



11 September 2024

Infratil confirms support for Contact Energy's proposed acquisition of Manawa Energy

Infratil, which owns 51% of Manawa Energy, will support Contact Energy's proposed acquisition of Manawa pursuant to a Scheme Implementation Agreement, subject to certain conditions.

Manawa today announced that it has entered into a Scheme Implementation Agreement where Contact will acquire 100% of Manawa via a scheme of arrangement, if approved by Manawa's shareholders (Scheme). Manawa shareholders will receive cash consideration of \$1.16 per share^[1] and 0.5719 Contact shares for every Manawa share they hold prior to implementation of the Scheme. A copy of the Manawa announcement is attached.

Infratil CEO Jason Boyes said Infratil has entered into a binding Voting Agreement with Contact under which Infratil has committed to vote its 51% stake in Manawa shares in favour of the Scheme subject to certain conditions.

"The total offer price of \$5.95 - based on the 5-day volume-weighted average price of Contact's shares prior to announcement - represents around a 48% premium to the Manawa share price prior to the announcement."

"If the Scheme proceeds as announced, and subject to any pre-completion dividends, Infratil's gross cash proceeds from the sale will be approximately NZ\$186 million and following completion we will own approximately 9.5% of Contact."

"This transaction represents a significant step in enhancing the combined capabilities of both Manawa and Contact. By integrating Manawa's hydro assets with Contact's diversified energy portfolio, the merged entity will create a more resilient and flexible generation platform. With balance sheet and scale efficiencies, the combined entity will retain capital optionality and will be well-positioned to advance both companies' development pipelines to further support the decarbonisation of the New Zealand electricity sector."

Mr Boyes said the proposed transaction is the next step in a 30 year relationship, which began with Infratil's 1994 initial public offering, when Trustpower – as Manawa was then known – was its first investment.

"Since 1994, Infratil has supported Manawa's growth and a series of transformative transactions, including the demerger of Tilt Renewables and the sale of its Australian hydro assets and retail business."

"We see this merger with Contact Energy as a natural continuation of this journey. We are excited to back the Contact team as they take the combined business forward. We believe this transaction represents fair value for Manawa shareholders and reinforces our commitment to the future of the New Zealand electricity sector."

"Infratil fully supports the intended appointment of Deion Campbell as a director of Contact from the date of implementation of the Scheme. Deion will provide continuity and support to the integration of Manawa's business and assets, and growth of the combined business."

“The upfront cash proceeds and the potential for higher dividends from Contact will enhance flexibility across the Infratil portfolio.”

The Scheme is currently expected to take approximately 6 - 9 months to be implemented. Implementation of the Scheme remains subject to a number of conditions and termination events, which are summarised in Manawa’s announcement. The Voting Agreement is included in Infratil’s Substantial Product Holder Notice, a copy of which is also attached.

Infratil is being advised by Macquarie Capital as financial adviser and Chapman Tripp as legal adviser.

Enquiries should be directed to:

Mark Flesher Investor Relations
Phone: +64 4 473 3663
Email: mark.flesher@infratil.com

Footnote:

[1] Less the per share amount of any dividend paid by Manawa prior to the implementation of the Scheme.



ANNOUNCEMENT

11 September 2024

Manawa Energy signs Scheme Implementation Agreement

Manawa Energy Limited (**'Manawa'**) (NZX Code: MNW) has entered into a Scheme Implementation Agreement (**'SIA'**) with Contact Energy Limited (**'Contact'**) under which Contact has agreed to acquire all of Manawa's shares through a scheme of arrangement (**'Scheme'**).

Key Highlights of the Scheme

Under the Scheme, Manawa shareholders will receive consideration valued at \$5.95 per Manawa share¹, comprising:

- 0.5719 Contact shares for each Manawa share (**'Initial Exchange Ratio'**), corresponding to consideration of \$4.79 per Manawa share, based on Contact's five-day VWAP on the NZX immediately prior to the date of the SIA of \$8.3755 per share² (**'Scrip Consideration'**); plus
- \$1.16 per Manawa share in cash (**'Cash Consideration'**),

subject to adjustment for dividends paid by either party (together, **'Consideration'**).

The Consideration implies an equity value and enterprise value (**'EV'**) for Manawa of \$1,862 million³ and \$2,336 million⁴, respectively, and as at 10 September 2024 represents a premium of:

- 47.6% to Manawa's closing price of \$4.03;
- 47.4% to Manawa's 30-day VWAP of \$4.04; and
- 42.3% to Manawa's 90-day VWAP of \$4.18.

Based on the Initial Exchange Ratio, Manawa shareholders will be issued with Contact shares equal to 18.5% of the ordinary shares outstanding following implementation of the Scheme⁵.

If either party declares a dividend with a record date prior to the implementation date of the Scheme:

- the Cash Consideration will be reduced by the quantum of any dividend declared by Manawa
- the Initial Exchange Ratio will be proportionately increased for the effect of any dividend declared by Contact⁶

To ensure continuity and support integration with the Manawa business and assets, and growth of the combined business, it is intended that Manawa's Chairman, Deion Campbell, will join the Contact Board following implementation of the Scheme.

Contact intends to repay Manawa's debt facilities, including Manawa's bank facilities and retail bonds, at or shortly after implementation of the Scheme. As a result, Manawa's bondholders will be repaid, and the retail bonds will cease to be listed on the NZX.

Chairman Comments on the Transaction

Manawa's Chairman, Deion Campbell, said:

"This is an attractive acquisition offer for Manawa and achieves a significant premium to Manawa's recent share price for shareholders, reflecting the company's high-quality hydro asset base and its strategic development portfolio. The combination of our hydro schemes with Contact's generation assets, including its base load geothermal fleet, creates a unique generation portfolio, with significant diversification benefits. Contact will retain various funding options post implementation of the Scheme that mean it will be well-placed to accelerate the progression of Manawa's development portfolio.

