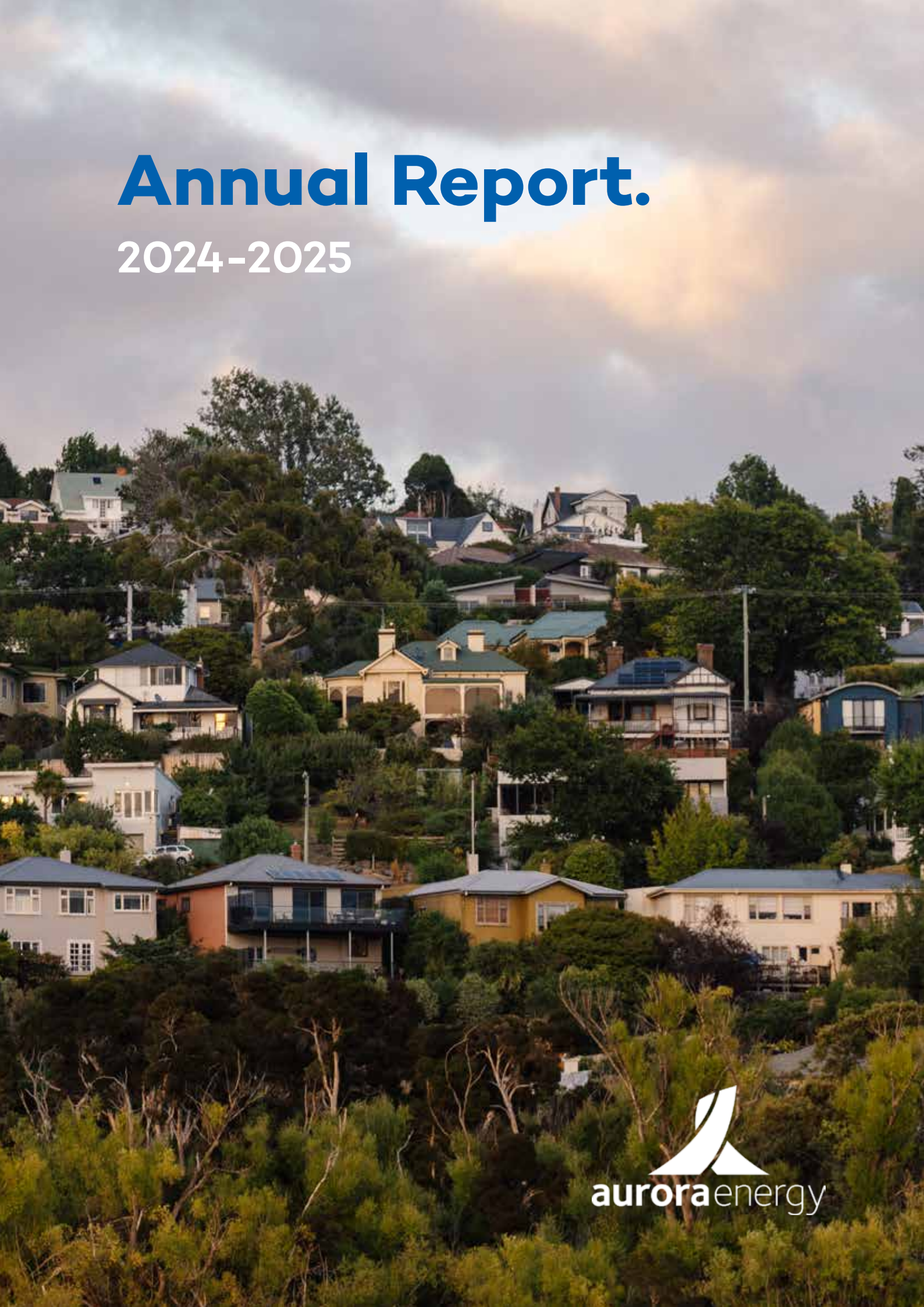
Annual Report.

2024-2025



auroraenergy

Acknowledgement of Country

Aurora Energy would like to acknowledge and pay respects to the Tasmanian Aboriginal people as the traditional and original owners, and continuing custodians of this land on which we work and gather and acknowledge Elders – past, present and emerging.

Cover Image

Tamar Valley by Adam Gibson



We are Aurora Energy, we retail energy to more than 270,000 customer connections across Tasmania.

We are proudly Tasmanian, we invest in our people, our customers, and the state, and we are driven by our purpose to make energy easy.

So that Tasmanians choose *us* for their energy future.

The year at a glance.



Advanced our digital future

Empowered more customers to keep on top of energy costs via aurora+, with over 115,000 customers now signed up to the free digital channel. Provided over two million hours worth of free electricity through Power Hours, encouraging more Tasmanians to engage with their energy usage and save. Continued to invest in Tasmania's connected energy future, with 249,320 or 90 per cent of Tasmanian homes and businesses now connected to an advanced meter.

Introduced a website accessibility widget which helps Tasmanians with disabilities and diverse backgrounds navigate and interact with the Aurora Energy website more easily. Harnessed the benefit of advanced meter technology and launched our 'Better Off' campaign, where we proactively contacted customers who could make significant savings if they switched their tariff from Flat Rate to Time of Use.



Strong financial management

In the face of significant financial headwinds including volatile wholesale market conditions, we delivered Earnings Before Interest and Taxes (EBIT) of $5.5M, which was $0.4M favorable than budget due to disciplined financial and operational management and delivery of our targeted strategic plan outcomes.

Successfully completed our new, three-year Price Determination for the period 2026-2028. Tasmanians will benefit from sustainable energy prices, with Aurora Energy's regulated price remaining amongst the lowest across the National Energy Market (NEM).



Enhanced our customer experience

Through a dedicated focus, we significantly improved our customer operating standards over the last 12 months, and:

- Improved our Grade of Service by 58 per cent, with 46 per cent of calls now answered within 30 seconds – up from 29 per cent in 2024.
- Reduced our abandonment rate by 53 per cent, meaning fewer customers hung up before their call was answered.
- Cut customer wait times by 57 per cent, with the Average Speed of Answer now at 136 seconds – down from 320 seconds in 2024.



Assisted customers in energy hardship

Waived $990,000 in outstanding energy charges as part of our Debt Forgiveness Program for vulnerable Tasmanians.

Supported State and Federal Governments to deliver cost of living relief for Tasmanians, processing more than 1.35M government payments to the value of $108M across residential and SMB customers.



Funded impactful community projects

Invested over $490,000 in partnerships and donations to support grassroots community projects in Tasmania, delivering direct social impact across the state, including:

- Entered our second year of support for Variety Tasmania's School Breakfast Club, sponsoring 14 schools located across Tasmania. Our funding has contributed to an 86 per cent increase in engagement and 52 per cent increase in attendance across participating schools.
- Provided $200,000 to No Interest Loans (NILS) to help finance its Energy Saver Loan and Subsidy scheme for low-income Tasmanians. Our funding has assisted more than 4,000 Tasmanian households access funds to purchase energy efficient, quality appliances, without relying on predatory lenders.
- Sponsored free accommodation for Tasmanian families with seriously ill children through our partnership with the Ronald McDonald House, Hobart.
- Supported Hockey Tasmania to nearly double participation of its junior grassroots program, enabling 516 Tasmanian children to access the program free of charge.
- In collaboration with TasNetworks, evolved our energy literacy program, Power People, and have now delivered three informative modules that help guide the needs of a growing and connected energy audience.
- Recognised as a leader in workplace volunteering at the 2024 Volunteering Tasmania Volunteer of the Year awards, winning the Volunteer Impact Award (Corporate/Partnerships).



Uplifted our people experience

Successfully negotiated our new 2025 Enterprise Agreement, with 199 employees (81.2 per cent) endorsing the new Agreement.

Officially opened our new Launceston office in the heart of the CBD, demonstrating our commitment to Northern Tasmania by providing a modern and supportive work environment for staff.

Our employee engagement increased by six points, from 67 per cent in 2024, to 73 per cent in 2025.





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Chair and CEO review.

On behalf of the Board and Management of Aurora Energy, it is with pleasure we present the 2024-25 Annual Report.

Reflecting on the past year, we take immense pride in our proactive efforts to make energy easy for Tasmanians. We are proudly Tasmanian and through our efforts we seek to give our customers good reasons to choose us as their energy retailer now and into the future. We get Tasmanians, and our efforts are solely directed at making a positive impact in the place we call home.

Aurora Energy continues to operate in a rapidly evolving energy market, shaped by global efforts to reduce carbon emissions and the shifting costs in energy generation, transmission, and storage to achieve this lower carbon ambition. Despite this uncertainty, we remain committed to achieving our strategic goals and delivering lasting value for both customers and shareholders.

This year, we're proud to have made significant progress in customer experience, financial performance, product development, employee engagement, digital innovation, community impact, and energy literacy education.

We have remained true to our Shareholders' Statement of Expectations of supporting the lowest possible energy prices for Tasmanians. We're pleased to report that our prices remain, yet again, among the lowest in the country.

We have also been progressing sustainability initiatives aligned with our strategy and objectives. This includes readiness activities for Mandatory Climate Related Reporting Disclosures which were legislated in Australia in September 2024. As a 'Group 2' reporting entity, Aurora Energy's first mandatory Sustainability Report will be delivered in 2027.



Aurora Energy welcomes new Chair

In November we welcomed incoming Board Chair, Trevor Danos AM, joining Aurora Energy at an exciting time for electricity consumers. Mr Danos brings with him valuable experience in a wide range of areas and industries, including electricity, electricity regulation, the energy transition, and regulated businesses, amongst many more.

> **"We thank acting Chair, Keryn Nylander, who stepped into the position for eight months to help guide our business through a significant period of achievements."**



Financial performance

From a financial perspective, it is pleasing to note that Aurora Energy recorded an Earnings Before Interest & Tax (EBIT) result of $5.5M against a budget of $5.1M and a prior year EBIT result of $3.1M. This earnings result translated to profit after tax of $4.3M for Aurora Energy, favourable to budget by $1.3M and an improvement on prior year by $2.1M. The result represents strong fiscal management in the face of significant financial headwinds including volatile wholesale market conditions, high Unaccounted for Energy costs in the Tasmanian region, and sustained cost of living challenges for our customers. Strong improvements in credit management and closure of further revenue leakage sources also heavily contributed favourably to our results. This overall financial improvement is testament to targeted strategic actions over recent years, which are now delivering tangible improvements.

We continue to witness wholesale market volatility as the National Electricity Market (NEM) undergoes its transition to more intermittent renewable energy generation and storage. The intermittent nature of renewable energy generation, combined with instances of planned and unplanned coal plant outages, resulted in several periods of extreme spot price events above $10,000/MWh. Conversely, in periods where supply from rooftop PV solar and wind generation exceeded market demand, spot prices dipped below $20/MWh for extended periods. A core role of Aurora Energy is to manage this price risk for customers, and we continued to perform well in this area despite the volatility being witnessed during the NEM transition.

We maintained our trend of improving bad debt expenses despite the sustained cost of living challenges faced by customers. Bad debt expense reduced from $9.9M in 2022-23 to $5.5M in 2023-24, and further again to $4.0M in 2024-25. Acknowledging customer debt was assisted by government rebates, it is also worth recognising the significant power of work our teams undertook to alleviate the financial pressure for Your Energy Support (YES) customers through our YES Debt Forgiveness program.

Unlocking digital value

Since completing the Retail Energy Platform (REP) project in 2024, we've continued to see strong benefits for both Aurora Energy and our customers. The platform's intuitive design has made it easier for our staff to support customers, resulting in a smoother, more efficient experience. This has led to measurable improvements in our call wait times, customer sentiment, and other key service metrics – delivering real, tangible value.

Building on this momentum, we continued to invest in digital enhancements to create a more seamless customer experience. Today, more than 115,000 Tasmanians are actively managing their energy use and costs through our free aurora+ app.

We also expanded our popular Power Hours program by introducing new 'flash events' – spontaneous, limited-time opportunities for aurora+ customers to enjoy free electricity. For the first time, we offered Power Hours to our Your Energy Support (YES) customers, further supporting Tasmanians facing cost-of-living pressures. Since its launch in January 2024, the program has delivered over two million free Power Hours to households across the state.

Recognising that Tasmanians have the highest average household energy usage in the country – largely due to cold winters and less efficient, older housing stock – we launched our Better Off Tariff Campaign. Using advanced meter data, we proactively contacted customers who could save money by switching from a Flat Rate to a Time of Use tariff. To date 640 customers have taken the opportunity to switch tariffs.

Advanced meters are central to these initiatives, giving customers real-time insights into their energy usage and helping them make more informed decisions. Today, over 90 per cent, or 249,320 of Tasmanian households have an advanced meter installed, ahead of the State Government's 2026 target and well ahead of the national recommendations of 2030. Our investment in this

technology has been key to unlocking the benefits of aurora+, tariff choice, and Power Hours. We continue to encourage households with basic meters to upgrade and take advantage of the greater visibility and control advanced meters provide.

Sustainable prices

Aurora Energy welcomed the Tasmanian Economic Regulator's approval for a modest average price increase of 2.06 per cent from 1 July 2025. The main driver of this increase was a 3.7 per cent rise in network costs, which was partially offset by a 2.2 per cent reduction in Aurora Energy's renewable energy costs, helping to keep the overall increase to a minimum. Despite this adjustment, Aurora Energy continues to offer the lowest regulated electricity prices in Australia.

We recognise the financial pressures many Tasmanian households and businesses are facing, and we remain committed to supporting those doing it tough. This year, in partnership with State and Federal Governments, we helped deliver 1.36M energy bill rebates totalling $108M in support to residential and small business customers. Every Tasmanian household received a $60 Renewable Energy Dividend (RED) payment as well as additional support through the Federal Government's Energy Bill Relief Fund. These targeted payments were provided on top of existing energy concessions, which remain among the most generous in the country.

Community investment

In response to ongoing cost-of-living pressures, Aurora Energy strengthened its community engagement efforts throughout 2024–25, deepening our presence and impact across Tasmania. A highlight of the year was receiving Volunteering Tasmania's Volunteer Impact Award (Corporate/Partnership) in November 2024, recognising our significant uplift in corporate volunteering. As a Tasmanian-owned and operated business, we take pride in giving back to the communities where we live, work, and play. This year, our employees dedicated over 1,589 hours to community projects across both northern and southern Tasmania.

We continued our long-standing support for the Tasmanian No Interest Loans Scheme (NILS), which provides safe, fair, and affordable loans to low-income households. Since its launch in 2002 with seed funding of $300,000 from Aurora Energy, NILS has helped to promote financial stability and energy efficiency across the state. Our ongoing investment has enabled more customers to access energy efficient appliances without resorting to predatory lending or rent-to-buy schemes. Over the past decade, this support is estimated to have saved low-income families $23M.

We also proudly maintained our role as Founding Partner of Variety Tasmania's School Breakfast Club, helping the children's charity expand its reach to 40 schools across the state. The program, available to all students five days a week, has led to an 86 per cent increase in engagement and a 52 per cent rise in school attendance since its inception in 2022.

In support of healthy, active lifestyles, we launched two new three-year partnerships with Hockey Tasmania and Cricket Tasmania. These initiatives reflect our commitment to fostering positive sporting pathways for young Tasmanians and working with like-minded organisations to promote the social, mental, and physical benefits of sport – contributing to a stronger, healthier Tasmania.

Supporting our people

We were proud to officially open our new Launceston office, located in the heart of the CBD. The newly renovated space offers increased capacity, allowing us to expand our Northern customer service presence in the future. With upgraded facilities and a modern, supportive work environment, we're better equipped to serve our customers and demonstrate our ongoing commitment to the northern Tasmanian community.

Last year we commenced research into the foundational pillars of our Diversity, Equity and Inclusion (DEI) strategy, with the intent to understand and connect better with our staff and customers. On the back of this research, this year we proudly launched Aurora Energy's first DEI strategy and action plan. We have named our DEI strategy "We get Aurora" because we believe that understanding the diversity of our people – including their backgrounds, thinking styles, and passions – will help us build a workforce that truly reflects the Tasmanian community. This enables us to understand, connect and serve our customers better.

In May this year, we launched our DEI and Culture survey, to which 78 per cent of employees responded. Pleasingly, our Inclusion score increased over the last 12 months from 67 per cent in 2024 to 69 per cent in 2025. Our overall annual culture score tracked at 63 per cent which is in line with our target of greater than 60 per cent. Our annual average Engagement score increased by 6 points to 73 per cent which is above target of 70 per cent.

Looking ahead

It is fair to say the industry in which we operate remains uncertain as the transition to renewable energy gathers pace. We will seek to become even more relevant and trusted with our Tasmanian customers in an increasingly competitive market. We will further deliver new products and services that utilise the investment made in advanced meters and bring more Tasmanians along the Consumer Energy Resources (CER) transition.

Tasmanians can be guaranteed that when they need us, they will be able to speak with someone who lives here, understands Tasmanians' energy needs and who genuinely cares about them and our community, knowing all our financial returns remain within the state for the benefit of the people.





Trevor Danos, AM
Chair

Nigel Clark
Chief Executive Officer



“Tasmanians can be guaranteed that when they need us, they will be able to speak with someone who lives here, understands Tasmanians’ energy needs and who genuinely cares about them and our community.”



Curiosity. Bring it. Use it.

We creatively explore solutions and use these ideas to challenge how things are done.

