Interim Report
2022/23

Infratil

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

Infratil

Renewables

Manawa Energy
51% Infratil
27% TECT / 22% Public

longroad ENERGY
40% Infratil
40% NZ Super / 20% Management

GALILEO
40% Infratil
20% CSC / 20% NZ Super / 20% MGIF

gurīn ENERGY
95% Infratil
5% Management

Digital

cdc DATA CENTRES
48% Infratil / 24% CSC
24% Future Fund / 4% Management

vodafone
49.9% Infratil
49.9% Brookfield / 0.2% Management

KAO DATA
40% Infratil
30% Legal & General / 30% Goldacre

CLEARVISION VENTURES

Healthcare

Qscan GROUP
55.1% Infratil
33.1% Doctors / 13.8% MGIF

50.1% Infratil
49.9% Doctors

retire australia
50% Infratil
50% NZ Super

Airports

Wellington Airport
66% Infratil
34% Wellington City Council

Our assets

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

Financial Highlights

Net parent surplus
$350.5 million

Proportionate EBITDAF [1]
$275.6 million

Proportionate capital expenditure [2]
$471.7 million

Net debt [3]
$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 [4]
6.5% p.a.

1 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.

2 Investment and capital spending by Infratil, and Infratil's share of investee company capital spending.

3 Infratil Corporate net debt.

4 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 Gurīn 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

"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."

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

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

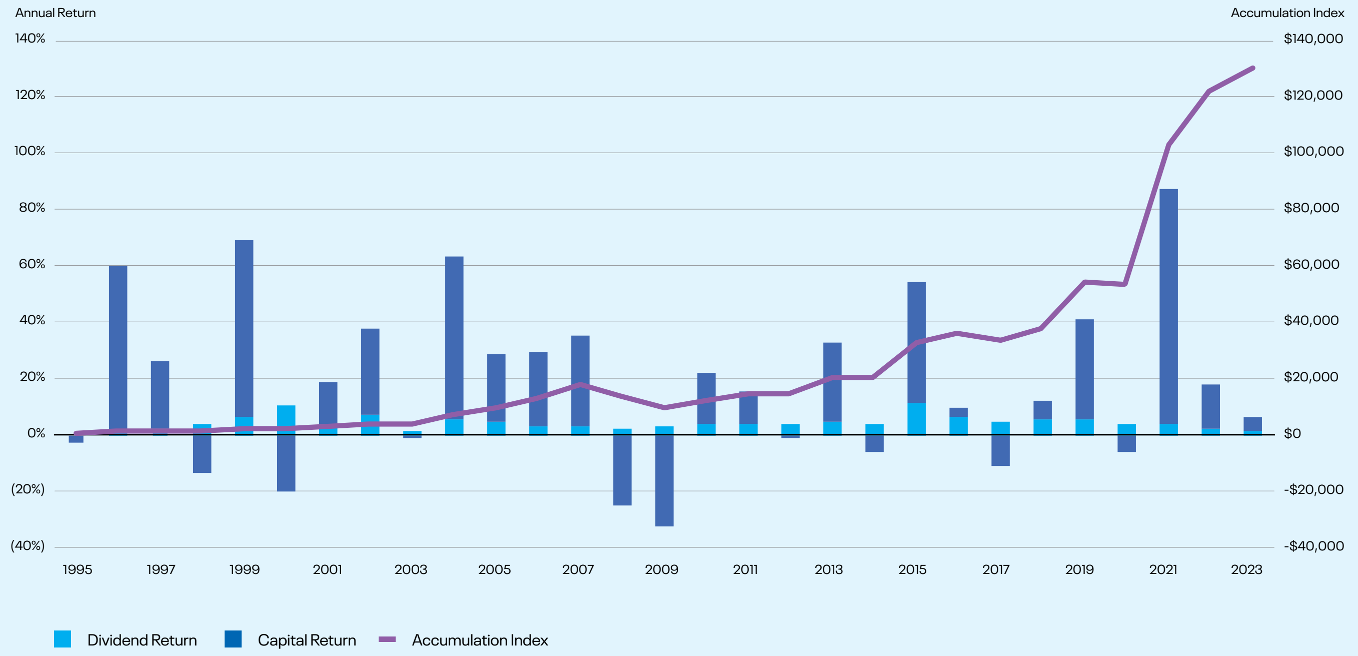
Over the six months to 30 September 2022 Infratil's share price rose from $8.25 to $8.65. In addition, Infratil paid a dividend in May of 12.00 cps attaching 4.67 cps of imputation credits.

