



15 November 2022

**Interim results for the period ended 30 September 2022**

## **Infratil sees strong earnings growth in volatile environment**

Infratil today announced a Net Parent Surplus from Continuing Operations of \$350.5 million for the six months ended 30 September 2022, driven by significant growth in earnings from its associates and the gain recognised on the sale of the Trustpower Retail business.

Proportionate EBITDAF was \$275.6 million – an 11.0% rise on the \$248.4 million from the same period the previous year - reflecting strong performances from CDC Data Centres, Vodafone and Wellington Airport. Proportionate EBITDAF for the year to 31 March 2023 is forecast to be between \$510 million and \$540 million.

Infratil CEO Jason Boyes said that despite the volatile global macro-economic environment, Infratil's portfolio performed well, benefiting from the relative protection of infrastructure assets and inflation linked pricing.

“The six months have been very busy. The now completed Longroad capital raise – which saw significant uplift in its value - and the Vodafone passive mobile tower sale and investment into the new ‘TowerCo’ were the obvious standout transactions, while significant progress was made across the portfolio.

“It is pleasing to see the growth in operating revenues, which increased by over \$300 million compared with the same period in 2021. This reflects passenger recovery at Wellington Airport, a full period of trading from RHCNZ Group, our New Zealand diagnostic imaging businesses, and increased earnings from CDC Data Centres.

“CDC had a strong six months having delivered an additional 104MW of capacity across its Canberra, Sydney and Auckland campuses. The new Silverdale and Hobsonville data centres are the largest and most secure centres of their type in New Zealand.

“Vodafone is well positioned for the next stage of growth, with an increase in top line revenue driven by strong post-paid trading performance and border openings, the upgrade and onshoring of major IT systems away from the Vodafone Group, as well as the sale of its passive tower assets for \$1.7 billion. Following completion of the tower sale, Infratil will have received almost \$1 billion in cash distributions in the just over three years since acquiring Vodafone for \$1.03 billion, while still retaining a 49.9% shareholding in the Vodafone business.

“It has also been a stand-out period for Longroad Energy with the announcement of the now completed capital raise and introduction of new co-investor MEAG. The transaction implied a pre-money valuation for Longroad common equity of US\$2,000 million, with the new capital set to accelerate Longroad's growth ambitions.”

Mr Boyes said despite ongoing disruptions and staff shortages causing reduced volumes, Infratil remains positive on the potential of its scaled diagnostic imaging businesses in Australia – Qscan – and New Zealand – RHCNZ Group – with both businesses having a significant role to play given the long-term macroeconomic and socio-economic implications of a growing and ageing population.

“We remain confident in the case for preventative healthcare, like diagnostic imaging, in Australia, New Zealand and globally, and the accelerated access to services and innovation only scaled businesses like ours will deliver.



“RetireAustralia saw Underlying Profit of A\$31.9 million, up A\$9.1 million (39.9%) from the prior period, with strong demand driving 227 unit resales and 10 new unit sales during the six months. The sales process remains ongoing, and we will update the market as the process progresses.

“Wellington Airport saw a strong rebound in domestic traffic with passenger numbers up 24.1% from the prior period while international travel is recovering at a slower pace, tempered by airline capacity. EBITDAF for the six months was \$40.2 million, up \$8.7 million on the prior period.”

Mr Boyes said Infratil retains significant available liquidity to pursue both internal and external investment opportunities. Over the past six months, \$471.7 million was deployed, primarily across existing digital infrastructure and global renewable businesses, which sees Infratil well placed to take advantage of further growth in these areas.

Infratil has available capacity of over \$1.4 billion to fund growth, including significant undrawn corporate facilities, and over \$400 million of cash on hand. At 30 September, gearing was 13.9%, significantly below the target range of 30%.

CDC Data centres has forecast capex A\$650 million in the current financial year. Construction has commenced at its first Melbourne campus, with a target delivery of the first 30MW of operating capacity in early FY2024. An additional 12MW of capacity is under development across CDC’s operational Auckland sites.

Infratil’s global renewable platform has a combined development pipeline of over 27GW with Longroad currently in the midst of the largest construction programme in its history, including development of 1.3GW across seven projects in five U.S. states. Our European renewables platform Galileo recently announced a long-term joint development venture with a plan to develop over 5GW of offshore and onshore renewable energy and storage projects. Manawa Energy’s new generation pipeline is growing and currently stands at more than 1.7GW.

“In terms of our returns to shareholders, we will pay a fully imputed interim dividend of 6.75 cents per share, a 4% increase from the prior. Infratil’s share price also rose from \$8.25 to \$8.65 over the period, with an after-tax return to shareholders over the six months of 6.5% and a return over the last ten years of 20.5%,” Mr Boyes said.

“Infratil’s excellent results continue to deliver outstanding returns to shareholders - continuing years of strong performance.”

### **Investor briefing**

There will be a briefing for institutional investors, analysts and media commencing at 10.00am. A webcast of the presentation will be available live <https://edge.media-server.com/mmc/p/n483k8k8>.

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# **Interim Results Announcement**

For the six months ended 30 September 2022

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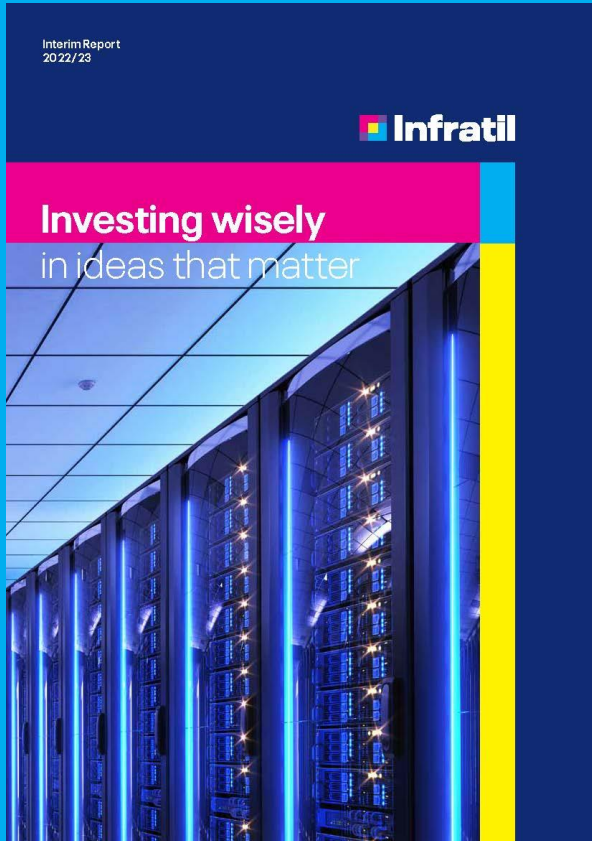
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**Proportionate EBITDAF** represents Infratil's share of the consolidated net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, gains or losses on the sales of investments, and excludes acquisition and sale related transaction costs and International Portfolio Incentive Fees. Further information on how Infratil calculates Proportionate EBITDAF can be found at Appendix 3.

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# Infratil Results Announcement



## Presenters



**Jason Boyes** Infratil CEO



**Phillippa Harford** Infratil CFO

## Programme

- [Financial Highlights](#)
- [Portfolio Overview](#)
- [Sustainability](#)
- [Operating Businesses](#)
- [Financial Position & Outlook](#)
- [FY2023 Interim Dividend](#)
- [FY2023 Guidance](#)
- [Summary](#)



# Financial Highlights

Strong underlying performance and capacity to continue investing across the portfolio

Net parent surplus



\$350.5m

Proportionate EBITDAF



\$275.6m

Investment



\$471.7m

Available capital



\$1,429m

Shareholder return



6.5%

Fully-imputed interim dividend



6.75cps

# Portfolio Overview

High conviction investment approach providing exposure to four significant platforms and geographic diversification



## Digital

58%



## Renewables

21%



## Healthcare

14%



## Airports

7%



# Sustainability

Infratil's ambition is to be a leader in sustainable infrastructure investment. Good management of ESG risks and opportunities is inherently aligned with value



## Infratil

- Infratil and 10 portfolio companies participated in the annual GRESB Infrastructure Assessment with solid progress in many areas and clarity around opportunities for further improvement
- Infratil expects to release its inaugural sustainability report in mid-2023 which will contain:
  - Climate-related disclosures in accordance with TCFD
  - Emissions reporting in line with the GHG Protocol and Partnership for Carbon Accounting Financials (PCAF)<sup>1</sup>
  - Climate targets - Infratil is in the process of developing credible, ambitious emissions reduction targets

## Morrison & Co as manager of Infratil

- Morrison & Co has been a signatory to the Principles for Responsible Investment since 2010, reflecting its longstanding commitment to integrating ESG issues into all aspects of the investment process for Infratil
- Morrison & Co engages with, and is a member of ESG-linked industry organisations aligned with key investment thematic such as the Investor Group on Climate Change, the Sustainable Digitalisation Project and the Responsible Investment Association of Australasia





**Operating Businesses**

Managed by HRL Morrison & Co

# CDC Data Centres

Four new  
data centres  
commissioned in  
the period  
delivering 104MW  
of new capacity



## Performance

- EBITDAF for the period was A\$97.6 million, A\$22.4 million up from the prior period
- CDC has simultaneously delivered an additional 104MW (+63.4%) of capacity across its Canberra, Sydney and Auckland campuses during the period
- Strong customer support for these facilities has seen weighted average lease terms (including options) maintained above 20 years
- Of CDC's energy needs, 78% is powered by renewable energy, with New Zealand facilities powered from 100% renewable and carbonZero certified electricity

## Outlook

- Construction has commenced at CDC's first Melbourne campus, with a target delivery of the first 30MW of built capacity in mid-2023
- 12MW of additional capacity is under construction at CDC's current Auckland sites, with land acquired for an additional 70MW
- Preparatory works for two additional two data centres at Eastern Creek are complete
- CDC has completed a capital structure review, diversifying its funding base through the USPP market and extending the size and tenor of its bank facilities
- FY2023 forecast EBITDAF of A\$210 million - A\$220 million, up 33% at the midpoint on FY2022



# Vodafone New Zealand

Top line revenue growth and meaningful progress in customer service and employee engagement

Digital

Renewables

Healthcare

Airports



## Performance

- Normalised EBITDAF<sup>1</sup> for the period was \$257.9 million, \$15.5 million up from the prior period
- Top line revenue growth supported by 7.4% mobile service revenue growth resulting from continued strong post-paid trading performance and border openings; ongoing focus on controlling cost base
- 4G and 5G upgrade paths are being accelerated; awarded New Zealand's best mobile network by Umlaut
- Best service record and best organisation health scores recorded
- Completed an upgrade and onshoring of major IT systems away from Vodafone Group and retail store network buy back
- Divestment of the passive tower infrastructure completed on 1 November for \$1,700 million

## Outlook

- Ongoing IT simplification programme is targeting further service gains. Greenfield digital transformation solution has been challenging, now moving to a phased upgrade of the existing systems
- Rebrand to One NZ announced and will take place in early 2023
- FY2023 forecast EBITDAF of \$490 million - \$520 million, up 5% at the midpoint on FY2022

<sup>1</sup> EBITDAF excludes \$13.7 million of TowerCo transaction costs, but includes rebrand costs for the period

# Longroad Energy

Capital committed to accelerate Longroad's expansion plans to develop 4.5GW over the next three years



## Performance

- EBITDAF for the period was US\$40.7 million, a US\$11.1 million increase from the prior period; reflecting the growing base of operating assets
- Agreement reached with new investor, MEAG, to acquire a 12% stake in Longroad for US\$300 million; valuing Infratil's investment in Longroad at NZ\$920.7<sup>1</sup> million
- Acquired a 31% interest in Valta Energy, a distributed solar generation developer and operator

## Outlook

- Development of 1.3GW, across seven projects, is currently underway consisting of:
  - Three Corners (150MW), Pittsfield (7MW), Maine DG (26MW) and the Milford Wind repower (306MW) are currently under construction
  - Sun Streams 3 (500MW), Umbriel (200MW), and Foxhound (108MW) are expected to reach final investment decision in CY2022, with Power Purchase Agreements ('PPAs') negotiated for two of the projects
- Exclusive negotiations for PPAs on next year's 1.5GW of projects are underway
- The Inflation Reduction Act will provide tailwinds for Longroad with greater certainty of federal subsidies and incentives for domestic equipment sourcing. However, procurement pressures remain

# Manawa Energy

Soft result driven by low generation early in the period, followed by low wholesale prices



## Performance

- EBITDAF<sup>1</sup> for the period was \$70.0 million, a \$36.5 million decrease on the prior period
- Energy revenue was impacted by lower generation volumes due poor inflows in the first quarter and lower wholesale prices in the second quarter
- Generation production volumes across both the North and South Islands were 976GWh – a decrease of 2% on last year; with the average generation spot price 40.4% lower than the prior period

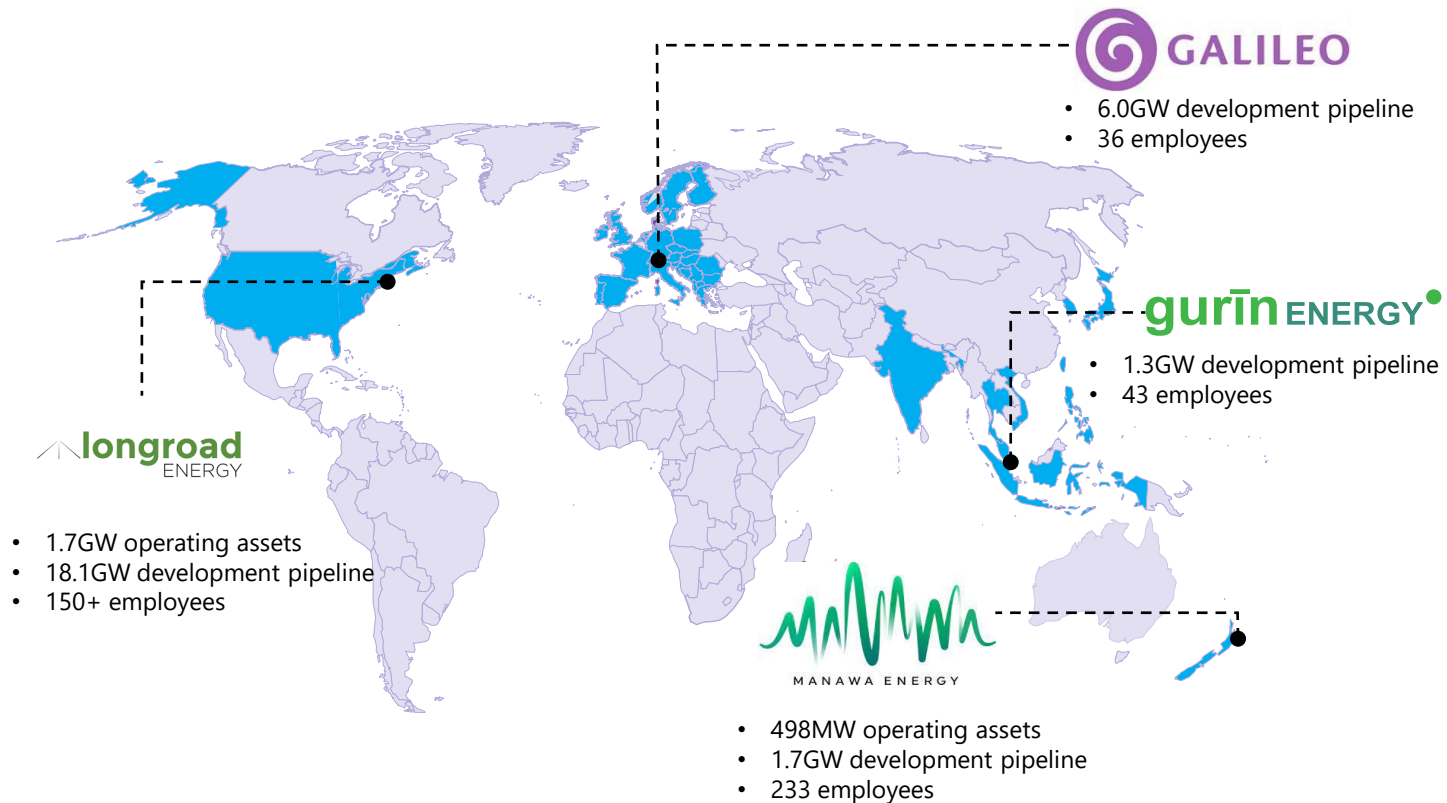
## Outlook

- New generation pipeline currently stands at more than 1.7GW, made up of 0.9GW of wind projects and 0.8GW of solar projects
- The first solar opportunity is a grid-scale project in Northland (~12MW) that is on track for FID in the first half next year subject to securing satisfactory offtake arrangements
- Stay-in-business capex is expected to remain elevated over the next 2-3 years as significant asset enhancement projects, dam safety, and asset lifecycle replacements are undertaken
- FY2023 enhancements to existing generation assets on track and on budget which, once complete, will add an additional 30GWh per annum of generation volume uplift



# Global Renewables Platform

The Global Renewables platform consists of Manawa Energy, Longroad Energy, Galileo, and Gurin Energy



# Diagnostic Imaging

The Australasian platform provides meaningful scale in a critical healthcare sub-sector that stands to benefit from long-term trends



## Performance

- EBITDAF for the diagnostic imaging platform was \$80.7 million, up \$23.2 million from the prior period, resulting from a full period of contribution from the New Zealand businesses
- Covid-19 tail has continued to have a negative impact in both New Zealand and Australia, resulting in service restrictions and reduced patient volumes (13% down on budget in Australia and 11% down in New Zealand), with Qscan also impacted by severe weather events earlier in the year
- During the period Qscan partnered with Envision in Western Australia, acquiring two clinics with 23 radiologists and adding two MRI machines, a CT scanner, and a PET-CT machine
- New clinic opened in Christchurch during the period, and the opening of a new clinic in Whangarei planned for mid 2023

## Outlook

- The combined platform now employs over 300 radiologists, across 149 clinics
- Since our initial investment we have opened 11 new clinics across Australia and New Zealand
- FY2023 platform EBITDAF forecast reduced to NZ\$160 million - NZ\$170 million, down from NZ\$190 million – NZ\$205 million, primarily due to the continued impacts of Covid-19

# RetireAustralia

Demand for RetireAustralia's offering remains strong, with construction progressing at four sites



## Performance

- Underlying Profit<sup>1</sup> of A\$31.9 million, up A\$9.1 million from the prior period
- Strong demand for RetireAustralia's offering continues, with 227 resales and 10 new unit sales during the period
- Sales performance has remained robust, with gross sales prices outperforming listing valuations
- 20 out of 27 villages are now operating waitlists and overall village occupancy has increased to ~93.3%, the highest level since 2017

## Outlook

- Construction is currently ongoing at four villages to deliver 34 apartments and 180 independent living units, with the majority forecast to complete within the next 12 months
- Acquisition of a significant development site in Brisbane, immediately adjoining the existing Cleveland Manor village, and development approval recently submitted for a premium 52-unit vertical village in Lane Cove, Sydney
- The strategic review process remains ongoing

<sup>1</sup>Underlying Profit is an unaudited non-GAAP measure used by RetireAustralia which removes the impact of unrealised fair value movements on investment properties, impairment of property, plant and equipment, one-off gains and deferred taxation, while adding back realised resale gains and realised development margins

# Wellington Airport

Domestic Passenger numbers rebound strongly, while international recovery is tempered by airline capacity



## Performance

- EBITDAF for the period was \$40.2 million, up \$8.7 million on the prior period
- Passenger numbers were up 24.1% from the prior period, with 2.3 million domestic passengers and 213,875 international passengers during the six months
- Continued discipline in capital management and a focus on retaining the cost savings achieved during the Covid-19 period has enabled Wellington Airport to maintain its margins as passenger numbers increase
- Wellington Airport has been rated 3<sup>rd</sup> best for sustainability by GRESB amongst participating airports and achieved a 5-Star GRESB rating

## Outlook

- Short term capital spend remains focused on priority projects, being the reconstruction of Taxiway Bravo and seismic upgrades. Work has started on a new electric bus terminal and a new Airport Fire Station
- Wellington Airport is continuing to assess potential development plans having secured rezoning of the southern half of the Miramar Golf Course
- FY2023 forecast EBITDAF of NZ\$80 million - NZ\$85 million, up 49% at the midpoint on FY2022, driven by recovering passenger numbers and increasing capacity





## Financial Position & Outlook



# International Portfolio Incentive Fees

Performance fee accrual reflects the uplift in Longroad's valuation following its recent capital raise

| 30 September (\$millions)    | FY2022    | Capital  | Distributions | Hurdle <sup>1</sup> | Valuation <sup>2</sup> | Incentive Fee | IRR <sup>3</sup> |
|------------------------------|-----------|----------|---------------|---------------------|------------------------|---------------|------------------|
| <b>Annual Incentive Fee</b>  |           |          |               |                     |                        |               |                  |
| CDC Data Centres             | \$3,117.3 | (\$14.1) | \$15.0        | (\$186.9)           | \$3,266.4              | (\$7.4)       | 34.9%            |
| Longroad Energy              | \$227.4   | (\$19.6) | \$1.1         | (\$14.8)            | \$920.7                | \$132.0       | 71.7%            |
| RetireAustralia              | \$408.8   | -        | -             | (\$24.6)            | \$432.1                | (\$0.3)       | 4.5%             |
| Galileo                      | \$26.1    | (\$15.7) | -             | (\$3.1)             | \$44.9                 | -             | 1.2%             |
|                              | \$3,779.6 | (\$49.4) | \$16.1        | (\$229.4)           | \$4,664.1              | \$124.4       |                  |
| <b>Initial Incentive Fee</b> |           |          |               |                     |                        |               |                  |
| Qscan                        | \$309.7   | -        | \$2.4         | (\$70.2)            | \$375.1                | (\$0.5)       | 11.8%            |

- CDC Data Centres based on an independent valuation at 30 September 2022, which valued Infratil's investment at A\$2,649 million - A\$3,139 million
- Longroad Energy based on an independent valuation as at 30 June 2022, adjusted for pre-capital raise contributions
- RetireAustralia based on the 31 March 2022 valuation
- Galileo based on an independent valuation as at 30 June 2022, adjusted for capital movements to September 2022
- Qscan initial incentive fee assessment is based on an independent valuation as at 30 June 2022
- The FY2023 annual incentive fee, if ultimately payable, will be payable in three annual tranches, with payment of the second and third tranche being subject to the total value of the assets being maintained at the relevant date

1. The hurdle rate is calculated on a daily basis compounding, and adjusted for any capital movements and distributions during the period
2. Valuations include an estimate of any capital gains or income tax (or the like) that would be payable upon a sale or other realisation and an estimate of the likely sale costs, or such notional estimate of likely sale costs, both or which are deductions to the Independent Valuations
3. IRR is calculated in NZD after incentive fees and calculated as at 30 September 2022
4. No incentive fees are paid in relation to New Zealand assets, as defined in the Management Agreement

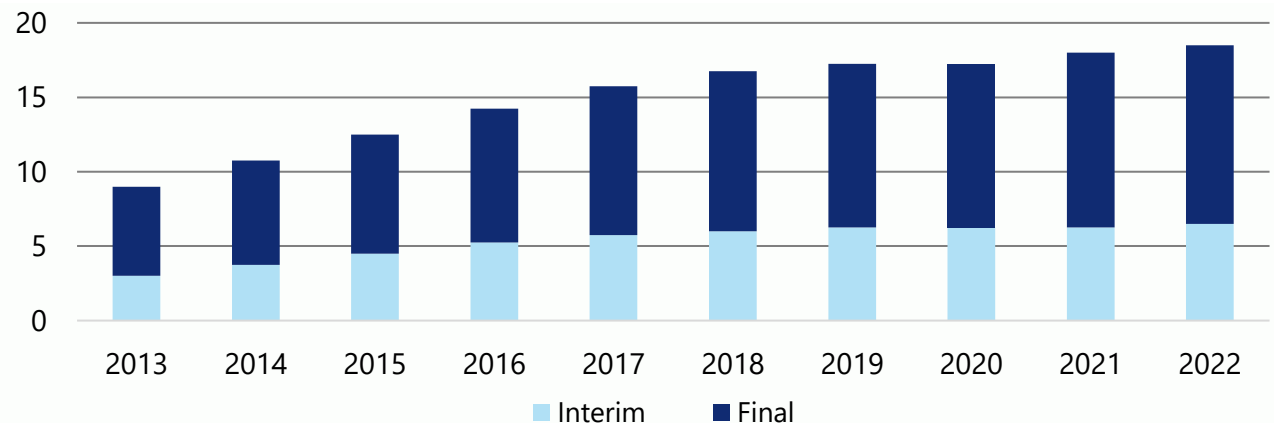
# Dividend

FY2023 interim dividend of 6.75 cps, an increase of 4% from the prior period

## Interim Dividend

- Fully-imputed interim dividend of 6.75 cps declared (up 4% on the prior period) with a record date of 30 November 2022 and a payment date of 14 December 2022
- Dividend outlook is for continued modest cps growth, primarily reflecting the increase in cashflows from CDC Data Centres, Vodafone and our Diagnostic Imaging platform
- The dividend reinvestment plan will not be activated for this dividend

## Ordinary Dividend per Share Profile

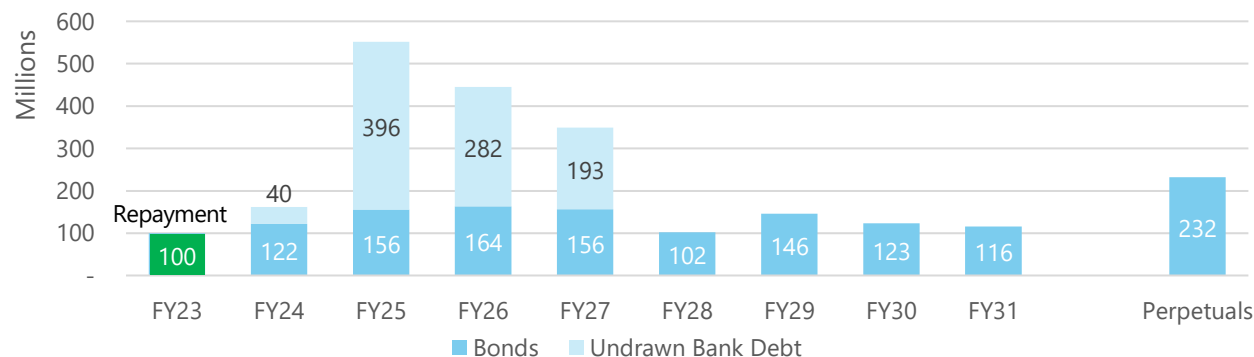


# Debt Capacity & Facilities

With cash on hand and significant undrawn bank facilities, Infratil has a strong balance sheet for further investment

| \$Millions                           | 30 September 2022 | 31 March 2022 |
|--------------------------------------|-------------------|---------------|
| Net bank debt                        | (\$405.7)         | (\$773.0)     |
| Infratil Infrastructure bonds        | \$1,185.9         | \$1,163.7     |
| Infratil Perpetual bonds             | \$231.9           | \$231.9       |
| Total net debt                       | \$1,012.1         | \$622.6       |
| Market value of equity               | \$6,262.5         | \$5,972.9     |
| Total Capital                        | \$7,274.6         | \$6,595.5     |
| Gearing <sup>1</sup>                 | 13.9%             | 9.4%          |
| Undrawn bank facilities <sup>2</sup> | \$906.3           | \$899.6       |
| 100% subsidiaries cash               | \$405.7           | \$773.0       |
| Liquidity available <sup>3</sup>     | \$1,428.8         | \$1,672.6     |

- Infratil retains significant available liquidity to pursue both internal and external investment opportunities
- \$614 million of net proceeds from Vodafone Towers transaction will further the strengthen liquidity position, with receipt expected in Q3 FY2023
- 30 September gearing of 13.9%, significantly below the target range of 30%
- Given current liquidity, \$100 million of IFT240 bonds maturing on 15 December 2022 will be repaid, with no new issuance



1. Gearing calculated as total net debt / total capital based on the Infratil share price at period end
2. Infratil wholly owned undrawn bank facilities. Includes Core debt facilities and Term Loan facilities only
3. A reconciliation to 30 September 2022 liquidity is available in Appendix 7 of this presentation

# FY2023 Guidance

Proportionate  
EBITDAF range  
narrowed to  
\$510 - \$540 million



## FY2023 Guidance

- FY2023 Proportionate EBITDAF guidance range is narrowed to \$510 million – \$540 million (previously \$510 to \$550 million)
- Key guidance assumptions include:
  - CDC Data Centres EBITDAF of A\$210 million - A\$220 million (Infratil's share 48.1%)
  - Vodafone EBITDAF of \$490 million - \$520 million (Infratil's share 49.9%)
  - Manawa Energy EBITDAF of \$127.5 million – \$140 million (Infratil's share 51.1%)
  - Diagnostic Imaging EBITDAF of \$160 million - \$170 million (Infratil's share 50.5% - 55.1%)
- Forecast AUD/NZD 0.9022, USD/NZD 0.6228, EUR/NZD 0.6053, and GBP/NZD 0.5171
- Guidance is based on Infratil management's current expectations and assumptions about the trading performance, is subject to risks and uncertainties, and dependent on prevailing market conditions continuing throughout the outlook period
- Guidance is based on Infratil's continuing operations and assumes no major changes in the composition of the Infratil investment portfolio. It excludes the impact of the Vodafone Towers transaction, the strategic review of RetireAustralia and one month of Manawa Retail

# Summary

- Portfolio transactions demonstrate the embedded optionality of our businesses
- Robust performance overall, underpinned by quality investments
- Strong capital position
- Capacity to take advantage of opportunities in a volatile market
- Expect global diversity of the portfolio to increase







**Appendices**

## **Interim Results Announcement**

For the period ended 30 September 2022

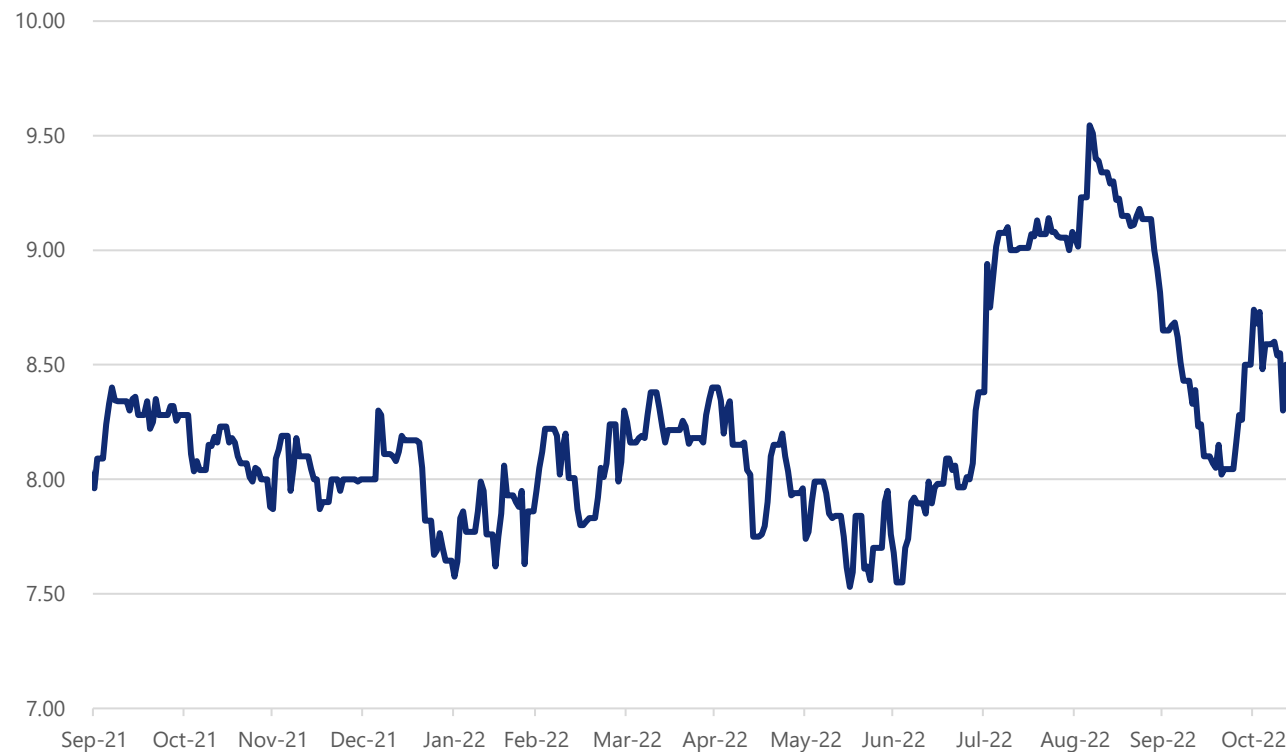
## Share Price Performance

Infratil continues its track record of outstanding returns

### Accumulation Return<sup>1</sup>

| Period                 | Return |
|------------------------|--------|
| 6 Month                | 6.5%   |
| 5 Year                 | 26.9%  |
| 10 Year                | 20.5%  |
| Inception – 28.5 years | 18.6%  |

### Infratil Share Price



1. Accumulation returns are to 30 September 2022 based on a closing share price of \$8.65, the calculation assumes that shareholders reinvest dividends on the day they are earned, and participates in any rights offerings.

# Financial Summary

Net parent surplus driven by Trustpower Retail sale and revaluations of CDC's data centres

| Six months ended 30 September<br>(\$Millions) | 2022      | 2021      |
|---|-----------|-----------|
| Operating revenue                             | \$951.0   | \$644.4   |
| Operating expenses                            | (\$450.0) | (\$393.2) |
| Operating earnings                            | \$501.0   | \$251.2   |
| International Portfolio Incentive fees        | (\$124.4) | (\$131.4) |
| Depreciation & amortisation                   | (\$51.1)  | (\$43.2)  |
| Net interest                                  | (\$82.3)  | (\$80.0)  |
| Tax expense                                   | (\$77.1)  | (\$58.1)  |
| Realisations and Revaluations                 | \$54.7    | \$75.8    |
| Net Surplus/(loss) continuing                 | \$220.8   | \$14.3    |
| Discontinued operations <sup>1</sup>          | \$336.5   | \$1,116.0 |
| Net surplus after tax                         | \$557.3   | \$1,130.3 |
| Minority earnings                             | (\$206.8) | (\$49.7)  |
| Net parent surplus                            | \$350.5   | \$1,080.6 |

- Increase in operating revenue reflects passenger recovery at Wellington Airport, a full period of trading from RHCNZ Group, and increased earnings from CDC Data Centres
- Operating expenses driven by the increased salary costs in Qscan as new clinics are established, as well as a full period contribution from RHCNZ Group
- Increase in depreciation & amortisation primarily due to the full period contribution of the RHCNZ Group
- Realisations and revaluations reflect positive movements in foreign exchange and interest rate swap contracts
- Discontinued operations in the period relate to the Trustpower Retail business

1. Discontinued operations represent businesses that have been divested, or businesses which will be recovered principally through a sale transaction rather than through continuing use

# Proportionate EBITDAF

EBITDAF uplift reflects varying levels of recovery from Covid-19 impacts and Diagnostic Imaging acquisitions

| Six months ended 30 September<br>(\$Millions) | 2022     | 2021     |
|---|----------|----------|
| CDC Data Centres                              | \$51.9   | \$38.3   |
| Vodafone                                      | \$128.8  | \$120.4  |
| Kao Data                                      | (\$1.5)  | (\$0.1)  |
| Manawa Energy                                 | \$35.7   | \$54.4   |
| Longroad Energy                               | \$21.7   | \$13.7   |
| Galileo                                       | (\$4.2)  | (\$2.9)  |
| Gurīn Energy                                  | (\$6.5)  | (\$1.0)  |
| RHCNZ Group                                   | \$26.6   | \$12.4   |
| Qscan Group                                   | \$15.2   | \$18.7   |
| RetireAustralia                               | \$10.9   | \$6.3    |
| Wellington Airport                            | \$26.5   | \$20.8   |
| Corporate and Other                           | (\$29.5) | (\$32.6) |
| Proportionate EBITDAF <sup>1</sup>            | \$275.6  | \$248.4  |
| Tilt Renewables                               | -        | \$7.8    |
| Trustpower Retail business                    | \$1.8    | \$8.0    |
| Total   | \$277.4  | \$264.2  |

- CDC uplift from increasing utilisation at existing data centres and contribution from new data centres commissioned during the period
- Vodafone has benefited from the return of roaming, improving ARPU and a continued focus on costs
- Wellington Airport has seen international traffic resume and domestic travel return to near pre-covid levels
- Longroad uplift reflects the contribution of Sun Streams 2 and Prospero II which were completed in FY2022
- RHCNZ performance reflects a full period of contribution from all three businesses in the Group, but covid tail is persisting
- Qscan ongoing headwinds from Covid-19 patient referral reductions and cost increases
- Corporate expense reduction is driven by a non-recurring transaction cost in prior year offset by increased management fees driven by Infratil share price appreciation

1. Proportionate EBITDAF represents Infratil's share of the consolidated net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, gains or losses on the sales of investments, and excludes acquisition or sale related transaction costs and the impact of International Portfolio Incentive Fees. CDC EBITDAF excludes RMS payments to management shareholders. Accrued payments under this scheme are included in net external debt.

# Capital Expenditure & Investment

Ongoing investment in high conviction platforms sees us well placed to take advantage of growth opportunities

| Six months ended 30 September (\$Millions) | 2022    | 2021    |
|--|---------|---------|
| CDC Data Centres                           | \$230.0 | \$99.8  |
| Vodafone                                   | \$62.4  | \$105.2 |
| Kao Data                                   | \$12.5  | -       |
| Manawa Energy                              | \$9.3   | \$7.8   |
| Tilt Renewables                            | -       | \$21.9  |
| Longroad Energy                            | \$56.9  | \$189.1 |
| RHCNZ Group                                | \$5.7   | -       |
| Qscan Group                                | \$3.7   | \$3.1   |
| RetireAustralia                            | \$29.5  | \$6.9   |
| Wellington Airport                         | \$13.2  | \$4.7   |
| Capital Expenditure                        | \$423.2 | \$438.5 |
| Kao Data                                   | -       | \$73.6  |
| Gurīn Energy                               | \$11.8  | \$2.8   |
| Galileo                                    | \$15.9  | -       |
| RHCNZ Group                                | -       | \$313.6 |
| Clearvision                                | \$20.8  | -       |
| Infratil Investments                       | \$48.5  | \$390.0 |
| Total Capex & Investment                   | \$471.7 | \$828.5 |

- CDC Data Centres' completion of H5, EC4, AKL1 and AKL2 and settlement of prior period land purchases has driven increased capital spend
- Vodafone continued expansion of 4G and 5G into the regions; 31 new sites and 92 upgraded sites
- Growth capital projects have resumed at Wellington Airport with Taxiway Bravo, the redevelopment of Miramar South School and continued resilience works
- Longroad Energy has seven projects in construction or significant pre-construction stages
- The Diagnostic Imaging businesses continue to spend on the rollout of new clinics, equipment and IT transformation projects
- RetireAustralia has construction underway at four sites with a further two sites expected to begin construction before the end of FY2023

1. The table shows Infratil's share of the investment spending of investee companies. In a period where Infratil acquires a new investment, the consideration paid is shown as the investment for that period. Subsequently, capital expenditure of the investee company would be presented.