Given the majority scrip-based structure of the Consideration, Manawa shareholders will continue to enjoy exposure to the New Zealand electricity sector, becoming owners in a leading New Zealand energy company with the operational advantages arising from the combination of the two companies' assets and capabilities. Shareholders will also benefit from the synergies expected to arise from combining the two companies via this transaction, as well as a higher expected equivalent dividend per share⁷.

Until the transaction is completed, the Board and Management team will remain focused on running the business in the usual manner. We appreciate the transaction will create some uncertainty for our people and we are also focused on supporting them through this period"

Directors' Recommendation and Shareholder Support

Manawa's board is of the view that the transaction has meaningful benefits to Manawa shareholders:

- The Consideration represents attractive value to Manawa shareholders:
 - Significant takeover premium relative to Manawa's recent share price levels
 - Implied EV/EBITDAF multiple of 16x based on FY24 results;
- Manawa shareholders will become shareholders in a combined company with a strategic and diversified generation portfolio, large customer base and significant portfolio of renewable energy development options;
- Contact has estimated that it will realise portfolio and cost synergies of ~\$33-48m per annum (on a 100% run-rate basis), which Manawa shareholders will share in the benefits of;
- The transaction is expected to lead to higher equivalent dividends per share for Manawa shareholders⁷;
- Manawa shareholders will benefit from being shareholders in a significantly larger company, with increased liquidity for trading in shares.

In the absence of a superior proposal and subject to the Independent Adviser's Report concluding (and continuing to conclude in any updated, replacement or supplementary report issued prior to the Manawa shareholder meeting to vote on the Scheme) the value of the Consideration is within or above the Independent Adviser's valuation range for the Manawa shares, the Manawa Directors unanimously recommend that Manawa shareholders vote in favour of the Scheme, and, if they hold or control Manawa shares, intend to vote their own shares in favour of the Scheme⁸.

Immediately after Manawa entering into the SIA, the shareholding entities of Manawa's two major shareholders Infratil Limited ('**Infratil**') and TECT Community Trust ('**TECT**') entered into voting agreements with Contact. Subject to a number of conditions, these entities have agreed to vote their 51.1% and 26.8% shareholdings, respectively, in favour of the Scheme.

Scheme Conditions

The SIA is conditional upon the satisfaction of certain conditions, including:

- New Zealand Commerce Commission ('**NZCC**') approval;
- The IAR concluding (and continuing to conclude in any updated, replacement or supplementary report issued prior to the Manawa shareholder meeting to vote on the Scheme) that the value of the Consideration is within or above the Independent Adviser's valuation range for Manawa;
- Manawa shareholders approving the Scheme at a meeting of shareholders to be held after satisfaction of the NZCC approval condition;
- High Court approval; and
- Other customary conditions, including no material adverse changes and no 'prescribed occurrences' affecting Manawa or Contact.

A full list of the conditions is included in the SIA, which is attached to this announcement. The SIA also contains customary exclusivity conditions, including no-shop, no-talk provisions, obligations to notify Contact of any competing proposal, Contact having a matching right and break fees.

Timing

Manawa will hold a meeting of shareholders to vote on the Scheme as soon as practicable after the NZCC approval condition is satisfied. Manawa will send a Scheme Booklet, containing information relating to the Scheme, the Independent Adviser's Report, information relating to the Scrip Consideration and Contact, and details of the shareholder meeting to Manawa shareholders ahead of the meeting. Shareholders should carefully consider these materials and seek their own professional advice.

Manawa and Contact are targeting implementation of the Scheme in H1 2025, although this is indicative and subject to change. The Scheme implementation timing will depend on the timing of satisfaction of the NZCC approval condition. Contact is starting the Commerce Commission application process this week.

Advisers

Manawa's financial adviser is Lazard Australia and its legal adviser is Harmos Horton Lusk.

Overview of Manawa

Manawa is an independent energy generation company, located in Tauranga, and listed on the NZX. Manawa has 510 MW of installed generation capacity in 26 generation schemes across New Zealand, comprising mostly hydro generation. Manawa's long-run annual generation from these schemes is ~1.94 TWh p.a., with additional volumes acquired from third parties through long-term offtake agreements on wind and geothermal projects. Manawa also has a pipeline of more than 1.2 GW of secured wind and solar projects under active development. Manawa has 217 employees.

Overview of Contact

Contact is a leading New Zealand integrated energy company. It is headquartered in Wellington and is listed on the NZX and the ASX. It has a generation fleet of six geothermal assets, two hydro power stations, one controlled storage lake, two thermal peaking stations, and a development portfolio of geothermal, wind, solar and battery projects. At 30 June 2024, Contact had ~625,000 customer connections and 1,273 employees, and in FY24 had ~9 TWh of contracted electricity sales.

Important Information about the Scrip Consideration

The implied value of the Scrip Consideration of \$4.79 per Manawa share is based on Contact's five-day VWAP on the NZX immediately prior to the date of the SIA of \$8.3755 per share. Contact shares are quoted on the NZX and ASX. Accordingly, the market price of Contact shares is subject to change prior to implementation of the Scheme. The value of the Consideration on implementation of the Scheme will depend on the market value of the Scrip Consideration at that time. This may be greater than or less than \$4.79 per Manawa share. Shareholders are encouraged to seek their own financial advice in respect of the value of the Scrip Consideration.

This announcement and the SIA are not an offer of, or an invitation in respect of, the Scrip Consideration. The Scrip Consideration cannot currently be acquired. The offer of Scrip Consideration to Manawa shareholders will be made by the sending of the Scheme Booklet to Manawa shareholders⁹. Unless and until this occurs, there is no offer of Scrip Consideration to Manawa shareholders.