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.

Ownership

	30 September 2022		31 March 2022		30 September 2021	
	Million shares	%	Million shares	%	Million shares	%
New Zealand retail investors	354	48.9%	352	48.7%	352	48.6%
New Zealand institutional investors	203	28.0%	216	29.8%	215	29.8%
Overseas investors	167	23.1%	156	21.5%	156	21.6%
	724		**724**		**723**	

29 Year Track Record



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.

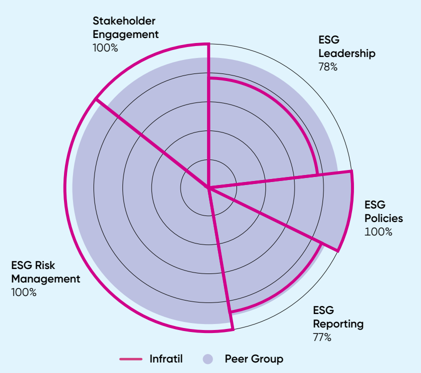
Infratil's Performance score was 71% (2021: 63%) compared to the benchmark average of 77% (2021: 69%). While Infratil's underlying investments improved their performance during the period, the performance against benchmark shows that peer companies are also lifting their game, as the focus on sustainability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

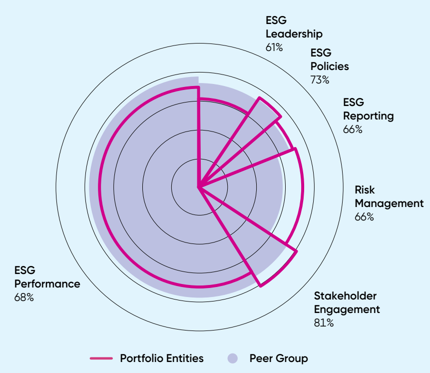
Infratil's overall GRESB score was 77% (2021: 73%) for the year compared to the benchmark average of 82% (2021: 76%).

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.

Infratil's Management performance



Average portfolio entity performance



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[1] and reported in line with the PCAF Standard[2].

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.