# NPAT to Proportionate EBITDAF

Proportionate EBITDAF is an unaudited non-GAAP ('Generally Accepted Accounting Principles') measure of financial performance, presented to provide additional insight into management's view of the underlying business performance.

Specifically, in the context of operating businesses, Proportionate EBITDAF provides a metric that can be used to report on the operations of the business (as distinct from investing and other valuation movements).

| Six months ended 30 September<br>(\$Millions)                       | 2022    | 2021      |
|---|---------|-----------|
| Net profit after tax ('NPAT')                                       | 557.3   | 1,130.3   |
| <i>Less:</i> Associates <sup>1</sup> equity accounted earnings      | (346.6) | (114.0)   |
| <i>Plus:</i> Associates <sup>1</sup> proportionate EBITDAF          | 207.6   | 175.7     |
| <i>Less:</i> minority share of Subsidiary <sup>2</sup> EBITDAF      | (86.2)  | (87.1)    |
| <i>Plus:</i> share of acquisition or sale-related transaction costs | -       | 22.6      |
| Net loss/(gain) on foreign exchange and derivatives                 | (54.9)  | (73.6)    |
| Net realisations, revaluations and impairments                      | 0.2     | (2.2)     |
| Discontinued operations   | (336.5) | (1,116.0) |
| Underlying earnings   | (59.1)  | (64.3)    |
| <i>Plus:</i> Depreciation & amortization                            | 51.1    | 43.2      |
| <i>Plus:</i> Net interest   | 82.3    | 80.0      |
| <i>Plus:</i> Tax  | 77.1    | 58.1      |
| <i>Plus:</i> International Portfolio Incentive fee                  | 124.2   | 131.4     |
| Proportionate EBITDAF   | 275.6   | 248.4     |
| <i>Add:</i> Trustpower Retail Proportionate EBITDAF                 | 1.8     | 8.0       |
| <i>Add:</i> Tilt Renewables Proportionate EBITDAF                   | -       | 7.8       |
| Adjusted EBITDAF  | 277.4   | 264.2     |

1. Associates include Infratil's investments in CDC Data Centres, Vodafone NZ, Kao Data, RetireAustralia, Longroad Energy, and Galileo
2. Subsidiaries include Infratil's investments in Manawa Energy, Qscan Group, Pacific Radiology Group, Wellington Airport and Gurin Energy

# Movements in Wholly Owned Group Net Bank Debt

Wholly Owned Group cashflows comprises the cashflows between Infratil and its portfolio companies (dividends received, capital calls) and the corporate operating expenses of Infratil

Wholly Owned Net Bank Debt comprises the drawn bank facilities (net of cash on hand) of Infratil at the corporate level

| Six months ended<br>(\$Millions)                              | 30 September<br>2022 | 31 March<br>2022 | 30 September<br>2021 |
|---|----------------------|------------------|----------------------|
| Opening Wholly Owned Net Bank (Debt)/Cash                     | 773.0                | 1,114.3          | (328.2)              |
| Manawa Energy dividends                                       | 81.6                 | 27.1             | 29.6                 |
| Vodafone distributions and shareholder loan interest payments | 14.7                 | 12.7             | 24.5                 |
| CDC distributions and shareholder loan interest payments      | 15.0                 | 7.6              | 5.8                  |
| Longroad Energy distributions and capital returns             | 1.2                  | 9.2              | 44.8                 |
| RHCNZ Group distributions                                     | 14.8                 | -                | -                    |
| Qscan Group distributions                                     | 2.3                  | -                | -                    |
| Tilt Renewables distributions                                 | -                    | -                | 16.1                 |
| Clearvision Ventures distributions                            | -                    | 0.1              | 1.6                  |
| Net interest  | (25.9)               | (24.6)           | (36.6)               |
| Other corporate operating cashflows                           | (29.6)               | (35.9)           | (32.5)               |
| Incentive fees paid   | (270.8)              | -                | (116.2)              |
| RHCNZ Group investment  | (10.7)               | (95.2)           | (313.6)              |
| Kao Data investment   | (5.6)                | (144.3)          | (73.6)               |
| Other investing and financing cashflows                       | (88.2)               | (59.3)           | (51.8)               |
| Sale of Tilt Renewables                                       | -                    | -                | 1,959.3              |
| Sale of ASIP  | -                    | -                | 44.8                 |
| Receipt of contingent consideration                           | -                    | -                | 16.1                 |
| Dividends paid  | (86.8)               | (38.7)           | (83.1)               |
| Bond maturities   | (93.7)               | -                | (93.9)               |
| Proceeds from bond issues                                     | 114.4                | -                | 101.2                |
| <b>Closing Wholly Owned Net Bank (Debt)/Cash</b>              | <b>405.7</b>         | <b>773.0</b>     | <b>1,114.3</b>       |
| CDC Data Centres  | (14.1)               | (6.3)            | (11.1)               |
| Longroad Energy   | (20.9)               | (23.7)           | (35.0)               |
| Gurūn Energy  | (12.4)               | (5.5)            | (2.8)                |
| Galileo Green Energy  | (15.7)               | (13.8)           | -                    |
| Clearvision Ventures  | (20.3)               | (4.6)            | -                    |
| Other   | (4.8)                | (5.4)            | (2.9)                |
| Net other investment & financing cashflows                    | (88.2)               | (59.3)           | (51.8)               |

# Available Capital

Infratil's available capital is represented by reported net cash at 30 September 2022 and undrawn bank facilities as at that date, adjusted for significant cashflows for the next six months following 30 September or cashflows announced at the date of this presentation

It also includes a 'liquidity buffer' equal to approximately 6-months of corporate overheads and bond interest payments

No adjustments have been made for capital calls or distributions outside of these significant transactions, such as those are forecast to occur in the ordinary course of business

| (\$millions)  |                  |
|---|------------------|
| 30 September Wholly Owned (Net Bank Debt)/Cash                | \$405.7          |
| Add: Undrawn bank facilities                                  | \$906.3          |
| Less: Funding on completion of the Longroad capital raise     | (\$151.0)        |
| Add: Forecast net 'TowerCo' proceeds                          | \$613.9          |
| Add: Manawa Energy dividend declared                          | \$12.0           |
| Less: IFT240 Bond Maturity (December 2022)                    | (\$100.0)        |
| Less: Infratil FY2023 Interim dividend declared               | (\$48.9)         |
| Less: Accrued incentive fees forecast payable at 1 April 2023 | (\$149.2)        |
| Less: Liquidity buffer  | (\$60.0)         |
| <b>Available Capital</b>                                      | <b>\$1,428.8</b> |

- Funding on completion of the Longroad capital raise occurred on 6 October 2022
- \$614 million of net proceeds from the Vodafone Towers transaction are expected in Q3 FY2023
- Given current liquidity, \$100 million of IFT240 bonds maturing on 15 December 2022 will be repaid, with no new issuance

# Investing wisely in ideas that matter





# Infratil Interim Report 2022/23

## We believe that infrastructure underpins the ability for communities to grow, society to function and economies to thrive.

We anticipate the systems and assets needed to connect people to places, sustainable resources and the services of modern life.

We use our proven judgement and experience to invest in infrastructure that will stimulate sectors, invigorate communities and reward our investors over the longer-term. This purpose speaks to our foresight to look for opportunities to shift the present.

### Contents

|                                   |    |
|-----------------------------------|----|
| Portfolio Overview                | 2  |
| Financial Highlights              | 3  |
| Report of the Board Chair         | 4  |
| Report of the Chief Executive     | 6  |
| Stakeholder Engagement            | 8  |
| Shareholder Returns and Ownership | 9  |
| Sustainability                    |    |
| ESG Benchmarking                  | 10 |
| GHG Emissions                     | 11 |
| Financial Trends                  | 12 |
| Financial Performance & Position  | 14 |
| Infratil's Businesses             |    |
| CDC Data Centres                  | 20 |
| Vodafone                          | 22 |
| Longroad Energy                   | 24 |
| Manawa Energy                     | 26 |
| Diagnostic Imaging                | 28 |
| Wellington Airport                | 30 |
| RetireAustralia                   | 32 |
| Other Investments                 | 34 |
| Directory                         | 36 |

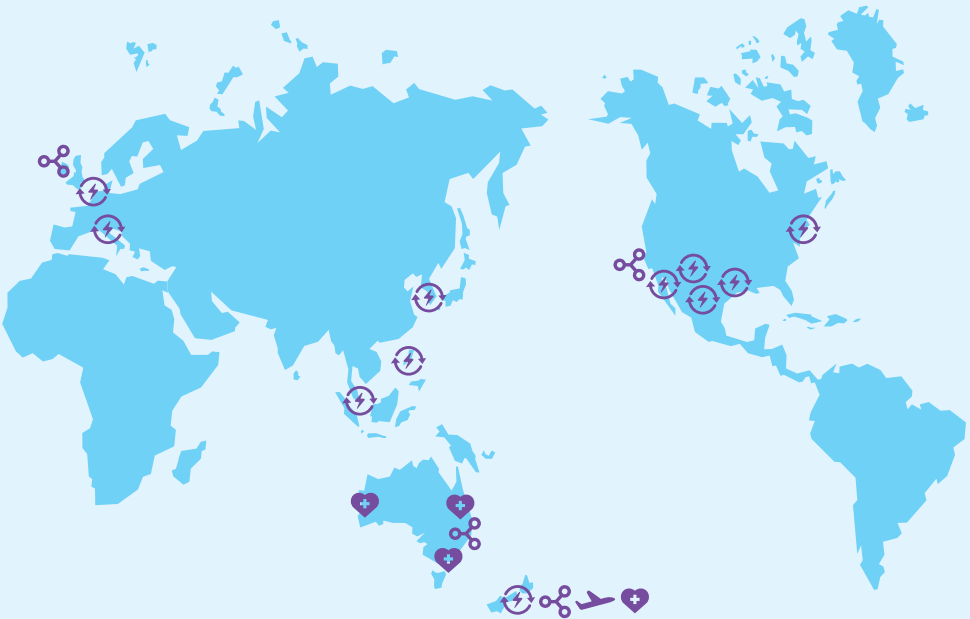
# Portfolio Overview



| Renewables   | Digital   | Healthcare   | Airports  |
|--|---|--|---|
| <div><br/>HANAWA ENERGY</div> <div>51% Infratil<br/>27% TECT / 22% Public</div>           | <div><br/>DATA CENTRES</div> <div>48% Infratil / 24% CSC<br/>24% Future Fund / 4% Management</div> | <div><br/>Qscan GROUP</div> <div>55.1% Infratil<br/>33.1% Doctors / 13.8% MGIF</div> | <div><br/>WELLINGTON AIRPORT</div> <div>66% Infratil<br/>34% Wellington City Council</div> |
| <div><br/>LONGROAD ENERGY</div> <div>40% Infratil<br/>40% NZ Super / 20% Management</div> | <div><br/>vodafone</div> <div>49.9% Infratil<br/>49.9% Brookfield / 0.2% Management</div>          | <div><br/>DOCTORS</div> <div>50.1% Infratil<br/>49.9% Doctors</div>                  |   |
| <div><br/>GALILEO</div> <div>40% Infratil<br/>20% CSC / 20% NZ Super / 20% MGIF</div>   | <div><br/>KAO DATA</div> <div>40% Infratil<br/>30% Legal &amp; General / 30% Goldacre</div>      | <div><br/>retire australia</div> <div>50% Infratil<br/>50% NZ Super</div>           |   |
| <div><br/>gurtnENERGY</div> <div>95% Infratil<br/>5% Management</div>                   | <div><br/>CLEARVISION</div> <div></div>  |  |   |

### Our assets

Our assets represent a unique portfolio of high conviction positions, diversified by geography, across four growth sectors.



# Financial Highlights

Net parent surplus

\$350.5 million

Proportionate EBITDAF<sup>1</sup>

\$275.6 million

Proportionate capital expenditure<sup>2</sup>

\$471.7 million

Net debt<sup>3</sup>

\$1,012.1 million

Share price

\$8.65

Market capitalisation

\$6.3 billion

Cash dividend declared

6.75 cps  
2.63 cps imputation

Six month shareholder return<sup>4</sup>

6.5% p.a.

<sup>1</sup> EBITDAF is an unaudited non-GAAP measure of net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, and non-operating gains or losses on the sales of investments and assets. EBITDAF does not have a standardised meaning and should not be viewed in isolation, nor considered a substitute for measures reported in accordance with NZ IFRS, as it may not be comparable to similar financial information presented by other entities. Proportionate EBITDAF shows Infratil's operating costs and its share of the EBITDAF of the companies it has invested in. It excludes discontinued operations, acquisition or sale-related transaction costs and management incentive fees. A reconciliation of net profit after tax to Proportionate EBITDAF is provided in the 30 September 2022 interim results presentation.

<sup>2</sup> Investment and capital spending by Infratil, and Infratil's share of investee company capital spending.

<sup>3</sup> Infratil Corporate net debt.

<sup>4</sup> Shareholder returns are 6-month returns assuming that dividends are invested on the date of payment.

# Report of the Board Chair

**I am pleased to be able to provide my first interim update as Chair of Infratil. Having been on the board since 2014, the last six months has been as exciting and busy as any previous period.**

We continue to operate in a volatile macro-economic environment with follow-on implications of the global pandemic coupled with the protracted war in Ukraine, geopolitical tensions, supply chain challenges and global aviation capacity constraints. While some of these may stabilise over time, inflation appears persistent and central bank responses appear aligned and determined.

The relaxation of travel restrictions and the return of aviation demand has been welcomed by Wellington Airport, but we have also seen Covid-19 related impacts to diagnostic imaging volumes persist for longer than anticipated. We expect both of these to stabilise over time.

As covered at the Annual Meeting, there have been two outstanding transactions for shareholders to note during the half-year.

The first was Vodafone's sale of its passive mobile tower assets and Infratil's investment in the new "TowerCo" business. In May 2019, Infratil acquired just under half of Vodafone New Zealand (soon to be renamed One NZ) for around one billion dollars. Based on the 31 March 2022 independent valuation, Infratil expects to have generated a 26.7% per annum return on its investment in Vodafone following the Towers sale.

The Towers deal was a fantastic result reflecting an incredible effort and swift execution and action by the board and management to achieve the best result for shareholders. It is worth noting that no incentive fee was payable to the Manager in relation to this transaction because it is a New Zealand asset.

The second transaction was the new capital and co-investor for Longroad Energy. From an original investment of US\$100 million (with another US\$100 million from the

NZ Superannuation Fund), the business is now worth US\$2 billion in just six years and is well positioned for the next phase of its growth. At completion of the transaction, Infratil will have invested a net US\$112 million in Longroad since 2016 and achieved an internal rate of return of over 70% per annum based on the pre-money valuation of its stake which is implied by this transaction. That level of return is a testament to having identified an opportunity, built and supported the right team and relentlessly executed on the plan.

Globally, Infratil is well positioned to capitalise on the energy transition and the increasing Government support for renewable energy. The US Inflation Reduction Act provides a strong tailwind for Longroad as it transitions to a build-to-own business model. We also expect our other renewables platforms, Galileo in Europe and Gurin Energy in Asia, to start hitting their strides in the medium term.

Taking a long-term approach to value creation is key to delivering outsized returns. It takes time to transform an "idea that matters" from a single asset into a wider next generation platform with strong long-term value creation potential. The long-term nature of these investments requires conviction. By their very nature, early investments involve analysis and insights which are ahead of the curve.

Being well capitalised puts Infratil in an enviable position. Volatile macro-economic conditions can create opportunities. In addition to overseeing the management of our current investments and deploying further capital within those businesses, we are actively assessing new investment opportunities. This includes defensive software businesses which have a number of infrastructure like qualities and offer returns within the target range, as well as opportunities created by the market volatility.

We are continuing to grow our capability and progress our sustainability journey, building on solid foundations. Our Manager, Morrison & Co, has been a signatory to the UN Principles for Responsible Investment for over a decade. This means it is committed to incorporating ESG – environmental, social

and governance, issues into its investment practices, on behalf of Infratil. However, we are conscious that stakeholder expectations and standards are lifting – and we have an ambition to be a leader in sustainable infrastructure investment.

We have executed on a number of sustainability initiatives already, for example, Infratil and its portfolio companies now undertake annual GRESB ESG assessments to help us benchmark and lift performance. We have also published our third Modern Slavery Report, as we focus on the social impacts of the supply chains in our businesses. Acknowledging that climate change is one of the key challenges that the world faces today, our focus has turned to the climate impact of our portfolio. We have committed to climate related disclosures, and we are developing a robust emissions reduction target. With a long-term focus on ideas that matter, sustainability is integral to our business, so you will continue to see us focusing in this area.

The half-year also included the acquisition of an additional \$40 million of Infratil shares by the Manager further aligning its interests with those of shareholders.

During the half-year, the board has also had the opportunity to visit investments in Europe and the United States. In addition to meeting the management teams and seeing some of the assets, it also gave the board a chance to meet the increasingly global and large Morrison & Co team which manages those investments. The board takes a keen interest in that expansion as the nature of our symbiotic relationship means that for Infratil to continue to grow and expand geographically, so too must the Manager.

To all our shareholders and bondholders, thank you for your support, it is very much appreciated.



**Alison Gerry**  
Chair



**"Taking a long-term approach to value creation is key to delivering outsized returns. It takes time to transform an "idea that matters" from a single asset into a wider next generation platform with strong long-term value creation potential."**



# Report of the Chief Executive

The six months to 30 September have been very busy for the team. The now completed Longroad Energy capital raise – which saw significant uplift in its value – and the Vodafone passive mobile tower sale and re-investment were the obvious standout transactions.

I have also been able to get back on the road again to visit our investments and meet management teams in person, some for the first time and others after a very long gap. This has included solar farms in California, our renewables and data centre investments in Europe, diagnostic imaging clinics in Australia and numerous visits to Wellington Airport on the way there and back. In a time when a lot of the world was locked down, what constitutes Infratil has become truly global.

The volatile macro-economic environment and entrenched inflation is something that Infratil is not immune to, particularly when it is persistent and global.

Our diversified and global portfolio does benefit however, from the relative protection of infrastructure assets and inflation linked pricing. The long-term nature of our investments means that we can ride out the choppy waters.

Looking beyond the short-term, “ideas that matter” continue to matter regardless of the macro conditions. The drivers for the clean energy transition are more pertinent than ever. The ageing population and need for investment in healthcare has never been greater. Data and global connectivity continue to grow.

We continue to look at opportunities, particularly in new markets, in sectors and adjacencies that we know well, have deep experience in and which can be translated to support local management teams.

CDC Data Centres had a strong six months having delivered an additional 104MW of capacity across Canberra, Sydney and Auckland. The new Silverdale and Hobsonville data centres are the largest and most secure centres of their type in New Zealand, and we are really excited to be able to bring CDC’s world class facilities across the Tasman.

All of this development is capital intensive. CDC is forecasting spending over A\$650 million on capex in the current financial year alone. To support this, CDC completed a review of its capital structure during the period where it was able to diversify, increase and extend the tenor of its external funding.

Vodafone is well positioned with a very capable management team. The business has substantially progressed a comprehensive rationalisation and IT transformation programme to prepare itself for the next stage of growth. A fibre asset review is underway. Customer service and employee engagement are at all-time highs. In addition, Vodafone reached agreement to sell its passive tower assets for \$1,700 million.

Following completion of the passive tower sale, Infratil will have received \$1 billion in cash distributions in the just over three years since its investment into Vodafone completed, while still holding a 49.9% shareholding in the Vodafone business.

It has also been a stand-out period for Longroad Energy with the announcement of the now completed capital raise and introduction of new co-investor MEAG. MEAG is a leading global infrastructure investor, and its investment is a strong endorsement of the business and the sector. The value implied by the transaction values Infratil’s stake at over \$900 million, while the new capital will only accelerate Longroad’s growth ambitions. By Christmas, Longroad would have begun construction on 1.3GW of new renewables projects this year alone.

On the other side of the Atlantic, just last week Galileo announced a long-term joint development venture with a plan to develop over 5GW of offshore and onshore renewable energy and storage projects in Ireland, Norway, and the UK.

Despite ongoing disruptions and staff shortages causing reduced volumes in the healthcare sector globally, we remain positive in the potential of scaled diagnostic imaging businesses in Australia and New Zealand today, and in the future beyond. Healthcare in Australia and New Zealand has for some time

been delivered via a mix of publicly and privately-owned organisations, a partnership that we value and view as a strength. From time to time these partnerships can come under pressure, and we are watching with interest the debate in New Zealand surrounding recent changes in the regulation, pricing and funding of diagnostic imaging here.

We remain confident in the case for preventative healthcare, like diagnostic imaging, in Australia, New Zealand and globally, and the accelerated access to services and innovation only scaled businesses like ours will deliver. So, we are positive about a timely and mutually beneficial resolution to the debate in New Zealand. It also supports even more global diversification of our diagnostic imaging business over time, making them more resilient to future localised policy and regulatory disruption.

Over the six months Infratil paid the dividend declared at our FY2022 annual results announcement of 16.7 cents per share (12 cps cash and 4.7 cps imputation credits) and the share price rose from \$8.25 to \$8.85. With this report we can now declare an interim dividend for FY2023 of 6.75 cps cash and 2.63 cps of imputation credits.

The dividend will be paid on 14 December 2022 to shareholders of record on 30 November 2022. The dividend reinvestment plan will not operate for shareholders on this occasion.

Volatility in global equity markets means that these numbers will be out of date as soon as they are printed, but the Infratil share price has performed well and remains one of the stand-out performers on the NZX this calendar year trading up ~4% year to date while the NZX50 is currently down ~15%.



**Jason Boyes**  
Chief Executive

“We continue to look at opportunities, particularly in new markets, in sectors and adjacencies that we know well, have deep experience in and which can be translated to support local management teams.”





# Stakeholder Engagement

We believe that providing clear and accessible information to capital providers and other key stakeholders helps enable informed investment decision making.

Our goal is to continually improve the accountability of governance and management, and the Company's transparency. As part of this we aim to provide regular updates on the progress of our businesses and the risks involved with each of our investments.

Over the six months to 30 September 2022 and since then, the following meetings were held with shareholders and bondholders. In all cases there were opportunities for attendees to provide feedback and raise questions and concerns with directors and management.

- The annual results announcement on 19 May and interim results announcement on 15 November accompanying the release of this report;
- The annual series of presentations to retail shareholders and bondholders;
- The Annual Meeting on 25 August; including shareholder resolutions, a speech by the Chair on governance and strategy, and a presentation by management on activities and prospects; and,
- The Sydney Institutional Investor and Analyst Day in October which featured presentations from the management teams of CDC Data Centres and Vodafone.

These followed Infratil's fully virtual Investor Day in February 2022 where management provided an update on Infratil's portfolio strategy, as well as its views on the near-term outlook. There were also a number of presentations from senior executives at Infratil's portfolio businesses, including Longroad Energy, CDC Data Centres, Vodafone and panel discussions on Healthcare and Renewables.

All of this content is available on Infratil's website <https://infratil.com/for-investors/reports-results-meetings-investor-days/>.

## The Annual Meeting

This year the Annual Meeting was held in Wellington, with shareholders offered the option to join the meeting in person or online in what has become known as a hybrid meeting. This was the first time that we had been able to hold the meeting in-person since 2019.

It was pleasing to be able to meet with shareholders formally again and welcome them to the Annual Meeting. It was also pleasing to be able to welcome shareholders online, those using the online platform were also able to participate in the meeting and ask questions. In total approximately 100 shareholders attended the meeting in person, while 240 joined the meeting online.

## Shareholder Presentations

Infratil continues to have a strong Retail Investor base with ~48.9% of shares (\$3.1 billion of equity) held by New Zealand Retail investors.

The annual series of presentations to retail shareholders and bondholders ran across 15 meetings from 30 May 2022 to 15 June 2022. Meetings were held in Invercargill, Dunedin, Queenstown, Christchurch, Nelson, Wellington, Kāpiti, Palmerston North, Napier, New Plymouth, Rotorua, Tauranga, Hamilton, Auckland, and the North Shore. Approximately 1,400 people attended across the country.

Presentations followed a standard format of about 50 minutes of presentation, 10 to 20 minutes of formal Q&A, followed by an hour of informal interaction between management and shareholders, with light refreshments provided. The series of presentations is a strong differentiator for Infratil, with no other listed companies in New Zealand carrying out a series of presentations with a similar breadth.

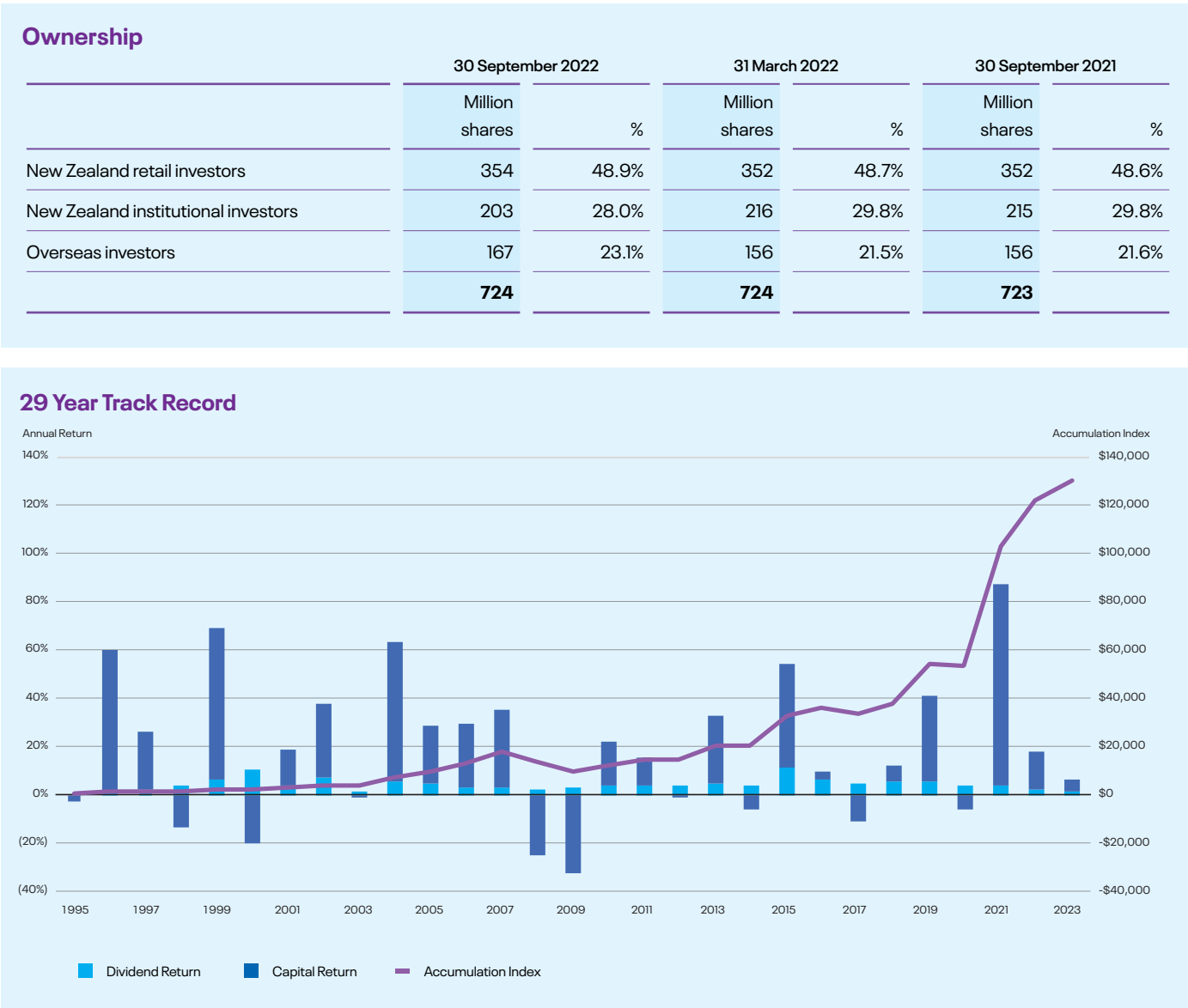
Feedback suggests that the presentations continue to provide retail investors with clear and accessible information. 83% of attendees said the presentation improved their understanding of Infratil's strategy and outlook, while 95% said the presentation gave them good access to management and the opportunity to ask any questions they had.

# Shareholder Returns and Ownership

Over the six months to 30 September 2022 Infratil's share price rose from \$8.25 to \$8.65. In addition, Infratil paid a dividend in May of 12.00 cps attaching 4.67 cps of imputation credits.

The total return to shareholders for the period was 6.5%, comprising a 1.4% after tax dividend return (28% tax rate) and a 5.1% capital gain. The return of the NZX50 over the same period was -8.6%. The calculated return assumes that all dividends were reinvested when received, so the shareholder neither took out, nor invested any additional cash. Infratil's after tax return since listing in

March 1994 has been 18.6% per annum, and over the last ten years 20.5% per annum after tax. A shareholder who invested \$1,000 in Infratil shares on 31 March 1994 and subsequently reinvested all dividends and the value of all rights issues (i.e., who neither took money out nor put money in) would, as of 30 September 2022 own 15,462 shares worth \$130,789.



# ESG Benchmarking

We believe that providing clear and accessible information to capital providers and other key stakeholders enables informed investment decision-making. This includes benchmarking the performance of Infratil and its investments (portfolio companies) using industry recognised ESG rating systems.

Robust ESG benchmarking informs investment and asset management priorities and simplifies the communication of ESG performance to stakeholders, whilst also providing useful and actionable insights to the companies being rated on where to focus to continue improving performance. In 2020, Infratil and three of its portfolio entities successfully piloted the GRESB Infrastructure Fund Assessment ('GRESB'). In 2021, Infratil and nine of the portfolio entities took part. GRESB looks at the ESG performance of infrastructure funds and portfolio companies. The fund-level assessment is split into two key areas - 'Management' and 'Performance' (the performance of the entity's underlying investments).

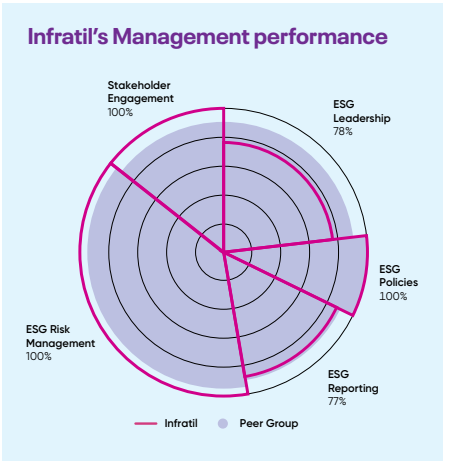
The Management component carries a 30% weighting and considers ESG leadership, policies, reporting, risk management and stakeholder engagement, and is focused on the systems and processes that have been established by the organisation's management team.

The Performance component carries a 70% weighting and is determined from the weighted average GRESB performance of the portfolio companies (a score of zero is allocated to investments that do not participate).

The GRESB assessments undertaken by the portfolio companies follow a similar structure, with Management and Performance components. The Management aspect considers the same five aspects noted previously. The Performance aspect, which has a 60% weighting, awards points for reporting of ESG metrics which are determined as material issues for that particular entity.

In 2022, Infratil achieved a Management score of 90% (2021: 97%) compared to the benchmark average of 93% (2021: 87%). The chart (below left) demonstrates that Infratil outperformed its peers in several categories, including in ESG risk management and stakeholder engagement, however underperformed in the Leadership and Reporting categories.

Ten portfolio companies participated in the GRESB Asset Assessment in 2022 - CDC Data Centres (38%), Vodafone (20%), Manawa Energy (14%), Wellington Airport (7%), RetireAustralia (5%), RHCNZ Imaging Group (5%), Qscan Group (4%), Longroad Energy (3%), Kao Data (3%) and Galileo (<1%). The percentage weightings above represent the portfolio companies' overall contribution to Infratil's 'Performance' score.

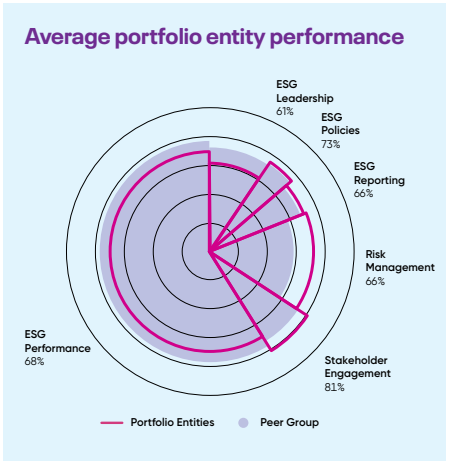


Infratil's Performance score was 71% (2021: 63%) compared to the benchmark average of 77% (2021: 69%). While Infratil's underlying investments improved their performance during the period, the performance against benchmark shows that peer companies are also lifting their game, as the focus on sustainability accelerates globally.

The average of the scores (by category) achieved by Infratil's portfolio entities are shown against sector peer benchmarks in the chart (below right). The chart demonstrates that while there are several opportunities for Infratil's portfolio entities to improve their approach to ESG integration, the portfolio did not materially underperform the relevant peer groups.

Infratil's overall GRESB score was 77% (2021: 73%) for the year compared to the benchmark average of 82% (2021: 76%).

In summary, the GRESB assessments show Infratil is continuing its solid performance, but further work is required to engage with and support the portfolio companies to continue to improve their performance. Some of the gap will be closed as entities become more familiar with the GRESB assessment (which has some complexity), and we will look to share best practice and insights between portfolio companies, noting some have been recognised by GRESB as market leaders.



# GHG Emissions

Infratil has an ambition to be a leader in sustainable infrastructure investment. Good management of ESG risks and opportunities is inherently aligned with value. Infratil is focused on integration of ESG into all aspects of the investment process – from screening to due diligence, investment execution and ongoing asset management.

Whilst Infratil has a focus on broader material ESG issues, we acknowledge that climate change is a critical and urgent issue, and that it is at the forefront of many stakeholders' minds. There is now undeniable scientific evidence that atmospheric greenhouse gases have risen to levels which are impacting the climate. Unless net emissions are rapidly curtailed, material adverse consequences are highly likely.

Our purpose – to invest in ideas that matter – is well aligned with catalysing a rapid and efficient transition to a low emission, climate-resilient future. Infratil's goal is to invest in a manner that contributes positively to global decarbonisation and benefits from the transition to a low-carbon economy, and to advocate for societal responses to climate change. This can most clearly be seen in Infratil's commitment to the development of Renewable Generation globally. Infratil's Renewable Energy platform currently has a development pipeline of over 20GW across four continents and 26 markets. However, our commitment extends across all the sectors we invest in.

Companies must understand what climate change and the transition to lower emissions means for their business and performance, and they must be transparent about this, and their goals, plans and actions. Part of this is understanding what your gross carbon emissions footprint is.

Infratil has been working with external consultants to develop a best practice approach to the measurement and reporting of its emissions. For a company such as Infratil, with a diversified portfolio that includes varying degrees of control and influence, it was determined that emissions should be calculated across the portfolio in accordance with the GHG Protocol<sup>1</sup> and reported in line with the PCAF Standard<sup>2</sup>.

The GHG Protocol establishes comprehensive global standardised frameworks to measure and manage greenhouse gas ('GHG') emissions from private and public sector operations, value chains and mitigation actions.

PCAF is a global partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose the GHG emissions associated with their loans and investments.

The PCAF standard is complimentary to the GHG Protocol and provides detailed guidance on how to account for GHG emissions and provides financial institutions with the starting point required to set science-based targets and align their portfolio with the Paris Climate Agreement.

This approach would see Infratil's emissions disclosed in the following categories

- Scope 1: Direct emissions e.g., from company facilities and owned vehicles. As Infratil has no offices, facilities or vehicles, there are no emissions in this category.
- Scope 2: Indirect emissions, such as those from the use of electricity. As Infratil has no offices or facilities requiring electricity, there are no emissions in this category.
- Scope 3: Value chain emissions broken down into 15 categories, the most material and relevant for Infratil are highlighted below.
- Category 1-8: Upstream emissions from purchased goods, business travel, employee commuting, waste. For Infratil, the only material category here is business travel (flights, hotels and ground transport) for the Board.
- Category 9-14: Downstream emissions such as those associated with sold goods. Infratil has no "sold goods" so there are no emissions in this category.
- Category 15: Emissions associated with investments. For Infratil, this is the most material category of emissions.

Emissions associated with investments is by far the most material aspect of Infratil's emissions profile. Initially we will seek to measure and report portfolio companies' scope 1 & 2 emissions, but over time will expand to also include material scope 3 emissions.

In addition to this, Infratil will report its own operational scope 3 emissions from directors' travel, largely associated with attending board meetings, engaging with investors and with the portfolio companies.

Independent assurance of the Group's GHG emissions in line with the GHG Protocol and the PCAF standard will play a key part in providing clear and accessible information to capital providers and other key stakeholders.

1 The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.  
2 Partnership for Carbon Accounting Financials' Global GHG Accounting & Reporting Standard for the Financial Industry.

# Financial Trends

These graphs were chosen to illustrate the key financial trends over the last decade.

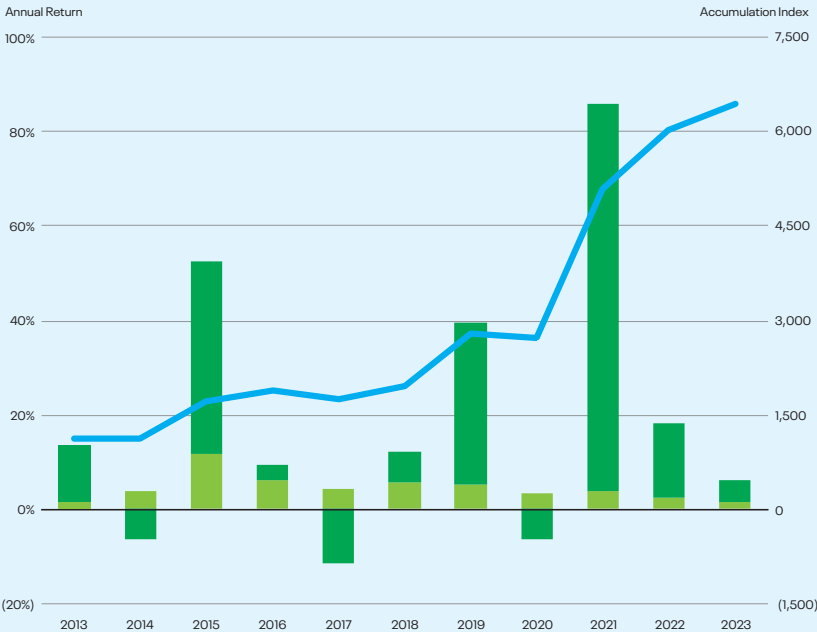
For HY2023 shareholder returns, assets and funding are as at 30 September 2022. Proportionate EBITDAF and capital investment are annualised based on the latest forecasts and guidance.

