

Annual Report

2024

2024

1994

As we celebrate 30 years of Infratil's groundbreaking journey as an infrastructure investor, we reflect on our humble beginnings and remarkable evolution. Established three decades ago, Infratil broke new ground as one of the earliest listed infrastructure funds, reshaping the landscape of investment possibilities for individual investors.

Our initial focus on New Zealand's infrastructure landscape saw strategic investments in companies like Trustpower, Central Power, and the Port of Tauranga lay the groundwork for an enduring legacy.

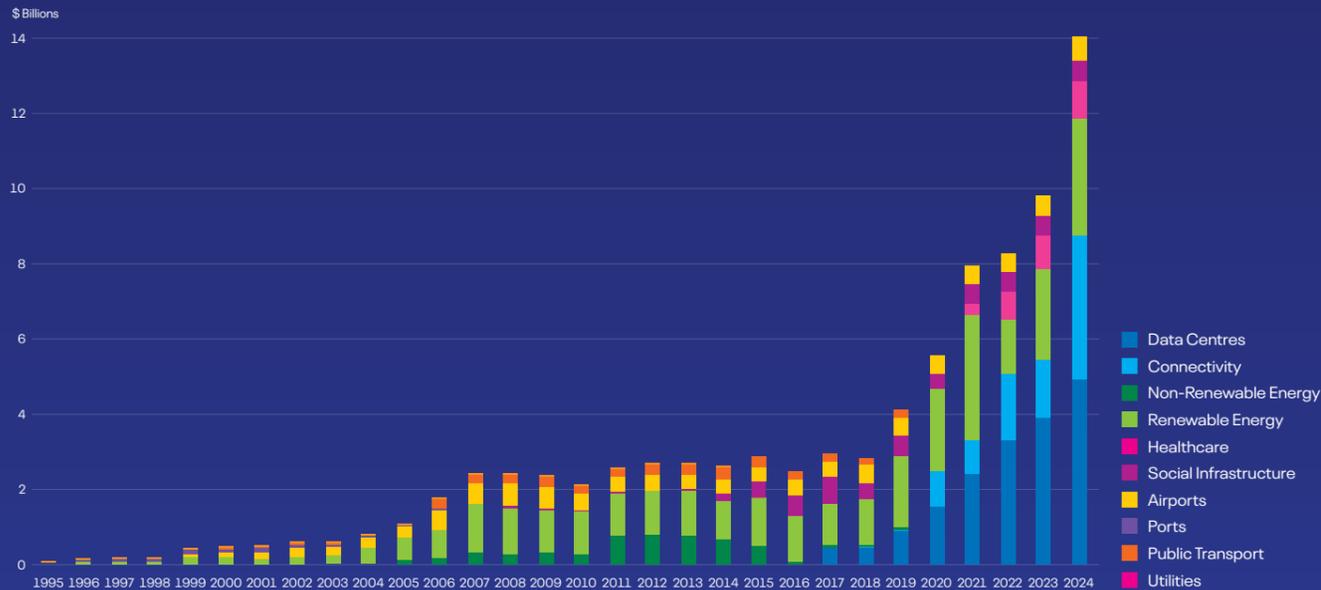
Over time as our vision expanded beyond New Zealand, so did our portfolio, driving diversification and a global expansion. Yet, amidst our growth, our commitment to community and long-term asset stewardship has remained.

In nearly every sector that Infratil has invested in, our vision has seen us lead the way in identifying new forms of infrastructure, whether in renewables, data centres or diagnostic imaging.

Looking forward to the next decade we embrace the challenge of navigating an increasingly dynamic landscape as we search for the next generation of transformative infrastructure.

As we embark on this new chapter, we remain dedicated to delivering value to our shareholders, stakeholders, and communities alike.

Infratil's portfolio composition over time



Infratil today

Digital 62%



Renewables 22%



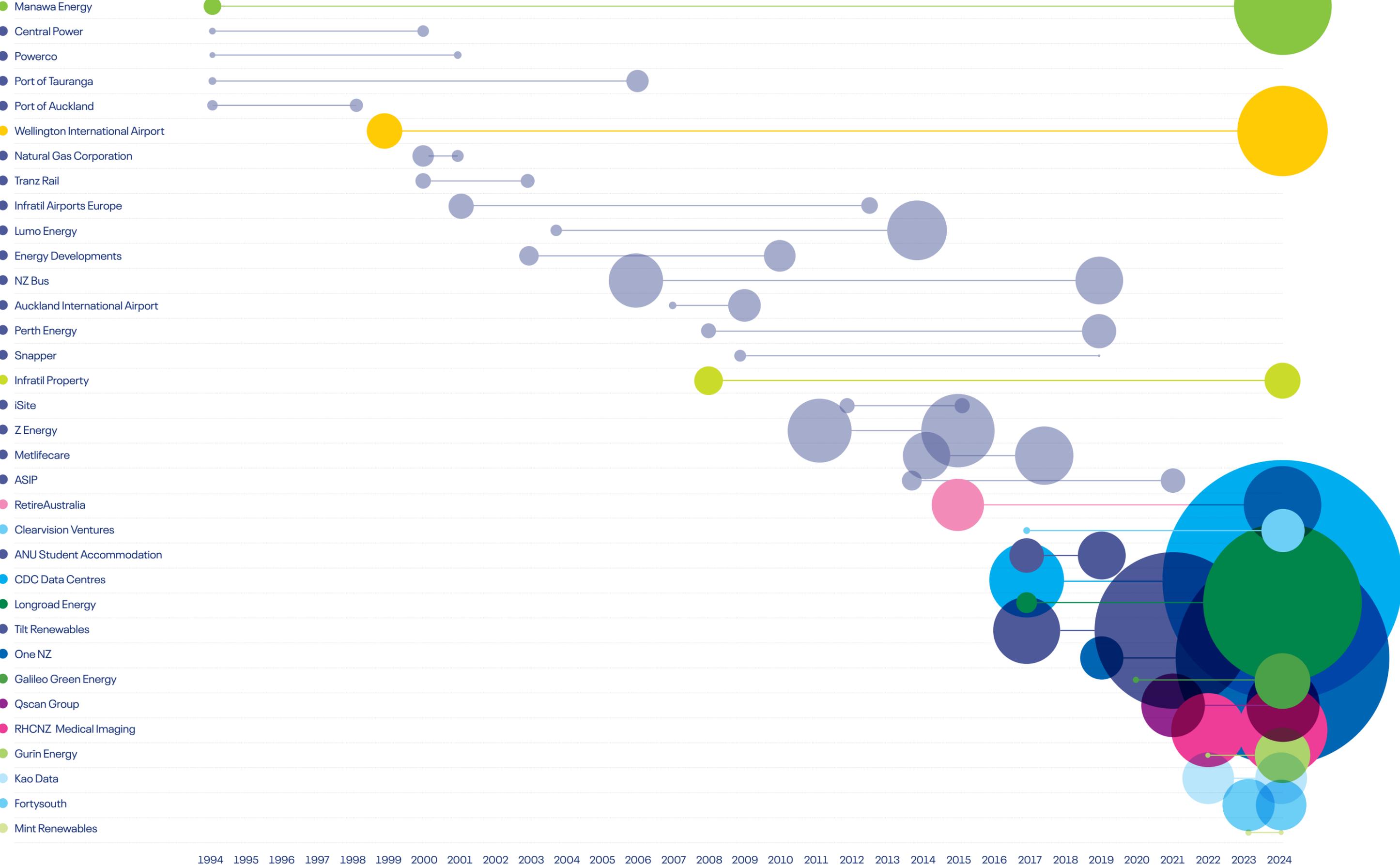
Healthcare 11%



Airports 4%



30 years of growth



Operating Highlights

Today, Infratil manages a diversified portfolio of 15 infrastructure investments spanning four key sectors: Digital, Renewables, Healthcare, and Airports.

These sectors, which we refer to as 'ideas that matter,' are driven by major social and economic trends, fuelling demand for transformative infrastructure.

Our underlying investments highlight Infratil's increasingly global presence, with Infratil businesses operating in 17 countries across Australasia, North America, Asia, Europe and the United Kingdom.

Our portfolio is anchored by four key assets, CDC, One NZ, Longroad Energy, and Wellington Airport, which collectively comprise 75% of our holdings. CDC and Longroad Energy serve as significant growth catalysts, developing new data centres and solar farms at attractive returns.

One NZ and Wellington Airport have their own growth but generate cashflow to support the existing debt and reinvestment into growth options.

The remainder of our portfolio consists of smaller or earlier stage investments earmarked for future growth or cash flow generation. However, all our businesses share a common trait: they deliver essential services to the communities they serve.

In New Zealand alone, approximately four out of every 10 people over the age of 10 are One NZ customers, while our radiology clinics saw the equivalent of one in every seven New Zealanders during the last year.

Manawa Energy generated enough electricity last year to power over 270,000 New Zealand homes, while 5.5 million passengers passed through Wellington Airport.

Beyond New Zealand, CDC has emerged as one of Australasia's largest data centre operators, and Longroad Energy is poised to have developed an energy capacity equivalent to New Zealand's total system by 2028.

291 MW

Data Centre capacity

2,281 MW

Installed renewable generation

6,043 GWh

Renewable energy generated

5,442

Retirement village residents

6,682

Group employees

1,997,000

Mobile connections

2,460,000

Medical scans

5,449,000

Airport passengers

Financial Highlights

\$854.0 M

Net parent surplus

\$864.1 M

Proportionate EBITDAF¹

\$2,225 M

Infratil investment

\$2,265 M

Net debt

\$10.89

Share price

\$9,067 B

Market capitalisation

13.00 cps

Cash dividend declared

21.7% per annum

12 month shareholder return²

Infratil's net parent surplus reflects the strong operating performance of the portfolio as well as the accounting for the acquisition of the additional stake in One NZ during the year. This resulted in a gain being recognised on Infratil's existing 49.95% stake.

Proportionate EBITDAF represents Infratil's share of the EBITDAF generated by its portfolio companies, along with corporate-level operating costs. Over the past year, Proportionate EBITDAF experienced significant growth, increasing by 63% from \$532 million in the previous year. While a substantial portion of this increase can be attributed to the higher ownership stake in One NZ since June 2023, even after adjusting for this change, growth stood at an impressive 15.5%. This earnings expansion underscores the strong performance across the portfolio's operational businesses during the year.

In the current year direct investment by Infratil in its portfolio companies totalled \$2,225 million, primarily driven by the significant investment in One NZ.

Net debt represents Infratil's corporate borrowings and comprises \$792 million of bank debt and \$1,473 million of retail bonds. The year-on-year increase in debt primarily stems from financing the additional investment in One NZ, as well as supporting the growth of our renewable energy platform. Despite this increase, our corporate gearing of 20% remains below the Group's target range.

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 31 March 2024 annual results presentation.

² Shareholder returns are 12-month returns assuming that dividends are reinvested on the date of payment.

Experienced Leadership Directors

Infratil's shareholders elect directors for three-year terms to look after their interests. Directors are expected to:

- Maintain a dialogue with shareholders, to understand concerns and priorities.
- Participate in the formation and evolution of the Company's strategy.

- Ensure effective articulation to external stakeholders of strategy, goals, risks and performance, including with regard to environmental, social and governance metrics.
- Monitor strategy implementation, financial performance, risks and legal compliance.
- Maintain awareness of relevant societal and market developments and provide diversity of perspective and knowledge relevant to the Company.

- Monitor the performance of Infratil's manager Morrison. Morrison is a specialist manager of infrastructure investments and performs this role for Infratil under an investment management agreement which is available on Infratil's website. Through the management agreement, Infratil benefits from having a management team with great breadth and depth of skills, however the Board must be vigilant about potential conflicts of interest and satisfied that the cost is reasonable.

Further commentary on the Board is set out on pages 133 - 140 of this report.



Peter Springford

Peter joined the Board as an independent director in 2016 and was last re-elected in 2023. He has extensive experience in managing companies in Australia, New Zealand and Asia, including five years based in Hong Kong as President of International Paper (Asia) Limited and four years as Chief Executive Officer and Managing Director of Carter Holt Harvey Limited.

Andrew Clark

Andrew joined the Board as an independent director in 2022. He is an experienced strategist and transformation executive with over 30 years of diverse management consulting experience. During this time, he held a number of senior roles within the Boston Consulting Group (BCG).

Anne Urlwin

Anne joined the Board as an independent director in 2023. She is a chartered accountant and an experienced finance and governance professional. Her current governance roles include Chair of Precinct Properties and a director of Vector and Ventia. She has previously been a director of Summerset Holdings, Tilt Renewables, Chorus and Meridian Energy. Anne is Chair of the Audit and Risk Committee and has a significant accounting, financial, risk and sustainability background.

Jason Boyes

Jason is Chief Executive of Infratil and joined the Board in 2021. Jason is Chair of Longroad Energy and a director of CDC Data Centres. He joined Morrison in 2011 after a 15-year legal career in corporate finance and M&A in New Zealand and London. Jason has an interest in Morrison, which has the Management Agreement with Infratil.

Alison Gerry

Alison has been Chair since May 2022, an independent director since 2014 and was last re-elected in 2022. She is a director of Air New Zealand, ANZ Bank New Zealand, and Chair of Sharesies. Alison has been a professional director since 2007. Previously, Alison worked for both corporates and for financial institutions in Australia, Asia and London in trading, finance and risk roles.

Kirsty Mactaggart

Kirsty joined the Board as an independent director in 2019, and was last re-elected in 2022. Kirsty is a director of Sharesies Investment Management Limited and a senior advisor at Montarne. Prior to her director and advisory career, she was Head of Equity Capital Markets and, Corporate Governance for Fidelity International in Asia, and was also a managing director at Citigroup based in Hong Kong and London. She has over 25 years of global equity market experience with a unique investor perspective and a focus on governance.

Paul Gough

Paul joined the Board as an independent director in 2012 and was last re-elected in 2021. He is managing partner of the UK private equity fund STAR Capital. He is a director of several international companies in the transport, logistics, healthcare, infrastructure and financial services sectors. Paul previously worked for Credit Suisse First Boston in New Zealand and London.

Report of the Board Chair

Kia ora kōoutou. I am pleased to report that Infratil's 30th year was another remarkable one for shareholders.

Financially, Infratil exceeded its long-term target returns, delivering a return to shareholders for the year of 21.7% after tax and fees. This was achieved through a combination of strategic investment and strong operational performance, with over \$3.6 billion invested by Infratil and its investee companies.

The Board remains laser-focused on its overriding objective, delivering target returns of 11-15% per annum (after fees) over a 10-year period for shareholders. To achieve this, the Board and Infratil's manager, Morrison, are relentlessly executing business plans and investment cases within our portfolio entities.

Strategic Positioning and Portfolio Management

While we look forward to long-term growth, it is important to reflect on 30 years of successful investment and take stock.

There are many valuable and repeatable lessons, and we continue to benefit from the intellectual property which comes from 30 years of investing success, what we often refer to as the 'Secret Sauce'.

In part, this involves focusing on sectors and businesses with strong defensive characteristics, which have been foundational to our portfolio over the years. However, we also look to capitalise on growth driven by industry trends such as social change and disruption, providing opportunities to create large-scale proprietary infrastructure platforms.

Another part is using our portfolio approach to blend lower risk cash generating businesses with higher risk and return growth investments which enables us to take early positions in emerging infrastructure. We think about our investments as a mixture of core (8-10%), core plus (10-15%) and development & growth (15-25%) assets, often with development platforms that will mature into core assets over our investment horizon.

We were early to the party for renewable energy and data centres but cannot rest on our laurels. We are constantly on the lookout for emerging infrastructure. We are excited about our newest investment in Console Connect, but the work that underpins that investment started more than five years ago and continues as we work towards settlement.

We continue to spend time on new ideas and based on our track record, shareholders can have confidence that we are actively exploring ideas which might lead to investments in the next decade.

A focus around the Board table over the last year has been to ensure we spend more time focusing on our most material investments – for now this includes CDC, Longroad and One NZ. However, we also continue to spend a lot of time discussing portfolio mix and diversification. Given the growth opportunities within our pipeline, the competition for capital within the portfolio has grown with even more discipline required to allocate wisely.



"I take great pride in Infratil's ability to continuously meet the needs of our shareholders, stakeholders, and communities. I am immensely grateful to the entire Infratil team and our portfolio companies for their tireless dedication and contributions."

You will also see in this report our focus on ESG is continuing. Last year we set science-based emission reduction targets and released our inaugural sustainability report and climate related disclosures. This year, we will update these reports as we file our first mandatory climate related disclosures.

Given the global scale of the portfolio, the Board visited a number of other markets during the financial year. These visits highlighted the increasingly global experience and connections of the Morrison team, who manage the investments we visited. In a world where global reach, intellectual property, and connections matter more than ever, the Morrison capabilities are proving invaluable to Infratil.

Relationship with Morrison

Infratil's relationship with our manager, Morrison, remains very healthy and it continues to perform strongly for Infratil shareholders. The Board was pleased to be able to agree positive changes to the management agreement last year that helps simplify our long-standing relationship. We have been pleased to see the continued investment Morrison has made in its own global team and the increasing alignment through part of this year's incentive fees being paid in Infratil shares.

We also saw the value of synergies and experience within the portfolio, whether this was our renewable energy experts working with our data centre businesses, our Australian and New Zealand radiology platforms exploring 'follow the sun' teleradiology opportunities together, or connections made through our early-stage technology investments providing tools for the development of our climate disclosures and emissions reporting.

Shareholders and Investor Relations

This year, we held our first formal governance meetings, providing large institutional investors the opportunity to engage directly with our directors. Following the release of this report and leading up to our annual shareholder meeting, the Board will conduct a more structured governance roadshow. This initiative allows us to directly address shareholder concerns and better understand your expectations from the Board, ensuring we continue to meet your needs effectively.

Our equity raise conducted as part of the One NZ transaction last year, represented not only the largest raise Infratil has ever undertaken, but also one of the largest in New Zealand's corporate history, with the total equity raised exceeding \$935 million.

It is pleasing to see that shareholders who participated in the equity raise have achieved a return of 19.1% (including dividends) on their new shares in the period since.

We continue to attract new investors, including international institutions, while remaining committed to our retail shareholder base.

Supporting this we held our first full Institutional Investor Day in Sydney in March, while our retail investor roadshow is set to begin, with 16 events across New Zealand in June.

Looking ahead

Looking ahead we expect the new-normal of turbulence in financial, political and regulatory systems to continue with global inflationary pressures being slower to ease and an uncertain geopolitical outlook. With the New Zealand domestic economy contracting and inflation lowering relative to other markets, we can also expect some uncertainty closer to home. However, we have learned from 30 years of growth that uncertainty can bring opportunity, and we are ready to execute.

I take great pride in Infratil's ability to continuously meet the needs of our shareholders, stakeholders, and communities. I am immensely grateful to the entire Infratil team and our portfolio companies for their tireless dedication and contributions. I would also like to thank shareholders for the faith placed in us. That is a trust we do not take lightly and one we continue to work hard to earn anew each year.

Alison Gerry
Chair

Report of the Chief Executive

Reflecting on Infratil's remarkable 30-year journey, I'm struck by the transformative impact we've had in the infrastructure sector. Over the past three decades, we've witnessed significant global changes, and Infratil has not only adapted but often led the way.

I am pleased to report that this year we continued to build on our legacy of success, delivering a strong financial result and making significant strides in growing our portfolio. While we celebrate these achievements, we recognise that our approach is designed for sustainable, long-term growth, not overnight success, and therefore this year's result is the culmination of many years work.

Over 30 years, Infratil has grown from a New Zealand-focused infrastructure investment company into a global player, today owning a diversified portfolio encompassing digital infrastructure, renewable energy, healthcare, and airport investments. We refer to these sectors as "ideas that matter", as they represent the future of infrastructure investment and are thematic areas that will continue to have a major influence on the world.

As we move forward, our goal is to continue building on this foundation, leveraging the lessons learned from our 30-year history while embracing new opportunities that align with our vision for the future. In this report, we will highlight some of our key achievements over the past year, but you should also get a strong sense of our strategic outlook for the path ahead.

Conviction in our Investment Strategy

Infratil's current portfolio is heavily weighted towards high-growth digital infrastructure and renewable energy businesses, with a specific focus on developing these critical assets. Over 80% of our portfolio is invested in these two sectors, which are central to understanding our investment approach.

These platforms represent two of the most sought-after asset classes, converging to address the growing demand for AI and data centres with the essential need for sustainable energy solutions. As AI development accelerates, the need for robust, scalable data centres powered by renewable energy becomes increasingly critical. This combination not only enhances operational efficiency and sustainability but also underscores our commitment to meeting the evolving demands of this global market.

To date, few if any listed investment entities are exposed to both asset classes quite the way that Infratil is today.

Across digital infrastructure and renewable energy, three major assets form the core of our portfolio, representing 70% of its total value: CDC, One NZ and Longroad Energy.

These high-growth companies, particularly CDC and Longroad, are complemented by our core cash flow-generating assets, including One NZ, Wellington Airport, Manawa Energy and RHCNZ Medical Imaging. These core assets play a vital role in maintaining our credit and liquidity metrics while providing the necessary cashflow to reinvest in our high-growth platforms.

The remainder of our portfolio consists of smaller or earlier-stage investments designed to become the scaled core cashflow-generating or core growth platforms of the future.

Investing in future growth

Longroad Energy is currently embarking on the largest capital works project in its history. In addition to its operational projects, Longroad has had 2.4GW of assets under construction during the year across nine projects and in five States, by our estimate making it one of the top 15 developers in the U.S. Longroad's development pipeline spans a massive 28.3GW, with wind, solar, and storage projects distributed across more than 20 States in the U.S.



"I want to extend my sincere gratitude to our shareholders for their support and trust. Your partnership has been integral to our success, and we remain committed to delivering value and driving innovation through our investment."

Meanwhile, our other renewable energy platforms are making significant progress as well. Gurin Energy, our pan-Asian renewable energy venture, has secured one of the five conditional approvals to establish a green electricity trading corridor between Indonesia and Singapore. This ambitious initiative aims to supply the Singapore market with 300MW of stable renewable energy by 2027. It involves generating power on the Riau Islands in Indonesia, with a capacity of 2GW of solar photovoltaic energy and 4.4GWh of battery storage – positioning it as one of the largest projects of its kind globally.

One of the most significant milestones from the past year was our agreement with Brookfield in June to acquire the remaining 49.95% stake in One NZ, which we didn't already own. This agreement culminated a six-year journey that began even before our initial investment in May 2019.

One NZ is more than just another asset; it has critical infrastructure that plays a central role in New Zealand's economy. By increasing our stake, Infratil has gained greater flexibility and will continue to focus on creating long-term value.

A sustainable journey

Last year we published our first sustainability report, the report outlined our updated strategy focused on key environmental, social, and governance issues, as well as our emissions footprint.

A major focus is 'Climate and Nature,' addressing the increasing impact of climate change. In response, Infratil became the first New Zealand financial institution with climate targets validated by the Science Based Targets initiative, committing to the Paris Agreement's goal of limiting global warming to 1.5°C. Our validated targets aim to reduce scope 1 and 2 greenhouse gas emissions to zero and lower scope 3 emissions from business travel.

We also require our portfolio companies to set their own validated climate targets, aligning them with our sustainability objectives, and underscoring our commitment to pursuing a sustainable portfolio.

Strategic Outlook

We were excited to announce an expansion of our digital infrastructure portfolio during the year with the announcement of a conditional investment in Console Connect. Its technology can automatically switch and route internet traffic, which makes global connections faster and more secure. Console Connect's reach extends to over 150 countries, and it currently manages about 17% of global internet traffic.

The investment remains subject to regulatory approvals, and we are looking forward to completion towards the end of the 2024 calendar year.

At home, New Zealand faces a significant infrastructure deficit, with ASB Bank recently estimating that it will take up to \$1 trillion over the next 30 years to bring the country's infrastructure up to standard. The price of inaction could be high, threatening not just New Zealand's economic outlook but also exposing its communities to greater risks from climate

change. This deficit is already manifesting in everyday life, from congested roads and unreliable public transport, to leaking pipes, unplanned power outages, and cell phone black spots. These issues are all symptoms of an infrastructure network struggling to keep pace with the demands of a growing population.

Infratil, as a major investor in infrastructure, is well-positioned to invest on behalf of, or alongside, local and central Government to improve New Zealand's infrastructure landscape.

The private sector's capacity to address this infrastructure shortfall is often overlooked, offering a significant opportunity to help overcome current challenges.

It's imperative that New Zealand considers strategic shifts in thinking to energise the private sector. One example is adopting a tax credit scheme similar to that of the United States, which has proven instrumental in accelerating renewable energy projects and expanding the transmission grid. The U.S. model's success, driven by the Inflation Reduction Act, lies in its open-access tax credit system that facilitates capital flow towards the most cost-effective projects.

In contrast, New Zealand's unsubsidised approach places us at a disadvantage in attracting investment capital. By embracing a more robust incentive framework, we can accelerate the integration of alternative power sources and foster investments from smaller distribution companies, ensuring a more diverse and resilient energy infrastructure.

While we deeply value Wellington City Council's partnership at Wellington Airport and prefer its continued co-ownership, we understand the financial pressures prompting its consideration of divestment.

Infratil, as a long-term investor with access to capital, expertise, and a commitment to sustainable growth and community, is well-positioned to engage in these types of discussions with local governments across New Zealand.

As I conclude, I want to express my deep gratitude to our loyal shareholders, who in many cases have been with us for 30 years. Your support, trust, and commitment have been instrumental in our success. It is because of you that we've been able to continue to invest for the long-term with confidence. On behalf of the entire Infratil team, thank you for being with us on this journey. We look forward to a bright future together.

Jason Boyes
Chief Executive

Transparent and reliable Management Team

Infratil's management team is comprised of individuals employed by Morrison (including the Chief Executive and Chief Financial Officer), as well as personnel from Infratil's portfolio companies.

The day-to-day management of the Company has been entrusted to Morrison through a management agreement, which sets out Morrison's duties, powers, and the management fee payable for its services.

The Board determines and agrees with Morrison specific goals and objectives, with a view to achieving the strategic goals of Infratil. Morrison is held accountable to the Board for achieving these strategic objectives.

Morrison, a specialised infrastructure investment manager with a global presence, also oversees investments on behalf of other clients, such as the New Zealand Superannuation Fund, the Commonwealth Superannuation Corporation, and the Australian Future Fund, some of which are partners with Infratil in various investments.

Infratil benefits from the extensive expertise and broader network that the Morrison management team brings to the table, surpassing what a company of Infratil's size could typically maintain internally. This enables Infratil to leverage a wealth of experience and global relationships for its advantage.

Jason Boyes Infratil Chief Executive, Director of Infratil and CDC, Chair of Longroad Energy, Morrison Partner	Andrew Carroll Infratil Chief Financial Officer	Phillippa Harford Chair of One NZ, Director of RetireAustralia and Manawa Energy, Morrison Partner	Paul Newfield Morrison Partner and Chief Executive	William Smales Director of CDC and Kao Data, Morrison Partner, CIO and Global Head of Digital and Connectivity
Steven Fitzgerald Morrison Partner and Global Head of Asset Management	Peter Coman Chair of RHCNZ Medical Imaging, Qscan and Infratil Property, Morrison Partner and Head of Australia and New Zealand	Kellee Clark Director of Longroad Energy, Morrison Partner and Head of Legal	Louise Tong Infratil Director of Sustainability, Risk & Funding, Morrison Executive Director	Jon Collinge Morrison Executive Director, Sustainability
Mark Flesher Capital Markets & Investor Relations, Morrison Executive Director	Brendan Kevany Infratil Company Secretary	Nick Lough Morrison Executive Director, Legal	Jillian Gardner Morrison Head of Tax	Alicia Quirke Morrison Regional Tax Director
Matthew Ross Infratil Deputy CFO, Director of Wellington Airport, Morrison Executive Director	Tom Robertson Infratil Treasurer	Somali Young Infratil Financial Controller	Joe Beech Infratil Financial Controller	Thomas Wills Infratil Financial Performance and Analysis Manager
Marko Bogoevski Director of One NZ, Morrison Operating Partner	Vincent Gerritsen Director of Galileo and Kao Data, Morrison Partner and Head of UK and Europe	Ralph Brayham Morrison Data Infrastructure & Technology Specialist	Nicole Patterson Director of CDC Data Centres NZ and Fortysouth, Morrison Investment Director	Rohit Rangarajan CDC Asset Manager, Morrison Investment Director
Lewis Bailey Morrison Executive Director, Strategy	Robert Huang Morrison Executive Director	Ilaria Di Fresco Energy Economist	Vimal Vallabh Chair of Gurin Energy and Galileo, Morrison Partner and Global Head of Energy	Deion Campbell Chair of Manawa Energy and Mint Renewables, Morrison Operating Partner
Will McIndoe Director of Mint Renewables, Morrison Executive Director	Jonty Palmer Director of Gurin Energy, Morrison Director of Energy Operations	Rajiv Khakar Director of Galileo, Morrison Executive Director	Lauren Beshore Longroad Energy Asset Manager, Morrison Investment Director	Priya Grewal Director of Mint Renewables, Morrison Investment Director
Michael Brook Director of RHCNZ Medical Imaging and RetireAustralia, Morrison Executive Director	Alan McCarthy Director of Qscan and RHCNZ Medical Imaging	Rachel Drew Chair of Wellington Airport, Director of Qscan and RHCNZ Medical Imaging, Morrison Executive Director	Elizabeth Albergoni Director of Wellington Airport, Morrison Investment Director	Phil Walker Director of Wellington Airport



Stakeholder Engagement

Infratil's large and diverse shareholder base, along with our ownership of assets deeply embedded in local communities, underscores our commitment to a broad set of stakeholders.

