

## CHAIR'S SPEECH

CCHL AGM, 2025

CCHL has had a good and stable year. It has focused on its job and core responsibilities. We are not newsmakers nor City decision makers. We oversee a \$6 billion asset portfolio owned by the Council on behalf of the community.

For the CCHL Group, 2025 marked a strong result. This was headlined by a \$55 million dividend to Council and the people of Christchurch and Banks Peninsula.

The year's results reflect the contributions of every company within the CCHL group. Each business has either met or exceeded its targets.

These results also highlight the consistent, long-term value these assets deliver to the city and region. This year's total shareholder return of 20 per cent underscores the value these assets create. This value is measured by dividends, capital gains of \$600 million in the last year, debt amortisation, and tax benefits. All of this supports the city's bottom line while enabling continued investment decisions that will benefit our community in the future. Matt will provide further details on the numbers..

Our growth over time also reflects our positive local environment. That is thanks to the work that has gone into rebuilding and regenerating the city, the council's leadership, the Government's support, private sector investment, and community engagement.

The city's infrastructure is delivering for people, so much so that it is one of the key success factors drawing more people to the region.

This is instructive and a reminder that the City and region must continue to keep its eye on the future.

Christchurch has a solid foundation upon which to build a great Australasian city of the future and be a leading international example of a modern, 21<sup>st</sup> century small city.

To do so, we must continue to invest, grow and develop so that, in the coming decades, citizens don't look back on this time and realise decision-makers missed an enormous opportunity. The community has a duty to future generations to consider this.

It is with this in mind that CCHL is currently examining the future outlook and its implications.

CCHL is the commercial and investment arm of the Council. As a company, it is focused on growing its asset base through investing in existing assets, and, where prudent and financially sound, acquiring new ones.

We have already signalled major potential investments ahead.

First, Lyttelton Port Company. Significant expansion investment is required to support regional growth, and the changing demands of customers and shipping lines.

Second, Christchurch International Airport. There may be an opportunity, through our major shareholder pre-emptive right, to increase the City's share of the airport. This has the potential to uplift the value of our investment in this asset, benefiting Christchurch ratepayers.

These are two strategic decisions that will have intergenerational impacts on our community, safeguarding the future of vital transport infrastructure and enhancing global access through trade and people movement.

Along with Orion, these three monopoly infrastructure assets are critical for our city and region, which is why successive community leaders have ensured they remain in public ownership.

The challenge for Christchurch is to ensure these three assets remain fit for purpose and can respond to the demands of a growing region. We are not alone in having to respond to and prepare for growth. This is a national concern. What we must be, as a city and region, is forward-looking, ensuring our core infrastructure is ready and available, not a constraint on growth.

To raise the money needed to invest in this future, it may be necessary to mobilise some of the Group's capital through a review of the current portfolio structure. When CCHL considers its portfolio, it is clear that not all assets are the same.

I have singled out Christchurch International Airport, Lyttelton Port Company and Orion. They are the monopolies operating with limited direct competition. In contrast, other assets, such as Enable and City Care, operate in rapidly changing, highly competitive markets with all the associated risks. The community carries these risks.

If CCHL is to meet the investment challenge and capital requirements of the monopoly assets, it is essential the company, Council and the community consider the CCHL balance sheet in a more nuanced manner.

The bottom line is CCHL cannot sell any assets, that is not our role. These strategic assets are protected on the Council's Strategic Asset Register. This means no sale could occur without public consultation and Council approval.

Our role is to explore and develop available options, assess risks, and present recommendations, working alongside and with subsidiary companies and the Council. The Council will ultimately decide on any material change to the CCHL portfolio. And the people of Christchurch are an essential part of that conversation.

Any assessment of these opportunities would be based on CCHL's responsible ownership framework. This involves balancing dividends today with investments for the future. It ensures that today's ratepayers receive a fair return for their investment in the assets and the assets remain fit for purpose for future generations.

While the full assessment of these opportunities and options is ongoing, I can say unequivocally CCHL's total asset value will continue on the growth trajectory it has been on for the past three decades, having grown from \$300 million to more than \$6 billion.

This community has a track record of making decisions that balance the present with the future. Intergenerational decision-making has served the

city and the region well. I am confident our community will continue to strike the right balance.

Before I hand over to Matt, I want to acknowledge his leadership since taking on the role just a year ago and the strong team around him. Matt's understanding of the Group's strategic issues and his commitment to subsidiary and Council relationships have strengthened the Group's shared purpose and collective effort.

The strength of these relationships is witnessed in the reciprocity we experience day by day in our interactions.

This reflects on the Council CEO and CFO, the Mayor and Councillors, and CCHL subsidiary chairs, directors, CEOs and management. It illustrates the value of effective, genuine relationships, with a collective commitment to the city and region.

Tēnā koutou, tēnā koutou, tēnā koutou katoa.