



Half Year Report 2024-2025

ChristchurchNZ Holdings Limited

ChristchurchNZ

1. Executive summary

The power of collaboration is a central theme in this half-year report. Significant milestones have been achieved - made possible through strategic and commercial partnerships, demonstrating the complex, long-term, and relationship-driven nature of ChristchurchNZ's (CNZ's) work.

Confirmation of the Christchurch Engine Centre's \$250 million investment in future-proofing its services (and bringing new jobs, skills and residents here), and Bio Ora's choice to base its \$10 million new manufacturing facility in Christchurch (with 30 new jobs and further potential development) are major 'wins' for the city and exemplify CNZ's approach to intervening and collaborating to realise opportunities for economic development.

Partnering with EECA to provide energy advice and support to businesses wanting to reduce their carbon emissions from process heat is a practical step towards our city's Economic Ambition to move towards a more regenerative economy. Securing additional external funding for Screen Industry grants also enables us to further incentivise local film industry activity and amplify shareholder investment. CNZ's strong, collaborative relationships with businesses and local communities are at the heart of successful urban development projects we are involved with, including Sydenham Yard's utilisation, New Brighton commercial and community regeneration projects, and innovative street art and creative illumination initiatives.

In collaboration with strategic partners CIAL, mana whenua, Tourism New Zealand and others, the international arrivals area at Christchurch Airport has been transformed and recreated, ensuring visitors and returning residents connect with our city brand the moment they arrive in Ōtautahi Christchurch. This project is a powerful testament to the impact of working together.

At the end of Q2, all Levels of Services agreed with the Council are tracking well and are expected to be achieved by the end of the year. CNZ's key performance indicators are measured six-monthly, and we have already achieved three out of five for this financial year.

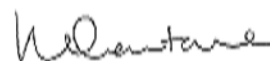
Despite challenging local, national and global economic conditions over the last year, economic updates in this half year report show that Ōtautahi Christchurch continues to be an attractive place to live, invest, visit and do business. This positive outlook contributes to our three outcomes for the city of increased productivity, liveability and attractiveness.

During Q2, Dr. Therese Arseneau retired as Chair of the ChristchurchNZ Holdings Board. Her leadership and significant contributions over seven years to the establishment, maturity and strengthening of ChristchurchNZ are deeply appreciated.

We look forward, in Q3 and beyond, to working with you as our Shareholder to continue to evolve CNZ's scope and focus to meet the changing needs of the City.



Ali Adams
Chief Executive



Lauren Quaintance
Chair of the Board

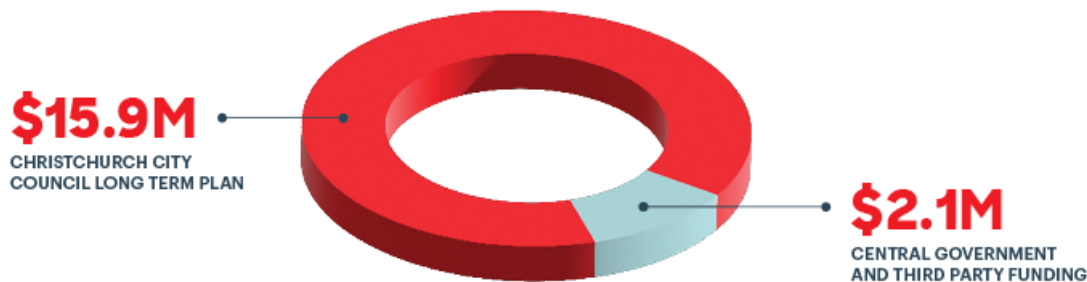
2. About ChristchurchNZ

Structure and funding

CNZ is a Christchurch City Council-controlled organisation and a public benefit entity. It is a wholly owned subsidiary of CNZ Holdings Ltd with a common board. CNZ delivers economic development services as set out in the Levels of Service in the Council's Long-Term Plan. CNZ has an independent board including two Councillor-appointed directors. The organisation has ~73.5 FTE equivalent staff.

We are funded primarily by our shareholder, Christchurch City Council, with \$15.9m in LTP funding for the 2024/25 year plus \$2.1 million from the Crown and third parties. The Board approved a budget of \$18.8 million resulting in a planned deficit of \$0.65 million, funded from reserves.

In addition to the core funding provided through the LTP, the council has approved funding for events and the screen grant (Yr1 \$400k). Funding terms are currently being discussed with Council staff.



