorporated
- New Zealand Wind Energy Association Incorporated
- GasNZ Incorporated

The Directors are:

- R J Campbell (Chair)
- E J Trout (Deputy Chair)
- P H Goodeve
- K I Sutherland
- B T Ropitini

Main Sources of Entity’s Cash and Resources

Set monthly funding from the Ministry of Business, Innovation and Employment.

Entity’s Reliance on Volunteers and Donated Goods or Services

None.

Physical Address

8 Young Street, New Plymouth, New Zealand, 4310.

Postal Address

PO Box 270, New Plymouth, New Zealand, 4340.

Approval of financial report

Ara Ake Limited

For the year ended 30 June 2025

The Directors are pleased to present the approved financial report including the historical financial statements of Ara Ake Limited for year ended 30 June 2025.

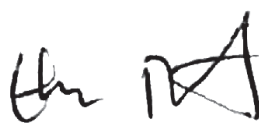
APPROVED



RJ Campbell

Director

Date: 20 October 2025



EJ Trout

Director

Date: 20 October 2025

Statement of service performance

Ara Ake Limited

For the year ended 30 June 2025

Purpose

The purpose of Ara Ake Limited ("Ara Ake") as stated in the Funding Agreement between Ministry of Business, Innovation and Employment (MBIE) and Ara Ake is as follows:

To accelerate the demonstration, commercialisation, and deployment of energy innovation to support Aotearoa New Zealand's transition to a more sustainable, resilient, and equitable energy future.

Ara Ake takes a 'whole of energy systems' approach, building New Zealand's capability and global connectivity to achieve economic, social, cultural, and environmental impact.

A. Pathways to commercialisation

The MBIE funding agreement requires Ara Ake to support energy innovation development and commercialisation activities, including the development and deployment of technical and financial solutions to pilot new technologies and help initiatives to become investment ready.

Results

Ara Ake met its Pathways to commercialisation KPIs with a list of new 2024/25 initiatives below.

Relevant KPI	Target	2025 Results
Number of energy innovation challenges undertaken	5	1. Queenstown Electrification Challenge 2. Gasification Challenge 3. Carbon Utilisation Challenge 4. Community Energy Activator Challenge 5. National Flex Discovery Challenge Fund
	2024 Actual: 2	

During the 2024/2025 financial year, Ara Ake has ring fenced \$1.5m to support The Queenstown Electrification and National Flex challenges, both commenced in 2024/2025. Looking ahead, two new challenges are scheduled to commence in 2025/26, with \$0.5 million allocated in the FY2025/26 budget to support the Ara Ake challenges.

Relevant KPI	Target	2025 Results
Number of New Zealand innovators receiving support from Ara Ake	11	12 commercialisation projects: 1. Aspiring Materials 2. Aotea Energy 3. Fabrum/Stralis 4. Blackcurrent 5. Locky Docks 6. Cortexo 7. Our Energy 8. Bspkl 9. EnPot 10. OpenStar 11. Aspiring Materials (Ultramafic Rocks) 12. Te Huata Solar Project
	2024 Actual: 7	

Relevant KPI	Target	2025 Results
Number of pilots and testbeds underway with Ara Ake support	8	18 pilots:
	2024 Actual: 5	1. Capture6 Containerised Demonstration 2. Hot Lime Labs 3. Aspiring Materials Pilot Plant 4. Sustainable Aviation Test Centre (Air NZ) 5. Plexigrid & Counties Energy (EDB Challenge) 6. Kāinga Ora solar energy sharing pilot 7. Our Energy Local Flex Platform MVP 8. Flexviz 9. Franklin / Pukekohe Energy Sharing Pilot 10. North Island Flexibility DER Pilot 11. CentrePort BESS pilot 12. Blackcurrent SIDE Grid Hub 13. Community Energy Activator 14. Aotea Energy 15. Cetogenix pilot 16. Rinnai pilot 17. Basis Smart Panel pilot 18. One Energy pilot

During the 2024/2025 financial year, Ara Ake supported innovators with commercialisation and pilot & testbeds projects by providing repayable grants totalling \$5,543,000. Ara Ake will continue to support New Zealand innovators with an additional \$1,480,500, in committed repayable grants and \$137,008 in committed grants.

Alongside repayable grants, Ara Ake supported New Zealand innovators by providing grants and donations totalling \$1,723,211. Moreover, many innovators received non-financial support from Ara Ake, including introductions to national and international stakeholders such as end customers, financiers, government agencies, regulators, and accelerators.

B. Trusted advisor

The MBIE funding agreement requires Ara Ake to provide targeted, tailored advice on activities in the innovation chain focused on energy developments and opportunities for applying overseas technologies in New Zealand.

Results

Ara Ake met its Trusted advisor KPIs with a list of new 2024/25 initiatives below.

Relevant KPI	Target	2025 Results
Number of global innovations committed to trial in NZ through Ara Ake support	4	4 global innovations:
	2024 Actual: 5	1. EPEX Spot 2. Stralis 3. Capture6 4. GELPAG Technologies (Te Huata solar project)

C. Research and technology development

The MBIE funding agreement requires Ara Ake to identify opportunities that could be commercialised and build the knowledge base of national and international ideas and technology.