We understand that owning such significant assets brings a responsibility to be transparent and open in our reporting and communication.

Our goal is to continually improve the accountability of governance and management while increasing transparency in our operations. This commitment involves providing regular updates on the progress of our businesses and the risks associated with each investment.

To achieve this, we ensure that shareholders have several opportunities to engage with our management and directors, ask questions, and offer feedback. Over the last year, we hosted several key meetings with shareholders and bondholders where they could interact directly with our leadership. These included:

- The FY2023 annual results announcement on 22 May 2023 and the interim results announcement on 16 November 2023.
- A series of presentations to retail shareholders and bondholders across 15 centres in New Zealand from 29 May to 29 June 2023.
- The Annual Meeting on 17 August, featuring shareholder resolutions, a governance and strategy speech by the Chair, and a presentation by management on business activities and prospects.
- Institutional Investor Days in Phoenix, Arizona (September 2023), and Sydney (March 2024), showcasing presentations from key portfolio business management teams and senior Infratil executives.
- An initial series of governance meetings, introducing large institutional investors to directors.

These meetings provided valuable opportunities for shareholders to raise questions, voice concerns, and engage with Infratil's leadership.

All related content is readily accessible on our website at www.infratil.com.

Infratil's portfolio is dynamic and constantly evolving. As a result, the composition of an investor's share today may differ significantly from when it was initially purchased. This fluidity is why maintaining an ongoing dialogue with shareholders is helpful.

A decade ago, 89% of Infratil's portfolio was invested in New Zealand; today, 41% is invested domestically. Similarly, our investments in Digital Infrastructure have seen dramatic growth – from just 0.1% of the portfolio ten years ago to 62% today. These changes reflect our ongoing strategy to expand our investment footprint and diversify geographically. Our consistent stakeholder engagement plays a key role in keeping our shareholders informed and engaged as our business continues to evolve.

Geographic split - 2015

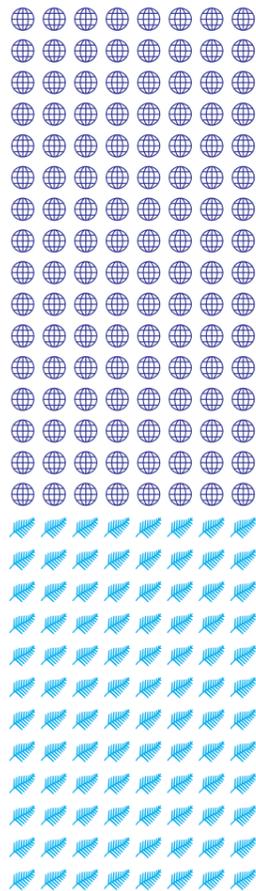
International
11%



New Zealand
89%

Geographic split - 2024

International
59%



New Zealand
41%

Infratil share 10 years ago - 2015

Renewable Energy
44%

Non-Renewable Energy
17%



Infratil share today - 2024

Digital
62%

Renewables
22%

Healthcare
11%



From 31 March 2023 to 31 March 2024, Infratil's share price increased from \$9.20 to \$10.89.

During this period, Infratil also paid two dividends totaling 19.50 cents per share (cps) in cash and 6.00 cps in imputation credits.

Additionally, during the year, retail shareholders had the opportunity to participate in a retail share offer. Eligible shareholders could acquire 127 shares for every 1,000 shares owned at a price of \$9.20 per share. Institutional shareholders were also offered participation through an institutional placement at the same price.

The total return to shareholders for the year was 21.7%, consisting of a 2.0% after-tax dividend return (at a 28% tax rate) and a 19.7% capital gain, inclusive of the retail share offer. By comparison, the total return of the NZX50 for the same period was 2.3%. The capital gain calculation assumes that all dividends were reinvested upon receipt, indicating a scenario where shareholders neither withdrew nor added additional funds.

Since its listing in March 1994, Infratil has delivered an average after-tax return of 18.7% per annum. Over the past decade, the average after-tax return has been 22.0% per annum. To illustrate the benefits of long-term investing, a shareholder who invested \$1,000 in Infratil shares on 31 March 1994, and reinvested all dividends and the value of all rights issues, would own 16,057 shares worth \$171,910 as of 31 March 2024.

Ownership



Annual Return



\$1,000

\$171,910

At Infratil, we are dedicated to not only generating strong financial returns for our investors but also contributing to a sustainable future.

We recognise that our investors seek more than just financial gains; they want a world with a livable climate, resilient infrastructure, thriving communities, and a healthy environment. Sustainability is not just an abstract concept for us; it's a core principle that guides our long-term investment strategy.

We understand that sustainability and climate considerations are integral to our investments, particularly in sectors like renewable energy, in which we are driving transformative change. Moreover, prioritising sustainability reinforces our social licence to operate and enhances our access to capital. By aligning our investments with these principles, we aim to create lasting value for our investors and contribute to a better world for future generations.

We recognise the growing significance of sustainable investment and the rising expectations from investors in this regard. In the current year, we have made substantial strides forward in aligning our practices with these expectations.

Sustainability Report

In August 2023 we unveiled our inaugural Sustainability Report, a comprehensive overview centered on four pillars: Governance, Leadership, Climate & Nature, and People. Within each pillar, we explained the objectives we're aiming to achieve, the pathways to achieve them and the outcomes we are looking to deliver. This analysis is the culmination of a materiality process to identify the most important ESG issues for our portfolio, including matters such as resilience, cyber security, impacts on nature, people and the community, the regulatory landscape, and the climate transition.

Setting Science-Based Emissions Reduction Targets

In October we became the first financial institution in New Zealand to have its science-based emissions reduction targets validated by the Science Based Targets initiative (SBTi) under its Financial Institutions framework.

The validation of Infratil's emissions reduction targets by SBTi means its stakeholders can be confident that the targets are credible and align with the science to support meeting the goals of the Paris Agreement, adopted at the United Nations Climate Change Conference in 2015.

Our validated emissions reduction targets are as follows:

- Scope 1 and 2: Infratil commits to maintaining zero absolute scope 1 and 2 GHG emissions through FY2030, based on a FY2023 baseline.
- Scope 3 Category 1-14: Infratil pledges a 25% reduction in absolute scope 3 GHG emissions from business travel by FY2030, relative to a FY2023 baseline.
- Scope 3 Category 15 (Investments): Infratil commits to a portfolio coverage target of 60% of its portfolio, by fair value, setting SBTi-validated targets by FY2028 and 100% by FY2030, from FY2023 base year.

Climate Disclosures

In December we released our inaugural Climate Related Disclosures ('CRD'). Where possible, we sought to align these voluntary CRD with the now mandatory Aotearoa New Zealand Climate Standards.

As part of analysing our risks and opportunities, we have undertaken a range of scenario analyses to examine the impact of climate change on our businesses. To do so, we have conducted separate analyses of our climate-related physical risks and our climate-related transition risks and opportunities.

Infratil will be publishing its FY2024 climate-related disclosures by 31 July, in line with the requirements of the mandatory Aotearoa New Zealand Climate Standards, along with our 2024 Sustainability Report.

100%

of portfolio companies measuring carbon footprint

1st

New Zealand financial institution to have a SBTi-validated emissions reduction target

43%

Females on Infratil's Board

Zero

Reported workplace fatalities across the portfolio

0.57

Lost Time Injury Frequency Rate

1.23

Total Recordable Incident Frequency Rate

\$3.3 M

Portfolio weighted community investment

Measuring Progress

ESG ratings not only provide a useful marker of our progress, but we know domestic and global investors are increasingly incorporating ESG ratings into their investment decision processes. Given this, improved ESG ratings are one aspect that can support access to attractively priced capital for companies, including Infratil. Below are some examples of Infratil's recent progress.

Forsyth Barr Carbon & ESG Rating

Infratil's Carbon & ESG rating by Forsyth Barr progressed from C+ in FY2022 to B+ in FY2023, despite more rigorous evaluation criteria. Recognised as a 'notable improver' in Forsyth Barr's Charting the Course of Change report, Infratil's upward trajectory reflects our commitment to measuring and disclosing our sustainability impacts.

CDP Rating

Our CDP rating, assessing climate disclosure and performance, has demonstrated improvement, rising from F in FY2021 to D in FY2022, and further to C in FY2023, aligning with regional and global averages. Notably, our FY2023 rating preceded the establishment of Science Based Targets, a milestone that may further improve future CDP ratings.

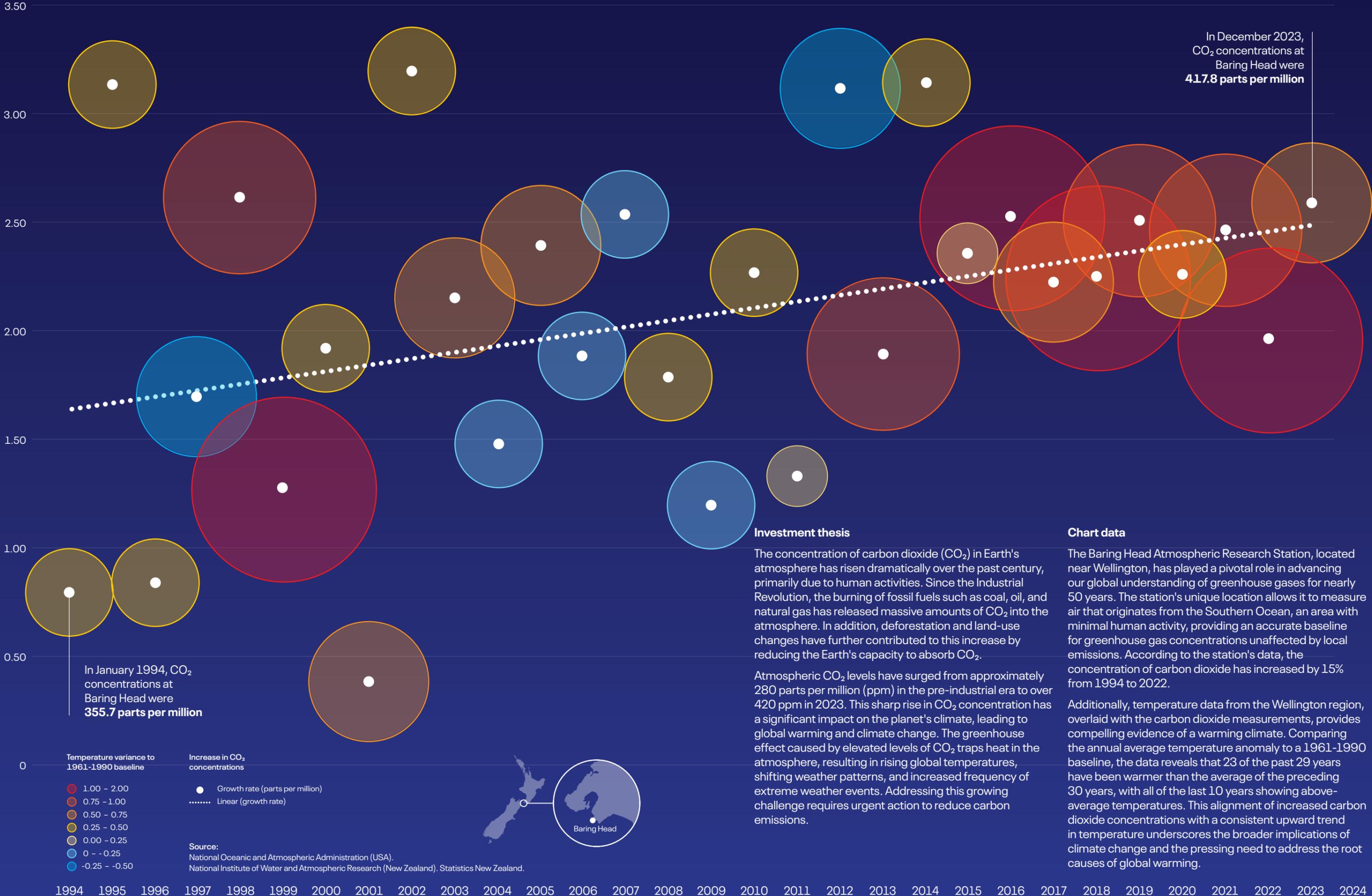
GRESB Infrastructure Assessments

For several years now, Infratil and its portfolio companies have undertaken GRESB Infrastructure Assessments. These assessments and ratings provide valuable sustainability insights for Infratil and each portfolio company on opportunities for improvement, performance against sector peers and an ability to track and evidence progress.

In FY2023, Infratil itself and its portfolio companies (excluding the then recently formed Mint Renewables and Fortysouth), undertook these assessments. Infratil's overall GRESB rating (70% of which is the Performance Score, determined from a weighted average of its portfolio company GRESB scores) improved from 77 in FY2022 to 83 in FY2023.

Atmospheric CO₂ and a warming climate

CO₂ annual increase (parts per million)



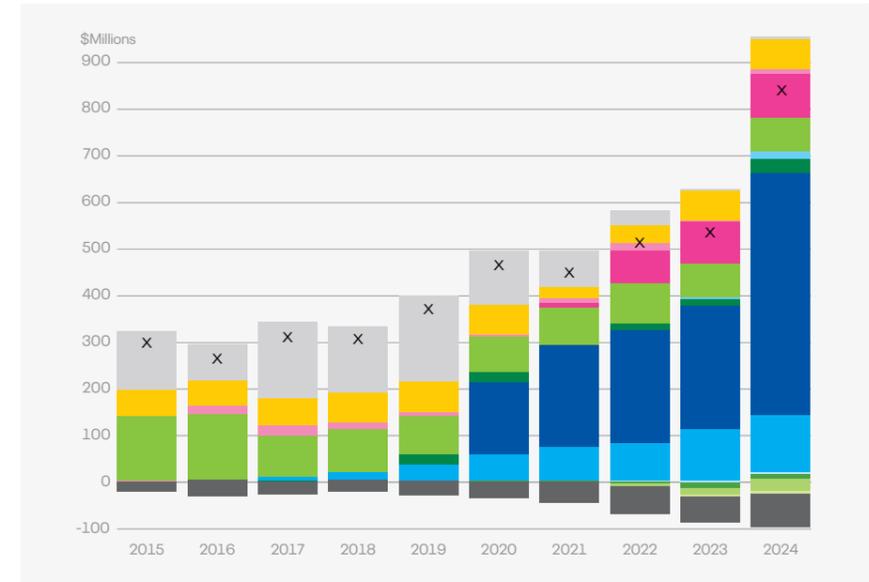
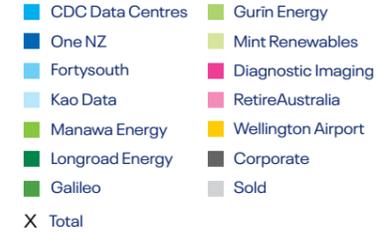
Financial Trends

Proportionate EBITDAF

The calculation of Proportionate EBITDAF is outlined on page 5 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.

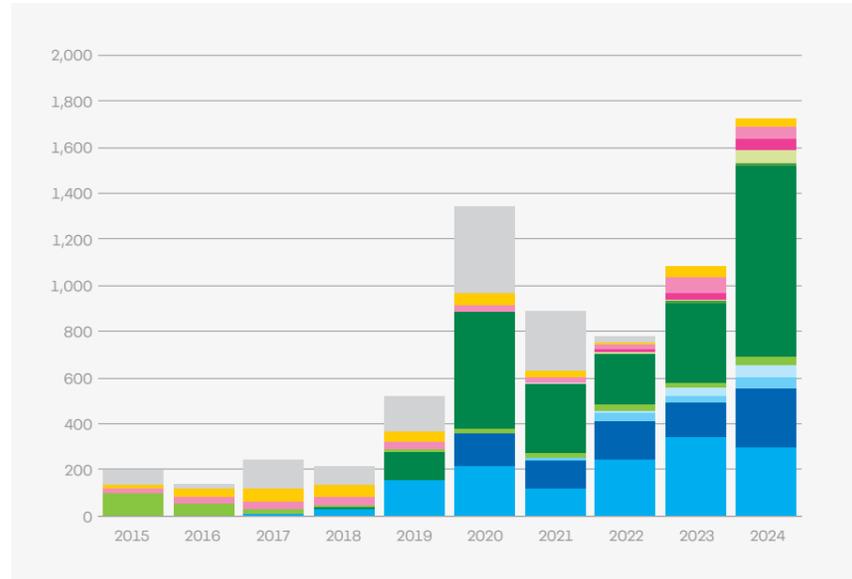
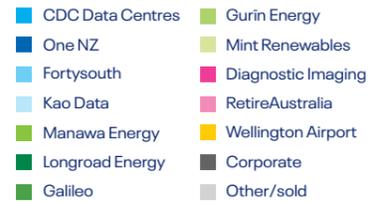
The figures include the contribution of assets held for sale.



Proportionate Capital Expenditure

Over the past decade Infratil's share of the capital expenditure of its portfolio companies was \$7.1 billion, the majority of which has been undertaken in the past 5 years.

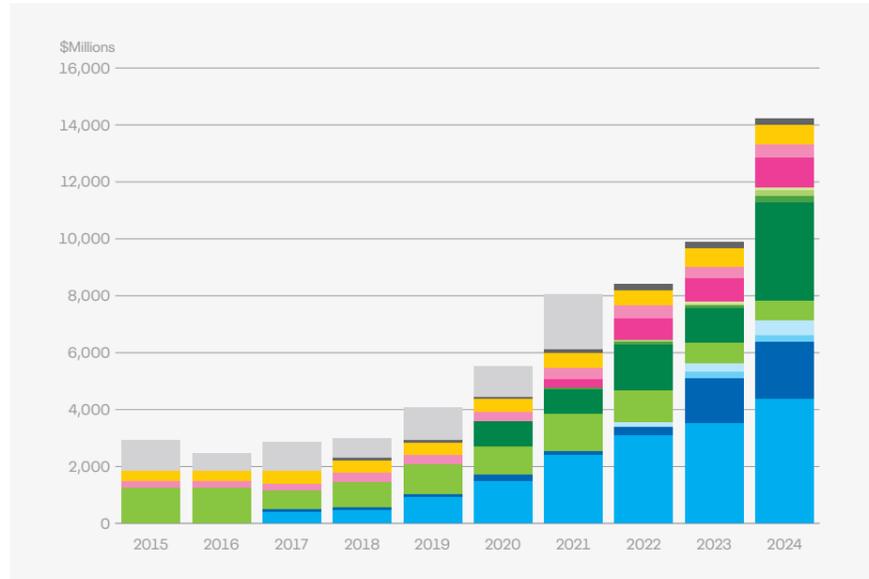
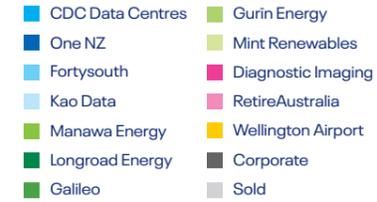
Funding for this investment is derived from shareholder equity contributions, free cash flow, and debt.



Infratil Assets

The graph shows the fair values of Infratil's assets.

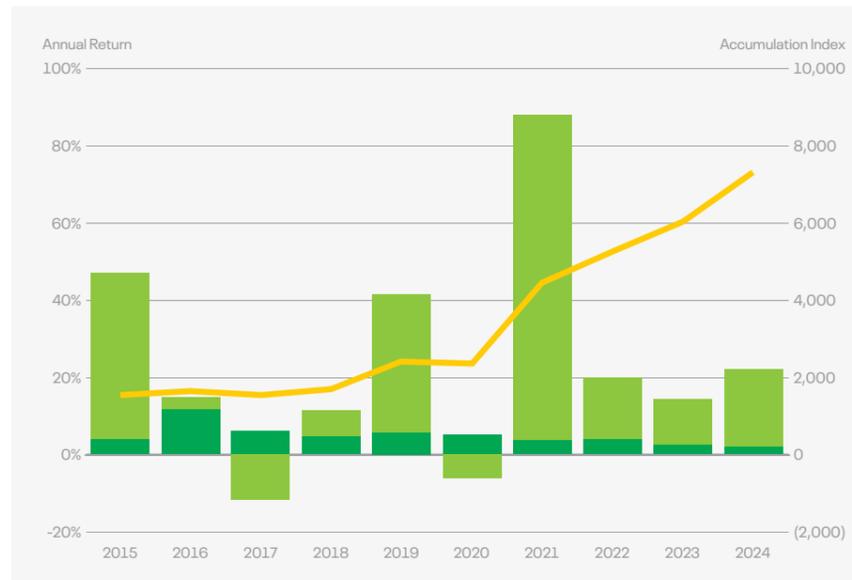
As noted on page 27, the fair values are market values when an asset is listed, the independent valuation if one is available, or the book value for assets which Infratil does not commission independent valuations for.



Shareholder Returns

Between 1 April 2014 and 31 March 2024 Infratil provided its shareholders with an average after tax return of 22.0% per annum.

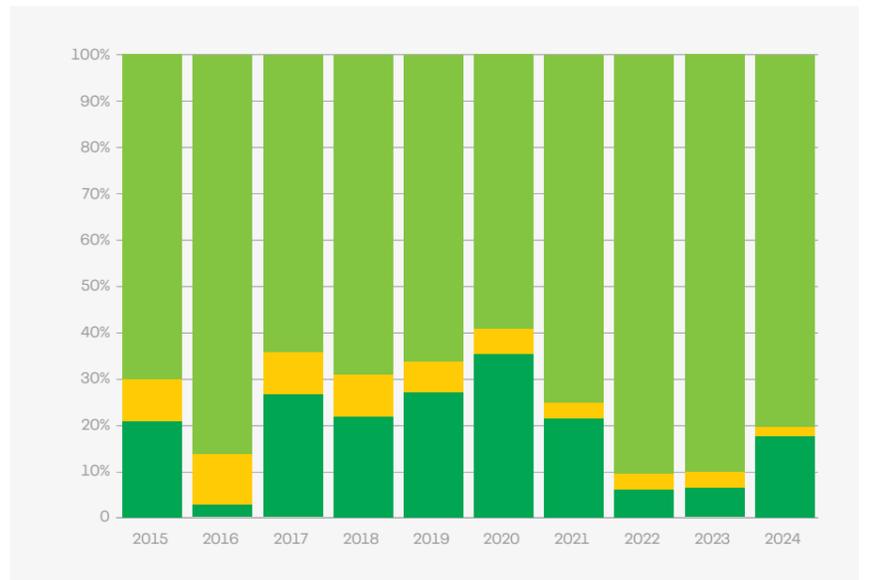
\$1,000 invested at the start of the period would have compounded to \$7,322 by 31 March 2024, assuming that all distributions were reinvested.



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.



Financial Performance & Position

Year ended 31 March (\$Millions)	Share	2024	2023
CDC Data Centres	48.2%	\$140.8	\$113.7
One NZ	99.9%	\$545.5	\$263.6
Fortysouth	20.0%	\$11.5	\$4.4
Kao Data	52.8%	(\$2.3)	(\$3.0)
Manawa Energy	51.1%	\$74.1	\$69.9
Longroad Energy	37.0%	\$33.4	\$16.4
Galileo	40.0%	(\$15.2)	(\$11.8)
Gurin Energy	95.0%	(\$21.9)	(\$15.6)
Mint Renewables	73.0%	(\$6.8)	(\$1.4)
RHCNZ Medical Imaging	50.3%	\$58.1	\$54.4
Qscan Group	57.6%	\$40.6	\$33.8
RetireAustralia	50.0%	\$12.1	\$6.1
Wellington Airport	66.0%	\$70.7	\$59.1
Corporate & other		(\$76.5)	(\$58.1)
Proportionate EBITDAF		\$864.1	\$531.5
Trustpower Retail business	51.1%	(\$0.3)	\$1.8
Total		\$863.8	\$533.3

Year ended 31 March (\$Millions)	2024	2023
Operating revenue	\$3,242.5	\$1,845.1
Operating expenses	(\$2,193.1)	(\$871.8)
International Portfolio Incentive fees	(\$127.8)	(\$169.6)
Depreciation & amortisation	(\$558.6)	(\$107.6)
Net interest	(\$366.7)	(\$166.8)
Tax expense	(\$93.1)	(\$42.5)
Realisations & revaluations	\$942.3	\$74.8
Discontinued operations	(\$0.4)	\$330.1
Net surplus after tax	\$845.1	\$891.7
Minority earnings	\$8.9	(\$248.6)
Net parent surplus	\$854.0	\$643.1

Proportionate EBITDAF

Proportionate EBITDAF is intended to show Infratil's share of the operating 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 annual results presentation.

Breakdown of Consolidated Results

Infratil consolidates a company when it controls it (generally more than 50%). This includes Manawa Energy, Gurin Energy, Mint Renewables, One NZ, RHCNZ Medical Imaging, Qscan Group and Wellington Airport. Associates (where Infratil has significant influence, but not control) such as CDC Data Centres, Fortysouth, Kao Data, Longroad Energy, Galileo Green Energy 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.

Year ended 31 March 2024 (\$Millions)	Share	EBITDAF ¹ 100%	D&A	Interest	Tax	Revaluations & other adjustments	Minorities	Infratil share of earnings
CDC Data Centres	48.2%	\$292.1	-	-	-	(\$175.8)	-	\$116.3
One NZ	99.9%	\$600.1	(\$446.8)	(\$159.2)	\$29.5	(\$108.8)	(\$0.8)	(\$86.0)
Fortysouth	20.0%	\$57.6	-	-	-	(\$66.4)	-	(\$8.8)
Kao Data	52.8%	(\$5.3)	-	-	-	\$2.8	-	(\$2.5)
Manawa Energy	51.1%	\$145.0	(\$20.6)	(\$26.2)	(\$25.3)	(\$47.9)	(\$12.7)	\$12.3
Longroad Energy	37.0%	\$91.3	-	-	-	\$32.9	-	\$124.2
Galileo	40.0%	(\$37.9)	-	-	-	\$39.4	-	\$1.5
Gurin Energy	95.0%	(\$23.1)	(\$0.7)	(\$1.4)	-	(\$0.4)	\$2.2	(\$23.4)
Mint Renewables	73.0%	(\$9.3)	(\$0.2)	\$0.1	-	-	\$2.6	(\$6.8)
RHCNZ Medical Imaging	50.3%	\$115.3	(\$26.2)	(\$35.7)	(\$14.5)	(\$9.8)	(\$14.6)	\$14.5
Qscan Group	57.6%	\$73.3	(\$34.2)	(\$27.7)	(\$4.3)	(\$60.5)	\$22.5	(\$30.9)
RetireAustralia	50.0%	\$24.2	-	-	-	(\$5.8)	-	\$18.4
Wellington Airport	66.0%	\$83.8	(\$29.9)	(\$32.0)	(\$49.1)	(\$1.8)	\$10.0	(\$19.0)
Corporate & other	-	(\$204.3)	-	(\$84.6)	(\$29.4)	\$1,063.2	(\$0.2)	\$744.7
Total (continuing)		\$1,202.8	(\$558.6)	(\$366.7)	(\$93.1)	\$661.1	\$9.0	\$854.5
Trustpower Retail business	51.1%	(\$0.6)	-	-	\$0.2	-	(\$0.1)	(\$0.5)
Total		\$1,202.2	(\$558.6)	(\$366.7)	(\$92.9)	\$661.1	\$8.9	\$854.0

Consolidated Results

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

For the year ended 31 March 2024 the net parent surplus was \$854.0 million, up from \$643.1 million the prior year.

The main source of the uplift was the \$1,075.0 million revaluation of Infratil's stake in One NZ following the acquisition of Brookfield's share.

Revenue and expenses have increased year on year due to the consolidation of One NZ into the Infratil accounts.