Strategic direction and delivering on outcomes

CNZ's purpose is: Together we're shaping an economy where people and places thrive.

The Council provides an annual [Letter of Expectations](#) to CNZ. In response, the Board develops an annual [Statement of Intent](#) outlining objectives, nature, scope of activities, and performance measures based on the Council's expectations.

This report provides a quarterly update on how we are implementing our shareholder-approved core strategic directions, through our strategic framework:

- encouraging regenerative economic growth, as set out in the city Economic Ambition
- strengthening the City Identity locally, nationally and internationally, and
- partnering with stakeholders and local communities to deliver the Destination Management Plans for Ōtautahi Christchurch and Te Pātaka o Rākaihautū Banks Peninsula.

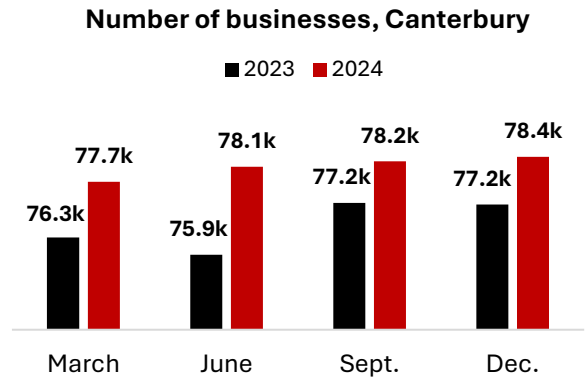
This framework drives progress towards measurable **outcomes to increase** Christchurch's Productivity, Liveability and Attractiveness.

3. Productivity – what’s happening?

Economic update

The rate of GDP growth improved slightly during the year to September 2024, with Christchurch’s GDP increasing by 0.4% from the previous 12-month period. This was above the rate of national growth, which was flat over the same period.

Despite challenging economic conditions over the last year, the number of businesses located in the Canterbury Region has continued to grow. There were 78,400 businesses in Canterbury in December 2024, which is 1,200 more than during the same time in 2023. This represents a 1.5% annual lift in business numbers.



Source: Statistics NZ

ChristchurchNZ’s contribution

Significant business attraction wins

Major commercial projects in the pipeline during the first quarter of 2024 (on which Elected Members were earlier briefed on in confidence) came to fruition during quarter two, with two significant projects having now committed to the city:

- The Christchurch Engine Centre announced a \$250 million dollar investment, which will future proof the facility, providing the infrastructure to service the newer more sustainable GTF engines. This will add 200 new jobs and is a testament to the global expertise and performance of the team at the Christchurch Engine Centre.
ChristchurchNZ facilitated the civic engagement with Pratt and Whitney executives, partnered with CCC evaluating potential civic incentives and worked collaboratively with the Engine Centre on building certainty for the investors around the local talent pipeline.
- Bio Ora has chosen Christchurch as the site for its manufacturing facility. This is an initial \$10 million investment, and 30 new jobs, but is also the cornerstone of an innovative medical treatment, which will save New Zealanders lives. The second phase of this initiative, the medical tourism business, has been modelled to increase the city’s GDP by \$250 million. ChristchurchNZ partnered with Bio Ora to create the business model, provided several investment introductions for the bridge capital round, provided multiple site selection options for the company and made introductions to key strategic partners

Antarctic gateway activities

Building on last quarter's update on the recent Agribusiness and Economics Research Unit (AERU) at Lincoln University research (showing increased value to city from \$195 million in 2021 to \$328 million in 2023 from Antarctic activities), successful springtime events once again celebrated the commencement of the Antarctic season and welcomed visiting programmes and dignitaries. These included:

- A two-day programme of civic events to celebrate the opening of the Antarctic season, bringing together 25 ambassadors and diplomats from 16 countries. Hosted by the Council, Civic and International Relations team and the Antarctic Office, the event deepened attendees' understanding of the region's Antarctic heritage while fostering connections with the local Antarctic business network. Highlights included a business networking event at Air New Zealand Maintenance, showcasing their work for the United States Antarctic Program, and a Pōwhiri led by Te Hapū o Ngāti Wheke and the whānau of Rāpaki.
- The Days of Ice Festival featured a series of community events celebrating our city's connection with Antarctica.

Additional funding for Screen Industry

ChristchurchNZ has supplemented shareholder funding of \$100,000 for Screen Canterbury production incentive grants by securing additional funds of \$130,000 from a third-party funder (currently held on balance sheet as revenue in advance) and reallocating a previous grant of \$200,000 where filming has stalled. This additional funding has allowed us to run a much larger round of the screen grant, with four productions being offered over \$400,000 in total funding to film in the region. This investment is expected to generate over \$5 million in economic activity within the region.