When the offer of the Scrip Consideration is made, it will only be made to shareholders in New Zealand, Australia and other jurisdictions that may be agreed between Manawa and Contact. No offer of the Scrip Consideration is made, or will be made, in any other jurisdiction¹⁰. Without limitation, no offer of the Scrip Consideration is made to any Manawa shareholder in the United States. Shares that would otherwise be issued to shareholders located in a jurisdiction where no offer of the Scrip Consideration is made will be issued to a nominee and sold, with the net proceeds paid to those shareholders.

Manawa understands that the offer of the Scrip Consideration, if made, will be made by Contact:

- in New Zealand in reliance on clause 19 of Schedule 1 to the Financial Markets Conduct Act 2013. Accordingly, the Scheme Booklet will not be a product disclosure statement for the purposes of that Act, and no product disclosure statement will be provided to Manawa shareholders in connection with the Scrip Consideration; and
- In Australia in reliance on ASIC Corporations (Compromises or Arrangements) Instrument 2015/358. Accordingly, the Scheme Booklet will not be a prospectus for the purposes of the Corporations Act, and no prospectus will be provided to Manawa shareholders in connection with the Scrip Consideration.

-ends-

Investor and media enquiries:

Jen Spence

Communications

Ph 027 306 2618

comms@manawaenergy.co.nz

¹ All references to currency in this announcement are to New Zealand dollars.

² Shareholders should read the "Important Information about the Scrip Consideration" section of this announcement, which sets out important information in respect of the Scrip Consideration.

³ Based on 312,973,000 Manawa shares outstanding.

⁴ Based on Manawa's Statement of Financial Position as at 31 March 2024, i.e. debt outstanding of \$453.7 million, unrestricted cash of \$1.7 million and non-controlling interests of \$22.2 million.

⁵ Before any shares issued pursuant to Contact's dividend reinvestment plan or vesting of performance rights, and before adjustment of the exchange ratio for any dividends paid by Contact.

⁶ The formula for the 'Adjusted Exchange Ratio' is outlined in the SIA.

⁷ Based on Contact's expected dividends per share per its investor presentation dated 11 September 2024 and assuming the Cash Consideration is reinvested at Contact's five-day VWAP used to calculate the Initial Exchange Ratio of \$8.3755 per share. Relative to Manawa's FY24 full-year dividend.

⁸ For this purpose, no Manawa Director who is associated with or who represents Infratil or TECT is treated as holding or controlling any shares which are held or controlled, respectively, by Infratil or TECT.

⁹ If the offer of Scrip Consideration is made, the offeror will be Contact. Manawa is not the offeror of the Scrip Consideration.

¹⁰ For Manawa shareholders in a jurisdiction other than New Zealand or Australia, it is intended that their Scrip Consideration be issued to a sale agent which will sell that Scrip Consideration. The cash proceeds of sale (less brokerage and certain other withholdings) will be distributed to such Manawa shareholders after implementation of the Scheme.

Disclosure of movement of 1% or more in substantial holding
or change in nature of relevant interest, or both

Sections 277 and 278, Financial Markets Conduct Act 2013

To NZX Limited

and

To Manawa Energy Limited (*MNW*)

Relevant event being disclosed: Change in nature of relevant interest

Date of relevant event: 11 September 2024

Date this disclosure made: 11 September 2024

Date last disclosure made: 1 November 2016

Substantial product holder(s) giving disclosure

Full name(s): Infratil Limited (*Infratil*), Infratil Investments Limited (*Infratil Investments*), Infratil Energy New Zealand Limited (*Infratil Energy NZ*), and Renew Nominees Limited (*Renew Nominees*)

Summary of substantial holding

Class of quoted voting products: ordinary shares in MNW

Summary for Infratil

For **this** disclosure,—

- (a) total number held in class: 159,997,249
- (b) total in class: 312,973,000
- (c) total percentage held in class: 51.122%

For **last** disclosure,—

- (a) total number held in class: 159,742,389
- (b) total in class: 312,973,000
- (c) total percentage held in class: 51.04%

Summary for Infratil Investments

For **this** disclosure,—

- (a) total number held in class: 101,753,719
- (b) total in class: 312,973,000
- (c) total percentage held in class: 32.512%

For **last** disclosure,—

- (a) total number held in class: 872,773
- (b) total in class: 312,973,000
- (c) total percentage held in class: 0.279%

Summary for Infratil Energy NZ

For **this** disclosure,—

- (a) total number held in class: 48,470,446
- (b) total in class: 312,973,000
- (c) total percentage held in class: 15.487%

For **last** disclosure,—

- (a) total number held in class: 48,470,446
- (b) total in class: 312,973,000
- (c) total percentage held in class: 15.487%

Summary for Renew Nominees

For **this** disclosure,—

- (a) total number held in class: 110,399,170
- (b) total in class: 312,973,000
- (c) total percentage held in class: 35.274%

For **last** disclosure,—

- (a) total number held in class: 110,399,170
- (b) total in class: 312,973,000
- (c) total percentage held in class: 35.274%

Details of transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure:

On or around 11 September 2024, Contact Energy Limited (*Bidder*) entered into a voting agreement with Infratil Investments, Infratil Energy NZ, and Renew Nominees (*Voting Agreement*), a copy of which is attached to this notice. Under the Voting Agreement, each of Infratil Investments, Infratil Energy NZ, and Renew Nominees have agreed to vote all of their ordinary shares in MNW in favour of a resolution to be put to the shareholders of MNW to approve or otherwise facilitate a scheme of arrangement under Part 15 of the

Companies Act 1993 involving the acquisition by the Bidder of all of the shares in MNW (*Scheme*). Under the Scheme, MNW shareholders will receive consideration valued at \$5.95 per Manawa share, comprising approximately 0.5719 Bidder shares for each MNW ordinary share plus \$1.16 per MNW ordinary share in cash (as may be adjusted for dividends paid by the Bidder or MNW prior to implementation).