Enhancing the aurora+ experience

We made significant improvements to the aurora+ platform to deliver a more seamless, digital-first customer experience. In October, incorporating customer feedback to improve navigation and provide more relevant information on the aurora+ home page, we launched a refreshed and contemporary user interface (UI) and user experience (UX). Notable enhancements include the introduction of light and dark mode options, increased home page customisation, and the integration of weather data, average daily cost, and total Power Hours savings to help customers better understand their energy usage.

The aurora+ signup journey was also streamlined to simplify the customer experience and introduce greater automation, resulting in improved operational efficiency. Customers can now benefit from a more intuitive sign up process that reduces friction and accelerates access to platform features.

> Expanded Self-Service and Automation

We also expanded self-service features within aurora+, empowering customers to manage their concessions status more independently. Users can now view, submit, and update concession information directly through the platform. These requests are automatically processed, delivering faster turnaround times and reducing operational overhead. These enhancements have contributed to a more efficient and responsive customer experience.

> Operational Enhancements

Ongoing operational improvements were made to aurora+ throughout the year, focusing on platform performance and stability. These behind-the-scenes upgrades ensure a more reliable and consistent experience for users, supporting the platform's growth and scalability.

> Customer Experience Impact

All aurora+ initiatives were guided by a commitment to delivering a frictionless, customer-centric experience. Leveraging customer and data insights, the platform was enhanced to surprise and delight users while driving operational efficiency. The combination of improved UI/UX, expanded automation, and responsive feature development has positioned aurora+ as a leading digital energy management tool, offering customers more choice, flexibility, and control over their energy usage.



It’s free with Power Hours

Our innovative Power Hours offering also evolved to include new event structures including ‘flash events’ designed to increase customer engagement and value. In direct response to customer feedback, new features were also introduced allowing users to edit submitted time slots if their circumstances changed, and customers can now reschedule events up to five minutes before a time slot begins, offering greater flexibility and control.

For the first time, we started offering our YES customers additional Power Hours events, supporting our vulnerable customers to save money and further understand how their energy behaviours can impact their bill.

> **“Aurora Energy’s Power Hours are fantastic. I use all my big electrical appliances like washing machine, dryer, dishwasher and vacuuming and my power is free! Thank you, Aurora,”**
>
> **Lynda, Google Reviews**

Number of hours given away 24-25:

2,190,482

Total amount of free electricity given away:

2,522,979 kwh

Number of events:
18 Open events
5 Targeted events

23

Participation numbers:

86,640 or 75%
of aurora+ users



Enabling advanced meter technology

Our advanced meter program continued to progress strongly this year, reaching over 90 per cent of Tasmanian homes and small businesses, and we're on track to install more than 250,000 meters by July 2025. We aim to complete the practical rollout by December 2025, ahead of meeting the State Government's commitment of 2026, and are well ahead of national recommendations of 2030.

Advanced meters enable customers who actively use the aurora+ app to track their energy use and make smarter choices about when to run high-energy appliances at home or work. Nearly 115,000 people are now using our free aurora+ app and gaining valuable insights from it.

As more homes and businesses across the state install solar panels and battery systems, advanced meters will continue to help customers access useful data. This information supports better decisions about energy use and future investments. We will continue to deliver new products and services to bring customers along the energy transition as we more steadily embrace Consumer Energy Resources (CER).

Proactively helping customers be 'Better off'

Tasmanians experience the highest average household electricity usage in the country during the colder winter months. To help customers manage their energy costs, we launched the Better Off Tariff campaign in June 2025. This initiative educates customers who could financially benefit from switching their tariff from a flat rate (T31/41) to a Time of Use tariff (T93).

We proactively emailed customers identified as having the potential to save, and so far, 640 customers have made the switch and started saving.

Looking ahead, we plan to expand our customer communications to make energy easy for Tasmanians and help lower energy costs. These personalised tariff comparisons are made possible by our multi-year investment in the advanced meter rollout across Tasmania.

We remain committed to engaging proactively with our customers through programs like this, ensuring they have the tools and information to make informed energy choices.



Tasmanians experience the highest average household electricity usage in the country during the colder winter months.

To help customers manage their energy costs, we launched the Better Off Tariff campaign.





We get Tasmanians.

We take pride in putting our customers first and their needs inform our decisions.

Investing in northern Tasmania: Our new office

With much anticipation, we officially opened our newly renovated Launceston office in the heart of the CBD, increasing our ability to grow our presence in the north of Tasmania. This modern, refurbished space reflects our dedication to creating a welcoming, professional environment for our people. New facilities include a well-being room that supports employees returning from parental leave, a multi-faith room, quiet spaces, and modern kitchen facilities.

True to our values, the design, construction, and fit-out of the office were carried out in close collaboration with local contractors and architects, reflecting the unique character of the region.

“It’s fantastic to have dedicated training spaces, facilities, and rooms that the old office couldn’t accommodate,” said Customer Service Officer, Kathy.

We also welcomed prominent community and small business stakeholders to mark the opening of our new office at our Celebrate the North event in May.

Aurora Energy CEO, Nigel Clark said we know how important it is for our community to have trusted locals they can talk to about their energy needs.

“The new Launceston office is critical to meeting the unique needs and values of our customers, and we will continue to ensure our customer service is efficient, empathetic and personalised,” he said.





Celebrating more than 10 years of YES

This year we proudly continued the reach and impact of our nationally recognised Your Energy Support (YES) Program, which has proactively supported our hardship customers for over ten years.

The Program has provided a safety net for customers experiencing vulnerability due to a range of triggers that are often out of their control, including injury or illness, unemployment or reduction in income, family breakdown, domestic violence, or a death in the family.

The YES Program team provide a holistic Program of support that enables hardship customers to take control of their energy costs. Support may include energy saving advice, budgeting, and tailored, flexible and affordable payment plans for immediate and long-term relief.

Since 2014, we have assisted over 16,000 customers to successfully complete our YES program, including 1,331 participants this year.

Relieving cost-of-living pressures

Last year we recognised that a percentage of customers were experiencing a growing historical level of debt, that for some, had become unsustainable. Whilst we proactively entered more customers onto our YES Program, we acknowledged that many hardship customers were facing payment plans that would take multiple years to erase.

To address this growing trend, we established a Debt Forgiveness incentive that is partially waiving customer debt for eligible hardship accounts, where debt is more than 365 days old and customers have also demonstrated continued adherence to payment plans.

As a result, customers positively impacted by the incentive will continue their participation with the YES Program and clear their remaining debt within 12 months on average.

367
Your Energy Support (**YES**) customers have been assisted by the **YES Debt Forgiveness** incentive

$990,000
provided in debt waiver since May 2024

This is an average of
$2,699
per customer and contributes greatly to assisting the most vulnerable



Connecting with our rural community

This year we again attended Australia's largest agricultural field event, AGFEST 2025, sharing our expertise with customers on new energy technologies. We know that the energy landscape is rapidly changing and it's critical that we educate Tasmanians on how they can participate, and benefit from, the energy transition.

Our display included energy efficient appliances and devices, such as EV chargers and split system heat pumps, to help drive conversations and awareness of consumer energy resources (CER).

Our stall also gifted specially crafted energy saving door snakes, created in collaboration with our volunteering partner, Aurora Disability. Each snake has been handcrafted by trainees at Aurora Disability which we purchased to share with members of the community.

> **"...the energy landscape is rapidly changing and it's critical that we educate Tasmanians on how they can participate, and benefit from, the energy transition."**





Together we Thrive.

We collaborate, share our learnings, have fun, and celebrate together.



Energising our communities through sport

Recognising the critical role that sport plays in the Tasmanian community to promote health and wellbeing, inclusivity, and connectedness, we partnered with two major sporting organisations, the Hobart Hurricanes and Hockey Tasmania.

Our relationship with the Hobart Hurricanes as Community Partner, will primarily support three seasons of grassroots programs that break down barriers to participation, including sponsorship of the Cricket Tasmania Indigenous Team and Cricket BLITZ programs delivered within schools across Tasmania.

We also teamed up with Hockey Tasmania to support its youth grassroots program, Hookin2Hockey by removing participation fees, as well as providing equipment kits and training for goalies, coaches and umpires. By making programs such as Hookin2Hockey free, Aurora Energy's grassroots initiative has ensured hockey is easy to join and affordable for the parents of the children who play. The sponsorship has proven to be highly beneficial with participation rates nearly doubling compared with the previous year.

"Hockey is played by thousands of Tasmanians across the state, with participation at all levels for both men's and women's, including juniors', seniors', and masters'. By working with Aurora Energy on this important grassroots initiative, we can ensure hockey's continuing success from juniors right up to our senior representatives." Hockey Tasmania CEO, Damian Smith.

Smoothies help power the school day

In a heartwarming display of community collaboration, we teamed up with Variety Tasmania and the Hobart Hurricanes, to serve up specially designed 'Hurricanes Smoothies' expanding on Variety Tasmania's hugely successful School Breakfast Club.

With our financial support, students from Goodwood Primary School, Gagebrook Primary School, and East Derwent Primary School were treated with a nutritious breakfast to promote the importance of nutrition and physical activity.

Variety Tasmania CEO, Mohammad Aldergham, said the new program offering is a great example of how like-minded businesses can collaborate to benefit Tasmanian children.

"Adding a special experience with the Hobart Hurricanes further reinforces the importance of healthy eating and physical activity to help improve kids' engagement, academic outcomes and behaviour at school."

We believe every Tasmanian child deserves the best start in life and this collaboration is a great example on how working together can affect real change.

> **"Our Variety School Breakfast Club is in 40 schools across Tasmania and is proven to benefit learning in the classroom,"**
>
> **Mohammad Aldergham**
> **Variety Tasmania CEO**





Award-winning commitment to community

Connecting with our communities is part of our DNA and we support our employees to strengthen their impact by offering two days of paid community service leave each year. Having a corporate volunteering program is highly valued by our staff and we've made a massive effort to increase our contribution to community service over the last two years.

This year we were incredibly proud that our efforts in volunteering were recognised by peak body Volunteering Tasmania at their annual Volunteer Tasmania Awards Ceremony, winning the Volunteer Impact Award (corporate/partnerships). The achievement is recognition of our dedicated efforts in volunteering, contributing 1,589 hours in our community, to support programs and projects across Tasmania.

In support of volunteering more broadly, we continued to support Volunteering Tasmania's Lifetime Commitment Award, which recognises a dedicated and passionate individual with a sustained and substantial record of volunteer commitment over their lifetime. In 2024, the late Allana Wilson was recognised for her tireless commitment to over thirty years to Make-A-Wish, Hobart.



Lending for good

We know that inefficient appliances are key drivers of high electricity bills and our long-term partnership with community lender, No Interest Loans Scheme (NILS) Tasmania, is critical to ensuring low-income Tasmanians can access essential household goods safely and securely. More importantly, low-income families can avoid loan sharks, high-interest loans or rent to buy schemes – a loan with NILS is 100 per cent interest free.



This year we provided
$200,000



that supported
246 low-income households to purchase subsidised appliances



The majority of whom were
female & aged over 65 years

In partnership with State Government, our funding provides lending capital and subsidises 50 per cent of the purchase price of a fridge, freezer or washing machine.

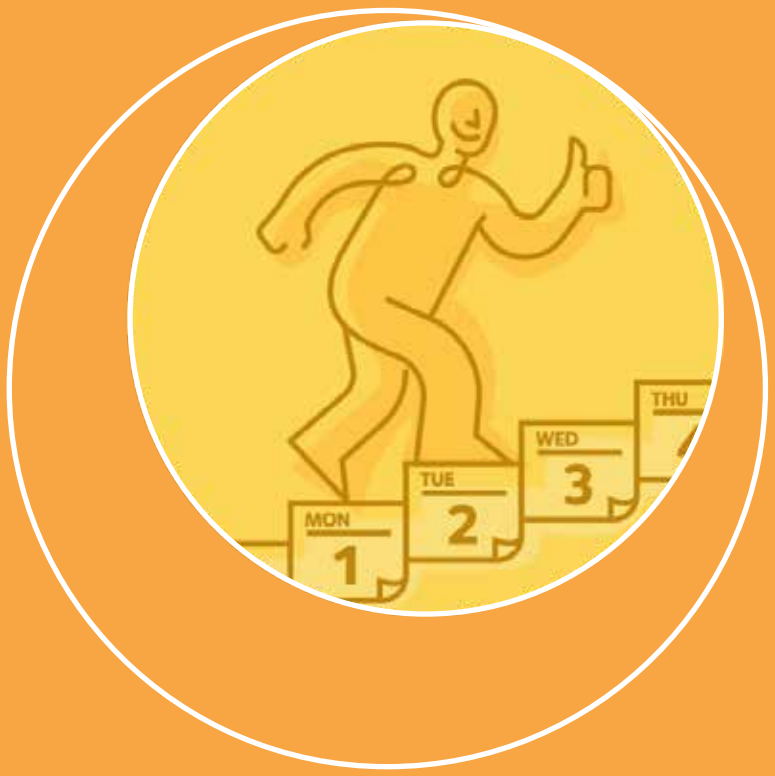
This year we provided $200,000 that supported 246 low-income households to purchase subsidised appliances, the majority of whom were both female and aged over 65 years.

Since its launch in 2002 with seed funding of $300,000 from Aurora Energy, NILS has provided financial stability and energy efficiency for low-income households across the state. Aurora Energy's initial capital contribution, plus an additional $2.9M in subsidy funding over the last 10 years has saved Tasmanians an estimated $23M.

"Each of us at NILS sees every day, the impact a safe, affordable loan can make to Tasmanians living on a low income...each loan provides what our clients need and at the same time ensures that they don't have to turn to exploitative, predatory lenders as an alternative," NILS CEO, John Hooper

By providing access to safe, affordable loans, NILS is not only helping Tasmanians manage their finances but also ensuring they can keep their homes warm and comfortable. This support is crucial in Tasmania where our colder climate demands reliable and efficient heating solutions, making a significant difference in the lives of many.

"A power outage had taken out my heat pump in the middle of winter and I discovered that my insurance didn't cover it. I didn't have the money to replace it without saving up and I have asthma which is triggered by cold air so I was very worried about how I would manage with just an old and not very efficient wood heater. The NILS loan allowed me to replace it quickly." NILS Loan Recipient, Carly.



Every day is an Opportunity.

We don’t carry our mistakes,
we learn from them,
and create strength through
our expertise.

Investing in our capability

At the heart of our success is our people. Our Emerging Leaders and Talent Acceleration Programs are designed to strengthen our leadership capability across the business and equip our people with the skills and confidence required to make an impact as leaders.

These programs play a critical role in enhancing the skills and experience of both emerging and seasoned leaders and ensure that participants gain key skills, tools, and knowledge to support their development, and are also key to growing our leadership diversity.

We're proud of the career journeys experienced by our employees and one standout example is Georgia, the current Customer Service Operations Manager and member of our Talent Acceleration program, who started as a member of the call centre in 2018 and progressed her way through various roles to get where she is today. Georgia's story reinforces the value of investing in our people.

> **"Aurora also supported me in completing my MBA, giving me the flexibility to study and the space to apply new skills in real time, accelerating both my growth and impact as a leader."**
>
> **Georgia,**
> **Customer Service Operations Manager**

"I've been fortunate to learn from inspiring leaders across the business, with constant support for my development. The Talent Acceleration Program and external coaching within it, internal leadership development, and events such as this year's Women in Leadership Summit have all helped shape how I lead today. Aurora also supported me in completing my MBA, giving me the flexibility to study and the space to apply new skills in real time, accelerating both my growth and impact as a leader,"
Customer Service Operations Manager, Georgia

In addition to leadership development, we've made a significant investment in gaining formal qualifications to build capability across the business. This year, members of our Credit Team undertook formal training in the nationally recognised Certificate IV and Diploma in Credit Management through the Australian Institute of Credit Management, (AICM). The qualification enhances both individual skills and our ability to meet the needs of vulnerable customers.

To reflect our growing capability in credit management, our Credit Team entered the AICM Credit Team of the Year Award and was announced as one of two finalists in June. The recognition is a true reflection of the significant work undertaken by the Credit Team, and we look forward to the award ceremony in October.

Empowering our people through energy education

In collaboration with TasNetworks and the Tasmanian Men's Shed Association (TMSA), we expanded our energy literacy program, Power People, to meet demand from energy consumers to improve their knowledge on how best to use (and save) their power.

Power People was first piloted in 2024, utilising a co-design, train-the-trainer approach, where individuals, known as 'Power People' are upskilled with the knowledge required to understand their energy usage, manage costs effectively, and make informed energy purchasing decisions.

Once Power People complete their training, they are supported to share this practical and valuable information with their peers and broader networks.

The following three modules were co-designed by energy literacy experts and our Power People to ensure their relevance to the community members they seek to serve.



Energy Efficiency Strategies



Understanding Your Energy Bill



Smart Technology for Energy Savings

Since the program was first established, 32 energy literacy sessions have been delivered to more than 480 participants across Tasmania. Sessions have been held in various locations, including Men's Sheds, Rotary, Probus and other like-minded community groups. We recognise that there is growing need to share energy literacy across a broad range of customer segments, including our vulnerable customers.

In late 2025, Power People began to engage with community organisations to seek their interest in evolving the program with the aim to share program material more broadly in Tasmania.


SHERIDAN

Building a more connected workplace

We know organisational culture has a big impact on the satisfaction of our employees and the overall success of our business. Enhancing our employees' alignment and understanding of our values, vision and purpose through our Aurora Way workshops has been critical to growing understanding of how their individual efforts help to deliver our strategic objectives.