A new showreel featuring Canterbury productions and locations has been created using content from previous grant recipients. This will provide a compelling and authentic way to promote the region. [See the showreel here](#)

Work is also underway to include Christchurch and Canterbury locations in Netflix's global location database. Once completed, this will be a major milestone, providing location scouts worldwide with access to the database and imagery.

Helping Canterbury businesses reduce carbon emissions

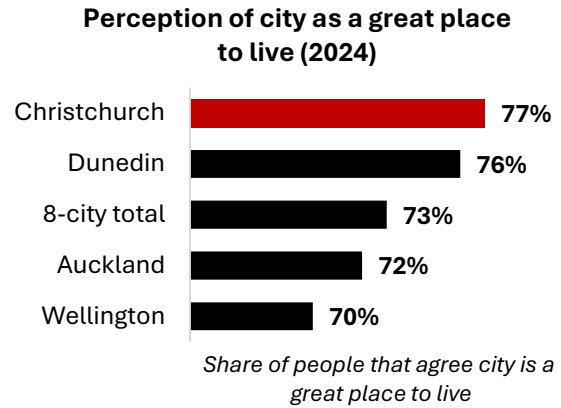
We are partnering with EECA (the government's Energy Efficiency and Conservation Authority) to pilot a fixed-term Energy Advisor role aimed at helping businesses lower their carbon emissions from process heat. This engineering graduate will collaborate and work alongside businesses to identify and implement energy efficiency and decarbonisation initiatives.

4. Liveability – what’s happening?

Economic update

Local residents continue to see Christchurch as an attractive place to call home according to insights from the Quality of Life Project, which compiles results from eight cities across New Zealand. 77% of Christchurch residents agreed their city was a great place to live in 2024, the highest of any surveyed city and above that of both Auckland (72%) and Wellington (70%).

Residents are also feeling optimistic about the progress of the city, with 30% of Christchurch respondents reporting that the city is better than it was a year ago, well above the national average of 18%. The main perception drivers of positive change were feelings that the CBD is coming back to life, improved variety in recreational facilities and having lots of things to do, and improvements to the look of the local area. This positivity about progress aligns with sentiment in the business community. Business Canterbury’s November survey indicates that 84% of Christchurch businesses think that the local economy is moving in the right direction.



Source: Quality of Life Project

ChristchurchNZ’s contribution

Sydenham Yard

A conditional Sale and Purchase Agreement for the Sydenham Yard site has been signed with the preferred developer, after due diligence reviews and approvals. A four-month conditional period will see agreement sought on the requirement for community housing, as well as a staging plan, placemaking strategy and additional site due diligence.

New Brighton Regeneration Project

Demolition has started on the Martini Investment-owned buildings at the north-east end of Brighton Mall, ahead of full redevelopment. The fit-out for the new Southpaw Brewery is nearing completion, with an expected opening in April. While consents are being sought for refurbishment of the Pierside building and the Community Leadership Group’s Village Green development.

The Seaview development site has recently been purchased by Modus Group, a private medium density development company with offices in Christchurch. They intend to revise the development plans to improve the appeal of the scheme for the current market with construction anticipated to start mid-2025.

Street Art

The Little Street Art Festival is underway with installations around the Central City. All sites and artists have been confirmed for the Flare Festival in March. The street art community have secured a three-year corporate sponsorship for paint supply, which is a direct result of Council's funding commitment to the programme. This has also been beneficial to the street art team's ongoing private fundraising activities.

5. Attractiveness – what's happening?

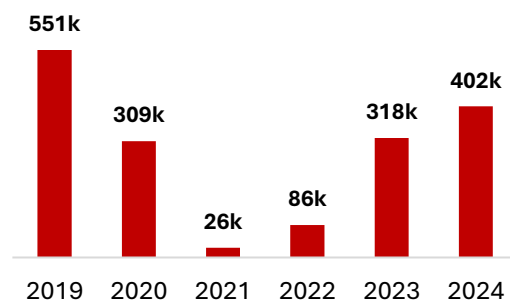
Economic update

For Canterbury's economy the bright spot in 2024 was the resilience of international tourism. Christchurch Airport saw a 26% increase in international arrivals over the year to September, bringing visitation numbers to 75% of pre-Covid levels.