## Shareholder Returns

Between 1 October 2012 and 30 September 2022 Infratil provided its shareholders with an average after tax return of 20.5% per annum.

\$1,000 invested at the start of the period would have compounded to \$6,439 by 30 September 2022, assuming that all distributions were reinvested.

- Dividend Return
- Capital Return
- Accumulation Index



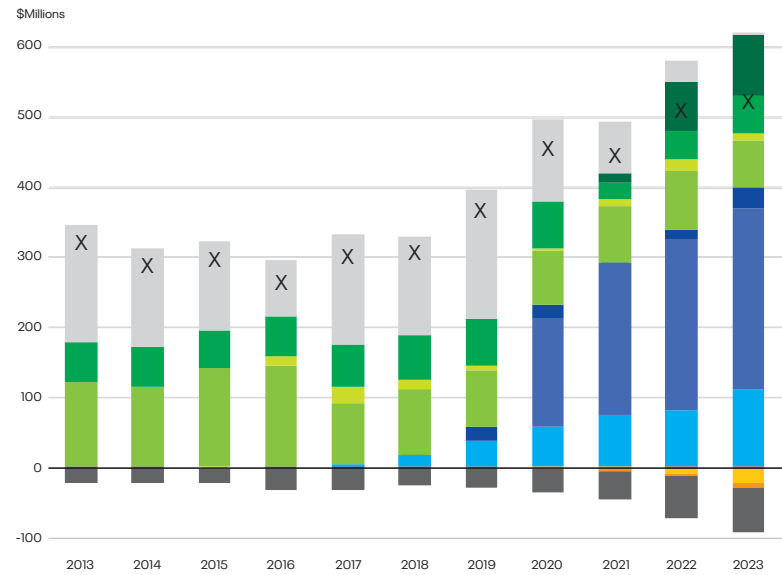
## Proportionate EBITDAF

The calculation of Proportionate EBITDAF is outlined on page 3 of this report. It is intended to show Infratil's share of the operating earnings of the companies in which it invests.

Proportionate EBITDAF is a non-GAAP financial measure.

The figures include the contribution of assets held for sale.

- CDC Data Centres
- Vodafone
- Longroad Energy
- Kao Data
- Manawa Energy
- RetireAustralia
- Wellington Airport
- Diagnostic Imaging
- Gurin Energy
- Galileo
- Sold
- Corporate



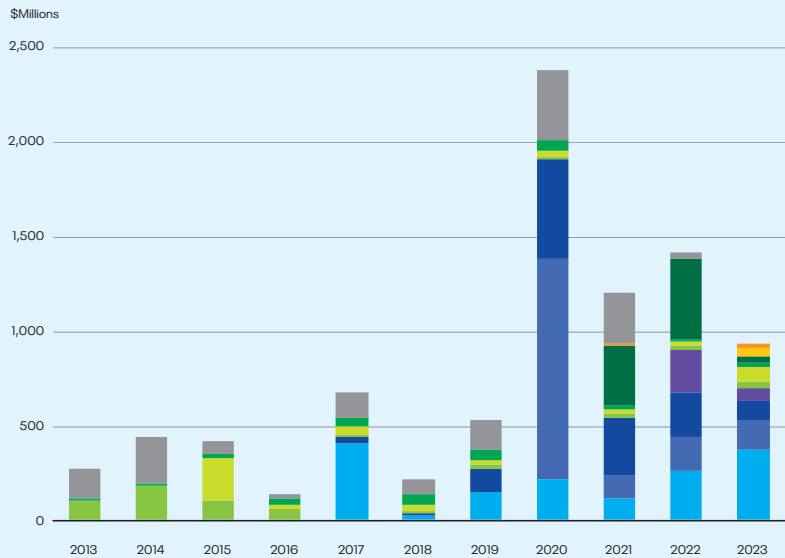
## Proportionate Capital Investment

Over the decade Infratil has invested over \$8.6 billion, with the majority having been undertaken by investee companies.

Investment has accelerated over the last 4 years, with over half of investment undertaken over the last decade during that period.

Funding for investments was provided by operating cash flows, debt and equity issuance, and the divestments of assets.

- CDC Data Centres
- Vodafone
- Longroad Energy
- Kao Data
- Manawa Energy
- RetireAustralia
- Wellington Airport
- Diagnostic Imaging
- Gurin Energy
- Galileo
- Other



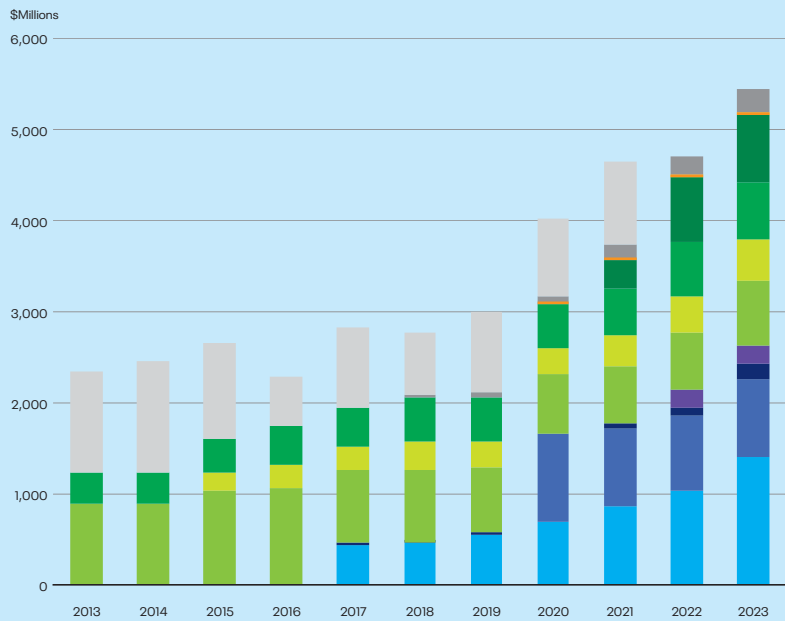
## Infratil Assets

The graph shows the NZ IFRS values of Infratil's assets (book value).

As noted on page 17, the IFRS values are in some cases lower than the fair values as assessed with reference to listed markets (the NZX) or independent valuations.

This is highlighted by Infratil's investment in CDC Data Centres which currently has a book value of \$1,415.4 million compared to an independent valuation of \$3,266.4 million (mid-point).

- CDC Data Centres
- Vodafone
- Longroad Energy
- Kao Data
- Manawa Energy
- RetireAustralia
- Wellington Airport
- Diagnostic Imaging
- Gurin Energy
- Galileo
- Other
- Sold



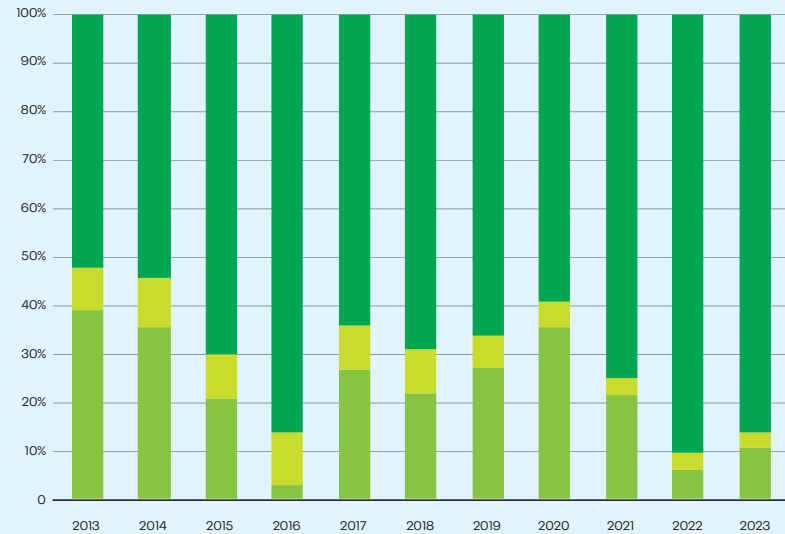
## Infratil Funding

Changes to the relative funding of Infratil and its 100% subsidiaries occurs as businesses are sold and acquired, when Infratil receives funds from, or advances them to, its operating businesses, or if shares are repurchased or issued.

The use of debt is bound by Infratil's policy of maintaining credit metrics that are broadly consistent with an Investment Grade Credit Rating (Infratil is not credit rated) and with maintaining availability of funds for investment purposes.

As a general rule Infratil targets debt funding of 30% of assets, compared to 13.9% as at 30 September 2022.

- Net bank and dated bonds
- Perpetual bonds
- Equity (market value)





# Financial Performance & Position

## Proportionate EBITDAF

Proportionate EBITDAF is intended to show Infratil's share of the earnings of the companies in which it invests.

Proportionate EBITDAF is shown from continuing operations and includes corporate and management costs, however, excludes international portfolio incentive fees, acquisition or sale-related transaction costs and contributions from businesses sold, or held for sale.

A reconciliation of Proportionate EBITDAF to net surplus after tax is presented in Infratil's Interim results presentation.

## Consolidated Results

This table shows a summary of Infratil's reported result for the period.

For the six months to 30 September 2022 the net parent surplus was a gain of \$350.5 million, down from a gain of \$1,080.6 million the prior year.

The main source of the difference was the \$1,014.7 million gain on the sale of Tilt Renewables reported in the prior period, while the current period included the gain on sale of the Trustpower Retail business of \$335.5 million.

Revenue and expenses have increased year on year with a full period contribution from the three businesses that make up the New Zealand diagnostic imaging group.

| Six months ended 30 September (\$Millions) | Share <sup>1</sup> | 2022     | 2021     |
|--|--------------------|----------|----------|
| CDC Data Centres                           | 48.1%              | \$51.9   | \$38.3   |
| Vodafone                                   | 50.0%              | \$128.8  | \$120.4  |
| Kao Data                                   | 39.9%              | (\$1.5)  | (\$0.1)  |
| Manawa Energy                              | 51.1%              | \$35.7   | \$54.4   |
| Longroad Energy                            | 40.0%              | \$21.7   | \$13.7   |
| Galileo                                    | 40.0%              | (\$4.2)  | (\$2.9)  |
| Gurin Energy                               | 95.0%              | (\$6.5)  | (\$1.0)  |
| RHCNZ Group                                | 50.1%              | \$26.6   | \$12.4   |
| Qscan Group                                | 55.1%              | \$15.2   | \$18.7   |
| RetireAustralia                            | 50.0%              | \$10.9   | \$6.3    |
| Wellington Airport                         | 66.0%              | \$26.5   | \$20.8   |
| Corporate & Other                          |                    | (\$29.5) | (\$32.6) |
| Proportionate EBITDAF                      |                    | \$275.6  | \$248.4  |
| Tilt Renewables                            | 65.2%              | -        | \$7.8    |
| Trustpower Retail business                 | 51.1%              | \$1.8    | \$8.0    |
| Total                                      |                    | \$277.4  | \$264.2  |

| Six months ended 30 September (\$Millions) | 2022      | 2021      |
|--|-----------|-----------|
| Operating revenue                          | \$951.0   | \$644.4   |
| Operating expenses                         | (\$450.0) | (\$393.2) |
| International Portfolio Incentive fees     | (\$124.4) | (\$131.4) |
| Depreciation & amortisation                | (\$51.1)  | (\$43.2)  |
| Net interest                               | (\$82.3)  | (\$80.0)  |
| Tax expense                                | (\$77.1)  | (\$58.1)  |
| Realisations and revaluations              | \$54.7    | \$75.8    |
| Discontinued operations                    | \$336.5   | \$1,116.0 |
| Net surplus after tax                      | \$557.3   | \$1,130.3 |
| Minority earnings                          | (\$206.8) | (\$49.7)  |
| Net parent surplus                         | \$350.5   | \$1,080.6 |

1. Shareholding as at 30 September 2022.

## Breakdown of Consolidated Results

Infratil provides audited financial statements annually for the years to 31 March. The six month interim accounts to 30 September are reviewed by Infratil's auditors but not audited. A summary of the interim accounts is provided in this report. The full financial statements are available on Infratil's website.

Infratil consolidates a company when it controls it (owns more than 50%). This includes Manawa Energy, Gurin Energy, RHCNZ Group, Qscan Group and Wellington Airport. Associates (where Infratil has significant influence, but not control) such as CDC Data Centres, Vodafone, Kao Data, Longroad Energy, Galileo and RetireAustralia are not consolidated. For those investments, the EBITDAF column shows 100% of their EBITDAF and the "Revaluations & other adjustments" column includes the adjustment required to reconcile Infratil's share of their net surplus after tax.

| Six months ended 30 September 2022 (\$Millions) | Share | EBITDAF 100% | D&A      | Interest | Tax      | Revaluations & other adjustments | Minorities | Infratil share of earnings |
|---|-------|--------------|----------|----------|----------|----------------------------------|------------|----------------------------|
| CDC Data Centres                                | 48.1% | \$108.0      | -        | -        | -        | \$222.3                          | -          | \$330.3                    |
| Vodafone  | 50.0% | \$257.9      | -        | -        | -        | (\$248.6)                        | -          | \$9.3                      |
| Kao Data  | 39.9% | (\$3.8)      | -        | -        | -        | (\$0.7)                          | -          | (\$4.5)                    |
| Manawa Energy                                   | 51.1% | \$70.0       | (\$9.7)  | (\$11.9) | (\$17.7) | \$23.6                           | (\$22.8)   | \$31.5                     |
| Longroad Energy                                 | 40.0% | \$64.5       | -        | -        | -        | (\$71.2)                         | -          | (\$6.7)                    |
| Galileo   | 40.0% | (\$10.4)     | -        | -        | -        | \$3.9                            | -          | (\$6.5)                    |
| Gurin Energy                                    | 95.0% | (\$7.0)      | (\$0.2)  | -        | -        | -                                | \$0.4      | (\$6.8)                    |
| RHCNZ Group                                     | 50.1% | \$53.1       | (\$10.8) | (\$16.7) | (\$8.6)  | \$5.0                            | (\$11.1)   | \$10.9                     |
| Qscan Group                                     | 55.1% | \$27.5       | (\$16.3) | (\$10.0) | (\$0.6)  | -                                | (\$0.3)    | \$0.3                      |
| RetireAustralia                                 | 50.0% | \$21.8       | -        | -        | -        | \$2.9                            | -          | \$24.7                     |
| Wellington Airport                              | 66.0% | \$40.3       | (\$14.2) | (\$13.0) | (\$2.4)  | \$0.4                            | (\$3.7)    | \$7.4                      |
| Corporate & Other                               |       | (\$153.9)    | -        | (\$30.7) | (\$47.8) | \$25.7                           | -          | (\$206.7)                  |
| Total (continuing)                              |       | \$468.0      | (\$51.2) | (\$82.3) | (\$77.1) | (\$36.7)                         | (\$37.5)   | \$183.2                    |
| Trustpower Retail business                      | 51.1% | \$3.4        | (\$1.9)  | (\$0.1)  | (\$0.4)  | \$335.5                          | (\$169.2)  | \$167.3                    |
| Total   |       | \$471.4      | (\$53.1) | (\$82.4) | (\$77.5) | \$298.8                          | (\$206.7)  | \$350.5                    |

| Six months ended 30 September 2021 (\$Millions) | Share | EBITDAF 100% | D&A      | Interest | Tax      | Revaluations & other adjustments | Minorities | Infratil share of earnings |
|---|-------|--------------|----------|----------|----------|----------------------------------|------------|----------------------------|
| CDC Data Centres                                | 48.0% | \$79.8       | -        | -        | -        | (\$24.8)                         | -          | \$55.0                     |
| Vodafone  | 50.0% | \$241.2      | -        | -        | -        | (\$232.2)                        | -          | \$9.0                      |
| Kao Data  | 19.9% | (\$0.7)      | -        | -        | -        | \$0.3                            | -          | (\$0.4)                    |
| Manawa Energy                                   | 51.0% | \$106.4      | (\$11.9) | (\$14.4) | (\$45.4) | \$78.5                           | (\$58.6)   | \$54.6                     |
| Longroad Energy                                 | 40.0% | \$41.8       | -        | -        | -        | (\$17.3)                         | -          | \$24.5                     |
| Galileo   | 40.0% | (\$7.2)      | -        | -        | -        | \$4.4                            | -          | (\$2.8)                    |
| Gurin Energy                                    | 95.0% | (\$1.0)      | -        | -        | -        | -                                | -          | (\$1.0)                    |
| RHCNZ Group                                     | 56.0% | \$22.2       | (\$2.6)  | (\$5.5)  | (\$3.3)  | (\$20.9)                         | \$4.6      | (\$5.5)                    |
| Qscan Group                                     | 56.3% | \$33.1       | (\$14.4) | (\$9.4)  | (\$3.5)  | -                                | (\$2.5)    | \$3.3                      |
| RetireAustralia                                 | 50.0% | \$12.6       | -        | -        | -        | \$16.2                           | -          | \$28.8                     |
| Wellington Airport                              | 66.0% | \$31.5       | (\$14.4) | (\$12.5) | (\$3.6)  | \$2.1                            | (\$1.1)    | \$2.0                      |
| Corporate & Other                               |       | (\$163.8)    | -        | (\$38.2) | (\$2.3)  | (\$6.5)                          | -          | (\$210.8)                  |
| Total (continuing)                              |       | \$395.9      | (\$43.3) | (\$80.0) | (\$58.1) | (\$200.2)                        | (\$57.6)   | (\$43.3)                   |
| Tilt Renewables                                 | 65.2% | \$12.1       | (\$19.5) | (\$6.3)  | \$3.7    | \$1,124.1                        | \$7.9      | \$1,122.0                  |
| Trustpower Retail business                      | 51.0% | \$15.8       | (\$12.6) | (\$0.6)  | (\$0.7)  | -                                | -          | \$1.9                      |
| Total   |       | \$423.8      | (\$75.4) | (\$86.9) | (\$55.1) | \$923.9                          | (\$49.7)   | \$1,080.6                  |



Proportionate Capital Expenditure and Investment

This table shows Infratil’s share of the investment spending by investee companies, and investments made by Infratil during the period.

In a year where Infratil acquires a new investment, this is included under investment. Thereafter, Infratil records its share of the investee company’s capital expenditure.

To illustrate the calculation of Proportionate capital expenditure, Infratil owns 48.1% of CDC, CDC’s capital expenditure for the period was A\$432.2 million, and 48.1% of that is A\$207.9 million (NZ\$230.0 million).

Investment undertaken by Infratil for the six months amounted to \$48.5 million. This primarily reflects the investments in Clearvision and Galileo.

Infratil and Wholly Owned Subsidiaries Operating Cash Flows

This table shows the operating cashflows of Infratil and its 100% subsidiaries.

Cash inflows reflect the dividends, distributions, interest and capital returns received from investee companies.

Cash outflows comprise net interest payments and corporate operating expenses.

International Portfolio Incentive fees paid during the period include Tranche 1 of the FY2022 incentive fee (\$33.2 million), Tranche 2 of the FY2021 incentive fee (\$74.4 million), Tranche 3 of the FY2020 incentive fee (\$41.7 million), and a realised incentive fee of \$121.5 million relating to the sale of Tilt Renewables.

| Six months ended 30 September (\$Millions)       | 2022    | 2021    |
|--|---------|---------|
| CDC Data Centres                                 | \$230.0 | \$99.8  |
| Vodafone   | \$62.4  | \$105.2 |
| Kao Data   | \$12.5  | -       |
| Manawa Energy                                    | \$9.3   | \$7.8   |
| Tilt Renewables                                  | -       | \$21.9  |
| Longroad Energy                                  | \$56.9  | \$189.1 |
| RHCNZ Group                                      | \$5.7   |         |
| Qscan Group                                      | \$3.7   | \$3.1   |
| RetireAustralia                                  | \$29.5  | \$6.9   |
| Wellington Airport                               | \$13.2  | \$4.7   |
| Other  | -       | -       |
| Capital Expenditure                              | \$423.2 | \$438.5 |
| Kao Data   | -       | \$73.6  |
| Gurin Energy                                     | \$11.8  | \$2.8   |
| Galileo  | \$15.9  | -       |
| RHCNZ Group                                      | -       | \$313.6 |
| Clearvision Ventures                             | \$20.8  | -       |
| Infratil Investments                             | \$48.5  | \$390.0 |
| Proportionate capital expenditure and investment | \$471.7 | \$828.5 |

| Six months ended 30 September (\$Millions) | 2022      | 2021      |
|--|-----------|-----------|
| CDC Data Centres                           | \$15.0    | \$5.8     |
| Vodafone                                   | \$14.7    | \$24.5    |
| Manawa Energy                              | \$81.6    | \$29.6    |
| Longroad Energy                            | \$1.2     | \$44.8    |
| RHCNZ Group                                | \$14.8    | -         |
| Qscan Group                                | \$2.3     | -         |
| Tilt Renewables                            | -         | \$16.1    |
| Clearvision Ventures                       | -         | \$1.6     |
| Net interest                               | (\$25.9)  | (\$36.6)  |
| Corporate & Other                          | (\$29.6)  | (\$32.5)  |
| Operating Cashflow                         | \$74.1    | \$53.3    |
| International Portfolio incentive fee      | (\$270.8) | (\$116.2) |
| Operating Cashflow (after incentive fees)  | \$196.7   | (\$62.9)  |

Infratil Funding and Capital Structure

This table shows the mix of debt and equity funding at the Infratil Corporate level.

During the six months to 30 September 2022 Infratil refinanced \$93.7 million of maturing IFT190 bonds through the issuance of \$115.9 million IFT320 bonds (maturing in June 2030), a net increase of \$22.2 million of bonds on issue. \$65 million of IFT320 bonds were issued via a Firm Offer bookbuild process. An Exchange Offer provided holders of IFT190s an option to exchange their maturing bonds for IFT320s and raised an additional \$50.9 million of bonds, with the balance of \$42.8 million of the IFT190s repaid at maturity.

As of 30 September 2022 Infratil’s bank debt remains undrawn.

Book Value of Infratil’s Assets

This table shows the book value of Infratil’s assets.

These are prepared in accordance with NZ IFRS, and are the amounts reflected in Infratil’s consolidated financial statements.

This generally reflects Infratil’s share of the net assets of its investee companies, and includes any goodwill at the consolidated level.

A separate adjustment has also been made to the Wellington Airport book value which also excludes deferred tax.

Other includes Infratil Infrastructure Property and Clearvision Ventures, and excludes cash balances and other working capital balances at the Corporate level.

Fair Value of Infratil’s Assets

This table shows the fair value of Infratil’s assets.

The fair value of Infratil’s investments in CDC Data Centres, Vodafone, Longroad Energy, Galileo, Qscan Group, and RetireAustralia reflect the most recent independent valuations prepared for Infratil.

In certain cases these valuations are not as at 30 September and have been adjusted to reflect cash flows between 30 September and valuation dates, but do not reflect other fair value movements.

The fair value of Manawa Energy is shown based on the market price per the NZX.

Infratil does not commission independent valuations for its other assets and these are presented at book value.

|                               | 30 September 2022 | 31 March 2022 |
|-------------------------------|-------------------|---------------|
| (\$Millions)                  |                   |               |
| Net bank debt/(cash)          | (\$405.7)         | (\$773.0)     |
| Intratil Infrastructure bonds | \$1,185.9         | \$1,163.7     |
| Infratil Perpetual bonds      | \$231.9           | \$231.9       |
| Market value of equity        | \$6,262.5         | \$5,972.9     |
| Total Capital                 | \$7,274.6         | \$6,595.5     |
| Dated debt/total capital      | 10.7%             | 5.9%          |
| Total debt/total capital      | 13.9%             | 9.4%          |

|                    | 30 September 2022 | 31 March 2022 |
|--------------------|-------------------|---------------|
| (\$Millions)       |                   |               |
| CDC Data Centres   | \$1,415.3         | \$1,026.2     |
| Vodafone           | \$834.6           | \$838.2       |
| Kao Data           | \$211.3           | \$203.4       |
| Manawa Energy      | \$705.2           | \$607.2       |
| Longroad Energy    | \$180.0           | \$90.5        |
| Galileo            | \$30.5            | \$19.7        |
| Gurin Energy       | \$8.2             | \$2.0         |
| RHCNZ Group        | \$421.9           | \$417.1       |
| Qscan Group        | \$320.2           | \$305.1       |
| RetireAustralia    | \$466.1           | \$417.3       |
| Wellington Airport | \$602.7           | \$580.0       |
| Other              | \$236.1           | \$195.7       |
| Total              | \$5,432.1         | \$4,702.4     |

|                    | 30 September 2022 | 31 March 2022 |
|--------------------|-------------------|---------------|
| (\$Millions)       |                   |               |
| CDC Data Centres   | \$3,266.4         | \$3,117.3     |
| Vodafone           | \$1,670.0         | \$1,670.0     |
| Kao Data           | \$211.3           | \$203.4       |
| Manawa Energy      | \$915.2           | \$1,126.2     |
| Longroad Energy    | \$920.7           | \$227.4       |
| Galileo            | \$44.9            | \$26.1        |
| Gurin Energy       | \$8.2             | \$2.0         |
| RHCNZ Group        | \$421.9           | \$417.1       |
| Qscan Group        | \$375.1           | \$305.1       |
| RetireAustralia    | \$432.1           | \$408.9       |
| Wellington Airport | \$602.7           | \$580.0       |
| Other              | \$236.1           | \$195.7       |
|                    | \$9,104.6         | \$8,279.2     |
| Per share          | \$12.58           | \$11.44       |



# Infratil's Businesses





# CDC Data Centres

Infratil 48.1%  
Commonwealth Superannuation Corporation 24.05%  
Future Fund 24.05%  
Management 3.8%

Hume 4 data centre, Canberra

The last six months have seen CDC Data Centres deliver an additional 104MW of capacity across its Canberra, Sydney and Auckland campuses. Whilst the development of these facilities has been well communicated, their delivery within budgetary parameters against the backdrop of Covid-19 lockdowns, a global labour supply shortage and in a highly inflationary economic environment has been exceptional.

This new capacity includes two new state-of-the-art hyperscale data centres in Auckland, New Zealand. The Silverdale and Hobsonville data centres are the largest and most secure centres of their type in New Zealand. They have been built to meet the most stringent requirements of national critical infrastructure providers and other organisations requiring the highest levels of government accreditations, security, 100% availability, rich connectivity and data sovereignty. CDC's New Zealand data centres are to be powered from 100% renewable and carboNZero Certified electricity from day one.

In addition to the facilities in Auckland, CDC has also welcomed its first customers into its 54MW Eastern Creek 4 and 22MW Hume 5 data centres in the last six months. The Eastern Creek campus now offers a total of 123MW operating capacity across four data centres, with approved plans to further increase the capacity with two additional facilities in the same campus. To put this in perspective, 20 Sydney Opera Houses would fit inside the boundary of the Eastern Creek campus.

In addition to the four newly completed data centres, construction is also underway at CDC's first Melbourne campus. As construction works ramp-up, the site will accommodate a 300 strong workforce with a target delivery of the first 30MW of operating capacity in mid-2023.

Across its campuses, CDC is continuing to successfully grow and diversify its customers, including government and hyperscale, as well as increasing and diversifying its National Critical Infrastructure and enterprise customers.

For all customers, cyber and data security remain as prominent as ever. The most recent series of high-profile Australian corporate data breaches, which saw as many as 10 million customer accounts exposed across several high-profile organisations, have been a catalyst to action for organisations that cannot afford any compromises.

Earlier this year the Australian Federal Government introduced the Security Legislation Amendment (Critical Infrastructure Protection) Act 2022, which established further obligations for National Critical Infrastructure organisations. To assist customers comply with these regulations, CDC is already engaged with a growing number of customers to help improve their posture and take additional measures to demonstrate they are adequately managing their critical infrastructure risks.

While cloud providers have plans to also build their own facilities, the benefits of colocation within the CDC ecosystem has continued to drive capacity demand from hyperscale. CDC's proven track record of fast delivery also enhances its attractiveness as a partner for hyperscale clients, for whom time to market is an important factor.

CDC has invested A\$432 million on new data centre facilities, land and infrastructure in the six months to 30 September 2022. To date, the debt funding component of these investments has come from a banking group originated in the Australian bank market. With CDC's continuing growth, the company has undertaken a capital structure review during 2022 in order to determine the best way to meet planned growth objectives, while ensuring strong liquidity and enhancement of shareholder value.

CDC's business model and performance to date has provided a very strong starting point for this review. Virtually all of CDC's customers are strong investment-grade counterparties, who have long-term contracts, with the weighted average lease expiry of CDC's customer contracts currently at 21.1 years, including options. This combination of high credit quality clients, substantial long-term contracts and high quality, highly secure data centres is unique globally in the data centre industry. This review was completed in November, diversifying CDC's capital structure through the USPP market and extending the size and tenor of its bank facilities.

EBITDA growth is forecast to continue as customers are onboarded into CDC's newly



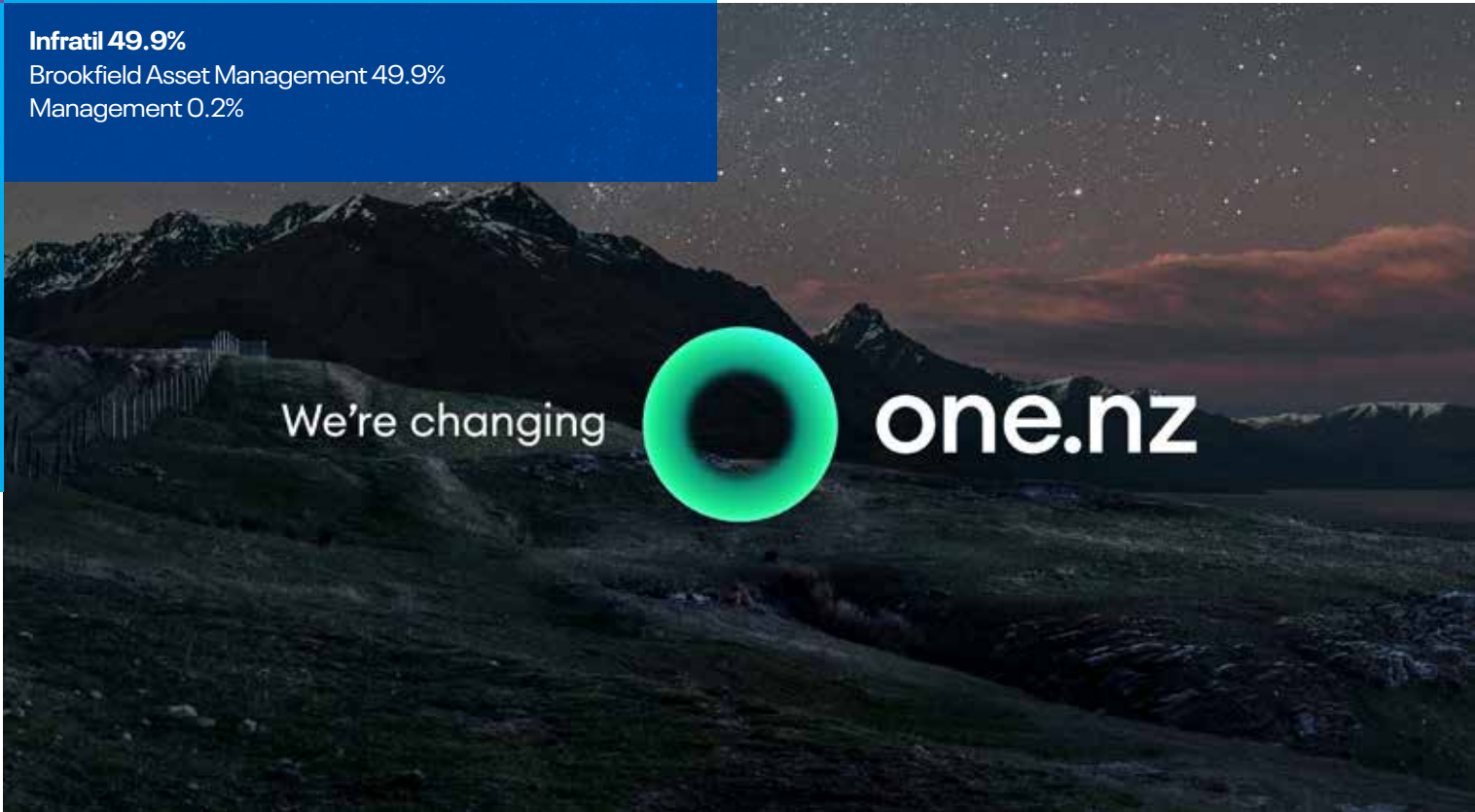
CDC continues to innovate and set the standard for world-class data centre services, working closely with partners and customers to understand their needs now and into the future, and design and build data centres that accommodate these very specific their most stringent requirements.

commissioned facilities in New Zealand and Australia. CDC is forecast to deliver EBITDAF of between A\$210 million to A\$220 million for the year to 31 March 2023. This is up 33.5% at the midpoint from the year ended 31 March 2022. This is slightly below original expectations of between A\$220 million to A\$230 million, primarily as a result of pandemic impacts across labour and supply chain delaying completion of the Auckland facilities and slowing customers' commencement of operations. While that impacted the forecast timing of customer onboarding and revenue commencement, it did not have an additional or ongoing cost impact. The new business pipeline remains robust and we are still seeing strong demand signals from all customer categories.

| Year ended 31 March<br>Six months ended 30 September<br>All A\$ unless noted | 30 September<br>2022 | 30 September<br>2021 | 31 March<br>2022 |
|--|----------------------|----------------------|------------------|
| Data centre capacity (built)   | 268MW                | 164MW                | 164MW            |
| Capacity under construction  | 42MW                 | 104MW                | 104MW            |
| Development pipeline   | 476MW                | 436MW                | 436MW            |
| Weighted average lease term with options                                     | 21.1 years           | 22.5 years           | 21.6 years       |
| Rack utilisation   | 65.9%                | 74.0%                | 75.3%            |
| Target PUE   | 1.20                 | 1.20                 | 1.20             |
| EBITDAF <sup>1</sup>   | A\$97.6m             | A\$75.2m             | A\$161.2m        |
| Net profit after tax   | A\$610.6m            | A\$92.8m             | A\$286.6m        |
| Capital expenditure  | A\$432.2m            | A\$195.8m            | A\$509.5m        |
| Net external debt  | A\$1,985.7m          | A\$1,263.1m          | A\$1,518.9m      |
| Infratil cash income   | NZ\$15.0m            | NZ\$5.8m             | NZ\$13.4m        |
| Fair value of Infratil's investment  | NZ\$3,266.4m         | NZ\$2,568.9m         | NZ\$3,117.3m     |

1. CDC EBITDAF excludes RMS payments to management shareholders. Accrued payments under this scheme are included in net external debt.

Infratil 49.9%  
Brookfield Asset Management 49.9%  
Management 0.2%



The first six months saw Vodafone achieving top line revenue growth supported by strong post paid mobile and ICT growth. With a continued focus on cost management, Vodafone saw EBITDAF grow by \$15.5 million (when excluding transaction costs relating to the sale of Vodafone’s passive mobile tower assets) to \$244.2 million. The result also includes a level of one-off spend in relation to the upcoming One NZ rebrand.

Vodafone continues to aspire to be New Zealand’s lowest cost telecommunications provider, while at the same time enhancing its customer experience. Vodafone recently recorded its best service record and best organisation health scores. As part of enhancing customer experience Vodafone has set a goal of becoming the country’s top telecommunications brand by net promoter score.

In a stable but competitive consumer market, Vodafone is a market leader in postpaid mobile customer connection growth and is achieving increases in mobile customer average revenue per user (‘ARPU’). It has successfully passed on price increases and is looking to replicate an annual CPI based pricing construct that is being used in many markets around the world, including Australia.

At the same time, postpaid customer churn has reduced while roaming and tourism revenues have started to recover as Covid-19 restrictions ease. Vodafone has the highest mobile market connection share in enterprise and SME, with the SME mobile base having recorded its lowest annual churn on record.

Vodafone continues to expand its footprint in ICT (selling Information and Communication technology services to Enterprise and SME customers) with strong revenue growth and is positioned as a leader in ICT enhanced security through the partial acquisition of leading New Zealand cyber security company, DEFEND. Cyber-crime is a growing threat, and as New Zealand businesses continue to adopt new technologies, the partnership provides increased capability and capacity to drive cyber resilience.

Following the deal announcement in July, Vodafone has now completed the sale of its passive mobile tower assets for \$1,700 million. In addition to the material uplift in value created, the transaction will also enable the accelerated upgrade of Vodafone’s 4G and 5G network coverage and capacity over the next five years.

Vodafone remains one of New Zealand’s largest owners of fixed infrastructure. This includes a suite of backhaul, fibre and copper assets that are not being fully utilised. As a result, a fibre asset review is currently underway to determine how to maximise the value of those assets.

Perhaps the biggest announcement during the period, was the announcement that in early 2023 Vodafone New Zealand will be transforming to One NZ. The new brand will:

- Enable significant ongoing cost savings once the rebrand is completed and One NZ has been established;
- Help improve mobile trading performance via brand reappraisal and improved consideration from previously hard-to-reach potential customers;
- Accelerate ICT growth and unlock further trading improvements in a growing segment of the market that Vodafone has a relatively low market share in, and;
- Link the brand refresh to internal business transformation programmes that are delivering further simplifications and efficiencies across the company.

At a global level, connectivity continues to be driven by trends such as the exponential growth in data consumption, a shift to cloud, remote and mobile working, and growing cybersecurity concerns.

At the individual level, customers are moving to unlimited plans – both in fixed and mobile – driven by data hungry applications. While this places additional demands on networks and associated capital requirements, it also reduces customer churn and improves customer network experience.

Vodafone remains well placed to take advantage of these opportunities. 4G and 5G upgrade paths are being accelerated and its simplification programme is targeting further service gains. Vodafone, and its successor One NZ, are also examining how to use advanced AI, machine learning and data analytics to further improve its customer experience and service offering.