Year ended 31 March 2023 (\$Millions)	Share	EBITDAF ¹ 100%	D&A	Interest	Tax	Revaluations & other adjustments	Minorities	Infratil share of earnings
CDC Data Centres	48.1%	\$236.4	-	-	-	\$175.4	-	\$411.8
One NZ	50.0%	\$527.8	-	-	-	(\$323.8)	-	\$204.0
Fortysouth	20.0%	\$22.4	-	-	-	(\$27.2)	-	(\$4.8)
Kao Data	39.9%	(\$7.6)	-	-	-	\$28.1	-	\$20.5
Manawa Energy	51.1%	\$136.7	(\$21.6)	(\$25.1)	(\$39.2)	\$63.4	(\$58.1)	\$56.1
Longroad Energy	37.1%	\$50.1	-	-	-	(\$12.7)	-	\$37.4
Galileo Green Energy	40.0%	(\$29.5)	-	-	-	\$18.1	-	(\$11.4)
Gurin Energy	95.0%	(\$16.4)	(\$0.4)	(\$0.1)	-	\$0.1	\$0.9	(\$15.9)
Mint Renewables	95.0%	(\$2.0)	-	-	-	-	\$0.5	(\$1.5)
RHCNZ Medical Imaging	50.1%	\$108.6	(\$23.2)	(\$35.6)	(\$12.7)	\$3.6	(\$20.4)	\$20.3
Qscan Group	55.2%	\$61.3	(\$33.6)	(\$22.5)	(\$1.7)	-	(\$1.5)	\$2.0
RetireAustralia	50.0%	\$12.2	-	-	-	(\$16.3)	-	(\$4.1)
Wellington Airport	66.0%	\$89.6	(\$28.7)	(\$26.3)	(\$6.3)	(\$3.1)	(\$8.6)	\$16.6
Corporate & other	-	(\$228.1)	(\$0.1)	(\$57.2)	\$17.4	\$11.4	-	(\$256.6)
Total (continuing)		\$961.5	(\$107.6)	(\$166.8)	(\$42.5)	(\$83.0)	(\$87.2)	\$474.4
Trustpower Retail business	51.1%	\$3.5	(\$1.9)	(\$0.1)	(\$0.4)	\$328.8	(\$161.4)	\$168.7
Total		\$965.0	(\$109.5)	(\$166.9)	(\$42.9)	\$246.0	(\$248.6)	\$643.1

Financial Performance & Position

Year ended 31 March (\$Millions)	2024	2023
CDC Data Centres	\$35.1	\$14.2
One NZ	\$1,800.0	-
Kao Data	\$156.2	\$21.2
Fortysouth	-	\$212.1
Longroad Energy	\$96.2	\$242.2
Gurin Energy	\$55.8	\$41.2
Galileo	\$39.6	\$42.3
Mint Renewables	\$5.7	\$4.4
RHCNZ Medical Imaging	-	\$16.4
Qscan	\$17.8	-
Clearvision	\$18.8	\$24.2
Infratil Investments	\$2,225.2	\$618.2

Year ended 31 March (\$Millions)	2024	2023
CDC Data Centres	\$291.8	\$341.9
One NZ	\$261.4	\$151.8
Fortysouth	\$3.1	\$3.3
Kao Data	\$58.8	\$36.0
Manawa Energy	\$33.6	\$22.6
Longroad Energy	\$825.5	\$345.9
Gurin Energy	\$60.0	\$1.7
Galileo	\$42.7	\$28.8
Mint Renewables	\$1.1	-
RHCNZ Medical Imaging	\$26.1	\$14.7
Qscan Group	\$16.0	\$9.5
RetireAustralia	\$50.9	\$66.6
Wellington Airport	\$42.2	\$46.0
Other	-	-
Capital Expenditure	\$1,713.2	\$1,068.8

Year ended 31 March (\$Millions)	2024	2023
CDC Data Centres	\$36.0	\$37.1
One NZ	\$81.9	\$871.3
Manawa Energy	\$26.4	\$93.6
Longroad Energy	\$18.4	\$8.4
RHCNZ Medical Imaging	\$11.1	\$30.3
Wellington Airport	\$47.4	-
Qscan Group	-	\$2.3
Fortysouth	\$3.7	-
Net interest	(\$96.7)	(\$48.0)
Corporate & other	(\$100.9)	(\$61.3)
Operating Cashflow	\$27.3	\$933.7
International Portfolio Incentive fees	(\$102.2)	(\$270.8)
Operating Cashflow (after incentive fees)	(\$75.0)	\$662.9

Infratil Investment

This table shows Infratil's direct investment in its portfolio companies.

This investment is either used to acquire new assets, increase holdings in existing assets, or invested into portfolio companies to fund their operational and capital expenditure.

For example, the \$1,800 million invested into One NZ in the period was used to acquire Brookfield's 49.95% stake of One NZ whereas the \$55.8 million invested into Gurin Energy was used on a combination of capital projects and operational expenses.

Proportionate Capital Expenditure

This table shows Infratil's share of the capital expenditure of its portfolio companies.

Infratil's share of investment undertaken by investee companies in the period is \$1,713.2 million

To illustrate the calculation of Proportionate capital expenditure, Infratil owns 48.24% of CDC, CDC's capital expenditure for the period was A\$560.8 million, and 48.24% of that is A\$270.5 million (NZ\$291.8 million).

Infratil and Wholly Owned Subsidiaries Operating Cashflows

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

Cash outflows reflect net interest payments and corporate operating expenses.

International Portfolio Incentive fees paid during the period include Tranche 1 of the FY2023 incentive fee (\$30.3 million), Tranche 2 of the FY2022 incentive fee (\$33.2 million), Tranche 3 of the FY2021 incentive fee (\$74.4 million), \$60 million of which were paid in shares to Infratil's Manager.

Capital of Infratil and 100% Subsidiaries

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

During the year Infratil issued \$150 million of new IFT330 bonds and refinanced \$122.1 million of maturing IFT210 bonds through the issuance of \$127.2 million IFT340 bonds (maturing in June 2030). In total this resulted in a net increase of \$155.1 million bonds on issue.

As of 31 March 2024 Infratil has \$800.9 million of undrawn bank facilities.

Year ended 31 March (\$Millions)	2024	2023
Net bank debt/(cash)	\$791.8	(\$593.2)
Intratil Infrastructure bonds	\$1,241.1	\$1,085.9
Infratil Perpetual bonds	\$231.9	\$231.9
Total net debt	\$2,264.8	\$724.6
Market value of equity	\$9,066.7	\$6,660.6
Total Capital	\$11,331.5	\$7,385.2
Total debt/total capital	20.0%	9.8%
Undrawn bank facilities	\$800.9	\$898.4
100% subsidiaries cash	\$19.2	\$593.2
Liquidity available	\$820.2	\$1,491.6

Book Value of Infratil's Assets,

This table shows the accounting 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.

Year ended 31 March (\$Millions)	2024	2023
CDC Data Centres	\$1,537.0	\$1,403.4
One NZ	\$91.7	\$171.7
Kao Data	\$431.8	\$255.7
Fortysouth	\$195.2	\$207.7
Manawa Energy	\$684.4	\$710.5
Longroad Energy	\$476.6	\$315.8
Galileo	\$99.1	\$53.3
Gurin Energy	\$32.0	\$7.9
Mint Renewables	\$2.0	\$3.1
RHCNZ Medical Imaging	\$425.1	\$418.3
Qscan Group	\$296.6	\$303.7
RetireAustralia	\$436.6	\$410.9
Wellington Airport	\$690.9	\$667.4
Parent & other	\$241.0	\$240.4
Total	\$5,640.0	\$5,169.8

Fair Value of Infratil's Assets

This table shows the independent valuations of Infratil's assets.

The fair value of Infratil's investments in CDC, One NZ, Kao Data, Longroad Energy, Galileo, Gurin Energy, Qscan Group, RetireAustralia, RHCNZ Medical Imaging and Wellington Airport reflects independent valuations prepared for Infratil.

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.

Year ended 31 March (\$Millions)	2024	2023
CDC Data Centres	\$4,419.7	\$3,678.7
One NZ	\$3,530.5	\$1,222.8
Fortysouth	\$195.2	\$207.7
Kao Data	\$556.2	\$255.7
Manawa Energy	\$728.0	\$795.2
Longroad Energy	\$1,952.0	\$1,583.4
Galileo	\$240.7	\$72.2
Gurin Energy	\$237.1	\$7.9
Mint Renewables	\$2.0	\$3.1
RHCNZ Medical Imaging	\$606.7	\$511.6
Qscan Group	\$411.9	\$374.3
RetireAustralia	\$464.4	\$441.1
Wellington Airport	\$623.7	\$512.8
Parent & other	\$241.0	\$240.4
	\$14,209.1	\$9,906.9
Per share	\$17.07	\$13.68

Bondholders

Infratil Issuance activity & market summary

Infratil is committed to the New Zealand domestic bond market and has established itself as one of the largest and longest-standing issuers. Since our first issue in 1999, our infrastructure bond programme has played a pivotal role in supporting the Group's long-term capital structure.

Following the acquisition of an additional 49.95% stake in One NZ, Infratil was active in the New Zealand Retail Bond market in Q2 FY2024 raising additional funds to support our capital structure. In July 2023, Infratil successfully raised \$150 million of new IFT330 bonds maturing in July 2029 with a coupon rate of 6.90%. The credit spread applied above the 6-year swap rate at the time was 2.25% per annum.

Shortly afterward, Infratil re-entered the market to refinance \$122.1 million of maturing IFT210s by issuing \$127.3 million of IFT340s, maturing in March 2031 with a coupon rate of 7.08%. The credit spread for these bonds was 2.40% above the 7.5-year swap rate. Across both transactions, Infratil raised \$155.2 million of new bonds in 2023.

The New Zealand bond market continued to provide favourable conditions for corporate issuers throughout 2023 and into early 2024. Although wholesale interest rates remained volatile, with the 5-year swap rate trading within an approximate 130 basis point range during FY2024, swap rates have remained at historically elevated levels. This

environment has supported strong investor demand while enabling cost-effective funding for corporate borrowers through attractive credit spreads.

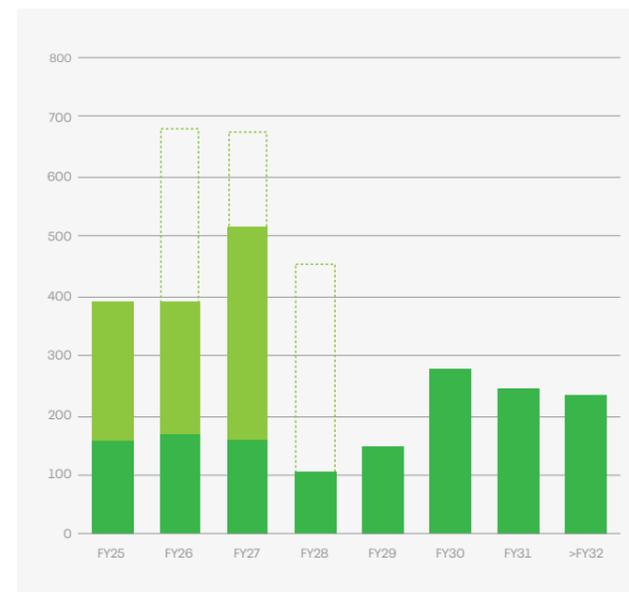
As interest rates appear to be reaching or nearing their peak, bond investors have found opportunities to lock in appealing yields, leading to increased demand in 2024 for longer-tenor bonds with maturities of seven years or more. This trend offers corporate issuers, like Infratil, the opportunity to extend funding tenors and reduce refinancing risk, which aligns with our long-standing funding strategy.

Infratil has two bond maturities coming up in FY2025, \$56.1 million of IFT230s in June 2024 and \$100 million of IFT260s in December 2024. These upcoming maturities suggest that Infratil will likely remain active in the New Zealand debt market, seeking to maintain a balanced and diversified funding profile.

Funding Maturity Profile

Infratil proactively manages its mix of bank and bond debt to mitigate refinancing risk and achieve an even spread of debt maturities. Our strategy aims to minimise refinancing pressure in any given year, providing flexibility and stability in our capital structure. Bank debt offers flexible and attractively priced funding, typically across 1 to 5-year maturities, while the bond programme provides longer-dated debt from 5 to 8 years, with certain conditions allowing for up to 10-year maturities. This approach ensures a well-diversified funding base and a balanced maturity profile.

Maturity Profile



Infratil proactively manages its mix of bank and bond debt to mitigate refinancing risk and achieve an even spread of debt maturities.

Our strategy aims to minimise refinancing pressure in any given year, providing flexibility and stability in our capital structure

■ Bonds
■ Drawn Bank Debt
■ Undrawn Bank Debt

Foreign Currency Exposures

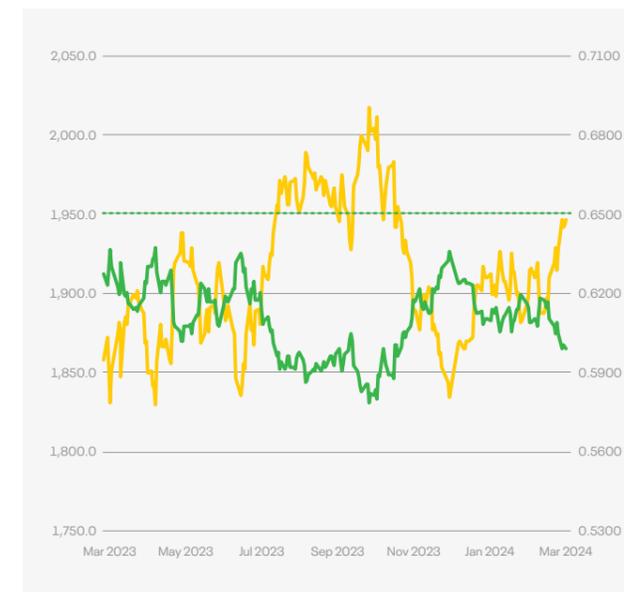
Infratil's investment portfolio continues to grow and evolve, and as a greater proportion of offshore assets are added, the Group's exposure to foreign exchange ('FX') risk increases.

This risk principally arises in two forms; FX transaction risk, which affects cash flows denominated in foreign currencies, and FX translation risk, which impacts the value of Infratil's offshore investments when converted to New Zealand dollars ('NZD').

FX transaction risk comes from cash flows to and from existing offshore assets, such as capital investments, distributions, and the cash flows associated with acquiring or divesting foreign investments. To manage this risk, Infratil aims to ensure cash flow certainty by hedging once foreign currency cash flows are sufficiently certain, and by seeking to offset exposures whenever possible.

Infratil's FX translation risk relates to the Group's exposure to currency rate movements, creating unrealised gains or losses when assets and liabilities denominated in foreign currencies are converted into New Zealand dollars. Although this risk doesn't have an immediate cash impact, it's the most significant currency exposure for Infratil due to the value of the underlying assets. The primary exposure to a cash impact would arise if Infratil were to divest a material offshore asset.

NZD Movement in unhedged USD Investments



— Unhedged USD Investments
— NZD/USD
--- NZD/USD (5-year average as at 31 March 2024)

As previously communicated, Infratil chooses not to hedge its FX translation risk. The benefits of hedging translation risk are unclear and difficult to quantify in shareholder value terms, while the costs to implement hedging are material, primarily due to the additional liquidity that would be required to fund any potential future FX losses and the cost (both financial and opportunity cost) of those facilities.

Translation Impact

Over the past 12 months, the acquisition of the additional 49.95% of One NZ drove an increase in NZD gross assets, increasing to 40.8% (from 36.9%), which had the effect of reducing the proportion of Australian dollar ('AUD') and US dollar ('USD') assets at a portfolio level. Notwithstanding this, both asset classes saw absolute increases in value, and therefore currency rate exposure.

Despite AUD investments representing 37.5% of portfolio value relative to the significantly lower contribution of USD investments (16.1%), Infratil's USD investments, primarily Longroad Energy, varied significantly more in NZD value due to greater FX volatility of the NZD/USD pair compared to NZD/AUD.

The USD carrying value as of 31 March 2023 was US\$1.17 billion, or NZ\$1.86 billion when translated at the FY2023 year-end rate of 0.6275. Holding the opening investment value constant the NZD value of these investments fluctuated between NZ\$1.83 billion (down NZ\$28.7 million; 1.5%) and \$2.02 billion (up NZ\$158.3 million; 8.5%) with the total opening investment position ending the year up NZ\$88.1 million, a 4.74% unrealised gain over the 12 months.

This compares to an unrealised gain over the 12 months on AUD investments of NZ\$79.0 million or 1.73%. This highlights the size of Infratil's two largest foreign currency exposures and the level of volatility in the relevant currency pairs, which both contribute separately to Infratil's FX translation risk exposure.

Infratil expects its currency exposures to continue evolving, driven by internal and external investment opportunities. Infratil retains the flexibility to use foreign currency debt or FX swaps to fund incremental investment (creating natural hedges) or hedge if deemed beneficial to shareholder value or necessary from a risk management perspective.

Given Infratil's unhedged portfolio position, the Company encourages investors to be aware of these FX risks and manage them according to their individual portfolios, risk appetites, and investment objectives. International investors, who comprise a significant portion of Infratil's share register, may have a different perspective on FX risks compared to New Zealand-based investors.

Investment thesis

The rapid increase in data consumption, the proliferation of connected devices, and the widespread adoption of cloud-based services have made digital infrastructure a fundamental pillar of the global economy. This infrastructure supports a vast array of applications that are integral to daily life and business operations, from high-speed communication networks to complex data analysis systems.

The demand for secure digital infrastructure continues to grow at an unprecedented pace, driven by technological advancements such as artificial intelligence and automation. These innovations are fostering a dynamic digital ecosystem that includes fibre networks, wireless technology, ubiquitous high-speed connectivity, and data centres. This thriving ecosystem not only supports the growing needs of businesses and individuals but will also facilitate further technological advancement.

30 years of growth

Thirty years ago, fewer than 10 million people worldwide had access to the internet. Fast forward to today, and around 5.4 billion people have gone online in the last three months, representing approximately 67% of the global population.

Although data on the volume of information transferred via the internet in 1994 is scarce, the growth in data creation is staggering. It's now estimated that 120 zettabytes of data are produced annually. This represents a remarkable 60-fold increase from the 2 zettabytes generated in 2010. Incredibly, experts believe that 90% of all data in existence was created in the last two years alone.

7.9 Billion
Mobile Phone Subscriptions

67% Online

5.4 Billion
People connected to
the internet globally

1.3 Billion
Broadband Internet Subscriptions

Source: International Telecommunication Union (via World Bank).
Exploding Topics, Amount of Data Created Daily (2024).

Demand for data centres globally is surging at an unprecedented rate. Facilities considered large 12-24 months ago are now overshadowed by the development of 200MW+ campuses, which are quickly becoming the new standard.

The rise of artificial intelligence ('AI') is driving this change, impacting not only the data centre landscape, but also influencing daily life and business operations. As a result, data centres are becoming even more crucial for providing secure information storage and the high-speed connectivity needed in our digital age.

During the 2024 financial year, CDC continued to reinforce its position as the pre-eminent owner, operator and developer of highly secure, sovereign and connected large-scale data centres across Australia and New Zealand. In addition to responding to the significant acceleration in demand for data centre capacity, CDC continued to deliver critical digital infrastructure to meet the highest needs of its hyperscale, government and enterprise customer base.

Performance highlights include delivering a record 200MW in new contracted capacity (includes reservations and rights of first refusal), its largest ever addition in 12 months; a significant acceleration in construction and development activity across all regions; the integration and expansion of the CDC Academy, and a strong focus on the Company's ESG and energy initiatives. Despite the cost pressures of an inflationary environment, CDC has also achieved 25%+ earnings growth over the period.

While the adoption of cloud computing and SaaS initially drove structural changes in data centre demand, the rapid adoption of AI is emerging as an inflection point to supercharge further growth.

These tailwinds, including generative AI, alongside other trends such as automation and robotics, will continue to shape demand going forward.

However, the fast pace of change introduces challenges for many data centre operators. New workloads require higher power densities and ability to flexibly accommodate different cooling architectures, including air, liquid and immersion cooling for generative AI. CDC is well versed in handling these requirements due to its modular approach and flexibility in meeting the strictest customer requirements.

This is testament to the strong foundation of the company's beginnings in Canberra, serving government customers with the most stringent and highly sensitive security requirements, resulting in the implementation of innovative architecture and best-in-class security standards from day one. CDC maintains this philosophy in all of its data centre developments, acting as one of its key market differentiators.

All customer segments have contributed to the growth CDC has experienced in FY2024. Demand from hyperscale customers has led to a step change in the development pipeline, while demand from government and enterprise clients drives diversification and deepens the powerful ecosystem within CDC's data centres. The size, tenor and quality of demand from CDC's customers support its unique approach to delivering capacity at scale and underpin the long-term visibility of CDC's contracted pipeline, extending CDC's weighted average lease expiry to over 30 years (incl. options). Contract options continue to be converted as they occur as a result of CDC's relentless focus on customers, quality and security.



Brooklyn 1 under construction in Melbourne

Infratil
48%

Commonwealth Superannuation Corporation 24%
Future Fund 24%
Management 4%

268MW

Operating capacity

416MW

Under construction

536MW

Development pipeline

The transformative shift in customer demand has also translated to CDC's development pipeline, which has increased by over 400MW in FY2024, a significant step up in the identified development pipeline compared with 12 months ago.

The growing scale, complexity and speed of data centre builds is something the company is well prepared for, leveraging its differentiated development approach coupled with a strong execution capability.

With eight data centres under construction across four different regions (Sydney, Canberra, Melbourne and Auckland), the rapid acceleration of development activity is a major priority for the business going forward.

In its home region of Canberra, CDC has commenced construction of its third campus, adding 39MW to continue to serve a range of Government, NCI and Hyperscale clients.

Eastern Creek, located in Sydney, is CDC's largest campus with four operating data centres and a further two under construction. Eastern Creek 5 and 6 will be the largest development undertaken by CDC to date, delivering nearly 160MW once fully developed, bringing total capacity at the campus to over 280MW. As with all developments, CDC closely manages and stages the build and fit out of each data centre to align with future customer contracting and specifications.

The first phase of the Melbourne campus is nearly complete and early work on the second phase is progressing well. The campus will establish CDC as a scaled data centre operator in the region, with over 200MW of capacity underpinned by long-term customer contracts.

On the back of significant demand in New Zealand, CDC accelerated the expansion of its two flagship Auckland facilities, located in Silverdale and Hobsonville. The developments will add a further 16MW of capacity to this region. On top of this, spurred by demand signals from all customer segments, CDC has started construction on a second, larger data centre in Hobsonville, adding 52MW capacity. While the cost to build in New Zealand remains elevated, CDC has managed its construction processes effectively, with current development projects progressing on time and to budget.

Key to CDC's long-term growth is the ability to continue to secure land and power for future developments. While its current landbank can support significant additional future capacity (above what is included in the 5-year development pipeline), the company has continued to progress additional land purchases over the course of 2024 to extend this runway further.

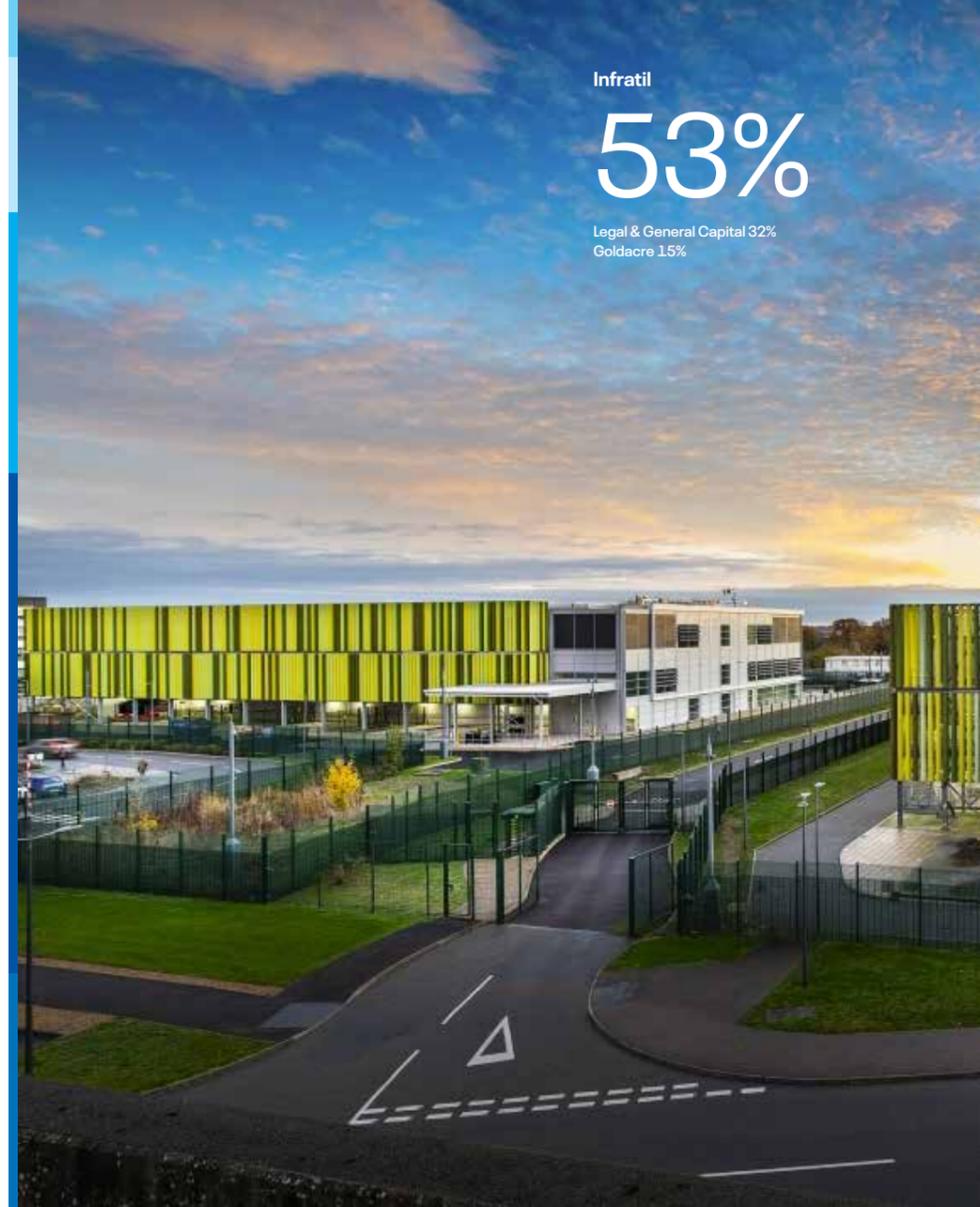
The rapid scaling of the business is both exciting and challenging, and CDC will require significant additional resource to meet the future needs of its customers.

Leveraging its success in building a high performing team to manage its growth to date, CDC continues to organise, expand and upskill its workforce to successfully manage its growing scale. Initiatives such as the CDC Academy have proven invaluable to date and will continue to drive the company forward in a positive and sustainable way. CDC is also continuing to scale its internal systems and processes for its forecast growth and is commencing a multi-year investment in its capabilities in FY2025.

The combination of high credit quality clients, substantial long-term contracts and high-quality data centres continues to be a globally attractive proposition to lenders. To support CDC's continuing growth, the company undertook a debt capital raise in late 2023, increasing its debt facilities by A\$1.4 billion. In FY2025, the company expects to invest over A\$2.3 billion in developments to meet customer demand. Given the size and scale of its development pipeline, CDC will continue to add to and diversify its capital structure over the course of FY2025.

CDC is committed to growing and operating sustainably, as reflected in its ESG strategy – Stable Planet, Thriving People and Trusted Company. The business is moving towards net zero carbon by 2030 in Australia. In New Zealand, CDC has received and maintained Toitū net carbon zero certification since its first year of operation, making it the first certified net carbon zero hyperscale data centre provider in the country. CDC offers industry leading technology solutions in its data centres, which contribute to significantly reducing the company's environmental footprint. One example of this is CDC's innovative closed-loop cooling system, which eliminates water waste that occurs in many traditional data centres and ensures it remains one of the most water efficient data centre providers in Australia and New Zealand.

Infratil's investment in CDC is now valued between A\$3.8 billion to A\$4.4 billion, up from A\$3.1 billion to A\$3.7 billion 12 months earlier. This valuation increase reflects the significant additional demand and future development pipeline added over the course of the year, somewhat offset by an increase in the required return to take account of the increased risk profile associated with developing at scale. The independent valuation assumes 1,220MW of total built capacity, up from 585MW 12 months earlier. This consists of 268MW operating capacity, 416MW under construction and 536MW classified as future builds.



Infratil
53%
Legal & General Capital 32%
Goldacre 15%

KLON-01 and KLON-02 at the Harlow Campus

22.8MW

Operating capacity

8.7MW

Under construction

63.5MW

Development pipeline

This acceleration in demand for data centre space combined with scarcity of suitable land and power in established tier-1 data centre markets is increasingly driving operators and customers to look at alternative secondary locations with robust power supply.

In his 2023 Spring Budget speech, UK Chancellor Jeremy Hunt announced a raft of measures to boost the high-performance computing, artificial intelligence, and supercomputing sectors, including billions of pounds of investment aimed at making the UK a world-leading, quantum-enabled economy within a decade.

Kao Data is well positioned to seize this market opportunity and benefit from significant sector tailwinds. The company has seen a notable expansion in its sales pipeline through both existing and new customers and has secured several high-profile additions at its Harlow and Slough sites.

Kao Data is at the forefront of artificial intelligence and high-performance computing, with a proven track record of hosting some of the UK's most advanced and demanding high-performance computing infrastructure.

To leverage its position as a market leader in high-performance computing, Kao Data is continuously investing in new capacity through expansion at its operational sites and new locations.