Details after relevant event

Details for Infratil

Nature of relevant interest(s): Relevant interest in MNW ordinary shares held by Infratil Investments, Infratil Energy NZ and Renew Nominees, as Infratil has the power to exercise, or control the exercise of, the right to vote attached to 20% or more of the voting products of, Infratil Investments, Infratil Energy NZ and Renew Nominees and the power to acquire or dispose of, or to control the acquisition or disposal of, 20% or more of the voting products of, Infratil Investments, Infratil Energy NZ and Renew Nominees

For that relevant interest,—

- (a) number held in class: 159,997,249
- (b) percentage held in class: 51.122%
- (c) current registered holder(s): Infratil Investments, Infratil Energy NZ, and Renew Nominees
- (d) registered holder(s) once transfers are registered: Not applicable

For a derivative relevant interest, also—

- (a) type of derivative: Not applicable
- (b) details of derivative: Not applicable
- (c) parties to the derivative: Not applicable
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Details for Infratil Investments

Nature of relevant interest(s):

- (i) Beneficial owner of financial products, as qualified by the Voting Agreement referred to above

For that relevant interest,—

- (a) number held in class: 101,753,719
- (b) percentage held in class: 32.512%
- (c) current registered holder(s): Infratil Investments and Renew Nominees

- (d) registered holder(s) once transfers are registered: Not applicable
- (ii) Registered holder and beneficial owner of financial products, as qualified by the Voting Agreement referred to above

For that relevant interest,—

- (a) number held in class: 1,127,633
- (b) percentage held in class: 0.360%
- (c) current registered holder(s): Infratil Investments
- (d) registered holder(s) once transfers are registered: Not applicable

For a derivative relevant interest, also—

- (a) type of derivative: Not applicable
- (b) details of derivative: Not applicable
- (c) parties to the derivative: Not applicable
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Details for Infratil Energy NZ

Nature of relevant interest(s): Registered holder and beneficial owner of financial products, as qualified by the Voting Agreement referred to above

For that relevant interest,—

- (a) number held in class: 48,470,446
- (b) percentage held in class: 15.487%
- (c) current registered holder(s): Infratil Energy NZ
- (d) registered holder(s) once transfers are registered: Not applicable

For a derivative relevant interest, also—

- (a) type of derivative: Not applicable
- (b) details of derivative: Not applicable
- (c) parties to the derivative: Not applicable
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Details for Renew Nominees

Nature of relevant interest(s): Registered holder of financial products, as qualified by the Voting Agreement referred to above

For that relevant interest,—

- (a) number held in class: 110,399,170
- (b) percentage held in class: 35.274%
- (c) current registered holder(s): Renew Nominees
- (d) registered holder(s) once transfers are registered: Not applicable

For a derivative relevant interest, also—

- (a) type of derivative: Not applicable
- (b) details of derivative: Not applicable
- (c) parties to the derivative: Not applicable
- (d) if the substantial product holder is not a party to the derivative, the nature of the relevant interest in the derivative: Not applicable

Additional information

Address(es) of substantial product holder(s): 5 Market Lane, Wellington, 6011, New Zealand

Contact details: Head of Legal
 Email: legal@hrlmorrison.com
 Phone: +64 27 706 6610

Renew Nominees holds all of the MNW ordinary shares it holds as bare trustee and nominee for Infratil Investments and Infratil 1998 Limited. There is no relevant agreement relating to that arrangement, but Renew Nominees must act on instruction from Infratil Investments and Infratil 1998 Limited in relation to the MNW ordinary shares it holds.

Nature of connection between substantial product holders: Infratil Investments, Infratil Energy NZ, and Renew Nominees are all subsidiaries (within the meaning of section 5 of the Companies Act 1993) of Infratil and are therefore all related bodies corporate and associated persons of each other (within the meanings of those terms in sections 12(1) and (2) of the Financial Markets Conduct Act 2013)

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: Contact Energy Limited

Certification

I, Nicholas Lough, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

Voting Agreement

relating to

the scheme of arrangement in respect of Manawa Energy Limited

Infratil Investments Limited

Shareholder 1

and

Infratil Energy New Zealand Limited

Shareholder 2

and

Renew Nominees Limited

Shareholder 3

and

Contact Energy Limited

Bidder

Date 11 September 2024

BELL GULLY

WELLINGTON BELL GULLY BUILDING, 40 LADY ELIZABETH LANE
PO BOX 1291, WELLINGTON 6140, DX SX11164, NEW ZEALAND
TEL 64 4 915 6800

This **Agreement** is made on 11 September 2024

between (1) **Infratil Investments Limited (Shareholder 1)**

and (2) **Infratil Energy New Zealand Limited (Shareholder 2)**

and (3) **Renew Nominees Limited (Shareholder 3)**

(each a **Shareholder** and together the **Shareholders**)

and (4) **Contact Energy Limited (Bidder)**

Introduction

- A. The Bidder has entered into a scheme implementation agreement (the **SIA**) with Manawa Energy Limited (the **Target**) on 11 September 2024 under which the Bidder and the Target have agreed to implement a scheme of arrangement under Part 15 of the Companies Act involving the acquisition by the Bidder of all of the shares in the Target (the **Scheme**).
- B. As at the date of this Agreement, the Shareholders hold or control, in the aggregate, 159,997,249 Shares (being approximately 51.12% of the total Shares).
- C. This Agreement sets out the terms and conditions on which the Shareholder has agreed to vote in favour of the Scheme.