Results

Ara Ake met its Research and technology development KPIs with a list of new 2024/25 initiatives below.

Relevant KPI	Target	2025 Results
Number of opportunities investigated for potential Ara Ake support	10 2024 Actual: 10	1. Carbon Capture for the built environment. 2. Hydrogen in aviation 3. Offshore Renewables Counterfactual 4. Raukawa Energy Innovation pilot 5. Residential Energy Innovation Uptake research (with the Worcester P. Institute) 6. Rewiring Aotearoa Machine Count scoping 7. Bioenergy systems modelling scoping 8. Methanation Innovator Assessment 9. BESS value stack modelling 10. Cetogenix Feasibility Study
Number of research and insights reports and/or tools published on website	4 2024 Actual: 5	1. EDB Challenge Report 2. Community Energy Activator Report 3. BESS Value Stacking 4. Machine Count Report & Database 5. White paper – Barriers to market for flex providers 4 underway: 1. Carbon Challenge Report 2. Bioenergy Systems Modelling 3. Cetogenix write up 4. Methanation Tech Search Challenge writeup

Relevant KPI	Target	2025 Results
Number of opportunities which have led to pilots/testbeds with Ara Ake support	8 2024 Actual: 5	18 pilots: 1. Capture6 Containerised Demonstration 2. Hot Lime Labs 3. Aspiring Materials Pilot Plant 4. Sustainable Aviation Test Centre (Air NZ) 5. Plexigrid & Counties Energy (EDB Challenge) 6. Kāinga Ora solar energy sharing pilot 7. Our Energy Local Flex Platform MVP 8. Flexviz 9. Franklin / Pukekohe Energy Sharing Pilot 10. North Island Flexibility DER Pilot 11. CentrePort BESS pilot 12. Blackcurrent SIDE Grid Hub 13. Community Energy Activator 14. Aotea Energy 15. Cetogenix pilot 16. Rinnai pilot 17. Basis Smart Panel pilot 18. One Energy pilot Community Energy Activator

During the 2024/2025 financial year, Ara Ake awarded grants for research and technology development. The total amount of grants paid out was \$410,000.

D. Connect and complete the energy ecosystem

The MBIE funding agreement requires Ara Ake to enable domestic and international relationships between industry, investors, researchers, governments, communities and energy innovators.

Results

Ara Ake met its Connect and complete the energy ecosystem KPIs with a list of new 2024/25 initiatives below.

Relevant KPI	Target	2025 Results
Number of events hosted by Ara Ake	3	1. 10 x Ara Ake Forums 2. 10 x Taranaki Energy Updates 6 events:
	2024 Actual: 5	1. The EDB Challenge: Learnings and Insights event (10 Sept 2024) 2. The Carbon Challenge (24 Oct 2024) 3. Offshore Renewable Energy Forum (1-2 April 2025) 4. Energy Innovation Investment Day (7 April 2025) 5. Energy Innovation Minister event (14 May 2025)
Number of external events presented at	10	51 External events presented at.
	2024 Actual: 10	
Number of publications on mainstream media	10	35 publications in mainstream media.
	2024 Actual: 10	

Summary of grants awarded

Across all our funding objective categories, Ara Ake has provided a total of \$5,543,000 in repayable grants and \$2,133,211 in grants / donations to support its purpose and MBIE's funding objectives. 2024: Repayable grant \$750,000 and grant \$5,959,549.

Comparatives

Comparative information has been provided for most of the main areas of the statement of service performance. KPIs are agreed upon annually with MBIE. If readers / stakeholders would like further information, please refer to the Statement of Service Performance included in the company's 2025 Annual Report.

Statement of financial performance

Ara Ake Limited

For the year ended 30 June 2025

	NOTES	2025	2024
REVENUE			
Government grants	2	10,261,189	5,970,807
Interest, dividends and other investment revenue	1	789,750	781,598
Other revenue	1	136,314	111,318
Revenue from providing goods or services	1	65,689	174,295
Total Revenue		11,252,942	7,038,019
EXPENSES			
Depreciation and amortisation		48,839	62,036
Employee benefit costs	3	1,867,256	2,013,137
Grants and donations made	3	2,133,211	6,096,869
Operating expenses	3	1,764,062	1,777,298
Total Expenses		5,813,368	9,949,340
Surplus/(Deficit) for the Year		5,439,574	(2,911,321)
INCOME TAX EXPENSE			
Income tax expense	4	195,282	260,638
Surplus / (deficit) after tax		5,244,291	(3,171,960)
SURPLUS / (DEFICIT) ATTRIBUTABLE TO:			
Owners of the entity		5,244,291	(3,171,960)
TOTAL COMPREHENSIVE REVENUE AND EXPENDITURE ATTRIBUTABLE TO:			
Owners of the entity		5,244,291	(3,171,960)