In November 2023, Kao Data commissioned the second phase of its expansion at its Harlow campus, with space for four Data Halls and up to 10MW of capacity. KLON-02, designed according to Kao Data's NVIDIA DGX-Ready infrastructure platform, is engineered for AI workloads. This is the second of four planned expansion phases at Harlow, totalling a capacity of 40MW. Additionally, Kao Data has secured an extra 68MWh of power for its Harlow campus, raising the site's maximum capacity to up to 100MW.

Beyond its existing operational sites, Kao Data is targeting further national expansion. In May 2023, the company announced the development of a new data centre campus in Manchester.

The Kenwood Point development in Stockport would provide 40MW of capacity across nine Data Halls, making it the largest and most advanced data centre in the North of England upon completion.

In March 2024, Kao was granted planning permission for the £350 million facility which when complete will create a leading infrastructure hub to support Greater Manchester's fast-growing and diverse technology ecosystem - positioning the region as one of the UK's largest high-performance computing and artificial intelligence clusters outside of London and the Oxford-Cambridge arc, and as a focal point in the Government's technological and economic ambitions.

To fuel this growth, Kao Data completed a £206 million refinancing with Deutsche Bank in January 2024. This new facility includes an accordion feature, allowing for potential expansion to £356 million. This provides significant funding for Kao Data's ambitious expansion plans.

Looking ahead, Kao Data's advanced data centre portfolio now includes more than 95MW of capacity, either currently operational, under development or planned – all of which is underpinned by what are some of the highest energy efficiency and sustainability credentials in market.

One New Zealand serves two million mobile and close to four hundred thousand broadband connections with a network of 58 consumer retail stores. In addition to consumer services, it provides fixed-line and ICT services to more than 110,000 corporate, government, and small-to-medium businesses.

These customers are served by a passionate team, achieving international top-quartile scores for both capability and culture, backed by an experienced and highly skilled management team.

In its first year as One NZ and under full Infratil ownership, the company underwent significant transformation, simplifying products and services, enhancing network infrastructure across the country, establishing its new brand in the market, and achieving substantial labour efficiencies.

This transformation resulted in a leaner and more efficient workforce, poised to deliver against key market priorities as it enters FY2025. The company's rationalisation efforts involved streamlining processes, reducing organisational layers and hierarchy, centralising functions to eliminate duplication, and outsourcing some back-office operations.

One year after its launch, the One NZ brand has been well received by customers, with key success metrics surpassing those of the previous 'Vodafone New Zealand' brand. Metrics such as brand awareness and non-customer consideration are tracking ahead of expectations, indicating strong public reception and confidence in the rebranding strategy.

EBITDAF for the year was \$600.1 million, up 13.7% from \$527.8 million in the prior year. This was a pleasing result against guidance of \$580 million to \$620 million. FY2024 growth was driven through strong performance in Consumer Mobile and Wholesale alongside prudent cost management. The Enterprise side of the business has been challenging with downward pressure on connections and revenue, as both public and private sector Enterprise customers downsize and look for cost savings in the current economic environment.

Monthly mobile data consumption grew by 23% year-on-year, fuelled by increased streaming, gaming, remote work, and a return of travel. To accommodate this rising demand, One NZ invested \$70 million to build and upgrade 346 additional 4G and 5G mobile sites nationwide in FY2024. The company plans to extend 4G and 5G coverage to all areas currently served by 3G, aiming to decommission the 3G network by March 2025. This transition is expected to reduce energy consumption and free up valuable radio spectrum for 5G services.

Alongside these network investments, One NZ continued to increase network utilisation through its wholesale mobile virtual network operator ('MVNO') platform, which now serves over 30,000 additional mobile and fixed wireless access customers on the One NZ network.

Considerable focus continues to be given to One NZ's extensive fibre assets. With over 11,000 kilometres of fibre in the ground, including a core fibre network running the length of New Zealand, a number of metro fibre rings in main centres, and exchange nodes to business premises and selected mobile towers, One NZ remains the second largest fibre infrastructure owner in New Zealand.

Infratil

99.9%

Management 0.1%

Coverage like never before

TXT service launching late this year.

Data and voice service launching 2025.



2.3 million

Customers

58

Consumer retail stores

1.8 million

Mobile voice minutes a day

To accommodate the growing demand for its fibre assets, One NZ will establish a separate fibre entity in FY2025 to maximise both the usage and value of these assets.

One NZ's average monthly revenue per user in consumer mobile increased from \$31.50 in FY2023 to \$33.50, thanks to improved customer service, a shift from prepaid to postpaid accounts, higher adoption of unlimited data plans, the return of roaming revenues, and annual pricing adjustments. The One Plan, New Zealand's first unlimited max-speed data plan, has attracted ~220,000 customers. Additionally, new propositions like One Upgrade, allowing customers to upgrade their phone at any time, and One Number, which enables mobile number sharing with Samsung and Apple watches, have further driven revenue growth.

More recently, One NZ launched One Wallet, a digital wallet for its customers. One Wallet enables customers to redeem One Wallet Dollars to reduce the cost of their next new phone on an interest free term. Customers can build a balance of One Wallet Dollars in a number of ways – it could be as simple as trading in their old phone, adding a new One NZ mobile or broadband plan to their account or setting up their payment method as direct debit.

Fixed broadband remains a fiercely competitive market, with many participants creating pricing pressure.

While annual increases in wholesale input prices further challenge revenue and margins One NZ has been and will continue to look to offset these with price increases.

Enterprise revenue declined slightly compared to the previous year due to declines in calling and fixed services, strong competition, and broader economic conditions. Despite short-term headwinds in the enterprise segment, the company remains focused on mitigating these pressures through innovative services, strong sales capability and in targeted technology investments.

Operating expenditure declined year-on-year, primarily due to a reduction in one-off rebranding costs. One NZ's underlying cost base reduced in the second half of the year, with reduced ongoing brand fees and continued focus on cost control and simplification driving sustainable labour efficiencies.

Enhancing customer service remains a key focus for One NZ, with 100% of its business call centres now based in New Zealand, focusing on reducing call wait times and transfers while aiming to resolve customer issues on the first interaction.

Through technology and training improvements, service metrics are now at their best level in years, with service interactions reduced by one million over the past two years. To demonstrate its increasing confidence in its service and technology improvement, One NZ now publishes daily customer service metrics to its website.

One NZ continues to migrate customers onto its best on-market propositions, removing legacy products and platforms while also cleaning and simplifying its customer data environments. As digital first service adoption increases, the benefits of on-going artificial intelligence and data use-case deployments are anticipated to drive further reduction in service interactions. One example is the use of generative artificial intelligence capabilities from Amazon Web Services to help contact centre agents better understand why customers call, and how to proactively support call resolution.

Since going live in July 2023, the new solution helped One NZ achieve a 43% reduction in wait times, a 9% decrease in call handling time and an overall 18% reduction in inbound calls.

One of the key rationales for the company's rebrand was to invest more in New Zealand. A key demonstration is the announcement of a collaboration with SpaceX to provide unprecedented mobile coverage across New Zealand. Plans for the collaboration are progressing well with text service expected by late CY2024 and voice and data services in CY2025. One NZ's mobile network will work in conjunction with SpaceX's constellation of Starlink satellites in low Earth orbit to deliver mobile coverage to One NZ customers across the entire country where they have a line of sight to the sky.

One NZ is taking significant steps to advance sustainability across its business and reduce its environmental impact. The company launched a new sustainability framework in August 2023, aimed at achieving substantial reductions in carbon emissions and promoting more sustainable business practices.

In the past year, One NZ reduced its carbon footprint by 24%, largely due to reductions in scope 2 emissions and through efforts to drive more energy-efficient technologies across its operations.

One NZ is on track to reduce these even further with a commitment to purchase 100% renewable energy for all its electricity contracts in FY2025.



Infratil

20%

InfraRed Capital Partners 40%
Northleaf Capital Partners 40%

Demand for mobile connectivity continues to grow rapidly, with New Zealand's 5.8 million mobile connections generating 47.5 million mobile voice minutes and 30 million text messages daily. This equates to 88 petabytes of mobile data and 450 petabytes of fixed data per month.

This high demand is driving the need for twice as many cell sites within the next decade, translating to 300 new cell sites across New Zealand every year. Through its relationship with One NZ and strategic partnerships with all three mobile network operators, fixed wireless providers, and critical communications services, Fortysouth is helping to build the infrastructure for New Zealand's digital future.

Fortysouth's tower portfolio, comprising 1,580 towers, covers 98% of the areas where New Zealanders live, work and play. The portfolio includes over 945 large macro and monopole towers across more than 800 sites in urban areas and key growth corridors, with 660 sites in rural and provincial areas. Fortysouth owns and maintains the passive infrastructure for cell sites, while the mobile network operators own and maintain active equipment, backhaul, and are responsible for power and energy supply.

Over the past 12 months, Fortysouth has successfully transitioned from being part of One NZ to a becoming a fully independent digital infrastructure provider.

This process involved several key milestones, such as assuming operational ownership of infrastructure builds and upgrades, implementing site design improvements, and establishing an independent operational platform. Throughout the year, Fortysouth has contributed its part in delivering the fastest mobile network in New Zealand and the ongoing upgrade of One NZ's 4G/5G network, successfully achieving its FY2024 build targets.

Performance highlights include the successful delivery of 48 new towers and 247 upgrades during the year, bringing the total tower count to 1,580. The business has also delivered consistent EBITDA performance in line with expectations.

Key focus areas over the past year included optimising operational efficiency across the tower portfolio, identifying and unlocking co-location opportunities and maximising asset utilisation to reduce costs and minimise the environmental impact of new tower construction.

Looking ahead, operational efficiency, co-location and asset utilisation will remain primary areas focus as Fortysouth continues on its journey to be the leading, independent tower company in New Zealand. The strong foundation established in FY2024 has positioned Fortysouth for continued growth and deployment momentum in FY2025, solidifying its role as a trusted partner in the delivery of advanced connectivity, resilience and transformative technologies.

The ever-growing demand for data necessitates a future-proofed network. Fortysouth is at the forefront of this transition through its investment in building new cell towers and upgrading existing ones to lay the groundwork for the increased capacity and network ready to unlock the full potential of 5G.

1,580

Towers

98%

Population coverage

Investment thesis

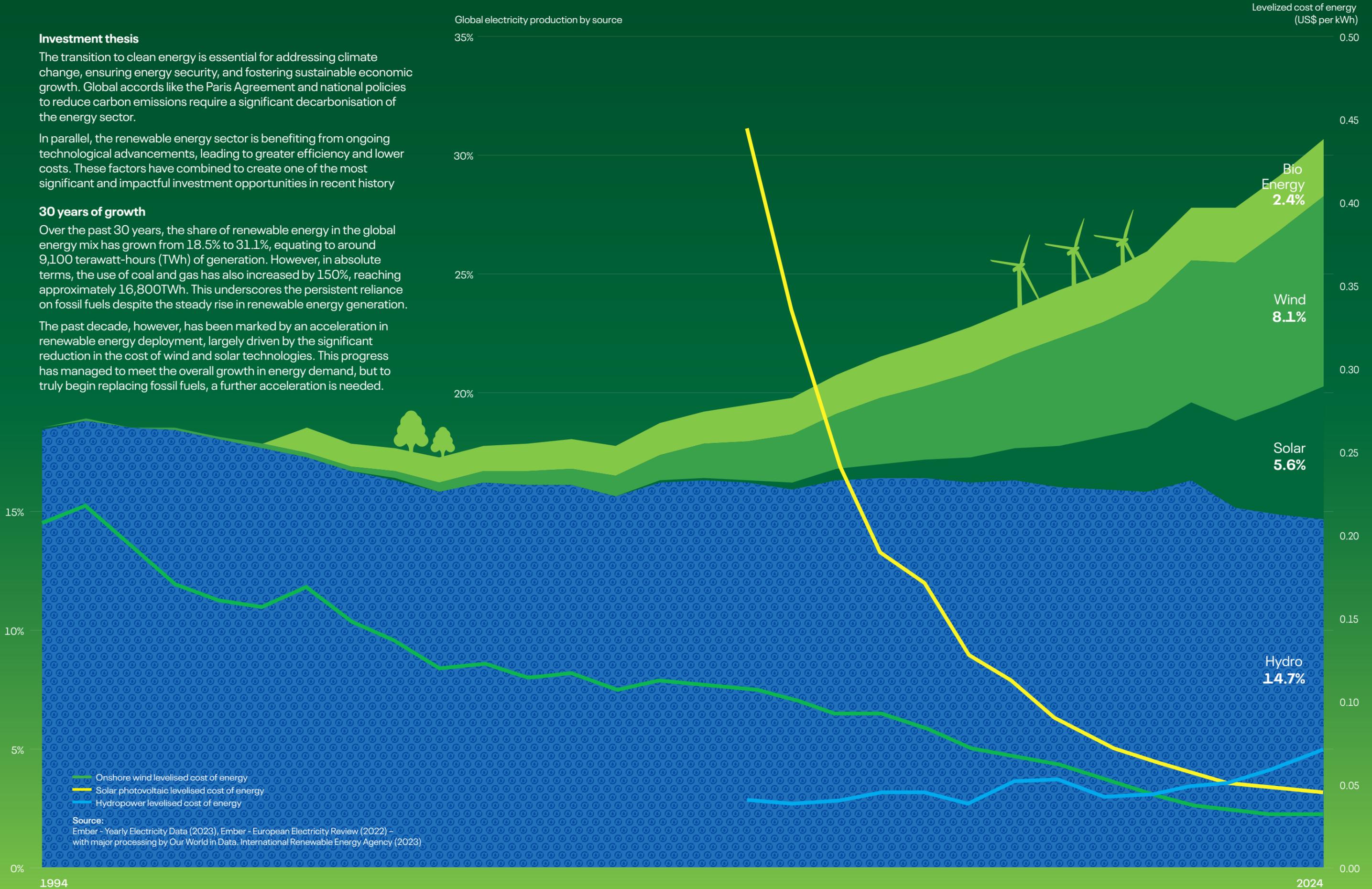
The transition to clean energy is essential for addressing climate change, ensuring energy security, and fostering sustainable economic growth. Global accords like the Paris Agreement and national policies to reduce carbon emissions require a significant decarbonisation of the energy sector.

In parallel, the renewable energy sector is benefiting from ongoing technological advancements, leading to greater efficiency and lower costs. These factors have combined to create one of the most significant and impactful investment opportunities in recent history

30 years of growth

Over the past 30 years, the share of renewable energy in the global energy mix has grown from 18.5% to 31.1%, equating to around 9,100 terawatt-hours (TWh) of generation. However, in absolute terms, the use of coal and gas has also increased by 150%, reaching approximately 16,800TWh. This underscores the persistent reliance on fossil fuels despite the steady rise in renewable energy generation.

The past decade, however, has been marked by an acceleration in renewable energy deployment, largely driven by the significant reduction in the cost of wind and solar technologies. This progress has managed to meet the overall growth in energy demand, but to truly begin replacing fossil fuels, a further acceleration is needed.



Longroad continues to make good progress towards its ambition of developing and owning a 9.5GW operating portfolio of assets and achieving run-rate operating company EBITDA of US\$600 million by 2027. In the current year this has seen the business add over 1GW of capacity to its operating and under-construction fleet.

The thesis for Longroad’s strategic shift towards the accumulation of operating assets and building scale continues to hold. Benefits include improved purchasing power and capacity for solar panels, battery cells, and other long lead time items such as main power transformers; the ability to originate and maintain a larger development pipeline, which provides valuable optionality; the ability to execute on attractive acquisition opportunities, strategically supplementing its portfolio; and an enhanced ability to raise financing on favourable terms, such as the US\$600 million debt facility it raised this year that will be used to further expand Longroad’s asset base.

Leveraging its strong relationships with tier 1 contractors, Longroad is executing the largest construction programme in the company’s history, with 2.4GW of assets under construction during the year across nine projects and five States. Longroad achieved commercial operation on 515MW of projects and completed restoration works at Prospero 1 and Prospero 2 following the damage caused by hail events in Texas during 2022.

Longroad also achieved financial close and began construction on two of its largest projects ever – Sun Streams 4, a 377MW solar and 300MW/1200MWh storage project located in Maricopa County, Arizona; and Serrano, a 220MW solar and 214MW/855MWh storage project in Pinal and Pinal Counties, Arizona. These two projects are estimated to produce enough energy to power over 180,000 North American homes, with their outputs purchased by Arizona Public Service via 20-year power purchase agreements. Both projects will help to support system reliability in Arizona, particularly during Arizona’s hot summer months.

To provide a sense of the magnitude of these projects, when complete, the Sun Streams 4 project will house almost 800,000 solar panels covering over 3,100 acres.

In a North American context this is approximately 3.6 times the size of Central Park, or closer to home, approximately 1,000 rugby fields.

Longroad ended its financial year 5% ahead of plan, which was led by outperformance at Prospero 1 and 2 due to the projects’ merchant revenue exposure (which is energy sold on-market, as opposed to being sold under a Power Purchase Agreement (‘PPA’)). The projects experienced favourable merchant pricing due to the Texas summer heatwaves driving an increased energy demand. Longroad’s success to date has been underpinned by a disciplined focus on building a targeted pipeline of quality projects and more recently growing operating capacity. The company thoughtfully selects projects from the pipeline as market conditions and demand dictates, an approach which has been rewarded by the financing markets with continued access to capital on favourable terms.

Infratil

37.3%

New Zealand Superannuation Fund 37.3%
Longroad Energy Management 14.0%
MEAG 11.4%



The switchyard and battery installation at the Sun Streams 4 solar farm, Arizona

28.2GW

Development pipeline

3.5GW

Owned generation

1.8GW

Under construction

Longroad has over 17GW of projects under active development to reach financial close over the next four years, providing 2.8x coverage over its 1.5GW per annum target, with another 11.5GW in the pipeline for subsequent years. In order to achieve its target, Longroad is estimated to require US\$8 billion of capital (US\$2 billion each year to construct 1.5GW per annum) through 2027, including tax equity, project finance, and US\$1 billion of equity from shareholders. With US\$600 million of new debt facilities and the recent equity commitment from existing investors (including US\$65 million from Infratil), the business is expected to have sufficient capital to fund the equity need until mid-2025.

In a challenging market environment (with inflationary pressures, high interest rates, a tight engineering, procurement and construction market, and uncertain political outlook)

Longroad remains optimally positioned as a highly experienced, well-capitalised, and scaled developer to continue executing on its growth plan.

Some of those pressures are already starting to ease, with inflation and the cost of key materials starting to normalise to pre-Covid levels, PPA prices remaining elastic, and Internal Revenue Service ('IRS') draft guidance being issued on several Inflation Reduction Act ('IRA') provisions, including on energy communities and transferability.

There is some risk to the IRA from the upcoming 2024 U.S. Presidential Election, in particular if Republicans were to win a trifecta of the presidency, House and Senate. However, while Republicans did not support the IRA passing, there is no history of retrospective change or repeal of tax credits in the United States. Reversing the IRA would also disrupt tangible investments in communities by companies that constituents can see.

More than 80% of the investment in large-scale clean energy and semiconductor manufacturing pledged since the passage of the IRA and the Chips and Science Act will go to Republican congressional districts. Even if Republicans controlled the Federal government, many in the party may view reversing the IRA as too politically risky.

There is risk that a new Administration could impact the implementation of the IRA, for example, by changing IRS guidance related to IRA provisions such as the additional 10% domestic content tax credit, especially to the extent that this has not yet been finalised. However, we see this risk as limited, given it would directly oppose growth in domestic manufacturing, which has historically garnered strong Republican support.

Regardless of what the election outcome is, base level of Federal tax incentives (i.e., 30% Investment Tax Credits) that existed before the IRA and State-level programmes such as Renewable Portfolio Standards and Clean Energy Standards are expected to remain. Additionally, with demand for electricity on the rise in the United States, including growing demand for renewable energy from corporates with sustainability goals, higher PPA prices are emerging, which could mitigate any adverse impact to tax credit economics under a new Administration.



The 243MW El Campo wind farm, Texas

12.5GW

Development pipeline

940MW

Projects sold

Galileo continues to build-out a high-quality team while extending its project pipeline, which increased by 3GW during the year, reaching 12.5GW of dedicated projects.

During the year Galileo has successfully sold its first projects, a pipeline of 800MW of projects from a joint venture in Northern Europe and 140MW of projects in Italy from its own pipeline. Separately, Galileo has signed an agreement to sell its shareholding in Enviria, a leading solar PV rooftop business in the Industrial and Commercial market in Germany. All three transactions were undertaken with major international investors active in the energy transition sector.

Growth in the European energy market continues to be driven by a strong need to decarbonise against a backdrop of the recent energy crisis and lasting energy security concerns. Under its Renewable Energy Directive, the European Union ('EU') has set critical 2030 decarbonisation targets, including a 42.5% share of renewable power in the energy mix and a 55% reduction in total emissions.

To achieve these targets, the EU will require a growth rate of capacity additions for wind and solar PV in the order of 100GW per year.

There is strong political and regulatory support across Europe to meet these ambitious targets, and demand for green energy solutions from customers is increasing in parallel.

Galileo's origination expertise as well as development and delivery capabilities in this dynamic European energy market are highlighted by a number of notable achievements over the last 12 months.

In Italy, Galileo signed an agreement with GreenIT, the joint venture between Plenitude, and the governmental equity investor CDP, providing access to a well-diversified solar PV pipeline of 140MW. Separately, Galileo and its Italian wind development partner, Hope, continued to progress two advanced floating offshore wind projects in the Adriatic Sea with a combined capacity of 1.6GW.

In the joint venture Source Galileo, the focus on offshore wind development has been underpinned by the entry of new partners supporting an increasing pipeline of project initiatives in Ireland, Norway and the United Kingdom. Partnerships have been developed across each of these markets with leading players, including; Odfjell, a Norwegian offshore specialist, Kansai, a leading Japanese utility and Ingka, the global financial investment arm of IKEA.

In Germany, Galileo signed an agreement with Blackrock, for the sale of its shareholding in Enviria, the most advanced developer and operator in the solar PV rooftop market for Industrial and Commercial businesses. Enviria and Galileo will continue to build out their partnership concentrating on ground-mounted utility-scale projects for solar PV and storage solutions.

The joint venture Galileo Empower has made substantial progress in terms of market coverage, reaching six European markets for onshore wind, solar PV and storage projects. The pipeline of projects in an advanced permitting phase rose to 4GW and the headcount of the JV was increased to over 50 people.

In the corporate power purchase agreement ('PPA') market, Galileo has recently signed separate PPAs with two blue-chip corporates, covering a total of approximately 140GWh of annual production from solar PV plants in Italy. Both agreements testify the growing interest and demand for decarbonised energy solutions by large corporates.

As custodians of multi-generational renewable energy infrastructure across 25 hydro power schemes, Manawa Energy has a unique connection to the communities it serves. This year, its focus has been on operating these assets efficiently, investing in a significant refurbishment and upgrade programme and laying the foundations for future growth.

Manawa's financial results for FY2024 reflect a year of solid performance. Total generation of 1,901GWh was broadly consistent with the previous year's 1,917GWh, despite a larger planned outage programme. EBITDAF from continuing operations stood at \$145 million, up from \$137 million in the prior year. These results demonstrate an impressive ability to maintain operational efficiency and reliability while supporting a robust asset investment programme.

Following the sale of the Trustpower retail business the strategic shift to operating as an Independent Power Producer has provided a clear focus, enabling Manawa to concentrate its efforts on the goal of supporting and enhancing New Zealand's energy system.

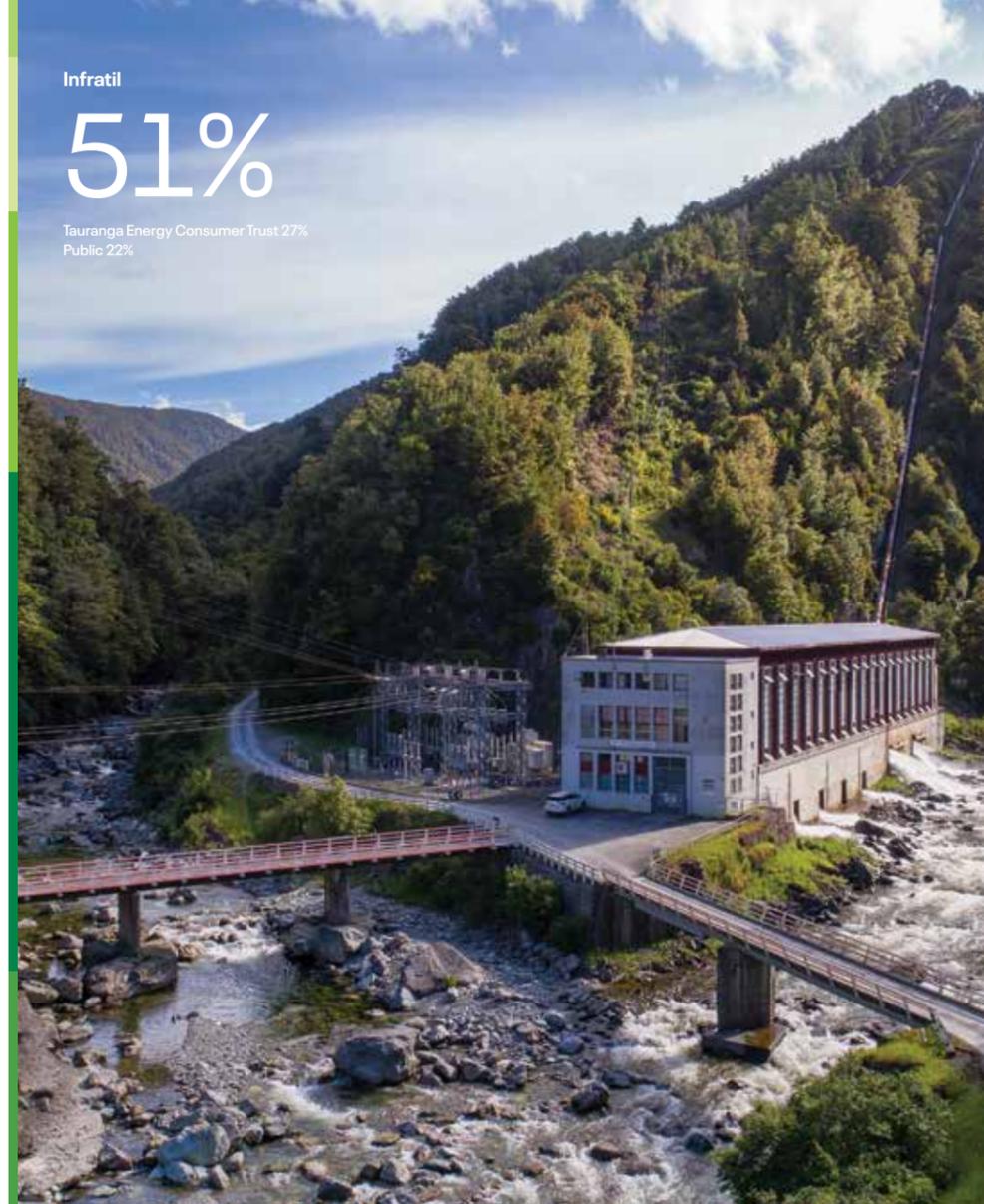
During the year Manawa revised its ten-year asset management plan, helping to prioritise where to focus its effort for the greatest impact across such a diverse portfolio of assets.

The revised plan will see \$250 million invested across a 10-year period from FY2023 to FY2032. This includes significant refurbishments and upgrades that will provide revenue protection, increased reliability, greater resilience and production uplifts.

At the Branch hydroelectric scheme, the completion of the intake enhancement project during the year has led to a 10GWh annual uplift in power generation. Meanwhile, significant maintenance work at the Waipori hydroelectric scheme, including the replacement of the generator at 3 Station, has bolstered operational efficiency. The first of two turbine replacements at the Matahina hydroelectric scheme is also nearing completion, with commissioning scheduled for Q1 FY2025, providing an additional 12GWh annual generation capacity.

Manawa Energy's role in the energy market extends beyond generation. The majority of its production volume is currently contracted to Mercury Energy, with these commitments stepping down from October 2024. This provides an opportunity to carefully consider its future energy contracting strategy, and during the year, discussions have commenced with several parties interested in long-term offtake from both the existing and future portfolios.

In addition to maximising the value of its existing assets, Manawa is continuing to expand its development pipeline. During the year, Manawa made significant strides in securing additional development options, moving them toward 'investment ready' status. This included obtaining a resource consent for the Southern area of the Argyle Solar Farm project, located near the Branch River hydro scheme, and progressing two large-scale wind farm developments toward resource consent lodgment in the upcoming financial year.



Cobb Power Station, Nelson

1,255MW

Development pipeline

510MW

Owned generation

1,950GWh

Average annual generation

The Argyle Solar Farm in Marlborough's Wairau Valley is designed to leverage Manawa's existing infrastructure at the Branch River hydroelectric power scheme. The proposed project covers 174 hectares with 135,000 solar panels. Consent for the southern area was granted in December 2023, allowing for 28MWac from approximately 60,000 solar panels located adjacent to the Argyle Power Station. The northern area, expected to generate about 37MWac from 75,000 solar panels, is next to the Wairau Power Station, with consent lodged in April 2024.