Other achievements during the period included building a wholesale Mobile Virtual Network Operator (‘MVNO’) platform (which is now in market), being awarded New Zealand’s best mobile network, completing the buy back of its retail store network, onshoring and insourcing around 300 customer service frontline staff, actioning 100 percent of business calls onshore and placement of regional SME business managers across New Zealand.

| Year ended 31 March<br>Six months ended 30 September | 30 September<br>2022 | 30 September<br>2021 | 31 March<br>2022 |
|--|----------------------|----------------------|------------------|
| Mobile revenue                                       | \$430.7m             | \$401.2m             | \$804.9m         |
| Fixed revenue  | \$350.6m             | \$358.3m             | \$710.5m         |
| Other revenue  | \$208.2m             | \$196.9m             | \$452.0m         |
| Operating costs                                      | (\$745.3m)           | (\$715.2m)           | (\$1,486.4m)     |
| EBITDAF  | \$244.2m             | \$241.2m             | \$481.0m         |
| Capital expenditure                                  | \$124.9m             | \$210.8m             | \$356.2m         |
| Net debt   | \$1,344.4m           | \$1,389.8m           | \$1,344.4m       |
| Infratil cash income                                 | \$14.7m              | \$24.5m              | \$37.2m          |
| Infratil book value                                  | \$834.6m             | \$846.7m             | \$838.2m         |
| Fair value of Infratil's investment <sup>1</sup>     |                      |                      | \$1,670.0m       |

1. Based on independent valuation as at 31 March 2022, the figure presented is the midpoint of the valuation range \$1,535 million - \$1,805 million included in net external debt.



The move to One NZ will see more investment into networks, onshore service, and technology solutions for New Zealand customers. One NZ better reflects our deep connections and legacy in New Zealand, as well as our future ambitions.



Infratil 37.1%  
New Zealand Superannuation Fund 37.1%  
Management 13.8%  
MEAG 12.0%  
\*as at 6 October 2022

Sun Streams 2, Arizona



At establishment Longroad Energy’s focus was primarily in the development of utility-scale wind and solar generation throughout North America. This included the development of large scale solar and wind generation projects, which could be sold on completion. This created recurring development margins and avoided the need for shareholders to invest large sums in relatively low-yielding de-risked projects.

Over the past 12 months Longroad has made a strategic shift to a primarily “develop to own” model to build a scaled renewables platform. Operating a scaled platform allows Longroad to receive the benefits of scale in an increasingly competitive environment. This includes improved purchasing power on solar panels, wind turbines and batteries, the ability to manage a larger development pipeline and an increase in optionality across the portfolio.

Earlier this year Longroad announced that this strategic shift would require investment of around US\$8 billion, US\$1.2 billion of which would come from Longroad shareholders.

On 1 August, Longroad announced that MEAG, acting as the asset management arm for entities of Munich Re, had agreed to invest US\$300 million to acquire a 12% stake in Longroad. At the same time, Infratil and the NZ Superannuation Fund each committed to invest a further US\$100 million, while retaining a 37% stake each. The transaction implied a pre-money valuation for Longroad common equity of US\$2,000 million. The additional capital will primarily be used to fund Longroad’s near-term development pipeline.

Longroad is currently in the midst of the largest construction programme in its history, which includes development of 1.3GW across seven projects in five states. Of the seven projects, four have achieved financial close (489MW), and the remaining three are expected to close before the end of the year (808MW).

One of the projects that is currently under construction is the Three Corners Solar project in Kennebec County, Maine. At 150MW and located in the heart of Central Maine Power’s transmission system, the project will produce enough power for 30,000 Maine homes and will displace the State’s dirtiest and most expensive generation.

The largest project currently under development and expected to reach financial close this year is Sun Streams 3, a 500MW solar and storage project in Maricopa County, Arizona.

These projects form part of the 4.5GW of development projects that Longroad expects to develop over the next three years.

The additional equity commitment will also continue to support Longroad’s investments in adjacent sectors. In June, Longroad announced a strategic investment in Valta Energy, a Dana Point, California based developer, owner, and operator of distributed generation projects. Valta was founded in 2009 and has established a successful business without any external funding. Longroad’s equity investment provides growth capital to Valta’s robust development pipeline, thereby positioning the company for more rapid expansion. Valta develops and operates assets nationwide, with operating assets primarily in California, Massachusetts, and Hawaii, which is a good strategic fit with Longroad’s existing utility-scale business.

On 16 August, President Biden signed the Inflation Reduction Act of 2022 into law. Its main objectives are to lower prescription drug costs, fund new energy projects, address climate change, health care provisions, and reduce budget deficits. The Act will provide additional tailwinds for Longroad, principally through longer term certainty for federal subsidies, added incentives for domestic equipment sourcing, stand-alone storage Investment Tax Credits and direct pay for tax equity. The industry is awaiting specific implementation guidance from the US Treasury, however, together with the Infrastructure Investment and Jobs Act passed in late 2021, the Inflation Reduction Act will allocate ~US\$370 billion in federal funding to climate measures, in the form of infrastructure grants and tax credits which is

| Year ended 31 March<br>Six months ended 30 September | 30 September<br>2022 | 30 September<br>2021 | 31 March<br>2022 |
|--|----------------------|----------------------|------------------|
| Owned operating generation                           | 1,561MW              | 1,583MW              | 1,583MW          |
| Generation managed for others                        | 1,873MW              | 1,873MW              | 1,873MW          |
| Total generation developed in year                   | -                    | 530MW                | 530MW            |
| Generation under construction                        | 489MW                | 26MW                 | 26MW             |
| Near term pipeline                                   | 808MW                | 1,890MW              | 1,271MW          |
| Long-term pipeline                                   | 16.8GW               | 5.7GW                | 12.4GW           |
| Employees  | 153                  | 134                  | 142              |
| Infratil's aggregate investment amount               | NZ\$300.2m           | NZ\$255.5m           | NZ\$279.5m       |
| Aggregate capital returned                           | NZ\$279.2m           | NZ\$269.0m           | NZ\$278.1m       |
| Infratil's cash income                               | NZ\$1.2m             | NZ\$1.5m             | NZ\$54.0m        |
| Infratil book value                                  | NZ\$180.0m           | NZ\$51.4m            | NZ\$90.5m        |
| Fair value of Infratil's investment                  | NZ\$920.7m           | NZ\$156.6m           | NZ\$227.4m       |



The additional capital raised allows Longroad to maximise its competitive position in what remains one of the most attractive markets in the world for renewable energy investment.

expected to result in up to ~US\$1.0 trillion to US\$1.3 trillion in total investment by 2030.

Despite the obvious tailwinds, rising interest rates, continuing constraints in the supply chain, and the ability to procure enough batteries to satisfy Longroad’s growth plans remain as challenges for the business. One of the benefits of Longroad’s increasing scale is that these challenges can be more appropriately managed across the platform. In support of its pipeline development, Longroad has established a deep relationship with First Solar, affording favourable procurement status and supply chain benefits. Longroad is currently contracted with First Solar for nearly 4GW of panel supply through 2026.



Infratil 51%  
Tauranga Energy Consumer Trust 27%  
Public 22%

Mangorei Power Station, Taranaki



Manawa Energy has now successfully separated over a quarter of a century of integrated retail operations with the completion of the sale of the Trustpower mass market retail business to Mercury Energy on 1 May 2022. This achieved the objective of transitioning to a standalone renewable generation business.

The Trustpower brand was also attached to the sale of the retail business, and at completion the Manawa Energy name was formally adopted by the standalone renewable generation business. Manawa means 'heart' and speaks to the heart of its operations in the Bay of Plenty, from where Manawa connects with communities across Aotearoa New Zealand, through its generation assets.

Manawa's generation assets include 26 power schemes throughout New Zealand, and a total installed capacity of 498MW. Following the sale of its mass market retail business it has retained 650 commercial and industrial electricity business customers which are served at more than 7,000 electricity connections nationally. Outside of its commercial and industrial electricity business customers, the majority of Manawa's generation is currently sold to Mercury Energy.

The terms of sale of Manawa's generation to Mercury were agreed at the time of the sale of the Retail business. The contract approximates the volume used by the mass market retail business until October 2024 before reducing each year until it matures in 2031. The pricing for the first five years of the contract is fixed, escalated quarterly by CPI.

For the last five years pricing is reset with reference to the ASX electricity market.

The electricity market is extremely volatile, and the electricity price is dependent on many different factors (supply, demand, weather conditions, geopolitical events). Therefore, it is hard to forecast how electricity prices (both forward and spot prices) will move in the future through a longer period. Having a fixed price for the first five years of the contract allows Manawa Energy to have a degree of certainty around its earnings over the short term as it sets its sights on developing new renewable generation assets.

Manawa generated 976 gigawatt hours ('GWh') in the first six months of the financial year – a decrease of 2% on last year. Generation volumes were impacted in April and May by particularly challenging scheme

inflows, with inflows being 29% and 25% below average. National storage rose dramatically across the second quarter, starting at 74% of the 10-year average and finishing at 149%. Manawa inflows were also very strong in the second quarter with storage at the end of the period 140% of average. Despite high inflows, generation volumes remained below the prior period due to deliberate decisions to retain water in storage. This, in part, reflected lower prices throughout the market as national hydro capacity sat comfortably above historical averages.

Manawa's geographically diversified assets help to manage weather risks, alongside regulatory and stakeholder risks. Manawa is currently part way through a programme of strategic enhancements to its assets with 30GWh per annum of volume uplift expected to be delivered by the end of FY2023. A further ~77GWh per year worth of enhancements are currently planned to be delivered in the coming years.

Non-development capital expenditure will remain elevated across the next two to three years due to significant investment across asset enhancement, dam safety and asset lifecycle replacements.

Manawa expects this to peak in FY2024 and taper off to a new normal 'BAU' level of \$22 million to \$32 million from FY2026 onwards.

On top of the strategic enhancements programme, Manawa is currently reviewing over 1.7GW of renewable development opportunities, noting that not all of these options will translate into viable developments. Manawa is taking a very deliberate approach to new development – pursuing its own projects in addition to partnerships and joint ventures with existing developers. Included in the pipeline is a range of solar and wind projects in both the North and South Islands.

Manawa's solar focus to date has been on securing projects in the upper North Island with strong grid connection and nodal pricing prospects - rather than focusing on just solar resource. The first solar opportunity is a grid scale project in Northland (~12MW), which is on track for Final Investment Decision next year subject to securing satisfactory offtake arrangements. Manawa has also acquired, via land purchases and leases, an additional three ~100MW solar sites north of Auckland with good expansion opportunities, very strong grid connection potential, and proximity to significant load. These are in addition to the previously announced project near Thames (~100MW).

Manawa has also recently secured a 250MW project in the Waikato with strong connection prospects. Wind monitoring on the site is about to commence. This is in addition to a 78MW wind project in the South Island with wind monitoring already in place. The focus to date has been on securing projects which are

| Year ended 31 March<br>Six months ended 30 September | 30 September<br>2022 | 30 September<br>2021 | 31 March<br>2022 |
|--|----------------------|----------------------|------------------|
| Generation   | 976GWh               | 1,000GWh             | 1,760GWh         |
| Average generation spot price                        | 12.4c/kwh            | 20.8c/kwh            | 16.6c/kwh        |
| Total utility accounts                               | 7,000                | 424,000              | 431,000          |
| Generation EBITDAF                                   | \$70.0m              | \$106.4m             | \$159.7m         |
| Retail EBITDAF                                       | \$3.4m               | \$15.8m              | \$44.5m          |
| EBITDAF  | \$73.4m              | \$122.2m             | \$204.2m         |
| Capital expenditure                                  | \$18.2m              | \$15.3m              | \$46.3m          |
| Net external debt                                    | \$460.6m             | \$663.9m             | \$739.4m         |
| Infratil cash income                                 | \$81.6m              | \$29.6m              | \$56.7m          |
| Fair value of Infratil's investment                  | \$915.2m             | \$1,167.7m           | \$1,126.2m       |



Manawa is moving from an origination to an execution phase, with the objective of progressing projects through to being ready for investment decision. The pipeline is growing quickly, with just under 800MW of solar and wind projects with either landholder or option agreements in place.

uncorrelated with the significant installed capacity in the lower North Island.

A continued focus from the Government and industry regulators remains critical to ensuring that the energy system provides a platform for achieving New Zealand's net zero climate ambitions. Aggregate energy consumption is unlikely to drop, but the proportion that comes from coal and gas can and will. This can only meaningfully occur if New Zealand builds more renewable generation.

Two of the most powerful policies to accelerate the build of more renewable generation seek to ensure that consenting frameworks enable a faster and more efficient deployment of renewables and transmission projects, and to properly price carbon in line with New Zealand's emissions targets. Both Manawa and Infratil are strong advocates for positive policy development in both of these areas.



# Qscan Group

## Pacific Radiology

## Auckland Radiology

## Bay Radiology



Private providers play a critical and highly complementary role in the provision of healthcare services to the public sector – especially in specialist areas that require considerable capital investment to meet growing demand.



Infratil’s healthcare portfolio consists of Qscan Group (‘Qscan’) in Australia, and RHCNZ Imaging Group (‘RHCNZ’ – Pacific Radiology Group, Auckland Radiology Group, and Bay Radiology) in New Zealand. The combined Australasian platform consists of a 149 clinics and employs over 300 radiologists – many of whom are also shareholders through the doctor partnership model.

Together, the Australasian platform provides meaningful scale in a healthcare sub-sector that stands to benefit from the long-term macroeconomic and socio-economic tailwinds of a growing and ageing population.

Private providers play a critical and highly complementary role in the provision of healthcare services to the public sector – especially in specialist areas that require considerable capital investment to meet growing demand. This is particularly apparent for sophisticated and increasingly accurate diagnostic testing. Through Infratil’s partnerships with doctor-led practices in Australia and New Zealand, we are supporting the growth of smaller providers and leveraging the benefits of scale to drive greater efficiencies, widen their geographical reach (including to rural and regional communities) and create the critical mass necessary for the level of investment that is needed to continue moving healthcare systems forward. More excitingly, from a patient and doctor perspective, the increasing pool of clinicians enables

opportunity for enhanced collaboration, greater access to sub-specialty expertise, and broadens research, learning and development.

Diagnostic imaging encompasses a range of technologies (or modalities), including CT & MRI scans, X-ray, ultrasound, and PET-CT / nuclear medicine imaging. These technologies have broad applications across the entire healthcare eco-system. As the benefits of higher-tech modalities, especially for the early diagnosis and treatment of cancers, becomes clear, diagnostic imaging is experiencing a shift towards these modalities. In addition, advances in scanning technology are supporting new clinical applications and improving diagnostic accuracy and efficiency, and clinical workforce productivity. We expect the diagnostic imaging industry will continue to

be a benefactor of expanding and emerging technologies such as theranostics (advanced cancer treatment and associated imaging), teleradiology, data analytics and artificial intelligence and machine learning.

Diagnostic imaging is an essential component of the patient pathway and plays a critical role in preventative healthcare. It supports earlier diagnosis of disease or injury, which informs more effective treatment planning. The benefits of earlier diagnosis are clear, leading to improved patient outcomes, accelerating a return to functionality, and ultimately reducing the overall costs and burden across the healthcare system.

Improved access to preventative healthcare and diagnostic imaging remains a focus for the Australian Government. The Federal Government has recently introduced a number of positive changes, through the Medicare Benefits Schedule, which provide increased funding towards the early diagnosis of prostate cancer and Alzheimer’s disease. PET-CT is a critical technology for the early diagnosis of these diseases and, as a market leader of PET-CT imaging in Australia, Qscan is ideally positioned to deliver these services and provide greater patient access for all Australians.

Qscan has continued to experience a challenging operating environment, with results adversely impacted by Covid-19 and extreme weather conditions across its portfolio of clinics in the early part of the year. Several clinics were closed or inaccessible for a period due to flooding, including a major clinic in Brisbane which is currently undergoing a full rebuild (scheduled to re-open in January 2023), with significant flood mitigation measures now built in. Despite these challenges, Qscan has continued to deliver exceptional services to patients, whilst recruiting a number of radiologists and expanding access across its network to meet the needs of those impacted communities.

With the underlying fundamentals of the diagnostic imaging sector remaining strong, Qscan continues to assess both organic and inorganic growth opportunities. In April 2022, Qscan partnered with the leading boutique radiology group in Perth, Western Australia, bolstering its presence within the region and further adding to its talented pool of clinicians.

In New Zealand, the Government’s restructuring of the health system is designed to put a larger emphasis on the provision of primary health services and preventative healthcare (including diagnostic imaging), particularly for Māori and Pacific communities who are currently under-served.

In the first six months of the year, RHCNZ’s volumes have been impacted by the long tail of New Zealand’s Omicron wave, and the cascading impacts across the broader healthcare system. During this period, the business has experienced some changes in

patient and referrer trends that have led to lower growth than long run trends. However, we expect to see a return to trend following the easing of pandemic settings.

Since Infratil’s investment, the RHCNZ group has committed to invest over \$120 million over the next few years into new machines, clinics, research initiatives, and ensuring clinical excellence – with almost \$75 million committed within the last six months. This is considerably more than would have been the case without Infratil’s balance sheet and the combined critical mass of the new group. It includes meaningful investment into rural and under-served communities, a continued focus on technology and innovation, greater learning and development opportunities for clinicians, and increasing the country’s PET-CT scanning capability to meet the growing need for these services due to their role in the early detection and treatment of cancer.

| Year ended 31 March<br>Six months ended 30 September | 30 September<br>2022 | 30 September<br>2021 | 31 March<br>2022 |
|--|----------------------|----------------------|------------------|
| Volume of scans (000's)                              | 1,103                | 813                  | 1,894            |
| Sites (No. of standalone clinics)                    | 149                  | 120                  | 147              |
| Total patients (000's)                               | 703                  | N/A                  | 1,157            |
| Total radiologists                                   | 301                  | 222                  | 272              |
| CT machines  | 74                   | 72                   | 73               |
| MRI machines   | 57                   | 55                   | 54               |
| PET-CT machines                                      | 15                   | 11                   | 14               |
| Revenue  | NZ\$298.5m           | NZ\$190.1m           | NZ\$440.6m       |
| Operating expenses                                   | (NZ\$217.8m)         | (NZ\$132.6m)         | (NZ\$307.4m)     |
| EBITDAF  | NZ\$80.7m            | NZ\$57.5m            | NZ\$133.2m       |
| Capital expenditure                                  | NZ\$18.1m            | NZ\$25.4m            | NZ\$57.3m        |
| Net external debt                                    | NZ\$689.4m           | NZ\$522.6m           | NZ\$652.8m       |
| Infratil book value                                  | NZ\$742.1m           | NZ\$607.5m           | NZ\$722.2m       |



# Wellington Airport

Infratil 66%  
Wellington City Council 34%



Passenger numbers have rebounded strongly over the last six months as the long tail of New Zealand’s Omicron wave slowly passes. Domestic passengers were almost 90% of pre-covid levels for the period, with international passengers at 44% and increasing as airlines add more capacity.

International demand returned to 63% of pre-covid levels in September, ahead of the recovery in capacity. Load factors grew strongly towards the end of the month in the lead up to school holidays at the beginning of October. Air New Zealand, Qantas, Jetstar and Fiji Airways have all now recommenced operating international services.

Domestic travel has also returned strongly with over 400,000 passengers in the month of September, a recovery to 94% of 2019 levels. This has been driven by average load factors of 87% which were well ahead of pre-covid levels.

As the Airport continues to recover from the impacts of Covid-19, it continues to carefully manage capital spending after a challenging couple of years. The priority over the last six months has been on reconstructing Taxiway Bravo - the paved area between the runway and airport terminal - and seismic upgrades to the terminal buildings. Work has also started on a new electric bus terminal and a new Airport Fire Station.

The Airport Fire Station is to be constructed on the western side of the runway, moving from the existing facility on the eastern side of the runway. This will create space for more aircraft stands, allowing for staged expansion to accommodate growth.

In the period, Wellington Airport has also secured the designations to develop the current airport landholdings and the southern half of the Miramar Golf Course. This allows the Airport to expand over time as demand increases, enabling it to handle new sustainable aviation technology like electric aircraft and replace the current gas boilers with lower emissions plant.

Pleasingly, Wellington Airport has also continued to perform strongly from a sustainability perspective. Wellington Airport recently rated third in the world for participating airports in the 2022 independent global assessment carried out by GRESB. The airport has also achieved a 5-Star GRESB rating for the first time, recognising entities in the top 20% of the benchmark. Recent improvements include increasing the energy efficiency of its buildings and infrastructure, recycling 100% of the asphalt removed from the 2021 runway resurfacing (nearly 18,000 tonnes), diverting a third of total waste from landfill in the last year, and replacing a third of the total vehicle fleet with electric vehicles to date.

Wellington Airport has also joined a new Industry Advisory Board for Heart Aerospace, helping the Swedish company develop its first electric aircraft, the ES-30. As Sounds Air’s hub airport, Wellington Airport has been working closely with its team and Heart Aerospace for several years. With Air New Zealand also joining the partnership it is expected we will see e-flights operating on high frequency sectors across the Cook Strait this decade.

The aviation sector knows how vital it is to transition to lower emissions while also maintaining and growing the connections between people and businesses, crucial for a small, dispersed island nation like New Zealand. Short haul electric flights

are the first step in solving this challenge. Wellington Airport’s central location is perfectly placed as a hub, with two thirds of scheduled domestic flights on routes within the range of the ES-30 aircraft.

The Commerce Commission released its final report on Wellington Airport’s PSE4 airline pricing in late September. The report confirmed that Wellington Airport’s “pricing decisions and allocation of risk are generally appropriate after considering external factors including the impacts of Covid-19 on its customers”. The Airport’s pricing consultation was originally scheduled to be completed in 2019 but was delayed to enable extended

consultation with airlines on the Airport’s long-term capital expenditure planning. It was delayed a further year with the onset of the Covid-19 pandemic. The pricing period covered by PSE4 is 1 April 2019 to 31 March 2024. As part of PSE4 Wellington Airport introduced risk sharing arrangements with its airlines which defers revenue from PSE4 to later pricing periods. As a result of deferring revenue via the adjustments, the airport and airlines have reallocated risk during PSE4, with parties sharing demand risk, resulting in lower PSE4 pricing for airlines and Wellington Airport being exposed to collection of this revenue in PSE5.

| Year ended 31 March<br>Six months ended 30 September | 30 September<br>2022 | 30 September<br>2021 | 31 March<br>2022 |
|--|----------------------|----------------------|------------------|
| Passengers Domestic                                  | 2,305,855            | 1,981,691            | 3,480,581        |
| Passengers International                             | 213,875              | 48,413               | 48,667           |
| Scope 1 & 2 emissions CO <sub>2</sub> e tonnes       | 713                  | 638                  | 1,066            |
| Aeronautical income                                  | \$35.1m              | \$27.4m              | \$54.3m          |
| Passenger services income                            | \$17.4m              | \$13.2m              | \$22.3m          |
| Property/other income                                | \$7.3m               | \$7.0m               | \$13.8m          |
| Operating costs                                      | (\$19.6m)            | (\$16.1m)            | (\$33.6m)        |
| EBITDAF  | \$40.2m              | \$31.5m              | \$56.8m          |
| Net profit/(loss) after tax                          | \$11.0m              | \$2.9m               | \$3.0m           |
| Capital expenditure                                  | \$19.9m              | \$7.2m               | \$17.8m          |
| Net external debt                                    | \$582.1m             | \$583.7m             | \$587.4m         |
| Infratil cash income                                 | -                    | -                    | -                |
| Infratil book value                                  | \$602.7m             | \$558.9m             | \$580.0m         |



Demand for travel has returned with a vengeance with record high aircraft load factors being achieved. Wellington Airport has weathered the pandemic and is well poised to return to growth as global networks are restored and domestic fleets transition to zero emission aircraft.



Infratil 50%  
New Zealand Superannuation Fund 50%

Artist impression: The Green at Tarragindi, Brisbane



Demand for RetireAustralia’s facilities continues to be strong with 227 unit resales and 10 new unit sales during the last six months. A favourable product profile, both from a unit type and geographical perspective, along with strong pricing led to a higher average collect than expected across these settlements. This has helped drive an underlying profit for the period of A\$31.9 million, up from A\$22.8 million in the prior period.

In mid-August, on the back of robust performance across the portfolio, RetireAustralia implemented price increases at all villages. RetireAustralia has continued to assess its unit pricing relative to house pricing in the relevant catchment, with a further pricing review being considered for November 2022. Sales performance has remained robust following each pricing uplift with unit sales prices outperforming the revised valuations.

Waitlists are now a common feature at more than 20 villages (up from 15 villages at 31 March 2022), which has assisted in not only driving pricing outcomes, but has also allowed RetireAustralia to be more targeted when marketing to potential residents. Occupancy across the portfolio now sits at

93.3%, up from 92.3% at 31 March 2022 and the highest level since 2017, despite the overall growth in the number of units over that period. The near-term outlook remains well supported, with a number of deposits on hand, which are due to settle in the coming months.

Construction continues at four sites. A further 34 apartments are being built at The Rise at Wood Glen, and 22 units at Forresters Beach - both are premium villages on the NSW Central Coast. In Southeast Queensland, construction of a further 66 apartments is underway at The Verge on the Gold Coast, as well as 92 apartments at The Green at Tarragindi, Brisbane. The majority of projects are forecast to complete within the next 12 months.

RetireAustralia recently purchased a significant development site, immediately adjoining the existing Cleveland Manor village in Brisbane. This creates an opportunity to not only add scale to an existing well-performing village but to also enable the introduction of Home Care services from a new Care Hub. Provision of these services has the potential to improve value for the existing Cleveland and nearby Wellington Manor villages, by embedding a “care cluster” in the desirable Brisbane bayside area. Current concept plans support the development of 154 units (including a 10-bed care hub) spread over three buildings to be constructed in multiple stages. The acquisition is a strong example of RetireAustralia’s ability to source attractive development sites. Settlement of the acquisition is expected to occur in December 2022.

Development approval has recently been submitted for a premium 52-unit vertical village in Lane Cove, on the lower north shore of Sydney. Multiple other identified and prospective developments are in various stages of approval and negotiation, adding to a strengthening long term development pipeline.

During the development of its current strategic plan, an additional \$100 million of funding capacity was identified to execute the development programme aspirations. Potential financiers were approached to gauge appetite towards increasing the total lending facility from \$350 million to \$450 million and in April management successfully achieved financial close. Engagement from lenders was strong, leading to favourable commercial terms and improved pricing, resulting in significant annual interest cost savings given the debt funded nature of developments.

RetireAustralia’s development pipeline is targeted towards delivering metropolitan vertical villages with an integrated continuum of care offering. Execution of the current strategy places greater focus on attracting a care sensitive resident and in turn highlighting the “needs based” aspect of the decision to move into a RetireAustralia retirement offering, as opposed to purely financial.

On 1 March 2022, Infratil and its co-shareholder (the New Zealand Superannuation Fund) announced a

RetireAustralia has reported strong first half performance during a period of significant disruption and pressure. The care, dedication and professionalism of the RetireAustralia team has played a key role in helping the business continue to adapt and respond to changing workforce circumstances.

strategic review of their shareholding in RetireAustralia. Infratil’s August Annual General Meeting included an update noting that the strategic review had moved to the next stage through the decision to launch a formal sales process. At 30 September 2022, and at the time of releasing Infratil’s FY2022 interim result, the sales process remains ongoing. Infratil will assess all offers against other value maximising options for shareholders and will update the market as the process progresses.

| Year ended 31 March<br>Six months ended 30 September | 30 September<br>2022 | 30 September<br>2021 | 31 March<br>2022 |
|--|----------------------|----------------------|------------------|
| Residents  | 5,369                | 5,209                | 5,283            |
| Serviced apartments                                  | 499                  | 535                  | 500              |
| Independent Living Units                             | 3,569                | 3,584                | 3,569            |
| Unit resales   | 227                  | 255                  | 489              |
| New unit sales                                       | 10                   | 41                   | 76               |
| Resale gain per unit                                 | A\$178,629           | A\$129,545           | A\$135,665       |
| New unit average value                               | A\$575,600           | A\$732,256           | A\$676,941       |
| Occupancy receivable/unit                            | A\$135,488           | A\$121,879           | A\$132,428       |
| Embedded resale gain/unit                            | A\$58,129            | A\$38,106            | A\$51,584        |
| Underlying profit                                    | A\$31.9m             | A\$22.8m             | A\$56.5m         |
| Net profit after tax                                 | A\$44.6m             | A\$54.2m             | A\$149.1m        |
| Capital Expenditure                                  | A\$53.4m             | A\$13.1m             | A\$49.2m         |
| Net external debt                                    | A\$190.8m            | A\$153.4m            | A\$161.7m        |
| Infratil book value                                  | NZ\$466.1m           | NZ\$355.9m           | NZ\$417.3m       |

# Other Investments

## Galileo Renewables

Galileo has vigorously pursued its strategy of leveraging off carefully chosen joint development partners, resulting in a pipeline expansion over the half year until September 2022 to just over 6GW of dedicated projects.

The Russian invasion of Ukraine continues to cause severe political and economic disruptions, making energy supply forecasts for Europe over the next 18 months very difficult. Gas imports from Russia over the Nord Stream 1 and 2 pipelines were stopped completely at the beginning of September and in the meantime underwater explosions have destroyed sections of both pipelines. Demand for power and gas is on a downward trend in several European countries following the sharply rising procurement costs for both energies.

The governments of all European countries are currently trying to partially compensate end consumers for these cost increases, however key parameters like price cap levels, volumes and tenors are still under negotiation. A push towards simplified and accelerated build-out scenarios as well as rules for developing more renewable energy, including the necessary grid infrastructure are expected across Europe.

Since March 2022, Galileo has signed additional development agreements covering Germany, Italy, Norway, Poland and Spain, bringing additional onshore wind but also the first offshore wind project, ground mounted solar and rooftop solar projects into the pipeline. GGE Nordics has signed a development agreement for one of Europe’s largest onshore wind projects, and Galileo has finalised the agreement with Source Energie establishing a Joint Venture (JV) concentrating on utility-scale solar PV and battery projects in the UK, and large-size offshore wind projects in the Nordic as well as the Celtic Sea (UK, Ireland and Norway).

Galileo received its first off-take contract in September, for a solar PV project in Italy, and the Irish JV EMP Energy received planning consent for its first wind project Shronowen with a capacity of 50MW. This project has been submitted into the grid allocation round on 30 September 2022. Finally, Galileo has announced its JV with Hope Group aiming to develop a 500+MW floating offshore wind farm in the Adriatic Sea in Italy.

## Gurin Energy Renewables

There has been an increase in support of renewables and decarbonisation across Asia. Governments have rolled out increasing targets and all key Asian countries have announced firm commitments to net zero ambitions. Additionally, the region’s exposure to commodity prices has been emphasised by the Russian invasion of Ukraine, further reinforcing the benefits of fast tracking the renewables roll out. Unlike its developed market counterparts, most Asian countries continue to operate single buyer structures which provide long-term contracting structures to projects that result in simplified offtake opportunities.

At the 12 month point since creation, Gurin has established a pipeline with over 2.1GW of identified wind, solar and storage projects. The team’s focus over the last six months has been in the Philippines and South Korea, where market conditions are favourable. In the Philippines three significant solar projects have been, or are close to being signed, ranging from ‘early stage’ with land rights secured to ‘late stage’ nearing ready to build. In South Korea, the local team have secured the majority of land required for a large-scale solar project, which is progressing well with good community engagement.

In Singapore, Gurin continues to progress its response to the government’s RFP for importing low-carbon electricity via a sub-sea cable. Gurin and its partner, a large Malaysian industrial, intend to import solar generated energy, backed up with storage, from Indonesia. In Thailand, the Energy Regulation Commission issued an announcement to acquire 5.2GW of electricity from renewable resources by 2030, with favourable feed in tariffs, and the team are negotiating with potential consortia members to participate.

## Kao Data Digital Infrastructure

Demand for data centre capacity in the UK - and the Greater London and Slough region especially, continues to set the trends within the European data centre industry. A variety of factors including major hyperscale and enterprise growth, post-pandemic continuation of online services, and the evolution of the UK’s world-leading artificial intelligence community are all key drivers.

This demand is set against the backdrop of a turbulent and volatile energy market due to the Russian invasion of Ukraine. Whilst unlike other European nations, the UK is far less reliant on gas imports and the related shut down of the Nord Stream 1 and 2 pipelines, availability of power and subsequent price rises have caused UK data centre operators to address their energy procurement strategies to increase operational resilience.

Despite these market challenges Kao Data has experienced a strong last six months of sustained growth, both in terms of its portfolio but also customer acquisition. Their second data centre in Harlow is under construction – bringing a further 8.8MW online, this complements the 12MW of IT-capacity under development in Slough. As one of the largest available colocation opportunities remaining in the Slough area – the world’s 2nd largest data centre hub, Tier 1 and 2 hyperscale cloud interest in this capacity is high.

New clients across Kao Data’s data centre network in the last six months have included two large deployments from global Tier 1 financial institutions, deployments from enterprise IT solution providers and rapid growth start-ups using high density, GPU-powered platforms for AI and machine learning.

Key drivers for customers continue to be technical offering, scalability and sustainability. With its experienced team, growing portfolio and advanced infrastructure Kao Data is well positioned within the UK market. Kao Data also continues to lead the field in sustainability, through collaboration with its energy provider, all the renewable energy it uses is now uniquely matched by an equivalent capacity generated by a specific UK wind farm asset, providing added certainty as to the source and validity of its power, despite energy industry pressures.

## Infratil Infrastructure Property Social Infrastructure

Infratil Infrastructure Property (‘IIP’) holds a 17,142m<sup>2</sup> perpetual leasehold interest in a site in the heart of Auckland’s prestigious Wynyard Quarter. The site is home to the Wynyard 100 development, consisting of a 154 room Travelodge hotel, 380 space carpark, ground level retail and offices, and depot space leased to NZ Bus.

The hotel, carpark and all commercial tenancies leased are open and trading, with both the hotel and carpark trading above budget during the period.

Hotel occupancy was over 70% in the month of September, with over 4,800 guests. Carpark occupancy remains at ~100%, with approximately 60% of carparks contracted on a monthly basis.

Wynyard 100 is a near full city block bounded by Halsey Street, Gaunt Street and Pakenham Street West and provides a combination of income with strong growth potential. The growth potential is underpinned by up to 60,000m<sup>2</sup> of undeveloped Gross Floor Area available on the site, with the current leases and management agreements providing control and long-term income growth.

Wynyard Quarter is now established as a New Zealand tech hub, with the sector continuing to perform well and likely to see a high level of growth within the office market over the coming decade. Hotel demand will benefit from returning international tourists and business travellers from the growing office community in the Viaduct Wynyard Quarter. Carpark income is supported by these dynamics, with limited supply in Wynyard Quarter and growing demand from nearby commercial developments.

Despite these positive tailwinds, the development is no longer aligned to Infratil’s current portfolio strategy. During the period the IIP Board approved the marketing of Wynyard 100 with a view to a potential sale in the current financial year.

## Clearvision Ventures Digital Infrastructure

Infratil’s investment in Clearvision Ventures is helping Infratil’s businesses identify and engage with technology changes that will impact their activities. Clearvision is focused on investing in companies that can apply innovations in Artificial Intelligence & Machine Learning, IoT, and Security technology, to drive meaningful disruptions in energy and infrastructure, sustainability, and establish clear category dominance and leadership.

Besides strengthening our relationships with Silicon Valley, the Clearvision investment also increases our exposure to startups, strategic partners, incubators and universities, broader macro and enabling technology trends, whilst providing an ‘early look’ into business models of the future. As Infratil’s teams and portfolio become more global, this exposure becomes increasingly relevant and valuable.

In May 2022, Infratil agreed to commit a further US\$50 million to Clearvision’s Sustainability Growth Fund. This is in addition to the previous US\$50 million commitments. The new fund will see Clearvision expand its core thematics including decarbonisation, mobility and logistics, smart cities, AI optimisation as well as cyber security.

Clearvision’s portfolio closely mirrors Infratil’s “ideas that matter” investment strategy, which has seen it invest into a number of sustainability sub-sectors including electrification (Autogrid), grid reliability and resiliency (Tomorrow.io) as well as carbon emissions tracking and accounting (Aclima, Persefoni).

In total Infratil has made a commitment of US\$100 million to Clearvision, with contributions of US\$43.9 million (NZ\$66.1 million) made to 30 September 2022. The current carrying value of Infratil’s investment in Clearvision is NZ\$133.1 million.

Clearvision’s investments are unlisted, with the exception of ChargePoint which is listed on the New York Stock Exchange. ChargePoint has one of the largest electric vehicle charging networks in the world with a strong leadership position in North America and a growing presence in Europe.