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

Statement of financial position

Ara Ake Limited

As at 30 June 2025

	NOTES	2025	2024
ASSETS			
Current assets			
Bank accounts and cash	5	475,603	1,591,847
Debtors and prepayments		156,884	35,876
GST refund		-	15,187
Other current assets			
Current assets		850,000	-
Investments (current)	6	5,000,000	7,195,427
Accrued interest income		44,143	85,020
Assets		3,355	4,120
Total Other current assets		5,897,498	7,284,567
Repayable grants	10	982,996	457,745
Tax refund	4	19,351	-
Total Current assets		7,532,333	9,385,221
Non-current assets			
Intangible assets	7	55,135	8,751
Investment	9	4,374,415	4,185,960
Property, plant and equipment	8	229,554	238,485
Repayable grants	10	3,947,262	169,691
Total Non-current assets		8,606,366	4,602,888
Total Assets		16,138,698	13,988,109
LIABILITIES			
Current liabilities			
Credit cards		3,274	1,419
Employee benefit liabilities	12	72,145	99,627
GST payable		52,898	-
Non-exchange revenue received in advance	2	6,721,518	9,982,707
Payables (from exchange transactions)	11	301,972	147,208
Tax payable	4	-	15,752
Total Current liabilities		7,151,807	10,246,712
Non-current liabilities			
Hire Purchase		1,203	-
Total Non-current liabilities		1,203	-
Total Liabilities		7,153,010	10,246,712
NET ASSETS		8,985,688	3,741,397
EQUITY			
Accumulated comprehensive revenue and expenditure		8,985,688	3,741,397
Total Equity		8,985,688	3,741,397

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

Statement of changes in equity

Ara Ake Limited

For the year ended 30 June 2025

	2025	2024
Equity		
Opening Balance	3,741,397	6,913,356
Total comprehensive revenue and expenditure for the period	5,244,291	(3,171,960)
Total Equity	8,985,688	3,741,397

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

Statement of cash flows

Ara Ake Limited

For the year ended 30 June 2025

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from Government funding	6,150,000	7,000,000
Proceeds from providing goods or services	186,632	279,364
Payments to suppliers and employees	(3,444,160)	(3,761,226)
Donations or grants paid	(6,446,980)	(6,489,549)
Income Tax paid	(230,385)	(135,536)
Net GST Paid	68,401	(151,278)
Interest from repayable grants	-	26,563
Total Cash Flows from Operating Activities	(3,716,492)	(3,231,661)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from interest, dividends and other investment receipts	672,625	662,466
Proceeds from sale of property, plant and equipment	311	-
Term deposits redeemed	7,404,715	2,152,610
Payments for purchase of property, plant and equipment	(18,672)	(71,678)
Payments for purchase of intangibles	(60,987)	-
Term deposits reinvested	(5,397,744)	(7,426,896)
Total Cash Flows from Investing Activities	2,600,248	(4,683,498)
NET INCREASE/(DECREASE) IN CASH	(1,116,244)	(7,915,159)
BANK ACCOUNTS AND CASH		
Opening cash	1,591,847	9,507,006
Net change in cash for period	(1,116,244)	(7,915,159)
Closing cash	475,603	1,591,847

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

Statement of Accounting Policies

Ara Ake Limited

For the year ended 30 June 2025

1. Statement of Accounting Policies

1.1 Reporting entity

These financial statements are for Ara Ake Limited (the 'Company'). Ara Ake is a company registered under the New Zealand Companies Act 1993.

In adopting its constitution, the Company has met the requirements to be a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013 and the Companies Act 1993.

The financial statements were authorised for issue by the Directors on 20 October 2025.

2. Summary of significant accounting policies

2.1 Basis of preparation

Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). The Company applies Tier 2 PBE Standards and disclosure concessions under the Reduced Disclosure Regime ("PBE Standards RDR"). The Company is eligible to report in accordance with Tier 2 PBE Standards RDR because it does not have public accountability and it is not large.

Going concern

Management and the Directors are not aware of any material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis and no additional disclosures are made in the financial statements.

Measurement base

The financial statements have been prepared on a historical cost basis, except as otherwise indicated below.

Functional and presentation currency

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

Changes in accounting policies

There have been no changes in accounting policies in the period. Accounting policies have been applied consistently throughout the period.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

2.2 Revenue

Revenue is recognised when the amount of revenue can be measured reliably, it is probable that economic benefits will flow to the company and is measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the company's revenue streams must also be met before revenue is recognised.

Revenue from non-exchange transactions

Non-exchange transactions arise where an entity receives value from another entity without giving approximately equal value in exchange. Revenue streams defined as non-exchange are the Ministry of Business, Innovation and Employment (MBIE) funding agreement as well as other grants and donations and items of revenue that are not included under exchange transactions.

Grants and donations

The recognition of non-exchange revenue from grants and donations depends on the nature of any stipulations attached to the grants received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are 'conditions' specifically require the Company to return the funds received if they are not utilised in the way stipulated, resulting in the recognition of a liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied.

Stipulations that are 'restrictions' do not specifically require the Company to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a

non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Grants received by Ara Ake Limited from MBIE are the primary source of funding and have been granted in accordance with terms agreed between the two parties for the establishment of the National New Energy Development Centre. Grant income is recognised as revenue when the requirements under the agreement have been met. Any grant income for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled.