It is agreed

1. Definitions and interpretation

1.1 Definitions

In this Agreement, unless the context otherwise requires:

Associate has the meaning given to it in rule 4 of the Takeovers Code;

Bidder Share has the meaning given to it in the SIA;

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Auckland and Wellington, New Zealand and excluding any day between 24 December 2024 and 10 January 2025 (both dates inclusive);

Cash Consideration has the meaning given to it in the SIA;

Companies Act means the Companies Act 1993;

Competing Proposal has the meaning given to it in the SIA;

Condition has the meaning given to it in the SIA;

Consideration has the meaning given to it in the SIA;

Control means, in relation to a person (the "relevant person") and one or more other persons, where those one or more persons, directly or indirectly, whether by the legal or beneficial ownership of shares, securities or other equity, the possession of voting power, by contract, trust, or otherwise:

- (a) has the power to appoint or remove the majority of the members of the governing body of the relevant person;
- (b) controls, or has the power to control, the affairs or policies of the relevant person; or
- (c) is in a position to derive more than 50% of the economic benefit of the existence or activities of the relevant person;

Court means the High Court of New Zealand;

Deed Poll means the deed poll entered into by the Bidder in favour of the Target Shareholders in accordance with the Scheme on 11 September 2024;

Effective has the meaning given to it in the SIA;

End Date has the meaning given to it in the SIA;

Exemption Notice means the Takeovers Code (Voting Agreements for Schemes of Arrangement) Exemption Notice 2020;

Implementation Date has the meaning given to it in the SIA;

Morrison means each of the following:

- (a) H.R.L. Morrison & Co Group GP Limited;
- (b) H.R.L. Morrison & Co Group Limited Partnership; and
- (c) any Related Party of a person referred to in paragraph (a) or (b);

New Bidder Shares has the meaning given to it in the SIA;

NZX means NZX Limited and, where the context requires, the Main Board financial product market that it operates;

Related Party means, in respect of a person, an entity or other person that:

- (a) Controls them; or
- (b) is under the Control of them,

and, for the avoidance of doubt, in the case of the Shareholders, excludes the Target and any of its Subsidiaries;

Representative means in relation to a Shareholder:

- (a) any director, officer or employee or agent of that Shareholder;
- (b) any individual who is an accountant, auditor, financier, financial adviser, legal adviser, technical adviser or other expert adviser or consultant and who has been engaged to

advise that Shareholder in relation to the transaction contemplated by this Agreement;
and

(c) Morrison;

Scheme has the meaning given to it in paragraph A of the Introduction;

Scheme Meeting means any meeting of Target Shareholders for the purposes of section 236A(2)(a) of the Companies Act ordered by the Court to be convened under section 236(2)(b) of the Companies Act (and includes any adjourned meeting);

Scheme Plan has the meaning given it in the SIA;

Scrip Consideration has the meaning given to it in the SIA;

Share means a fully paid ordinary share in Target;

SIA has the meaning given to it in paragraph A of the Introduction;

Specified Shares means all of the Shares held or controlled by a Shareholder as at the date of this Agreement and also includes any other Shares which that Shareholder acquires or gains control over after the date of this Agreement;

Subsidiaries has the meaning given to that term in section 5(1) of the Companies Act (read as if the expression “company” in that section included any body corporate wherever incorporated or established);

Takeovers Code means the Takeovers Code set out in the Schedule to the Takeovers Regulations 2000;

Target has the meaning given to it in paragraph A of the Introduction;

Target Permitted Dividend has the meaning given to it in the SIA;

Target Shareholder means each person who is registered as the holder of a Share from time to time; and

Voting Right has the meaning given in Rule 3 of the Takeovers Code.

1.2 Interpretation

In this Agreement, unless the context otherwise requires or as specifically otherwise stated:

- (a) references to dates and times are to dates and times in New Zealand;
- (b) references to currency are to New Zealand currency;
- (c) headings are for convenience only and do not affect interpretation;
- (d) a reference to a statute or other law is a reference to a New Zealand statute or other law and includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (e) a reference to “including” means “including but not limited to” and “include” and “includes” have corresponding meanings;

- (f) a reference to any instrument or document includes any variation or replacement of it; and
- (g) no term of this Agreement will be construed adversely to a party solely on the ground that the party was responsible for the preparation of this Agreement or a provision of it.

2. SIA and Deed Poll

2.1 Acknowledgements

The Bidder acknowledges and agrees that it has entered into the SIA and Deed Poll on the date of this Agreement.

2.2 Notifications

The Bidder must give written notice to the Shareholders, as soon as reasonably practicable after it becomes aware, of any event which constitutes, or in the Bidder's view (acting reasonably) is likely to constitute, an event which would entitle the Shareholders to give notice under clause 7.1(d). Any such notice given by Bidder must include details, as far as they are known to the Bidder, of the relevant facts and circumstances to the extent reasonable to enable the Shareholders to determine whether or not to exercise their rights under clause 7.1(d).

3. Voting commitment

Each Shareholder agrees it will vote, or will procure that the chair of the Scheme Meeting is appointed as proxy in respect of its Specified Shares and that the chair is directed (except if this Agreement is terminated in accordance with its terms) to vote, or will otherwise procure the vote of, all of its Specified Shares in favour of the resolution to be put to the Target Shareholders at the Scheme Meeting to approve or otherwise facilitate the Scheme.