# Directory

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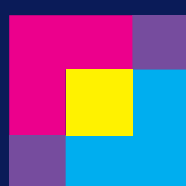
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For regular updates on the activities of our portfolio companies you can follow us on LinkedIn or sign up for email alerts at <https://infratil.com/contact-us/>



**Infratil**





# Infratil Interim Financial Statements

For the 6 months ended  
30 September 2022

## Contents

|   |    |
|---|----|
| Consolidated Statement<br>of Comprehensive Income | 02 |
| Consolidated Statement<br>of Financial Position   | 03 |
| Consolidated Statement<br>of Cash Flows           | 04 |
| Consolidated Statement<br>of Changes in Equity    | 05 |
| Notes to the Financial<br>Statements              | 07 |

# Consolidated Statement of Comprehensive Income

For the 6 months ended 30 September 2022

|   | Notes | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>(Restated)<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>(Restated)<br>Audited |
|---|-------|--|--|--|
| Operating revenue   | 9     | 604.4  | 528.7  | 1,027.2  |
| Dividends   |       | -  | 1.6  | 1.7  |
| <b>Total revenue</b>  |       | <b>604.4</b>   | <b>530.3</b>   | <b>1,028.9</b>   |
| Share of earnings of associate companies  | 5     | 346.6  | 114.1  | 268.5  |
| <b>Total income</b>   |       | <b>951.0</b>   | <b>644.4</b>   | <b>1,297.4</b>   |
| Depreciation  |       | 49.4   | 40.9   | 84.6   |
| Amortisation of intangibles   |       | 1.7  | 2.3  | 6.8  |
| Employee benefits   |       | 189.2  | 120.6  | 275.3  |
| Other operating expenses  | 10    | 385.2  | 404.0  | 724.9  |
| <b>Total operating expenditure</b>  |       | <b>625.5</b>   | <b>567.8</b>   | <b>1,091.6</b>   |
| Operating surplus before financing, derivatives, realisations and impairments                   |       | 325.5  | 76.6   | 205.8  |
| Net gain/(loss) on foreign exchange and derivatives   |       | 54.9   | 73.6   | 68.0   |
| Net realisations, revaluations and impairments  |       | (0.2)  | 2.2  | 14.2   |
| Interest income   |       | 6.9  | 1.7  | 6.4  |
| Interest expense  |       | 89.2   | 81.7   | 165.9  |
| Net financing expense   |       | 82.3   | 80.0   | 159.5  |
| <b>Net surplus before taxation</b>  |       | <b>297.9</b>   | <b>72.4</b>  | <b>128.5</b>   |
| Taxation expense/(credit)   | 11    | 77.1   | 58.1   | 22.6   |
| <b>Net surplus for the period from continuing operations</b>                                    |       | <b>220.8</b>   | <b>14.3</b>  | <b>105.9</b>   |
| Net surplus from discontinued operations after tax  | 8     | 336.5  | 1,116.0  | 1,125.8  |
| <b>Net surplus for the period</b>   |       | <b>557.3</b>   | <b>1,130.3</b>   | <b>1,231.7</b>   |
| Net surplus attributable to owners of the Company   |       | 350.5  | 1,080.6  | 1,169.3  |
| Net surplus attributable to non-controlling interest  |       | 206.8  | 49.7   | 62.4   |
| <b>Other comprehensive income, after tax</b>  |       |  |  |  |
| <b>Items that will not be reclassified to profit and loss:</b>                                  |       |  |  |  |
| Net change in fair value of property, plant & equipment recognised in equity                    |       | 14.7   | 60.6   | 83.6   |
| Share of associates other comprehensive income  |       | 45.5   | (3.2)  | 19.5   |
| Net change in fair value of equity investments at fair value through other comprehensive income |       | (1.9)  | 6.8  | 14.8   |
| Realisations on disposal of equity investments at FVOCI   |       | -  | -  | 5.6  |
| Ineffective portion of hedges taken to profit and loss  |       | -  | -  | -  |
| Income tax effect of the above items  |       | (9.1)  | (10.9)   | (20.2)   |
| <b>Items that may subsequently be reclassified to profit and loss:</b>                          |       |  |  |  |
| Differences arising on translation of foreign operations  |       | 163.1  | (59.9)   | (30.7)   |
| Realisations on disposal of subsidiary, reclassified to profit and loss                         |       | -  | (444.2)  | (444.4)  |
| Effective portion of changes in fair value of cash flow hedges                                  |       | (0.6)  | (79.0)   | (53.6)   |
| Income tax effect of the above items  |       | (8.2)  | 20.6   | 21.2   |
| <b>Total other comprehensive income after tax</b>   |       | <b>203.5</b>   | <b>(509.2)</b>   | <b>(404.2)</b>   |
| <b>Total comprehensive income for the period</b>  |       | <b>760.8</b>   | <b>621.1</b>   | <b>827.5</b>   |
| Total comprehensive income for the period attributable to owners of the Company                 |       | 557.3  | 1,010.9  | 1,191.7  |
| Total comprehensive income for the period attributable to non-controlling interests             |       | 203.5  | (389.8)  | (364.2)  |
| <b>Earnings per share</b>   |       |  |  |  |
| Basic and diluted (cents per share) from continuing operations                                  |       | 25.3   | (5.9)  | 4.9  |
| Basic and diluted (cents per share)   |       | 48.4   | 149.5  | 161.7  |

# Consolidated Statement of Financial Position

As at 30 September 2022

|   | Notes | 30 September 2022<br>\$Millions<br>Unaudited | 30 September 2021<br>\$Millions<br>Unaudited | 31 March 2022<br>\$Millions<br>Audited |
|---|-------|--|--|--|
| Cash and cash equivalents                                     |       | 522.5  | 1,213.8                                      | 851.0                                  |
| Trade and other accounts receivable and prepayments           |       | 113.1  | 55.4   | 107.5                                  |
| Electricity market security deposits                          |       | 65.4   | 64.8   | 64.8                                   |
| Derivative financial instruments                              |       | 88.9   | 11.3   | 65.3                                   |
| Inventories   |       | 2.5  | 2.0  | 2.0                                    |
| Income tax receivable   |       | 20.0   | 10.2   | 12.3                                   |
| Assets held for sale  |       | 479.3  | 187.9  | 194.8                                  |
| <b>Current assets</b>   |       | <b>1,291.7</b>                               | <b>1,545.4</b>                               | <b>1,297.7</b>                         |
| Trade and other accounts receivable and prepayments           |       | 11.0   | -  | 8.6                                    |
| Property, plant and equipment                                 |       | 3,448.8                                      | 3,335.1                                      | 3,401.1                                |
| Investment properties   |       | 108.1  | 262.4  | 279.3                                  |
| Right of use assets   |       | 156.8  | 127.0  | 159.2                                  |
| Derivative financial instruments                              |       | 157.7  | 53.2   | 80.9                                   |
| Intangible assets   |       | 129.3  | 10.7   | 121.3                                  |
| Goodwill  |       | 1,891.3                                      | 1,523.3                                      | 1,807.2                                |
| Investments in associates                                     | 5     | 2,328.5                                      | 1,768.4                                      | 2,125.9                                |
| Shareholder loans to associates                               | 5     | 501.2  | 465.3  | 469.4                                  |
| Other investments   | 6     | 141.6  | 79.9   | 101.2                                  |
| <b>Non-current assets</b>                                     |       | <b>8,874.3</b>                               | <b>7,625.3</b>                               | <b>8,554.1</b>                         |
| <b>Total assets</b>   |       | <b>10,166.0</b>                              | <b>9,170.7</b>                               | <b>9,851.8</b>                         |
| Accounts payable, accruals and other liabilities              |       | 289.4  | 414.8  | 445.9                                  |
| Interest bearing loans and borrowings                         | 12    | 21.0   | 92.3   | 215.5                                  |
| Lease liabilities   |       | 13.7   | 14.4   | 22.7                                   |
| Derivative financial instruments                              |       | 71.9   | 6.1  | 48.3                                   |
| Income tax payable  |       | 14.4   | 40.6   | 9.4                                    |
| Infrastructure bonds  | 13    | 221.8  | 93.4   | 193.5                                  |
| Manawa Energy bonds   |       | 77.7   | 83.0   | 127.7                                  |
| Wellington International Airport bonds                        |       | 75.0   | -  | -                                      |
| Liabilities directly associated with the assets held for sale |       | 70.7   | 35.0   | 50.9                                   |
| <b>Current liabilities</b>                                    |       | <b>855.6</b>                                 | <b>779.6</b>                                 | <b>1,113.9</b>                         |
| Interest bearing loans and borrowings                         | 12    | 746.2  | 697.2  | 851.7                                  |
| Accounts payable, accruals and other liabilities              |       | 127.5  | 88.9   | 151.3                                  |
| Lease liabilities   |       | 165.3  | 199.0  | 226.6                                  |
| Deferred tax liability  |       | 301.7  | 248.2  | 257.4                                  |
| Derivative financial instruments                              |       | 108.0  | 25.5   | 70.5                                   |
| Infrastructure bonds  | 13    | 956.6  | 1,062.0                                      | 963.1                                  |
| Perpetual Infratil Infrastructure bonds                       | 13    | 231.9  | 231.9  | 231.9                                  |
| Manawa Energy bonds   |       | 371.7  | 350.3  | 223.0                                  |
| Wellington International Airport bonds and senior notes       |       | 558.7  | 635.4  | 621.7                                  |
| <b>Non-current liabilities</b>                                |       | <b>3,567.6</b>                               | <b>3,538.4</b>                               | <b>3,597.2</b>                         |
| Attributable to owners of the Company                         |       | 4,190.5                                      | 3,571.9                                      | 3,713.9                                |
| Non-controlling interest in subsidiaries                      |       | 1,552.3                                      | 1,280.8                                      | 1,426.8                                |
| <b>Total equity</b>   |       | <b>5,742.8</b>                               | <b>4,852.7</b>                               | <b>5,140.7</b>                         |
| <b>Total equity and liabilities</b>                           |       | <b>10,166.0</b>                              | <b>9,170.7</b>                               | <b>9,851.8</b>                         |
| Net tangible assets per share (\$ per share)                  |       | 4.18   | 3.65   | 3.61                                   |

Approved on behalf of the Board on 14 November 2022



Alison Gerry  
Director



Mark Tume  
Director

# Consolidated Statement of Cash Flows

For the 6 months ended 30 September 2022

|   | Notes | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|---|-------|--|--|--|
| <b>Cash flows from operating activities</b>                               |       |  |  |  |
| <i>Cash was provided from:</i>  |       |  |  |  |
| Receipts from customers   |       | 688.9  | 599.4  | 1,585.5  |
| Distributions received from associates                                    |       | 30.9   | 31.9   | 61.2   |
| Other dividends   |       | -  | 1.6  | 2.1  |
| Interest received   |       | 6.6  | 2.2  | 6.9  |
|   |       | <b>726.4</b>   | <b>635.1</b>   | <b>1,655.7</b>                                       |
| <i>Cash was disbursed to:</i>   |       |  |  |  |
| Payments to suppliers and employees                                       |       | (865.2)  | (546.8)  | (1,364.0)  |
| Interest paid   |       | (77.0)   | (84.5)   | (157.4)  |
| Taxation paid   |       | (18.8)   | (21.2)   | (51.5)   |
|   |       | (961.0)  | (652.5)  | (1,572.9)  |
| <b>Net cash inflow / (outflow) from operating activities</b>              | 15    | <b>(234.6)</b>   | <b>(17.4)</b>  | <b>82.8</b>  |
| <b>Cash flows from investing activities</b>                               |       |  |  |  |
| <i>Cash was provided from:</i>  |       |  |  |  |
| Proceeds from sale of associates  |       | -  | -  | -  |
| Capital returned from associates  |       | -  | 43.3   | 43.3   |
| Proceeds from sale of subsidiaries (net of cash sold)                     |       | -  | 1,654.6  | 1,654.5  |
| Proceeds from sale of the Trustpower Retail business                      |       | 465.0  | -  | -  |
| Proceeds from sale of property, plant and equipment                       |       | -  | -  | 0.1  |
| Proceeds from sale of investment property                                 |       | 0.4  | -  | 0.2  |
| Proceeds from sale of investments   |       | 2.8  | 51.6   | 44.3   |
| Return of security deposits   |       | 112.8  | 82.0   | 189.2  |
|   |       | 581.0  | 1,831.5  | 1,931.6  |
| <i>Cash was disbursed to:</i>   |       |  |  |  |
| Purchase of investments   |       | (78.5)   | (119.2)  | (313.1)  |
| Proceeds to shareholder (loan)  |       | -  | -  | (0.4)  |
| Lodgement of security deposits  |       | (113.5)  | (33.8)   | (172.4)  |
| Purchase of intangible assets   |       | -  | (0.5)  | (6.1)  |
| Purchase of shares in subsidiaries, net of cash acquired                  |       | (40.5)   | (824.1)  | (1,159.4)  |
| Purchase of investment properties   |       | -  | -  | -  |
| Purchase of property, plant and equipment                                 |       | (51.9)   | (37.7)   | (115.6)  |
|   |       | (284.4)  | (1,015.3)  | (1,767.0)  |
| <b>Net cash inflow / (outflow) from investing activities</b>              |       | <b>296.6</b>   | <b>816.2</b>   | <b>164.6</b>   |
| <b>Cash flows from financing activities</b>                               |       |  |  |  |
| <i>Cash was provided from:</i>  |       |  |  |  |
| Proceeds from issue of shares   |       | -  | -  | -  |
| Proceeds from issue of shares to non-controlling interest                 |       | 4.4  | 246.3  | 372.9  |
| Bank borrowings   |       | 38.9   | 885.5  | 1,023.8  |
| Issue of bonds  |       | 214.3  | 227.4  | 227.4  |
|   |       | <b>257.6</b>   | <b>1,359.3</b>   | <b>1,624.1</b>                                       |
| <i>Cash was disbursed to:</i>   |       |  |  |  |
| Repayment of bank debt  |       | (356.4)  | (1,091.0)  | (1,018.7)  |
| Repayment of lease liabilities  |       | (12.2)   | (5.6)  | (26.1)   |
| Loan establishment costs  |       | (3.1)  | (15.5)   | (7.3)  |
| Repayment of bonds  |       | (93.7)   | (168.9)  | (251.9)  |
| Infrastructure bond issue expenses  |       | (1.5)  | (1.2)  | (2.2)  |
| Share buyback   |       | -  | -  | (6.7)  |
| Shares acquired from non-controlling shareholders in subsidiary companies |       | (1.9)  | -  | -  |
| Dividends paid to non-controlling shareholders in subsidiary companies    |       | (94.5)   | (38.4)   | (66.7)   |
| Dividends paid to owners of the Company                                   | 3     | (86.8)   | (83.1)   | (121.8)  |
|   |       | (650.1)  | (1,403.7)  | (1,501.4)  |
| <b>Net cash inflow / (outflow) from financing activities</b>              |       | <b>(392.5)</b>   | <b>(44.4)</b>  | <b>122.7</b>   |
| Net increase / (decrease) in cash and cash equivalents                    |       | (330.5)  | 754.3  | 370.1  |
| Foreign exchange gains / (losses) on cash and cash equivalents            |       | 1.9  | (7.6)  | (4.3)  |
| Cash and cash equivalents at beginning of the period                      |       | 851.0  | 133.8  | 133.8  |
| Cash balances on acquisition  |       | 0.1  | 5.2  | 9.8  |
| Adjustment for cash classified as assets held for sale                    |       | -  | 328.1  | 341.6  |
| <b>Cash and cash equivalents at end of the period</b>                     |       | <b>522.5</b>   | <b>1,213.8</b>   | <b>851.0</b>   |



# Consolidated Statement of Changes in Equity

For the 6 months ended 30 September 2022

|   | Capital<br>\$Millions | Revaluation<br>reserve<br>\$Millions | Foreign<br>currency<br>translation<br>reserve<br>\$Millions | Other<br>reserves<br>\$Millions | Retained<br>earnings<br>\$Millions | Total<br>\$Millions | Non-<br>controlling<br>\$Millions | Total equity<br>\$Millions |
|---|-----------------------|--------------------------------------|---|---------------------------------|------------------------------------|---------------------|-----------------------------------|----------------------------|
| Balance as at 1 April 2022  | 1,057.3               | 576.9                                | (1.3)   | 53.8                            | 2,027.2                            | 3,713.9             | 1,426.8                           | 5,140.7                    |
| <b>Total comprehensive income for the period</b>                      |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Net surplus for the period  | -                     | -                                    | -   | -                               | 350.5                              | 350.5               | 206.8                             | 557.3                      |
| <b>Other comprehensive income, after tax</b>                          |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Differences arising on translation of foreign operations              | -                     | -                                    | 163.1   | -                               | -                                  | 163.1               | -                                 | 163.1                      |
| Items reclassified to profit and loss on disposal of subsidiary       | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Net change in fair value of equity investments at FVOCI               | -                     | -                                    | -   | (1.9)                           | -                                  | (1.9)               | -                                 | (1.9)                      |
| Realisations on disposal of equity investments at FVOCI               | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Ineffective portion of hedges taken to profit and loss                | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Effective portion of changes in fair value of cash flow hedges        | -                     | -                                    | -   | (3.6)                           | -                                  | (3.6)               | (5.2)                             | (8.8)                      |
| Fair value change of property, plant & equipment recognised in equity | -                     | 3.7                                  | -   | -                               | -                                  | 3.7                 | 1.9                               | 5.6                        |
| Share of associates other comprehensive income                        | -                     | -                                    | -   | 45.5                            | -                                  | 45.5                | -                                 | 45.5                       |
| Total other comprehensive income                                      | -                     | 3.7                                  | 163.1   | 40.0                            | -                                  | 206.8               | (3.3)                             | 203.5                      |
| <b>Total comprehensive income for the period</b>                      | -                     | <b>3.7</b>                           | <b>163.1</b>  | <b>40.0</b>                     | <b>350.5</b>                       | <b>557.3</b>        | <b>203.5</b>                      | <b>760.8</b>               |
| <b>Contributions by and distributions to non-controlling interest</b> |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Non-controlling interest arising on acquisition of subsidiary         | -                     | -                                    | -   | -                               | -                                  | -                   | 13.6                              | 13.6                       |
| Issue of shares to non-controlling interests                          | -                     | -                                    | -   | 7.0                             | -                                  | 7.0                 | 4.2                               | 11.2                       |
| Issue/(acquisition) of shares held by outside equity interest         | -                     | -                                    | -   | (0.9)                           | -                                  | (0.9)               | (1.0)                             | (1.9)                      |
| Total contributions by and distributions to non-controlling interest  | -                     | -                                    | -   | 6.1                             | -                                  | 6.1                 | 16.8                              | 22.9                       |
| <b>Contributions by and distributions to owners</b>                   |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Shares issued   | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Share buyback   | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Shares issued under dividend reinvestment plan                        | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Conversion of executive redeemable shares                             | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Dividends to equity holders   | -                     | -                                    | -   | -                               | (86.8)                             | (86.8)              | (94.8)                            | (181.6)                    |
| Total contributions by and distributions to owners                    | -                     | -                                    | -   | -                               | (86.8)                             | (86.8)              | (94.8)                            | (181.6)                    |
| <b>Balance as at 30 September 2022</b>                                | <b>1,057.3</b>        | <b>580.6</b>                         | <b>161.8</b>  | <b>99.9</b>                     | <b>2,290.9</b>                     | <b>4,190.5</b>      | <b>1,552.3</b>                    | <b>5,742.8</b>             |

# Consolidated Statement of Changes in Equity

For the 6 months ended 30 September 2021

|   | Capital<br>\$Millions | Revaluation<br>reserve<br>\$Millions | Foreign<br>currency<br>translation<br>reserve<br>\$Millions | Other<br>reserves<br>\$Millions | Retained<br>earnings<br>\$Millions | Total<br>\$Millions | Non-<br>controlling<br>\$Millions | Total equity<br>\$Millions |
|---|-----------------------|--------------------------------------|---|---------------------------------|------------------------------------|---------------------|-----------------------------------|----------------------------|
| Balance as at 1 April 2021  | 1,049.0               | 767.3                                | 28.2  | 64.0                            | 735.5                              | 2,644.0             | 1,445.2                           | 4,089.2                    |
| <b>Total comprehensive income for the year</b>                        |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Net surplus for the year  | -                     | -                                    | -   | -                               | 1,080.6                            | 1,080.6             | 49.7                              | 1,130.3                    |
| <b>Other comprehensive income, after tax</b>                          |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Differences arising on translation of foreign operations              | -                     | -                                    | (65.1)  | -                               | -                                  | (65.1)              | 5.2                               | (59.9)                     |
| Items reclassified to profit and loss on disposal of subsidiary       | -                     | (232.3)                              | -   | (14.4)                          | 232.3                              | (14.4)              | (429.8)                           | (444.2)                    |
| Net change in fair value of equity investments at FVOCI               | -                     | -                                    | -   | 1.5                             | -                                  | 1.5                 | -                                 | 1.5                        |
| Realisations on disposal of equity investments at FVOCI               | -                     | -                                    | -   | (14.7)                          | 20.0                               | 5.3                 | -                                 | 5.3                        |
| Ineffective portion of hedges taken to profit and loss                | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Effective portion of changes in fair value of cash flow hedges        | -                     | -                                    | -   | (26.6)                          | -                                  | (26.6)              | (31.8)                            | (58.4)                     |
| Fair value change of property, plant & equipment recognised in equity | -                     | 32.8                                 | -   | -                               | -                                  | 32.8                | 16.9                              | 49.7                       |
| Share of associates other comprehensive income                        | -                     | -                                    | -   | (3.2)                           | -                                  | (3.2)               | -                                 | (3.2)                      |
| Total other comprehensive income                                      | -                     | (199.5)                              | (65.1)  | (57.4)                          | 252.3                              | (69.7)              | (439.5)                           | (509.2)                    |
| <b>Total comprehensive income for the period</b>                      | -                     | <b>(199.5)</b>                       | <b>(65.1)</b>   | <b>(57.4)</b>                   | <b>1,332.9</b>                     | <b>1,010.9</b>      | <b>(389.8)</b>                    | <b>621.1</b>               |
| <b>Contributions by and distributions to non-controlling interest</b> |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Non-controlling interest arising on acquisition of subsidiary         | -                     | -                                    | -   | -                               | -                                  | -                   | 246.8                             | 246.8                      |
| Issue of shares to non-controlling interests                          | -                     | -                                    | -   | -                               | -                                  | -                   | 17.3                              | 17.3                       |
| Issue/(acquisition) of shares held by outside equity interest         | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Total contributions by and distributions to non-controlling interest  | -                     | -                                    | -   | -                               | -                                  | -                   | 264.1                             | 264.1                      |
| <b>Contributions by and distributions to owners</b>                   |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Shares issued   | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Share buyback   | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Shares issued under dividend reinvestment plan                        | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Conversion of executive redeemable shares                             | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Dividends to equity holders   | -                     | -                                    | -   | -                               | (83.1)                             | (83.1)              | (38.7)                            | (121.8)                    |
| Total contributions by and distributions to owners                    | -                     | -                                    | -   | -                               | (83.1)                             | (83.1)              | (38.7)                            | (121.8)                    |
| <b>Balance as at 30 September 2021</b>                                | <b>1,049.0</b>        | <b>567.8</b>                         | <b>(36.9)</b>   | <b>6.6</b>                      | <b>1,985.3</b>                     | <b>3,571.9</b>      | <b>1,280.8</b>                    | <b>4,852.7</b>             |

The accompanying notes form part of these consolidated financial statements.

# Consolidated Statement of Changes in Equity

For the year ended 31 March 2022

|   | Capital<br>\$Millions | Revaluation<br>reserve<br>\$Millions | Foreign<br>currency<br>translation<br>reserve<br>\$Millions | Other<br>reserves<br>\$Millions | Retained<br>earnings<br>\$Millions | Total<br>\$Millions | Non-<br>controlling<br>\$Millions | Total equity<br>\$Millions |
|---|-----------------------|--------------------------------------|---|---------------------------------|------------------------------------|---------------------|-----------------------------------|----------------------------|
| Balance as at 1 April 2021  | 1,049.0               | 767.3                                | 28.2  | 64.0                            | 735.5                              | 2,644.0             | 1,445.2                           | 4,089.2                    |
| <b>Total comprehensive income for the year</b>                        |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Net surplus for the year  | -                     | -                                    | -   | -                               | 1,169.3                            | 1,169.3             | 62.4                              | 1,231.7                    |
| <b>Other comprehensive income, after tax</b>                          |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Differences arising on translation of foreign operations              | -                     | -                                    | (29.3)  | -                               | -                                  | (29.3)              | 5.2                               | (24.1)                     |
| Items reclassified to profit and loss on disposal of subsidiary       | -                     | (232.3)                              | (0.2)   | (14.4)                          | 232.3                              | (14.6)              | (429.8)                           | (444.4)                    |
| Net change in fair value of equity investments at FVOCI               | -                     | -                                    | -   | 14.8                            | -                                  | 14.8                | -                                 | 14.8                       |
| Realisations on disposal of equity investments at FVOCI               | -                     | -                                    | -   | (14.6)                          | 20.2                               | 5.6                 | -                                 | 5.6                        |
| Ineffective portion of hedges taken to profit and loss                | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Effective portion of changes in fair value of cash flow hedges        | -                     | -                                    | -   | (15.5)                          | -                                  | (15.5)              | (23.5)                            | (39.0)                     |
| Fair value change of property, plant & equipment recognised in equity | -                     | 41.9                                 | -   | -                               | -                                  | 41.9                | 21.5                              | 63.4                       |
| Share of associates other comprehensive income                        | -                     | -                                    | -   | 19.5                            | -                                  | 19.5                | -                                 | 19.5                       |
| Total other comprehensive income                                      | -                     | (190.4)                              | (29.5)  | (10.2)                          | 252.5                              | 22.4                | (426.6)                           | (404.2)                    |
| <b>Total comprehensive income for the year</b>                        | -                     | <b>(190.4)</b>                       | <b>(29.5)</b>   | <b>(10.2)</b>                   | <b>1,421.8</b>                     | <b>1,191.7</b>      | <b>(364.2)</b>                    | <b>827.5</b>               |
| <b>Contributions by and distributions to non-controlling interest</b> |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Non-controlling interest arising on acquisition of subsidiary         | -                     | -                                    | -   | -                               | -                                  | -                   | 401.6                             | 401.6                      |
| Issue of shares to non-controlling interests                          | -                     | -                                    | -   | -                               | -                                  | -                   | 10.8                              | 10.8                       |
| Issue/(acquisition) of shares held by outside equity interest         | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Total contributions by and distributions to non-controlling interest  | -                     | -                                    | -   | -                               | -                                  | -                   | 412.4                             | 412.4                      |
| <b>Contributions by and distributions to owners</b>                   |                       |                                      |   |                                 |                                    |                     |                                   |                            |
| Shares issued   | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Share buyback   | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Shares issued under dividend reinvestment plan                        | 8.3                   | -                                    | -   | -                               | -                                  | 8.3                 | -                                 | 8.3                        |
| Conversion of executive redeemable shares                             | -                     | -                                    | -   | -                               | -                                  | -                   | -                                 | -                          |
| Dividends to equity holders   | -                     | -                                    | -   | -                               | (130.1)                            | (130.1)             | (66.6)                            | (196.7)                    |
| Total contributions by and distributions to owners                    | 8.3                   | -                                    | -   | -                               | (130.1)                            | (121.8)             | (66.6)                            | (188.4)                    |
| <b>Balance at 31 March 2022</b>                                       | <b>1,057.3</b>        | <b>576.9</b>                         | <b>(1.3)</b>  | <b>53.8</b>                     | <b>2,027.2</b>                     | <b>3,713.9</b>      | <b>1,426.8</b>                    | <b>5,140.7</b>             |

The accompanying notes form part of these consolidated financial statements.

# Notes to the Financial Statements

For the 6 months ended 30 September 2022

## 1 Accounting policies

### Reporting Entity

Infratil Limited ('the Company') is a company domiciled in New Zealand and registered under the Companies Act 1993. The Company is listed on the NZX Main Board ('NZX') and Australian Securities Exchange ('ASX'), and is an FMC Reporting Entity in terms of Part 7 of the Financial Markets Conduct Act 2013.

### Basis of preparation

These unaudited condensed consolidated half year financial statements ('half year statements') of Infratil Limited together with its subsidiaries and associates ('the Group') have been prepared in accordance with NZ IAS 34 Interim Financial Reporting and comply with IAS 34 Interim Financial Reporting. These half year statements have been prepared in accordance with the accounting policies stated in the published financial statements for the year ended 31 March 2022 and should be read in conjunction with the previous annual report. No changes have been made from the accounting policies used in the 31 March 2022 annual report which can be obtained from Infratil's registered office or [www.infratil.com](http://www.infratil.com). The presentation currency used in the preparation of these financial statements is New Zealand dollars, which is also the Company's functional currency.

Comparative figures have been restated where appropriate to ensure consistency with the current period.

### Reclassification of Electricity Revenue

Following the sale of the Trustpower Retail business, Manawa Energy has reassessed the presentation of revenue generated from electricity sold into the wholesale electricity market which is now presented gross (previously this revenue was presented net with the cost of electricity purchased from the wholesale market). This presentation results in a \$103.3 million and \$168.3 million increase in operating revenue and operating expenses at 30 September 2021 and 31 March 2022 respectively and has no impact on the net surplus or statement of financial position. The change in classification is only presentational with no impact on the financial results. Note 9 Revenue and Note 10 Expenses have been updated to reflect the reclassifications.

## 2 Nature of business

The Group owns and operates infrastructure businesses and investments in New Zealand, Australia, the United States, Asia, United Kingdom and Europe. The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 5 Market Lane, Wellington, New Zealand.

More information on the individual businesses that make up the Group is contained in Note 4 (Operating segments) and Note 5 (Investments in associates) including the relative contributions to total revenue and expenses of the Group.

## 3 Infratil shares and dividends

|  | 6 months ended<br>30 September 2022<br>Unaudited | 6 months ended<br>30 September 2021<br>Unaudited | Year ended<br>31 March 2022<br>Audited |
|--|--|--|--|
| <b>Ordinary shares (fully paid)</b>                                |  |  |  |
| Total authorised and issued shares at the beginning of the period  | 723,983,582                                      | 722,952,533                                      | 722,952,533                            |
| Movements during the period:                                       |  |  |  |
| New shares issued  | -  | -  | -                                      |
| New shares issued under dividend reinvestment plan                 | -  | -  | 1,031,049                              |
| Treasury stock reissued under dividend reinvestment plan           | -  | -  | -                                      |
| Share buyback  | -  | -  | -                                      |
| <b>Total authorised and issued shares at the end of the period</b> | <b>723,983,582</b>                               | <b>722,952,533</b>                               | <b>723,983,582</b>                     |

All fully paid ordinary shares have equal voting rights and share equally in dividends and equity. At 30 September 2022 the Group held 1,662,617 shares as Treasury Stock (30 September 2021: 1,662,617, 31 March 2022: 1,662,617).

|  | 6 months ended<br>30 September 2022<br>Cents per share<br>Unaudited | 6 months ended<br>30 September 2021<br>Cents per share<br>Unaudited | Year ended<br>31 March 2022<br>Cents per share<br>Audited | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|---|---|---|--|--|--|
| <b>Dividends paid on ordinary shares</b> |   |   |   |  |  |  |
| Final dividend prior year                | 12.00   | 11.50   | 11.50   | 86.8   | 83.1   | 83.0   |
| Interim dividend current year            | -   | -   | 6.50  | -  | -  | 47.1   |
| Dividends paid on ordinary shares        | 12.00   | 11.50   | 18.00   | 86.8   | 83.1   | 130.1  |



## 4 Operating segments

Manawa Energy and Gurin Energy are renewable generation investments, Wellington International Airport is an airport investment and Qscan Group and RHC Holdco NZ make up the Group's diagnostic imaging platform. Associates comprises Infratil's investments that are not consolidated for financial reporting purposes including CDC Data Centres, Vodafone New Zealand, RetireAustralia, Longroad Energy, Kao Data and Galileo. Further information on these investments is outlined in Note 5. The Group's investment in the Trustpower Retail business, which was previously part of Manawa Energy, is treated as a Discontinued Operation as at 30 September 2022. The Group's investment in the Trustpower Retail business and Tilt Renewables were treated as Discontinued Operations as at 30 September 2021 and 31 March 2022. Further information on these investments are outlined in Note 8.1 and 8.2. All other segments and corporate predominately includes the activities of the Parent Company. The Group has no significant reliance on any one customer. Inter-segment revenue primarily comprises dividends from Manawa Energy.

|  | Manawa<br>Energy<br>New Zealand<br>\$Millions<br>Unaudited | Wellington<br>International<br>Airport<br>New Zealand<br>\$Millions<br>Unaudited | Diagnostic<br>Imaging<br>Australasia<br>\$Millions<br>Unaudited | Gurin Energy<br>Asia<br>\$Millions<br>Unaudited | Associates<br>\$Millions<br>Unaudited | All other<br>segments<br>and<br>corporate<br>New Zealand<br>\$Millions<br>Unaudited | Eliminations &<br>discontinued<br>operations<br>\$Millions<br>Unaudited | Total<br>\$Millions<br>Unaudited |
|--|--|--|---|---|---------------------------------------|---|---|----------------------------------|
| <b>For the period ended 30 September 2022</b>                |  |  |   |   |                                       |   |   |                                  |
| Total revenue  | 287.0  | 63.8   | 298.5   | -   | -                                     | 108.1   | (54.1)  | 703.3                            |
| Share of earnings of associate companies                     | -  | -  | -   | -   | 346.6                                 | -   | -   | 346.6                            |
| Inter-segment revenue  | -  | -  | -   | -   | -                                     | (98.9)  | -   | (98.9)                           |
| Total income   | 287.0  | 63.8   | 298.5   | -   | 346.6                                 | 9.2   | (54.1)  | 951.0                            |
| Operating expenses (excluding depreciation and amortisation) | (213.5)  | (23.5)   | (218.0)   | (7.0)   | -                                     | (64.3)  | (48.1)  | (574.4)                          |
| Interest income  | 0.3  | 0.5  | 0.2   | -   | -                                     | 6.0   | (0.1)   | 6.9                              |
| Interest expense   | (12.3)   | (13.5)   | (26.7)  | -   | -                                     | (36.7)  | -   | (89.2)                           |
| Depreciation and amortisation                                | (11.7)   | (14.2)   | (27.1)  | (0.1)   | -                                     | -   | 2.0   | (51.1)                           |
| Net gain/(loss) on foreign exchange and derivatives          | 10.3   | 0.4  | 5.0   | -   | -                                     | 39.1  | 0.1   | 54.9                             |
| Net realisations, revaluations and impairments               | 348.8  | -  | -   | -   | -                                     | (13.5)  | (335.5)   | (0.2)                            |
| Taxation expense   | (18.1)   | (2.4)  | (9.2)   | -   | -                                     | (47.8)  | 0.4   | (77.1)                           |
| Net surplus/(loss) for the period                            | 390.8  | 11.1   | 22.7  | (7.1)   | 346.6                                 | (108.0)   | (435.3)   | 220.8                            |
| Net surplus/(loss) attributable to owners of the company     | 198.8  | 7.4  | 11.3  | (6.7)   | 346.6                                 | (108.0)   | (266.1)   | 183.3                            |
| Net surplus/(loss) attributable to non-controlling interests | 192.0  | 3.7  | 11.4  | (0.4)   | -                                     | -   | (169.2)   | 37.5                             |
| Current assets   | 221.7  | 61.9   | 88.7  | 9.0   | 308.1                                 | 431.2   | 171.1   | 1,291.7                          |
| Non-current assets   | 1,929.3  | 1,521.4  | 2,360.5   | 3.0   | 2,829.8                               | 431.0   | (200.7)   | 8,874.3                          |
| Current liabilities  | 195.5  | 92.9   | 237.4   | 3.7   | -                                     | 382.7   | 64.4  | 976.6                            |
| Non-current liabilities                                      | 696.9  | 717.3  | 788.9   | 0.1   | -                                     | 1,408.5   | (165.1)   | 3,446.6                          |
| Net assets   | 1,258.6  | 773.1  | 1,422.9   | 8.2   | 3,137.9                               | (929.0)   | 71.1  | 5,742.8                          |
| Non-controlling interest percentage                          | 48.9%  | 34.0%  | 47.4%   | 5.0%  |                                       |   |   |                                  |
| Capital expenditure and investments                          | 18.2   | 19.9   | 18.1  | 12.0  | 56.3                                  | 20.3  | -   | 144.8                            |

|  | Manawa<br>Energy<br>New Zealand<br>\$Millions<br>Unaudited | Tilt<br>Renewables<br>Australasia<br>\$Millions<br>Unaudited | Wellington<br>International<br>Airport<br>New Zealand<br>\$Millions<br>Unaudited | Diagnostic<br>Imaging<br>Australasia<br>\$Millions<br>Unaudited | Associates<br>\$Millions<br>Unaudited | All other<br>segments<br>and<br>corporate<br>New Zealand<br>\$Millions<br>Unaudited | Eliminations &<br>discontinued<br>operations<br>\$Millions<br>Unaudited | Total<br>\$Millions<br>Unaudited |
|--|--|--|--|---|---------------------------------------|---|---|----------------------------------|
| <b>For the period ended 30 September 2021</b>                |  |  |  |   |                                       |   |   |                                  |
| Total revenue  | 675.1  | 60.0   | 50.7   | 190.1   | -                                     | 55.0  | (444.0)   | 586.9                            |
| Share of earnings of associate companies                     | -  | -  | -  | -   | 114.1                                 | -   | -   | 114.1                            |
| Inter-segment revenue  | -  | -  | -  | -   | -                                     | (46.0)  | (10.6)  | (56.6)                           |
| Total income   | 675.1  | 60.0   | 50.7   | 190.1   | 114.1                                 | 9.0   | (454.6)   | 644.4                            |
| Operating expenses (excluding depreciation and amortisation) | (552.9)  | (47.9)   | (19.2)   | (157.1)   | -                                     | (173.5)   | 426.0   | (524.6)                          |
| Interest income  | 0.3  | 0.4  | 0.2  | -   | -                                     | 1.3   | (0.5)   | 1.7                              |
| Interest expense   | (15.3)   | (6.7)  | (12.7)   | (14.9)  | -                                     | (39.5)  | 7.4   | (81.7)                           |
| Depreciation and amortisation                                | (24.5)   | (19.5)   | (14.4)   | (17.0)  | -                                     | -   | 32.2  | (43.2)                           |
| Net gain/(loss) on foreign exchange and derivatives          | 78.5   | (12.7)   | (0.3)  | 1.4   | -                                     | (5.5)   | 12.2  | 73.6                             |
| Net realisations, revaluations and impairments               | -  | -  | 2.4  | -   | -                                     | 1,094.0   | (1,094.2)   | 2.2                              |
| Taxation expense   | (46.1)   | 3.7  | (3.6)  | (6.8)   | -                                     | (2.3)   | (3.0)   | (58.1)                           |
| Net surplus/(loss) for the period                            | 115.1  | (22.7)   | 3.1  | (4.3)   | 114.1                                 | 883.5   | (1,074.5)   | 14.3                             |
| Net surplus/(loss) attributable to owners of the company     | 56.5   | (14.8)   | 2.0  | (2.1)   | 114.1                                 | 883.5   | (1,081.5)   | (42.3)                           |
| Net surplus/(loss) attributable to non-controlling interests | 58.6   | (7.9)  | 1.1  | (2.2)   | -                                     | -   | 7.0   | 56.6                             |
| Current assets   | 202.6  | -  | 57.0   | 81.2  | -                                     | 1,128.4   | 76.2  | 1,545.4                          |
| Non-current assets   | 1,933.1  | -  | 1,456.0  | 1,760.8   | 2,233.8                               | 336.3   | (94.7)  | 7,625.3                          |
| Current liabilities  | 283.0  | -  | 13.2   | 87.3  | -                                     | 373.6   | 22.5  | 779.6                            |
| Non-current liabilities                                      | 767.1  | -  | 770.2  | 672.3   | -                                     | 1,441.3   | (112.5)   | 3,538.4                          |
| Net assets   | 1,085.6  | -  | 729.6  | 1,082.4   | 2,233.8                               | (350.2)   | 71.5  | 4,852.7                          |
| Non-controlling interest percentage                          | 49.0%  | 34.9%  | 34.0%  | 43.9%   |                                       |   |   |                                  |
| Capital expenditure and investments                          | 15.3   | 33.7   | 7.2  | 318.7   | 119.7                                 | 2.3   | (33.7)  | 463.2                            |

|  | Manawa<br>Energy<br>New<br>Zealand<br>\$Millions<br>Unaudited | Tilt<br>Renewables<br>Australasia<br>\$Millions<br>Unaudited | Wellington<br>International<br>Airport<br>New Zealand<br>\$Millions<br>Unaudited | Diagnostic<br>Imaging<br>Australasia<br>\$Millions<br>Unaudited | Gurin<br>Energy<br>Asia<br>\$Millions<br>Audited | Associates<br>\$Millions<br>Unaudited | All other<br>segments<br>and<br>corporate<br>New<br>Zealand<br>\$Millions<br>Unaudited | Eliminations &<br>discontinued<br>operations<br>\$Millions<br>Unaudited | Total<br>\$Millions<br>Unaudited |
|--|---|--|--|---|--|---------------------------------------|--|---|----------------------------------|
| <b>For the year ended 31 March 2022</b>                      |   |  |  |   |  |                                       |  |   |                                  |
| Total revenue  | 1,187.8   | 60.0   | 95.6   | 440.5   | -  | -                                     | 87.4   | (759.0)   | 1,112.5                          |
| Share of earnings of associate companies                     | -   | -  | -  | -   | -  | 268.5                                 | -  | -   | 268.5                            |
| Inter-segment revenue  | -   | -  | -  | -   | -  | -                                     | (72.8)   | (10.6)  | (83.4)                           |
| Total income   | 1,187.8   | 60.0   | 95.6   | 440.5   | -  | 268.5                                 | 14.6   | (769.6)   | 1,297.4                          |
| Operating expenses (excluding depreciation and amortisation) | (983.2)   | (47.9)   | (39.1)   | (341.3)   | (6.3)  | -                                     | (222.7)  | 640.3   | (1,000.2)                        |
| Interest income  | -   | 0.4  | 0.2  | -   | -  | -                                     | 6.2  | (0.4)   | 6.4                              |
| Interest expense   | (29.8)  | (6.7)  | (26.1)   | (34.4)  | (0.1)  | -                                     | (76.7)   | 7.9   | (165.9)                          |
| Depreciation and amortisation                                | (47.4)  | (19.5)   | (30.5)   | (40.4)  | (0.1)  | -                                     | -  | 46.5  | (91.4)                           |
| Net gain/(loss) on foreign exchange and derivatives          | 42.9  | (12.7)   | (1.1)  | 9.2   | -  | -                                     | 17.0   | 12.7  | 68.0                             |
| Net realisations, revaluations and impairments               | -   | -  | 6.5  | 0.1   | -  | -                                     | 1,144.3  | (1,136.8)   | 14.2                             |
| Taxation expense   | (50.6)  | 3.8  | (2.5)  | (14.5)  | -  | -                                     | 40.3   | 0.9   | (22.6)                           |
| Net surplus/(loss) for the year                              | 119.7   | (22.6)   | 3.0  | 19.2  | (6.5)  | 268.5                                 | 923.0  | (1,198.5)   | 105.9                            |
| Net surplus/(loss) attributable to owners of the company     | 59.8  | (14.8)   | 2.0  | 9.6   | (6.2)  | 268.5                                 | 923.0  | (1,206.3)   | 35.6                             |
| Net surplus/(loss) attributable to non-controlling interests | 59.9  | (7.8)  | 1.0  | 9.6   | (0.3)  | -                                     | -  | 7.8   | 70.2                             |
| Current assets   | 300.0   | -  | 55.9   | 74.1  | 3.6  | -                                     | 780.3  | 83.8  | 1,297.7                          |
| Non-current assets   | 1,951.2   | -  | 1,474.7  | 2,250.2   | 0.5  | 2,595.2                               | 425.7  | (143.4)   | 8,554.1                          |
| Current liabilities  | 452.8   | -  | 17.9   | 133.8   | 2.3  | -                                     | 471.5  | 35.6  | 1,113.9                          |
| Non-current liabilities                                      | 755.8   | -  | 762.2  | 821.0   | -  | -                                     | 1,401.6  | (143.4)   | 3,597.2                          |
| Net assets   | 1,042.6   | -  | 750.5  | 1,369.5   | 1.8  | 2,595.2                               | (667.1)  | 48.2  | 5,140.7                          |
| Non-controlling interest percentage                          | 49.0%   | 34.9%  | 34.0%  | 46.8%   | 5.0%   |                                       |  |   |                                  |
| Capital expenditure and investments                          | 46.3  | 33.7   | 19.6   | 433.7   | 8.3  | 307.9                                 | -  | (33.7)  | 815.8                            |