Services In-Kind

There is no financial recognition of support given in the form of donated services, labour or goods included in the financial statements.

Interest

Income from interest is recognised when the entity's right to payment is established, and the amount can be reliably measured.

Goods and services

Income from providing good and services is recognised when the good or service has been provided and payment is receivable.

Leases

Income from leases is recognised when payment is due.

2.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

2.4 Property, plant and equipment

Property, plant, and equipment consists of the following asset classes: computer equipment, office equipment, leasehold improvements and IT.

(i) Additions

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

(ii) Subsequent expenditure

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with

the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in surplus or deficit as incurred.

(iii) Disposals

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

(iv) Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives and is recognised in surplus or deficit.

The estimated useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Class of asset depreciated	Estimated useful life	Depreciation rates
Computer equipment	3 years	40% – 100%
Office equipment	3-12 years	7.0% – 100%
Leasehold improvements	10-14 years	7.0% – 13.5%
IT	1-3 years	40% – 100%

Subsequent to initial recognition, property, plant and equipment is measured using the cost model.

2.5 Leases

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Company. Operating lease payments are recognized as an other expense in surplus or deficit on a straight-line basis over the lease term.

2.6 Intangible assets

Intangible assets are initially recorded at cost.

Subsequent to initial recognition, intangible assets with finite useful lives are recorded at cost, less any amortisation and impairment losses and are reviewed annually for impairment losses. Amortisation of intangible assets is provided on a straight-line basis that will write off the cost of the intangible asset to estimated residual value over their useful lives.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset. All other expenditure is recognised in surplus or deficit.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of intangible assets have been estimated as follows:

Class of intangible asset	Estimated useful life	Amortisation rates
Digital platform costs	2.5 years	40%

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.7 Trade and other payables

Short-term creditors and other payables are recorded at their face value.

2.8 Employee entitlements

(i) Short-term employee entitlements

Short-term employee benefit liabilities are recognised when the company has a legal or constructive obligation to remunerate employees for services provided and that are expected to be settled wholly before 12 months after the reporting date. Short-term employee benefits are measured on an undiscounted basis and expensed in the period in which the employment services are provided.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees.

2.9 Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in the statement of financial performance.

Current tax is the expected tax payable or receivable on the taxable surplus or deficit for the period, using tax rates enacted at the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets

and liabilities for financial reporting purposes and amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same taxation authority on either, the same taxable entity, or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible timing differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2.10 Goods and services tax

All items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

Commitments and contingencies are disclosed exclusive of GST.

2.11 Financial instruments

The Company initially recognises financial instruments when the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Company also derecognises financial assets and financial liabilities when there have been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies financial assets into the following category: Amortised cost.

The Company classifies financial liabilities into the following category: Amortised cost.

Financial instruments are initially measured at fair value, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument and is specifically detailed in the accounting policies below:

(a) Amortised cost financial assets and liabilities

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair Value through other comprehensive income or fair value through surplus or deficit:

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

Financial assets classified as amortised cost comprise receivables (from exchange transactions), repayable grants and cash and cash equivalents.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of 3 months or less.

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified as amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as amortised cost comprise payables (from exchange transactions).

(b) Financial assets – Management model assessment

The Company makes an assessment of the objective of the management model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.

These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the entity's management;
- the risks that affect the performance of the management model (and the financial assets held within that management model) and how those risks are managed;
- how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the entity's continuing recognition of the assets.

(c) Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the company claim to cash flows from specified assets (e.g., non-recourse features).

(d) Impairment of financial assets

(i) Financial assets measured at amortised cost

The Company considers evidence of impairment for financial assets measured at amortised cost at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against amortised cost. Interest on the impaired asset continues to be recognised.

When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

Individual trade receivables that are known to be uncollectable are written off when identified, along with associated allowances.

3. Critical accounting estimates and judgements

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

(a) Revenue recognition – non-exchange revenue

Management have applied critical judgements in assessing the funding revenue recognised as revenue in the statement of financial performance in respect of determining when the requirements under the agreement with MBIE have been met. Any funding for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled. Refer to note 2.

(b) Repayable Grants

Management have applied critical judgements in assessing the Amortised Cost for the Repayable Grants in the statement of financial performance. The interest rate used in the calculation is the default interest rate stipulated in the Repayable Grant contracts. The term of the contract utilised is the final repayment date.

The Loss allowance for doubtful debts rate was taken from the Reserve Bank of New Zealand's rating scale.

4. Statement of Service Performance

In preparing the Statement of Service Performance for the period the entity has made a number of significant judgements about which information to present, based on an assessment of what information would be most appropriate and meaningful to users when assessing performance against the entity's objectives.

The decisions about which service performance information to present are consistent with the information presented in the Ministry of Business, Innovation and Employment (MBIE) Annual Report.

The judgements that had the most significant effect on the non-financial information presented related to the selection of information about what the entity has done in the period the "key activities" as reported (and the selection of performance measures for each key activity identified). This included the appropriateness of including comparative information in relation to the previous year.