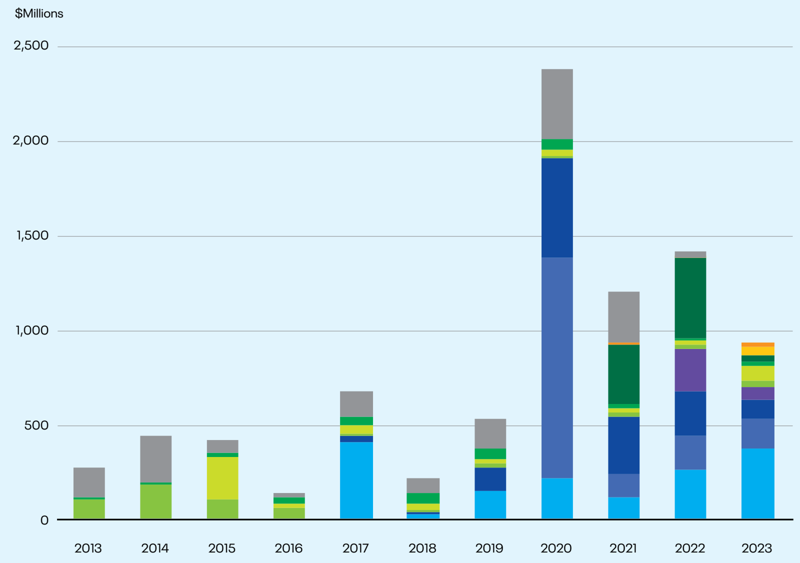
Proportionate Capital Investment

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

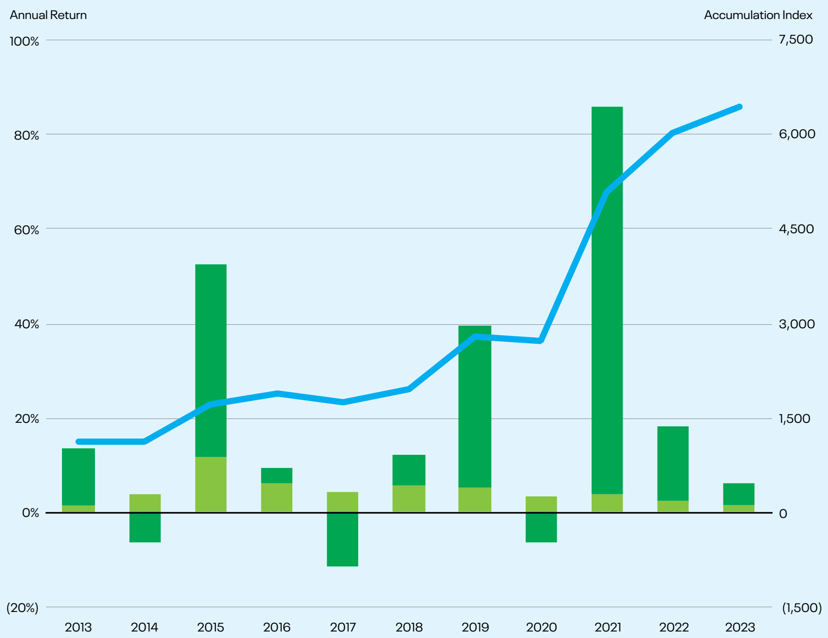


Shareholder Returns

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



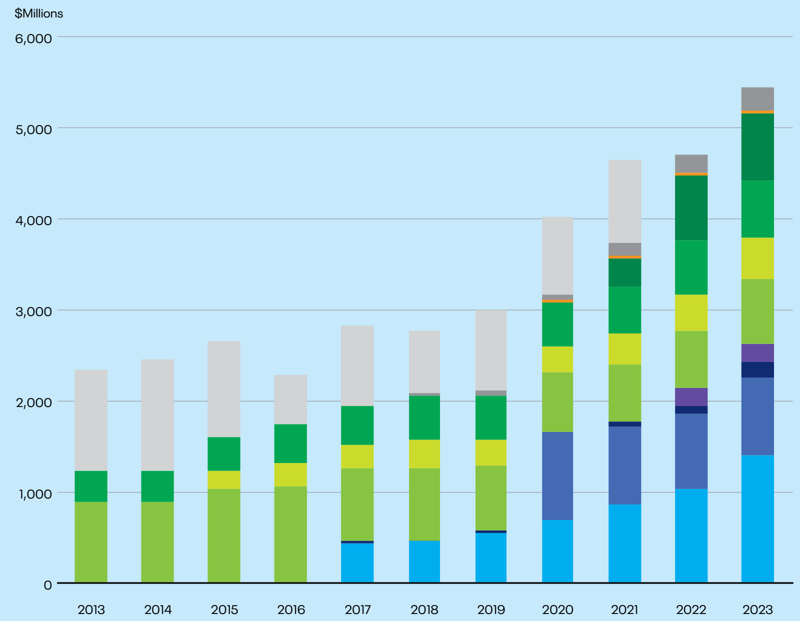
Infratil Assets

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



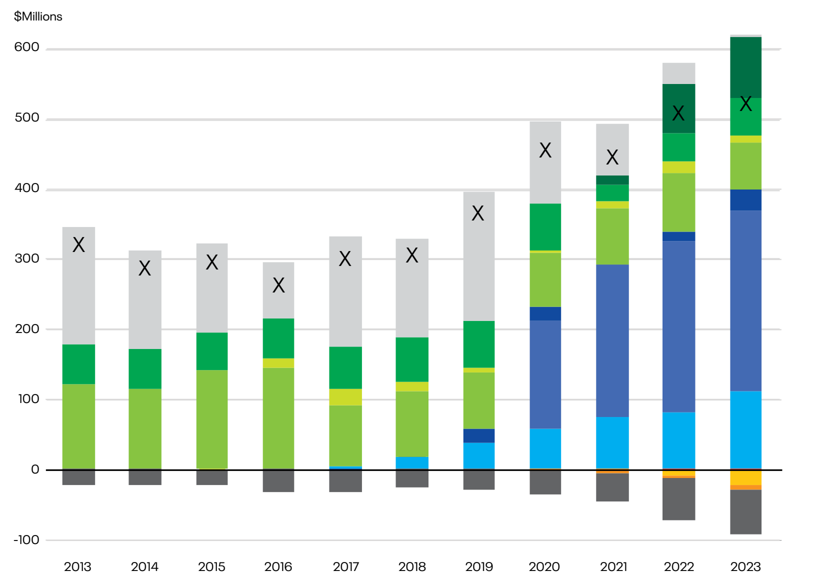
Proportionate EBITDAF

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



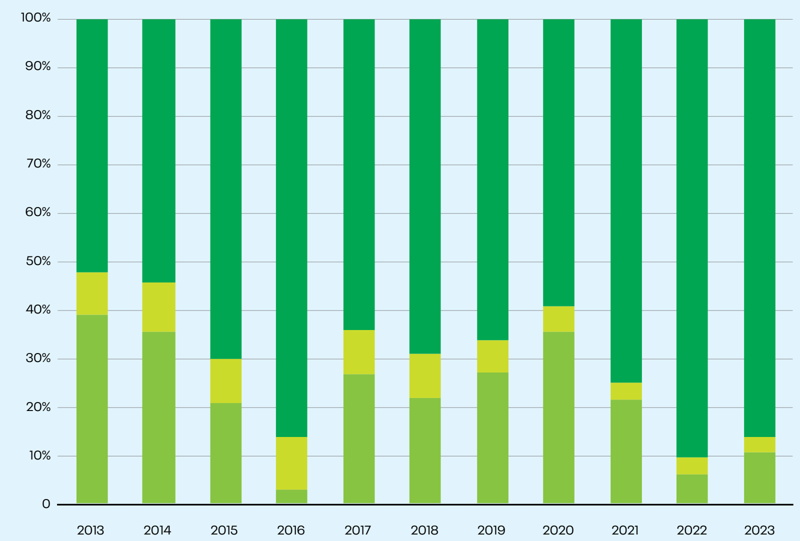
Infratil Funding

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

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, Gurīn 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.

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.

Six months ended 30 September ($Millions)	Share[1]	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)
Gurīn 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 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)
Gurīn 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**

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)	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.

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)
Gurīn 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.

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
Gurīn 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**

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	$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.

($Millions)	30 September 2022	31 March 2022
Net bank debt/(cash)	($405.7)	($773.0)
Infratil 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%

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.

($Millions)	30 September 2022	31 March 2022
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
Gurīn 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**

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.

($Millions)	30 September 2022	31 March 2022
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
Gurīn 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

> 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.

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 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.