## Entity wide disclosure - geographical

The Group operates in two principal areas, New Zealand and Australia, as well as having investments in the United States, the United Kingdom, Asia and Europe. The Group's geographical segments are based on the location of both customers and assets. The Group's investment in the Trustpower Retail business is treated as Discontinued Operations as at 30 September 2022. The Group's investment in the Trustpower Retail business and Tilt Renewables are treated as a Discontinued Operation as at 30 September 2021 and 31 March 2022.

|  | New Zealand<br>\$Millions<br>Unaudited | Australia<br>\$Millions<br>Unaudited | Asia<br>\$Millions<br>Unaudited | United States<br>\$Millions<br>Unaudited | United<br>Kingdom &<br>Europe<br>\$Millions<br>Unaudited | Eliminations &<br>discontinued<br>operations<br>\$Millions<br>Unaudited | Total from<br>continuing<br>operations<br>\$Millions<br>Unaudited |
|--|--|--------------------------------------|---------------------------------|--|--|---|---|
| <b>For the period ended 30 September 2022</b>                |  |                                      |                                 |  |  |   |   |
| Total revenue  | 613.6                                  | 143.7                                | -                               | -  | -  | (54.0)  | 703.3   |
| Share of earnings of associate companies                     | 9.3                                    | 355.0                                | -                               | (6.7)                                    | (11.0)   | -   | 346.6   |
| Inter-segment revenue  | (98.9)                                 | -                                    | -                               | -  | -  | -   | (98.9)  |
| Total income   | 524.0                                  | 498.7                                | -                               | (6.7)                                    | (11.0)   | (54.0)  | 951.0   |
| Operating expenses (excluding depreciation and amortisation) | (502.0)                                | (116.0)                              | (7.0)                           | -  | -  | 50.6  | (574.4)   |
| Interest income  | 6.9                                    | 0.1                                  | -                               | -  | -  | (0.1)   | 6.9   |
| Interest expense   | (79.1)                                 | (10.1)                               | -                               | -  | -  | -   | (89.2)  |
| Depreciation and amortisation                                | (36.5)                                 | (16.3)                               | (0.1)                           | -  | -  | 1.8   | (51.1)  |
| Net gain/(loss) on foreign exchange and derivatives          | 54.8                                   | -                                    | -                               | -  | -  | 0.1   | 54.9  |
| Net realisations, revaluations and impairments               | 335.4                                  | -                                    | -                               | -  | -  | (335.6)   | (0.2)   |
| Taxation expense   | (76.9)                                 | (0.6)                                | -                               | -  | -  | 0.4   | (77.1)  |
| Net surplus/(loss) for the period                            | 226.6                                  | 355.8                                | (7.1)                           | (6.7)                                    | (11.0)   | (336.8)   | 220.8   |
| Current assets   | 1,071.3                                | 40.2                                 | 9.0                             | -  | -  | 171.2   | 1,291.7   |
| Non-current assets   | 5,622.5                                | 2,865.1                              | 3.0                             | 313.1                                    | 241.8  | (171.2)   | 8,873.4   |
| Current liabilities  | 841.9                                  | 64.3                                 | 3.7                             | -  | -  | 66.7  | 976.6   |
| Non-current liabilities                                      | 3,232.8                                | 378.8                                | 0.1                             | -  | -  | (165.1)   | 3,446.6   |
| Net assets   | 2,619.1                                | 2,462.2                              | 8.2                             | 313.1                                    | 241.8  | 98.4  | 5,742.8   |
| Capital expenditure and investments                          | 49.5                                   | 20.8                                 | 12.0                            | 41.2                                     | 21.3   | -   | 144.8   |
| <b>For the period ended 30 September 2021</b>                |  |                                      |                                 |  |  |   |   |
| Total revenue  | 893.9                                  | 137.0                                | -                               | -  | -  | (444.0)   | 586.9   |
| Share of earnings of associate companies                     | 9.1                                    | 83.4                                 | -                               | 24.5                                     | (2.9)  | -   | 114.1   |
| Inter-segment revenue  | (46.0)                                 | -                                    | -                               | -  | -  | (10.6)  | (56.6)  |
| Total income   | 857.0                                  | 220.4                                | -                               | 24.5                                     | (2.9)  | (454.6)   | 644.4   |
| Operating expenses (excluding depreciation and amortisation) | (829.8)                                | (119.8)                              | (1.0)                           | -  | -  | 426.0   | (524.6)   |
| Interest income  | 4.1                                    | (1.9)                                | -                               | -  | -  | (0.5)   | 1.7   |
| Interest expense   | (75.4)                                 | (13.7)                               | -                               | -  | -  | 7.4   | (81.7)  |
| Depreciation and amortisation                                | (56.8)                                 | (18.6)                               | -                               | -  | -  | 32.2  | (43.2)  |
| Net gain/(loss) on foreign exchange and derivatives          | 74.8                                   | (13.4)                               | -                               | -  | -  | 12.2  | 73.6  |
| Net realisations, revaluations and impairments               | 1,122.3                                | (25.9)                               | -                               | -  | -  | (1,094.2)   | 2.2   |
| Taxation expense   | (65.1)                                 | 10.0                                 | -                               | -  | -  | (3.0)   | (58.1)  |
| Net surplus/(loss) for the period                            | 1,031.1                                | 37.1                                 | (1.0)                           | 24.5                                     | (2.9)  | (1,074.5)   | 14.3  |
| Current assets   | 1,441.4                                | 25.3                                 | 2.3                             | -  | -  | 76.4  | 1,545.4   |
| Non-current assets   | 5,837.1                                | 1,656.1                              | 0.1                             | 127.8                                    | 80.6   | (76.4)  | 7,625.3   |
| Current liabilities  | 732.4                                  | 18.0                                 | 3.5                             | -  | -  | 25.7  | 779.6   |
| Non-current liabilities                                      | 3,599.8                                | 51.1                                 | -                               | -  | -  | (112.5)   | 3,538.4   |
| Net assets   | 2,946.3                                | 1,612.3                              | (1.1)                           | 127.8                                    | 80.6   | 86.8  | 4,852.7   |
| Capital expenditure and investments                          | 336.1                                  | 49.9                                 | 2.3                             | 35.0                                     | 73.6   | (33.7)  | 463.2   |

|  | New Zealand<br>\$Millions<br>Audited | Australia<br>\$Millions<br>Audited | Asia<br>\$Millions<br>Unaudited | United States<br>\$Millions<br>Audited | United<br>Kingdom &<br>Europe<br>\$Millions<br>Audited | Eliminations &<br>discontinued<br>operations<br>\$Millions<br>Audited | Total from<br>continuing<br>operations<br>\$Millions<br>Audited |
|--|--------------------------------------|------------------------------------|---------------------------------|--|--|---|---|
| <b>For the year ended 31 March 2022</b>                      |                                      |                                    |                                 |  |  |   |   |
| Total revenue  | 1,613.8                              | 257.7                              | -                               | -                                      | -  | (759.0)   | 1,112.5   |
| Share of earnings of associate companies                     | 10.3                                 | 237.1                              | -                               | 27.7                                   | (6.6)  | -   | 268.5   |
| Inter-segment revenue  | (72.8)                               | -                                  | -                               | -                                      | -  | (10.6)  | (83.4)  |
| Total income   | 1,551.3                              | 494.8                              | -                               | 27.7                                   | (6.6)  | (769.6)   | 1,297.6   |
| Operating expenses (excluding depreciation and amortisation) | (1,482.0)                            | (214.5)                            | (6.3)                           | -                                      | -  | 702.4   | (1,000.4)   |
| Interest income  | 8.7                                  | (1.9)                              | -                               | -                                      | -  | (0.4)   | 6.4   |
| Interest expense   | (152.2)                              | (21.7)                             | (0.1)                           | -                                      | -  | 8.1   | (165.9)   |
| Depreciation and amortisation                                | (103.0)                              | (34.8)                             | (0.1)                           | -                                      | -  | 46.5  | (91.4)  |
| Net gain/(loss) on foreign exchange and derivatives          | 68.7                                 | (13.4)                             | -                               | -                                      | -  | 12.7  | 68.0  |
| Net realisations, revaluations and impairments               | 1,176.8                              | (25.9)                             | -                               | -                                      | -  | (1,136.7)   | 14.2  |
| Taxation expense   | (33.1)                               | 9.6                                | -                               | -                                      | -  | 0.9   | (22.6)  |
| Net surplus/(loss) for the year                              | 1,035.2                              | 192.2                              | (6.5)                           | 27.7                                   | (6.6)  | (1,136.1)   | 105.9   |
| Current assets   | 1,197.5                              | 16.0                               | 3.6                             | -                                      | -  | 80.6  | 1,297.7   |
| Non-current assets   | 6,359.2                              | 1,868.1                            | 0.5                             | 183.5                                  | 223.0  | (80.2)  | 8,554.1   |
| Current liabilities  | 1,055.5                              | 27.1                               | 2.3                             | -                                      | -  | 29.0  | 1,113.9   |
| Non-current liabilities                                      | 3,689.3                              | 51.3                               | -                               | -                                      | -  | (143.4)   | 3,597.2   |
| Net assets   | 2,811.9                              | 1,805.7                            | 1.8                             | 183.5                                  | 223.0  | 114.8   | 5,140.7   |
| Capital expenditure and investments                          | 474.8                                | 76.0                               | 8.3                             | 58.7                                   | 231.7  | (33.7)  | 815.8   |

## 5 Investments in associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. The Group's investments in associates are made through a combination of equity, and in certain instances shareholder loans to those entities.

|  | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| <b>Investments in associates are as follows:</b> |  |  |  |
| Equity investments in associates                 | 2,328.5  | 1,768.4  | 2,125.9  |
| Shareholder loans to associates                  | 501.2  | 465.3  | 469.4  |
| <b>Investments in associates</b>                 | <b>2,829.7</b>   | <b>2,233.7</b>   | <b>2,595.3</b>                                       |

|  | Note | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|------|--|--|--|
| <b>Investments in associates are as follows:</b> |      |  |  |  |
| Vodafone New Zealand                             | 5.1  | 526.5  | 846.7  | 838.2  |
| CDC Data Centres                                 | 5.2  | 1,415.3  | 899.2  | 1,026.2  |
| RetireAustralia                                  | 5.3  | 466.1  | 355.9  | 417.3  |
| Longroad Energy                                  | 5.4  | 180.0  | 51.4   | 90.5   |
| Kao Data   | 5.5  | 211.3  | 72.6   | 203.4  |
| Galileo  | 5.6  | 30.5   | 7.9  | 19.7   |
| <b>Investments in associates</b>                 |      | <b>2,829.7</b>   | <b>2,233.7</b>   | <b>2,595.3</b>                                       |

|  | Note | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|------|--|--|--|
| <b>Equity accounted earnings of associates are as follows:</b> |      |  |  |  |
| Vodafone New Zealand   | 5.1  | 9.3  | 9.0  | 10.3   |
| CDC Data Centres   | 5.2  | 330.3  | 55.0   | 158.1  |
| RetireAustralia  | 5.3  | 24.7   | 28.8   | 79.1   |
| Longroad Energy  | 5.4  | (6.7)  | 24.5   | 27.7   |
| Kao Data   | 5.5  | (4.5)  | (0.4)  | (2.2)  |
| Galileo  | 5.6  | (6.5)  | (2.8)  | (4.5)  |
| <b>Share of earnings of associate companies</b>                |      | <b>346.6</b>   | <b>114.1</b>   | <b>268.5</b>   |

## 5.1 Vodafone New Zealand

Vodafone New Zealand ('Vodafone') is one of New Zealand's leading digital services and connectivity companies. Infratil holds a 49.95% shareholding (30 September 2021: 49.93%, 31 March 2022: 49.95%) in ICN JV Investments Limited (the ultimate parent company of Vodafone New Zealand), alongside investment partners Brookfield Asset Management Inc. (49.95%) and Vodafone management (0.1%).

|  | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| <b>Movement in the carrying amount of the Group's investment in Vodafone:</b>  |  |  |  |
| Carrying value at 1 April  | 838.2  | 857.3  | 857.3  |
| Acquisition of shares  | -  | -  | -  |
| Capitalised transaction costs  | -  | -  | -  |
| Shareholder loan   | -  | -  | -  |
| Total capital contributions during the period  | -  | -  | -  |
| Interest on shareholder loan   | 7.2  | 4.5  | 9.7  |
| Share of associate's surplus/(loss) before income tax  | 6.0  | 6.1  | 2.0  |
| Share of associate's income tax (expense)  | (3.9)  | (1.6)  | (1.4)  |
| Total share of associate's earnings during the period  | 9.3  | 9.0  | 10.3   |
| Share of associate's other comprehensive income  | 1.8  | 4.9  | 7.8  |
| less: Distributions received   | (7.5)  | (20.0)   | (27.5)   |
| less: Shareholder loan repayments including interest   | (7.2)  | (4.5)  | (9.7)  |
| Carrying value of investment in associate  | 834.6  | 846.7  | 838.2  |
| less: Group share of net assets held for sale  | (308.1)  | -  | -  |
| Carrying value of investment in associate (excluding net assets held for sale)   | 526.5  | -  | -  |
| <b>Summary financial information:</b>  |  |  |  |
| <i>Summary information for Vodafone is not adjusted for the percentage ownership held by the Group (unless stated)</i> |  |  |  |
| Current assets   | 1,213.8  | 450.0  | 459.7  |
| Non-current assets   | 2,812.3  | 3,636.0  | 3,544.0  |
| Total assets   | 4,026.1  | 4,086.0  | 4,003.7  |
| Current liabilities  | 1,139.6  | 990.5  | 528.1  |
| Non-current liabilities  | 1,781.2  | 1,965.7  | 2,362.8  |
| Total liabilities  | 2,920.8  | 2,956.2  | 2,890.9  |
| Net assets   | 1,105.3  | 1,129.8  | 1,112.8  |
| Group's share of net assets  | 552.1  | 564.1  | 555.7  |
| Revenues   | 989.5  | 954.4  | 1,963.5  |
| Net surplus/(loss) after tax   | 4.1  | 8.2  | 11.4   |
| Other comprehensive income   | 3.6  | 9.8  | 13.3   |



|   | 30 September 2022<br>\$Millions<br>Unaudited | 30 September 2021<br>\$Millions<br>Unaudited | 31 March 2022<br>\$Millions<br>Audited |
|---|--|--|--|
| <i>Reconciliation of the carrying amount of the Group's investment in Vodafone:</i> |  |  |  |
| Group's share of net assets   | 552.1  | 564.1  | 555.7                                  |
| <i>add:</i> Shareholder loan  | 282.3  | 282.4  | 282.3                                  |
| <i>add:</i> Capitalised transaction costs   | 0.2  | 0.2  | 0.2                                    |
| <i>less:</i> Group share of net assets reclassified to held for sale                | (308.1)                                      | -  | -                                      |
| Carrying value of investment in associate   | 526.5  | 846.7  | 838.2                                  |

#### **Vodafone's passive mobile tower assets - held for sale**

On 18 July 2022, Infratil, together with Brookfield Asset Management, announced the sale of Vodafone's passive mobile tower assets for \$1,700 million to funds managed, or advised, by leading global investors InfraRed Capital Partners (40%) and Northleaf Capital Partners (40%). As part of the transaction Infratil also invested 20% of the equity into the new TowerCo vehicle. As at 30 September 2022 the transaction was subject to Overseas Investment Office approval. Vodafone has classified the assets and liabilities associated with the TowerCo transaction as held for sale as at 30 September 2022. As a result the Group has reclassified the corresponding amount from its investment in Vodafone, to Assets held for sale as at that date.

## 5.2 CDC Data Centres

CDC Data Centres ('CDC') is an owner, operator and developer of data centres, with operations in Canberra, Sydney and Auckland. Infratil holds a 48.08% shareholding (30 September 2021: 48.00%, 31 March 2022: 48.10%) in CDC Group Holdings Pty Ltd (the ultimate parent company of CDC Data Centres), alongside investment partners Commonwealth Superannuation Corporation (24.04%), Future Fund (24.04%) and CDC Data Centres management (3.84%).

|  | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| <b>Movement in the carrying amount of the Group's investment in CDC:</b> |  |  |  |
| Carrying value at 1 April  | 1,026.2  | 873.0  | 873.0  |
| Acquisition of shares  | 14.1   | 11.1   | 17.3   |
| Capitalised transaction costs  | -  | -  | 0.1  |
| Shareholder loan   | -  | -  | -  |
| Total capital contributions during the period                            | 14.1   | 11.1   | 17.4   |
| Interest on shareholder loan   | 4.4  | 4.3  | 8.5  |
| Share of associate's surplus/(loss) before income tax                    | 482.8  | 70.0   | 204.6  |
| Share of associate's income tax (expense)                                | (157.7)  | (23.0)   | (58.5)   |
| add: share of associate's share capital issued, net of dilution          | 0.8  | 3.7  | 3.5  |
| Total share of associate's earnings during the period                    | 330.3  | 55.0   | 158.1  |
| Share of associate's other comprehensive income                          | (4.2)  | 1.5  | (0.6)  |
| less: Distributions received   | (15.0)   | (2.0)  | (2.0)  |
| less: Shareholder loan repayments including interest                     | -  | (3.8)  | (11.4)   |
| Foreign exchange movements recognised in other comprehensive income      | 63.9   | (35.6)   | (8.3)  |
| Carrying value of investment in associate                                | 1,415.3  | 899.2  | 1,026.2  |

|   | 30 September 2022<br>A\$Millions<br>Unaudited | 30 September 2021<br>A\$Millions<br>Unaudited | 31 March 2022<br>A\$Millions<br>Audited |
|---|---|---|---|
| <b>Summary financial information:</b>   |   |   |   |
| <i>Summary information for CDC is not adjusted for the percentage ownership held by the Group (unless stated)</i> |   |   |   |
| Current assets  | 90.9  | 79.0  | 146.2                                   |
| Non-current assets  | 5,288.3                                       | 3,579.4                                       | 4,084.1                                 |
| Total assets  | 5,379.2                                       | 3,658.4                                       | 4,230.3                                 |
| Current liabilities   | 79.5  | 70.3  | 102.1                                   |
| Non-current liabilities   | 3,068.9                                       | 2,147.4                                       | 2,497.4                                 |
| Total liabilities   | 3,148.4                                       | 2,217.7                                       | 2,599.5                                 |
| Net assets  | 2,230.8                                       | 1,440.7                                       | 1,630.8                                 |
| Group's share of net assets   | 1,072.5                                       | 691.5   | 784.4                                   |
| Revenues  | 160.4   | 124.2   | 259.6                                   |
| Net surplus/(loss) after tax  | 610.6   | 92.8  | 286.6                                   |
| Other comprehensive income  | (8.6)   | 3.0   | (1.2)                                   |

|  | 30 September 2022<br>\$Millions<br>Unaudited | 30 September 2021<br>\$Millions<br>Unaudited | 31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| <b>Reconciliation of the carrying amount of the Group's investment in CDC:</b> |  |  |  |
| Group's share of net assets in NZD   | 1,218.1                                      | 723.5  | 844.5                                  |
| Goodwill   | 5.7  | -  | 4.7                                    |
| add: Shareholder loan  | 191.5  | 175.7  | 177.0                                  |
| Carrying value of investment in associate                                      | 1,415.3                                      | 899.2  | 1,026.2                                |

CDC's functional currency is Australian Dollars (A\$) and the summary financial information shown is presented in this currency. The NZD/AUD exchange rates used to convert the summary financial information to the Group's functional currency (NZ\$) were 0.8806 (Spot rate) and 0.9035 (Average rate) (30 September 2021: Spot rate 0.9558, Average rate 0.9416, 31 March 2022: Spot rate 0.9287, Average rate 0.9429).

### 5.3 RetireAustralia

RetireAustralia is an owner, operator and developer of retirement villages, with villages in New South Wales, Queensland and South Australia. Infratil holds a 50% shareholding in RA (Holdings) 2014 Pty Limited (the ultimate parent company of RetireAustralia), with investment partner the New Zealand Superannuation Fund holding the other 50%.

| <b>Movement in the carrying amount of the Group's investment in RetireAustralia:</b> | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| Carrying value at 1 April  | 417.3  | 340.9  | 340.9  |
| Acquisition of shares  | -  | -  | -  |
| Total capital contributions during the period  | -  | -  | -  |
| Share of associate's surplus/(loss) before income tax                                | 24.7   | 28.8   | 79.1   |
| Share of associate's income tax (expense)  | -  | -  | -  |
| Total share of associate's earnings during the period                                | 24.7   | 28.8   | 79.1   |
| Share of associate's other comprehensive income                                      | 0.6  | -  | -  |
| less: Distributions received   | -  | -  | -  |
| Foreign exchange movements   | 23.5   | (13.8)   | (2.7)  |
| Carrying value of investment in associate  | 466.1  | 355.9  | 417.3  |

| <b>Summary financial information:</b>   | 30 September 2022<br>A\$Millions<br>Unaudited | 30 September 2021<br>A\$Millions<br>Unaudited | 31 March 2022<br>A\$Millions<br>Audited |
|---|---|---|---|
| <i>Summary information for RetireAustralia is not adjusted for the percentage ownership held by the Group (unless stated)</i> |   |   |   |
| Current assets  | 220.7   | 204.3   | 212.1                                   |
| Non-current assets  | 2,793.1                                       | 2,476.5                                       | 2,681.1                                 |
| Total assets  | 3,013.8                                       | 2,680.8                                       | 2,893.2                                 |
| Current liabilities   | 2,002.0                                       | 1,843.7                                       | 1,948.4                                 |
| Non-current liabilities   | 191.0   | 156.8   | 169.7                                   |
| Total liabilities   | 2,193.0                                       | 2,000.5                                       | 2,118.1                                 |
| Net assets  | 820.8   | 680.3   | 775.1                                   |
| Group's share of net assets   | 410.4   | 340.1   | 387.6                                   |
| Group's share of net assets and carrying value of investment in associate (\$NZD)   | 466.1   | 355.9   | 417.3                                   |
| Revenues  | 57.0  | 53.2  | 117.8                                   |
| Net surplus/(loss) after tax  | 44.6  | 54.2  | 149.1                                   |
| Other comprehensive income  | -   | -   | -                                       |

RetireAustralia's functional currency is Australian Dollars (A\$) and the summary financial information shown is presented in this currency. The NZD/AUD exchange rates used to convert the summary financial information to the Group's functional currency (NZ\$) were 0.8806 (Spot rate) and 0.9035 (Average rate) (30 September 2021: Spot rate 0.9558, Average rate 0.9416, 31 March 2022: Spot rate 0.9287 Average rate 0.9429).

RetireAustralia's net current asset deficiency has primarily arisen due to the requirement under Accounting Standards to classify resident obligations as current liabilities as RetireAustralia does not have the right at the end of the reporting period to defer settlement of the liability for at least 12 months (residents may give notice of their intention to vacate their unit with immediate effect). In contrast, the corresponding assets are classified as non-current under Accounting Standards.

On 1 March 2022, Infratil announced that it intended to undertake a Strategic Review of its shareholding in RetireAustralia. The Strategic Review is being undertaken in conjunction with the New Zealand Superannuation Fund. As at 30 September 2022, RetireAustralia is not deemed to be held for sale as the requirements of IFRS 5 have not been met.

## 5.4 Longroad Energy

Longroad Energy Holdings, LLC ('Longroad Energy'), is a Boston, MA, headquartered renewable energy developer focused on the development, ownership, and operation of utility-scale wind and solar energy projects throughout North America. As at 30 September 2022 Infratil held a 40% shareholding in Longroad Energy, alongside investment partners the New Zealand Superannuation Fund (40%) and Longroad Energy management (20%).

|  | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| <b>Movement in the carrying amount of the Group's investment in Longroad Energy:</b> |  |  |  |
| Carrying value at 1 April  | 90.5   | 44.9   | 44.9   |
| Capital contributions  | 20.9   | 35.0   | 58.7   |
| Shareholder loan   | -  | -  | -  |
| Total capital contributions during the period  | 20.9   | 35.0   | 58.7   |
| Share of associate's surplus/(loss) before income tax                                | (6.7)  | 24.5   | 27.7   |
| Share of associate's income tax (expense)  | -  | -  | -  |
| Total share of associate's earnings during the period                                | (6.7)  | 24.5   | 27.7   |
| Share of associate's other comprehensive income                                      | 57.5   | (9.5)  | 13.4   |
| less: Distributions received   | (1.2)  | (1.5)  | (10.7)   |
| less: Capital returned   | -  | (43.3)   | (43.3)   |
| Foreign exchange movements   | 19.0   | 1.3  | (0.2)  |
| Carrying value of investment in associate  | 180.0  | 51.4   | 90.5   |

Longroad's functional currency is United States Dollars (US\$) and the summary financial information shown is presented in this currency. The NZD/USD exchange rates used to convert the summary financial information to the Group's functional currency (NZ\$) were 0.5733 (Spot rate) and 0.6314 (Average rate) (30 September 2021: Spot rate 0.6874, Average rate 0.7076, 31 March 2022: Spot rate 0.6975, Average rate 0.6969).

### Letter of Credit facility

Longroad has obtained an uncommitted secured letter of credit facility of up to US\$225 million (30 September 2021: US\$150 million, 31 March 2022: US\$225 million) from HSBC Bank. Letters of Credit under the Facility are on issue to beneficiaries to support the development and continued operations of Longroad. Infratil has provided shareholder backing of the Longroad Letter of Credit facility, specifically, Infratil (and the New Zealand Superannuation Fund) have collectively agreed to meet up to US\$225 million of capital calls (i.e. subscribe for additional units) equal to Longroad's reimbursement obligation in the event that a Letter of Credit is called and Longroad cannot fund the call, taking into account immediately available working capital. As at 30 September 2022, US\$78.8 million (Infratil share: US\$39.4 million) (30 September 2021: US\$33.4 million, 31 March 2022: US\$76.8 million) in Letters of Credit are on issue under the Longroad Letter of Credit facility.



## 5.5 Kao Data

On 20 August 2021 the Group acquired a 19.92% stake of Kao Data from Legal & General Group and Goldacre for £34.6 million (\$68.2 million). On 26 January 2022, the Group acquired a further 19.96% stake of Kao Data for £71.8 million (\$144.6 million). Kao Data develops and operates advanced data centres in the United Kingdom. The Group has determined that its investment in Kao Data is an investment in associate, and equity accounting has been applied below.

|   | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|---|--|--|--|
| <b>Movement in the carrying amount of the Group's investment in Kao Data:</b> |  |  |  |
| Carrying value at 1 April   | 203.4  | -  | -  |
| Cost of equity  | 5.6  | 68.2   | 212.8  |
| Capitalised transaction costs   | -  | 5.4  | 5.1  |
| Shareholder loan  | -  | -  | -  |
| Total capital contributions during the period                                 | 5.6  | 73.6   | 217.9  |
| Share of associate's surplus/(loss) before income tax                         | (4.5)  | (0.4)  | (2.2)  |
| Share of associate's income tax (expense)                                     | -  | -  | -  |
| Total share of associate's earnings in the period                             | (4.5)  | (0.4)  | (2.2)  |
| Share of associate's other comprehensive income                               | -  | -  | -  |
| less: distributions received  | -  | -  | -  |
| less: shareholder loan repayments including interest                          | -  | -  | -  |
| Foreign exchange movements  | 6.8  | (0.6)  | (12.3)   |
| Carrying value of investment in associate                                     | 211.3  | 72.6   | 203.4  |

|  | 6 months ended<br>30 September 2022<br>£Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>£Millions<br>Unaudited | Year ended<br>31 March 2022<br>£Millions<br>Unaudited |
|--|---|---|---|
| <b>Summary financial information:</b>  |   |   |   |
| <i>Summary information for Kao Data is not adjusted for the percentage ownership held by the Group (unless stated)</i> |   |   |   |
| Current assets   | 31.4  | 33.1  | 44.6  |
| Non-current assets   | 269.6   | 108.2   | 253.4   |
| Total assets   | 301.0   | 141.3   | 298.0   |
| Current liabilities  | 45.0  | 30.4  | 44.3  |
| Non-current liabilities  | 66.7  | 3.1   | 65.7  |
| Total liabilities  | 111.7   | 33.5  | 110.0   |
| Net assets   | 189.3   | 107.8   | 188.0   |

|   | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|---|--|--|--|
| <b>Reconciliation of the carrying amount of the Group's investment in Kao Data:</b> |  |  |  |
| Group's share of net assets in NZD  | 147.1  | 42.0   | 141.2  |
| Goodwill  | 59.0   | 25.2   | 57.1   |
| add: capitalised transaction costs  | 5.2  | 5.4  | 5.1  |
| Carrying value of investment in associate   | 211.3  | 72.6   | 203.4  |

Kao Data's functional currency is the Pound Sterling (GBP) and the summary financial information shown is presented in this currency. The NZD/GBP exchange rates used to convert the summary financial information to the Group's functional currency (NZ\$) were 0.5134 (Spot rate) and 0.5192 (Average rate) (30 September 2021: Spot rate 0.5114, Average rate 0.5098, 31 March 2022: Spot rate 0.5308, Average rate 0.5100).

## 5.6 Galileo

On 5 February 2020, the Group announced an initial (40%) investment in Galileo, a newly formed renewable energy platform headquartered in Zurich, Switzerland. Galileo's focus is primarily the development of wind, solar PV energy projects and storage solutions across all of Europe. The other establishment partners were the New Zealand Superannuation Fund (20%), Commonwealth Superannuation Corporation (20%) and the Morrison & Co Growth Infrastructure Fund (20%).

At 30 September 2022, Infratil has contributed €26.3 million in total (30 September 2021: €8.3 million, 31 March 2022: €16.7 million), in the form of shareholder loan drawdowns (€15.9 million) and capital contributions (€10.4 million). The carrying value of the investment at 30 September 2022 was \$30.5 million (30 September 2021: \$7.9 million, 31 March 2022: \$19.7 million).

### Letter of Credit facility

In accordance with Galileo's investors initial commitment to provide support of up to €100 million to facilitate Galileo obtaining a Letter of Credit facility, on 9 October 2020, Galileo executed a €90 million Letter of Credit facility with ANZ (London Branch). The purpose of the Uncommitted Standby Letter of Credit facility is to secure any customary development or other obligations arising from energy development and construction projects in Europe. At 30 September 2022, €39.0 million (31 March 2022: €31.0 million) of Letters of Credit are on issue under the Facility.

## 6 Other investments

|                          | 30 September 2022<br>\$Millions<br>Unaudited | 30 September 2021<br>\$Millions<br>Unaudited | 31 March 2022<br>\$Millions<br>Audited |
|--------------------------|--|--|--|
| Clearvision Ventures     | 133.1  | 76.4   | 93.2                                   |
| Other                    | 8.5  | 3.5  | 8.0                                    |
| <b>Other investments</b> | <b>141.6</b>                                 | <b>79.9</b>                                  | <b>101.2</b>                           |

### Clearvision Ventures

In February 2016 Infratil made an initial commitment of US\$25 million to the California based Clearvision Ventures. Further commitments of US\$25 million and US\$50 million were made in May 2020 and May 2022 respectively bringing Infratil's total commitments to US\$100 million. The strategic objective is to help Infratil's businesses identify and engage with technology changes that will impact their activities. As at 30 September 2022 Infratil has made total contributions of US\$43.9 million (30 September 2021: US\$28.1 million, 31 March 2022: US\$31.1 million), with the remaining US\$56.1 million commitment uncalled at that date.

## 7 Acquisition of subsidiaries

### 7.1 Envision Medical Imaging

On 7 April 2022, Qscan Group ('Qscan') acquired 100% of Envision Medical Imaging ('Envision'), Perth's largest privately owned medical imaging clinic. Qscan has consolidated Envision from the acquisition date. The result of the transaction was to dilute Infratil's shareholding in Qscan Group 56.25% to 55.1%.

The transaction was settled in cash by Qscan (through external debt funding) for A\$34.6 million inclusive of transaction costs relating to the acquisition.

The acquisition accounting required under NZ IFRS 3 in relation to the Envision transaction has not been finalised as at 30 September 2022, and therefore certain amounts recorded in the financial statements are reported as provisional, including goodwill of A\$41.6 million. This will be finalised by 31 March 2023.

## 8 Discontinued operations and assets held for sale

| Summary of results of discontinued operations             | Notes | 6 months ended<br>30 September 2022<br>\$Millions | 6 months ended<br>30 September 2021<br>\$Millions | Year ended<br>31 March 2022<br>\$Millions |
|---|-------|---|---|---|
| Tilt Renewables   | 8.1   | -   | 1,114.1   | 1,114.1                                   |
| Trustpower's Retail Business                              | 8.2   | 336.5   | 1.9   | 11.7                                      |
| <b>Net surplus from discontinued operations after tax</b> |       | <b>336.5</b>                                      | <b>1,116.0</b>                                    | <b>1,125.8</b>                            |

### 8.1 Tilt Renewables

On 3 August 2021, the Group completed the sale of its 65.15% stake in Tilt Renewables for gross proceeds of \$1,984.1 million to a consortium comprising Powering Australian Renewables and Mercury NZ Limited. After sales costs, the net proceeds from the sale of Infratil's 65.15% interest were \$1,837.5 million, resulting in a gain on sale of the 65.15% interest of \$1,136.8 million.

As the carrying amount of the Group's investment in Tilt Renewables has been recovered through the sale transaction, the investment in Tilt Renewables has been classified as a discontinued operation at 31 March 2022 and 30 September 2021. A detailed note disclosure is included in the published financial statements for the year ended 31 March 2022.

### 8.2 Trustpower's Retail Business

On 21 June 2021, Trustpower announced the conditional sale of its gas, telecommunication and retail electricity supply business (excluding the supply of electricity to commercial and industrial customers) to Mercury NZ Limited.

On 2 May 2022, Trustpower announced the conditions of the Trustpower Retail business to Mercury NZ Limited have been met and completion of the sale occurred (effective as of 1 May 2022). The sale price was \$467.4 million including estimated working capital adjustments. A working capital wash-up process was then completed which resulted in Mercury NZ Limited paying an additional \$2.0 million to bring the final sale proceeds to \$469.4 million. After sale costs, the net proceeds from the sale were \$467.0 million, resulting in a gain on sale at the group consolidated level of \$335.5 million. At that date the company also confirmed its name change to Manawa Energy Limited.

As the carrying amount of the Group's investment in the Trustpower Retail business has been recovered through a sale transaction, the Trustpower Retail business has been classified as a discontinued operation at 30 September 2022, 30 September 2021 and 31 March 2022.

| Results of discontinued operation   | 6 months ended<br>30 September 2022<br>\$Millions | 6 months ended<br>30 September 2021<br>\$Millions | Year ended<br>31 March 2022<br>\$Millions |
|---|---|---|---|
| Revenue   | 54.0  | 384.0   | 699.0                                     |
| Operating expenses  | 50.6  | 368.2   | 654.5                                     |
| Results from operating activities   | 3.4   | 15.8  | 44.5                                      |
| Depreciation and amortisation   | (1.9)   | (12.6)  | (27.0)                                    |
| Net realisations, revaluations, impairments   | 335.5   | -   | -   |
| Net financing expense   | (0.1)   | (0.6)   | (1.2)                                     |
| Net surplus/(loss) before tax   | 336.9   | 2.6   | 16.3                                      |
| Taxation (expense)/credit   | (0.4)   | (0.7)   | (4.6)                                     |
| Net surplus/(loss) from discontinued operation after tax                              | 336.5   | 1.9   | 11.7                                      |
| Current assets  | 166.5   | 187.9   | 194.8                                     |
| Current liabilities   | (48.2)  | (35.0)  | (50.9)                                    |
| Net assets of discontinued operation  | 118.3   | 152.9   | 143.9                                     |
| <i>The net gain on sale is calculated as follows:</i>                                 |   |   |   |
| Gross sale proceeds   | 469.4   |   |   |
| Carrying amount of assets and liabilities as at the date of sale (including Goodwill) | (131.5)   |   |   |
| Gain on sale  | 337.9   |   |   |
| Less: transaction costs   | (2.4)   |   |   |
| Net gain on sale  | 335.5   |   |   |

Included in operating expenses are \$2.4 million of disposal costs (30 September 2021: \$1.1 million, 31 March 2022: \$3.0 million).