The selection of key activities has been based on the Work Programme that the entity is required to deliver to MBIE in Year Three and as a result three key strategic initiatives were identified that would best illustrate what the entity has done in pursuit of its objective.

The entity decided to base its service performance measures around the outcome of the key activities that had been set by MBIE, because this information is already retained for reporting to MBIE and for internal reporting purposes.

The performance measures are designed to inform:

- the entity's effectiveness and progress in meeting the MBIE's agreed work programme for Year Three of Ara Ake Limited;
- the entity's effectiveness in initiating the key strategic initiatives under the Business Model and Work Programme;
- the entity's commitment to building relationships, connecting the ecosystem and fostering business opportunities to establish relationships with energy innovators across the world.

Outputs and outcomes are aggregated from information contained in the monthly reporting to MBIE.

Notes to the financial statements

Ara Ake Limited

For the year ended 30 June 2025

1. Analysis of revenue

	2025	2024
Revenue from non-exchange transactions		
MBIE funding	10,261,189	5,970,807
Total Revenue from non-exchange transactions	10,261,189	5,970,807
Revenue from providing goods or services		
Co-facilitation/sponsorship – workshop and events	65,733	174,295
Total Revenue from providing goods or services	65,733	174,295
Interest, dividends and other investment revenue		
Interest from repayable grants	158,002	26,563
Interest income – term deposits	631,748	755,035
Total Interest, dividends and other investment revenue	789,750	781,598
Other revenue		
Lease income	136,314	111,318
Total Other revenue	136,314	111,318

2. Non-exchange revenue received in advance

	2025	2024
Opening balance	9,982,707	8,953,514
Revenue received during the period	7,000,000	7,000,000
Revenue recognised in the statement of financial performance on completion of contractual obligations	(10,261,189)	(5,970,807)
Revenue for which contractual obligations were not complete at 30 June 2025	6,721,518	9,982,707

Government Grants – Ministry of Business, Innovation and Employment (MBIE)

The Company receives grants from MBIE to accelerate the development and commercialisation of energy innovation to support the transition to a low-emissions future in Aotearoa.

This liability relates to funding received in advance by the Company from MBIE. The contractual obligations deliverable by the Company as required in the contract were either not completed as at 30 June 2025 or not due to be completed until future financial periods.

Committed Costs

As at 30 June 2025, Ara Ake Limited had the following committed costs.

	2025	2024
Operational	\$228,905	\$281,897
Employee	\$224,045	\$131,511
Non-Repayable Grants	\$137,008	\$4,395,000
Repayable Grants	\$1,480,500	\$1,446,000
Total	\$2,070,458	\$2,254,408

3. Analysis of expenses

	2025	2024
Surplus before income tax includes the following specific expenses:		
Allowance for doubtful debt on repayable grants	169,477	11,806
ICT expenses	57,946	79,785
Insurance	40,321	50,691
Legal fees	57,865	2,503
Professional services – note 3(b)	313,739	435,057
Recruitment and training	125,006	66,357
Rental and lease expenses	228,601	210,248
Sponsorship	89,084	128,941
Stakeholder engagement and communication	155,205	235,880
Taxation services	18,850	25,845
Travel and accommodation	131,583	165,507
Vehicle expenses	-	7,979
Directors' remuneration (note 16)	275,834	265,927
Fees to auditors in respect of audit services	25,750	26,613
Advisory fees to auditors in respect of other services	2,250	13,075
Volunteer and employee related costs		
Salaries and wages	1,813,540	1,954,402
Pension costs – defined contribution plan	53,716	58,735
Total Volunteer and employee related costs	1,867,256	2,013,137
Grants and donations made		
Project support / grants	904,507	5,959,549
Repayable grant remitted	465,692	-
Value of concessionary terms – repayable grants	763,011	137,320
Total Grants and donations made	2,133,211	6,096,869

3. Analysis of expenses (continued...)

Note 3(b) – Professional services

	Type of Service	2025	2024
Professional services			
Professional services – consultant		223,986	313,179
Professional services – non-consultant		89,753	121,878
Total Professional services		313,739	435,057
Consultant fees			
Blackyard Consulting Ltd	Research	13,750	-
BoardWorks Aotearoa	Board	-	23,600
Clara Arribas Matesanz		-	20,800
Creative HQ	Commercialisation initiatives	70,000	-
Goodlaw Will	Legal	5,600	-
John Glavey Progressive Ltd	Research	9,993	-
Lintott Forman Ltd	Marketing / Event	33,750	-
Martin Jenkins		-	22,875
Paua Interface (Developed a data driven & detailed NZ Innovation Sector Report)		-	154,640
Sapere Research	Research	35,280	37,075
Victoria Crockford Consulting	Event	10,106	7,321
Robinson Bowmaker	Planning	7,838	19,948
Ron Beatty	Research	10,453	18,315
University of Otago	Research	17,391	-
Wayne Manor Advisory Ltd	Event	2,000	-
Other		7,825	8,605
Total Consultant fees		223,986	313,179