Pleasingly, our overall workplace engagement score increased from 67 per cent in 2024, to 73 per cent in 2025, demonstrating that our many and varied efforts to improve culture are working. Our people also feel included, with 74 per cent of respondents agreeing that 'I can be my authentic self at work'.

Employees also reported that they have greater connection with their direct manager, increasing from 77 per cent in 2024, to 80 per cent in 2025. We also saw improvements across office fit, collaboration and connection between teams, further demonstrating that our commitment to improving culture is being felt across teams.

...our overall workplace engagement score increased from 67 per cent in 2024, to 73 per cent in 2025, demonstrating that our many and varied efforts to improve culture are working.





> **“We usually don’t work on New Year’s Day and instead spend time with our families. So now, I’m officially announcing that Aurora is our family too.”**
>
> **Chunnian,**
> **Design & Delivery Analyst**

Enabling voices through Diversity Equity and Inclusion

We made a significant step forward in our goal to build a more inclusive and equitable workplace, with the launch of our DEI strategy, We Get Aurora, in March. The strategy sets out a vision for us to understand the diversity of our people, including backgrounds and passions, to allow us to build a workforce that better reflects the Tasmanian community.

We believe that meaningful change is only possible when it’s shaped by the people it affects. That’s why we engaged widely with our people to seek their input when designing We Get Aurora. By engaging with our people, we ensured that a broad range of insights helped shape our priorities and actions, one of which is our DEI Calendar.

Our DEI calendar is a great reflection of our people. Each event is led by a passionate team who bring authenticity and relevance to each celebration. Some events celebrated this year include Lunar New Year and Pride Week.

These cultural celebrations and awareness-raising campaigns spark important conversations and foster connections.

“We usually don’t work during Lunar New Year and instead spend time with our families. So now, I’m officially announcing that Aurora is our family too. A huge thanks to the People Experience team for their hard work on promoting cultural inclusivity – I believe it warms everyone’s hearts and thanks to everyone who joined and celebrated with us; it means a lot to us.” Design & Delivery Analyst, Chunnian.

We are proud of the progress we have made in DEI and will look to expand our focus into areas such as neurodiverse inclusion next year.

Making energy easy for all abilities

At Aurora Energy, we believe energy should be easy for all Tasmanians. This year we launched our new accessibility widget, a simple tool designed to make our website more user-friendly for customers, regardless of ability.

We know that not everyone interacts with websites the same way. Some people may have vision impairments, others may find bright screens difficult, and some may need easier navigation. This widget ensures that everyone can access important energy information quickly and easily.

Our widget helps people customise their website experience to suit their needs. Whether users need larger text, a different language, higher contrast, or an easier way to navigate, this tool is here to help.

Key Features:

Text resizing

Ability to make words larger for easy reading with four size options.

Contrast adjustments

Improve visibility by changing colours.

Screen reader

Provides the option to read the text and change the pace.

Keyboard navigation

Enables users to browse without a mouse.

Language Translator

Choose from 62 languages making content accessible to customers who speak a language other than English.

“Our annual average wellbeing score saw an increase from 60 per cent in 2024 to 68 per cent this year, reflecting the positive impact of our initiatives.”



Creating a safe place to speak up

We are committed to ensuring every team member feels safe, supported, and empowered to speak up without fear of judgment or repercussions. This year, we've taken meaningful steps to embed a psychologically safe environment.

We've defined psychological safety across the business, with people now understanding that this means having the freedom to speak up, being more accepting of mistakes, and having open communication.

We've refined this with additional training and education pieces including:

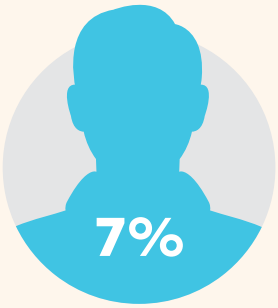
Black Dog Institute Training:
Delivered evidence-based mental health education,

The Resilience Project Modules:
Focused on gratitude, empathy, and mindfulness, and

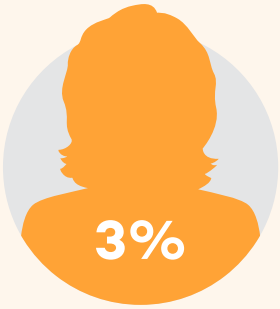
Leader-Specific Psychological Safety Training:
Designed to equip our leaders with the skills to lead with empathy, manage stress, and support their teams effectively.



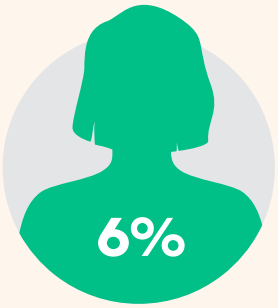
Our diversity snapshot.



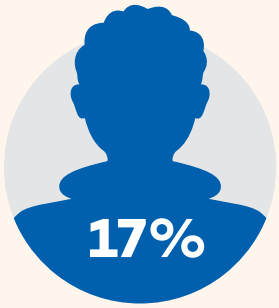
Identify as having a disability



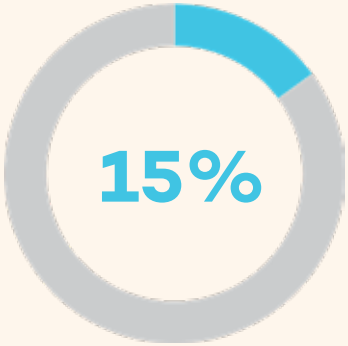
Identify as Aboriginal &/or Torres Strait Islander



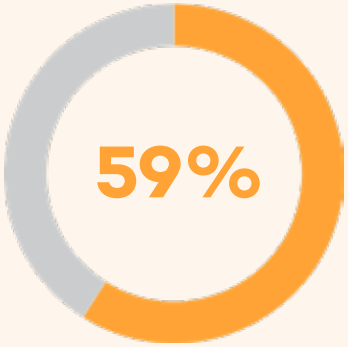
Identify as LGBTIQ+



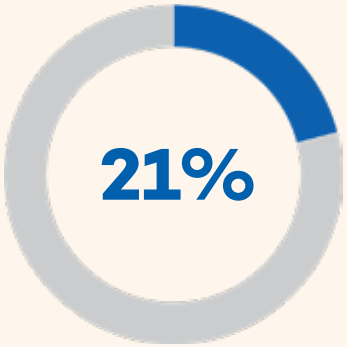
Identify as being Neurodivergent



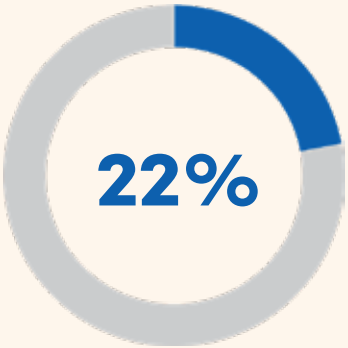
Are Multilingual



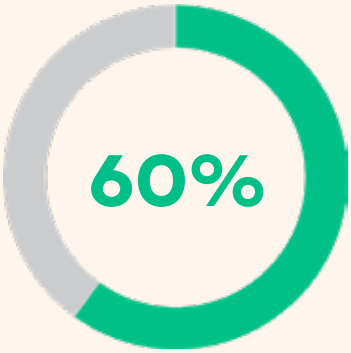
Are Female



Have Post-Graduate Qualifications

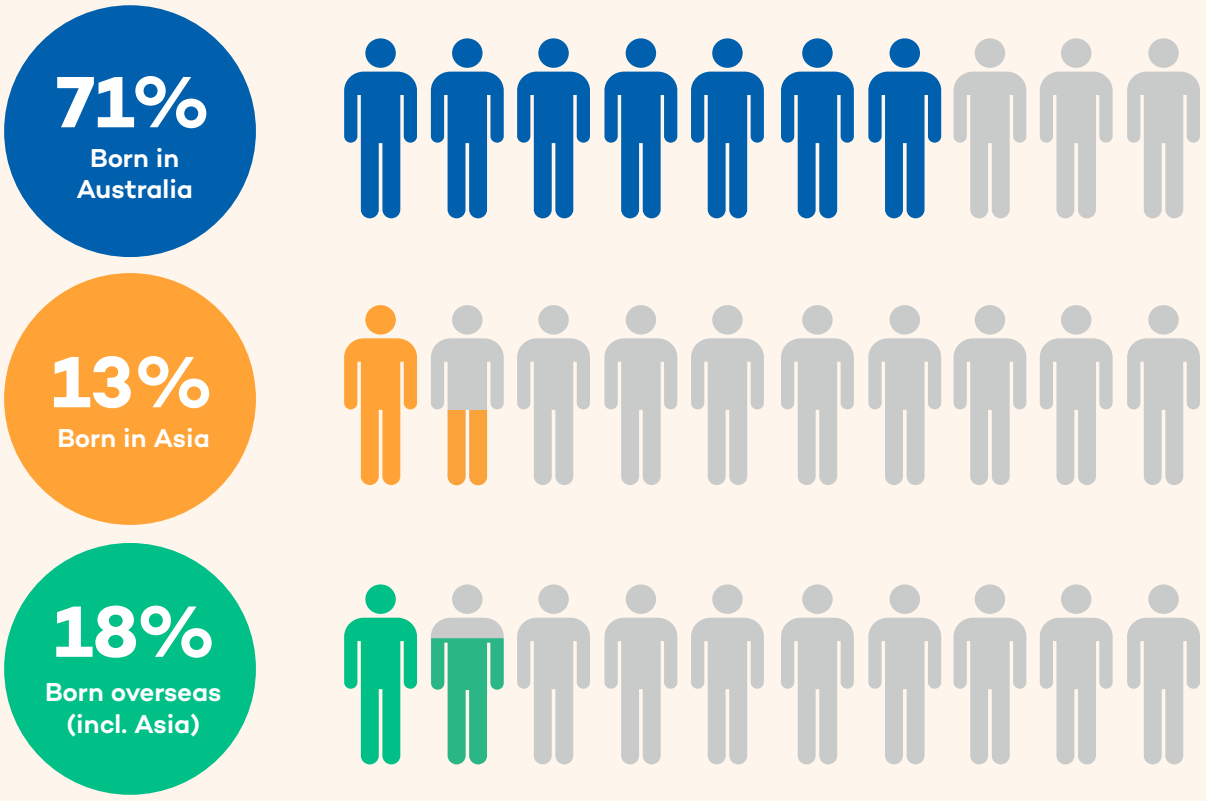


Have a Bachelor Degree



Of our board are Female




71%
Born in Australia
13%
Born in Asia
18%
Born overseas (incl. Asia)

Statement of Corporate Intent

Company Overview

Aurora Energy is a State-owned Company established in 1998 under the Electricity Companies Act 1997. Aurora Energy's two shareholders are the Minister for Energy and Renewables and the Tasmanian Treasurer.

Aurora Energy provides electricity and gas retail services in fully competitive markets to more than 270,000 customer connections throughout mainland Tasmania. As part of its retail offering, Aurora Energy offers a range of electricity and gas products tailored to the needs of customers through tariffs, market contracts and payment options.

The principal objectives of the Company as outlined in the Electricity Companies Act 1997 and the Constitution's Memorandum of Association are to:

- operate its activities in accordance with sound commercial practice; and
- maximise its sustainable return to its shareholders.

Aurora Energy pays dividends to the Shareholders, which are used by the Government for the benefit of the Tasmanian community.

Shareholders' Statement of Expectations

Aurora Energy's strategic direction for 2024-25 and beyond has been developed on the basis of a set of underlying business imperatives, outlined in the Members' Statement of Expectations.

These are to:

a) support the lowest possible prices;

b) implement the Government's electricity customer assistance polices in a timely and efficient manner;

c) focus on its core business, the delivery of electricity retail services on mainland Tasmania;

d) operate its activities in accordance with sound commercial practice;

e) maximise its sustainable return to shareholders;

f) operate as an efficient entity providing services in a cost-effective manner and target an underlying cost to serve below the regulatory allowance for a regulated retailer in the Tasmanian market;

g) prudently manage the risks of operating in a competitive retail market in the State;

h) maintain flexibility for a potential future divestment of the business; and

i) maintain a customer-centric focus and efficiently deliver the State's electricity concessions on behalf of the Government.

Key Performance Measures

Strategic Pillar	Performance Measure	2024-25 Target	2024-25 Actual	Outcome
Customer	Customer Value Index score	>28	28.8	
	Percentage of customers with an advanced meter	90%	90.79%	
	aurora+ active users	120k	115k	
	Material cyber or privacy breaches	0	0	
People	Medically-Treated Injuries	0	2	
	Employee engagement score	>70%	73%	
Profitability	Earnings before Interest & Tax	$5.1M	$5.5M	
	Returns to Government (Accrual)	$2.2M	$2.8M	
Compliance	Immediate & material reportable breaches	0	0	

Performance Commentary

Aurora Energy met or exceeded a total of seven out of nine key performance indicators (KPIs) for 2024-25. Customer-focused KPIs were mostly achieved, with the customer value index score, advanced meter rollout and cyber and privacy targets all being met. Despite consistent growth in the uptake of aurora+, the active users fell slightly short of the target at 30 June 2025.

During 2024-25, Aurora Energy's employee engagement score increased from the previous year's result of 67 per cent. Aurora Energy's ongoing focus on workplace culture will continue in the 2025-26 financial year, alongside embedding our reframed Aurora Way Values, and bringing to life how employees individually and collectively contribute towards achieving our Vision and Purpose.

There were two medically treated injuries reported during the 2024-25 period. Both incidents were unique in nature, with no trends identified.

Aurora Energy's profitability measures finished the 2024-25 financial year ahead of target, made possible through disciplined operating cost control, robust energy hedging strategies, strong bad debt management, and a sharp focus on closing revenue leakage.

There were no immediate or material reportable breaches during the 2024-25 financial year.

Corporate Governance Statement

Aurora Energy is a proprietary limited company established under the Electricity Companies Act 1997 (Tas) and incorporated under the Corporations Act. As a state-owned corporation, its Shareholders are the Minster for Energy and Renewables and Tasmanian Treasurer, on behalf of the Tasmanian community.

Aurora Energy adopts both the Tasmanian Government's Corporate Governance Principles (2008) and the ASX Corporate Governance Council's Corporate Governance Principles & Recommendations (4th edition). If a contradiction arises between the two, Aurora Energy complies with the Tasmanian Government Principles to reflect their design specifically for government-owned enterprises. Aurora Energy's Shareholders have issued a series of other Guidelines designed to support and complement their Corporate Governance Principles.

The following information summarises Aurora Energy's disclosures against both sets of Principles. A complete set of disclosures and further supporting information is available on Aurora Energy's website at **auroraenergy.com.au**.

Board Composition

Aurora Energy is managed by a Board of up to five directors and a management team led by the Chief Executive Officer (CEO). The Board has two permanent committees: Board People & Culture Committee (P&CC) and Board Audit, Risk and Compliance Committee (BARCC).





Mr Trevor Danos AM

LLB, BEc, GradDipSci, FTSE, FAICD Chair Board Chair
Independent Director
Member – Audit, Risk & Compliance Committee and People & Culture Committee

Trevor was appointed Chair in November 2024. He is a member of Aurora Energy's Board Audit, Risk and Compliance Committee and a member of the Board People & Culture Committee.

Appointed November 2024
Current term: Three year term appointed until 2027 AGM.



Ms Keryn Nylander

BA, FAICD

Independent Director
Chair – People & Culture Committee
Member – Audit, Risk and Compliance Committee

Keryn was appointed a Director in August 2018, and Deputy Board Chair on 26 March 2020. She is Chair of Aurora Energy's Board People & Culture Committee and a member of the Board Audit, Risk and Compliance Committee.

Appointed November 2018
Current term: Three year term appointed until 2027 AGM.



Mr Rhys Edwards

B.Ec (Hons), MSc Soc.Res, FAICD

Independent Director
Member – Audit, Risk and Compliance Committee and People & Culture Committee

Rhys was appointed a Director in November 2022. He is a member of Aurora Energy's Board People & Culture Committee and a member of the Board Audit, Risk & Compliance Committee.

Appointed November 2022
Current term: Three year term appointed until 2025 AGM.



Ms Kellie Benda

BA (Industrial Relations), LLB, MappFin, Harvard AMP, FAICD

Independent Director
Member – Audit, Risk and Compliance Committee and People & Culture Committee

Kellie was appointed a Director in November 2023. She is a member of Aurora Energy's Board Audit, Risk and Compliance Committee and a member of the Board People & Culture Committee.

Appointed November 2023
Current term: Three year term appointed until 2026 AGM.



Ms Janine Healey

B. Bus (Accounting), FCAANZS, FAICD, FTIA CTA

Independent Director
Chair – Audit, Risk and Compliance Committee Member – People & Culture Committee

Janine was appointed a Director in November 2022. She is a member of Aurora Energy's Board People & Culture Committee and Chair of the Board Audit, Risk & Compliance Committee.

Appointed November 2022
Current term: Three year term appointed until 2025 AGM.



Mr Oliver Cousland

LLB, B.Com, GAICD, GIA (Cert)

Company Secretary/General Counsel

Oliver was appointed Company Secretary in January 2016. He joined Aurora Energy in 2014 and his responsibilities include management of legal services, procurement, risk, compliance, internal audit, government and stakeholder relations, community, corporate affairs, Board secretariat and corporate governance.