#### Cash flows from/(used in) discontinued operations

|  |              |               |            |
|--|--------------|---------------|------------|
| Net cash from/(used in) operating activities | (27.7)       | 1.7           | 32.6       |
| Net cash from/(used in) investing activities | 465.0        | (12.8)        | (13.2)     |
| Net cash from/(used in) financing activities | (0.1)        | (4.4)         | (9.5)      |
| <b>Net cash flows for the year</b>           | <b>437.2</b> | <b>(15.5)</b> | <b>9.9</b> |

## 9 Revenue

|   | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>(Restated)<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>(Restated)<br>Audited |
|---|--|--|--|
| Electricity - wholesale and retail            | 229.2  | 270.5  | 452.9  |
| Revenue allocated to customer incentives      | -  | -  | 0.7  |
| Aircraft movement and terminal charges        | 35.1   | 27.4   | 54.3   |
| Transport, hotel and other trading activities | 22.4   | 17.0   | 28.1   |
| Radiology practice services                   | 71.1   | 70.9   | 135.9  |
| Radiology services                            | 226.0  | 118.2  | 300.8  |
| Other   | 20.6   | 24.7   | 54.5   |
| <b>Total operating revenue</b>                | <b>604.4</b>   | <b>528.7</b>   | <b>1,027.2</b>   |

## 10 Other operating expenses

|   | Note | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>(Restated)<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>(Restated)<br>Audited |
|---|------|--|--|--|
| <b>Summary of results of discontinued operations</b>                      |      |  |  |  |
| <i>Trading operations</i>   |      |  |  |  |
| Energy and wholesale costs  |      | 85.5   | 105.3  | 170.8  |
| Line, distribution and network costs                                      |      | 29.8   | 26.8   | 37.9   |
| Generation production & development costs                                 |      | 11.8   | 12.4   | 27.8   |
| Other energy business costs   |      | 20.4   | 11.2   | 45.3   |
| Telecommunications cost of sales  |      | -  | -  | -  |
| Radiology business costs  |      | 55.5   | 59.3   | 114.4  |
| Airport business costs  |      | 16.1   | 13.9   | 28.0   |
| Other operating business costs  |      | 1.7  | 0.8  | -  |
| Bad debts written off   |      | 0.2  | -  | 0.1  |
| Increase/(Decrease) in provision for expected credit loss                 |      | 0.6  | 0.4  | 0.5  |
| Directors' fees   |      | 1.8  | 1.6  | 3.9  |
| Administration and other corporate costs                                  |      | 6.4  | 12.7   | 16.6   |
| Management fee (to related party Morrison & Co Infrastructure Management) | 17   | 155.1  | 159.3  | 278.7  |
| Donations   |      | 0.3  | 0.3  | 0.9  |
| <b>Total other operating expenses</b>                                     |      | <b>385.2</b>   | <b>404.0</b>   | <b>724.9</b>   |



## 11 Taxation

|  | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| Net surplus before taxation from continuing operations               | 297.9  | 72.4   | 128.5  |
| Taxation on the surplus for the period @ 28%                         | 83.4   | 20.3   | 36.0   |
| <i>Plus/(less) taxation adjustments:</i>                             |  |  |  |
| Effect of tax rates in foreign jurisdictions                         | 0.3  | (1.5)  | 2.7  |
| Net benefit of imputation credits                                    | (3.9)  | -  | -  |
| Exempt dividends   | (0.6)  |  |  |
| Timing differences not recognised                                    | -  | 0.8  | 1.5  |
| Tax losses not recognised/(utilised)                                 | 21.5   | (2.1)  | 0.6  |
| Effect of equity accounted earnings of associates                    | (92.7)   | (22.5)   | (59.9)   |
| Tax effect of change in corporate tax rate on deferred tax liability | (0.1)  |  |  |
| Recognition of previously unrecognised deferred tax                  | -  | -  | -  |
| Attributed CFC and FIF income  | 32.0   | 29.7   | 6.5  |
| (Over)/Under provision in prior periods                              | (1.5)  | (9.5)  | 1.9  |
| Net investment realisations  | -  | -  | -  |
| Other permanent differences  | 38.8   | 42.9   | 33.3   |
| <b>Taxation expense</b>  | <b>77.1</b>  | <b>58.1</b>  | <b>22.6</b>  |
| Current taxation   | 20.1   | 47.2   | 54.1   |
| Deferred taxation  | 57.0   | 10.9   | (31.5)   |
| Tax on discontinued operations                                       | 0.4  | (3.0)  | 0.9  |

## 12 Loans and borrowings

This note provides information about the contractual terms of the Group's interest bearing loans and borrowings.

|   | 30 September 2022<br>\$Millions<br>Unaudited | 30 September 2021<br>\$Millions<br>Unaudited | 31 March 2022<br>\$Millions<br>Audited |
|---|--|--|--|
| <i>Current liabilities</i>  |  |  |  |
| Unsecured bank loans  | 20.0   | 90.2   | 180.1                                  |
| Secured bank facilities   | 7.1  | 5.8  | 41.3                                   |
| <i>less: Loan establishment costs capitalised and amortised over term</i>   | (6.1)  | (3.7)  | (5.9)                                  |
|   | 21.0   | 92.3   | 215.5                                  |
| <i>Non-current liabilities</i>  |  |  |  |
| Unsecured bank loans  | 24.6   | 155.0  | 217.9                                  |
| Secured bank facilities   | 735.7  | 561.6  | 650.1                                  |
| <i>less: Loan establishment costs capitalised and amortised over term</i>   | (14.1)                                       | (19.4)                                       | (16.3)                                 |
|   | 746.2  | 697.2  | 851.7                                  |
| <i>Facilities utilised at reporting date</i>                                |  |  |  |
| Unsecured bank loans  | 44.6   | 245.2  | 398.1                                  |
| Unsecured guarantees  | -  | -  | -                                      |
| Secured bank loans  | 742.8  | 567.4  | 691.3                                  |
| Secured guarantees  | 5.2  | 4.2  | 4.6                                    |
| <i>Facilities not utilised at reporting date</i>                            |  |  |  |
| Unsecured bank loans  | 1,276.2                                      | 1,035.0                                      | 1,335.9                                |
| Unsecured guarantees  | -  | -  | -                                      |
| Secured bank loans  | 163.5  | 158.0  | 198.4                                  |
| Secured guarantees  | -  | -  | -                                      |
| Interest bearing loans and borrowings - current                             | 21.0   | 92.3   | 215.5                                  |
| Interest bearing loans and borrowings - non-current                         | 746.2  | 697.2  | 851.7                                  |
| <b>Total interest bearing loans and borrowings</b>                          | <b>767.2</b>                                 | <b>789.5</b>                                 | <b>1,067.2</b>                         |
|   |  |  |  |
|   | 30 September 2022<br>\$Millions<br>Unaudited | 30 September 2021<br>\$Millions<br>Unaudited | 31 March 2022<br>\$Millions<br>Audited |
| <i>Maturity profile for bank facilities (excluding secured guarantees):</i> |  |  |  |
| Between 0 to 1 year   | 297.1  | 383.1  | 281.4                                  |
| Between 1 to 2 years  | 200.1  | 600.0  | 362.3                                  |
| Between 2 to 5 years  | 1,729.9                                      | 922.5  | 1,980.0                                |
| Over 5 years  | -  | 100.0  | -                                      |
| <b>Total bank facilities</b>  | <b>2,227.1</b>                               | <b>2,005.6</b>                               | <b>2,623.7</b>                         |

### Financing arrangements

#### Wholly owned subsidiaries

Infratil Finance Limited, a wholly owned subsidiary of the Company, has entered into bank facility arrangements with a negative pledge agreement, which, with limited exceptions does not permit the Infratil Guaranteeing Group ('IGG') to grant any security over its assets. The IGG comprises entities subject to a cross guarantee and comprises Infratil Limited, Infratil Finance Limited and certain other wholly owned subsidiaries. These facilities are primarily used to fund the corporate and investment activities of the Company. The IGG does not incorporate the underlying assets of the Company's non-wholly owned subsidiaries and associates. The IGG bank facilities also include restrictions over the sale or disposal of certain assets without bank agreement. Liability under the cross guarantee is limited to the amount of debt drawn under the IGG facilities, plus any unpaid interest and costs of recovery.

At 30 September 2022 there was no drawn debt or accrued interest payable under the IGG facilities (30 September 2021: nil, 31 March 2022: nil) and undrawn IGG facilities totalled \$910.8 million (30 September 2021: \$570.0 million, 31 March 2022: \$1,169.0 million).

#### Non-wholly owned subsidiaries

The Group's non-wholly owned subsidiaries also enter into bank facility arrangements. Amounts outstanding under these facilities are included within loans and borrowings in the table above. These facilities are primarily used to fund the activities of those non-wholly owned subsidiaries. Wellington International Airport and Manawa Energy's facilities are both subject to negative pledge arrangements, which with limited exceptions does not permit those entities to grant security over their respective assets. Qscan Group and Pacific Radiology borrow under syndicated bank debt facilities, under which security is granted over their respective assets. Gurin Energy has no bank facilities at 30 September 2022. All non-wholly owned subsidiary facilities are subject to restrictions over the sale or disposal of certain assets without bank agreement.

The various bank facilities across the Group require the relevant borrowing group to maintain certain levels of shareholder funds and operate within defined performance and gearing ratios. Throughout the period the Group has complied with all debt covenant requirements as imposed by the respective lenders.

#### Interest rates

Interest rates payable on bank loan facilities are floating rate determined by reference to prevailing money market rates at the time of draw-down plus a margin. Interest rates paid during the period ranged from 0.56% to 7.04% (30 September 2021: 0.75% to 4.32%, 31 March 2022: 0.75% to 4.32%).

## 13 Infratil infrastructure bonds

|  | 30 September 2022<br>\$Millions<br>Unaudited | 30 September 2021<br>\$Millions<br>Unaudited | 31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| Balance at the beginning of the period   | 1,388.5                                      | 1,378.9                                      | 1,378.9                                |
| Issued during the period   | 115.9  | 102.4  | 102.4                                  |
| Exchanged during the period  | (50.9)                                       | (54.8)                                       | (54.8)                                 |
| Matured during the period  | (42.8)                                       | (39.1)                                       | (39.1)                                 |
| Purchased by Infratil during the period  | -  | -  | -                                      |
| Bond issue costs capitalised during the period                                     | (1.5)  | (1.2)  | (1.2)                                  |
| Bond issue costs amortised during the period                                       | 1.1  | 1.1  | 2.3                                    |
| <b>Balance at the end of the period</b>  | <b>1,410.3</b>                               | <b>1,387.3</b>                               | <b>1,388.5</b>                         |
| Current  | 221.8  | 93.4   | 193.5                                  |
| Non-current fixed coupon   | 834.6  | 940.1  | 841.1                                  |
| Non-current variable coupon  | 122.0  | 121.9  | 122.0                                  |
| Non-current perpetual variable coupon  | 231.9  | 231.9  | 231.9                                  |
| <b>Balance at the end of the period</b>  | <b>1,410.3</b>                               | <b>1,387.3</b>                               | <b>1,388.5</b>                         |
| <i>Repayment terms and interest rates:</i>   |  |  |  |
| IFT190 maturing in June 2022, 6.85% p.a. fixed coupon rate                         | -  | 93.7   | 93.7                                   |
| IFT240 maturing in December 2022, 5.65% p.a. fixed coupon rate                     | 100.0  | 100.0  | 100.0                                  |
| IFT210 maturing in September 2023, 5.25% p.a. fixed coupon rate                    | 122.1  | 122.1  | 122.1                                  |
| IFT230 maturing in June 2024, 5.50% p.a. fixed coupon rate                         | 56.1   | 56.1   | 56.1                                   |
| IFT260 maturing in December 2024, 4.75% p.a. fixed coupon rate                     | 100.0  | 100.0  | 100.0                                  |
| IFT250 maturing in June 2025, 6.15% p.a. fixed coupon rate                         | 43.4   | 43.4   | 43.4                                   |
| IFT300 maturing in March 2026, 3.35% p.a. fixed coupon rate                        | 120.3  | 120.3  | 120.3                                  |
| IFT280 maturing in December 2026, 3.35% p.a. fixed coupon rate                     | 156.3  | 156.3  | 156.3                                  |
| IFT310 maturing in December 2027, 3.60% p.a. fixed coupon rate                     | 102.4  | 102.4  | 102.4                                  |
| IFT270 maturing in December 2028, 4.85% p.a. fixed coupon rate until December 2023 | 146.2  | 146.2  | 146.2                                  |
| IFT320 maturing in June 2030, 5.93% p.a. fixed coupon rate until June 2026         | 115.9  | -  | -                                      |
| IFTHC maturing in December 2029, 2.75% p.a. variable coupon rate, reset annually   | 123.2  | 123.2  | 123.2                                  |
| IFTHA Perpetual Infratil infrastructure bonds                                      | 231.9  | 231.9  | 231.9                                  |
| less: issue costs capitalised and amortised over term                              | (8.5)  | (9.6)  | (8.2)                                  |
| add: issue premium capitalised and amortised over term                             | 1.0  | 1.3  | 1.1                                    |
| <b>Balance at the end of the period</b>  | <b>1,410.3</b>                               | <b>1,387.3</b>                               | <b>1,388.5</b>                         |

**Fixed coupon**

The fixed coupon bonds the Company has on issue are at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds.

**IFTHC bonds**

The IFTHC bonds the Company has on issue are at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds. For the period to 15 December 2022 the coupon is fixed at 4.19% per annum (for the period to 15 December 2021 the coupon was 2.75%). Thereafter the rate will be reset annually at 2.50% per annum over the then one year swap rate for quarterly payments.

**IFT270 bonds**

The interest rate of the IFT270 bonds is fixed at 4.85% for the first five years and will then reset on 15 December 2023 for a further five years. The interest rate for the IFT270 bonds for the period from (but excluding) 15 December 2023 until the maturity date will be the sum of the five year swap rate on 15 December 2023 plus a margin of 2.50% per annum.

**IFT320 bonds**

The interest rate of the IFT320 bonds is fixed at 5.93% for the first four years and will then reset on 15 June 2026 for a further four years. The interest rate for the IFT320 bonds for the period from (but excluding) 15 June 2026 until the maturity date will be the sum of the four year swap rate on 15 June 2023 plus a margin of 2.00% per annum.

**Perpetual Infratil infrastructure bonds ('PIIBs')**

The Company has 231,916,000 (30 September 2021: 231,916,000, 31 March 2022: 231,916,000) PIIBs on issue at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds. On 15 November 2021 the coupon was set at 3.14% per annum until the next reset date, being 15 November 2022 (September 2021: 1.71%, March 2022: 3.14%). Thereafter the rate will be reset annually at 1.50% per annum over the then one year swap rate for quarterly payments, unless Infratil's gearing ratio exceeds certain thresholds, in which case the margin increases. These infrastructure bonds have no fixed maturity date. No PIIBs (September 2021: nil, March 2022: nil) were repurchased by Infratil Limited during the period.

Throughout the period the Company complied with all debt covenants relating to its Bonds on issue.

At 30 September 2022 Infratil Infrastructure bonds (including PIIBs) had a fair value of \$1,314.8 million (30 September 2021: \$1,378.3 million, 31 March 2022: \$1,322.8 million).



## 14 Financial instruments

### 14.1 Fair values

Financial assets and financial liabilities are measured at their fair value, with the exception of bond debt and senior notes which are measured at amortised cost. The bond debt and senior notes have a fair value at 30 September 2022 of \$2,386.4 million (30 September 2021: \$2,438.5 million, 31 March 2022: \$2,307.3 million) compared to an amortised cost value of \$2,493.4 million (30 September 2021: \$2,456.0 million, 31 March 2022: \$2,360.9million).

### 14.2 Estimation of fair values

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair value of other financial assets and liabilities are calculated using market-quoted rates based on discounted cash flow analysis.
- The fair value of derivative financial instruments are calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve or available forward price data for the duration of the instruments.

Where the fair value of a derivative is calculated as the present value of the estimated future cash flows of the instrument, the two key types of variables used in the valuation techniques are:

- forward price curve (for the relevant underlying interest rates, foreign exchange rates or commodity prices); and
- discount rates.

| Valuation input  | Source  |
|--|---|
| Interest rate forward price curve                            | Published market swap rates   |
| Foreign exchange forward prices                              | Published spot foreign exchange rates   |
| Electricity forward price curve                              | Market quoted prices where available and management's best estimate based on its view of the long run marginal cost of new generation where no market quoted prices are available |
| Discount rate for valuing interest rate derivatives          | Published market interest rates as applicable to the remaining life of the instrument   |
| Discount rate for valuing forward foreign exchange contracts | Published market rates as applicable to the remaining life of the instrument  |
| Discount rate for valuing electricity price derivatives      | Assumed counterparty cost of funds ranging from 3.3% to 3.5% (30 September 2021: 3.3% to 3.5%, 31 March 2022: 3.1% to 3.8%)   |

The selection of variables requires significant judgement and therefore there is a range of reasonably possible assumptions in respect of these variables that could be used in estimating the fair value of these derivatives. Maximum use is made of observable market data when selecting variables and developing assumptions for the valuation techniques.

### 14.3 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The following tables present the Group's financial assets and liabilities that are measured at fair value.

|   | Level 1<br>\$Millions<br>Unaudited | Level 2<br>\$Millions<br>Unaudited | Level 3<br>\$Millions<br>Unaudited | Total<br>\$Millions<br>Unaudited |
|---|------------------------------------|------------------------------------|------------------------------------|----------------------------------|
| <b>30 September 2022</b>  |                                    |                                    |                                    |                                  |
| <b>Assets per the statement of financial position</b>                 |                                    |                                    |                                    |                                  |
| Derivative financial instruments - energy                             | -                                  | -                                  | 145.1                              | 145.1                            |
| Derivative financial instruments - cross currency interest rate swaps | -                                  | 16.5                               | -                                  | 16.5                             |
| Derivative financial instruments - foreign exchange                   | -                                  | -                                  | -                                  | -                                |
| Derivative financial instruments - interest rate                      | -                                  | 85.0                               | -                                  | 85.0                             |
| Total   | -                                  | 101.5                              | 145.1                              | 246.6                            |
| <b>Liabilities per the statement of financial position</b>            |                                    |                                    |                                    |                                  |
| Derivative financial instruments - energy                             | -                                  | -                                  | 163.3                              | 163.3                            |
| Derivative financial instruments - cross currency interest rate swaps | -                                  | -                                  | -                                  | -                                |
| Derivative financial instruments - foreign exchange                   | -                                  | 0.6                                | -                                  | 0.6                              |
| Derivative financial instruments - interest rate                      | -                                  | 16.0                               | -                                  | 16.0                             |
| Total   | -                                  | 16.6                               | 163.3                              | 179.9                            |

### 30 September 2021

|   | Level 1<br>\$Millions<br>Unaudited | Level 2<br>\$Millions<br>Unaudited | Level 3<br>\$Millions<br>Unaudited | Total<br>\$Millions<br>Unaudited |
|---|------------------------------------|------------------------------------|------------------------------------|----------------------------------|
| <b>Assets per the statement of financial position</b>                 |                                    |                                    |                                    |                                  |
| Derivative financial instruments - energy                             | -                                  | -                                  | 40.9                               | 40.9                             |
| Derivative financial instruments - cross currency interest rate swaps | -                                  | 9.6                                | -                                  | 9.6                              |
| Derivative financial instruments - foreign exchange                   | -                                  | -                                  | -                                  | -                                |
| Derivative financial instruments - interest rate                      | -                                  | 14.0                               | -                                  | 14.0                             |
| <b>Total</b>  | <b>-</b>                           | <b>23.6</b>                        | <b>40.9</b>                        | <b>64.5</b>                      |
| <b>Liabilities per the statement of financial position</b>            |                                    |                                    |                                    |                                  |
| Derivative financial instruments - energy                             | -                                  | -                                  | 9.7                                | 9.7                              |
| Derivative financial instruments - cross currency interest rate swaps | -                                  | -                                  | -                                  | -                                |
| Derivative financial instruments - foreign exchange                   | -                                  | 0.2                                | -                                  | 0.2                              |
| Derivative financial instruments - interest rate                      | -                                  | 21.7                               | -                                  | 21.7                             |
| <b>Total</b>  | <b>-</b>                           | <b>21.9</b>                        | <b>9.7</b>                         | <b>31.6</b>                      |

### 31 March 2022

|   | Level 1<br>\$Millions<br>Audited | Level 2<br>\$Millions<br>Audited | Level 3<br>\$Millions<br>Audited | Total<br>\$Millions<br>Audited |
|---|----------------------------------|----------------------------------|----------------------------------|--------------------------------|
| <b>Assets per the statement of financial position</b>                 |                                  |                                  |                                  |                                |
| Derivative financial instruments - energy                             | -                                | -                                | 106.2                            | 106.2                          |
| Derivative financial instruments - cross currency interest rate swaps | -                                | 1.6                              | -                                | 1.6                            |
| Derivative financial instruments - foreign exchange                   | -                                | -                                | -                                | -                              |
| Derivative financial instruments - interest rate                      | -                                | 38.4                             | -                                | 38.4                           |
| <b>Total</b>  | <b>-</b>                         | <b>40.0</b>                      | <b>106.2</b>                     | <b>146.2</b>                   |
| <b>Liabilities per the statement of financial position</b>            |                                  |                                  |                                  |                                |
| Derivative financial instruments - energy                             | -                                | -                                | 103.2                            | 103.2                          |
| Derivative financial instruments - cross currency interest rate swaps | -                                | -                                | -                                | -                              |
| Derivative financial instruments - foreign exchange                   | -                                | 1.4                              | -                                | 1.4                            |
| Derivative financial instruments - interest rate                      | -                                | 14.2                             | -                                | 14.2                           |
| <b>Total</b>  | <b>-</b>                         | <b>15.6</b>                      | <b>103.2</b>                     | <b>118.8</b>                   |

There were no transfers between derivative financial instrument assets or liabilities classified as level 1 or level 2, and level 3 of the fair value hierarchy during the period ended 30 September 2022 (30 September 2021: none, 31 March 2022: none).

## 14.4 Energy derivatives

Energy Price Risk is the risk that financial performance will be impacted by fluctuations in spot energy prices. The Group meets its energy sales demand by purchasing energy on spot markets, physical deliveries and financial derivative contracts. This exposes the Group to fluctuations in the spot and forward price of energy. The Group has entered into a number of energy hedge contracts to reduce the energy price risk from price fluctuations. These hedge contracts establish the price at which future specified quantities of energy are purchased and settled. Any resulting differential to be paid or received is recognised as a component of energy costs through the term of the contract. The Group has elected to apply cash flow hedge accounting to those instruments it deems material and which qualify as cash flow hedges.

The exception is the Mercury Energy and Manawa Energy pre-agreed electricity price contract for difference. At the time of the sale of the mass market Trustpower Retail business to Mercury Energy, Mercury and Manawa signed a pre-agreed electricity price contract for difference, under which Manawa will supply electricity to Mercury. The contract approximates the volume used by the mass market retail business until 2025 before reducing each year until it matures in 2031. This contract for difference was taken into account when the sale and purchase agreement was negotiated and was transferred at \$1 in that agreement. When valued against the wholesale electricity price curve, this derivative had a value on day one of negative \$521.8 million. NZ IFRS 9 Financial Instruments requires that where the fair value differs to the transaction price for a Level 3 instrument, the valuation must be adjusted to defer the difference between the transaction price and the fair value. As a result, no day one fair value has been recorded on the balance sheet. Over time the net settlement of the contract for difference is offset against wholesale electricity revenue to reflect the actual cashflows under the contract with Mercury.

## Energy price sensitivity analysis

The following table shows the impact on post-tax profit and equity of an increase/decrease in the relevant forward electricity prices with all other variables held constant:

|                                       | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|---------------------------------------|--|--|--|
| <b>Profit and loss</b>                |  |  |  |
| 10% increase in energy forward prices | (3.6)  | (0.6)  | (15.2)   |
| 10% decrease in energy forward prices | 58.5   | 0.6  | 15.2   |
| <b>Other comprehensive income</b>     |  |  |  |
| 10% increase in energy forward prices | (112.9)  | (9.7)  | 1.0  |
| 10% decrease in energy forward prices | 112.9  | 9.7  | (1.0)  |

The following table reconciles the movements in level 3 Electricity price derivatives that are classified within level 3 of the fair value hierarchy because the assumed location factors which are used to adjust the forward price path are unobservable.

|   | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|---|--|--|--|
| <b>Assets per the statement of financial position</b>   |  |  |  |
| Opening balance   | 106.2  | 145.6  | 145.6  |
| Foreign exchange movement on opening balance  | -  | -  | -  |
| Acquired as part of business combination  | -  | -  | -  |
| Gains and (losses) recognised in profit or loss   | 45.1   | 9.2  | 74.4   |
| Gains and (losses) recognised in other comprehensive income   | (6.1)  | (113.9)  | (113.8)  |
| Transfer to assets held for sale  | -  | -  | -  |
| Closing balance   | 145.2  | 40.9   | 106.2  |
| Total gains or (losses) for the period included in profit or loss for assets held at the end of the reporting period      | 58.7   | (58.4)   | 1.4  |
| <b>Liabilities per the statement of financial position</b>  |  |  |  |
| Opening balance   | 103.2  | 121.7  | 121.7  |
| Foreign exchange movement on opening balance  | -  | -  | -  |
| Acquired as part of business combination  | -  | -  | -  |
| (Gains) and losses recognised in profit or loss   | 60.2   | (111.8)  | (18.4)   |
| (Gains) and losses recognised in other comprehensive income   | -  | (0.2)  | (0.1)  |
| Transfer to liabilities held for sale   | -  | -  | -  |
| Closing balance   | 163.4  | 9.7  | 103.2  |
| Total gains or (losses) for the period included in profit or loss for liabilities held at the end of the reporting period | 85.2   | (13.5)   | -  |
| Settlements during the period   | 11.5   | (17.6)   | (14.0)   |

## 15 Reconciliation of net surplus with cash flow from operating activities

|  | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|--|--|--|
| <b>Net surplus for the period</b>  | 557.3  | 1,130.3  | 1,231.7  |
| <i>Items classified as investing activity:</i>   |  |  |  |
| (Gain)/Loss on investment realisations, impairments and disposals of discontinued operations | (415.4)  | (1,014.5)  | (1,014.7)  |
| Trade Payables relating to investing activities  | 0.1  | 2.8  | 0.7  |
| <i>Items not involving cash flows:</i>   |  |  |  |
| Movement in financial derivatives taken to the profit or loss                                | (56.8)   | (67.7)   | (60.6)   |
| Decrease in deferred tax liability excluding transfers to reserves                           | 38.0   | 15.0   | (35.9)   |
| Changes in fair value of investment properties   | (0.1)  | (2.5)  | (15.3)   |
| Equity accounted earnings of associates net of distributions received                        | (315.8)  | (82.5)   | (207.3)  |
| Depreciation   | 50.6   | 67.7   | 124.3  |
| Movement in provision for bad debts  | 0.4  | 0.2  | 0.5  |
| Amortisation of intangibles  | 2.8  | 7.9  | 18.4   |
| Other  | 8.7  | 0.7  | 16.0   |
| <i>Movements in working capital:</i>   |  |  |  |
| Change in receivables  | 108.9  | 64.4   | 48.6   |
| Change in inventories  | -  | -  | (0.2)  |
| Change in trade payables   | (69.9)   | (27.6)   | (10.0)   |
| Change in accruals and other liabilities   | (144.1)  | (135.1)  | (42.5)   |
| Change in current and deferred taxation  | 0.7  | 23.5   | 29.1   |
| <b>Net cash flow from operating activities</b>   | <b>(234.6)</b>   | <b>(17.4)</b>  | <b>82.8</b>  |

## 16 Capital commitments

|                                  | 30 September 2022<br>\$Millions<br>Unaudited | 30 September 2021<br>\$Millions<br>Unaudited | 31 March 2022<br>\$Millions<br>Audited |
|----------------------------------|--|--|--|
| Committed but not contracted for | 149.7  | 46.2   | 41.2                                   |
| Contracted but not provided for  | 52.3   | 38.5   | 56.3                                   |
| Capital commitments              | 202.0  | 84.7   | 97.5                                   |

Capital commitments are primarily associated with RHC NZ's commitment to new branch openings across New Zealand (\$108.5 million), Wellington Airport's commitment to the purchase of the land from Miramar Golf Club (\$27.0 million) and Manawa Energy's commitment to turbine and generator upgrades and replacements (\$35.7 million). See Note 6 for Infratil's commitments to Clearvision Ventures and Note 5 for Infratil's commitment to Galileo.



## 17 Related parties

Certain Infratil Directors have relevant interests in a number of companies with which Infratil has transactions in the normal course of business. A number of key management personnel are also Directors of Group subsidiary companies and associates.

Morrison & Co Infrastructure Management Limited ('MCIM') is the management company for the Company and receives management fees in accordance with the applicable management agreement. MCIM is owned by H.R.L. Morrison & Co Group Limited Partnership ('MCO'). Jason Boyes is a director and Chief Executive of Infratil. Entities associated with Mr Boyes have a beneficial interest in MCO.

Management and other fees paid by the Group (including associates) to MCIM, MCO or its related parties during the period were:

|  | Notes | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|--|-------|--|--|--|
| Management fees  | 18    | 155.1  | 159.3  | 278.7  |
| Executive secondment and consulting  |       | 0.4  | -  | 0.7  |
| Directors fees   |       | 1.0  | 0.9  | 2.2  |
| Financial management, accounting, treasury, compliance and administrative services |       | 0.9  | 0.8  | 1.7  |
| Risk management reporting  |       | -  | -  | -  |
| <b>Total management and other fees</b>   |       | <b>157.4</b>   | <b>161.0</b>   | <b>283.3</b>   |

As at 30 September 2022 no amounts included in the above table related to discontinued operations (30 September 2021: \$121.4 million, 31 March 2022: \$121.5 million).

At 30 September 2022 amounts owing to MCIM of \$6.4 million (excluding GST) are included in trade creditors (30 September 2021: \$6.6 million, 31 March 2022: \$5.2 million).

## 18 Management fees paid under the Management Agreement with Morrison & Co Infrastructure Management Limited

The day-to-day management responsibilities of the Company have been delegated to Morrison & Co Infrastructure Management Limited ('MCIM') under a Management Agreement. The Management Agreement specifies the duties and powers of MCIM, and the management fees payable to MCIM for delivering those services. These include a New Zealand Portfolio Management Fee, International Portfolio Management Fee and International Portfolio Incentive Fees.

Management fees paid under the Management Agreement during the period were:

|   | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|---|--|--|--|
| New Zealand & International Portfolio Management Fees | 30.9   | 27.9   | 57.3   |
| International Portfolio Incentive Fees                | 124.2  | 131.4  | 221.2  |
|   | <b>155.1</b>   | <b>159.3</b>   | <b>278.5</b>   |

### New Zealand Portfolio Management Fee

The New Zealand base management fee is paid on the 'New Zealand Company Value' at 0.80% p.a. on the New Zealand Company Value above \$150 million, 1.00% p.a. on the New Zealand Company Value between \$50 million and \$150 million and 1.125% p.a. on New Zealand Company value up to \$50 million. The New Zealand Company Value is defined as:

- the Company's market capitalisation as defined in the Management Agreement (the aggregated market value of the Company's listed securities, being ordinary shares, partly paid shares and, Infratil Infrastructure bonds);
- plus the Company and its wholly owned subsidiaries' net debt (excluding listed debt securities and the book value of the debt in any non-Australasian investments);
- minus the cost price of any non-Australasian investments; and,
- an adjustment for foreign exchange gains or losses related to non-New Zealand investments.

### International Portfolio Management Fee

The international fund management fee is paid at the rate of 1.50% per annum on:

- the cost price of any non-Australasian investments; and,
- the book value of the debt in any wholly owned non-Australasian investments.

### International Portfolio Incentive Fees

International Investments are eligible for International Portfolio incentive fees ('Incentive fees') under the Management Agreement between MCIM and Infratil. The Agreement allows for incentives to be payable for performance in excess of a minimum hurdle of 12% per annum in three separate areas:

- Initial Incentive Fees;
- Annual Incentive Fees; and,
- Realised Incentive Fees.

To the extent that there are assets that meet these criterion, independent valuations are performed on the respective International Investments to determine whether any Incentive Fees are payable.

#### International Portfolio Initial Incentive Fee

International Investments become eligible for the Initial Incentive Fee assessment on the third balance date (31 March) that they have been held continuously by the Company. All International Investments that are acquired in any one financial year are grouped together for the purposes of the Initial Incentive Fee, and an Initial Incentive Fee is payable at 20% of the outperformance of those assets against a benchmark of 12% p.a. after tax, compounding.

The Company's investment in Qscan Group is eligible for the International Portfolio Initial Incentive Fee assessment as at 31 March 2023 (31 March 2022: Galileo). No International Portfolio Initial Incentive Fee has been accrued as at 30 September 2022.

#### International Portfolio Annual Incentive Fee

Thereafter International Investments are grouped together, and an Annual Incentive Fee is payable at 20% of the outperformance of those assets against the higher of, a benchmark of 12% p.a. after tax, relative to the most recent 31 March valuation, or cost.

The Company's investments in CDC Data Centres, Galileo, Longroad Energy, and RetireAustralia are eligible for the International Portfolio Annual Incentive fee assessment as at 31 March 2023 (31 March 2022: CDC Data Centres, Longroad Energy, RetireAustralia).

As at 30 September 2022, it is probable that Infratil will have an International Portfolio Annual Incentive Fee (for the year to 31 March 2023) due to MCIM based on the performance of the above portfolio of assets, and as a result an amount of \$124.2 million has been provided for as at 30 September 2022 (30 September 2021: \$10.0 million, 31 March 2022: \$99.7 million).

## International Portfolio incentive fees

|                      | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|----------------------|--|--|--|
| CDC Data Centres     | (7.4)  | 3.5  | 84.7   |
| Galileo Green Energy | (0.1)  | -  | -  |
| Longroad Energy      | 132.0  | 4.5  | 14.1   |
| RetireAustralia      | (0.3)  | 2.0  | 0.9  |
|                      | <b>124.2</b>   | <b>10.0</b>  | <b>99.7</b>  |

### International Portfolio Realised Incentive Fee

Realised Incentive Fees are payable on the realised gains from the sale, or other realisation of International Investments at 20% of the outperformance (since the last valuation date) against the higher of, a benchmark of 12% p.a. after tax, relative to the most recent 31 March valuation, or cost.

There were no divestments of the Company's investment during the period ended 30 September 2022 that resulted in an accrual of a realised incentive fee (30 September 2021: \$121.4 million, 31 March 2022: \$121.5 million).

### International Portfolio Realised Incentive Fees

|                 | 6 months ended<br>30 September 2022<br>\$Millions<br>Unaudited | 6 months ended<br>30 September 2021<br>\$Millions<br>Unaudited | Year ended<br>31 March 2022<br>\$Millions<br>Audited |
|-----------------|--|--|--|
| Tilt Renewables | -  | 122.1  | 122.1  |
| ASIP            | -  | (0.7)  | (0.6)  |
|                 | <b>-</b>   | <b>121.4</b>   | <b>121.5</b>   |

### Payment of Annual Incentive Fees

Any Annual Incentive Fee calculated in respect of a Financial Year is earned and paid in three annual instalments, with the second and third instalments only being earned and payable if, at each relevant assessment date, the fair value of the relevant assets (including distributions, if any) exceeds or is equal to the fair value as at the date for which the Incentive Fee was first calculated.

Subject to assessment above, amounts of \$74.4 million in relation to tranche 3 of the FY2021 Annual Incentive Fee, and \$66.5 million in relation to tranches 2 and 3 of the FY2022 Annual Incentive Fee remain payable as at 30 September 2022.

## 19 Contingent liabilities and legal matters

The Company and certain wholly owned subsidiaries are guarantors of the bank debt facilities of Infratil Finance Limited under a Deed of Negative Pledge, Guarantee and Subordination and the Company is a guarantor to certain obligations of subsidiary companies.

## 20 Events after balance date

### Longroad Capital Raise

On 1 August 2022, Infratil, together with its co-investors the NZ Super Fund and the Longroad Energy management team, announced that MEAG, acting as the asset management arm for entities of Munich Re, had agreed to invest US\$300 million to acquire a 12% stake in Longroad Energy. MEAG's investment was subject to certain conditions, primarily customary US regulatory approvals from the Federal Energy Regulatory Commission and the Committee on Foreign Investment in the United States. These conditions were met, and the transaction completed on 6 October 2022.

Immediately prior to completion of the transaction both Infratil and the NZ Super Fund each contributed US\$85.0 million to Longroad Energy. Following the transaction, Infratil and the NZ Super Fund each retain a 37% stake in Longroad Energy. As part of the transaction both Infratil and the NZ Super Fund also agreed to invest a further US\$100 million, which will be used to fund Longroad Energy's near-term development pipeline.

### Completion of the Vodafone passive mobile towers transaction

On 18 July 2022, Infratil, together with Brookfield Asset Management, announced the sale of Vodafone's passive mobile tower assets for \$1,700 million to funds managed, or advised, by leading global investors InfraRed Capital Partners (40%) and Northleaf Capital Partners (40%). As part of the transaction Infratil also invested 20% of the equity into the new TowerCo vehicle. The transaction was subject to Overseas Investment Office approval which has now been received and the transaction completed on 1 November 2022.

### Dividend

On 14 November 2022, the Directors approved a partially imputed interim dividend of 6.75 cents per share to holders of fully paid ordinary shares to be paid on 14 December 2022.

# Independent Review Report

To the shareholders of Infratil Limited

## Report on the interim consolidated financial statements

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements on pages 2 to 34 do not:

- i. present, in all material respects the Group's financial position as at 30 September 2022 and its financial performance and cash flows for the 6 month period ended on that date; and
- ii. comply with NZ IAS 34 Interim Financial Reporting.

We have completed a review of the accompanying interim consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 September 2022;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the 6-month period then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.



### Basis for conclusion

A review of interim consolidated financial statements in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* ("NZ SRE 2410") is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

As the auditor of Infratil Limited, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

Our firm has also provided other services to the group in relation to taxation services, audit of regulatory disclosures and other assurance engagements. Subject to certain restrictions, partners and employees of our firm may also deal with the group on normal terms within the ordinary course of trading activities of the business of the group. These matters have not impaired our independence as reviewer of the group. The firm has no other relationship with, or interest in, the group.