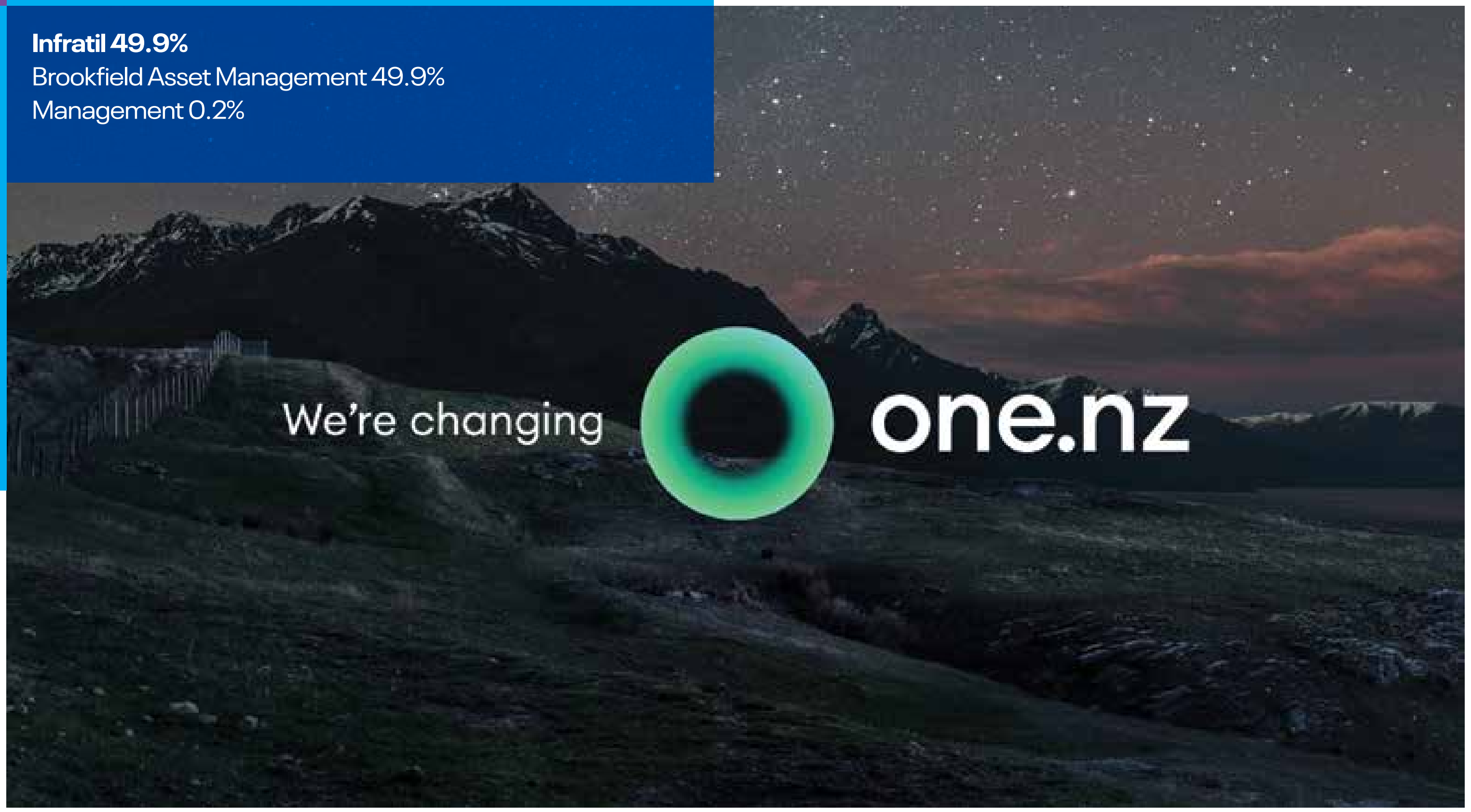
Year ended 31 March Six months ended 30 September All A$ unless noted	30 September 2022	30 September 2021	31 March 2022
Data centre capacity (built)	268MW	164MW	164MW
Capacity under construction	42MW	104MW	104MW
Development pipeline	476MW	436MW	436MW
Weighted average lease term with options	21.1 years	22.5 years	21.6 years
Rack utilisation	65.9%	74.0%	75.3%
Target PUE	1.20	1.20	1.20
EBITDAF[1]	**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.

Vodafone

> 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 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.

Vodafone has now completed an upgrade and onshoring of its major IT systems away from its former global parent Vodafone Group, giving it much more control over its staff and customer facing IT systems, and enabling much greater flexibility to support customers. The programme has taken three years and has run across multiple systems, including a successful Enterprise Resource Planning migration which is now becoming a global case study. Other systems that have been separated from Group include security, identity and all modern workplace Office IT systems.

As part of the wider IT transformation programme a decision has been made to move from a digital transformation greenfield solution to a phased upgrade approach. The assets under construction, as part of the greenfield solution, are currently being assessed for reuse as part of a new managed IT evolution roadmap.

Year ended 31 March Six months ended 30 September	30 September 2022	30 September 2021	31 March 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 [1]			$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.

Longroad Energy

> 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.

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 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.

Year ended 31 March Six months ended 30 September	30 September 2022	30 September 2021	31 March 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

Manawa Energy

> 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.