Board and Committee Attendance 2024-25

Board Member	Board		P&C Committee		BARCC		Board Strategy Sessions	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Trevor Danos (from November 2024)	5	4[1]	2	2	3	2[1]	1	1
Kellie Benda	8	7[1]	3	2[1]	5	5	1	1
Keryn Nylander	8	8	3	3	5	5	1	1
Janine Healey	8	8	3	3	5	5	1	1
Rhys Edwards	8	8	3	3	5	5	1	1

[1] Leave of absence granted



Leadership Team

From left to right:

Mr Oliver Cousland,
LLB, B.Com, GAICD, GIA (Cert). Company Secretary/General Counsel

Mrs Nicole Hunt,
FCPHR. Chief People Officer

Mr Nigel Clark,
BBus, GAICD, FCPA, CFTP (Snr). Chief Executive Officer

Mr Alistair Burke,
BBus, LLB, GAICD, GIA (Cert). Chief Operating Officer

Mr Andrew Crozier,
BA (Hons), GAICD. Chief Digital Officer (*Absent from photo*)

Mrs Jane Raffaele,
BA (Hons). Acting Chief Digital Transformation Officer

Mr James Chisholm,
CPA, MBA. Chief Financial Officer

Mr Will Barbour,
BCom, B.Sc (Hons). Chief Customer Officer

Corporate Governance Principles

Principle 1: Lay solid foundations for management and oversight

Aurora Energy complies with Principle 1.

The Board's role and responsibilities are articulated in the Board Charter and Matters Reserved to the Board, both of which are available on Aurora Energy's website. Amongst other things, the Board governs the business in accordance with the Electricity Companies Act 1997 (Tas); approves high level strategy, policy and risk appetite; monitors performance; oversees risk management and the internal control environment; and maintains communications with Shareholders.

The CEO and Leadership Team manage the business on a day-to-day basis, while the Board's Delegation Policy specifies other responsibilities and powers delegated to management.

The Board Charter also sets out the role of the Board Chair and directors' rights to access company information, professional advice and the company secretary.

Through the Board People & Culture Committee, the Board evaluates the performance of the CEO and Leadership Team against specific key performance indicators established at the beginning of each year. Evaluations have occurred throughout the year in accordance with the agreed process. Relevant Charters, Codes and policies, including Matters Reserved to the Board, are available at **auroraenergy.com.au**.

Principle 2: Structure the board to add value

Aurora Energy complies with Principle 2.

In accordance with the Constitution, the Shareholders appointed Director Danos Chair at the 2024 Annual General Meeting. As required under the Constitution the Chair of the Board is appointed by the Shareholders annually at the AGM.

The Charter of the Board People & Culture Committee prescribes its responsibilities regarding senior management appointments, performance and succession planning, as well as organisational and remuneration structures. Membership of the Committee and meeting attendances are listed earlier in this section.

The Shareholders' "Board Appointments Guideline" describes the composition of the Director Selection Advisory Panel. The Board prepares its optimal Skills Matrix for the Panel and this is regularly refreshed.

The Board maintains a Director Induction program. The program is managed by the Board Chair and Company Secretary.

The Board regularly reviews its own performance to ensure it is operating effectively and in the best interests of the company and its stakeholders. During the financial year, the Board undertook a structured performance evaluation process, which included self-assessment questionnaires completed by all Directors, one-on-one interviews conducted by the Chair, an evaluation of meeting effectiveness, decision-making processes, and information flow. The outcomes of the review were discussed at a Board meeting, and an action plan was developed to address identified areas for improvement.

Further information on the Board People & Culture Committee is provided under Principle 8. Its Charter and other policies are available at **auroraenergy.com.au**.

Principle 3: Promote ethical and responsible decision making

Aurora Energy complies with Principle 3.

The Board Charter commits the Board to maintaining the highest ethical standards. Along with letters of appointment, the Charter expects directors to demonstrate the spirit and intent of Aurora Energy's Code of Conduct as well as comply with all applicable legislation, lawful direction from Shareholders and company policies.

The Board People & Culture Committee oversees the Code of Conduct and its integration into the company's culture. In addition, Aurora Energy also has a number of more specific policies and procedures that relate to our commitment to comply with our legal obligations and to act ethically and responsibly. These include the Compliance Policy, Fraud and Corruption Policy, Public Interest Disclosures ("Whistleblowers") Policy, Workplace Behaviour Policy, Procurement Policy, Modern Slavery Policy and Conflict of Interest, Gifts and Benefits Procedure.

The Code of Conduct and other relevant policies are available at **auroraenergy.com.au**.

Right to information disclosures

Aurora Energy complies with the Right to Information Act (Tas) (RTI Act), including through active disclosure of information without the need for formal right to information requests. In accordance with the RTI Act, the following formal assessed disclosures are provided for 2024-25.

Right to Information Act statistics 2024-25	
Number of applications received for assessed disclosures	2
Number of applications for assessed disclosure accepted for decision	2
Number of applications for assessed disclosure where information was disclosed in full	2
Number of accepted applications received and refused, and reason (and relevant section of RTI Act).	NIL
Number of applications decided where information requested was exempted from disclosure (and relevant section of RTI Act),	NIL
Number of applications for internal review and the outcomes.	NIL

Public interest disclosures

Aurora Energy is subject to the Public Interest Disclosures Act 2002 (Tas) (PID Act). In accordance with the PID Act, the following disclosures are provided for 2024-25.

Public Interest Disclosure Act statistics 2024-25	
Number of disclosures received and of those, the number determined to be public interest disclosures.	One disclosure was received, which was not determined to be a public interest disclosure.
Number of public interest disclosures investigated, declined to be investigated or substantiated following investigation by Aurora Energy	Nil
Number of disclosures reported by Aurora Energy to Ombudsman	Nil
Number of disclosed matters referred by the Ombudsman to Aurora Energy or taken over by the Ombudsman from Aurora Energy	NIL
The number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	NIL
Number of recommendations made by the Ombudsman to Aurora Energy	NIL

A copy of the current Public Interest Disclosure Procedures established by Aurora Energy can be located on our website, visit **auroraenergy.com.au**.

Modern Slavery Compliance

Aurora Energy is committed to operating ethically and taking action to assess and address the risks of modern slavery in its supply chain and operations. A number of actions are undertaken to mitigate the risks of modern slavery in the business, including scoping and mapping of the supply chain and appropriate due diligence in the procurement of goods and services. Where possible, Aurora Energy ensures that all key suppliers are contractually required to comply with the Modern Slavey Act 2018 (Cth) ('Modern Slavery Act'). Aurora Energy also has a Modern Slavery Policy, Supplier Code of Conduct and a Public Interest Disclosure Policy which support its commitment to complying with the Modern Slavery Act.

An important part of Aurora Energy's approach to modern slavery is to issue key suppliers with a questionnaire each reporting period. The questionnaire asks suppliers to provide details on their modern slavery policies and training, as well as information about their key suppliers and subcontractors. Where Aurora Energy identifies that remediation of modern slavery risks is required, it will work with the relevant supplier to develop actionable solutions or consider alternative arrangements.

Aurora Energy is currently in the process of obtaining its supplier responses to a modern slavery questionnaire which will help inform its Modern Slavery Statement for 2024-25 which is due by 31 December 2025.

Principle 4: Safeguard integrity in financial reporting

Aurora Energy complies with Principle 4.

The Board Audit, Risk and Compliance Committee oversees corporate and financial reporting processes, risk management and internal control, and compliance and audit frameworks. It is chaired by an independent director who is not the Board Chair.

As part of the end-of year processes, the Committee received the required declarations by the CEO and CFO, under S295A of the Corporations Act.

As required under the Audit Act 2008 (Tas), the Tasmanian Auditor-General is appointed by the Shareholders at each AGM.

The Board Audit, Risk and Compliance Committee's Charter and relevant policies are available at **auroraenergy.com.au**.

Principle 5: Make timely and balanced disclosure

Aurora Energy complies with Principle 5 as it applies to its context.

The Board approved Shareholder Communications Policy addresses the principles for timely, factual, complete and balanced information. Established processes are in place to recognise and communicate material matters routinely as well as those requiring continuous disclosure. The Chair and CEO met with Shareholders (or their representatives) frequently throughout the year.

Relevant policies are available at **auroraenergy.com.au**.

Principle 6: Respect the rights of shareholders

Aurora Energy complies with Principle 6.

Under its Charter and Matters Reserved to the Board, the Board maintains the relationship with the company's Shareholders.

The Constitution and enabling legislation specify the rights and responsibilities of Shareholders. As well, Shareholders can issue various Guidelines and Directives to the company. Accordingly, Shareholders have issued a Statement of Expectations to the Board which set out the Shareholders expectations in relation to the strategic priorities and performance of the company and is incorporated in Aurora Energy's Corporate Plan and the Board agrees a Statement of Corporate Intent with Shareholders each year.

The Board Charter and relevant policies are available at **auroraenergy.com.au**.

Principle 7: Recognise and manage risk

Aurora Energy complies with Principle 7.

As stated under Principle 4, the Board Audit, Risk and Compliance Committee oversees the system of risk management and internal control, amongst other things.

The Committee reviewed Aurora Energy's risk framework during the year. It also reviewed current and emerging risks throughout the year and monitored the status of plans and controls to manage those risks. The Committee formally reported to the Board on the status of risk and the integrity of the risk management framework.

The risk management framework addresses all emerging and current risks facing the company. Material risks were discussed directly with Shareholders at regularly scheduled meetings.

The Committee's Charter and relevant policies are available at **auroraenergy.com.au**.

Principle 8: Remunerate fairly and responsibly

Aurora Energy complies with Principle 8.

On behalf of the Board, the Board People & Culture Committee oversees Aurora Energy's remuneration framework, including executive remuneration policy, company-wide remuneration strategies, enterprise agreement renegotiations and related matters.

Aurora Energy has a Board approved Executive Remuneration Policy which complies with the Shareholders' Guideline for Director and Executive Remuneration. Directors are paid remuneration as is resolved by the Shareholders from time to time. That remuneration is based on the Government Board and Committee Remuneration Framework administered by the Department of Premier and Cabinet.

The 2024-25 Financial Statements detail the remuneration of directors and key management personnel, and its composition.

The Committee Charter and other policies are available at **auroraenergy.com.au**.

Shareholder Directions & Guidelines

In 2024-25, Aurora Energy did not receive any formal directions to undertake non-commercial activities in accordance with the requirements of Section 4.4 of the Members' Statement of Expectations.

Buy Local

Under the Buy Local Guidelines for Tasmanian Government Businesses, entities are required to establish appropriate reporting regimes in relation to purchases, consultants and the engagement of Tasmanian businesses and provide details of these annually.

Details for Aurora Energy for the 2024-25 financial year are provided in the table below.

Purchases from Tasmanian Business	FY24	FY25
% of purchases from Tasmanian businesses	96.4%	97.6%
Value of purchases from Tasmanian businesses	$959,343,006	$1,216,763,927

Consultancies valued at more than $50,000 (ex GST)				
Name of consultant	Location	Description	Period of engagement	Amount
Tasmanian Audit Office	TAS	Audit Services	01/07/2024-30/06/2025	$189,400.00
Deloitte Touche Tohmatsu	TAS	Internal Audit Services	01/07/2024-30/06/2025	$149,940.00
Francis & Burne	TAS	Professional Interior & spatial design	01/07/2024-31/01/2025	$68,190.69
Minter Ellison	VIC	Legal advice	01/07/2024-30/06/2025	$86,247.00
Edge Environment Pty Ltd	NSW	Mandatory Climate Related Financial Disclosures Advisory	01/07/2024-30/06/2025	$70,907.50
10 other consultants were engaged for $50,000 or less totalling:				$189,455.34
Total payments to consultants				**$754,140.53**

Payment of Accounts

Payment Measure	FY22	FY23	FY24	FY25
Creditor Days	79.6	37.0	65.2	51.4
Number of accounts due for payment	3,752	3,361	3,482	3,553
Number of accounts paid on time	3,323	2,717	2,958	2,732
Amount due for payment	$1,480,820,589	$1,565,857,741	$1,077,755,030	$1,366,733,484
Amount paid on time	$1,473,848,654	$1,552,543,561	$1,039,935,591	$1,349,056,771
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	-	-	-	-

Payments not paid in accordance with the due date required further action to be taken before payment could be made. For example, invoices may have been incomplete or inaccurate or they may have been disputed when the invoice did not match the goods or services provided.

Shareholder Directions & Guidelines (continued)

Overseas Travel

No Aurora Energy employees undertook overseas travel for the company during 2024-25.

Superannuation

Superannuation Aurora Energy complied with its obligations under the Superannuation Guarantee (Administration) Act 1992 (Cth) in respect of employees of Aurora Energy who are members of complying superannuation schemes.

Remuneration Report

Remuneration levels for key management personnel are set in accordance with the Director and Executive Remuneration Guidelines, dated June 2021. Under these Guidelines, remuneration bands for Chief Executive Officers (CEO) are determined by the Treasurer and reflect the principles outlined in the Guidelines broadly and align with State Service Heads of Agency. Positioning within the bands depends on the complexity and size of the business and the environment in which the business operates. Remuneration for other senior executives is set with reference to the CEO's band.

The CEO is appointed by the Board. The Board consults with the Treasurer when determining the CEO's remuneration package.

The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe the total remuneration, superannuation, annual and long service leave, and salary sacrifice provisions.

The performance of each senior executive, including the CEO, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive, including the CEO, contain a termination clause that requires the senior executives or the Board to provide a minimum notice period of up to three months for senior executives and six months for the CEO prior to the termination of the contract. Whilst not automatic, contracts can be extended.

Aurora Energy's approach to executive remuneration supports the ability to attract, retain and motivate competent and experienced executive management personnel, while aligning with Aurora Energy's capacity to be a stand-alone electricity retailer in a competitive market.

Salary positioning is determined by the skills and experience the individual brings to the role, market factors (e.g. scarcity of particular skills in the market), performance in role and Aurora Energy's ability to fund remuneration increases year on year.

For details of payments made to senior executives, refer to note D4 of the Financial Statements. Aurora Energy does not currently offer performance based payments. In the event that a program is implemented, the requirements outlined in the Guidelines will be adopted.

Financial Report.

Aurora Energy Pty Ltd
Financial Report for year ended 30 June 2025

ABN 85 082 464 622





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Directors' Report

Directors' report on the operations of the company and on the Financial Statements for the Financial Year Ended 30 June 2025.

Directors and Company Secretary

The Directors of the company in office between 1 July 2024 and the date of this report were Ms K. Nylander, Mrs J. Healey, Mr R. Edwards and Ms K. Benda. Mr T. Danos AM became the company's Chair on 18 November 2024 and remained as Chair at the date of this report. Mr O. Cousland was appointed Company Secretary in January 2016 and remained as Company Secretary at the date of this report.

Principal Activities

The primary purpose of the company is the retailing of electricity to Tasmanian customers. A further purpose is to undertake the retailing of gas.

Review and Results of Operations

The following table outlines key financial information for the company:

Indicator ($M)	2024-25	2023-24	Var.
Operating Revenue	977.7	956.7	21.0
Profit Before Tax	6.1	3.2	2.9
Total Comprehensive Income	(11.9)	64.5	(76.4)
Underlying Profit/ (Loss) Before Tax[1]	7.7	1.4	6.3
Net assets	85.9	98.7	(12.8)
Cash on Hand	60.2	61.4	(1.2)
Shareholder Returns[2]	6.0	8.7	(2.7)

[1] Underlying Profit Before Tax is Profit Before Tax less unrealised derivative fair value movements and onerous contract provision movements.
[2] Shareholder returns is calculated on a cash basis and includes dividends paid and other distributions.

Aurora Energy reported a Profit Before Tax of $6.1M for 2024-25. The 2024-25 result represents an improved performance from the prior year Profit Before Tax of $3.2M. Bad debt expense is lower in 2024-25, driven by concentrated efforts to recover ageing debt and the cost-of-living relief provided through the Tasmanian & Australian Government Energy Bill Relief Funds.

Aurora Energy's net asset position as at 30 June 2025 was $85.9M, a decrease of $12.8M from the previous year. The main drivers of the net asset position were the change in the value of electricity derivatives as at 30 June 2025. The change in derivative value has also resulted in a net cash flow hedge loss of $16.2M being included both in the cash flow hedge reserve in Equity and Total Comprehensive Income as at 30 June 2025. Aurora Energy's cash position at 30 June 2025 benefitted from cash received for the Government rebates with this cash inflow expected to offset lower receipts from customers in the first quarter of FY26.

Changes in State of Affairs

There have been no significant changes in the state of affairs of Aurora Energy for the 2024-25 financial year.

Subsequent Events

There have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect Aurora Energy, its operations or results in the reporting period.

Environmental Regulation

The operations of the company are subject to State and Commonwealth environmental legislation including the Tasmanian Environmental Management and Pollution Control Act 1994 and Commonwealth Environmental Protection and Biodiversity Conservation Act 1999. No environmental protection notices were served, prosecutions launched, or fines issued against Aurora Energy under environmental legislation during the year under review.

Likely Future Developments

External market forces are rapidly changing the future of the electricity market at a global, national and local level. The National Electricity Market (NEM) is in a significant state of transition which will continue to accelerate as changes to the generation mix in the NEM are made to meet the Australian Governments legislated emissions reductions targets of 43% by 2030 (on 2005 levels) and net zero by 2050. Whilst in Tasmania we are well placed in terms of our renewable energy assets, further interconnection with the national market will introduce new challenges (and opportunities) for the business.