4. No disposals

- (a) Each Shareholder agrees that, prior to the termination of this Agreement, it will not:
 - (i) dispose of, or agree to dispose of, or grant any new encumbrance over any of its Specified Shares (or any interest in them), other than to the Bidder under the Scheme or any alternative transaction promoted by the Bidder (or a Related Party of the Bidder) under the SIA;
 - (ii) dispose of, agree to dispose of or otherwise part with ownership, control or any Voting Rights in respect of its Specified Shares (except to the extent contemplated by this Agreement); or
 - (iii) fetter its right to vote any of its Specified Shares (except to the extent contemplated by this Agreement).
- (b) For the avoidance of doubt, nothing in this clause 4 or otherwise in this Agreement shall prevent the disposal by a Shareholder of its Specified Shares which arises solely under an amalgamation pursuant to section 222 of the Companies Act (as a result of which the amalgamated company will hold that Shareholder's Specified Shares and be bound by that Shareholder's obligations in this Agreement), provided that:

- (i) the Shareholder must, not less than 5 Business Days before the amalgamation is proposed to take effect, give written notice of the proposed amalgamation to the Bidder; and
- (ii) the Shareholder must ensure that, as soon as practicable following registration of the amalgamation, the amalgamated entity must:
 - (A) enter into documentation, in form acceptable to the Bidder (acting reasonably), to accede to the Shareholders' obligations in this Agreement; and
 - (B) use reasonable endeavours to require the Target's share registrar to update the share register to record the name of the amalgamated company as the holder of the relevant Specified Shares.

5. Exclusivity undertakings

5.1 Prohibited dealings

- (a) Each Shareholder must not, and must procure that each of its Related Parties and, when acting on its behalf, its Representatives do not, do or agree to do, directly or indirectly, any of the following:
 - (i) solicit, invite, encourage, initiate or otherwise seek to procure any Competing Proposal or any other offer, proposal, expression of interest, enquiry, negotiation or discussion with any third party in relation to, or for the purpose of, or that may reasonably be expected to encourage or lead to, a Competing Proposal;
 - (ii) enter into, permit, continue or participate in, negotiations or discussions with any third party in relation to a Competing Proposal or for the purpose of or that may reasonably be expected to encourage or lead to a Competing Proposal; or
 - (iii) assist, encourage, procure or induce any person to do any of the things referred to in clause 5.1(a)(i) or 5.1(a)(ii).
- (b) If any Shareholder or any of their Representatives is approached by a third party about a Competing Proposal, then, provided such approach is not as a result of a breach of clause 5.1(a), the Shareholder may, without breaching clause 5.1(a), direct the third party to the Target in respect of the Competing Proposal.

5.2 Warranty

Each Shareholder warrants to the Bidder that, as at the date of this Agreement, it is not in discussions, directly or indirectly, with any third party regarding any offer, proposal, expression of interest, enquiry or negotiation in relation to, or for the purpose of, or that may reasonably be expected to encourage or lead to, a Competing Proposal.

5.3 Exceptions

For the avoidance of doubt, nothing in this clause 5:

- (a) limits, alters, or otherwise affects the Target's ability to deal with a Competing Proposal in accordance with clause 14 of the SIA; or
- (b) prevents the Shareholder from:

- (i) providing information required to be provided by law, any court of competent jurisdiction, any government agency, the NZX Listing Rules or the ASX Listing Rules; or
- (ii) providing information in connection with investor presentations or roadshows in accordance with its usual practices (so long as such information is not provided with the intention of encouraging a Competing Proposal); or
- (iii) making presentations to, and responding to bona fide enquiries from, stockbrokers, portfolio investors and equity market analysts in accordance with its usual practices (so long as such presentations and responses (or any part of them) are not given with the intention of encouraging a Competing Proposal).

6. Warranties, acknowledgments and notification obligations

6.1 Mutual

Each party warrants to the other that:

- (a) it has the legal right, authority and full power to enter into this Agreement and to perform its obligations under it;
- (b) it has taken all necessary corporate and other actions to authorise the execution, delivery and performance of this Agreement; and
- (c) this Agreement constitutes valid and binding obligations enforceable against it in accordance with its terms.

6.2 Specified Shares

- (a) Shareholder 1 warrants to the Bidder that, as at the date of this Agreement, it holds 1,127,633 Shares.
- (b) Shareholder 2 warrants to the Bidder that, as at the date of this Agreement, it holds 48,470,446 Shares.
- (c) Shareholder 3 warrants to the Bidder that, as at the date of this Agreement, it holds 110,399,170 Shares.
- (d) Each Shareholder warrants to the Bidder that:
 - (i) it has the right to exercise, or control the exercise of, the votes in relation to all of its Specified Shares;
 - (ii) it controls the disposal of all of its Specified Shares; and
 - (iii) as at the date of this Agreement, the only Voting Rights that it holds or controls in the Target are those in respect of its Specified Shares.

6.3 Nature of arrangement

The parties acknowledge and agree that:

- (a) this Agreement has been concluded on commercial, arms' length terms;

- (b) the Bidder is not acting jointly or in concert with any Shareholder and nothing in this Agreement is intended to make them, or any of them, Associates;
- (c) other than as set out in this Agreement, there are no ongoing covenants between the Bidder and any Shareholder; and
- (d) the legal relationship between the Bidder and each Shareholder will cease on the termination of this Agreement.