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

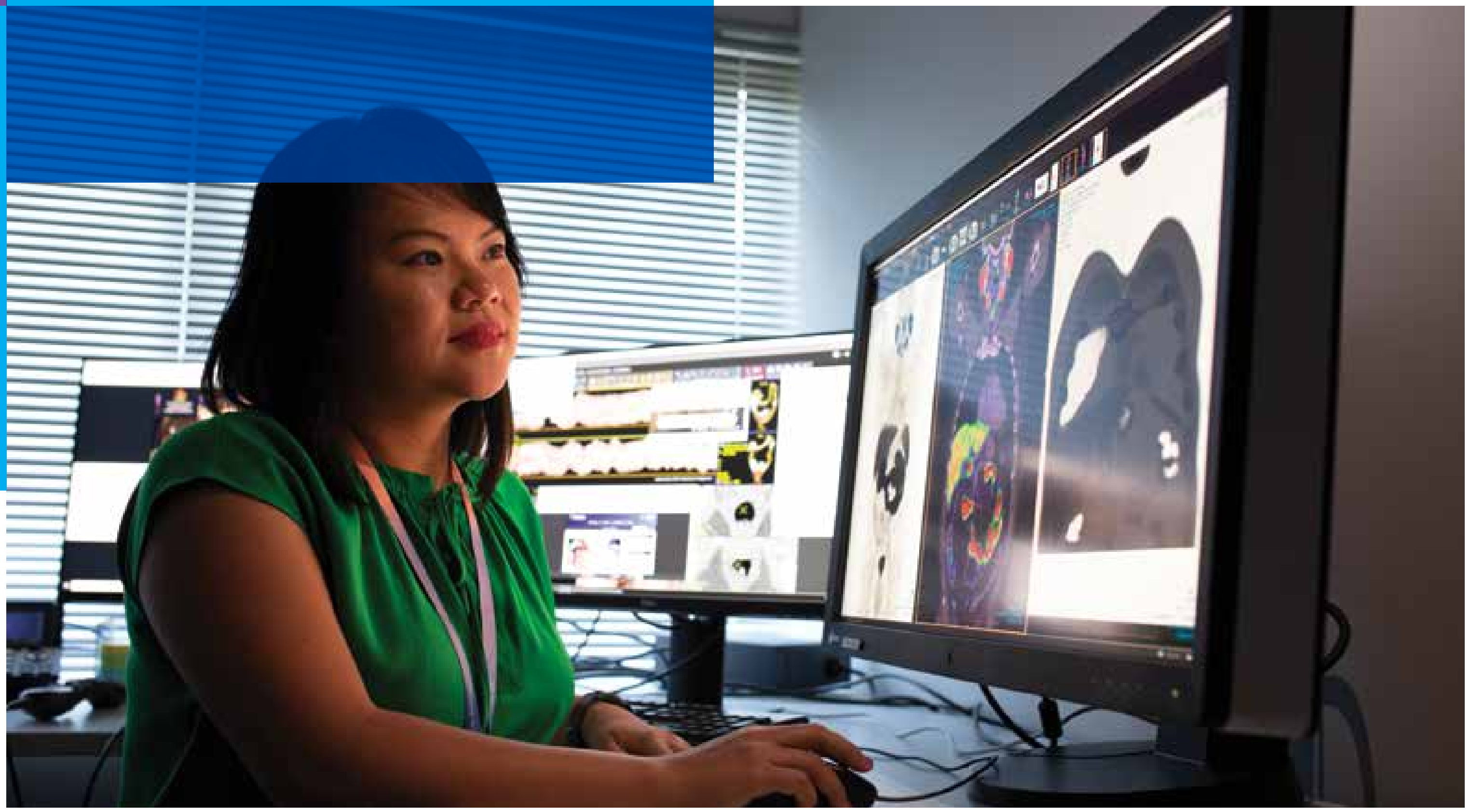
A continued focus from the Government and industry regulators remains critical to ensuring that the energy system provides a platform for achieving New Zealand's net zero climate ambitions. Aggregate energy consumption is unlikely to drop, but the proportion that comes from coal and gas can and will.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

Year ended 31 March Six months ended 30 September	30 September 2022	30 September 2021	31 March 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

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 Six months ended 30 September	30 September 2022	30 September 2021	31 March 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

> **"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 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 Six months ended 30 September	30 September 2022	30 September 2021	31 March 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_2e 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

RetireAustralia

> 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.

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 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 FY2022/23 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 Six months ended 30 September	30 September 2022	30 September 2021	31 March 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.

Gurīn 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, Gurīn 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 has secured the majority of land required for a large-scale solar project, which is progressing well with good community engagement.

In Singapore, Gurīn continues to progress its response to the government's RFP for importing low-carbon electricity via a sub-sea cable. Gurīn 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 is 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. Its second data centre in Harlow is under construction – bringing a further 8.8MW online, this compliments 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 ('IIPL') holds a 17,142m^2 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 Packenham Street West and provides a combination of income with strong growth potential. The growth potential is underpinned by up to 60,000m^2 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 IIPL 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.

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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