Higher wholesale prices and cost of living continues to have an impact on household budgets and customers' ability to pay their energy bills. Aurora Energy remains focused on managing these risks to the business and has financing facilities and strategies in place to manage a range of downside scenarios. Aurora Energy will provide ongoing support to its customers to manage their electricity bills through a range of measures including the Your Energy Support (YES) program, distribution of Federal and State Government energy relief payments and further rollouts of advanced meters whilst encouraging and advocating for customers to increase their usage of the Aurora + App in understanding and controlling energy usage.

Customers' needs and expectations are continuing to evolve and competition in the Tasmanian retail electricity market remains an ongoing challenge for the business. Aurora Energy will continue to meet these challenges through its strategic response, in particular focusing on customer loyalty and retention through a digital customer experience, developing a frictionless customer service model, and supporting customers to leverage consumer energy resources to manage energy costs.

Dividends

In respect of the financial year ended 30 June 2024, a final dividend of $0.905M was paid to the Shareholder on 3 December 2024.

In line with the requirements of Aurora Energy's Constitution and the Dividend Guideline for Tasmanian Government Businesses, the dividend related to 2024-25 profits will be recommended prior to 31 October 2025.

Indemnification and Insurance

Aurora Energy has indemnified its directors and executive officers to the extent permitted by law against liabilities and legal costs incurred by them while acting in their capacity as directors and executive officers of the company.

The company has insured its directors, company secretary and executive officers of the company against liabilities as permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

During or since the end of the financial year the company has not indemnified or made a relevant agreement to indemnify the auditor of the company against a liability incurred as the auditor. In addition, the company has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by the auditor.

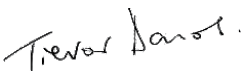
Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on the following page.

Rounding of Amounts

The company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016. In accordance with that Corporations Instrument, amounts in the Directors' Report and the Financial Statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the Directors:



Mr T. Danos AM
Chair

28 August 2025



Mrs J. Healey
Director

28 August 2025

Audit Tasmania

Level 2, 144 Macquarie Street, Hobart, Tasmania, 7000
Postal Address GPO Box 851, Hobart, Tasmania, 7001
Phone: 03 6173 0900
Email: admin@audit.tas.gov.au
Web: www.audit.tas.gov.au

28 August 2025

The Board of Directors
Aurora Energy Pty Ltd
GPO Box 191
HOBART TAS 7000

Dear Board Members

Auditor's Independence Declaration

In accordance with section 307C of the *Corporations Act 2001*, I provide the following declaration of independence.

As the auditor of the financial report of Aurora Energy Pty Ltd for the financial year ended 30 June 2025 I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit

(b) any applicable code of professional conduct in relation to the audit.

In accordance with the *Corporations Act 2001* a copy of this declaration must be included in the Directors' Report.

Yours sincerely



David Bond
Assistant Auditor-General


MURES
UPPER DECK
TF28

Directors' Declaration

In accordance with a resolution of the directors of Aurora Energy Pty Ltd, we state that:

In the opinion of the directors:

(a) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including:

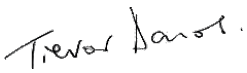
(i) giving a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the year ended on that date;

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) The financial statements and notes comply with International Financial Reporting Standards (with the exception of the early adoption of the ISSB Standards: IFRS S1 and IFRS S2) as disclosed in Note A.

(c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Mr T. Danos AM
Chair

28 August 2025



Mrs J. Healey
Director

28 August 2025

AURORA ENERGY PTY LTD

ABN 85 082 464 622

Statement of comprehensive income for the financial year ended 30 June 2025

	Note	2025 $'000	2024 $'000
Revenue			
Sales revenue from contracts with customers	B1(a)	971,983	951,919
Interest revenue	B1(b)	2,102	1,251
Other revenue	B1(c)	3,635	3,571
Total revenue		977,720	956,741
Expenses			
Energy and network purchases		(892,744)	(876,300)
Electricity derivative fair value movements	B1(d)	-	(11)
Functional expenses	B1(e)	(70,854)	(68,132)
Finance expenses	B1(f)	(219)	(240)
Depreciation and amortisation expense	B1(g)	(3,746)	(3,389)
Other expenses from operating activities	B1(h)	(4,016)	(5,456)
Total expenses		(971,579)	(953,528)
Profit/(Loss) before income tax equivalent expense		6,141	3,213
Income tax equivalent (expense)/benefit	B2(a)	(1,833)	(1,007)
Profit/(Loss) for the year from continuing operations		4,308	2,206
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Actuarial superannuation re-measurement (losses)/gains	D(i)	3	(26)
Income tax equivalent relating to items that may be reclassified subsequently	B2(b)	(1)	8
		2	(18)
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges:			
Gain/(loss) taken to equity	F3(b),E1(h)	19,744	41,264
Transferred to profit for the year	F3(b),E1(h)	(42,842)	47,709
Income tax equivalent relating to items that may be reclassified subsequently	B2(b),F3(b)	6,930	(26,692)
		(16,168)	62,281
Other comprehensive income for the year net of income tax equivalent		(16.166)	62,263
Total comprehensive income for the year		(11,858)	64,469

Notes to and forming part of the accounts are included on pages 63 to 101

AURORA ENERGY PTY LTD

ABN 85 082 464 622

Statement of financial position as at 30 June 2025

	Note	2025 $'000	2024 $'000
ASSETS			
Current assets			
Cash and cash equivalents	B3	60,204	61,402
Trade and other receivables	C1	137,623	160,374
Inventories	C2	6,239	13,196
Current tax asset	B2(c)	3,847	4,206
Financial assets	C3	116,176	131,280
Other current assets	C4	5,778	4,665
Total current assets		329,867	375,123
Non-current assets			
Property, plant and equipment	C5	6,565	4,138
Right-of-use assets	C12(a)	4,453	4,364
Deferred tax assets	B2(d)	14,165	16,105
Intangible assets	C6	3,253	5,183
Financial assets	C7	30,469	39,960
Total non-current assets		58,905	69,750
Total assets		388,772	444,873
LIABILITIES			
Current liabilities			
Trade and other payables	C8	208,863	198,685
Provisions	C9	5,767	3,809
Lease liabilities	C12(b)	840	818
Contract liabilities	C10	55,546	90,507
Financial liabilities	C11	5,003	15,957
Total current liabilities		276,019	309,776
Non-current liabilities			
Deferred tax liabilities	B2(d)	16,763	27,358
Provisions	C9	2,360	2,111
Lease liabilities	C12(b)	5,433	4,831
Financial liabilities	C11	2,264	2,101
Total non-current liabilities		26,820	36,401
Total liabilities		302,839	346,177
Net assets		85,933	98,696
EQUITY			
Issued capital	F1	50,212	50,212
Reserves	F3	32,027	48,195
Retained earnings	F2	3,694	289
Total Equity		85,933	98,696

Notes to and forming part of the accounts are included on pages 63 to 101

AURORA ENERGY PTY LTD

ABN 85 082 464 622

Statement of changes in equity for the financial year ended 30 June 2025

	Note	Share Capital $'000	Cash flow Hedge Reserve $'000	Retained Earnings $'000	Total Equity $'000
Balance 30 June 2023		50,212	(14,086)	2,322	38,448
Transactions with owners in their capacity as owners:					
Dividends paid	B4	-	-	(4,221)	(4,221)
		50,212	(14,086)	(1,899)	34,227
Profit for the period		-	-	2,206	2,206
Other comprehensive income		-	62,281	(18)	62,263
Total comprehensive income for the period		-	62,281	2,188	64,469
Balance 30 June 2024		50,212	48,195	289	98,696
Transactions with owners in their capacity as owners:					
Dividend paid	B4	-	-	(905)	(905)
		50,212	48,195	(616)	97,791
Profit for the period		-	-	4,308	4,308
Other comprehensive income		-	(16,168)	2	(16,166)
Total comprehensive income for the period		-	(16,168)	4,310	(11,858)
Balance 30 June 2025		50,212	32,027	3,694	85,933

Notes to and forming part of the accounts are included on pages 63 to 101

AURORA ENERGY PTY LTD

ABN 85 082 464 622

Statement of cash flows for the financial year ended 30 June 2025

	Note	2025 $'000	2024 $'000
Cash flows from operating activities			
Receipts from customers		942,865	993,038
Government support payments received		108,193	94,089
Interest received		2,102	1,251
Payments to suppliers and employees		(1,060,815)	(1,024,639)
Interest and other finance costs paid		(1,032)	(899)
Income tax equivalents paid		(3,199)	(2,570)
Net cash provided by operating activities	B3(b)	(11,886)	60,270
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(3,325)	(102)
Payment for intangible assets		(193)	(941)
Net cash used in investing activities		(3,518)	(1,043)
Cash flows from financing activities			
Proceeds from borrowings		93,000	111,000
Repayment of borrowings		(93,000)	(111,000)
Repayment of lease liabilities	B3(c)	(788)	(842)
Lease incentives received		598	-
Dividend paid	B4	(905)	(4,221)
Large Scale Generation Certificates Shortfall (Refundable)	C3,C7	15,301	(11,290)
Net cash used by financing activities		14,206	(16,353)
Net (decrease)/increase in cash and cash equivalents		(1,198)	42,874
Cash and cash equivalents at the beginning of financial year		61,402	18,528
Cash and cash equivalents at the end of financial year	B3	60,204	61,402

Notes to and forming part of the accounts are included on pages 63 to 101

Section A: Corporate information and basis of preparation

A1 Company information

Aurora Energy Pty Ltd (the company), is a private for-profit company incorporated in Australia and operating in Australia.

Aurora Energy's registered office and its principal place of business are as follows:

Registered office: Level 4, 50 Elizabeth St HOBART TAS 7000

Principal place of business: Level 4, 50 Elizabeth St HOBART TAS 7000

The primary purpose of the company is the retailing of electricity to Tasmanian customers. A further purpose is to undertake the retailing of gas.

The financial statements were authorised for issue by the Directors on 28 August 2025.

A2 Basis of preparation

The financial report is a general purpose financial report prepared on an accrual basis under the historical cost convention with the exception of certain plant and equipment and corresponding depreciation, and derivative financial instruments which are carried at fair value.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016. In accordance with that Corporations Instrument, amounts in the Financial Statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

A3 Statement of compliance

The financial report is prepared in accordance with:

- *Corporations Act 2001* as amended;
- *Electricity Companies Act 1997* and Treasurer's Instructions issued under the *Government Business Enterprises Act 1995*; and
- Australian Accounting Standards (AASBs), and complies with other requirements of the law.

In the current year, the company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). The financial statements and notes also comply with International Financial Reporting Standards (with the exception of the early adoption of the ISSB Standards: IFRS S1 and IFRS S2) as disclosed in Note A4.

A4 New and revised standards

The adoption of the following new and revised Standards has no material impact on the financial statements of the company.

- *AASB 101 – Classification of liabilities as current or non-current including non-current liabilities with covenants (AASB 2020-1, AASB 2020-6 and AASB 2022-6)*

The following standards and amendments were available for early adoption but have not been applied by the company in these financial statements:

- *AASB 9 / AASB 7 – Classification and Measurement of Financial Instruments*
- *AASB 18 – Presentation and Disclosure in Financial Statements*
- *AASB S1 – General Requirements for Disclosure of Sustainability – related Financial Information*
- *AASB S2 – Climate – related Disclosures*

Section A: Corporate information and basis of preparation

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The company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016. In accordance with that Corporations Instrument, amounts in the Financial Statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

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- Australian Accounting Standards (AASBs), and complies with other requirements of the law.

In the current year, the company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). The financial statements and notes also comply with International Financial Reporting Standards (with the exception of the early adoption of the ISSB Standards: IFRS S1 and IFRS S2) as disclosed in Note A4.

A4 New and revised standards

The adoption of the following new and revised Standards has no material impact on the financial statements of the company.

- *AASB 101 – Classification of liabilities as current or non-current including non-current liabilities with covenants (AASB 2020-1, AASB 2020-6 and AASB 2022-6)*

The following standards and amendments were available for early adoption but have not been applied by the company in these financial statements:

- *AASB 9 / AASB 7 – Classification and Measurement of Financial Instruments*
- *AASB 18 – Presentation and Disclosure in Financial Statements*
- *AASB S1 – General Requirements for Disclosure of Sustainability – related Financial Information*
- *AASB S2 – Climate – related Disclosures*

A4 New and revised standards (continued)

The company anticipates that the adoption of these Standards in future periods will have no material financial impact on the financial statements of the company. There may be some changes in the disclosures made.

These Standards and Interpretations will be first applied in the financial report of the company that relates to the annual reporting period beginning after the effective date of each pronouncement.

A5 Significant accounting judgements

Judgements made by Aurora Energy in the application of accounting standards that have significant effects on the financial statements and estimated with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements. 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 E3.

A6 Comparisons with previous year

Where necessary, comparative figures are adjusted to conform with changes in presentation in the current year.

Section B: Detailed information on financial performance

B1 Operating Profit

Accounting Policy

Revenue recognition and unbilled electricity sales

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

Sales revenue from contracts with customers

Revenue from the sale of electricity to retail customers is recognised at the time of the provision of the electricity to the customer. Income from the sale of retail electricity is the value of electricity units supplied to customers during the year. Included in this income is unbilled electricity (a contract asset). Unbilled electricity sales is an estimate of the value of electricity units supplied to customers between the date of the last meter reading and the year end, and is included in electricity sales (refer notes C1 and E3). Electricity and gas sales are recognised at a point in time when they pass through a meter, and this is regarded as the satisfaction of performance obligations by Aurora Energy. No costs incurred in obtaining contracts with customers are recognised as contract assets.

As a practical expedient, the performance obligations remaining on contracts with customers are not disclosed as Aurora Energy has a right to consideration from customers in an amount that corresponds directly with the value to the customers of the performance obligations completed to date.

Revenues are not accrued or deferred for amounts that are allowed to be recovered from customers (or credited to them) through regulatory pricing mechanisms in future years. These include amounts that are recoverable or will result in credits to customers as a direct result of under or over recoveries in the current and prior periods.

Revenue is disclosed net of concessions and waivers. Concession discounts and waivers represent variable consideration under AASB 15 Revenue from contracts with customers, which requires electricity revenue to be disclosed on a net basis.

Interest and other revenue

Interest revenue relates to interest earned on cash investments and overdue customer electricity debt.

Other revenue includes rental income from sub-lease arrangement, connection and service order fees, and concession administration fees.

		2025 $'000	2024 $'000
B1(a)	**Sales Revenue from contracts with customers**		
	Sales to Residential Electricity Customers	518,539	508,393
	Sales to Business Electricity Customers	445,458	435,276
	Sales to Residential Gas Customers	5,370	5,346
	Sales to Business Gas Customers	2,616	2,904
		971,983	951,919
B1(b)	**Interest revenue**		
	Money market investments	45	25
	Bank investments	1,618	974
	Trade receivables	439	252
		2,102	1,251
B1(c)	**Other revenue**		
	Connection & services order fees	2,989	2,920
	Other	646	651
		3,635	3,571

B1 Operating Profit (continued)

	2025 $'000	2024 $'000
B1(d) Electricity derivative fair value movements		
Gain/(loss) on derivatives in a fair value hedge accounting relationship (note E1(h))	(10,728)	(16,228)
Gain/(loss) on adjustment to hedged item in a fair value hedge accounting relationship (note E1(h))	10,728	16,217
	-	(11)
B1(e) Functional expenses		
Labour	(36,332)	(33,907)
IT, communication and other service fees and charges	(34,522)	(34,225)
	(70,854)	(68,132)
B1(f) Finance expenses		
Interest expense on leasing arrangements (note C12(c))	(231)	(246)
Unwinding of Discount on Onerous Contracts (note C9)	-	-
Other finance expenses	12	6
	(219)	(240)
B1(g) Depreciation and amortisation		
Property, plant and equipment depreciation (note C5)	(898)	(798)
Intangibles amortisation (note C6)	(2,123)	(1,833)
Right-of-use assets (note C12(c))	(725)	(758)
	(3,746)	(3,389)
B1(h) Other expenses		
Credit losses on trade receivables (note C1(a))	(4,016)	(5,456)
	(4,016)	(5,456)

B2 Income Tax

Accounting Policy

The *Electricity Companies Act 1997* Section 14 requires the company to comply with part 10 of the *Government Business Enterprises Act 1995*. The company is required to calculate a tax equivalent as if it were a company subject to Commonwealth income tax laws.