While the recovery from China has been slower than expected growth in visitors from the USA has been strong, reaching just over 90% of 2019 levels. India represents a growing market, with visitor numbers surpassing pre-Covid levels.

International tourists played a crucial role in softening the impact of reduced domestic demand, injecting \$325 million into Christchurch's retail sector over the 2024 calendar year. Cruise tourism has added to this boost, with almost 50,000 passengers visiting Christchurch's ports so far this season, and another 90,000 expected between January and April 2025. This influx of international visitors, along with a 25% increase in seat capacity on Christchurch's long-haul international routes is adding a buzz to the city during the high-season months.

International visitor arrivals at Christchurch Airport, year to September



Source: Statistics NZ

ChristchurchNZ's contribution

Christchurch International Airport Limited (CIAL), international arrivals area

The redesign of Christchurch Airport's international arrivals area, aimed at showcasing our city's story to returning residents and visitors, has been a significant opportunity to integrate and embed the city's brand. This project was a collaborative effort involving CNZ, Whitiara, CIAL, and Tourism New Zealand. The Blessing ceremony with stakeholders and those involved with the project was exciting and a real milestone.

ŌC Brand campaign

The Ōtautahi Christchurch city brand awareness campaign ran across TVNZ, YouTube and social media from November 2024 – January 2025. So far, the city brand videos have garnered 480,704 views—13% more than anticipated.

On Show - portfolio of events

The On Show portfolio of events ran from September to December, featuring international test cricket (New Zealand vs England), a Trans-Tasman Rugby League double-header, Tall Blacks, Fast Five netball, Hozier, and major city events such as the IRT New Zealand Trotting Cup at Addington and the New Zealand Agricultural Show.

A targeted campaign promoting events and attractions to drive spring visitation to Christchurch generated over 9 million impressions and 500,000 engagements across social media, Stuff, the NZ Herald, the Otago Daily Times, and Google Display. The campaign also drove 55,000 page views on our website.

During this period, media activity attributed to ChristchurchNZ resulted in 325 pieces of coverage in Q2 24/25, with a potential reach of 325.69 million. This figure does not fully capture the impact, as many pieces were duplicated in print, including a feature in Kia Ora magazine and various other publications, adding significant value. Digital and broadcast activity for the quarter delivered an Advertising Value Equivalency (AVE) of \$3,012,587.

Cruise visits run smoothly

The 2024/25 cruise season has been running smoothly, with no significant issues reported. As of 5 February, Lyttelton has welcomed 45 ships, bringing 79,016 passengers, while Akaroa has received 14 ships carrying 5,388 passengers.

The Local Champion volunteers continue to play a vital role in welcoming visitors to Christchurch and providing essential visitor information. The program, which currently has 43 volunteers, has been expanded beyond cruise ship days to support other periods of high visitor activity in the city.

CNZ's collaboration with cruise lines and ground handlers to direct passengers into the city via cruise shuttles has successfully prevented any strain on the public transport system and significantly reduced the impact of cruise visitors on the Lyttelton community.

Christchurch has experienced only one day of anti-cruise protests, significantly less than Auckland, Wellington, and Dunedin. Protest activity in Christchurch appears to be largely driven by university students. Climate Liberation Aotearoa is hosting four recruitment events at the University of Canterbury in February, which may lead to increased protest action through the end of the cruise season in April.

6. Organisation – performance results

KPIs and Levels of service

CNZ's key performance indicators (KPIs) are measured every six months, and we are pleased to report that we have already achieved three out of five KPIs for this financial year. Appendix One provides a detailed overview of CNZ's KPIs, including targets (actual and stretch) and half-year results.

At the six-month mark, we are pleased to report that all nine Levels of Service (LoS) agreed upon with the Council are progressing well and are expected to be achieved by year-end. For a detailed overview, refer to Appendix Two, which contains the complete list of CNZ's Levels of Service.