4. Income tax

	2025	2024
Tax expense	195,282	260,637
Surplus before tax	5,439,574	(2,911,321)
Tax at 28%	1,523,081	(815,170)
Permanent differences	(1,327,798)	1,075,807
Tax expense	195,283	260,637
Tax refund due (payable)	19,351	(15,752)
Current tax		
Asset (Liability) as at 1 July	(15,752)	91,723
Current year tax expense	(195,282)	(243,010)
Tax paid (refunded) during the year	42,051	(57,380)
RWT received	188,335	192,916
Asset (liability) as at 30 June	19,351	(15,752)
Deferred tax		
Balance as at 1 July	-	17,627
Current year movement	-	(17,627)
Deferred tax asset	-	-

5. Cash and cash equivalents

	2025	2024
Cash at bank and in hand	475,603	1,591,847
Total Cash and cash equivalents	475,603	1,591,847

6. Other current assets

	2025	2024
Term deposits		
Term deposit - ASB - 6.32% maturing 27 July 2024	-	5,173,386
Term deposit - ASB - 6.20% maturing 21 August 2024	-	505,504
Term deposit - ASB - 6.21% maturing 21 November 2024	-	505,512
Term deposit - ASB - 6.21% maturing 21 February 2025	-	1,011,025
Term Deposit - ASB - 4.05% maturing 28 October 2025	1,000,000	-
Term deposit - ASB - 3.95% maturing 28 January 2026	2,000,000	-
Term deposit - ASB - 3.95% maturing 28 April 2026	2,000,000	-
Total Term deposits	5,000,000	7,195,427
Other assets		
Accrued grant income	850,000	-
Accrued interest income	44,143	85,020
Bond	-	1,400
Work in progress	3,355	2,720
Total Other assets	897,498	89,140
Total Other current assets	5,897,498	7,284,567

7. Intangible assets

Cost or valuation	Digital Platform \$
Opening cost at 1 July 2024	99,271
Additions	60,987
Disposals	-
Closing cost at 30 June 2025	160,259
Accumulated Depreciation	
Opening accumulated depreciation at 1 July 2024	90,521
Plus current year depreciation	14,603
Closing accumulated depreciation at 30 June 2025	105,124
Opening net book value at 1 July 2024	8,751
Closing net book value at 30 June 2025	55,135

8. Property, plant and equipment

Cost or valuation	Computer Equipment \$	IT \$	Leasehold Improvements \$	Office Equipment \$	Total \$
Opening cost at 1 July 2024	74,911	15,352	236,888	71,240	398,392
Additions	11,327	2,518		11,814	25,659
Disposals	(3,291)				(3,291)
Closing cost at 30 June 2025	82,947	17,871	236,888	83,054	420,759
Accumulated Depreciation					
Opening accumulated depreciation at 1 July 2024	68,146	15,352	43,298	33,110	159,906
Plus current year depreciation	6,173	191	20,504	7,368	34,236
Less disposals	(2,937)				(2,937)
Closing accumulated depreciation at 30 June 2025	71,383	15,544	63,802	40,478	191,204
Opening net book value at 1 July 2024	6,765	-	193,590	38,130	238,485
Closing net book value at 30 June 2025	11,565	2,326	173,086	42,576	229,554

9. Non-Current Assets

	2025	2024
Term deposit - ASB - 4.12% maturing 13 June 2027	4,374,415	4,185,960
Total Non-Current Assets	4,374,415	4,185,960

10. Repayable grants

	2025	2024
Fair value at amortised cost		
Repayable grants due - non-current	3,947,262	169,691
Repayable grants due - current	982,996	457,745
Total repayable grants	4,930,258	627,437

- Party A (i)** – Repayable grant contract of \$496,000 paid. To be repaid in full, interest free, at the earlier of
 - Completion of next capital raise, subject to the capital raise funding exceeding \$5 million. This capital raise is expected to be completed by 30 June 2025 or
 - 30 June 2028.
- Party B** – Repayable grant contract of \$496,000 paid. Repayment, the greater of
 - 5% net revenue to Party B from commercial Ceto-Hub to be paid annually over three years until fully repaid or
 - \$167,667 to be paid annually over three years until fully repaid
 In the event of unforeseen circumstances arising with the partnership with Trinity Lands impacting projected revenues, repayment of the full \$500,000 can also be triggered by a capital raise by Party B.
- Party C** – Repayable grant contract of \$450,000 paid. Repayment in quarterly instalment payments, with each instalment payment being at least one twelfth of the total funding amount by by Ara Ake. Quarterly instalment payments will commence no later than 31 March 2026, with the final instalment due for payment no later than 31 December 2028.