This project benefits from the natural synergies between hydro and solar assets, enabling flexible responses to demand through intra-day hydro peaking capabilities and offering operational efficiencies and cost savings due to shared infrastructure. A final investment decision is expected in FY2025.

The Kaihiku Wind Farm project is a planned 300MW development in partnership with Alexandra-based Pioneer Energy, a community energy company owned by the Central Lakes Trust. The partnership combines Pioneer's extensive local knowledge with Manawa Energy's large-scale wind development expertise to deliver a project with strong community ties and local support.

Spanning approximately 2,000 hectares within the Balclutha District, Kaihiku is positioned in a prime location for wind energy generation, benefiting from a robust wind resource and convenient access to the national grid, with lines running through the heart of the site. It is estimated to generate enough electricity to power about 135,000 homes each year. The projected capital cost for the build ranges between \$750 million and \$1 billion, reflecting the scale of this ambitious project.

These projects are just two of nine solar and wind initiatives in Manawa's development pipeline, totaling 1,255MW of capacity. Furthermore, more than 500MW of additional wind and solar opportunities are currently in advanced stages of negotiation.

The energy transition is one of the most significant challenges facing the sector globally, necessitating careful planning across the energy sector to ensure the best outcomes. It involves a concerted effort to invest in core infrastructure throughout the supply chain—from generation and transmission to distribution networks—to ensure a resilient, secure, and affordable energy system.

In a New Zealand context, it is crucial that the policy environment acknowledges the value of existing assets and eliminates barriers to efficient development and deployment of new projects. If implemented effectively, the proposed resource management reforms offer a positive outlook, with the potential to protect the value of hydro assets and streamline the consenting process for new renewable energy projects.

The Asia Pacific region is vulnerable to the impacts of climate change due to its exposed and densely populated coastal areas as well as its heavy dependence on agriculture for food sources.

Accelerating the energy transition then becomes more crucial each year, and it is estimated that an annual investment into clean energy of US\$150 billion is needed in the next six years for the countries in ASEAN to be on track to meet their targets. The transition to renewable energy is challenging, especially for emerging economies like the Philippines, Indonesia, and Thailand, who are still highly dependent on fossil fuels. Governments cannot afford the infrastructure required for a rapid and responsible transition without cutting their fossil fuel subsidies.

Private investments will be invaluable, and there continues to be a rally for foreign investment through policy advocacy, sectoral reform, new technologies, and green financing. However, loss of revenue from curtailment and grid congestion remain pressing concerns for investors into the region. Nevertheless, climate change knows no borders, and so collaboration is required from better-adapted and developed countries in and around the region to deliver the desired outcomes.

Gurin sits at the heart of this drive. After an intense period of growth, Gurin ended the year with 6.7GW of pipeline projects under development, and over 60 people in its team.

In September 2023, Gurin received conditional approval on its bid to import 300MW of non-intermittent, low-carbon power into Singapore.

The conditional approval was one of five announced jointly by the Indonesian and Singapore governments to establish a green electricity trading corridor between the two countries.

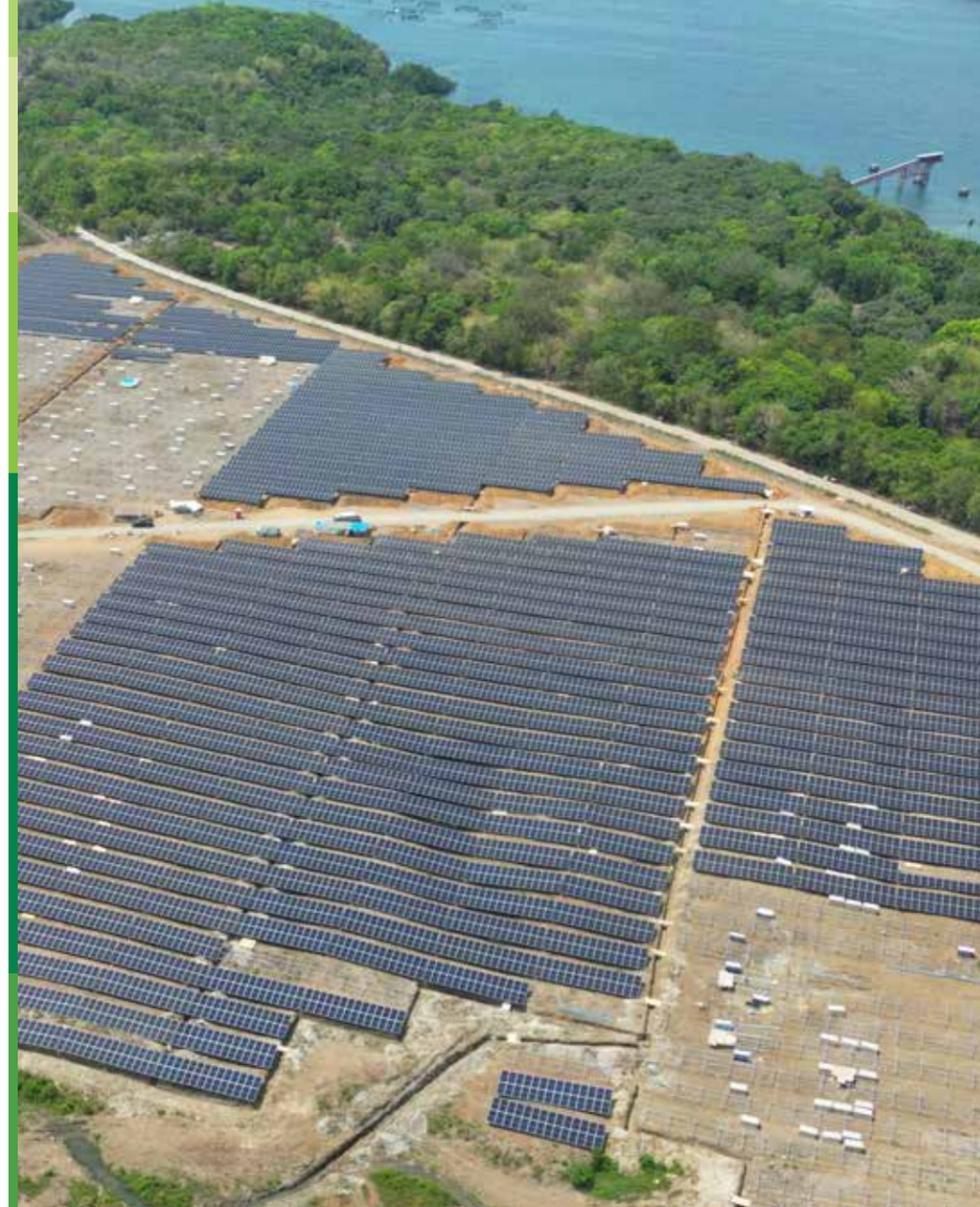
The groundbreaking project referred to as Vanda is planned on the Riau Islands, a province of Indonesia, and will be underpinned by 2,000MW of solar photovoltaic installed capacity and 4,400MWh of battery storage, one of the largest such planned projects in the world.

The next steps involve completing marine surveys on the proposed routes for the subsea power cables and supporting the efforts of the relevant suppliers on their development of photovoltaic and energy storage manufacturing plants in Indonesia.

Gurin announced its entry into the Japanese storage market in December 2023, unveiling plans to build a site with an output of 500MW and a storage capacity of 2GW hours. A Japanese subsidiary has been established to support Gurin's growth ambitions in the country, and a team on the ground is being built up.

In the Philippines, construction is underway on the 75MW Palauig Solar Power Plant in Zambales Province. The 80-hectare solar farm will deploy up to 136,363 ground-mounted, energy efficient solar photovoltaic panels and will be the first project to reach commercial operations for Gurin. A second 39MW project in the Philippines reached final investment decision in April 2024, and is expected to commence construction shortly.

Project development continues at pace in Japan, South Korea and Thailand, and opportunities to expand the pipeline are significant in all of Gurin Energy's markets.



The 75MW Palauig Solar Power Plant under construction in the Philippines

Infratil

95%

Management 5%

6.7GW

Development pipeline

114MW

Under construction

Infratil

73%

Commonwealth Superannuation Corporation 27%

2.25GW

Development pipeline

Mint has made an impressive start in its first full year of operations, assembling a team of highly experienced and respected development professionals and expanding its project pipeline at a rapid pace.

In its home market, the Australian Government is committed to accelerating the transition to net zero, having enacted legislation to reduce greenhouse gas emissions by 43% from 2005 levels by 2030 and to achieve net zero by 2050.

Despite this strong political commitment, replacing an aging coal fleet, which still accounts for over 60% of Australia's energy generation, with renewable sources is a monumental challenge. This transition requires significant growth in transmission infrastructure, as well as new technologies such as battery storage and hydrogen.

The team at Mint is actively contributing to this significant task, with their greenfield-sourced pipeline now exceeding 2.25GW – an impressive feat considering this is only their first full year of operations.

While Australia has a clear agenda to decarbonise, complexities in building large-scale projects, particularly related to grid infrastructure and access, remain a significant obstacle.

The Australian renewables market is characterised by strong demand for assets at all maturity levels, attracting investors eager to contribute to Australia's transition to clean energy.

This robust demand can make growth through mergers and acquisitions challenging for a disciplined team like Mint's, but it also creates opportunities for building a highly desirable pipeline with options for future growth. Mint's focus on greenfield opportunities is proving effective, with development projects pursued both directly and through Joint Development Agreements with well-respected third parties.

Mint's pipeline now spans Victoria, New South Wales, Queensland, and Western Australia, providing high optionality and enabling the team to respond quickly to emerging opportunities in the dynamic Australian market.

As the pipeline has matured into concrete opportunities, Mint has begun consulting with local stakeholders about the projects their communities might host and the role these projects could play in advancing Australia's decarbonisation. Community concerns are common in all forms of development, including renewable and battery storage projects. Handling these concerns with empathy and open communication is crucial. Mint's team actively engages in extensive consultations, providing community members with opportunities to understand potential impacts and how their community can contribute to Australia's sustainability goals.

One such project is the development of a Battery Energy Storage System ('BESS') adjacent to the existing Dederang Terminal Station in Victoria. Targeting a nominal installed capacity of 400MWh with an indicative development footprint of approximately 4 hectares, the final size of the project will be highly dependent on the environmental constraints of the site (as well as the final selected BESS model).

Throughout the year, Mint's team has grown from seven to fifteen as activity has increased. As the pipeline matures, the demand for specialised skills continues to grow, and the team has been successful in attracting top talent from the Australian market.

Investment thesis

Healthcare is a critical service globally, and diagnostic imaging is playing an increasingly important role in preventative care. Enabling early diagnosis reduces the dependence on expensive acute care, leading to a more efficient healthcare system. This shift towards value-based care benefits both patients and healthcare providers by improving health outcomes while simultaneously lowering overall costs.

The demand for diagnostic imaging is also being driven by demographic changes, particularly as the population ages. This underscores the growing need for early detection and preventative healthcare, reinforcing the importance of diagnostic imaging as an idea that matters

30 years of growth

Over the past 30 years, the proportion of Australians aged 65 and older has risen from 11.8% to 16.6%, representing 4.5 million Australians. This demographic shift is expected to continue, with projections indicating that by 2040, nearly 19% of Australians will be over the age of 65, necessitating a greater demand for age-specific services.

During the same period, the annual number of medical imaging scans has soared from fewer than 10 million in 1994, primarily x-rays, to over 30 million last year. While traditional forms of imaging have remained relatively stable, much of this growth has come from increased use of ultrasound, and more recently, advanced high-modality techniques focused on preventative care. This trend underscores the changing landscape of healthcare, with greater emphasis on early diagnosis and proactive management of health conditions.



Source:
Australian Institute of Health and Welfare.
Australian Medicare Group Reports

With Covid disruptions, lockdowns, and mandatory isolation periods now largely behind us, New Zealand's healthcare system and referral pathways are showing clear signs of recovery. Supported by strong industry fundamentals and new clinic openings, RHCNZ has delivered a strong financial result for the year with underlying scan volumes up 3.7% to over 1 million, and revenue up 10.4% to \$340.6 million.

One of the Group's key strategic priorities is being the first choice for referrers and patients and enhancing medical imaging access to all New Zealanders. RHCNZ's commitment to this strategy was enhanced further during the year as a result of ongoing geographic expansion - with new clinics opening in Papamoa, offering both high-tech (MRI and CT) and low-tech modalities (X-ray and ultrasound); and Whangarei, offering a full suite of modalities; and with expansions to existing services in Invercargill and Paraparaumu to add new state-of-the-art high-tech machines and modalities.

The new Whangarei clinic (ARG Te Tai Tokerau Radiology) was officially opened by Hon. Dr Shane Reti, Minister of Health in March and is notable for introducing the first provincial PET-CT machine in New Zealand, revolutionising cancer diagnosis and therapeutics access for Northland communities and saving patients from having to travel to Auckland to receive this essential service. In addition to the added convenience for patients, they will also have the benefit of lower wait-times for scans and faster diagnostic results, which in turn helps their leading care specialist to provide more timely and accurate treatment plans.

With the new clinic additions and expansions, RHCNZ now has a presence across the entire length of the country. Under three well-recognised brands - Auckland Radiology, Bay Radiology, and Pacific Radiology - the Group operates with a network of 72 clinics, a specialist team of 163 radiologists, over 1,300 staff, a full suite of diagnostic imaging modalities, and a 24/7 teleradiology service offering.

RHCNZ also has significant future capability planned in strategic locations - including Waikato (with two new clinics opening in April 2024), Whanganui, and new flagship sites currently under development in Dunedin, Auckland, and Tauranga.

These new flagship sites will all include PET-CT machines, doubling the Group's PET-CT capacity across the country and further improving patient access to this life-saving technology.

Scale also allows the RHCNZ Group to meaningfully invest in new cutting-edge technologies, such as streamlined online booking systems, workflow automation tools to improve clinical and diagnostic efficiency, and AI modules - a few of which the Group is trialling now; as well as research and innovation to ensure New Zealanders will continue to receive globally leading imaging services.



ARG Te Tai Tokerau Radiology, Whangarei, opened in January 2024

Infratil
50.3%
Doctors and Management 49.7%

72

Clinics

1.0

Million scans performed

787,000

Patients seen

These initiatives, in addition to offering market-leading learning and development opportunities, and fostering a diverse and inclusive culture, enhance the employee value proposition and make RHCNZ a great place for employees to work and grow their careers.

As the new national healthcare system is rolled out, and the regional District Health Boards have been disestablished, we have seen more centralisation of functions and standardisation of agreements and relationships across the country. As the only truly nationwide player of significant scale, RHCNZ is well placed to become a national partner to the public health system and Health New Zealand Te Whatu Ora, as well as forming strategic relationships with other key funders.

Qscan has experienced solid improvement in both financial and operating performance in 2024, driven by a focus on operational efficiencies and technological initiatives, and aided by a continued recovery in radiology market growth. Key strategic priorities introduced throughout the year have put Qscan on a stronger operational footing than it was 12 months ago.

Qscan has continued to deliver exceptional services to patients and referrers across Australia. It's comprehensive suite of diagnostic imaging and interventional practices are offered through its expanding network of 77 clinics, 135 radiologists and over 1,357 employees. It has a diversified cohort of radiologists with a reputation for clinical excellence and deep sub-specialty expertise and utilises the latest information technology and state of the art medical imaging equipment.

As well as the appointment of Dr Gary Shepherd as Qscan's CEO in 2023, (previously Qscan's Chief Medical Officer), key initiatives throughout the year included the introduction of a locally led, centrally supported organisational structure. Under this structure Qscan regionalises responsibility for driving operating performance to the local level. This included the appointment of regional managing radiologists, regional operations managers and the development of detailed training guides and performance scorecards to monitor lead indicators of operational performance in each region. Another initiative included the establishment and initial rollout of a new Practitioner contract for engaging radiologists, ensuring incentives of doctors, management and shareholders are closely aligned.

Another key strategic initiative has been the development of a proprietary AI enabled radiologist reporting platform that is now operating across 85% of the group.

The Intelligent Worklist Orchestrator platform has already demonstrated significant improvements in radiologist productivity at initial rollout sites and is capable of facilitating the integration of further innovative IT applications going forward.

The diagnostic imaging market as a whole has seen a recovery in scan volumes over FY2024 with Qscan once again outperforming the market, reading a total of 1.46 million scans in FY2024, 5.8% growth on FY2023. Of these, 32% of scans were performed using high-modality imaging techniques (CT, MRI and PET).

While volume growth has experienced some recovery, substantial inflationary pressures and a shortage of radiologists has led to downward pressure on margins across the industry. While this has been slightly offset by an increase in Medicare indexation of 4.1%, the industry has seen a number of diagnostic imaging providers underperforming expectations. Despite the difficult environment, Qscan has achieved growth above or in line with the market over the course of FY2024.



Qscan Tweed City, opened in November 2023

Infratil

57.6%

Doctors and Management 28.0%
Morrison Growth Infrastructure Fund 14.4%

77

Clinics

1.5

Million scans performed

713,000

Patients seen

A focus on high value modalities, combined with investment in operational and technological initiatives has enabled continued growth in margins throughout 2024.

Qscan currently offers radiology and teleradiology capability across Queensland, New South Wales, South Australia, ACT, Tasmania and Western Australia. The business continues to assess new opportunities to drive growth, with increasing prioritisation towards brownfield and bespoke greenfield clinic development opportunities. 2024 saw the opening of three greenfield sites in Maroochydore, Newstead and Tweed as well as multiple brownfield expansions. Qscan is continuing to proactively identify attractive development opportunities in its core regions. Teleradiology also continues to represent an area of strategic focus, with the renegotiation and renewal of multiple hospital contracts contributing to increasing contribution from the teleradiology business in 2024.

While the current economic conditions still remain challenging, Qscan's strategic and operational initiatives implemented over the last year will set up the business to deliver on its growth ambitions and remains a leading provider of healthcare services nationally.

RetireAustralia had a record year in FY2024 with 408 resale settlements generating cash flows of A\$78 million combined with 146 new unit settlements, with first sale proceeds of A\$124 million.

The average resale value per unit increased to \$191k compared to \$154k in the prior year. This increase was reflective of a measured approach to price increases since FY2021, as well as benefiting from a positive location-based mix of units available to settle. This unit pricing growth is expected to continue into FY2025.

Strong demand is being experienced across the portfolio with waitlists in place for 24 of 29 villages and occupancy remaining high at 96.6%, compared to the industry benchmark of 89%.

Importantly, resident and home care customer satisfaction was extremely positive with 85% of residents saying they are satisfied or very satisfied with life in their village and 86% of home care customers saying they are satisfied or very satisfied with the Home Care Services they receive from RetireAustralia. Employee satisfaction remained stable and positive with 81% of employees saying they were satisfied or very satisfied with working at RetireAustralia. The strong satisfaction results are indicative of the shared vision and purpose, depth of expertise and resilience within the RetireAustralia team.

As a human services business, RetireAustralia firmly believes that a strong corporate culture and resident experience go hand in hand with financial excellence.

These sustained positive results are borne out of a deliberate approach to building culture and putting residents at the heart of decision making at RetireAustralia.

From a development perspective, 230 independent living apartments (ILAs) were completed across two projects - The Verge, Burleigh, Gold Coast and The Green, Tarragindi, Brisbane. Construction continues on 42 ILAs at Tarragal Glen on the New South Wales Central Coast.

The first 10 suite care hub at The Verge, Burleigh achieved practical completion in March 2024 and is due to open in May 2024. Care hubs are an innovative response to Australia's aging population offering higher acuity care from a 24/7 nurse-led team in a boutique homelike environment within the village. This means residents can stay within their community if their care needs advance beyond what can be offered in their homes.

RetireAustralia continued to extend its development pipeline during the year with a premium development site at Graceville in Brisbane, adding 101 ILAs and a 10-suite care hub to the pipeline.

Construction is due to complete on the 42 ILAs at Tarragal Glen on the New South Wales Central Coast in FY2025, with construction due to commence, subject to final feasibility approval, on two additional projects at Carlyle Gardens, Bargara in Queensland (32 ILUs) and Arcadia, Yeronga in Brisbane (177 ILAs).



The Green, Tarragindi Retirement Village in Brisbane, opened in November 2023

Infratil

50%

New Zealand Superannuation Fund 50%

29

Villages

5,442

Residents

The outlook for FY2025 is for continued growth with total settlements of 500 - 550 forecast, including 90 - 110 new developments with strong levels of deposits on hand.

In the current landscape, the gearing and elevated levels of debt at some of RetireAustralia's peers have been a concern for investors. By comparison, RetireAustralia maintains a relatively low level of debt and a gearing ratio of just under 20%. This approach positions RetireAustralia favorably when assessing the cadence of its own development plans, while also reducing its interest rate exposure at a time of elevated interest rates.

Looking ahead the nationwide focus on the impacts of Australia's aging population bodes well for the retirement living sector. For operators like RetireAustralia that are leading the way in finding commercially viable solutions to offer Australian seniors' choice in quality independent living with a continuum of care.

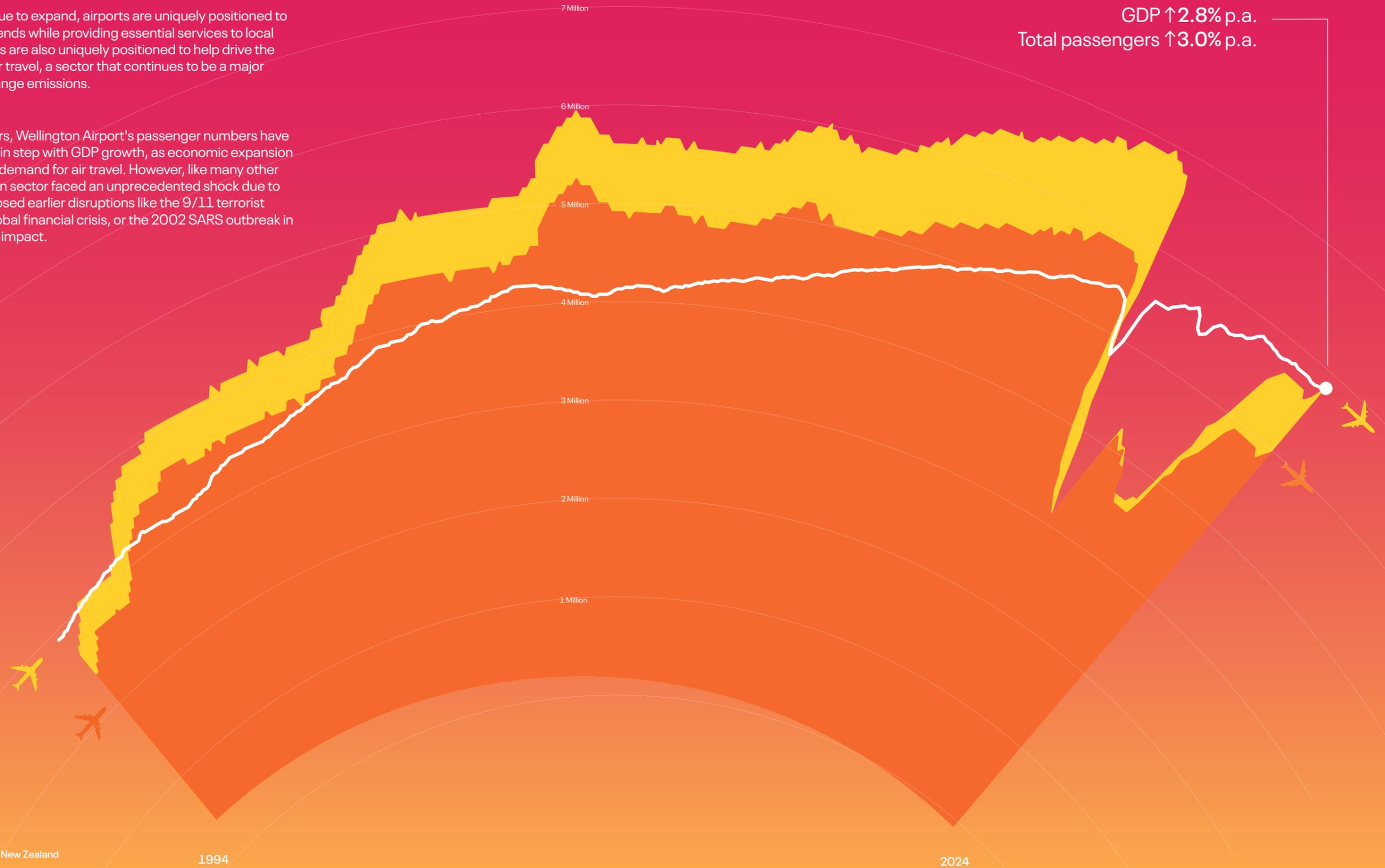
Investment thesis

Airports play a critical role in global transportation, serving as gateways for travel, trade, and economic activity. Demand for air travel is driven by a range of factors such as population growth, rising disposable incomes, globalisation, and the increasing integration of international markets.

As economies continue to expand, airports are uniquely positioned to benefit from these trends while providing essential services to local communities. Airports are also uniquely positioned to help drive the decarbonisation of air travel, a sector that continues to be a major source of climate change emissions.

30 years of growth

Over the past 30 years, Wellington Airport's passenger numbers have steadily risen, largely in step with GDP growth, as economic expansion has driven increased demand for air travel. However, like many other industries, the aviation sector faced an unprecedented shock due to Covid-19, which eclipsed earlier disruptions like the 9/11 terrorist attacks, the 2008 global financial crisis, or the 2002 SARS outbreak in terms of severity and impact.



Wellington Airport experienced a year of robust growth and sustained recovery, with passenger numbers recovering well and earnings surpassing pre-Covid levels.

Over the year the airport hosted 5.5 million passengers, nearly 200,000 more than the previous year. This rebound reflects a broader trend of renewed interest in travel and a signal that the aviation industry is steadily moving beyond the disruptions caused by the Covid-19 pandemic. This momentum has also translated into a significant increase in earnings, with EBITDAF reaching \$107.1 million, a 19.5% increase from the previous year (\$89.6 million) and back above pre-Covid levels (FY2020: \$103.2 million).

One of the key drivers of growth has been the resurgence in international travel, with passenger numbers increasing by 31% year-on-year.

All pre-Covid route pairs have been restored, with domestic passenger numbers at 90% of pre-Covid levels and international numbers at 80%. These figures are particularly encouraging, given the headwinds of high airfares, a slowing economy, and airline capacity constraints, in particular the Pratt and Whitney engine maintenance issues affecting Air New Zealand's A320/A321 fleet.

Qantas has emerged as Wellington's largest international airline, with a significant expansion in operations. The introduction of the Wellington-Brisbane route in October 2023 has been a success, prompting Qantas to upgrade to a larger B738 aircraft for the 2024/25 summer season. By the end of 2024, Qantas will offer 40% more seats than before the pandemic. Other airlines, such as Fiji Airways and Jetstar, have also expanded their seat offerings, with 81% more and 13% more seats flown, respectively, compared to pre-Covid levels.

The 2040 Masterplan continues to be the blueprint for the future development required to meet the expected increase in travel demand. The Airport's strategic location near Wellington's CBD requires efficient land use, prompting several projects to maximise space and expand where possible. Recent developments include the removal of the grassy hillock at the southern end of Stewart Duff Drive, creating an additional 10,000 square metres for a new ground services equipment workshop. The completion of the electric bus depot on the former Miramar South School site and the relocation of car parks to land acquired from Miramar Golf Club are also part of these ongoing initiatives.

Additionally, critical projects to enhance the Airport's resilience continue to progress, with a focus on sea defences and earthquake strengthening. The Southern Seawall project, designed to protect the runway from erosion and inundation, is central to the Airport's climate resilience strategy, especially given rising sea levels and increased storm frequency.

Wellington Airport has made notable strides in sustainability, aiming for net-zero emissions by 2030. The Airport is well on track to achieve this target by 2028, thanks to measures such as improving energy efficiency, transitioning to 100% renewable energy sources, and replacing its vehicle fleet with electric vehicles. The Airport has achieved Level 2 Certification from the Airport Carbon Accreditation programme, with comprehensive emissions mapping and reduction strategies in place. Its high ranking in a global sustainability assessment by GRESB, placed fifth among participating airports worldwide, underscores its commitment to environmental, social, and governance principles.



Infratil

66%

Wellington City Council 34%

5.5 million
Passengers

41,606
Aircraft landings

24
Departure destinations

Beyond its own emissions, Wellington Airport is actively involved in decarbonising air travel. The Airport has recently hosted a hydrogen trial and has been selected as the home base for Air New Zealand's electric demonstrator aircraft service, set to launch in 2026. These initiatives demonstrate the Airport's leadership in promoting a sustainable future for the aviation industry.

Our co-shareholder, the Wellington City Council ('WCC') recently concluded its public consultation on its proposal to sell its 34% shareholding in Wellington Airport. A final decision is expected by the end of June 2024 as part of the Council's Long-Term Plan. This development could impact the Airport's future direction, making it a process we are closely monitoring.

Having owned a majority stake in the Airport alongside WCC since 1998 we value their contribution and co-ownership extremely highly, and while our preference is that they remain a co-shareholder, their rationale for divesting their airport stake is sensible and considered given the challenges they currently face.