7. Half Year Financial summary to 31 December 2024

ChristchurchNZ Holdings Financial Summary \$000's	Actual to December 2024	Budget as per SOI to December 2024 Unaudited, per Management Accounts	Variance	Prior Period December 2023	Variance Prior Year to Dec Actual
<i>CCC Core Funding</i>	7,951	7,951	0	7,951	0
<i>Other Operating Revenue (including interest)</i>	1,248	1,266	18	2,293	(1,045)
<i>Operating Expenditure</i>	(8,389)	(8,589)	200	(9,018)	629
<i>Total Surplus/(Deficit) before tax</i>	688	485		1,226	(538)
<i>Total Assets</i>	8,863	8,377	486	9,959	(1,096)
<i>Shareholder Funds/Total Assets</i>	71%	69%	2%	53%	18
<i>Revenue % non-shareholder funding</i>	14%	14%	0	22%	(8%)

The net position for the first 6 months of the financial year is a year-to-date (YTD) surplus of \$688k, which is \$203k higher than expected. Total income of \$9.2 million is in line with the budget,

Intervention expenditure is largely on track, with small budget variances due to phasing and delays in activities toward the end of the calendar year. Additionally, some of the variance was due to strategic savings to enable us to fund key events.

Year on year income and expenditure variance relates to reduced central government Covid recovery funding, which also impacts the non-shareholder funding percentage. CNZ continues to focus on increasing third party funding to amplify Shareholder funding.

8. Risk management










CNZ regularly assesses and reports organisational risks to the Board and the Health, Safety, Audit and Risk Committee. High-level organizational risks reported during the quarter:

	Risk	Description	Mitigations
1	Climate Change (10 years plus)	Work programme/projects/social licence impacted by climate change.	Embedding Economic Ambition, increasing support for business sustainability programmes, working with the Council on coastal adaptation plans and destination management plans, CNZ internal emissions targets.
2	Economic Volatility/ Recession	Economic volatility/recession impacting economic development outcomes.	Clear purpose and outcomes in CNZ Strategy and Statement of Intent, purposeful investment through proactive and reactive prioritisation of work programmes, development of long-term financial sustainability strategy.
3.	Partnerships - Unsuccessful	Partnerships with Central Government, Mana Whenua, Business partnerships are unsuccessful impacting outcomes.	Strong city strategies with focussed partnership engagement plans, strong and effective partnership management.
4.	Urban Development Mandate	Mandate for urban development functions and capitalisation from the shareholder is delayed, impacting on CNZ's ability to engage with stakeholders, deliver projects and meet commercial contract obligations.	Service level agreement with DCL, governance process for approvals in place, ongoing regular engagement with CCHL and CCC. Targeted stakeholder engagement to reduce risk, ongoing communications plan.
5.	CNZ continues to implement and manage mitigations for the following risks: Disaster/Business Disruption Cyber Attack Major Events Funding/Mandate Constrained Funding Environment.		

Appendix 1: ChristchurchNZ KPIs and Targets half year results

KPI MEASURE	TARGET 2024-25	STRETCH TARGET	HALF-YEAR RESULTS
Long-lasting job creation supported by ChristchurchNZ	180 FTE jobs	220 FTE jobs	680 FTE jobs
Short-term job creation supported by ChristchurchNZ through events, urban development, and screen activity	320 FTE jobs	350 FTE jobs	146 FTE jobs
Estimated value of GDP contribution attributable to ChristchurchNZ activity	\$40 Million	\$60 Million	\$74.8m
Contribution to visitor spend supported by ChristchurchNZ*	\$27 Million	\$30 Million	\$13.3m
Value of investment into Christchurch supported by ChristchurchNZ (excluding local government)	\$35 Million	\$65 Million	\$276.1m

Appendix 2: Levels of Service half year results (1 July – 31 December 2024)

LEVELS OF SERVICE MEASURE	TARGET 2024-25		HALF-YEAR RESULTS
Targeted Innovation Investment and Business Support			
Partner with Mana Whenua to support growth in Māori prosperity and self-determination	2 initiatives		
Ensure Christchurch businesses have access to comprehensive advice and support to grow competitiveness, resilience, and sustainability.	800 businesses access business support or advice		415 business access business support or advice
Attraction of external investment for sustainable economic development service	\$1,500,000 external investment		
Activating Assets, the Central City and Strategic Locations			
Prepare City bids to attract business events to Christchurch	30 City bids		23 City bids
The city is successful in its bids to attract business events to Christchurch	At least 35% success rate		39% success rate
Area of improvement to public and private space	4,000 square metres		
City Positioning			
High level of engagement on CNZ owned digital channels and platforms	4 million engagements		
Meeting benchmark brand tracking targets with key audiences	Christchurch ranks higher than comparison cities for resident pride and domestic traveller consideration		
Number of familiarisation, trade or policy engagements with trade agents, investors, government, or media supporting: business, investment, visitor, talent, convention, major events, screen, Antarctic programmes or international education attraction and retention	60 engagements		53 engagements completed.