10. Repayable grants (continued...)

4. **Party D (i)** – Repayable grant contract of \$500,000 paid. Party D (i) will agree to pay back the \$0.5m once
 - i. Annual revenue exceed NZ\$1.5m, or
 - ii. Party D (i) raises greater than US\$10m during a funding round. This is expected to occur Q2-2026.
5. **Party D (ii)** – Repayable grant of \$50,000 paid. Repayment subject to the achievement of agreed milestones repayments would commence once
 - i. Annual revenues exceed NZ\$1.5m, or
 - ii. Party D (ii) raises greater than US\$10m during a funding round, indicative date 20 January 2027.
6. **Party E** – Repayable grant of \$460,000, paid \$372,000. Repayment is made monthly of \$10,000 to commence 18 months form the signing of the agreement.
7. **Party A (ii)** – Repayable grant of 450,000 paid. Repayment to Ara Ake to be repaid \$37,500 monthly starting June 2026.
8. **Party F** – Repayable grant of \$500,000 paid. Repayment of grant is planned to be fully repaid as part of the anticipated capital raise in 2025. Should the capital raise not take place, fully repayment will be required by 1 November 2026.
9. **Party G** – Repayable grant of \$ 287,500 paid. Repayment to be made quarterly, commencing 20th April 2027, over a 24 months of \$35,937.50.
10. **Party H** – Repayable grant of \$675,000 paid. Full repayment to be made on 31 March 2026.
11. **Party I** – Repayable grant \$50,000 and \$25,000 paid. Facility retrofit for advanced aviation hydrogen testing. Repayment from sales revenue on or prior to 30 March 2029.
12. **Party J** – Repayable grant \$450,000 and paid \$200,000. Party J will repay the \$450,000 grant in the event of a Series A capital raise, indicative date 20 January 2027.
13. **Party K** – Repayable grant of \$500,000 and paid \$100,000. Party K will repay the funding in five annual instalments of \$100,000, from March 31 2029 to 31 March 2033.
14. **Party L** – Repayable grant of \$500,000 and paid \$150,000. Repayments will be made of 12 equal monthly payments of \$41,666.67. Final payment on 20 June 2027.
15. **Party M** – Repayable grant of \$170,000 and \$37,500 paid in July 2025, invoice dated June 2025. Full and total repayment will be 12 months after the initial disbursement.
16. **Party N** – Repayable grant of \$1m paid. Repayment on or before 30 December 2025.

Total Repayable Grants:

	2025	2024
Opening balance	627,437	-
+ Repayable grants paid	5,543,000	750,000
+ Interest	158,002	26,563
- Fairvalue adjustment on intial recognition - value of concessionary terms	(763,011)	(137,320)
- Allowable for doubtful debt	(169,477)	(11,806)
- Repayable grant remitted	(465,692)	-
Closing Balance	4,930,258	627,437

11. Payables (from exchange transactions)

	2025	2024
Trade payables	(247,464)	(127,241)
Accrued expenses	(54,508)	(19,966)
Total Payables (from exchange transactions)	(301,972)	(147,208)

12. Employee benefit liabilities

	2025	2024
Short-term employee benefits	(72,145)	(99,627)
Total Employee benefit liabilities	(72,145)	(99,627)

13. Equity

The company has the following ordinary shares:

Ordinary shares

	2025	2024
Unpaid shares	13	15

The ordinary shares have a par value of \$1 per share. At 30 June 2025, all shares remained unpaid.

Each shareholder holds one share in the Company. Under the Constitution, the shareholders derive no benefit.

14. Financial instruments

The company holds the following financial instruments

Financial instruments

	2025	2024
Financial assets		
Amortised cost		
Bond	-	1,400
Cash and cash equivalents	475,603	1,591,847
Term deposits	9,374,415	11,381,387
Debtors and prepayments	156,884	35,876
Repayable grants	4,930,258	627,437
Total Amortised cost	14,937,160	13,637,946
Total Financial assets	14,937,160	13,637,946
Financial liabilities		
Liabilities at amortised cost		
Credit cards	(3,274)	(1,419)
Payables (from exchange transactions)	(247,464)	(127,241)
Total Liabilities at amortised cost	(250,738)	(128,660)
Total Financial liabilities	(250,738)	(128,660)

15. Capital commitments and operating leases

Capital commitments

	2025	2024
As at 30 June 2025 the company had no capital commitments	-	-

Commitment to lease property, plant and equipment

	2025	2024
The Company leases property, plant and equipment in the normal course of its business. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:	-	-
Not later than one year	162,205	140,156
Later than one year and not later than five years	-	140,156
Total Commitment to lease property, plant and equipment	162,205	280,312

The company has entered into operating leases for the land and buildings.

Land and buildings at 8 Young Street, New Plymouth

- Rights of renewal – two rights of renewal of three years each, first renewal June 2023, second renewal June 2026
- Contingent rent – nil
- Restrictions – nil

16. Contingent liabilities and guarantees

There are no contingent liabilities or guarantees as at 30 June 2025 (Last year – Nil).

17. Related party transactions – key management personnel remuneration

The Company classified its key management personnel into the following categories:

- Directors (of the governing body)
- Executive Officer
- Operating Officers

Members of the governing body are paid an annual fee, with additional payments given to respective directors for appointment as Chairman and Deputy Chair, and for additional services in their capacity as a director.