### Use of this Independent Review Report

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



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## Responsibilities of the Directors for the interim company and group financial statements

The Directors, on behalf of the group, are responsible for:

- the preparation and fair presentation of the interim consolidated financial statements in accordance with NZ IAS 34 Interim Financial Reporting;
- implementing necessary internal control to enable the preparation of an interim consolidated financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

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## Auditor's Responsibilities for the review of the interim company and group financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. We conducted our review in accordance with NZ SRE 2410. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with NZ IAS 34 Interim Financial Reporting.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these interim consolidated financial statements.

This description forms part of our Independent Review Report.



KPMG  
Wellington

14 November 2022

# Directory

## Directors

Alison Gerry (Chair)  
Jason Boyes  
Andrew Clark  
Paul Gough  
Kirsty Mactaggart  
Peter Springford  
Mark Tume

## Company Secretary

Brendan Kevany

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## Auditor

KPMG  
10 Customhouse Quay  
PO Box 996  
Wellington

Infratil Limited

Statement of Comprehensive Income

For the 6 months ended 30 September 2022

|  | Notes | 6 months ended<br>30 September 2022 | 6 months ended<br>30 September 2021 | Year ended<br>31 March 2022 |
|--|-------|-------------------------------------|-------------------------------------|-----------------------------|
|  |       | \$000<br>Unaudited                  | \$000<br>Unaudited                  | \$000<br>Audited            |
| Dividends received from subsidiary companies   |       | -                                   | -                                   | 85,000                      |
| Operating revenue  |       | 159,416                             | 162,365                             | 289,901                     |
| Total revenue  |       | 159,416                             | 162,365                             | 374,901                     |
|  |       |                                     |                                     |                             |
| Directors' fees  | 4     | 516                                 | 570                                 | 1,057                       |
| Management and other fees  | 11    | 155,575                             | 159,867                             | 279,572                     |
| Other operating expenses   | 4     | 3,806                               | 8,198                               | 9,567                       |
| Total operating expenditure  |       | 159,897                             | 168,635                             | 290,196                     |
|  |       |                                     |                                     |                             |
| Operating surplus/(loss) before financing, derivatives, realisations and impairments |       | (481)                               | (6,270)                             | 84,705                      |
|  |       |                                     |                                     |                             |
| Net gain/(loss) on foreign exchange and derivatives                                  |       | (3)                                 | 1,477                               | 2,160                       |
| Net realisations, revaluations and (impairments)                                     |       | 19                                  | -                                   | -                           |
|  |       |                                     |                                     |                             |
| Interest income  |       | 85,593                              | 59,155                              | 137,094                     |
| Interest expense   |       | (30,943)                            | (30,749)                            | (62,729)                    |
| Net financing expense  |       | 54,650                              | 28,406                              | 74,365                      |
|  |       |                                     |                                     |                             |
| Net surplus/(loss) before taxation   |       | 54,185                              | 23,613                              | 161,230                     |
| Taxation credit/(expense)  | 6     | (3,261)                             | (3,945)                             | (7,917)                     |
| Net surplus/(loss) for the period  |       | 50,924                              | 19,668                              | 153,313                     |
|  |       |                                     |                                     |                             |
| Total comprehensive income for the period  |       | 50,924                              | 19,668                              | 153,313                     |
|  |       |                                     |                                     |                             |

The accompanying notes form part of these financial statements.

Infratil Limited

Statement of Changes in Equity

|   | Capital          | Other reserves | Retained earnings | Total            |
|---|------------------|----------------|-------------------|------------------|
| Notes   | \$000            | \$000          | \$000             | \$000            |
| Unaudited   | Unaudited        | Unaudited      | Unaudited         | Unaudited        |
| For the 6 months ended 30 September 2022            |                  |                |                   |                  |
| Balance as at 1 April 2022                          | 1,050,002        | -              | 122,408           | 1,172,410        |
| <b>Total comprehensive income for the period</b>    |                  |                |                   |                  |
| Net surplus for the period                          | -                | -              | 50,924            | 50,924           |
| Total other comprehensive income                    | -                | -              | -                 | -                |
| <b>Total comprehensive income for the period</b>    | -                | -              | <b>50,924</b>     | <b>50,924</b>    |
| <b>Contributions by and distributions to owners</b> |                  |                |                   |                  |
| Shares issued                                       | -                | -              | -                 | -                |
| Reserves transferred from amalgamated company       | -                | -              | 28,791            | 28,791           |
| Dividends to equity holders3                        | -                | -              | (86,842)          | (86,842)         |
| Total contributions by and distributions to owners  | -                | -              | (58,051)          | (58,051)         |
| <b>Balance at 30 September 2022</b>                 | <b>1,050,002</b> | <b>-</b>       | <b>115,281</b>    | <b>1,165,283</b> |
| For the 6 months ended 30 September 2021            | Unaudited        | Unaudited      | Unaudited         | Unaudited        |
| Balance as at 1 April 2021                          | 1,041,742        | -              | 99,185            | 1,140,927        |
| <b>Total comprehensive income for the period</b>    |                  |                |                   |                  |
| Net surplus for the period                          | -                | -              | 19,668            | 19,668           |
| Total other comprehensive income                    | -                | -              | -                 | -                |
| <b>Total comprehensive income for the period</b>    | -                | -              | <b>19,668</b>     | <b>19,668</b>    |
| <b>Contributions by and distributions to owners</b> |                  |                |                   |                  |
| Shares issued                                       | -                | -              | -                 | -                |
| Conversion of executive redeemable shares           | -                | -              | -                 | -                |
| Dividends to equity holders3                        | -                | -              | (83,097)          | (83,097)         |
| Total contributions by and distributions to owners  | -                | -              | (83,097)          | (83,097)         |
| <b>Balance at 30 September 2021</b>                 | <b>1,041,742</b> | <b>-</b>       | <b>35,756</b>     | <b>1,077,498</b> |
| For the year ended 31 March 2022                    | Audited          | Audited        | Audited           | Audited          |
| Balance as at 1 April 2021                          | 1,041,742        | -              | 99,185            | 1,140,927        |
| <b>Total comprehensive income for the year</b>      |                  |                |                   |                  |
| Net surplus for the year                            | -                | -              | 153,313           | 153,313          |
| Total other comprehensive income                    | -                | -              | -                 | -                |
| <b>Total comprehensive income for the year</b>      | -                | -              | <b>153,313</b>    | <b>153,313</b>   |
| <b>Contributions by and distributions to owners</b> |                  |                |                   |                  |
| Shares issued                                       | -                | -              | -                 | -                |
| Shares issued under dividend reinvestment plan      | 8,260            | -              | -                 | 8,260            |
| Conversion of executive redeemable shares           | -                | -              | -                 | -                |
| Dividends to equity holders3                        | -                | -              | (130,090)         | (130,090)        |
| Total contributions by and distributions to owners  | 8,260            | -              | (130,090)         | (121,830)        |
| <b>Balance at 31 March 2022</b>                     | <b>1,050,002</b> | <b>-</b>       | <b>122,408</b>    | <b>1,172,410</b> |
|   |                  |                |                   |                  |

The accompanying notes form part of these financial statements.




Infratil Limited

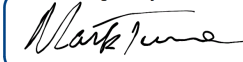
Statement of Financial Position

As at 30 September 2022

|   | Notes | 30 September<br>2022<br>\$000<br>Unaudited | 30 September<br>2021<br>\$000<br>Unaudited | 31 March<br>2022<br>\$000<br>Audited |
|---|-------|--|--|--------------------------------------|
| Cash and cash equivalents   |       | -  | -  | -                                    |
| Prepayments and sundry receivables                                  |       | 152,529                                    | 242,120                                    | 274,983                              |
| Income tax receivable   |       | -  | -  | -                                    |
| Advances to subsidiary companies                                    | 11    | 2,138,287                                  | 2,033,617                                  | 2,123,241                            |
| Current assets  |       | 2,290,816                                  | 2,275,737                                  | 2,398,224                            |
| Derivative financial instruments                                    |       | -  | -  | -                                    |
| International Portfolio Incentive fees receivable from subsidiaries |       | 116,078                                    | 80,689                                     | 140,832                              |
| Deferred tax  |       | 12,635                                     | 14,968                                     | 12,657                               |
| Investments   | 11    | 585,529                                    | 585,529                                    | 585,529                              |
| Non-current assets  |       | 714,242                                    | 681,186                                    | 739,018                              |
| Total assets  |       | 3,005,058                                  | 2,956,923                                  | 3,137,242                            |
| Bond interest payable   |       | 3,564                                      | 3,862                                      | 4,467                                |
| Accounts payable  |       | 6,299                                      | 6,050                                      | 6,149                                |
| Accruals and other liabilities                                      |       | 149,646                                    | 246,959                                    | 270,999                              |
| Infrastructure bonds  | 7     | 221,769                                    | 93,366                                     | 193,467                              |
| Derivative financial instruments                                    | 7     | -  | 683  | -                                    |
| Loans from Group companies  | 11    | 153,897                                    | 153,897                                    | 153,897                              |
| Total current liabilities   |       | 535,175                                    | 504,817                                    | 628,979                              |
| International Portfolio Incentive fees payable                      |       | 116,078                                    | 80,689                                     | 140,832                              |
| Infrastructure bonds  | 7     | 956,605                                    | 1,062,002                                  | 963,104                              |
| Perpetual Infratil Infrastructure bonds                             | 7     | 231,917                                    | 231,917                                    | 231,917                              |
| Derivative financial instruments                                    |       | -  | -  | -                                    |
| Non-current liabilities   |       | 1,304,600                                  | 1,374,608                                  | 1,335,853                            |
| Attributable to shareholders of the Company                         |       | 1,165,283                                  | 1,077,498                                  | 1,172,410                            |
| Total equity  |       | 1,165,283                                  | 1,077,498                                  | 1,172,410                            |
| Total equity and liabilities  |       | 3,005,058                                  | 2,956,923                                  | 3,137,242                            |

Approved on behalf of the Board on 14 November 2022

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Director

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Director

The accompanying notes form part of these financial statements.

Infratil Limited

# Statement of Cash Flows

For the 6 months ended 30 September 2022

|   |       | 6 months ended<br>30 September<br>2022 | 6 months ended<br>30 September<br>2021 | Year ended<br>31 March<br>2022 |
|---|-------|--|--|--------------------------------|
|   | Notes | \$000<br>Unaudited                     | \$000<br>Unaudited                     | \$000<br>Audited               |
| <b>Cash flows from operating activities</b>     |       |  |  |                                |
| <i>Cash was provided from:</i>                  |       |  |  |                                |
| Dividends received from subsidiary companies    |       | -                                      | -                                      | 85,000                         |
| Interest received                               |       | 85,593                                 | 59,156                                 | 137,094                        |
| Operating revenue receipts                      |       | 159,416                                | 162,365                                | 184,729                        |
|   |       | 245,009                                | 221,521                                | 406,823                        |
| <i>Cash was dispersed to:</i>                   |       |  |  |                                |
| Interest paid                                   |       | (30,810)                               | (29,898)                               | (60,070)                       |
| Payments to suppliers                           |       | (158,628)                              | (160,894)                              | (186,007)                      |
| Taxation paid                                   |       | (3,239)                                | (2,375)                                | (4,036)                        |
|   |       | (192,677)                              | (193,167)                              | (250,113)                      |
| <b>Net cash flows from operating activities</b> | 8     | <b>52,332</b>                          | <b>28,354</b>                          | <b>156,710</b>                 |
| <b>Cash flows from investing activities</b>     |       |  |  |                                |
| <i>Cash was provided from:</i>                  |       |  |  |                                |
| Net movement in subsidiary company loan         |       | 13,745                                 | 47,439                                 | -                              |
|   |       | 13,745                                 | 47,439                                 | -                              |
| <i>Cash was dispersed to:</i>                   |       |  |  |                                |
| Net movement in subsidiary company loan         |       | -                                      | -                                      | (42,183)                       |
|   |       | -                                      | -                                      | (42,183)                       |
| <b>Net cash flows from investing activities</b> |       | <b>13,745</b>                          | <b>47,439</b>                          | <b>(42,183)</b>                |
| <b>Cash flows from financing activities</b>     |       |  |  |                                |
| <i>Cash was provided from:</i>                  |       |  |  |                                |
| Issue of bonds                                  |       | 115,919                                | 102,403                                | 102,403                        |
|   |       | 115,919                                | 102,403                                | 102,403                        |
| <i>Cash was dispersed to:</i>                   |       |  |  |                                |
| Repayment of bonds                              |       | (93,696)                               | (93,883)                               | (93,883)                       |
| Infrastructure bond issue expenses              |       | (1,458)                                | (1,216)                                | (1,216)                        |
| Dividends paid                                  | 3     | (86,842)                               | (83,097)                               | (121,831)                      |
|   |       | (181,996)                              | (178,196)                              | (216,930)                      |
| <b>Net cash flows from financing activities</b> |       | <b>(66,077)</b>                        | <b>(75,793)</b>                        | <b>(114,527)</b>               |
| Net cash movement                               |       |  |  |                                |
| Cash balances at beginning of period            |       | -                                      | -                                      | -                              |
| <b>Cash balances at period end</b>              |       | <b>-</b>                               | <b>-</b>                               | <b>-</b>                       |
|   |       |  |  |                                |

Note some cash flows above are directed through an intercompany account. The cash flow statement above has been prepared on the assumption that these transactions are equivalent to cash in order to present the total cash flows of the entity.

The accompanying notes form part of these financial statements.

Infratil Limited

# Notes to the Financial Statements

For the 6 months ended 30 September 2022

(1) Accounting policies

Reporting entity

Infratil Limited ('the Company') is a company domiciled in New Zealand and registered under the Companies Act 1993. The Company is listed on the NZX Main Board ('NZX') and Australian Securities Exchange ('ASX'), and is an FMC Reporting Entity in terms of Part 7 of the Financial Markets Conduct Act 2013.

Basis of preparation

These unaudited condensed half year financial statements ('half year statements') of Infratil Limited have been prepared in accordance with *NZ IAS 34 Interim Financial Reporting* and comply with *IAS 34 Interim Financial Reporting* . The half year statements have been prepared in accordance with the accounting policies stated in the published financial statements for the year ended 31 March 2022 and should be read in conjunction with the previous annual report. No changes have been made from the accounting policies used in the 31 March 2022 annual report which can be obtained from Infratil's registered office or [www.infratil.com](http://www.infratil.com). The presentation currency used in the preparation of these financial statements is New Zealand dollars, which is also the Company's functional currency. Comparative figures have been restated where appropriate to ensure consistency with the current period. To aid comparability certain balance sheet items have been represented from those reported in prior years to conform to the current year's presentation. Total equity remains unchanged.

(2) Nature of business

The Company is the ultimate parent company of the Infratil Group which owns and operates infrastructure businesses and investments in New Zealand, Australia, the United States, Asia, United Kingdom and Europe. The Company is a limited liability company incorporated and domiciled in New Zealand. The address of its registered office is 5 Market Lane, Wellington, New Zealand.

(3) Infratil shares and dividends

|   | 6 months ended<br>30 September 2022<br><br>Unaudited | 6 months ended<br>30 September 2021<br><br>Unaudited | Year ended<br>31 March 2022<br><br>Audited |
|---|--|--|--|
| Total issued capital at the beginning of the period                   | 723,983,582  | 722,952,533  | 722,952,533                                |
| Movements in issued and fully paid ordinary shares during the period: |  |  |  |
| New shares issued   | -  | -  | -  |
| New shares issued under dividend reinvestment plan                    | -  | -  | 1,031,049                                  |
| Treasury Stock reissued under dividend reinvestment plan              | -  | -  | -  |
| Conversion of executive redeemable shares                             | -  | -  | -  |
| Share buyback   | -  | -  | -  |
| Total issued capital at the end of the period                         | 723,983,582  | 722,952,533  | 723,983,582                                |

All fully paid ordinary shares have equal voting rights and share equally in dividends and equity. At 30 September 2022 the Company held 1,662,617 shares as Treasury Stock (30 September 2021: 1,662,617, 31 March 2022: 1,662,617).

|                                    | 6 months ended<br>30 September 2022<br><br>Unaudited<br><br>cps | 6 months ended<br>30 September 2021<br><br>Unaudited<br><br>cps | Year ended<br>31 March 2022<br><br>Audited<br><br>cps | 6 months ended<br>30 September 2022<br><br>Unaudited<br><br>\$000 | 6 months ended<br>30 September 2021<br><br>Unaudited<br><br>\$000 | Year ended<br>31 March 2022<br><br>Audited<br><br>\$000 |
|------------------------------------|---|---|---|---|---|---|
| Final dividend prior year          | 12.00   | 11.50   | 11.50   | 86,842  | 83,097  | 83,140  |
| Interim dividend paid current year | -   | -   | 6.50  | -   | -   | 46,992  |
| Dividends paid on ordinary shares  | 12.00   | 11.50   | 18.00   | 86,842  | 83,097  | 130,132   |

**(4) Other operating expenses**

|  | 6 months<br>ended<br>30 September<br>2022<br><br>Unaudited<br>\$000 | 6 months<br>ended<br>30 September<br>2021<br><br>Unaudited<br>\$000 | Year<br>ended<br>31 March<br>2022<br><br>Audited<br>\$000 |
|--|---|---|---|
| Fees paid to the Company auditor         | 172   | 161   | 287   |
| Directors' fees                          | 516   | 570   | 1,057   |
| Administration and other corporate costs | 3,634   | 8,037   | 9,280   |
| <b>Total other operating expenses</b>    | <b>4,322</b>  | <b>8,768</b>  | <b>10,624</b>   |
|  |   |   |   |

**(5) Net investment realisations and (impairments)**

At 30 September 2022 the Company reviewed the carrying amounts of loans to Infratil Group companies to determine whether there was any indication that those assets have suffered an impairment loss. The recoverable amount of the asset was estimated by reference to the counterparties' net asset position and ability to repay loans out of operating cash flows in order to determine the extent of any impairment loss. As a result of this review the Company did not impair any loans to Infratil Group companies in the period (30 September 2021: nil, 31 March 2022: nil). These balances are within the Infratil Wholly Owned Group with entities controlled either directly or indirectly by Infratil Limited.

**(6) Taxation**

|  | 6 months<br>ended<br>30 September<br>2022<br><br>Unaudited<br>\$000 | 6 months<br>ended<br>30 September<br>2021<br><br>Unaudited<br>\$000 | Year<br>ended<br>31 March<br>2022<br><br>Audited<br>\$000 |
|--|---|---|---|
| Surplus/(loss) before taxation                               | 54,185  | 23,613  | 161,230   |
| Taxation on the surplus/(loss) for the period @ 28% tax rate | 15,172  | 6,612   | 45,144  |
| <i>Plus/(less) taxation adjustments:</i>                     |   |   |   |
| Exempt dividends   | -   | -   | (23,800)  |
| Tax losses not recognised/(utilised)                         | (12,338)  | (4,330)   | -   |
| Losses offset within Group                                   | -   | -   | (18,673)  |
| (Under)/over provision in prior periods                      | 427   | 1,665   | 3,544   |
| Other permanent differences                                  | -   | (2)   | 1,702   |
| <b>Taxation expense/(credit)</b>                             | <b>3,261</b>  | <b>3,945</b>  | <b>7,917</b>  |
| Current taxation   | -   | -   | 4,037   |
| Deferred taxation  | 3,261   | 3,945   | 3,880   |
|  | <b>3,261</b>  | <b>3,945</b>  | <b>7,917</b>  |
|  |   |   |   |

There was no income tax recognised in other comprehensive income during the period (30 September 2021: nil, 31 March 2022: nil)



**(7) Infrastructure bonds**

|  | 6 months<br>ended<br>30 September<br>2022<br><br>Unaudited<br>\$000 | 6 months<br>ended<br>30 September<br>2021<br><br>Unaudited<br>\$000 | Year<br>ended<br>31 March<br>2022<br><br>Audited<br>\$000 |
|--|---|---|---|
| Balance at the beginning of the period   | 1,388,488   | 1,378,949   | 1,378,949   |
| Issued during the period   | 115,919   | 102,403   | 102,403   |
| Exchanged during the period  | (50,919)  | (54,799)  | (54,799)  |
| Matured during the period  | (42,778)  | (39,084)  | (39,084)  |
| Purchased by Infratil during the period  | -   | -   | -   |
| Bond issue costs capitalised during the period   | (1,457)   | (1,216)   | (1,216)   |
| Bond issue costs amortised during the period   | 1,166   | 1,157   | 2,488   |
| Issue premium amortised during the year  | (129)   | (125)   | (253)   |
| <b>Balance at the end of the period</b>  | <b>1,410,291</b>  | <b>1,387,285</b>  | <b>1,388,488</b>  |
| Current  | 221,769   | 93,366  | 193,467   |
| Non-current fixed coupon   | 834,569   | 940,126   | 841,148   |
| Non-current variable coupon  | 122,036   | 121,876   | 121,956   |
| Non-current perpetual variable coupon  | 231,917   | 231,917   | 231,917   |
| <b>Balance at the end of the period</b>  | <b>1,410,291</b>  | <b>1,387,285</b>  | <b>1,388,488</b>  |
| <i>Repayment terms and interest rates:</i>   |   |   |   |
| IFT190 maturing in June 2022, 6.85% p.a. fixed coupon rate   | -   | 93,696  | 93,696  |
| IFT240 maturing in December 2022, 5.65% p.a. fixed coupon rate                                     | 100,000   | 100,000   | 100,000   |
| IFT210 maturing in September 2023, 5.25% p.a. fixed coupon rate                                    | 122,104   | 122,104   | 122,104   |
| IFT230 maturing in June 2024, 5.50% p.a. fixed coupon rate   | 56,117  | 56,117  | 56,117  |
| IFT260 maturing in December 2024, 4.75% p.a. fixed coupon rate                                     | 100,000   | 100,000   | 100,000   |
| IFT250 maturing in June 2025, 6.15% p.a. fixed coupon rate   | 43,413  | 43,413  | 43,413  |
| IFT300 maturing in March 2026, 3.35% p.a. fixed coupon rate  | 120,269   | 120,269   | 120,269   |
| IFT280 maturing in December 2026, 3.35% p.a. fixed coupon rate                                     | 156,279   | 156,279   | 156,279   |
| IFT310 Maturing in December 2027, 3.60% p.a fixed coupon rate                                      | 102,403   | 102,403   | 102,403   |
| IFT270 maturing in December 2028, 4.85% p.a. fixed coupon rate until 15 December 2023              | 146,249   | 146,249   | 146,249   |
| IFT320 maturing in June 2030, 5.93% p.a. fixed coupon rate until June 2026                         | 115,919   | -   | -   |
| IFTHC maturing in December 2029, 2.75% p.a. variable coupon rate reset annually from December 2020 | 123,186   | 123,186   | 123,186   |
| IFTHA Perpetual Infratil infrastructure bonds  | 231,917   | 231,917   | 231,917   |
| <i>less:</i> Bond issue costs capitalised and amortised over term                                  | (8,518)   | (9,559)   | (8,227)   |
| <i>add:</i> issue premium capitalised and amortised over term                                      | 954   | 1,211   | 1,082   |
| <b>Balance at the end of the period</b>  | <b>1,410,291</b>  | <b>1,387,285</b>  | <b>1,388,488</b>  |

**Fixed coupon**

The fixed coupon bonds the Company has on issue are at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds.

**Perpetual Infratil infrastructure bonds ('PIIBs')**

The Company has 231,916,000 (30 September 2021: 231,916,000, 31 March 2022: 231,916,000) PIIBs on issue at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds. On 15 November 2021 the coupon was set at 3.14% per annum until the next reset date, being 15 November 2022 (September 2021: 1.71%, March 2022: 3.14%). Thereafter the rate will be reset annually at 1.50% per annum over the then one year bank rate for quarterly payments, unless Infratil's gearing ratio exceeds certain thresholds, in which case the margin increases. These infrastructure bonds have no fixed maturity date. No PIIBs (September 2021: nil, March 2022: nil) were repurchased by Infratil Limited during the period.

**IFTHC bonds**

The Company has 123,186,000 (30 September 2021: 123,186,000, 31 March 2021: 123,186,000) IFTHCs on issue at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds. For the period to 15 December 2022 the coupon is fixed at 4.19% per annum (September 2021: 2.75%, March 2022: 4.19%). Thereafter the rate will be reset annually at 2.5% per annum over the then one year swap rate for quarterly payments.

**IFT270 bonds**

The interest rate of the IFT270 bonds is fixed at 4.85% for the first five years and will then reset on 15 December 2023 for a further five years. The interest rate for the IFT270 bonds for the period from (but excluding) 15 December 2023 until the maturity date will be the sum of the five year swap rate on 15 December 2023 plus a margin of 2.50% per annum.

**IFT320 bonds**

The interest rate of the IFT320 bonds is fixed at 5.93% for the first four years and will then reset on 15 June 2026 for a further four years. The interest rate for the IFT320 bonds for the period from (but excluding) 15 June 2026 until the maturity date will be the sum of the four year swap rate on 15 June 2023 plus a margin of 2.00% per annum.

Throughout the period the Company complied with all debt covenant requirements as imposed by the bond Supervisor.

At 30 September 2022 the infrastructure bonds (including PIIBs) had a fair value of \$1,314.8 million (30 September 2021: \$1,378.3 million, 31 March 2022: \$1,322.8 million).

(8) Reconciliation of net surplus with cash flow from operating activities

|   | 6 months<br>ended<br>30 September<br>2022<br><br>Unaudited<br>\$000 | 6 months<br>ended<br>30 September<br>2021<br><br>Unaudited<br>\$000 | Year<br>ended<br>31 March<br>2022<br><br>Audited<br>\$000 |
|---|---|---|---|
| Net surplus/(loss)  | 50,924  | 19,668  | 153,313   |
| <i>Less items classified as investing activity</i>            |   |   |   |
| Loss/(profit) on investment realisations and impairments      | (19)  | -   | -   |
| <i>Add items not involving cash flows</i>                     |   |   |   |
| Movement in financial derivatives taken to the profit or loss | 3   | (1,477)   | (2,158)   |
| Amortisation of deferred bond issue costs                     | 1,038   | 1,032   | 2,235   |
| <i>Movements in working capital</i>                           |   |   |   |
| Change in receivables and prepayments                         | 147,228   | (186,359)   | (104,390)   |
| Change in trade payables                                      | 150   | (181)   | 1,099   |
| Change in accruals and other liabilities                      | (147,014)   | 194,101   | 102,731   |
| Change in taxation and deferred tax                           | 22  | 1,570   | 3,880   |
| <b>Net cash inflow/(outflow) from operating activities</b>    | <b>52,332</b>   | <b>28,354</b>   | <b>156,710</b>  |
|   |   |   |   |

(9) Commitments

There are no outstanding commitments (30 September 2021: nil, 31 March 2022: nil).

(10) Contingent liabilities

The Company and certain wholly owned subsidiaries are guarantors of the bank debt facilities of Infratil Finance Limited under a Deed of Negative Pledge, Guarantee and Subordination and the Company is a guarantor to certain obligations of subsidiary companies.

The Company has a contingent liability under the international fund management agreement with Morrison & Co International Limited in the event that the Group sells its international assets, or valuation of the assets exceeds the performance thresholds set out in the international fund management agreement.

**(11) Related parties**

Certain Infratil Directors have relevant interests in a number of companies with which Infratil has transactions in the normal course of business. A number of key management personnel are also Directors of Group subsidiary companies and associates.

Morrison & Co Infrastructure Management Limited ('MCIM') is the management company for the Company and receives management fees in accordance with the applicable management agreement. MCIM is owned by H.R.L. Morrison & Co Group Limited Partnership ('MCO'). Jason Boyes is a director and Chief Executive of Infratil. Entities associated with Mr Boyes have a beneficial interest in MCO.

*The Company has the following significant loans, investments and receivables to/(from)/in its subsidiaries:*

| Related party                               | Interest income   |                   |               | Intercompany (loan)/advance/investment at carrying value |                |                |
|---|-------------------|-------------------|---------------|--|----------------|----------------|
|   | 6 months ended    | 6 months ended    | Year ended    | 30 September   | 30 September   | 31 March       |
|   | 30 September 2022 | 30 September 2021 | 31 March 2022 | 2022   | 2021           | 2022           |
|   | Unaudited         | Unaudited         | Audited       | Unaudited  | Unaudited      | Audited        |
|   | \$000             | \$000             | \$000         | \$000  | \$000          | \$000          |
| <i>Advances</i>                             |                   |                   |               |  |                |                |
| Infratil Finance                            | 85,589            | 59,154            | 137,092       | 2,138,287  | 2,033,617      | 2,123,241      |
| Aotea Energy Holdings Limited               | -                 | -                 | -             | (153,897)  | (153,897)      | (153,897)      |
| <i>Investments in</i>                       |                   |                   |               |  |                |                |
| Infratil Investments Limited                |                   |                   |               | 87,665   | 87,665         | 87,665         |
| Infratil 1998 Limited                       |                   |                   |               | 12,000   | 12,000         | 12,000         |
| Infratil Finance Limited                    |                   |                   |               | 153,897  | 153,897        | 153,897        |
| Infratil No. 1 Limited                      |                   |                   |               | 78,024   | 78,024         | 78,024         |
| Infratil PPP Limited                        |                   |                   |               | 5,942  | 5,942          | 5,942          |
| Infratil No. 5 Limited                      |                   |                   |               | 248,001  | 248,001        | 248,001        |
| <b>Total investments in related parties</b> |                   |                   |               | <b>585,529</b>   | <b>585,529</b> | <b>585,529</b> |
| <i>Receivables</i>                          |                   |                   |               |  |                |                |
| Infratil Australia Limited                  |                   |                   |               | 1,622  | 16,101         | 2,942          |
| Infratil PPP Limited                        |                   |                   |               | 509  | 364            | 1,019          |
| Infratil No. 5 Limited                      |                   |                   |               | 101,582  | 124,220        | 205,495        |
| Infratil 2018 Limited                       |                   |                   |               | 27,743   | 186,870        | 186,315        |
| Infratil Renewables Limited                 |                   |                   |               | 133,633  | 86,531         | 15,825         |
| <b>Total related party receivables</b>      |                   |                   |               | <b>265,089</b>   | <b>414,086</b> | <b>411,596</b> |

*Management and other fees paid by the Company to MCIM, MCO or its related parties during the year were:*

|  | 6 months ended    | 6 months ended    | Year ended     |
|--|-------------------|-------------------|----------------|
|  | 30 September 2022 | 30 September 2021 | 31 March 2022  |
|  | Unaudited         | Unaudited         | Audited        |
|  | \$000             | \$000             | \$000          |
| Management fees  | 30,512            | 27,584            | 56,760         |
| International Portfolio Incentive fees   | 124,257           | 131,477           | 221,200        |
| Financial management, accounting, treasury, compliance and administrative services | 806               | 806               | 1,612          |
| <b>Total management and other fees</b>   | <b>155,575</b>    | <b>159,867</b>    | <b>279,572</b> |

**(12) Events after balance date****Dividend**

On 14 November 2022, the Directors approved a partially imputed interim dividend of 6.50 cents per share to holders of fully paid ordinary shares to be paid on 14 December 2022.



# Independent Review Report

To the shareholders of Infratil Limited

## Report on the interim condensed financial statements

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed financial statements on pages 1 to 10 do not:

- i. present, in all material respects the company's financial position as at 30 September 2022 and its financial performance and cash flows for the 6 month period ended on that date; and
- ii. comply with NZ IAS 34 Interim Financial Reporting.

We have completed a review of the accompanying interim condensed financial statements which comprise:

- the consolidated statement of financial position as at 30 September 2022;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the 6-month period then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.



### Basis for conclusion

A review of condensed half year financial statements in accordance with NZ SRE 2410 Review of Financial Statements Performed by the Independent Auditor of the Entity ("NZ SRE 2410") is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

As the auditor of Infratil Limited, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

Our firm has also provided other services to the company in relation to other assurance engagements. These matters have not impaired our independence as reviewer of the group. The firm has no other relationship with, or interest in, the group.



### Use of this Independent Review Report

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



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## Responsibilities of the Directors for the interim company and group financial statements

The Directors, on behalf of the group, are responsible for:

- the preparation and fair presentation of the interim consolidated financial statements in accordance with NZ IAS 34 Interim Financial Reporting;
- implementing necessary internal control to enable the preparation of an interim condensed financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

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## Auditor's Responsibilities for the review of the interim company and group financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. We conducted our review in accordance with NZ SRE 2410. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with NZ IAS 34 Interim Financial Reporting.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these interim consolidated financial statements.

This description forms part of our Independent Review Report.

A handwritten signature of the KPMG firm, written in black ink, appearing as 'KPMG' with a stylized flourish.

KPMG  
Wellington

14 November 2022



Directory

Directors

Alison Gerry (Chair)  
Jason Boyes  
Andrew Clark  
Paul Gough  
Kirsty Mactaggart  
Peter Springford  
Mark Tume

Company Secretary

Brendan Kevany

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Telephone: +64 4 473 3663  
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Registered Office - Australia

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60 Martin Place  
Sydney NSW 200  
Telephone: +61 2 8098 7500

Manager

Morrison & Co Infrastructure Management  
5 Market Lane  
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Facsimile: +64 4 473 2388  
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Share Registrar - New Zealand

Link Market Services  
Level 30, PwC Tower  
15 Customs Street West  
PO Box 91976  
Auckland  
Telephone: +64 9 375 5998  
E-mail: enquiries@linkmarketservices.co.nz  
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Share Registrar - Australia

Link Market Services  
Level 12  
680 George Street  
Sydney NSW 2000  
Telephone: +61 2 8280 7100  
E-mail: registrars@linkmarketservices.com.au  
Internet address: www.linkmarketservices.com.au

Auditor

KPMG  
10 Customhouse Quay  
PO Box 996  
Wellington

| Results for announcement to the market   |  |                         |
|--|--|-------------------------|
| Name of issuer   | Infratil Limited   |                         |
| Reporting Period   | 6 months to 30 September 2022  |                         |
| Previous Reporting Period  | 6 months to 30 September 2021  |                         |
| Currency   | NZD  |                         |
|  | Amount (000s)  | Percentage change       |
| Revenue from continuing operations   | \$951,000  | 47.7%                   |
| Total Revenue  | \$1,005,000  | (7.6%)                  |
| Net profit/(loss) from continuing operations   | \$220,800  | 1,478.6%                |
| Total net profit/(loss)  | \$557,300  | 50.7%                   |
| Interim/Final Dividend   |  |                         |
| Amount per Quoted Equity Security  | \$0.06750000   |                         |
| Imputed amount per Quoted Equity Security  | \$0.02625000   |                         |
| Record Date  | 30 November 2022   |                         |
| Dividend Payment Date  | 14 December 2022   |                         |
|  | Current period   | Prior comparable period |
| Net tangible assets per Quoted Equity Security   | \$4.18   | \$3.65                  |
| A brief explanation of any of the figures above necessary to enable the figures to be understood | This Results announcement should be read in conjunction with the attached unaudited condensed consolidated half year financial statements for the 6 months ended 30 September 2022 ("Interim Financial Statements"). More detailed commentary on the operations of the Group over the period has been provided in the form of the Infratil Interim Results Presentation and Interim Report, which have been released alongside the Interim Financial Statements. |                         |
| Authority for this announcement  |  |                         |
| Name of person authorised to make this announcement  | Phillippa Harford, Chief Financial Officer   |                         |
| Contact person for this announcement   | Phillippa Harford, Chief Financial Officer   |                         |
| Contact phone number   | +64 4 473 3663   |                         |
| Contact email address  | Phillippa.Harford@hrlmorrison.com  |                         |
| Date of release through MAP  | 15/11/2022   |                         |

Unaudited financial statements accompany this announcement.

| Section 1: Issuer information   |                        |   |           |  |
|---|------------------------|---|-----------|--|
| Name of issuer  | Infratil Limited       |   |           |  |
| Financial product name/description                                      | Ordinary Shares        |   |           |  |
| NZX ticker code   | IFT                    |   |           |  |
| ISIN (If unknown, check on NZX website)                                 | NZIFTE0003S3 / ASX IFT |   |           |  |
| Type of distribution<br>(Please mark with an X in the relevant box/es)  | Full Year              |   | Quarterly |  |
|   | Half Year              | X | Special   |  |
|   | DRP applies            |   |           |  |
| Record date   | 30 November 2022       |   |           |  |
| Ex-Date (one business day before the Record Date)                       | 29 November 2022       |   |           |  |
| Payment date (and allotment date for DRP)                               | 14 December 2022       |   |           |  |
| Total monies associated with the distribution <sup>1</sup>              | \$48,868,891.785       |   |           |  |
| Source of distribution (for example, retained earnings)                 | Retained earnings      |   |           |  |
| Currency  | NZD                    |   |           |  |
| Section 2: Distribution amounts per financial product                   |                        |   |           |  |
| Gross distribution <sup>2</sup>   | \$0.09375000           |   |           |  |
| Gross taxable amount <sup>3</sup>                                       | \$0.09375000           |   |           |  |
| Total cash distribution <sup>4</sup>                                    | \$0.06750000           |   |           |  |
| Excluded amount (applicable to listed PIEs)                             | \$ N/A                 |   |           |  |
| Supplementary distribution amount                                       | \$0.01191176           |   |           |  |
| Section 3: Imputation credits and Resident Withholding Tax <sup>5</sup> |                        |   |           |  |
| Is the distribution imputed   | Fully imputed          |   |           |  |

<sup>1</sup> Continuous issuers should indicate that this is based on the number of units on issue at the date of the form

<sup>2</sup> "Gross distribution" is the total cash distribution plus the amount of imputation credits, per financial product, before the deduction of Resident Withholding Tax (RWT).

<sup>3</sup> "Gross taxable amount" is the gross distribution minus any excluded income.

<sup>4</sup> "Total cash distribution" is the cash distribution excluding imputation credits, per financial product, before the deduction of RWT. This should *include* any excluded amounts, where applicable to listed PIEs.

<sup>5</sup> The imputation credits plus the RWT amount is 33% of the gross taxable amount for the purposes of this form. If the distribution is fully imputed the imputation credits will be 28% of the gross taxable amount with remaining 5% being RWT. This does not constitute advice as to whether or not RWT needs to be withheld.

|   |  |
|---|--|
| If fully or partially imputed, please state imputation rate as % applied <sup>6</sup> | 28.00000000%                               |
| Imputation tax credits per financial product  | \$0.02625000                               |
| Resident Withholding Tax per financial product  | \$0.00468750                               |
| <b>Section 5: Authority for this announcement</b>                                     |  |
| Name of person authorised to make this announcement                                   | Phillippa Harford, Chief Financial Officer |
| Contact person for this announcement  | Phillippa Harford, Chief Financial Officer |
| Contact phone number  | +64 4 473 3663                             |
| Contact email address   | Phillippa.Harford@hrlmorrison.com          |
| Date of release through MAP   | 15 November 2022                           |

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<sup>6</sup> Calculated as (imputation credits/gross taxable amount) x 100. Fully imputed dividends will be 28% as a % rate applied.