(i) Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

(ii) Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the period is recognised as an expense or income in the statement of comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

	2025 $'000	2024 $'000
B2 Income tax		
(a) Income tax recognised in profit		
Tax expense comprises:		
Current tax expense	1,833	1,007
Total tax expense from continuing operations	1,833	1,007
Profit/(loss) before income tax equivalent expense	6,141	3,213
Income tax equivalent expense calculated at 30%	1,842	964
Non-deductible expenses	(9)	43
Income tax equivalent expense	1,833	1,007
(b) Income tax recognised directly in equity		
The following current and deferred amounts were charged directly to equity during the period:		
Deferred tax:		
Financial instruments	6,930	(26,692)
Provisions	(1)	8
	6,929	(26,684)

B2 Income Tax (continued)	2025 $'000	2024 $'000
(c) Current tax assets and liabilities		
Income tax (receivable)/payable:	(3,847)	(4,206)
(d) Deferred tax balances		
Deferred tax assets comprise:		
Temporary differences	14,165	16,105
Deferred tax liabilities comprise:		
Temporary differences	(16,763)	(27,358)
Net deferred asset / (liability)	(2,598)	(11,253)

Taxable and deductible temporary differences arise from the following:

2025

	Opening balance $'000	Charged to income $'000	Charged to equity $'000	Closing Balance $'000
Gross deferred tax liabilities:				
Property, plant and equipment	1,041	(340)	-	701
Financial instruments & other	26,317	(3,325)	(6,930)	16,062
	27,358	(3,665)	(6,930)	16,763
Gross deferred tax assets:				
Provisions	9,971	1,425	(1)	11,395
Tax losses – revenue	-	-	-	-
Financial instruments & other	5,663	(3,325)	-	(2,338)
Property, plant and equipment	471	(39)	-	432
	16,105	(1,939)	(1)	14,165
Net deferred tax asset / (liability)	(11,253)	1,726	6,929	(2,598)

2024

	Opening balance $'000	Charged to income $'000	Charged to equity $'000	Closing Balance $'000
Gross deferred tax liabilities:				
Property, plant and equipment	918	123	-	1,041
Financial instruments & other	25,977	(26,352)	26,692	26,317
	26,895	(26,229)	26,692	27,358
Gross deferred tax assets:				
Provisions	9,306	657	8	9,971
Tax losses – revenue	-	-	-	-
Financial instruments & other	32,011	(26,348)	-	5,663
Property, plant and equipment	722	(251)	-	471
	42,039	(25,942)	8	16,105
Net deferred tax asset / (liability)	15,144	287	(26,684)	(11,253)

B3 Cash and cash equivalents

Accounting Policy

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

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts. Any bank overdrafts are included within trade and other payables on the statement of financial position.

	2025 $'000	2024 $'000
Bank balances	59,604	60,802
Money market investments	600	600
Cash and cash equivalents	60,204	61,402

Aurora Energy's cash and cash equivalents are subject to internal and external restrictions that limit amounts available for discretionary or future use. These include:

Restricted funds		
Security deposits held	6,483	4,028
Employee provisions	6,589	5,920
Total restricted funds	13,072	9,948
Unrestricted cash and cash equivalents	47,132	51,454

In addition to these restricted funds, Aurora Energy also has Contract Liabilities at Note C10(e) of $55.5M (2024: $90.5M) that represent customer accounts paid in advance.

(a) Financing facilities

The company had access to financing facilities at 30 June as indicated below:

2025	Facility Limit $'000	Facility Used $'000	Balance $'000
Borrowing Facilities	175,000	-	175,000
Bank Guarantee Facilities	320,000	177,700	142,300
	495,000	177,700	317,300

2024	Facility Limit $'000	Facility Used $'000	Balance $'000
Borrowing Facilities	175,000	-	175,000
Bank Guarantee Facilities	320,000	160,700	159,300
	495,000	160,700	334,300

Under the Tasmanian Public Finance Corporation Act 1985, the Government has provided a guarantee of Aurora Energy's borrowings from the Tasmanian Public Finance Corporation. As at 30 June 2025, this support was limited to a maximum of $495.0M (2024: $495.0M).

B3 Cash and cash equivalents (continued)

	2025 $'000	2024 $'000
(b) Reconciliation of profit for the period to net cash provided by operating activities		
Operating (loss)/profit after income tax equivalents	4,308	2,206
Depreciation & amortisation costs	3,746	3,389
Fair value through (profit) or loss of financial instruments	-	11
(Decrease)/increase in onerous contract provision	1,538	(1,720)
(Increase)/decrease in accrued interest/market traded receivables	(24,595)	(57,591)
(Increase)/decrease in other assets	(1,113)	1,789
Decrease/(increase) in inventories	6,957	(7,418)
(Increase)/decrease in trade and other receivables	22,751	(7,315)
(Increase)/decrease in deferred and current taxes	(1,365)	(1,579)
Increase/(decrease) in trade and other payables	10,180	75,322
(Decrease)/increase in employee provisions	671	434
Increase/(decrease) in contract liabilities	(34,964)	52,742
Net cash provided by operating activities	(11,886)	60,270

(c) Reconciliation of changes in liabilities arising from financing activities

	2024 $'000	Cash Flows $'000	Non-cash changes $'000	2025 $'000
Lease liabilities	5,649	(788)	1,412	6,273
Total changes in liabilities arising from financing activities	5,649	(788)	1,412	6,273

B4 Dividends

	2025 $'000	2024 $'000
Declared and paid, dividends on ordinary shares	905	4,221

Section C: Detailed information on statement of financial position items

C1 Current trade and other receivables

Accounting Policy

Trade receivables and other receivables are recorded at amounts due less any allowance for expected credit losses (ECLs). Due to their short term nature, they are not discounted. Trade receivables are non-interest bearing and are generally on terms from 14 to 30 days. The balance of the allowance for ECLs is reviewed monthly using a provision matrix to measure credit losses. The provision rates are based on days past due. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

	2025 $'000	2024 $'000
Trade receivables	63,376	64,540
Accrued income	28,624	36,414
Unbilled energy sales	74,652	86,555
Provision for expected credit losses	(29,029)	(27,135)
	137,623	160,374

C1 Current trade and other receivables (continued)

Of the total $63M (2024: $64.5M) of trade receivables, current receivables of $26.6M (2024: $24.1M) have an average period outstanding of 10.2 days. (2024: 8.0 days) It is considered that there are no indications as of the reporting date that the debtors will not meet their payment obligations, unless otherwise provided.

	2025 $'000	2024 $'000
(a) Movement in the allowance for expected credit losses of debts:		
Balance at the beginning of the year	27,135	23,575
Credit losses recognised on receivables	4,016	5,456
Amounts written off as uncollectable	(2,380)	(2,933)
Amounts recovered during the year	258	1,037
Balance at the end of the year	29,029	27,135

Debtor collectability is assessed on an ongoing basis and any resulting credit losses are recognised in the income statement. To measure expected credit losses, trade receivables and unbilled revenue balances have been grouped based on shared credit risk characteristics and ageing profiles. A debtor balance is written off when recovery is assessed to be no longer possible.

(b) Credit risk exposure of trade receivables and contract assets

2025	Trade receivables							
			Days past due					
	Accrued Income & Unbilled Energy $'000	Current $'000	<30 days $'000	30-60 days $'000	61-180 days $'000	>180 days $'000	Total Receivables $'000	Total $'000
Expected credit loss rate	3.44%	4.31%	13.82%	30.01%	58.4%	88.84%		
Gross carrying amount	103,276	26,637	6,948	2,297	5,746	21,748	63,376	166,652
Expected credit loss	3,554	1,148	960	689	3,356	19,322	25,475	29,029

2024	Trade receivables							
			Days past due					
	Accrued Income & Unbilled Energy $'000	Current $'000	<30 days $'000	30-60 days $'000	61-180 days $'000	>180 days $'000	Total Receivables $'000	Total $'000
Expected credit loss rate	2.77%	3.70%	9.61%	22.79%	45.67%	85.92%		
Gross carrying amount	122,968	24,128	8,126	3,697	7,606	20,984	64,541	187,509
Expected credit loss	3,409	600	781	843	3,473	18,029	23,726	27,135

The company holds no collateral over these balances, with the exception of a small number of large customers for which account security has been determined necessary to mitigate their risk of default.

C2 Inventories

Accounting Policy

Inventories including renewable energy certificates are carried at the lower of cost and net realisable value.

Renewable Energy Target measures are contained in the Federal renewable energy legislation that commenced on 1 April 2001. The aims of the measures are to increase the proportion of energy from renewable generators. Renewable energy generators are able to issue RECs (Renewable Energy Certificates), where 1 REC is 1MWh of electricity based on the amount of renewable energy generated from a defined renewable source. From 1 January 2011, the scheme was split into two parts, the Large-scale Renewable Energy Target (LRET) and the Small-scale Renewable Energy Scheme (SRES). Retailers are required to purchase sufficient large-scale generation certificates (LGCs) and small-scale technology certificates (STCs) (based on a percentage of the retailers' energy acquisitions) to meet their obligations under the Act for each calendar year. STCs are submitted to the Regulator on a quarterly basis and LGCs in February of each year. The price of RECs (LGCs and STCs) varies, so the company has implemented a purchasing target to mitigate market risk. Aurora Energy, to mitigate its market risk, acquires its RECs by forward REC purchase contracts in accordance with the benchmark, with purchases on the spot market and from the STC Clearing House. This allows Aurora Energy to lock in a price for the future delivery and settlement of RECs. The liability for the acquittal of RECs is recognised in the statement of financial position, trade and other payables, on a continuous basis as electricity is purchased. The expense for RECs is recognised on the statement of comprehensive income, within energy and network purchases, on a continuous basis as electricity is purchased.

Any RECs purchased but not yet remitted to the Regulator are included in inventory.

	2025 $'000	2024 $'000
Renewable energy certificates (valued at cost or net realisable value)	6,239	13,196
	6,239	13,196

Renewable energy certificates recognised as an expense for the year ended 30 June 2025 totalled $53.3M (2024: $55.9M).

C3 Current financial assets

Interest accrued	148	149
Market traded receivables[1]	82,186	57,590
Derivative contracts (at fair value) (note E1)	33,842	58,240
Large Scale Generation Certificates Shortfall (refundable)	-	15,301
Total current financial assets	116,176	131,280

[1]The market traded receivables relate to contracts for difference for energy purchases and are neither past due nor impaired. There are no indications that these debtors will not meet their payment obligations.

C4 Other current assets

Prepayments	1,540	667
Customer services obligation recoveries[2]	4,238	3,998
	5,778	4,665

[2] Customer services obligation recoveries relate to accrued customer concession recoveries not yet billed to the State Government.

C5 Property, plant and equipment

Accounting Policy

(i) Valuation

The value of property, plant and equipment is recorded at depreciated cost adjusted for any accumulated impairment losses.

(ii) Depreciation

Depreciation on property, plant and equipment is based on the straight-line method so as to write off the net cost or other revalued amount of each asset over its expected useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

In accordance with Australian Accounting Standard AASB 116 Property, Plant and Equipment balances of accumulated depreciation are transferred to the appropriate asset accounts when assets are revalued each year.

The depreciation rates used for each class of assets were consistent with prior year and listed below:

Class of non-current asset	Depreciation Rate
Computer equipment	33.3%
Leasehold improvements	10% - 67%
Other	10% - 33.3%

	2025 $'000	2024 $'000
Opening gross carrying amount	**10,181**	**10,177**
Additions	3,509	4
Disposals	-	-
Closing gross carrying amount	**13,690**	**10,181**
Opening accumulated depreciation	**(6,227)**	**(5,429)**
Disposals	-	-
Depreciation expense (i)	(898)	(798)
Closing accumulated depreciation	**(7,125)**	**(6,227)**
Net book value - at recoverable amount	**6,565**	**3,954**
Capital works in progress – at cost	-	184
Total property, plant and equipment	**6,565**	**4,138**

(i) Aggregate depreciation allocated during the year is recognised as an expense in the line item 'depreciation and amortisation expense' in the statement of comprehensive income.

C6 Intangible assets

Accounting Policy

An intangible asset shall be recognised if, and only if it is probable that future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

	2025 $'000	2024 $'000
Opening gross carrying amount	**78,387**	**77,125**
Additions	672	1,262
Disposals	-	-
Closing gross carrying amount	**79,059**	**78,387**
Opening accumulated amortisation	**(73,683)**	**(71,850)**
Amortisation expense (i)	(2,123)	(1,833)
Closing accumulated depreciation	**(75,806)**	**(73,683)**
Net book value – at recoverable amount	**3,253**	**4,704**
Software works in progress – at cost	-	479
Total intangible assets	**3,253**	**5,183**

(i) Amortisation expense is included in the line item 'depreciation and amortisation expense' in the statement of comprehensive income.

C7 Non-current financial assets

	2025 $'000	2024 $'000
Large Scale Generation Certificates Shortfall (refundable)	11,290	11,290
Derivative contracts (at fair value) (note E1)	19,179	28,670
	30,469	39,960

In line with Renewable Energy Target rules, Aurora Energy elected to shortfall 24.4% of its 2024 Large-Scale Generation Certificates (LGC) liability in February 2024 and will make good on the shortfall with Calendar year 2026 LGCs. The shortfall amount of $11.3M is fully refundable to Aurora once the calendar year 2026 LGC's are acquitted in February 2027.

C8 Current trade and other payables

Accounting Policy

Trade payables and other accounts payable are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services. Due to their short-term nature, they are not discounted.

Trade payables	182,236	156,708
Accrued expenses	7,035	4,193
Accrued REC expenses	19,592	37,784
	208,863	198,685

All trade payables and accrued expenses are unsecured.

C9 Provisions

Accounting Policy

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

If Aurora Energy has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision.

Current employee provisions (note D1)	4,229	3,809
Current onerous contract provision*	1,538	-
	5,767	3,809
Non-current employee provisions (note D2)	2,360	2,111
Non-current onerous contract provision*	-	-
	2,360	2,111
Provision for onerous contract*		
Opening balance	-	1,718
Provision reassessment	1,538	-
Utilised	-	(1,718)
Unwinding of discount	-	-
Closing balance	1,538	-

*Aurora Energy has a long-term contract for the purchase of an energy related product that has been assessed as onerous at 30 June 2025 due to the forward market prices and the economic value that it is estimated Aurora Energy can obtain from the product being less than the total cost of the contract. The cost of taking up this provision is included in the line item energy and network purchases on the statement of comprehensive income. The provision was calculated utilising a market price range from an external provider. The rate within the range that reflects the current market conditions is then utilised to determine the provision value. From year to year the spread of the range may move, and rates will vary between bid and offer rates dependent upon the prevailing market. The rate used for 2024-25 was the mid-point between the bid and offer rates (2023-24: offer rate).

C10 Contract liabilities

Accounting Policy

Aurora Energy receives income from customers in advance of retail electricity bills being issued to customers. Income in advance is recognised as revenue by Aurora Energy at the point retail electricity bills are issued to customers and debt is incurred on customer accounts. Electricity bills are typically issued on a quarterly basis.

	2025 $'000	2024 $'000
Income received in advance	55,546	90,507
	55,546	90,507
(a) Movement in the income received in advance:		
Balance at the beginning of the year	90,507	37,765
Transferred to revenue during the year	(50,618)	(35,226)
Advance customer payments received during the year	15,657	87,968
Balance at the end of the year	55,546	90,507

C11 Financial liabilities

Current financial liabilities (note E1):		
Derivative contracts (at fair value)	5,003	5,229
Market traded payables	-	-
Fair value adjustment to hedged item designated in a fair value hedge accounting relationship	-	10,728
Total current financial liabilities	5,003	15,957
Non-current financial liabilities (note E1):		
Derivatives contracts (at fair value)	2,264	2,101
Fair value adjustment to hedged item designated in a fair value hedge accounting relationship	-	-
Total non-current financial liabilities	2,264	2,101

C12 Lease commitments

Accounting Policy

At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in for consideration.

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the company's incremental borrowing rate. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

Both the right-of-use assets and lease liabilities have been presented as separate line items in the statement of financial position.

C12 Lease commitments (continued)

		2025 $'000	2024 $'000
(a)	Rights-of-use assets		
	Opening balance	4,364	5,122
	Additions	1,585	-
	Reassessment	(771)	-
	Depreciation	(725)	(758)
	Closing balance	4,453	4,364
(b)	Lease liabilities		
	Non-cancellable lease payments		
	Less than one year	840	818
	One to five years	4,081	4,740
	Longer than five years	1,352	91
	Total discounted lease liabilities	6,273	5,649
	Current	840	818
	Non-current	5,433	4,831
	Lease liabilities in statement of financial position	6,273	5,649
(c)	Amounts recognised in profit and loss		
	Depreciation expense on right-of-use assets	725	758
	Interest expense on lease liabilities	231	246
	Income from sub-leasing right-of-use assets	(303)	(294)
		653	710

Both the Elizabeth Street & George Street (Offices) leases contain an extension option exercisable by the company before the end of the lease period. The extension option is only exercisable by the company and not the lessor. The company has assessed that it is not reasonably certain to exercise the extension option at the commencement of the lease and therefore has not recognised the extension as part of its leases.

The company has estimated that the potential future lease payments, should it exercise the extension, would result in an increase in lease liability of $5.0M (2024: $4.5M.)

Section D: Employee benefits

Accounting Policy

(i) Superannuation

The Retirement Benefits Fund (RBF) is a defined benefits superannuation scheme for Tasmanian Government employees. The RBF liability carried represents the present value of the defined benefit obligation adjusted for unrecognised service cost net of the fair value of the plan assets. The net assets, operating costs and investment returns of the RBF are allocated to Aurora Energy based on the percentage of funded past service liabilities for Aurora Energy compared to the funded past service liabilities for the whole of government. The RBF scheme was closed to new members from 15 May 1999.

The RBF is funded by employee and employer contributions. Employee contributions to the funds are transferred to RBF. An internal net interest charge, calculated by the application of market-related interest rates and after advice from the company's actuary, is added to this provision each year.

Actuarial gains or losses are recognised in the statement of other comprehensive income and are recorded as a movement in retained earnings.

(ii) Other employee entitlement provisions

Contributions to these provisions are charged directly to cost centres as part of employment costs. The company adopts the present value basis of measurement methodology where the liability recognised is the present value of expected non-current future payments to be made in respect of services provided by employees up to reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows. Annual leave and long service leave provisions are classified as current where the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. This does not imply that there is an expectation that the current provision will be paid out within the next twelve months.