Irrespective of this, we remain dedicated to investing in and enhancing the Airport to best serve Wellington and central New Zealand, ensuring continued success and development for the region.

Financial Statements

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Consolidated Statement of Comprehensive Income

For the year ended 31 March 2024

	Notes	2024 \$Millions	2023 \$Millions
Operating revenue	10	2,995.2	1,191.7
Dividends		0.1	-
Total revenue		2,995.3	1,191.7
Share of earnings of associate companies	6	247.2	653.4
Total income		3,242.5	1,845.1
Depreciation	13, 15	405.7	102.5
Amortisation of intangibles	17	152.9	5.1
Employee benefits		588.2	374.9
Operating expenses	11	1,732.7	666.5
Total operating expenditure		2,879.5	1,149.0
Operating surplus before financing, derivatives, realisations and impairments		363.0	696.1
Net gain/(loss) on foreign exchange and derivatives		(56.4)	91.9
Revaluation adjustments of equity-accounted investment to fair value	8.1	1,075.0	-
Net realisations, revaluations and impairments		(76.3)	(17.1)
Interest income		47.8	22.0
Interest expense		414.5	188.8
Net financing expense		366.7	166.8
Net surplus before taxation		938.6	604.1
Taxation expense	12	93.1	42.5
Net surplus for the year from continuing operations		845.5	561.6
Net surplus/(loss) from discontinued operations after tax	9	(0.4)	330.1
Net surplus for the year		845.1	891.7
Net surplus attributable to owners of the Company		854.0	643.1
Net surplus attributable to non-controlling interests		(8.9)	248.6
Other comprehensive income, after tax			
<i>Items that will not be reclassified to profit and loss:</i>			
Fair value change of property, plant & equipment		70.9	65.4
Share of associates other comprehensive income		4.1	27.7
Fair value change of equity investments		(7.5)	(2.3)
Income tax effect of the above items		(12.7)	(5.3)
<i>Items that may subsequently be reclassified to profit and loss:</i>			
Differences arising on translation of foreign operations		73.6	(3.6)
Effective portion of changes in fair value of cash flow hedges		(43.4)	6.8
Income tax effect of the above items		8.7	(1.9)
Total other comprehensive income after tax		93.7	86.8
Total comprehensive income for the year		938.8	978.5
Total comprehensive income for the year attributable to owners of the Company		938.9	710.1
Total comprehensive income for the year attributable to non-controlling interests		(0.1)	268.4
Earnings per share			
Basic and diluted (cents per share) from continuing operations	4	102.6	43.2
Basic and diluted (cents per share)	4	102.6	88.8

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 March 2024

	Notes	2024 \$Millions	2023 \$Millions
Cash and cash equivalents	22.1	236.2	774.5
Trade and other accounts receivable and prepayments	22.1	472.6	148.9
Electricity market security deposits		30.0	45.8
Derivative financial instruments	22.4	116.3	25.3
Inventories		46.2	2.3
Income tax receivable		10.7	9.1
Assets held for sale	9	167.9	169.8
Current assets		1,079.9	1,175.7
Trade and other accounts receivable and prepayments	22.1	77.5	16.3
Property, plant and equipment	13	4,763.8	3,560.1
Investment properties	14	125.2	132.2
Right of use assets	15.1	1,094.9	161.2
Derivative financial instruments	22.4	77.4	206.9
Intangible assets	17	844.9	128.7
Goodwill	16	4,677.0	1,846.1
Investments in associates	6	2,905.0	2,388.9
Shareholder loans to associates	6	271.4	429.6
Other investments	7	192.9	142.6
Non-current assets		15,030.0	9,012.6
Total assets		16,109.9	10,188.3
Accounts payable, accruals and other liabilities		890.3	361.9
Interest bearing loans and borrowings	18	269.6	494.6
Lease liabilities	15.2	81.4	19.0
Derivative financial instruments	22.4	90.2	37.0
Income tax payable		2.1	5.7
Infratil Infrastructure bonds	19	156.1	122.0
Manawa Energy bonds	20	-	-
Wellington International Airport bonds	21	60.0	75.0
Liabilities directly associated with the assets held for sale	9	69.3	70.1
Current liabilities		1,619.0	1,185.3
Interest bearing loans and borrowings	18	2,869.3	305.3
Accounts payable, accruals and other liabilities		241.4	177.9
Lease liabilities	15.2	1,068.0	189.2
Deferred tax liability	12.3	432.0	253.7
Derivative financial instruments	22.4	59.4	79.5
Infratil Infrastructure bonds	19	1,076.9	957.4
Perpetual Infratil Infrastructure bonds	19	231.9	231.9
Manawa Energy bonds	20	372.7	372.0
Wellington International Airport bonds and senior notes	21	671.9	625.4
Non-current liabilities		7,023.5	3,192.3
Attributable to owners of the Company		5,919.0	4,208.1
Non-controlling interest in subsidiaries		1,548.4	1,602.6
Total equity		7,467.4	5,810.7
Total equity and liabilities		16,109.9	10,188.3

Approved on behalf of the Board on 20 May 2024



Alison Gerry
Director



Anne Urlwin
Director

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

	Notes	2024 \$Millions	2023 \$Millions
Cash flows from operating activities			
<i>Cash was provided from:</i>			
Receipts from customers		3,086.2	1,180.1
Distributions received from associates		43.2	167.7
Other dividends		0.5	0.6
Interest received		14.9	21.7
		3,144.8	1,370.1
<i>Cash was disbursed to:</i>			
Payments to suppliers and employees		(2,215.4)	(1,173.5)
Interest paid		(422.0)	(163.6)
Taxation paid		(49.6)	(47.4)
		(2,687.0)	(1,384.5)
Net cash inflow / (outflow) from operating activities	24	457.8	(14.4)
Cash flows from investing activities			
<i>Cash was provided from:</i>			
Capital returned from associates		15.3	748.4
Proceeds of shareholder (loan)		0.2	0.8
Proceeds from sale of subsidiaries (net of cash sold)		-	-
Proceeds from the sale of the Trustpower Retail business		-	462.5
Proceeds from sale of property, plant and equipment		13.3	0.8
Proceeds from sale of investment property		4.5	0.2
Proceeds from sale of investments		-	0.2
Return of security deposits		58.1	158.6
		91.4	1,371.5
<i>Cash was disbursed to:</i>			
Purchase of investments		(346.4)	(566.4)
Issue of loans		(2.4)	-
Lodgement of security deposits		(42.5)	(141.4)
Purchase of intangible assets		(80.1)	(2.7)
Purchase of other investments		(7.3)	-
Purchase of shares in subsidiaries, net of cash acquired		(1,823.1)	(39.2)
Purchase of property, plant and equipment		(436.5)	(137.4)
		(2,738.3)	(887.1)
Net cash inflow / (outflow) from investing activities		(2,646.9)	484.4
Cash flows from financing activities			
<i>Cash was provided from:</i>			
Proceeds from issue of shares		926.7	-
Proceeds from issue of shares to non-controlling interests		6.6	10.4
Bank borrowings		1,104.4	88.6
Issue of bonds		377.2	290.9
		2,415.0	389.9
<i>Cash was disbursed to:</i>			
Repayment of bank debt		(271.3)	(359.5)
Repayment of lease liabilities		(81.8)	(26.9)
Loan establishment costs		(14.6)	(8.6)
Repayment of bonds		(197.1)	(271.5)
Infrastructure bond issue expenses		(3.6)	(1.9)
Share buyback		(0.6)	-
Shares acquired from non-controlling shareholders in subsidiary companies		(8.0)	(10.0)
Dividends paid to non-controlling shareholders in subsidiary companies		(58.7)	(122.4)
Dividends paid to owners of the Company	3	(149.5)	(135.7)
		(785.3)	(936.5)
Net cash inflow / (outflow) from financing activities		1,629.7	(546.6)
Net increase / (decrease) in cash and cash equivalents		(559.4)	(76.6)
Foreign exchange gains / (losses) on cash and cash equivalents		(3.8)	-
Cash and cash equivalents at beginning of the year		774.5	851.0
Cash balances on acquisition		24.9	0.1
Cash and cash equivalents at end of the year		236.2	774.5

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2024

	Capital \$Millions	Revaluation reserve \$Millions	Foreign currency translation reserve \$Millions	Other reserves \$Millions	Retained earnings \$Millions	Total \$Millions	Non- controlling \$Millions	Total equity \$Millions
Balance as at 1 April 2023	1,057.3	622.0	(8.1)	2.3	2,534.6	4,208.1	1,602.6	5,810.7
Net surplus/(deficit) for the year	-	-	-	-	854.0	854.0	(8.9)	845.1
Other comprehensive income, after tax								
Fair value change of property, plant & equipment	-	38.4	-	-	-	38.4	19.8	58.2
Share of associates other comprehensive income	-	-	-	4.1	-	4.1	-	4.1
Fair value change of equity investments	-	-	-	(7.5)	-	(7.5)	-	(7.5)
Differences arising on translation of foreign operations	-	-	73.6	-	-	73.6	-	73.6
Effective portion of changes in fair value of cash flow hedges	-	-	-	(23.7)	-	(23.7)	(11.0)	(34.7)
Total other comprehensive income	-	38.4	73.6	(27.1)	-	84.9	8.8	93.7
Total comprehensive income for the year	-	38.4	73.6	(27.1)	854.0	938.9	(0.1)	938.8
Contributions by and distributions to non-controlling interest								
Distributions to outside equity interest in associates	-	-	-	(65.2)	-	(65.2)	-	(65.2)
Non-controlling interest arising on acquisition of subsidiary	-	-	-	-	-	-	4.5	4.5
Issue of shares to non-controlling interests	-	-	-	-	-	-	7.2	7.2
Issue/(acquisition) of shares held by outside equity interest	-	-	-	-	-	-	(6.8)	(6.8)
Total contributions by and distributions to non-controlling interest	-	-	-	(65.2)	-	(65.2)	4.9	(60.3)
Contributions by and distributions to owners								
Shares issued	979.9	-	-	-	-	979.9	-	979.9
Share buybacks	-	-	-	-	-	-	-	-
Shares issued under dividend reinvestment plan	6.7	-	-	-	-	6.7	-	6.7
Dividends to equity holders	-	-	-	-	(149.5)	(149.5)	(59.0)	(208.5)
Total contributions by and distributions to owners	986.6	-	-	-	(149.5)	837.1	(59.0)	778.1
Balance at 31 March 2024	2,043.9	660.4	65.5	(90.0)	3,239.1	5,919.0	1,548.4	7,467.4

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 March 2023

	Capital \$Millions	Revaluation reserve \$Millions	Foreign currency translation reserve \$Millions	Other reserves \$Millions	Retained earnings \$Millions	Total \$Millions	Non- controlling \$Millions	Total equity \$Millions
Balance as at 1 April 2022	1,057.3	576.9	(1.3)	53.8	2,027.2	3,713.9	1,426.8	5,140.7
Net surplus for the year	-	-	-	-	643.1	643.1	248.6	891.7
Other comprehensive income, after tax								
Fair value change of property, plant & equipment	-	45.1	-	-	-	45.1	15.0	60.1
Share of associates other comprehensive income	-	-	-	27.7	-	27.7	-	27.7
Fair value change of equity investments	-	-	-	(2.3)	-	(2.3)	-	(2.3)
Differences arising on translation of foreign operations	-	-	(6.8)	-	-	(6.8)	3.0	(3.8)
Effective portion of changes in fair value of cash flow hedges	-	-	-	3.3	-	3.3	1.8	5.1
Total other comprehensive income	-	45.1	(6.8)	28.7	-	67.0	19.8	86.8
Total comprehensive income for the year	-	45.1	(6.8)	28.7	643.1	710.1	268.4	978.5
Contributions by and distributions to non-controlling interest								
Distributions to outside equity interest in associates	-	-	-	(74.6)	-	(74.6)	-	(74.6)
Non-controlling interest arising on acquisition of subsidiary	-	-	-	-	-	-	13.5	13.5
Issue of shares to non-controlling interests	-	-	-	(4.5)	-	(4.5)	17.3	12.8
Issue/(acquisition) of shares held by outside equity interest	-	-	-	(1.1)	-	(1.1)	(1.0)	(2.1)
Total contributions by and distributions to non-controlling interest	-	-	-	(80.2)	-	(80.2)	29.8	(50.4)
Contributions by and distributions to owners								
Shares issued	-	-	-	-	-	-	-	-
Share buybacks	-	-	-	-	-	-	-	-
Shares issued under dividend reinvestment plan	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	(135.7)	(135.7)	(122.4)	(258.1)
Total contributions by and distributions to owners	-	-	-	-	(135.7)	(135.7)	(122.4)	(258.1)
Balance at 31 March 2023	1,057.3	622.0	(8.1)	2.3	2,534.6	4,208.1	1,602.6	5,810.7

The accompanying notes form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2024

(1) Accounting policies

(A) Reporting Entity

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

(B) Basis of preparation

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Principles ('NZ GAAP') and comply with New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS') and other applicable financial reporting standards as appropriate for profit-oriented entities. The consolidated financial statements comprise the Company, its subsidiaries and associates ('the Group'). The presentation currency used in the preparation of these consolidated financial statements is New Zealand dollars, which is also the Group's functional currency, and is presented in

\$Millions unless otherwise stated. The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. Comparative figures have been restated where appropriate to ensure consistency with the current period.

The consolidated financial statements comprise statements of the following: comprehensive income; financial position; changes in equity; cash flows; significant accounting policies; and the notes to those statements. The consolidated financial statements are prepared on the basis of historical cost, except certain property, plant and equipment which is valued in accordance with accounting policy (D), investment property valued in accordance with accounting policy (E), financial derivatives valued in accordance with accounting policy (K) and financial assets valued in accordance with accounting policy (R).

The Group owns and operates infrastructure businesses and investments in New Zealand, Australia, the United States, Asia, United Kingdom and Europe. Below is the basis of preparation for its investments across the portfolio.

	2024 Holding	2023 Holding	Basis of preparation	Principal activity
New Zealand				
ICN JV Investments Limited (One NZ)	99.9%	49.9%	Subsidiary - IFRS 10*	Telecommunications
Infratil Finance Limited	100%	100%	Subsidiary - IFRS 10	Financing company for the Group
Infratil Infrastructure Property Limited	100%	100%	Subsidiary - IFRS 10	Property
Mahi Tahi Towers Limited (Fortysouth)	20.0%	20.0%	Associate - IAS 28	Mobile Towers
Manawa Energy Limited	51.1%	51.1%	Subsidiary - IFRS 10	Renewable Energy
RHCNZ Group Limited	50.3%	50.1%	Subsidiary - IFRS 10	Diagnostic Imaging
Wellington International Airport Limited	66.0%	66.0%	Subsidiary - IFRS 10	Airport
Australia				
CDC Group Holdings Pty Ltd (CDC Data Centres)	48.2%	48.1%	Associate - IAS 28	Data Centres
Mint Renewables Limited	73.0%	73.0%	Subsidiary - IFRS 10	Renewable Energy
Qscan Group Holdings Newco Pty (Qscan Group)	57.6%	55.2%	Subsidiary - IFRS 10	Diagnostic Imaging
RA (Holdings) 2014 Pty Limited (RetireAustralia)	50.0%	50.0%	Associate - IAS 28	Retirement Living
Asia				
Gurīn Energy Pte. Limited	95.0%	95.0%	Subsidiary - IFRS 10	Renewable Energy
United States				
Clearvision Ventures			Fair Value - IFRS 9	Venture Capital
Longroad Energy Holdings, LLC	37.0%	37.1%	Associate - IAS 28	Renewable Energy
Europe				
Galileo Green Energy, GmbH	40.0%	40.0%	Associate - IAS 28	Renewable Energy
United Kingdom				
Kao Data Limited	52.8%	39.9%	Associate - IAS 28	Data Centres

* In the prior year, One NZ was equity-accounted for under IAS 28

Accounting estimates and judgements

The preparation of consolidated financial statements in conformity with NZ IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Future outcomes could differ from those estimates. The principal areas of judgement in preparing these consolidated financial statements are set out below.

Valuation of property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment losses, or at fair value less accumulated depreciation and impairment losses. Where property, plant and equipment is recorded at fair value, valuations can include an assessment of the net present value of the future earnings of the assets, the depreciated replacement cost, and other market-based information in accordance with asset valuation standards. The key inputs and assumptions that are used in valuations, that require judgement, can include projections of future revenues, volumes, operational and capital expenditure profiles, capacity, terminal values, the application of discount rates and replacement values. Key inputs and assumptions are reassessed at each balance date to ensure there has been no material change that may impact the valuation.

With respect to assets held at cost, judgements are made about whether costs incurred relate to bringing an asset to its working condition for its intended use, and therefore are appropriate for capitalisation as part of the cost of the asset. The determination of the appropriate life for a particular asset requires judgements about, among other factors, the expected future economic benefits of the asset and the likelihood of obsolescence.

Assessing whether an asset is impaired involves estimating the future cash flows that the asset is expected to generate. This will, in turn, involve a number of assumptions, including the assessment of the key inputs that impact the valuation.

Valuation of investments including Associates

Infratil completes an assessment of the carrying value of investments at least annually and considers objective evidence for impairment on each investment, taking into account observable data on the investment, the status or context of markets, its own view of fair value, and its long term investment intentions. Infratil notes the following matters which are specifically considered in terms of objective evidence of impairment of its investments, and whether there is a significant or prolonged decline from cost, which should be recorded as an impairment, and taken to profit and loss: any known loss events that have occurred since the initial recognition date of the investments, including its investment performance, its long term investment horizon, specific initiatives which reflect the strategic or influential nature of its existing investment position and internal valuations; and the state of markets. The assessment also requires judgements about the expected future performance and cash flows of the investment.

Derivatives

Certain derivatives are classified as financial assets or financial liabilities at fair value through profit or loss. The key assumptions and risk factors for these derivatives relate to energy price hedges and their valuation. Energy price hedges are valued with reference to financial models of future energy prices or market values for the relevant derivative. Accounting judgements have been made in determining hedge designation for the different types of derivatives employed by the Group to hedge risk exposures. Other derivatives including, interest rate instruments and foreign exchange contracts, are valued based on market information and prices.

(C) Basis of preparing consolidated financial statements

Principles of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated Group. A list of significant subsidiaries and associates is shown in Note 1. Consistent accounting policies are employed in the preparation and presentation of the Group consolidated financial statements.

(D) Property, plant and equipment

Property, plant and equipment ('PPE') is recorded at cost less accumulated depreciation and impairment losses, or at fair value less accumulated depreciation and impairment losses. Where property, plant and equipment is recorded at fair value, valuations are undertaken on a systematic basis. No individual asset is included at an independent external valuation undertaken more than five years previously. PPE that is revalued, is revalued to its fair value determined by an independent valuer or by the Directors with reference to independent experts, in accordance with NZ IAS 16 Property, Plant and Equipment. Where the assets are of a specialised nature and do not have observable market values in their existing use, depreciated replacement cost is used as the basis of the valuation. Depreciated replacement cost measures net current value as the most efficient, lowest cost which would replace existing assets and offer the same amount of utility in their present use. For non-specialised assets where there is no observable market an income-based approach is used.

Land, buildings, vehicles, plant and equipment, leasehold improvements and civil works are measured at fair value or cost.

Renewable generation assets are shown at fair value, based on periodic valuations by independent external valuers or by Directors with reference to independent experts, less subsequent depreciation.

Depreciation is provided on a straight line basis and the major depreciation periods (in years) are:

Buildings and civil works	2-120
Vehicles and plant and equipment	1-40
Renewable generation	12-200
Office and IT equipment	2-5
Leasehold improvements	4-40
Land	not depreciated
Capital work in progress	not depreciated until asset in use
Communication and network equipment	1-35

(E) Investment properties

Investment properties are property (either owned or leased) held to earn rental income. Investment properties are measured at fair value with any change therein recognised in profit or loss. Property that is being constructed for future use as investment property is measured at fair value and classified as investment properties. Where a leased property is held to earn rental income, the right of use asset is included within Investment properties.

(F) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for expected credit losses. The Group applies the simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables and contract assets. These provisions take into account known commercial factors impacting specific customer accounts, as well as the overall profile of the debtor portfolio. In assessing the provision, factors such as past collection history, the age of receivable balances, the level of activity in customer accounts, as well as general macro-economic trends, are also taken into account.

(G) Investments in associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Investments in associates are accounted for using the equity method. Under the equity method, the investment in the associate is carried at cost plus the Group's share of post-acquisition changes in the net assets of the associate and any impairment losses. The Group's share of the associates' post-acquisition profits or losses is recognised in profit or loss, and the Group's share of post-acquisition movements in reserves is recognised in other comprehensive income.

(H) Goodwill and intangible assets

Goodwill

The carrying value of goodwill is subject to an annual impairment test to ensure the carrying value does not exceed the recoverable amount at balance date. For the purpose of impairment testing, goodwill is allocated to the individual cash-generating units to which it relates. Any impairment losses are recognised in the statement of comprehensive income. In determining the recoverable amount of goodwill, fair value is assessed, including the use of valuation models to calculate the present value of expected future cash flows of the cash-generating units, and where available with reference to listed prices.

Intangible assets

Intangible assets include software, customer contracts, radio spectrum licences, fibre capacity agreements and brands.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives for current and comparative periods are as follows:

- Software: 3 - 7 years
- Customer contracts: 1-10 years
- Radio spectrum licences: 15 - 20 years
- Fibre capacity agreements: 15 - 20 years
- Indefeasible rights of use: 25 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Brand names

Brand names that are acquired as part of a business combination are recognised separately from goodwill and included in intangible assets. These assets are carried at their fair value at the date of acquisition less impairment losses. Brand names are valued using the relief from royalty method. Brand names are determined to have indefinite useful lives and therefore do not attract amortisation. Key factors taken into account in concluding this was the ongoing strong recognition of the brands, and the absence of any legal, technical or commercial factors indicating that a finite life would be more appropriate. However, some brands have definite useful lives and are amortised accordingly to their estimated useful life.

The carrying value of a brand is subject to an annual impairment test (with goodwill) to ensure the carrying value does not exceed the recoverable amount at balance date.

(I) Assets and disposal groups held for sale

Assets and disposal groups classified as held for sale are measured at the lower of carrying amount or fair value less costs to sell. Assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition and the sale of the asset (or disposal group) is expected to be completed within one year from the date of classification.

(J) Taxation

Income tax comprises both current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognised in respect of the differences between the carrying amounts of assets and liabilities for financial reporting purposes and the carrying amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, or there are deferred tax liabilities to offset it. Preparation of the consolidated financial statements requires estimates of the amount of tax that will ultimately be payable, the availability and recognition of losses to be carried forward and the amount of foreign tax credits that will be received.

(K) Derivative financial instruments

When appropriate, the Group enters into agreements to manage its interest rate, foreign exchange, operating and investment risks.

In accordance with the Group's risk management policies, the Group does not hold or issue derivative financial instruments for speculative purposes. However, certain derivatives do not qualify for hedge accounting and are required to be accounted for at fair value through profit or loss. Derivative financial instruments are recognised initially at fair value at the date they are entered into. Subsequent to initial recognition, derivative financial instruments are stated at fair value at each balance sheet date. The resulting gain or loss is recognised in the profit or loss immediately unless the derivative is designated effective as a hedging instrument, in which event, recognition of any resultant gain or loss depends on the nature of the hedging relationship. The Group identifies certain derivatives as hedges of highly probable forecast transactions to the extent the hedge meets the hedge designation tests.

Hedge accounting

The Group designates certain hedging instruments as either cash flow hedges or hedges of net investments in equity. At the inception of the hedge relationship the Group documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an on-going basis, the Group documents whether the hedging instrument that is used in the hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and presented in equity. The gain or loss relating to the ineffective portion is recognised in profit or loss. The amounts presented in equity are recognised in profit or loss in the periods when the hedged item is recognised in profit or loss.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss recognised in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in equity is recognised in profit or loss.

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised directly in equity, in the foreign currency translation reserve, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged net investment is disposed of, the cumulative amount in equity is transferred to profit or loss as an adjustment to the profit or loss on disposal.

(L) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on translation are recognised in profit or loss, except for differences arising on the translation of the net investment in a foreign operation.

Foreign operations

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated to New Zealand dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to New Zealand dollars at the average rate for the reporting period.

(M) Impairment of assets

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

(N) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. A description of the nature and timing of the various performance obligations in the Group's contracts with customers and when revenue is recognised is outlined at Note 10 (Revenue).

Interest revenues are recognised as accrued, taking into account the effective yield of the financial asset. Revenue from services is recognised in the profit or loss over the period of service. Dividend income is recognised when the right to receive the payment is established.

(O) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit or loss over the period of the borrowing using the effective interest rate. Bond and bank debt issue expenses, fees and other costs incurred in arranging finance are capitalised and amortised over the term of the relevant debt instrument or debt facility.

(P) Discontinued operations

Classification as a discontinued operation occurs on disposal, or when the operation meets the criteria to be classified as a non-current asset or disposal group held for sale (see paragraph (I)), and represents a separate major line of business or geographical area of operations. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

(Q) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Group is organised into nine main business segments, Manawa Energy, Mint Renewables, Wellington International Airport, Qscan Group, RHCNZ Medical Imaging, Gurin Energy, One NZ, Associate Companies and Other. Other comprises investment activity not included in the specific categories.

(R) Financial assets - available for sale

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(S) New standards, amendments and pronouncements not yet adopted by the Group

Pillar Two Model Rules initial assessment

The Group has adopted International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 that were approved by the New Zealand Accounting Standards in July 2023 and became effective 10 August 2023. The amendments provide a temporary mandatory exception from deferred tax accounting and requires new disclosures in the annual financial statements relating to the Pillar Two Model Rules. Infratil has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 with immediate effect. As no legislation to implement the Pillar Two Model Rules had been enacted or substantively enacted at 31 March 2023 in any jurisdiction in which the Group operates and, as such, no related deferred taxes were recognised at that date, the application of the exception has no impact on the Group's financial statements. Further information on the 31 March 2024 position is provided in note 12.

(2) Nature of business

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

More information on the individual businesses is contained in Note 5 (Operating segments) and Note 6 (Investments in associates) including the relative contributions to total revenue and expenses of the Group.

(3) Infratil shares and dividends

Ordinary shares (fully paid)	2024	2023
Total authorised and issued shares at the beginning of the year	723,983,582	723,983,582
Movements during the year:		
New shares issued	107,906,405	-
New shares issued under dividend reinvestment plan	677,644	-
Treasury stock reissued under dividend reinvestment plan	-	-
Share buyback	-	-
Total authorised and issued shares at the beginning of the year	832,567,631	723,983,582

During the period, the company issued 101.6 million new shares as part of an equity raise undertaken to partially fund the acquisition of 49.95% of One NZ (Note 8.1). Net proceeds from the raise (after transaction costs and foreign exchange movements of \$18.8 million) were \$916.1 million. Additionally, 6.3 million new shares were issued to pay \$60.0 million of incentive fees to Morrison as consideration for management services, as announced on 22 May 2023. All fully paid ordinary shares have equal voting rights and share equally in dividends and equity. At 31 March 2024 the Group held 1,662,617 shares as Treasury Stock (31 March 2023: 1,662,617).

Dividends paid on ordinary shares	2024 cents per share	2023 cents per share	2024 \$Millions	2023 \$Millions
Final dividend prior year	12.50	12.00	91.3	86.8
Interim dividend current year	7.00	6.75	58.2	48.9
Dividends paid on ordinary shares	19.50	18.75	149.5	135.7

(4) Earnings per share

	2024 \$Millions	2023 \$Millions
Net surplus from continuing operations attributable to ordinary shareholders	854.4	313.0
Basic and diluted earnings per share (cps) from continuing operations	105.6	43.2
Net surplus attributable to ordinary shareholders	854.0	643.1
Basic and diluted earnings per share (cps)	105.6	88.8
Weighted average number of ordinary shares		
Issued ordinary shares at 1 April	724.0	724.0
Effect of new shares issued	84.7	-
Effect of new shares issued under dividend reinvestment plan	0.2	-
Effect of Treasury stock reissued under dividend reinvestment plan	-	-
Effect of shares bought back	-	-
Weighted average number of ordinary shares at end of year	808.9	724.0

(5) Operating segments

Gurin Energy, Manawa Energy and Mint Renewables are renewable generation investments, Wellington International Airport is an airport investment, Qscan Group and RHCNZ Medical Imaging are diagnostic imaging investments and One NZ is a digital infrastructure investment. Infratil accounts for these companies as subsidiaries. Associates comprises Infratil's investments that are not consolidated for financial reporting purposes including CDC Data Centres, Fortysouth, Galileo, Kao Data, Longroad Energy and RetireAustralia. Further information on these investments is outlined in Note 6. During the period, Infratil increased its ownership in One NZ and the company is now consolidated for financial reporting purposes (Note 8.1). The Group's investment in the Trustpower Retail business, which was previously part of Manawa Energy, was treated as discontinued operations at 31 March 2023. All other segments and corporate predominately includes the activities of the Parent Company. The group has no significant reliance on any one customer. Inter-segment revenue primarily comprises dividends from portfolio companies to the Parent Company.