Executive Officers and Operating Officers are employees of the Company, on normal employment terms. The Director's remuneration for the year is presented below:

Robert Campbell	Chair	84,872
Elena Trout	Deputy Chair	63,654
Brian Ropitini		42,436
Ken Sutherland		42,436
Paul Goodeve		42,436
Total		275,834

The aggregate level of remuneration paid and number of persons measured in 'people' for Members of the governing body, and 'full time-equivalents' (FTE's) in each class of key management personnel is presented below:

As at 30 June 2025	Remuneration	Number of Individuals	FTE
Directors	\$275,834	5	-
Executive officers	\$1,415,024	10	6.91
Operating officers	\$365,470	4	3.17

As at 30 June 2024	Remuneration	Number of Individuals	FTE
Directors	\$265,927	5	-
Executive officers	\$1,655,474	9	8.1
Operating officers	\$236,238	4	2.2

Employee Remuneration

The following number of employees of the Company received remuneration in excess of \$100,000 during the period in their capacity as employees

Band	Number of employees 2025	Number of employees 2024
\$100,000 - \$109,999	-	-
\$110,000 - \$119,999	1	1
\$120,000 - \$129,999	1	-
\$140,000 - \$149,999	1	3
\$180,000 - \$189,999	1	3
\$190,000 - \$199,999	-	-
\$200,000 - \$209,999	2	1
\$280,000 - \$289,999	-	-
\$350,000 - \$359,999	1	1

18. Transactions with related parties

	2025	2024
Receipts		
Energy Efficiency and Conservation Authority – Elena Trout, Board Member, is Board Chair	-	435
Hiringa Energy – The partner of Caroline Lepper, a staff member works at Hiringa Energy – not in an ownership/director role	99,903	85,583
WISE Charitable Trust – Ken Sutherland, Board member, daughter is a Trustee	-	15,109
Taranaki Chamber of Commerce – The wife of Jonathan Young, a staff member, works at TCC – not in an ownership/director role. TCC is also a shareholder of Ara Ake	30,415	-
Total Receipts	130,318	101,127
Payments		
Callaghan Innovation – Elena Trout, Board Member, is a Board Member	7,500	5,658
Carbon and Energy Professionals New Zealand Incorporated – A shareholder	4,000	3,000
Clarus (formerly Firstgas Group) – Paul Goodeve, CEO, Director's fees	42,436	28,247
GasNZ – A Shareholder	10,000	-
Hiringa Energy – The partner of Caroline Lepper, a staff member works at Hiringa Energy – not in an ownership/director role	-	1,000
Kiwi Innovation Network Limited – A Shareholder	10,000	-
Martin Jenkins – The partner of Jono Barnard, a staff member works at Martin Jenkins – not in an ownership/director role	-	22,875
New Zealand Wind Energy Association – A Shareholder	10,241	-
Our Energy – Rob Cambell, Board Chair, was a shareholder till June 2023 and his son owns the company	336,608	220,980
Taranaki Chamber of Commerce – The wife of Jonathan Young, a staff member, works at TCC – not in an ownership/director role. TCC is also a shareholder of Ara Ake	5,550	6,450
The Cream Company Ltd – The husband of Rosie Condon, a staff member, in an ownership/ directorship role	7,350	-
Total Payments	433,685	288,210

19. Related party – register of board interests

Interests during year ended 30 June 2025

Rob Campbell

Auckland University of Technology
LamCam Ltd
NZ Rural Land Co
Our Energy
Paua Wealth Management
Purpose Capital Limited
Pacific Settlement Support Services Trust

Elena Trout

Contact Energy
Callaghan Innovation
Citycare Ltd
Chartered Professional Engineers Council (CPEC)
Energy Efficiency and Conservation Authority (EECA)
Kaikohe Berryfruit Ltd
Ngāpuhi Asset Holding Company Limited
Opuha Water Ltd
Spencer Henshaw (owned by Citycare Ltd above)
Te Rāhui Herenga Waka Whakatāne
Waihanga Ara Rau Construction and Infrastructure Council
WorkSafe Director
New Zealand Defence FAMC Project Board
NZ Food Innovation Network Ltd
Local Government Funding Agency

Brian Ropitini

Christian Community Churches of New Zealand (CCCNZ)
ETEL Transformers
Highly Innovative Fuels (HIF) USA
JR & BT Investments Ltd
Mana Consulting NZ Ltd
NPDC Strategic Projects Governance Committee
Obsolescence Clothing Ltd
Taranaki Health Foundation Trust
Tui Ora
Wells Group

Ken Sutherland

WISE Charitable Trust
Chorus NZ
Aurora Energy

Paul Goodeve

Clarus (formerly Firstgas Group) (member of Gas New Zealand and Electricity Networks Aotearoa)
Gas Industry Company Ltd
Firstgas Joint Ventrue Company, Harmony Energy New Zealand Limited (and HENZ Midco Limited)
Business Leader Health and Safety Leaders Forum

20. Events after the balance date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.

21. Ability to continue operating

Management and the Directors are not aware of any material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis and no additional disclosures are made in the financial statements.

Management and Directors believe the company is in a strong financial position with a solid foundation that supports its ongoing operations, possessing ample liquidity to fund its current operations and potential future investments.



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