D1 Current employee provisions

	2025 $'000	2024 $'000
Employee entitlements:		
Annual leave	1,925	2,035
Long service leave	1,572	1,256
Purchased leave	23	-
Superannuation	410	379
Retirements Benefits Fund (note D(i))	59	59
	3,989	3,727
Other current provisions:		
Payroll tax	240	80
	240	80
Total current provisions	4,229	3,809

D2 Non-current employee provisions

Employee entitlements:		
Long service leave	1,102	886
Superannuation	110	89
Retirements Benefits Fund (note D(i))	1,074	1,076
	2,286	2,051

D2 Non-current employee provisions (continued)

	2025 $'000	2024 $'000
Other non-current provisions:		
Payroll tax	74	60
	74	60
Total non-current provisions	2,360	2,111

D3 Net transfer (to)/from employee provisions:

Employee entitlements	(494)	(570)
Payroll tax	(174)	111
	(668)	(459)

D4 Key management personnel compensation

The key management personnel of the company during the year were:

Mr T. Danos AM (Chair, non-executive director 18/11/24-30/6/25)
Ms K. Nylander (non-executive director)
Ms K. Benda (non-executive director)
Mrs J. Healey (non-executive director)
Mr R. Edwards (non-executive director)
Mr N. Clark (Chief Executive Officer)
Mr J. Chisholm (Chief Financial Officer)
Mr O. Cousland (Company Secretary / General Counsel)
Mrs N. Hunt (Chief People Officer)
Mr W. Barbour (Chief Customer Officer 26/08/24-30/6/25)
Mr A. Burke (Chief Operating Officer)
Mr A. Crozier (Chief Digital Officer 01/07/24 – 12/02/25)
Mrs J. Raffaele (Acting Chief Digital Officer 12/02/25 – 30/06/25)

The aggregate compensation of the key management personnel of the company is set out below:

	Director Remuneration		Executive Remuneration		Consolidated	
	2025	2024	2025	2024	2025	2024
	$	$	$	$	$	$
Short-term employee benefits	241,745	244,370	1,938,954	1,715,356	**2,180,699**	**1,959,726**
Post-employment benefits	27,200	26,481	192,553	164,388	**219,753**	**190,869**
Long-term employee benefits	-	-	(17,654)	89,215	**(17,654)**	**89,215**
Termination Benefits	-	-	27,842	-	**27,842**	**-**
	268,945	**270,851**	**2,141,695**	**1,968,959**	**2,410,640**	**2,239,810**

There were no short-term incentive payments paid in 2023-24 nor 2024-25.

Director remuneration[1]

The following tables disclose the remuneration details for each person that acted as a non-executive director during the current and previous financial years:

2025

Name	Position	Period	Director Fees $	Committee Fees $	Other Benefits[2] $	Superannuation[3] $	Total $
Non-Executive Directors							
Mr T Danos AM	Chairperson Acting	18/11/24 to 30/06/25	37,005	3,404	450	4,647	45,506
Ms K Nylander	Chairperson	01/07/24 to 17/11/24					
	Director	18/11/24 to 30/06/25	47,772	8,277	1,200	6,446	63,695
Mrs J Healey	Director	Full term	40,183	8,277	1,200	5,574	55,234
Mr R Edwards	Director	Full term	40,183	5,518	1,200	5,257	52,158
Ms K Benda	Director	Full term	40,337	5,539	1,200	5,276	52,352
Total			**205,480**	**31,015**	**5,250**	**27,200**	**268,945**

D4 Key management personnel compensation (continued)

2024

Name	Position	Period	Director Fees $	Committee Fees $	Other Benefits[2] $	Superannuation[3] $	Total $
Non-Executive Directors							
Professor M O'Kane	Chairperson	01/07/2023 to 04/03/2024	40,594	3,692	813	4,871	49,970
Ms K Nylander	Director / Acting Chair	01/07/2023 To 04/03/2024 04/03/2024 to 30/06/2024	46,404	8,334	1,200	6,042	61,980
Mrs Y Rundle	Director	To 30/11/2023	16,781	3,546	800	2,256	23,383
Mrs J Healey	Director	Full term	40,029	7,152	1,200	5,209	53,590
Mr R Edwards	Director	Full term	40,029	5,556	1,200	5,195	51,980
Ms K Benda	Director	From 30/11/2023	23,248	3,192	600	2,908	29,948
Total			**207,085**	**31,472**	**5,813**	**26,481**	**270,851**

[1] Amounts are all forms of consideration paid, payable or provided by the entity, i.e.,disclosure is made on an accruals basis as at 30 June.
[2] Other Benefits include travel and other expenses
[3] Superannuation means the contribution to the superannuation fund of the individual.

D4 Key management personnel compensation (continued)

Remuneration Principles

Non-Executive Directors

Non-executive directors are appointed by the Treasurer and Portfolio Minister. Each instrument of appointment is for a maximum period of three years and prescribes the relevant remuneration provisions. Directors can be reappointed. The level of fees paid to the non-executive directors is administered by the Department of Premier and Cabinet, as is additional fees paid in respect of their work on Board committees.

Executive remuneration

Remuneration levels for key management personnel are set in accordance with the Director and Executive Remuneration Guidelines, dated June 2021. Under these Guidelines, remuneration bands for Chief Executive Officers (CEO) are determined by the Treasurer and reflect the principles outlined in the Guidelines broadly and align with State Service Heads of Agency. Positioning within the bands depends on the complexity and size of the business and the environment in which the business operates. Remuneration for other senior executives is set with reference to the CEO's salary band.

The CEO is appointed by the Board. The Board consults with the Treasurer when determining the CEO's remuneration package.

The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe the total remuneration, superannuation, annual and long service leave, and salary sacrifice provisions.

The performance of each senior executive, including the CEO, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive, including the CEO, contain a termination clause that requires the senior executives or the Board to provide a minimum notice period of up to 3 months for senior executives and 6 months for the CEO prior to the termination of the contract. Whilst not automatic, contracts can be extended.

D4 Key management personnel compensation (continued)

Executive remuneration

The following tables disclose the remuneration details for each person that acted as a senior executive during the current and previous

2025

Name	Position	Period	Salary[1] $	Short-Term Incentive Payments $	Other Monetary Benefits[3] $
Mr N Clark*	Chief Executive Officer	Full year	381,767	-	-
Mr W Barbour	Chief Customer Officer	26/08/24 to 30/06/25	193,862	-	-
Mr A Burke**	Chief Operating Officer	Full year	277,443	-	-
Mr J Chisholm**	Chief Financial Officer	Full year	297,710	-	12,644
Mr O Cousland	Company Secretary / General Counsel	Full year	246,496	-	-
Mr A Crozier	Chief Digital Officer	01/07/24 to 12/02/25	190,769	-	-
Mrs N Hunt	Chief People Officer	Full year	245,259	-	948
Mrs J Raffaele	Acting Chief Digital Officer	12/02/25 to 30/06/25	84,430	-	-
TOTAL			**1,917,736**	**-**	**13,592**

[1] Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts
[2] Short term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes
[3] Other monetary benefits includes all other forms of employment allowances, payments in lieu of leave, and any other compensation paid and payable
[4] Aurora Energy does not provide motor vehicles to Executives
[5] Other Non Monetary Benefits includes any direct benefit received by the individual for which no direct payment was made to the person, eg car parking, health insurance. The Non-Monetary Benefit disclosed represents the Fringe Benefits Tax Payable on Relocation Housing Allowances paid during the FBT year to 31st March 2025.
[6] Superannuation means the contribution to the superannuation fund of the individual

2024

Name	Position	Period	Salary[1] $	Short-Term Incentive Payments $	Other Monetary Benefits[3] $
Mr N Clark	Chief Executive Officer	Full year	396,217	-	-
Mr A Burke	Chief Operating Officer	Full year	248,053	-	-
Mr J Chisholm	Chief Financial Officer	Full year	283,878	-	19,686
Mr O Cousland	Company Secretary / General Counsel	Full year	237,067	-	-
Mr A Crozier	Chief Digital Officer	Full year	294,530	-	-
Mrs N Hunt	Chief People Officer	Full year	224,738	-	109
TOTAL			**1,684,483**	**-**	**19,795**

[1] Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts
[2] Short term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes. No Short-term incentives were paid during the 2023-24 financial year.
[3] Other monetary benefits include all other forms of employment allowances, payments in lieu of leave, and any other compensation paid and payable
[4] Vehicle benefits include all motor vehicle running costs. Aurora Energy did not provide any motor vehicle benefits during the 2024-25 financial year.
[5] Other Non-Monetary Benefits includes any direct benefit received by the individual for which no direct payment was made to the person, e.g., car parking, health insurance. The Non-Monetary Benefit disclosed represents the Fringe Benefits Tax Payable on Relocation Housing Allowances paid during the FBT year to 31st March 2024.

financial years:

Vehicle Benefits[4] $	Other Non-Monetary Benefits[5] $	Superannuation[6] $	Reported Remuneration[7] $	Other Long-term Benefits[8] $	Termination Benefits[9] $	Total $
-	-	28,952	410,719	3,700	-	414,419
-	-	22,294	216,156	6,862	-	223,018
-	-	30,121	307,564	19,766	-	327,330
-	7,626	30,136	348,116	15,941	-	364,057
-	-	28,347	274,843	8,312	-	283,155
-	-	19,729	210,498	(93,286)	27,842	145,054
-	948	23,265	269,472	13,881	-	283,353
-	-	9,709	94,139	7,170	-	101,309
-	**7,626**	**192,553**	**2,131,507**	**(17,654)**	**27,842**	**2,141,695**

[7] Reported Remuneration includes the individual's salary, short term incentive payments, other monetary benefits, vehicle benefits, other non-monetary benefits and superannuation. For the purposes of assessing compliance with the Guidelines, Other long-term employee benefits and termination benefits are not included in the Reported Remuneration amount.
[8] Other long term benefits include annual and long service leave movements.
[9] Termination benefits include all forms of benefits paid or accrued as a consequence of termination. For the 2024-25 financial year, these benefits only included accrued leave paid on separation.
* During the 2024-25 financial year Mr N Clark had two separate periods of Leave Without Pay resulting in a reduced Reported Remuneration for the year
** During the financial year, Mr Burke and Mr Chisholm acted in the role of CEO whilst Mr Clark was on leave. Reported remuneration for Mr Burke and Mr Chisholm reflects the additional duties payments received during this time.

Vehicle Benefits[4] $	Other Non-Monetary Benefits[5] $	Superannuation[6] $	Reported Remuneration[7] $	Other Long-term Benefits[8] $	Termination Benefits[9] $	Total $
-	-	27,358	423,575	16,337	-	439,912
-	-	27,302	275,355	17,487	-	292,842
-	11,078	27,492	342,134	14,229	-	356,363
-	-	26,092	263,159	2,805	-	265,964
-	-	31,397	325,927	27,272	-	353,199
-	-	24,747	249,594	11,085	-	260,679
-	**11,078**	**164,388**	**1,879,744**	**89,215**	**-**	**1,968,959**

[6] Superannuation means the contribution to the superannuation fund of the individual.
[7] Reported Remuneration includes the individual's salary, short term incentive payments, other monetary benefits, vehicle benefits, other non-monetary benefits, and superannuation.
[8] Other long term benefits include annual and long service leave movements.
[9] Termination benefits include all forms of benefits paid or accrued as a consequence of termination.

Section E: Risk and fair value

E1 Financial instruments

Accounting Policy

Derivative Financial Instruments

The company enters into various financial instruments in the form of electricity swaps in order to manage financial exposures faced by the company from its operations. In accordance with its Treasury and Energy Risk Policies, the company does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss on the statement of comprehensive income immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss on the statement of comprehensive income depends on the nature of the hedge relationship. On the date the contract is entered, each contract is recorded in Aurora Energy's hedge accounting system where the relevant effectiveness tests and documentation is created at inception and all further designation and valuation data is recorded. The fair value of a hedging instrument is presented as current or non-current based on the timing of the contractual cash flows, with cash flows expected to be realised or settled after 12 months classified as non-current and cash flows expected to be realised or settled within 12 months classified as current. Other derivatives are presented as current assets or current liabilities.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risk and characteristics are not closely related to those host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss on the statement of comprehensive income.

Hedging

The company designates certain derivatives as either hedges of the fair value of recognised assets or liabilities of firm commitments (fair value hedges) or hedges of highly probable forecast transactions (cash flow hedges).

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss on the statement of comprehensive income immediately, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. Hedge accounting is discontinued when the hedge instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. The adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss on the statement of comprehensive income from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or losses relating to ineffective portions are recognised immediately in profit or loss on the statement of comprehensive income. Amounts deferred in equity are recycled in profit or loss on the statement of comprehensive income in the periods when the hedged item is recognised in profit or loss on the statement of comprehensive income. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss on the statement of comprehensive income. When the forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in profit or loss on the statement of comprehensive income.

E1 Financial instruments (continued)

(a) Capital risk management

The company's objective is to have an appropriate capital structure that ensures financial flexibility and fiscal discipline and therefore ongoing viability to continue to provide returns for shareholders.

The Treasurer provided explicit support to the Tasmanian Public Finance Corporation for the Company's borrowings as part of the Government's response to the COVID-19 pandemic. This support is limited to a maximum borrowing limit of $495 million (2024 $495M).

As at 30 June 2025 this guarantee remains in place.

Aurora Energy holds no debt as at 30 June 2025

(b) Categories of financial instruments

	2025 $'000 Carrying amount	2024 $'000 Carrying amount
Financial assets		
Amortised cost		
- Cash and cash equivalents	60,204	61,402
- Trade and other receivables	63,376	64,540
- Market traded receivables	82,186	57,590
Financial liabilities		
Amortised cost		
- Trade and other payables	182,236	156,706
- Market traded payables	-	-
Derivative instruments		
Fair value through other comprehensive income		
- Electricity swaps – note E1(f)	45,754	68,851

(c) Financial risk management

The company's Treasury function coordinates access to financial markets, and manages the risks relating to the operations of the company. Risk management in respect of energy commodity exposures is managed under board approved Energy Risk Management (ERM) principles. Treasury and ERM operate under policies approved by the Board.

The company's activities exposed it primarily to the financial risks of changes in energy consumption and price (determined to be one risk category). The company's ERM principles do not require it to hedge every unit of customer load, however policies do place firm limits on the level of market price risk that the entity can be exposed to. The company enters into a variety of derivative financial instruments to manage its exposure to these risks, including:

- electricity swaps and cap options to hedge the energy consumption and price risk arising on purchases and sales of electricity to customers.

As Aurora Energy enters into hedges to mitigate the impacts of price volatility, the hedged items and the hedging instruments move in opposite directions indicating a clear economic relationship. Each hedge ratio is assessed as 1:1 due to the volume of each hedging instrument being equivalent to forecast customer load (i.e. the hedged item). Credit risk represents the only potential source of ineffectiveness and, as a result, counterparty credit risk is assessed upon inception and at each reporting date.

(d) Credit risk management

Credit risk represents the loss that would be recognised at the reporting date if counterparties failed to meet their contractual obligations. The company measures credit risk as the positive revaluation of financial instruments plus the potential credit exposure and an amount for settlement risk.
Credit risk associated with receivables is described in note C1.

A Board approved Counterparty Credit Risk Framework establishes credit limits for parties depending on their credit rating. The company also uses ISDA agreements with derivative counterparties in order to limit exposure to credit risk through the netting of amounts receivable from and amounts payable to individual counterparties. The Framework is overseen by the company's Energy Risk and Compliance Committee and Treasury Committee with delegations set by Board approved policies.

E1 Financial instruments (continued)

The majority of the company's counterparty credit risk is to Australian based banks, financial institutions and electricity generators. At balance date, the only significant concentration of credit risk with any counterparty is to Hydro Tasmania as the dominant generator in Tasmania and the Westpac Bank for bank deposits. There is no material concentration risk in retail customers.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the company's maximum exposure to credit risk at reporting date. In respect to those financial assets and the credit risk embedded within them, the company holds no significant collateral as security and there are no other significant credit enhancements in respect of these assets.

The company accepts guarantees from Australian financial institutions on behalf of major customers and supply contracts as collateral in respect of the financial assets/receivables.

(e) Liquidity risk management

Prudent liquidity management involves maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. To help counter this risk, the company has adequate stand-by facilities and other funding arrangements in place as disclosed in note B3(a) and only uses financial instruments that are highly tradable. Aurora Energy's facilities are reviewed periodically to ensure it retains access to appropriate financing facilities to fund a range of downside scenarios.

The company continuously monitors forecast and actual cash flows and matches the maturity profiles of financial assets and liabilities.

E1 Financial instruments (continued)

The following tables detail the company's remaining contractual maturity for its financial assets and liabilities and expected maturity of derivative instruments. The tables have been drawn up based on the undiscounted cash flows based on the earliest date on which the company can be required to pay its financial liabilities and receive its financial assets and is expected to settle its derivative instruments.