	Gurin Energy Asia New Zealand \$Millions	Manawa Energy New Zealand \$Millions	Mint Renewables Australia \$Millions	Wellington International Airport New Zealand \$Millions	Qscan Group Australia \$Millions	RHCNZ Medical Imaging New Zealand \$Millions	One NZ New Zealand \$Millions	Associates \$Millions	All other segments and corporate New Zealand \$Millions	Eliminations & discontinued operations \$Millions	Total \$Millions
For the year ended 31 March 2024											
Total revenue	0.1	472.7	0.1	159.2	317.8	340.6	1,681.6	-	138.6	(30.5)	3,080.2
Equity accounted earnings of associates	-	-	-	-	-	-	-	247.2	-	-	247.2
Inter-segment revenue	-	-	-	-	-	-	-	-	(84.9)	-	(84.9)
Total income	0.1	472.7	0.1	159.2	317.8	340.6	1,681.6	247.2	53.7	(30.5)	3,242.5
Depreciation	(0.7)	(19.5)	(0.2)	(29.9)	(33.6)	(23.9)	(297.9)	-	-	-	(405.7)
Amortisation of intangibles	-	(1.1)	-	-	(0.6)	(2.3)	(148.9)	-	-	-	(152.9)
Employee benefits	(13.8)	(34.2)	(3.5)	(16.0)	(172.0)	(168.6)	(179.7)	-	(0.4)	-	(588.2)
Other operating expenses	(9.4)	(294.1)	(5.9)	(59.4)	(72.5)	(56.7)	(1,003.9)	-	(169.4)	(61.4)	(1,732.7)
Total operating expenditure	(23.9)	(348.9)	(9.6)	(105.3)	(278.7)	(251.5)	(1,630.4)	-	(169.8)	(61.4)	(2,879.5)
Operating surplus before financing, derivatives, realisations and impairments	(23.8)	123.8	(9.5)	53.9	39.1	89.1	51.2	247.2	(116.1)	(91.9)	363.0
Net gain/(loss) on foreign exchange and derivatives	(0.4)	(46.1)	-	0.2	1.4	(9.5)	-	-	(2.1)	0.1	(56.4)
Revaluation adjustments of equity-accounted investment to fair value	-	-	-	-	-	-	-	-	1,075.0	-	1,075.0
Net realisations, revaluations and impairments	-	(1.6)	-	(2.0)	(61.9)	(0.3)	(4.8)	-	(5.7)	-	(76.3)
Interest income	0.3	-	0.1	1.8	0.8	1.2	35.0	-	9.6	(1.0)	47.8
Interest expense	(1.7)	(26.2)	-	(33.8)	(28.5)	(36.9)	(194.2)	-	(124.8)	31.6	(414.5)
Net financing expense	(1.4)	(26.2)	0.1	(32.0)	(27.7)	(35.7)	(159.2)	-	(115.2)	30.6	(366.7)
Net surplus/(loss) before taxation	(25.6)	49.9	(9.4)	20.1	(49.1)	43.6	(112.8)	247.2	835.9	(61.2)	938.6
Taxation expense	-	(25.3)	-	(49.1)	(4.3)	(14.5)	29.5	-	(29.4)	-	(93.1)
Net surplus/(loss) for the year	(25.6)	24.6	(9.4)	(29.0)	(53.4)	29.1	(83.3)	247.2	806.5	(61.2)	845.5
Net surplus/(loss) attributable to owners of the company	(23.4)	11.8	(6.8)	(19.0)	(30.9)	14.5	(84.1)	247.2	806.7	(61.5)	854.5
Net surplus/(loss) attributable to non-controlling interests	(2.2)	12.8	(2.6)	(10.0)	(22.5)	14.6	0.8	-	(0.2)	0.4	(8.9)
Current assets	58.0	224.7	2.5	110.2	67.8	36.7	378.1	-	37.7	164.2	1,079.9
Non-current assets	76.6	1,886.0	(6.8)	1,764.1	913.0	1,411.1	5,450.3	3,176.3	974.5	(615.1)	15,030.0
Current liabilities	45.3	201.2	2.7	119.1	78.2	66.2	524.2	-	559.4	22.7	1,619.0
Non-current liabilities	63.0	691.6	0.4	899.9	387.9	545.4	2,815.9	-	2,171.4	(552.0)	7,023.5
Net assets	26.3	1,217.9	(7.4)	855.3	514.7	836.2	2,488.3	3,176.3	(1,718.6)	78.4	7,467.4
Net debt	7.8	452.0	(1.9)	647.0	255.6	436.7	1,421.5	-	2,253.5	-	5,472.2
Non-controlling interest percentage	5.0%	48.9%	27.0%	34.0%	42.4%	49.7%	0.1%				
Capital expenditure and investments	63.1	65.7	1.5	64.0	28.1	51.8	267.6	311.4	18.8	-	872.0

	Gurin Energy Asia New Zealand \$Millions	Manawa Energy New Zealand \$Millions	Mint Renewables Australia \$Millions	Wellington International Airport New Zealand \$Millions	Qscan Group Australia \$Millions	RHCNZ Medical Imaging New Zealand \$Millions	One NZ New Zealand \$Millions	Associates \$Millions	All other segments and corporate New Zealand \$Millions	Eliminations & discontinued operations \$Millions	Total \$Millions
For the year ended 31 March 2023											
Total revenue	0.7	482.2	-	139.8	292.6	308.6	-	-	147.8	(54.0)	1,317.7
Equity accounted earnings of associates	-	-	-	-	-	-	-	653.4	-	-	653.4
Inter-segment revenue	-	-	-	-	-	-	-	-	(126.0)	-	(126.0)
Total income	0.7	482.2	-	139.8	292.6	308.6	-	653.4	21.8	(54.0)	1,845.1
Depreciation	(0.4)	(20.9)	-	(28.8)	(32.8)	(21.1)	-	-	-	1.5	(102.5)
Amortisation of intangibles	-	(2.6)	-	-	(1.0)	(1.9)	-	-	-	0.4	(5.1)
Employee benefits	(8.7)	(37.6)	(1.1)	(15.6)	(167.4)	(147.5)	-	-	(0.4)	3.4	(374.9)
Other operating expenses	(8.4)	(304.4)	(0.9)	(34.6)	(63.9)	(52.5)	-	-	(122.9)	(78.9)	(666.5)
Total operating expenditure	(17.5)	(365.5)	(2.0)	(79.0)	(265.1)	(223.0)	-	-	(123.3)	(73.6)	(1,149.0)
Operating surplus before financing, derivatives, realisations and impairments	(16.8)	116.7	(2.0)	60.8	27.5	85.6	-	653.4	(101.5)	(127.6)	696.1
Net gain/(loss) on foreign exchange and derivatives	0.1	62.9	-	-	-	3.3	-	-	25.7	(0.1)	91.9
Net realisations, revaluations and impairments	-	329.3	-	(3.1)	-	0.3	-	-	(14.4)	(329.2)	(17.1)
Interest income	-	0.7	-	2.0	0.3	0.5	-	-	18.5	-	22.0
Interest expense	(0.1)	(25.7)	-	(28.3)	(22.9)	(36.0)	-	-	(75.6)	(0.2)	(188.8)
Net financing expense	(0.1)	(25.0)	-	(26.3)	(22.6)	(35.5)	-	-	(57.1)	(0.2)	(166.8)
Net surplus before taxation	(16.8)	483.9	(2.0)	31.4	4.9	53.7	-	653.4	(147.3)	(457.1)	604.1
Taxation expense	-	(39.6)	-	(6.3)	(1.7)	(12.7)	-	-	17.4	0.4	(42.5)
Net surplus/(loss) for the year	(16.8)	444.3	(2.0)	25.1	3.2	41.0	-	653.4	(129.9)	(456.7)	561.6
Net surplus/(loss) attributable to owners of the company	(15.9)	224.8	(1.5)	16.6	1.7	20.6	-	653.4	(129.9)	(295.4)	474.4
Net surplus/(loss) attributable to non-controlling interests	(0.9)	219.5	(0.5)	8.6	1.5	20.4	-	-	-	(161.4)	87.2
Current assets	26.7	137.6	4.2	144.8	43.5	41.5	-	-	607.7	169.7	1,175.7
Non-current assets	2.8	1,965.3	0.4	1,660.0	944.5	1,390.1	-	2,818.4	504.9	(273.8)	9,012.6
Current liabilities	26.0	156.4	0.4	108.1	69.4	484.8	-	-	297.7	42.5	1,185.3
Non-current liabilities	0.3	677.6	-	823.3	367.9	111.8	-	-	1,427.7	(216.3)	3,192.3
Net assets	3.2	1,268.9	4.2	873.4	550.7	835.0	-	2,818.4	(612.8)	69.7	5,810.7
Net debt	(23.7)	443.8	(4.0)	577.7	266.2	432.3	-	-	716.9	-	2,409.1
Non-controlling interest percentage	5.0%	48.9%	27.0%	34.0%	44.9%	49.9%	-	-	-	-	-
Capital expenditure and investments	2.9	44.2	-	69.7	33.4	29.4	-	532.5	-	-	736.3

Entity wide disclosure - geographical

The Group operates in two principal areas, New Zealand and Australia, as well as having investments in the United States, the United Kingdom, Asia and Europe. The Group's geographical segments are based on the location of both customers and assets.

	New Zealand \$Millions	Australia \$Millions	Asia \$Millions	United States \$Millions	United Kingdom & Europe \$Millions	Eliminations & discontinued operations \$Millions	Total \$Millions
For the year ended 31 March 2024							
Total revenue	2,792.8	317.9	0.1	-	-	(30.6)	3,080.2
Equity accounted earnings of associates	(10.7)	134.7	-	124.2	(1.0)	-	247.2
Inter-segment revenue	(84.9)	-	-	-	-	-	(84.9)
Total income	2,697.2	452.6	0.1	124.2	(1.0)	(30.6)	3,242.5
Depreciation	(371.2)	(33.8)	(0.7)	-	-	-	(405.7)
Amortisation of intangibles	(152.3)	(0.6)	-	-	-	-	(152.9)
Employee benefits	(398.9)	(175.5)	(13.8)	-	-	-	(588.2)
Other operating expenses	(1,583.5)	(78.4)	(9.4)	-	-	(61.4)	(1,732.7)
Total operating expenditure	(2,505.9)	(288.3)	(23.9)	-	-	(61.4)	(2,879.5)
Operating surplus before financing, derivatives, realisations and impairments	191.3	164.3	(23.8)	124.2	(1.0)	(92.0)	363.0
Net gain/(loss) on foreign exchange and derivatives	(57.5)	1.4	(0.4)	-	-	0.1	(56.4)
Revaluation adjustments of equity-accounted investment to fair value	1,075.0	-	-	-	-	-	1,075.0
Net realisations, revaluations and impairments	(14.4)	(61.9)	-	-	-	-	(76.3)
Interest income	47.7	0.9	0.3	-	-	(1.1)	47.8
Interest expense	(415.9)	(28.5)	(1.7)	-	-	31.6	(414.5)
Net financing expense	(368.2)	(27.6)	(1.4)	-	-	30.5	(366.7)
Net surplus/(loss) before taxation	826.2	76.2	(25.6)	124.2	(1.0)	(61.4)	938.6
Taxation expense	(88.8)	(4.3)	-	-	-	-	(93.1)
Net surplus/(loss) for the year	737.4	71.9	(25.6)	124.2	(1.0)	(61.4)	845.5
Current assets	787.3	70.3	58.0	-	-	164.3	1,079.9
Non-current assets	11,087.8	2,879.8	76.6	619.3	530.8	(164.3)	15,030.0
Current liabilities	1,423.5	80.9	45.3	-	-	69.3	1,619.0
Non-current liabilities	6,641.5	388.3	63.0	-	-	(69.3)	7,023.5
Net assets	3,810.1	2,480.9	26.3	619.3	530.8	-	7,467.4
Net debt	5,208.6	253.7	7.8	-	-	-	5,470.1
Capital expenditure and investments	449.1	49.1	63.1	115.0	195.7	-	872.0

	New Zealand \$Millions	Australia \$Millions	Asia \$Millions	United States \$Millions	United Kingdom & Europe \$Millions	Eliminations & discontinued operations \$Millions	Total \$Millions
For the year ended 31 March 2023							
Total revenue	1,078.5	292.5	0.7	-	-	(54.0)	1,317.7
Share of earnings of associate companies	199.1	407.7	-	37.5	9.1	-	653.4
Inter-segment revenue	(126.0)	-	-	-	-	-	(126.0)
Total income	1,151.6	700.2	0.7	37.5	9.1	(54.0)	1,845.1
Depreciation	(71.0)	(32.6)	(0.4)	-	-	1.5	(102.5)
Amortisation of intangibles	(4.5)	(1.0)	-	-	-	0.4	(5.1)
Employee benefits	(201.2)	(168.5)	(8.7)	-	-	3.4	(374.9)
Other operating expenses	(640.3)	(64.8)	(8.4)	-	-	47.1	(666.5)
Total operating expenditure	(917.0)	(266.9)	(17.5)	-	-	52.4	(1,149.0)
Operating surplus before financing, derivatives, realisations and impairments	234.6	433.3	(16.8)	37.5	9.1	(1.6)	696.1
Net gain/(loss) on foreign exchange and derivatives	91.9	-	0.1	-	-	(0.1)	91.9
Net realisations, revaluations and impairments	312.1	-	-	-	-	(329.2)	(17.1)
Interest income	21.7	0.3	-	-	-	-	22.0
Interest expense	(165.5)	(23.0)	(0.1)	-	-	(0.2)	(188.8)
Net financing expense	(143.8)	(22.7)	(0.1)	-	-	(0.2)	(166.8)
Net surplus/(loss) before taxation	494.8	410.6	(16.8)	37.5	9.1	(331.1)	604.1
Taxation expense	(41.3)	(1.7)	-	-	-	0.5	(42.5)
Net surplus/(loss) for the year	453.5	408.9	(16.8)	37.5	9.1	(330.6)	561.6
Current assets	931.5	47.3	26.7	-	-	170.2	1,175.7
Non-current assets	5,670.6	2,759.5	2.8	441.1	308.8	(170.2)	9,012.6
Current liabilities	1,019.2	70.0	26.0	-	-	70.1	1,185.3
Non-current liabilities	3,040.5	367.8	0.3	-	-	(216.3)	3,192.3
Net assets	2,542.4	2,369.0	3.2	441.1	308.8	146.2	5,810.7
Net debt	2,170.6	262.2	(23.7)	-	-	-	2,409.1
Capital expenditure and investments	355.9	47.6	2.9	266.4	63.5	-	736.3

(6) Investments in associates

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

	Notes	2024 \$Millions	2023 \$Millions
Investments in associates are as follows:			
Equity investments in associates		2,905.0	2,388.9
Shareholder loans to associates		271.4	429.6
Investments in associates		3,176.4	2,818.5

	Notes	2024 \$Millions	2023 \$Millions
Investments in associates are as follows:			
One NZ	6.1	-	171.7
CDC Data Centres	6.2	1,537.0	1,403.4
RetireAustralia	6.3	436.6	410.9
Longroad Energy	6.4	476.7	315.8
Kao Data	6.5	431.8	255.7
Galileo	6.6	99.1	53.3
Fortysouth	6.7	195.2	207.7
Investments in associates		3,176.4	2,818.5

	Notes	2024 \$Millions	2023 \$Millions
Equity accounted earnings of associates are as follows:			
One NZ	6.1	(1.9)	204.0
CDC Data Centres	6.2	116.3	411.8
RetireAustralia	6.3	18.4	(4.1)
Longroad Energy	6.4	124.2	37.4
Kao Data	6.5	(2.5)	20.5
Galileo	6.6	1.5	(11.4)
Fortysouth	6.7	(8.8)	(4.8)
Equity accounted earnings of associates		247.2	653.4

(6.1) One NZ

On 15 June 2023, the Group completed the acquisition for a further 49.95% shareholding in ICN JV Investments Limited (the ultimate parent company of One NZ). In accordance with IFRS 3 - Business Combinations, the Group's existing stake was remeasured to fair value with the entire investment subsequently being reclassified as a subsidiary from completion date (see Note 8.1). The table below includes the results of One NZ as an associate until 14 June 2023.

	2024 \$Millions	2023 \$Millions
Movement in the carrying amount of the Group's investment in One NZ:		
Carrying value at 1 April	171.6	838.2
Capital contributions	-	-
Shareholder loans	-	-
Capitalised transaction costs	-	-
Total capital contributions during the year	-	-
Interest on shareholder loan (including accruals)	3.0	15.6
Share of associate's surplus/(loss) before income tax	(1.4)	93.0
Share of associate's income tax (expense)	(3.5)	95.4
Total share of associate's earnings during the year	(1.9)	204.0
Share of associate's other comprehensive income	1.1	0.7
<i>less: Distributions received</i>	-	(107.4)
<i>less: Return of capital</i>	-	(690.2)
<i>less: Shareholder loan repayments including interest</i>	-	(73.6)
Revaluation adjustment of investment to fair value	1,064.5	-
<i>less: Consideration transferred to business combination</i>	(1,235.3)	-
Carrying value of investment in associate	-	171.7
Summary financial information:		
<i>Summary information for One NZ is not adjusted for the percentage ownership held by the Group (unless stated)</i>		
Current assets	-	428.2
Non-current assets	-	3,090.7
Total assets	-	3,518.9
Current liabilities	-	572.7
Non-current liabilities	-	2,869.0
Total liabilities	-	3,441.7
Net assets (100%)	-	77.2
<i>less: Non-controlling interest</i>	-	(4.6)
Group's share of net assets	-	36.1
Revenues	-	1,983.8
Net surplus/(loss) after tax	-	554.9
Total other comprehensive income	-	1.7
Reconciliation of the carrying amount of the Group's investment in One NZ:		
Group's share of net assets	-	36.1
<i>add: Shareholder loan</i>	-	224.2
<i>less: Infratil's share of the gain on sale of Aotearoa Towers limited (Fortsouth)</i>	-	(88.8)
<i>add: Capitalised transaction costs</i>	-	0.2
Carrying value of investment in associate	-	171.7

(6.2) CDC Data Centres

CDC Data Centres ('CDC') is an owner, operator and developer of data centres, with operations in Canberra, Sydney, Auckland and Melbourne. Infratil holds a 48.24% shareholding (31 March 2023: 48.08%) in CDC Group Holdings Pty Ltd (the ultimate parent company of CDC Data Centres), alongside investment partners the Commonwealth Superannuation Corporation (24.12%), Future Fund (24.12%) and CDC Data Centres management (3.52%).

	2024 \$Millions	2023 \$Millions
Movement in the carrying amount of the Group's investment in CDC:		
Carrying value at 1 April	1,403.4	1,026.2
Capital contributions	34.5	14.2
Shareholder loans	(15.3)	-
Capitalised transaction costs	0.3	-
Total capital contributions during the year	19.5	14.2
Interest on shareholder loan (including accruals)	8.3	8.8
Share of associate's surplus/(loss) before income tax	156.0	574.1
Share of associate's income tax (expense)	(50.9)	(171.8)
<i>add:</i> share of associate's share capital issue, net of dilution	2.9	0.7
Total share of associate's earnings during the year	116.3	411.8
Share of associate's other comprehensive income	(5.9)	5.1
<i>less:</i> Distributions received	(14.7)	(29.5)
<i>less:</i> Shareholder loan repayments including interest	(5.7)	(7.6)
Foreign exchange movements recognised in other comprehensive income	24.1	(16.8)
Carrying value of investment in associate	1,537.0	1,403.4
Summary financial information		
	2024 A\$Millions	2023 A\$Millions
<i>Summary information for CDC is not adjusted for the percentage ownership held by the Group (unless stated)</i>		
Current assets	154.7	110.1
Non-current assets	6,666.0	5,762.3
Total assets	6,820.7	5,872.4
Current liabilities	190.5	74.0
Non-current liabilities	4,054.6	3,428.1
Total liabilities	4,245.1	3,502.1
Net assets (100%)	2,575.6	2,370.3
Group's share of net assets	1,242.5	1,139.7
Revenues	412.3	345.0
Net surplus/(loss) after tax	201.9	762.7
Total other comprehensive income	(12.2)	10.7
Reconciliation of the carrying amount of the Group's investment in CDC:		
	2024 \$Millions	2023 \$Millions
Group's share of net assets in NZD	1,353.3	1,220.2
Goodwill	17.8	6.2
<i>add:</i> Shareholder loan	165.9	177.0
Carrying value of investment in associate	1,537.0	1,403.4

CDC's functional currency is Australian Dollars (A\$) and the summary financial information shown is presented in this currency. The NZD/AUD exchange rates used to convert the summary financial information to the Group's functional currency (NZ\$) were 0.9181 (Spot rate) and 0.9271 (Average rate) (2023: Spot rate 0.9340, Average rate 0.9114).

(6.3) RetireAustralia

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

	2024 \$Millions	2023 \$Millions
Movement in the carrying amount of the Group's investment in RetireAustralia:		
Carrying value at 1 April	410.9	417.3
Capital contributions	-	-
Total capital contributions during the year	-	-
Share of associate's surplus/(loss) before income tax	50.1	(6.4)
Share of associate's income tax (expense)	(31.7)	2.3
Total share of associate's earnings during the year	18.4	(4.1)
Share of associate's other comprehensive income	-	-
<i>less:</i> Distributions received	-	-
Foreign exchange movements recognised in other comprehensive income	7.3	(2.3)
Carrying value of investment in associate	436.6	410.9

	2024 A\$Millions	2023 A\$Millions
Summary financial information		
<i>Summary information for RetireAustralia is not adjusted for the percentage ownership held by the Group (unless stated)</i>		
Current assets	239.5	189.5
Non-current assets	3,197.6	2,871.0
Total assets	3,437.1	3,060.5
Current liabilities	2,347.8	2,033.0
Non-current liabilities	287.7	259.9
Total liabilities	2,635.5	2,292.9
Net assets (100%)	801.6	767.6
Group's share of net assets	400.8	383.8
Group's share of net assets and carrying value of investment in associate (\$NZD)	436.6	410.9
Revenues	174.9	61.0
Net surplus/(loss) after tax	34.1	(7.5)
Total other comprehensive income	-	-

RetireAustralia's functional currency is Australian Dollars (A\$) and the summary financial information shown is presented in this currency. The NZD/AUD exchange rates used to convert the summary financial information to the Group's functional currency (NZ\$) were 0.9181 (Spot rate) and 0.9271 (Average rate) (2023: Spot rate 0.9340, Average rate 0.9114).

(6.4) Longroad Energy

Longroad Energy Holdings, LLC ('Longroad Energy'), is a Boston, MA, headquartered renewable energy developer focused on the development, ownership, and operation of utility-scale wind and solar energy projects throughout North America. Infratil holds a 36.95% (2023: 37.05%) shareholding in Longroad Energy, alongside investment partners the New Zealand Superannuation Fund (36.95%), MEAG (11.25%) and Longroad Energy management (14.85%).

In the prior year, Infratil, together with its co-investors the NZ Super Fund and the Longroad Energy management team, announced that MEAG, acting as the asset management arm for entities of Munich Re, had agreed to invest US\$300 million to acquire a 12.0% stake in Longroad Energy. Immediately prior to completion of the transaction both Infratil and the NZ Super Fund each contributed US\$85.0 million to Longroad Energy which resulted in US\$20.2 million being recognised as goodwill. Following the transaction, Infratil and the NZ Super Fund each retained a 37.0% stake in Longroad Energy. As part of the transaction both Infratil and the NZ Super Fund also agreed to invest a further US\$100 million, which will be used to fund Longroad Energy's near-term development pipeline.

With MEAG entering as a co-investor (12.0%) but contributing 40% of the US\$500 million capital commitment, if this capital commitment was called upfront on day one, Infratil would have recognised an upfront gain on sale on the sale of an interest to MEAG of US\$72.9 million. However, the gain on sale is dependent on the net assets of Longroad at the time the commitment is called. During the year, US\$38.3 million was recognised as a gain on sale on the transaction (31 March 2023: US\$39.5 million). The commitment was fully utilised during the year.

	2024 \$Millions	2023 \$Millions
Movement in the carrying amount of the Group's investment in Longroad Energy:		
Carrying value at 1 April	315.8	90.5
Capital contributions	96.2	242.2
Shareholder loans	-	-
Total capital contributions during the year	96.2	242.2
Share of associate's surplus/(loss) before income tax	61.5	(25.8)
Share of associate's income tax (expense)	-	-
Gain/(loss) on sale of interest	62.7	63.2
Total share of associate's earnings during the year	124.2	37.4
Share of associate's other comprehensive income	13.7	20.3
Share of associates other reserves	(65.7)	(74.6)
Fair value movements	-	-
less: Distributions received	(19.4)	(7.7)
less: Capital returned	-	-
Foreign exchange movements recognised in other comprehensive income	11.9	7.7
Carrying value of investment in associate	476.7	315.8

	31 December 2023 US\$Millions	31 December 2022 US\$Millions
Summary financial information		
<i>Summary information for Longroad is not adjusted for the percentage ownership held by the Group (unless stated)</i>		
Current assets	405.0	230.8
Non-current assets	3,943.0	2,736.3
Total assets	4,348.0	2,967.1
Current liabilities	530.1	250.7
Non-current liabilities	2,789.6	1,207.0
Total liabilities	3,319.7	1,457.7
Net assets (100%)	1,028.3	1,509.4
Adjustment for movements between 31 December and 31 March	(25.1)	(51.5)
<i>less: Non-controlling interests at 31 March</i>	(289.0)	(977.5)
Net assets attributable to owners of Longroad Energy as at 31 March	714.2	480.4
Group's share of net assets at 31 March	263.9	178.0
Group's share of net assets at 31 March (NZ\$)	440.5	283.6
Goodwill	36.3	32.2
Carrying value of investment in associate (NZ\$)	476.7	315.8
Revenues	337.6	136.3
Net surplus/(loss) after tax	226.5	(24.1)
Total other comprehensive income	0.3	85.2

Longroad's functional currency is United States Dollars (US\$) and the summary financial information shown is presented in this currency. The NZD/USD exchange rates used to convert the summary financial information to the Group's functional currency (NZ\$) were 0.5991 (Spot rate) and 0.6098 (Average rate) (2023: Spot rate 0.6275, Average rate 0.6240).

The summary information provided is based off the most recent annual financial statements of Longroad Energy Holdings, LLC which have a balance date of 31 December and are reported as at that date.

At 31 March 2024, Infratil has contributed US\$192.6 million (31 March 2023: US\$152.0 million), in the form of capital contributions.

Letter of credit facility

Longroad has obtained an uncommitted secured letter of credit facility of up to US\$200 million from HSBC Bank. Letters of credit under the Facility are on issue to beneficiaries to support the development and continued operations of Longroad. Infratil has provided shareholder backing of the Longroad Letter of Credit facility, specifically, Infratil (the New Zealand Superannuation Fund and MEAG) have collectively agreed to meet up to US\$200 million of capital calls (i.e. subscribe for additional units) equal to Longroad's reimbursement obligation in the event that a Letter of Credit is called and Longroad cannot fund the call, taking into account immediately available working capital. As at 31 March 2024, Infratil's share of Longroad's Letter of Credit facility is 43.4% (31 March 2023: 43.0%). Letters of Credit on issue under the Longroad Letter of Credit facility at 31 March 2024 are US\$110.1 million (Infratil share: US\$47.8 million) (31 March 2023: US\$90.2 million (Infratil share: US\$38.8 million)).

(6.5) Kao Data

Kao Data is an owner, operator and developer of data centres in the United Kingdom. Infratil holds a 52.9% (31 March 2023: 39.9%) shareholding in Kao Data, alongside Legal & General Group 32.1% and Goldacre 14.9%.

On 22 September 2023, Infratil completed the acquisition of an additional 12.9% of Kao Data from Goldacre for cash consideration of £39.9 million, increasing Infratil's shareholding to 52.9%.

Management have considered if they control Kao Data given the 52.9% shareholding. Based on the operational structure of Kao Data the Group does not control Kao Data under IFRS 10 therefore will continue to equity-account for the investment given the assessment of significant influence is met.

	2024 \$Millions	2023 \$Millions
Movement in the carrying amount of the Group's investment in Kao Data:		
Carrying value at 1 April	255.7	203.4
Capital contributions	115.1	21.2
Shareholder loans	40.3	-
Capitalised transaction costs	0.8	-
Total capital contributions during the year	156.2	21.2
Interest on shareholder loan (including accruals)	3.7	-
Share of associate's surplus/(loss) before income tax	(6.2)	20.5
Share of associate's income tax (expense)	-	-
Total share of associate's earnings in the year	(2.5)	20.5
Share of associate's other comprehensive income	-	-
less: Distributions received	-	-
less: Shareholder loan repayments including interest	-	-
Foreign exchange movements recognised in other comprehensive income	22.4	10.6
Carrying value of investment in associate	431.8	255.7
Summary financial information		
<i>Summary information for Kao Data is not adjusted for the percentage ownership held by the</i>		
Current assets	31.6	22.4
Non-current assets	423.4	343.8
Total assets	455.0	366.2
Current liabilities	65.1	61.8
Non-current liabilities	119.0	62.4
Total liabilities	184.1	124.2
Net assets (100%)	270.9	242.0
Group's share of net assets	143.1	96.5
Revenues	56.5	44.1
Net profit/(loss) after tax	(6.1)	26.7
Total other comprehensive income	-	-
Reconciliation of the carrying amount of the Group's investment in Kao Data:		
Group's share of net assets in NZD	301.6	190.7
Goodwill	77.2	59.9
add: Shareholder loan	47.1	-
add: Capitalised transaction costs	5.9	5.1
Carrying value of investment in associate	431.8	255.7

Kao Data's functional currency is the Pound Sterling (GBP) and the summary financial information shown is presented in this currency. The NZD/GBP exchange rates used to convert the summary financial information to the Group's functional currency (\$NZD) were 0.4745 (Spot rate) and 0.4852 (Average rate) (31 March 2023: Spot rate 0.5060, Average rate 0.5175).