6.4 **Lowest price**

The parties acknowledge and agree that, for the purposes of the financial arrangements rules in the Income Tax Act 2007:

- (a) the Consideration is the lowest price (within the meaning of section EW 32 of the Income Tax Act 2007) that would have been agreed for the transfer of each Specified Share to the Bidder, on the date this agreement was entered into, if payment had been required in full at the time the first right in the contracted property (being the Specified Shares) was transferred, and is the value of each such Specified Share;
- (b) the Bidder Share price that has been used to determine the number of New Bidder Shares to be issued for each Specified Share as the Scrip Consideration is the lowest price (within the meaning of section EW 32 of the Income Tax Act 2007) that would have been agreed for the issue of each New Bidder Share to the Shareholders, on the date this agreement was entered into, if payment had been required in full at the time the first right in the contracted property (being the New Bidder Shares) was transferred, and is the value of each such New Bidder Share;
- (c) they will compute their taxable income for the relevant period on the basis that the Consideration for the Specified Shares and the consideration for the New Bidder Shares (as described in paragraph (b)) include no capitalised interest and will file their tax returns accordingly.

6.5 **Disclosure of this Agreement**

The Bidder acknowledges that, as soon as practicable after both parties sign this Agreement, it must provide a substantial product holder notice to NZX disclosing that it has a relevant interest in the Specified Shares of each Shareholder as a result of this Agreement.

6.6 **Compliance with Exemption Notice**

The parties acknowledge and agree that:

- (a) the Bidder does not, under this Agreement, become the controller of the Voting Rights attaching to the Specified Shares of any Shareholder in any way other than in respect of the voting commitment contained in clause 3 of this Agreement;
- (b) the voting commitment contained in clause 3 of this Agreement relates to a scheme of arrangement that is proposed under the SIA;
- (c) the Bidder is required to, as soon as is reasonably practicable but, in any event, within one working day after this Agreement is entered into, provide certain information about this Agreement to the Takeovers Panel and the Target; and
- (d) if the Bidder becomes aware that any information sent under clause 6.6(c) has changed, the Bidder is required to, as soon as is reasonably practicable but, in any event, within one working day after becoming aware of the change, send notice of the change to the Takeovers Panel and Target.

7. Termination

7.1 Termination events

This Agreement terminates immediately on the first to occur of the following:

- (a) termination of the SIA in accordance with its terms; or
- (b) the resolution to approve the Scheme is declared by the Target to have been passed at the Scheme Meeting by the requisite thresholds ordered by the Court under the orders applicable to the Scheme Meeting; or
- (c) the Bidder giving notice in writing to the Shareholder terminating this Agreement; or
- (d) subject to clause 7.3, the Shareholders giving notice in writing to the Bidder following the occurrence of any of the following events:
 - (i) the SIA, the Deed Poll or the Scheme Plan in the form attached to the SIA being amended or varied; or
 - (ii) any rights or obligations under the SIA, the Deed Poll or the Scheme Plan in the form attached to the SIA are waived; or
 - (iii) any approvals, agreements or similar are given under the SIA, the Deed Poll or the Scheme Plan in the form attached to the SIA,

and the effect of such amendment, variation, waiver, approval or agreement:

- (iv) is to reduce the Consideration (excluding, for the avoidance of doubt, a reduction for a Target Permitted Dividend in accordance with the SIA); or
- (v) is to change the form of the Consideration (including by changing the relative split of Cash Consideration and Scrip Consideration, except as the result of the operation of the "Exchange Ratio" calculation provided for under the SIA, the Bidder increasing the Cash Consideration without changing, or also making a proportionate increase in, the Scrip Consideration, or the Bidder increasing the Scrip Consideration without changing, or also making a proportionate increase in, the Cash Consideration); or
- (vi) is to defer payment of all or part of the Cash Consideration, or the issue of any of the New Bidder Shares, to Target Shareholders to a date which is after the Implementation Date; or
- (vii) is to extend the End Date (other than in accordance with the provisions of the SIA as at the date of this Agreement); or
- (viii) is to waive any of Conditions 3.1(e) (no restraint), 3.1(g) (no Bidder Prescribed Occurrence) or 3.1(i) (no Bidder Material Adverse Change); or
- (ix) is to impose additional conditionality on the Scheme which materially adversely affects the benefit of the Scheme for the Target Shareholders as a whole; or
- (x) otherwise:
 - (A) materially adversely affects the benefit of the Scheme; and

- (B) the amendment, variation, waiver, approval or agreement is reasonably likely to be oppressive, unfairly discriminatory or unfairly prejudicial,

for the Target Shareholders as a whole; or

- (e) the parties agreeing in writing to terminate this Agreement.

7.2 Effect of termination

If this Agreement is terminated:

- (a) under clause 7.1(b):
 - (i) clause 5 will continue to apply under the earlier of:
 - (A) termination of the SIA in accordance with its terms; and
 - (A) the Scheme becomes Effective; and
 - (ii) the parties will otherwise be released from their obligations under this Agreement and no party will have any claim against any other party arising under or in connection with such termination except in respect of any breach occurring before termination;
 - (iii) except for this clause 7.2(a), this Agreement has no further force and effect; or
- (b) under clause 7.1(a), (c), (d) or (e):
 - (i) except for this clause 7.2(b), this Agreement has no further force and effect; and
 - (ii) the parties will otherwise be released from their obligations under this Agreement and no party will have any claim against any other party arising under or in connection with such termination except in respect of any breach occurring before termination.

7.3 Notice

The Shareholders may not exercise their right to terminate this Agreement under clause 7.1(d) unless:

- (a) where the matter giving rise to the entitlement to terminate is capable of being remedied or cured, the Shareholders have first given the Bidder 48 hours' prior written notice of their intention to terminate and the Bidder has not remedied or cured the matter within that 48 hour period; or
- (b) the matter giving rise to the entitlement to terminate is not capable of being remedied or cured.

8. General

8.1 Notices

- (a) Each notice or other communication under this Agreement is to be made in writing and sent electronically to the addressee at the email address, and marked for the attention of the person or office holder, from time to time designated for the purpose by the

addressee to the other parties. The initial email address and relevant person or office holder of each party is set out under its name at the end of this Agreement.