2025

	Weighted average effective interest rate	1 year or less	1 to 2 years	2 to 5 years	Over 5 years
	%	$'000	$'000	$'000	$'000
Financial assets					
Cash and short term deposits	4.44	60,204	-	-	-
Trade and other receivables	-	63,376	-	-	-
Market traded receivables	-	82,186	-	-	-
Electricity derivatives	-	34,307	17,891	2,307	-
		240,073	17,891	2,307	-
Financial liabilities					
Trade and other payables	-	182,236	-	-	-
Electricity derivatives	-	5,104	1,850	618	-
		187,340	1,850	618	-

2024

	Weighted average effective interest rate	1 year or less	1 to 2 years	2 to 5 years	Over 5 years
	%	$'000	$'000	$'000	$'000
Financial assets					
Cash and short term deposits	4.33	61,402	-	-	-
Trade and other receivables	-	64,540	-	-	-
Electricity derivatives	-	57,591	-	-	-
-		59,017	27,756	2,883	-
		242,550	27,756	2,883	-
Financial liabilities					
Trade and other payables		156,706	-	-	-
Electricity derivatives	-	16,176	1,889	484	-
		172,882	1,889	484	-

E1 Financial instruments (continued)

(f) Market risk management

Price risk management

The company is exposed to commodity price risk from electricity associated with the purchase and/or sale of electricity. To manage its commodity price risks in respect to electricity, the company enters into electricity derivatives, including caps and swaps.

The key elements of the company's strategy include:

- Energy trading risks being actively managed and monitored against Board approved limits. These limits cover relative and absolute trading limits;
- Incorporating sufficient margin within contestable retail customer contract pricing to adequately cover costs and generate the required return for risk; and
- Ensuring alignment between key terms of customer sales and associated hedge contracts.

The company's overall strategy provides for the utilisation of market exposure as per limits set out in the Board approved Energy Risk Policy.

The following tables detail the remaining terms of energy derivatives contracts outstanding as at reporting date and their fair values.

2025	**1 year or less $'000**	**1 to 2 years $'000**	**2 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
Assets					
Derivatives designated hedge in a cash flow relationship	33,842	17,073	2,106	-	53,021
Derivatives designated in a fair value hedge relationship	-	-	-	-	-
	33,842	17,073	2,106	-	53,021
Liabilities					
Derivatives designated hedge in a cash flow relationship	(5,003)	(1,751)	(513)	-	(7,267)
Derivatives designated in a fair value hedge relationship	-	-	-	-	-
	(5,003)	(1,751)	(513)	-	(7,267)
Total asset/(liability)	28,839	15,322	1,593	-	45,754

2024	**1 year or less $'000**	**1 to 2 years $'000**	**2 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
Assets					
Derivatives designated hedge in a cash flow relationship	47,512	26,174	2,495	-	76,181
Derivatives designated in a fair value hedge relationship	10,728	-	-	-	10,728
	58,240	26,174	2,495	-	86,909
Liabilities					
Derivatives designated hedge in a cash flow relationship	(5,229)	(1,751)	(350)	-	(7,330)
Derivatives designated in a fair value hedge relationship	(10,728)	-	-	-	(10,728)
	(15,957)	(1,751)	(350)	-	(18,058)
Total asset/(liability)	42,283	24,423	2,145	-	68,851

E1 Financial instruments (continued)

Price sensitivity

The following table summarises the impact of increases/decreases of the relevant forward prices for electricity on the company's post tax profit for the year and on other components of equity. The sensitivity analysis is calculated based on a calculation of the region's volatility of price as observed over the past year to provide an indicator of likely potential variation to profit and equity of the company. A twenty dollar per megawatt hour rate variation (2024: $20), up and down, has been used in the analysis for 30 June 2025. Actual results may differ dependent on future market conditions. All variables other than the relevant primary risk variable identified are held constant in the analysis.

	Impact on post tax profit of the company +/(-) ($'000)	Post tax impact on equity of the company +/(-) ($'000)
2025		
Electricity forward price	- / -	76,467 / (76,467)
2024		
Electricity forward price	- / -	67,491 / (67,490)

Profit for the year would increase/(decrease) as a result of electricity derivatives which do not qualify for cash flow hedge accounting (ineffective) under AASB 9 or differences in the discount rates applied in valuing fair value hedges and their underlying hedged asset or liability that is attributable to the hedged risk. There were no ineffective cash flow hedges as at 30 June 2025. Equity would increase/(decrease) as a result of electricity derivatives which do qualify for cash flow hedge accounting under AASB 9 and any profit or losses arising from fair value hedges or ineffective cash flow hedges.

(g) Fair value of financial instruments

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximate their fair values.

The fair value of derivative instruments is calculated using quoted prices or where such prices are not available use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

Derivative transactions are only used for the purpose of managing financial exposures that arise from underlying business positions. Therefore, fair values should not be assessed in isolation. The overall impact should take account of the underlying exposures being hedged.

Electricity Derivative Contracts

The company has in place hedge arrangements for a portion of its customer load. Hedges take the form of electricity swap agreements. The economic effect of these arrangements is to transfer to the counterparties some of the variable price risk and to fix the cost of electricity to the company in line with the revenue streams that are contracted for with customers.

E1 Financial instruments (continued)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30 June 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Derivative instruments				
- Electricity swaps – note E1(f)	-	45,754	-	45,754

There were no transfers between Level 1, 2 and 3 in the period.

30 June 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Derivative instruments				
- Electricity swaps – note E1(f)	-	68,851	-	68,851

There were no transfers between Level 1, 2 and 3 in the period.

Significant assumptions used in determining fair value of financial assets and liabilities.

The financial statements include electricity swaps and customer contracts which are measured at fair value. Their fair values are determined using valuation techniques based on the calculation of the present value of expected future cash flows. Inputs to these valuation techniques include some assumptions relating to the electricity forward prices in Tasmania that are supportable by regulated market prices and forecast of future load demand.

(h) Impact of hedging on the statement of financial position and statement of comprehensive income

Fair value hedges

The impact of the hedging instruments on the statement of financial position

	Nominal MWh	**Carrying amount**	**Line item in statement of financial position**	**Change in fair value used for measuring ineffectiveness for the period**
30 June 2025				
		$'000		**$'000**
Electricity price swaps	-	-	Current financial assets	(10,728)
			Non-current financial assets	-
	-	-		(10,728)

E1 Financial instruments (continued)

The impact of the hedged items on the statement of financial position

30 June 2025	Carrying amount	Accumulated fair value adjustments	Line item in statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	$'000	$'000		$'000
Customer sales contracts	-	-	Other current liabilities.	10,728
			Other non-current liabilities	-
	-	-		10,728

The ineffectiveness recognised in the statement of comprehensive income was $Nil in the line electricity derivative fair value movements.

The hedge ineffectiveness arises from the counterparties' credit risk differently impacting the fair value movements of the hedging instruments and the hedged items.

The impact of the hedging instruments on the statement of financial position

30 June 2024	Nominal MWh	Carrying amount	Line item in statement of financial position	Change in fair value used for measuring ineffectiveness for the period
		$'000		$'000
Electricity price swaps	54	10,728	Current financial assets	(16,228)
			Non-current financial assets	-
Closing balance	54	10,728		(16,228)

The impact of the hedged items on the statement of financial position

30 June 2024	Carrying amount	Accumulated fair value adjustments	Line item in statement of financial position	Change in fair value used for measuring ineffectiveness for the period
	$'000	$'000		$'000
Customer sales contracts	(10,728)	(10,728)	Other current liabilities.	16,217
		-	Other non-current liabilities	
	(10,728)	(10,728)		16,217

The ineffectiveness recognised in the statement of comprehensive income was $0.011M in the line electricity derivative fair value movements.

The hedge ineffectiveness arises from the counterparties' credit risk differently impacting the fair value movements of the hedging instruments and the hedged items.

E1 Financial instruments (continued)

Cash flow hedges

The impact of cash flow hedged items on the statement of comprehensive income

	Total hedging gain/(loss) recognised in OCI	Ineffective-ness recognised in P&L	Line item in P&L	Amount reclassified from OCI to P&L	Line item in P&L
30 June 2025	**$'000**	**$'000**		**$'000**	
Electricity price swaps	19,744	-	Electricity derivative fair value movements	(42,842)	Energy and network purchases
30 June 2024					
Electricity price swaps	41,264	-	Electricity derivative fair value movements	47,709	Energy and network purchases

The impact of cash flow hedged items on the statement of financial position.

	30 June 2025		30 June 2024	
	Change in fair value used for measuring ineffectiveness for the period	Cash flow hedge reserve	Change in fair value used for measuring ineffectiveness for the period	Cash flow hedge reserve
	$'000	**$'000**	**$'000**	**$'000**
Electricity price swaps	19,744	32,027	41,264	48,196

E2 Fair value measurement

The following tables provide the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 30 June 2025:

	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
Assets measured at fair value		**$'000**	**$'000**	**$'000**	**$'000**
Derivative financial assets					
Electricity derivatives	30 June 25	53,021	-	53,021	-
There have been no transfers between Level 1, 2 and 3 in the period					
Liabilities measured at fair value					
Derivative financial liabilities					
Electricity derivatives	30 June 25	7,267	-	7,267	-
Fair value adjustment to hedged items in fair value hedges	30 June 25	-	-	-	-
There have been no transfers between Level 1, 2 and 3 in the period.					

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 30 June 2024:

	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
Assets measured at fair value		**$'000**	**$'000**	**$'000**	**$'000**
Derivative financial assets					
Electricity derivatives	30 June 24	86,910	-	86,910	-
There have been no transfers between Level 1, 2 and 3 in the period					
Liabilities measured at fair value					
Derivative financial liabilities					
Electricity derivatives	30 June 24	7,330	-	7,330	-
Fair value adjustment to hedged items in fair value hedges	30 June 24	10,728	-	10,728	-
There have been no transfers between Level 1, 2 and 3 in the period					

E3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Assessment of impairment of non-financial assets

The company considers annually whether such assets have suffered any impairment, in accordance with the accounting policy stated in note F7(b).

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of the following key assumptions:

- forecast electricity price pool outcomes and regulated revenues;
- customer churn to competitors with the introduction of full retail contestability from 1 July 2014; and
- discount rates.

Where an indicator of impairment exists, Aurora Energy makes a formal estimate of the recoverable amount of the cash generating unit. The whole of Aurora Energy is one cash generating unit.

A four year Corporate Plan for Aurora Energy has been approved by the Board. The plan reflects up-to-date information, and the projections represent management's best estimate of future financial performance. Based on the future projections of Aurora Energy, the Board has determined that no indicators of impairment exist and, accordingly, no formal estimate of the recoverable amount has been performed.

(ii) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market (for example, certain types of electricity derivatives) is determined by using valuation techniques. The company uses its judgement to select a variety of methods and makes assumptions that are mainly based on market conditions existing at each balance sheet date.

(iii) Unbilled revenue

Unbilled electricity sales are an estimate of the value of electricity units supplied between the date of the last meter reading and the year-end. The estimate of the units supplied is based on the customer historic usage profile adjusted to reflect the actual wholesale electricity purchases and the unit price used reflects the relevant tariff prices.

(iv) Unbilled use of system expense

Unbilled use of system charges is an estimate of the system cost of delivering electricity to the customer between the date of the last meter reading and year end. The estimate is based on the same meter data and customer profiles as used in the unbilled revenue estimates but using the appropriate use of system tariffs.

(v) Recovery of deferred tax asset

Deferred tax assets are recognised for deductible temporary differences and tax losses (on revenue account) as Aurora Energy considers that it is probable that future taxable profits will be available to utilise those temporary differences and tax losses.

(vi) Provision for an onerous contract

Aurora Energy had a contract for the purchase of energy related products that was considered onerous at 30 June 2019 due to a reduction in forward market prices. A provision was raised for the difference between the contract purchase cost and the expected economic value of the purchases to Aurora Energy. The provision has been revised at 30 June 2025 using the weighted average of probable future market prices and the remaining purchases contracted, discounted to present value using Aurora Energy's internal pre-tax cost of capital. The increase in the weighted average of the probable future market prices and the remaining purchases contracted has resulted in an increase in the provision as at 30 June 2025.

E3 Critical accounting estimates and judgements (continued)

(vii) Expected Credit Loss of Trade Receivables

The expected credit losses reflect potential loss from the non-payment of trade receivables. The key sources of estimation uncertainty in the expected credit loss calculation are the extent to which the effects of interest rate rises and cost of living increases impact the 2024-25 financial year. The provision rates for the allowance for expected credit losses reflect the experience of credit losses in the 12 months leading up to 30 June 2025.

Section F: Other information

F1 Share capital

Accounting Policy

Ordinary shares are classified as equity.

	2025 $'000	2024 $'000
Issued and paid-up capital		
112,700,004 ordinary shares, fully paid	50,212	50,212

	2025	
	No.	$'000
Authorised shares, shares have no par value	500,000,000	-
Movements in ordinary share capital		
Balance at beginning of year	112,700,004	50,212
Movements	-	-
Balance at end of year	112,700,004	50,212

F2 Retained earnings

	2025 $'000	2024 $'000
Balance at beginning of year	289	2,322
Net profit attributable to members of the entity	4,308	2,206
Dividend provided/paid (note B4)	(905)	(4,221)
Actuarial gain on RBF defined benefit plan net of tax (note D(i))	2	(18)
Balance at end of year	3,694	289

F3 Reserves

	2025 $'000	2024 $'000
(a) Reserves comprise		
Cash flow hedge reserve	32,027	48,195
	32,027	48,195
(b) Movements in reserves		
Cash flow hedge reserve		
Balance at beginning of year	48,195	(14,086)
Gain recognised		
Electricity price swaps	19,744	41,264
Transferred to profit		
Electricity price swaps	(42,842)	47,709
Deferred tax arising on hedges	6,930	(26,692)
Balance at end of year	32,027	48,195

The hedging reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative deferred gain or loss on the hedge is recognised in profit or loss when the hedged transaction impacts the profit or loss.

F4 Related party disclosures

(a) Equity interests in related parties
Equity interests in subsidiaries

Aurora Energy has no equity interests in related parties or subsidiaries.

(b) Key management personnel compensation

Details of key management personnel compensation are disclosed in note D4 to the financial statements.

(c) Transactions with key management personnel

Ministers of the Crown are considered to be part of key management personnel and as such the Ministers and their close family members and controlled entities of Ministers and their close family members are related parties to Aurora Energy.

All transactions with key management personnel, including the supply of electricity for domestic purposes and to key management personnel related entities, were conducted on an arm's length basis in the normal course of business and on commercial terms and conditions.

(d) Controlling entity

The Crown (Tasmanian government) is the ultimate parent entity of Aurora Energy Pty Ltd.

The company retails electricity and undertakes certain other transactions with government entities on an arm's length basis in the normal course of business and on commercial terms and conditions.

The company purchased electricity transmission services, distribution services, telecommunications, and information technology services from TasNetworks. The company purchases electricity derivatives from Hydro Tasmania.

The company supplied electrical services to TasNetworks and Hydro Tasmania.

All transactions with TasNetworks and Hydro Tasmania were on an arm's length basis in the normal course of business and on commercial terms and conditions.

F5 Auditors' remuneration

Amounts received, due and receivable, by the Auditor-General from the company for:

	2025 $	2024 $
Auditing the accounts of the company	170,000	150,000
Auditing Financial Services Licence	9,700	9,700
	179,700	159,700

F6 Contingent liabilities

The directors are not aware of any other matters, based on legal advice, which would require a provision as at the signing date of these accounts.

F7 Other accounting policies

(a) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

(ii) for receivables and payables which are recognised inclusive of GST, the net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis.

(b) Impairment of assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. As per AASB136 *Impairment of Assets*, the company undertakes impairment tests of any intangible assets with an indefinite useful life and those not yet available for use (i.e., Work in Progress).

Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

F8 Subsequent events

At the time of signing these financial statements there have been no material subsequent events.

Audit Tasmania

Independent Auditor's Report

To the Members of Aurora Energy Pty Ltd

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Aurora Energy Pty Ltd (the Company), which comprises the statement of financial position as at 30 June 2025 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In my opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

I confirm that the independence declaration required by the *Corporations Act 2001*, was provided to the directors on the same date as this auditor's report and is included in the Directors' Report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Financial instruments valuation and hedge accounting *Refer to notes B1(d), C3, C11, E1, E2 and E3(ii)*	
Aurora Energy entered into electricity swaps in order to manage financial exposures faced in purchasing electricity. At inception, each contract is recorded in the hedge accounting system where the relevant effectiveness tests and documentation is created. Further designation and valuation data is also recorded. These financial instruments are recorded at fair value. At the 30 June 2025, Aurora Energy held derivative financial assets valued at $53.02 million, and derivative financial liabilities valued at $7.27 million. Valuation and accounting for these financial instruments is complex.	• Engaged an expert to evaluate the valuation of derivative instruments, assessed the reasonableness of hedge effectiveness testing and evaluate sensitivity analysis and disclosure requirements for compliance with relevant Australian Accounting Standards. • Evaluated the adequacy of the expert's work to ensure the expert's conclusions are consistent with other audit evidence, assumptions and methods used by the expert are relevant and reasonable and source data used is relevant, complete and accurate. • Evaluated the adequacy of relevant disclosures within the financial report.

Unbilled energy sales *Refer to notes B1, C1 and E3(iii)*	
Aurora Energy's electricity sales included an estimate of unbilled energy supplied to customers between the date of the last meter reading and the year end. At 30 June 2025, Aurora Energy reported unbilled energy sales of $74.65 million. Determining the volume of unbilled energy involves significant management judgement to estimate consumption between the last electricity bill and the end of the reporting period to calculate the unbilled energy sales.	• Evaluated the methodology for estimating unbilled energy sales. • Reviewed management's assumptions and estimates to assess that they were appropriate, adequately supported, and based on accurate and relevant data. • Analysed energy sales and performing recalculations.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's Directors' Report for the year ended 30 June 2025, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors 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 the directors 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 Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards 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, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



David Bond
Assistant Auditor-General
Delegate of the Auditor-General

28 August 2025
Hobart





auroraenergy