- (b) No notice of other communication is to be effective until received. A communication will, however, be deemed to be received by the addressee on the Business Day on which the email was despatched or, if despatched after 5.00 p.m. (in the place of receipt) on a Business Day, on the next Business Day (in the place of receipt) after the date of despatch provided in each case the computer system used to transmit the communication:
 - (i) has received an acknowledgement of receipt to the email address of the person transmitting the communication; or
 - (ii) has not generated a record that the communication has failed to be transmitted.

8.2 Compliance with applicable law

Nothing in this Agreement requires any party to do any act, matter or thing in contravention of the Takeovers Code (except as permitted by the Exemption Notice), the Exemption Notice or the conditions attaching thereto, the Commerce Act 1986, the Overseas Investment Act 2005, the Financial Markets Conduct Act 2013 or the Companies Act.

8.3 Variation and waiver

- (a) This Agreement may only be varied in writing signed by the parties.
- (b) No waiver of any breach, or failure to enforce any provision, of this Agreement at any time by the Bidder or any Shareholder will in any way affect, limit or waive that party's right thereafter to enforce and compel strict compliance with the provisions of this Agreement.

8.4 No assignment

No party will, directly or indirectly, assign, transfer or otherwise dispose of any rights or interests of that party in, or obligations or liabilities under, this Agreement without the written consent of the other.

8.5 Costs

The parties will each bear their own costs and expenses incurred in connection with the preparation, negotiation and implementation of this Agreement and any documentation pertaining hereto.

8.6 Specific performance

Each party is entitled to seek specific performance, injunctive relief, or such other equitable relief, which remedies shall be without prejudice to any other rights and remedies available to such party under applicable law or under this Agreement, as a remedy for a breach or threatened breach of this Agreement by any other party.

8.7 Severability

If any part of this Agreement is held by any court or administrative body of competent jurisdiction to be illegal, void or unenforceable, such determination will not impair the enforceability of the remaining parts of this Agreement, which will remain in full force, and such provision will be deemed to be modified to the extent necessary to render it legal, valid and enforceable.

8.8 Entire agreement

This Agreement constitutes the entire agreement and understanding (express and implied) between the parties relating to the subject matter of this Agreement and supersedes and cancels all previous agreements and understandings between the parties relating thereto, whether written or oral.

8.9 Counterparts

This Agreement may be signed in two or more counterparts (including scanned copies), all of which when taken together shall constitute one and the same instrument and a binding and enforceable agreement between the parties. Each party consents to this Agreement (including any counterpart of it) being signed and delivered in electronic form in accordance with the Contract and Commercial Law Act 2017.

8.10 Governing law

This Agreement shall be governed by, and construed in accordance with, New Zealand law, and the parties submit to the non-exclusive jurisdiction of the New Zealand courts.

Execution

Executed as an agreement.

SIGNED for and on behalf of
Contact Energy Limited by:

Authorised signatory

Print name

Addressee: Contact Energy Limited
For the attention of: Kirsten Clayton

Email address: kirsten.clayton@contactenergy.co.nz

With a copy to (which will not constitute notice):

Addressee: Amon Nunns / James Cooney

Email address: amon.nunns@bellgully.com / james.cooney@bellgully.com

SIGNED for and on behalf of **Infratil**
Investments Limited by:

DocuSigned by:



8220C26BAF7E4D0...

Authorised signatory

Jason Boyes

Print name

Addressee: Head of Legal

Email address: legal@hrlmorrison.com

With a copy to (which will not constitute notice):

Addressee: Josh Blackmore / Tom Jemson

Email address: josh.blackmore@chapmantripp.com /
tom.jemson@chapmantripp.com

SIGNED for and on behalf of **Infratil Energy
New Zealand Limited** by:

DocuSigned by:



8220C26BAE7E4D0...

Authorised signatory

Jason Boyes

Print name

Addressee: Head of Legal

Email address: legal@hrlmorrison.com

With a copy to (which will not constitute notice):

Addressee: Josh Blackmore / Tom Jemson

Email address: josh.blackmore@chapmantripp.com /
tom.jemson@chapmantripp.com

SIGNED for and on behalf of **Renew
Nominees Limited** by:

DocuSigned by:



8220C26BAE7E4D0...

Authorised signatory

Jason Boyes

Print name

Addressee: Head of Legal

Email address: legal@hrlmorrison.com

With a copy to (which will not constitute notice):

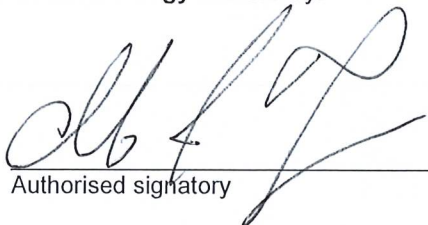
Addressee: Josh Blackmore / Tom Jemson

Email address: josh.blackmore@chapmantripp.com /
tom.jemson@chapmantripp.com

Execution

Executed as an agreement.

SIGNED for and on behalf of
Contact Energy Limited by:



Authorised signatory

MICHAEL FUGE

Print name

Addressee: Contact Energy Limited

For the attention of: Kirsten Clayton

Email address: kirsten.clayton@contactenergy.co.nz

With a copy to (which will not constitute notice):

Addressee: Amon Nunns / James Cooney

Email address: amon.nunns@bellgully.com / james.cooney@bellgully.com

SIGNED for and on behalf of Infratil
Investments Limited by:

Authorised signatory

Print name

Addressee: Head of Legal

Email address: legal@hrlmorrison.com

With a copy to (which will not constitute notice):

Addressee: Josh Blackmore / Tom Jemson

Email address: josh.blackmore@chapmantripp.com /
tom.jemson@chapmantripp.com