At 31 March 2024, Infratil has contributed £192.7 million (31 March 2023: £117.3 million), in the form of shareholder loan drawdowns (£19.5 million) and capital contributions (£173.2 million).

(6.6) Galileo

Galileo develops renewable energy projects across Europe. Infratil holds a 40% shareholding in Galileo, alongside the New Zealand Superannuation Fund (20%), Commonwealth Superannuation Corporation (20%) and the Morrison & Co Growth Infrastructure Fund (20%).

	2024 \$Millions	2023 \$Millions
Movement in the carrying amount of the Group's investment in Galileo:		
Carrying value at 1 April	53.3	19.7
Capital contributions	10.8	26.6
Shareholder loans	28.7	15.7
Capitalised transaction costs	-	-
Total capital contributions during the year	39.5	42.3
Interest on shareholder loan (including accruals)	0.7	0.2
Share of associate's surplus/(loss) before income tax	1.2	(11.3)
Share of associate's income tax (expense)	(0.4)	(0.3)
Total share of associate's earnings in the year	1.5	(11.4)
Share of associate's other comprehensive income	-	-
Share of associates other reserves	2.5	-
less: Distributions received	-	-
less: Shareholder loan repayments including interest	-	-
Foreign exchange movements recognised in other comprehensive income	2.3	2.7
Carrying value of investment in associate	99.1	53.3
Summary financial information		
<i>Summary information for Galileo is not adjusted for the percentage ownership held by the Group (unless stated)</i>		
Current assets	106.2	51.9
Non-current assets	59.3	39.7
Total assets	165.5	91.6
Current liabilities	12.7	6.1
Non-current liabilities	72.9	48.3
Total liabilities	85.6	54.4
Net assets (100%)	79.9	37.2
Group's share of net assets	22.0	14.0
Revenues	3.6	(2.3)
Net profit/(loss) after tax	1.2	(17.4)
Total other comprehensive income	1.1	(17.3)
Reconciliation of the carrying amount of the Group's investment in Galileo:		
Group's share of net assets in NZD	39.7	24.3
add: Shareholder loan	58.5	27.9
add: Capitalised transaction costs	0.9	1.1
Carrying value of investment in associate	99.1	53.3

Galileo's functional currency is the Euro (EUR) and the summary financial information shown is presented in this currency. The NZD/EUR exchange rates used to convert the summary financial information to the Group's functional currency (\$NZD) were 0.5539 (Spot rate) and 0.5622 (Average rate) (31 March 2023: Spot rate 0.5749, Average rate 0.5993).

At 31 March 2024, Infratil has contributed €64.0 million in total (2023: €41.9 million), in the form of shareholder loan drawdowns (€31.9 million) and capital contributions (€32.1 million) (31 March 2023: shareholder loan drawdowns: €15.9 million, capital contributions: €26.0 million).

Letter of credit facility

In accordance with Galileo's investors initial commitment to provide support of up to €100 million to facilitate Galileo obtaining a Letter of Credit facility ('LC'), on 9 October 2020, Galileo executed a €90 million LC facility with ANZ (London Branch). The purpose of the Uncommitted Standby LC is to secure any customary development or other obligations arising from energy development and construction projects in Europe. At 31 March 2024 €50.3 million of LCs have been issued by ANZ (Infratil share: €20.4 million) (31 March 2023: €39.0 million, Infratil share: €15.6 million).

(6.7) Fortysouth

Fortysouth is an owner, operator and developer of passive mobile tower infrastructure. Infratil holds a 20.0% shareholding (31 March 2023: 20.0%) in Mahi Tahī Towers Limited (the ultimate parent company of Fortysouth), alongside investment partners InfraRed Capital Partners (40.0%) and Northleaf Capital Partners (40.0%).

	2024 \$Millions	2023 \$Millions
Movement in the carrying amount of the Group's investment in Fortysouth:		
Carrying value at 1 April	207.7	-
Capital contributions	-	212.1
Capitalised transaction costs	-	0.4
Total capital contributions during the period	-	212.5
Interest on shareholder loan (including accruals)	-	-
Share of associate's surplus/(loss) before income tax	(8.8)	(4.8)
Share of associate's income tax (expense)	-	-
Total share of associate's earnings in the period	(8.8)	(4.8)
Share of associate's other comprehensive income	-	-
<i>less:</i> Distributions received	(3.7)	-
Carrying value of investment in associate	195.2	207.7
Summary financial information		
<i>Summary information for Fortysouth is not adjusted for the percentage ownership held by the Group (unless stated)</i>		
Current assets	25.4	49.7
Non-current assets	2,110.2	1,814.5
Total assets	2,135.6	1,864.2
Current liabilities	26.7	24.1
Non-current liabilities	1,134.7	803.6
Total liabilities	1,161.4	827.7
Net assets (100%)	974.2	1,036.5
Group's share of net assets	194.8	207.3
Revenues	84.2	32.1
Net profit/(loss) after tax	(50.5)	(23.8)
Total other comprehensive income	-	-
	2024 \$Millions	2023 \$Millions
Reconciliation of the carrying amount of the Group's investment in Fortysouth:		
Group's share of net assets	194.8	207.3
Goodwill	-	-
<i>add:</i> Shareholder loan	-	-
<i>add:</i> Capitalised transaction costs	0.4	0.4
Carrying value of investment in associate	195.2	207.7

(7) Other investments

	2024 \$Millions	2023 \$Millions
Clearvision Ventures	142.6	125.2
Other	50.3	17.4
Other investments	192.9	142.6

Clearvision Ventures

In February 2016 Infratil made an initial commitment of US\$25 million to the California based Clearvision Ventures. Further commitments of US\$25 million and US\$50 million were made in May 2020 and May 2022 respectively bringing Infratil's total commitments to US\$100 million. The strategic objective of the investment is to help Infratil's businesses identify and engage with technology changes that will impact their activities. As at 31 March 2024, Infratil has made total contributions of US\$57.9million (31 March 2023: US\$46.4 million), with the remaining US\$42.1 million commitment uncalled at that date.

(8) Acquisition of subsidiaries

(8.1) One NZ

On 7 June 2023, Infratil announced that it had reached an agreement with Brookfield Asset Management ('Brookfield'), to acquire Brookfield's 49.95% stake in ICN JV Investments Limited ('One NZ') for \$1,800.0 million, increasing Infratil's ownership from 49.95% to 99.90%. The \$1,800.0 million was paid in cash and was allocated as \$1,572.1 million consideration for the shares, and \$227.9 million for Brookfield's portion of the shareholder loan receivable. The transaction completed on 15 June 2023, funded by existing cash reserves, external debt funding, and an equity raise.

Prior to 15 June 2023, Infratil's investment in One NZ was equity accounted under NZ IAS 28 Investments in Associates and Joint Ventures. This was on the basis that Infratil and Brookfield collectively controlled One NZ. As a result of Infratil's increased ownership, Infratil is required to consolidate One NZ from the acquisition date. As Infratil's original stake in One NZ was acquired in May 2019, NZ IFRS 3 Business Combinations requires that the acquisition of Brookfield's 49.95% stake is recognised as an acquisition achieved in stages ('step acquisition').

In a step acquisition, the fair value of the equity accounted investment in One NZ that Infratil held immediately before obtaining control is used in the determination of goodwill that will be recognised by Infratil on acquisition of the controlling share in One NZ. This treatment effectively considers that the 49.95% of the investment in One NZ that was held by Infratil, before obtaining control, is sold, and a 99.90% controlling interest in a subsidiary has been purchased. The fair value of the initial 49.95% has been calculated as \$1,235.3 million by discounting the price paid for the controlling interest with observed market control premiums. As of 14 June 2023, the carrying value of Infratil's investment in One NZ was \$170.8 million. Comparing the carrying value of Infratil's investment immediately before obtaining control to the fair value results in a gain on acquisition of \$1,064.5 million.

NZ IFRS 3 Business Combinations requires that the identifiable assets and liabilities acquired as part of a business combination are measured at fair value at the date of acquisition, with any deficit between the consideration paid (including the previously held equity investment at fair value) and the value of the net identifiable assets (or liabilities) acquired and any non-controlling interest, recognised as goodwill, with any gain recognised through profit & loss. An independent valuer was appointed to perform this exercise. The key inputs and assumptions that are used in measuring the fair value of material tangible assets include replacement values, historical costs, life assumptions and terminal values for each asset. For material customer relationships and contract intangible asset, the key inputs and assumptions used for measuring the fair value include projections of future profitability of customers, expected average customer tenure, contributory asset charges, and application of discount and tax rates. In measuring the fair value of the One NZ trade name, the key inputs and assumptions include the historical costs incurred and the expected useful life.

For the 10 months ended 31 March 2024, One NZ contributed revenue of \$1,681.6 million and a loss of \$83.3 million to the Group's result, which includes acquisition-related costs of \$1.0 million. If the acquisition had occurred on 1 April 2023, Management estimates that consolidated revenue and net loss after tax would have been \$2,016.7 million and net loss of \$99.9 million, respectively. In determining these amounts, Management has assumed the fair value adjustments that arose on the date of acquisition would have been materially the same if the acquisition had occurred on 1 April 2023.

The acquisition accounting required under NZ IFRS 3 has been finalised at 31 March 2024. Goodwill of \$2,880.4 million has been recognised based on the carrying value of the identifiable assets and liabilities acquired, including intangible assets.

The following table summarises the recognised amounts of assets and liabilities assumed at the date of acquisition:

	15 June 2023 Fair Value \$Millions
Cash and cash equivalents	24.9
Trade and other accounts receivable and prepayments	303.9
Derivative financial instruments	33.3
Inventories	59.3
Income tax receivable	9.3
Current assets	430.7
Trade and other accounts receivable and prepayments	61.8
Property, plant and equipment	1,030.0
Right of use assets	951.5
Intangible assets	798.5
Investments in associates	20.4
Deferred tax asset	-
Non-current assets	2,862.2
Total assets	3,292.9
Accounts payable, accruals and other liabilities	495.1
Interest bearing loans and borrowings	9.4
Lease liabilities	55.0
Total current liabilities	559.5
Interest bearing loans and borrowings	1,466.8
Accounts payable, accruals and other liabilities	106.3
Lease liabilities	867.9
Deferred tax liability	139.7
Shareholder loan	448.4
Non-current liabilities	3,029.1
Total identifiable assets/(liabilities) at fair value 100%	(295.7)

Goodwill arising from the acquisition has been recognised as follows:

	15 June 2023 Fair Value NZ\$Millions
Cash consideration	1,800.0
<i>add:</i> Previously held equity interest (fair value)	1,235.3
Total consideration paid	3,035.3
Total identifiable assets/(liabilities) at fair value	(295.7)
<i>add:</i> Shareholder loan	448.4
<i>add:</i> Shareholder loan accrued interest	6.7
Value of the net identifiable assets (or liabilities) acquired	159.4
<i>add:</i> Non-controlling interest (proportionate share of assets acquired)	4.5
Goodwill	2,880.4

As part of the requirements under NZ IFRS 3 for a step acquisition, Infratil remeasured its previously held equity interest in One NZ to its acquisition-date fair value of \$1,235.3 million, and the resulting gain of \$1,064.5 million has been recognised in the Statement of Comprehensive Income within "revaluation adjustments of equity-accounted investment to fair value". Amounts previously recognised in OCI of \$10.5 million were also reclassified to "revaluation adjustments of equity-accounted investment to fair value" as if the initial equity interest had been sold to a third party.

Infratil's goodwill is mainly attributable to the perceived momentum and remaining upside within One NZ digital services and connectivity, the enhancement to Infratil's portfolio and return profile, and the material benefits associated with 99.9% ownership.

Acquisition costs relating to the transaction of \$1.0 million were recognised in the Statement of Comprehensive Income for the year ended 31 March 2024.

(8.2) Console Connect

On 10 July 2023, Infratil executed a conditional agreement with Hong Kong Telecom ('HKT') to establish a strategic partnership to accelerate the growth of HKT's Console Connect business. Infratil will initially acquire an 80% stake in Console Connect from HKT for US\$160 million. Infratil and HKT will also enter into a strategic partnership, with both jointly investing up to US\$295 million over a 2-year period following completion of the acquisition to accelerate Console Connect's growth. Following this initial period of growth investment, Infratil will own between 60-80% of Console Connect, with HKT holding the remainder.

The Group will fund the acquisition through existing bank loan facilities. Drawdown is contingent on completion of the acquisition. Completion of the acquisition is conditional on certain telecommunication, foreign investment regulatory approvals and merger approvals. Assuming those approvals are granted, completion is currently expected by Q3 FY2025. As such the acquisition remains incomplete at the date of signing the accounts.

(9) Discontinued operations and assets held for sale

(9.1) Trustpower Retail Business

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

On 2 May 2022, Trustpower announced the conditions of the Trustpower Retail business to Mercury NZ Limited had been met and completion of the sale occurred (effective as of 1 May 2022). The sale price was \$467.4 million including working capital adjustments. A working capital wash-up process was then completed which resulted in Mercury NZ Limited paying an additional \$2.0 million to bring the final sale proceeds to \$469.4 million. After sale costs, the net proceeds from the sale were \$467.0 million, resulting in a gain on sale at the group consolidated level of \$328.8 million. At that date the company also confirmed its name change to Manawa Energy Limited.

As the carrying amount of the Group's investment in the Trustpower Retail business has been recovered through a sale transaction, the Trustpower Retail business was classified as a discontinued operation at 31 March 2023. A detailed note disclosure is included in the published financial statements for the year ended 31 March 2023.

(9.2) Infratil Infrastructure Property Limited

In June 2022, the Infratil Infrastructure Property Limited ('IIPL') Board approved the marketing of IIPL's investment property at 100 Halsey Street ('Wynyard 100') for a potential sale. The sales process remains ongoing at 31 March 2024. As such, the investment property at 100 Halsey Street is deemed to be held for sale at 31 March 2024. Included in assets and liabilities held for sale are investment property (\$94.0 million), right of use assets (\$70.3 million) and lease liabilities (\$69.3 million).

At 31 March 2024, the investment property at 100 Halsey Street is not deemed to be a discontinued operation as it does not represent a separate major line of business or geographic area of operation for the Group.

(10) Revenue

	2024 \$Millions	2023 \$Millions
Electricity - wholesale and retail	439.3	418.3
Mobile service revenue	770.4	-
Fixed service revenue	585.9	-
Device and other revenue	257.5	-
Telecommunications - other revenue	71.0	-
Aircraft movement and terminal charges	86.0	77.3
Transport, hotel and other trading activities	54.3	50.5
Radiology practice services	175.8	147.9
Radiology services	474.0	445.2
Other	81.0	52.5
Total operating revenue	2,995.2	1,191.7

Revenue Recognition Policies

The nature and timing of the various performance obligations in the Group's contracts with customers and property leases and when revenue is recognised is outlined below:

Description of performance obligations

Timing and satisfaction of performance obligations

Electricity - Wholesale and Retail

Wholesale electricity revenue is received from the spot electricity market for Manawa Energy's own generation production and includes electricity price derivative settlements.

Retail electricity revenue is received from commercial and industrial customers for the supply of electricity to their premises.

Wholesale revenue is recognised over time as the electricity is delivered. Where Manawa Energy purchases the output from a third party generator and submits this to the national grid under its own name, Manawa Energy treats this as an agency relationship and does not recognise the revenue or corresponding expense.

Retail revenue is recognised over time when the energy is supplied for customer consumption. Revenue is measured and billed by calendar month for half hourly metered customers and in line with meter reading schedules for non-half hourly metered customers. There is some judgement applied to determine the volume of unbilled revenue, as revenues from electricity sales include an estimated accrual for units sold but not billed at the end of the reporting period for non-half hourly metered customers.

Telecommunications - Service revenue

This category includes One NZ's revenue from mobile services, fixed line broadband and home phone revenues.

Service revenue is recognised over time, when or as One NZ performs the related service during the agreed service period (usually monthly).

Customers typically pay in advance for prepay mobile services and are billed and pay monthly for other communication services. Fixed services customers are billed and pay in arrears.

Telecommunications - Device and other revenue

This category includes One NZ's device sales of, mainly, handsets and modems.

For device sales made to customers, revenue is recognised when the device is delivered to the end customer. Customers typically pay for handsets and other equipment either up-front at the time of sale or over the term of the related service agreement (usually 12 to 36 months), as the Group performs the related service (usually monthly).

For device sales made to intermediaries such as indirect channel dealers, revenue is recognised if control of the device has transferred to the intermediary and the intermediary has no right to return the device to receive a refund; otherwise revenue recognition is deferred until sale of the device to an end customer by the intermediary or the expiry of any right of return.

Aircraft movement and terminal charges

Aircraft movement and terminal charges consists of Wellington International Airport's airfield income, passenger service charges and terminal service charges.

Airfield income consists of landing charges and aircraft parking charges.

Landing charges and aircraft parking charges are paid by the airlines and recognised as revenue at the point in time the airport facilities are used by the arriving or departing aircraft.

Passenger services charges and terminal service charges relating to arriving, departing and transiting passengers are paid by the airlines and recognised as revenue at the point in time when the passenger travels or the airport facilities are used.

Transport, hotel and other trading activities

Transport, hotel and other trading activities includes Wellington International Airport's hotel and access to the airport's car parking facilities. This category also includes income from the hotel and carpark owned by Infracore Infrastructure Property Limited.

Revenue from car parking is recognised at the point in time where the utilisation of car parking facilities has been completed.

Revenue from the hotels is recognised at the point in time the service is delivered.

Radiology practice services

Radiology practice services revenue is derived by Qscan Group from services to medical practitioners. Revenue is recognised net of amounts payable to doctors under Practice Management Agreements.

Radiology practice services revenue is recognised at the point in time when the services are delivered to the medical practitioner.

Radiology services

Radiology services revenue is derived by Qscan Group and RHCNZ Medical Imaging from providing radiology services to patients.

Radiology services revenue is recognised at the point in time when the radiology or other medical imaging services are provided to a patient and a charge is levied for this service.

Other revenue includes Manawa Energy's non-electricity revenue which is recognised when the service is provided and Wellington International Airport's retail concession fees and rental income. Retail concession fees are recognised as revenue based upon passenger throughput or the turnover of the concessionaires and in accordance with the related agreements. Rental income is recognised as revenue on a straight-line basis over the term of the leases on leases where the group is the lessor.

(11) Operating expenses

	Note	2024 \$Millions	2023 \$Millions
<i>Trading operations</i>			
Electricity and wholesale costs		152.8	134.2
Line and generation asset maintenance costs		96.4	86.0
Other energy business costs		57.7	43.8
Telecommunications – interconnect and access costs		251.0	-
Telecommunications – device and other product costs		272.9	-
Telecommunications – other direct and variable costs		171.2	-
Telecommunications – outsourced services		86.9	-
Telecommunications – IT and network costs		108.4	-
Telecommunications – other operating business costs		103.0	-
Diagnostic imaging costs		126.2	113.5
Airport business costs		35.0	33.4
Bad debts written off		0.5	0.4
Increase/(Decrease) in provision for doubtful debts	22.1	6.5	1.2
Directors' fees	25	5.0	4.3
Administration and other corporate costs		41.3	16.1
Management fee (to related party Morrison Infrastructure Management)	27	214.6	232.9
Donations		3.3	0.7
Total other operating expenses		1,732.7	666.5

Fees paid to auditors (including fees paid by Associates)

	2024 Fees paid to the Group auditor \$000's	2024 Total \$000's
Audit and review of financial statements	4,121.0	4,121.0
Regulatory audit work	41.0	41.0
Other assurance services	90.7	90.7
Taxation services	31.8	31.8
Other services – climate related assurance	139.5	139.5
	4,424.0	4,424.0
Audit fees paid to the Group auditor recognised through associates	1,352.6	1,352.6
Other fees paid to the Group auditor recognised through associates	460.6	460.6
Total fees paid to the Group auditor	6,237.2	6,237.2
	2023 Fees paid to the Group auditor \$000's	2023 Total \$000's
Audit and review of financial statements	1,230.3	1,230.3
Regulatory audit work	36.0	36.0
Other assurance services	98.2	98.2
Taxation services	122.6	122.6
Other services	59.0	59.0
	1,546.1	1,546.1
Audit fees paid to the Group auditor recognised through associates	1,930.4	1,930.4
Other fees paid to the Group auditor recognised through associates	207.6	207.6
Total fees paid to the Group auditor	3,684.1	3,684.1

The audit fee includes the fees for both the annual audit of the financial statements and the review of the interim financial statements. Regulatory audit work consists of the audit of regulatory disclosures. Other assurance services comprise of agreed upon procedures and audit of compliance reports. Tax services relate to tax compliance work and tax advisory services provided to a subsidiary of the group.

In the prior year, other services related to a Māori Culture capability assessment.

(12) Taxation

(12.1) Tax Reconciliation

	2024 \$Millions	2023 \$Millions
Net surplus before taxation from continuing operations	938.6	604.1
Taxation on the surplus for the year @ 28%	262.8	169.1
<i>Plus/(less) taxation adjustments:</i>		
Effect of tax rates in foreign jurisdictions	(11.3)	(0.4)
Net benefit of imputation credits	(3.1)	(8.5)
Exempt dividends	-	(0.6)
Tax losses not recognised/(utilised)	4.8	2.1
Effect of equity accounted earnings of associates	(6.7)	(165.9)
Recognition of previously unrecognised deferred tax	-	-
Attributed to CFC and FIF income	-	25.1
(Over)/under provision in prior periods	6.9	(22.8)
Net investment realisations	(308.3)	0.4
Impact of removal of commercial depreciation on buildings	44.1	-
Other permanent differences	103.9	44.0
Taxation expense	93.1	42.5
Current taxation	62.6	50.5
Deferred taxation	30.5	(8.0)
Tax on discontinued operations	(0.2)	0.4

The Group operates in various jurisdictions some of which have enacted or substantively enacted tax legislation to implement the Pillar Two Model Rules. However, as the application of the Pillar Two Model Rules in respect of those jurisdictions will not apply to the financial reporting period ended 31 March 2024, there is no current tax impact in the year ended 31 March 2024. The Group has applied a temporary mandatory relief from deferred tax accounting in respect of the Pillar Two Model Rules and will account for it as a current tax arising under the Pillar Tax Model rules when it is incurred.

Under Pillar Two legislation, the Group is liable to pay a top-up tax if the effective tax rate ('ETR') per jurisdiction is below the 15% minimum rate. Infratil is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. This assessment indicates that, no top-up tax would have arisen for the Group's operations during the period.

(12.2) Income tax recognised in other comprehensive income

	Before tax \$Millions	Tax (expense) / benefit \$Millions	Net of tax \$Millions
2024			
Differences arising on translation of foreign operations	73.6	-	73.6
Realisations on disposal of subsidiary, reclassified to profit and loss	-	-	-
Net change in fair value of available for sale financial assets	(7.5)	-	(7.5)
Ineffective portion of hedges taken to profit and loss	-	-	-
Effective portion of changes in fair value of cash flow hedges	(43.4)	8.7	(34.7)
Fair value movements in relation to executive share scheme	-	-	-
Net change in fair value of property, plant & equipment recognised in equity	70.9	(12.7)	58.2
Share of associates other comprehensive income	4.1	-	4.1
Balance at the end of the year	97.7	(4.0)	93.7

	Before tax \$Millions	Tax (expense) / benefit \$Millions	Net of tax \$Millions
2023			
Differences arising on translation of foreign operations	(3.6)	(0.2)	(3.8)
Realisations on disposal of subsidiary, reclassified to profit and loss	-	-	-
Net change in fair value of available for sale financial assets	(2.3)	-	(2.3)
Ineffective portion of hedges taken to profit and loss	-	-	-
Effective portion of changes in fair value of cash flow hedges	6.8	(1.7)	5.1
Fair value movements in relation to executive share scheme	-	-	-
Net change in fair value of property, plant & equipment recognised in equity	65.4	(5.3)	60.1
Share of associates other comprehensive income	27.7	-	27.7
Balance at the end of the year	94.0	(7.2)	86.8

(12.3) Deferred Tax

Deferred tax assets and liabilities are offset on the Statement of Financial Position where they relate to entities with a legally enforceable right to offset tax.

	2024 \$Millions	2023 \$Millions
Balance at the beginning of the year	(253.7)	(257.4)
Charge for the year	(30.5)	8.0
Deferred tax impact from reversal of depreciation on buildings	-	-
Deferred tax recognised in equity	1.4	(14.2)
Acquired with Business Combination	(139.7)	(11.1)
Reclassification of prior year difference	(3.7)	-
Disposal of subsidiaries	-	-
Effect of movements in foreign exchange rates	(0.1)	0.7
Tax losses recognised/(utilised)	(5.7)	7.0
Transfers to liabilities classified as held for sale	-	13.3
Balance at the end of the year	(432.0)	(253.7)

The Infratil New Zealand Group is forecasting to derive taxable profits in future periods, sufficient to utilise the tax losses carried forward and deductible temporary differences. As a result deferred tax assets and liabilities have been recognised where they arise, including deferred tax on tax losses carried forward.

On 28 March 2024, the New Zealand Government enacted the Taxation (Annual Rates for 2023-24, Multinational Tax, and Remedial Matters) Act. As a result, from the 2024-25 income tax year onwards, the Group can no longer claim any tax depreciation on all of its commercial buildings with estimated useful lives of 50 years or more in New Zealand. The claim of tax depreciation of building fit-out separate from the related building structures will not be affected. The Group has assessed the impact and this has resulted in an increase to deferred tax expense and deferred tax liability of \$50.3 million.

(12.4) Recognised deferred tax assets and liabilities

	Assets \$Millions	Liabilities \$Millions	Net \$Millions
31 March 2024			
Property, plant and equipment	35.7	(459.8)	(424.1)
Investment properties	(0.9)	(1.2)	(2.1)
Derivative financial instruments	-	(15.3)	(15.3)
Employee benefits	18.2	-	18.2
Customer base assets	-	(139.6)	(139.6)
Provisions	30.7	-	30.7
Tax losses carried forward	161.9	-	161.9
Lease liabilities	351.9	-	351.9
Right of use assets	-	(330.2)	(330.2)
Other items	1.5	(84.9)	(83.4)
Total	599.0	(1,031.0)	(432.0)
31 March 2023			
Property, plant and equipment	-	(357.1)	(357.1)
Investment properties	(1.4)	(1.1)	(2.5)
Derivative financial instruments	(10.4)	(7.7)	(18.1)
Employee benefits	11.8	-	11.8
Customer base assets	-	(35.9)	(35.9)
Provisions	5.9	-	5.9
Tax losses carried forward	155.2	-	155.2
Lease liabilities	60.5	-	60.5
Right of use assets	-	(56.2)	(56.2)
Other items	7.7	(25.0)	(17.3)
Total	229.3	(483.0)	(253.7)

(12.5) Changes in temporary differences affecting tax expense

	Tax expense/(credit)		Other comprehensive income	
	2024 \$Millions	2023 \$Millions	2024 \$Millions	2023 \$Millions
Property, plant and equipment	(7.2)	(6.9)	(12.7)	(9.0)
Investment properties	0.4	(0.2)	-	-
Derivative financial instruments	(2.5)	(8.7)	8.7	(1.7)
Employee benefits	(1.8)	1.5	-	(0.2)
Customer base assets	6.3	0.8	-	-
Provisions	20.2	0.1	-	-
Tax losses carried forward	13.0	14.1	-	-
Lease liabilities	(2.8)	7.3	-	-
Right of use assets	10.8	(5.4)	-	-
Other items	(66.9)	5.4	5.3	3.5
	(30.5)	8.0	1.3	(7.4)

(12.6) Imputation credits available to be used by Infratil Limited

	2024 \$Millions	2023 \$Millions
Balance at the end of the year	0.8	28.7
Imputation credits that will arise on the payment/(refund) of tax provided for	-	-
Imputation credits that will arise on the (payment)/receipt of dividends accrued at year end	-	-
Imputation credits available for use	0.8	28.7

(13) Property, plant and equipment

	Communication and network equipment \$Millions	Land and civil works	Buildings \$Millions	Vehicles, plant and equipment \$Millions	Capital work in progress \$Millions	Leasehold Improvements \$Millions	Renewable Generation Assets \$Millions	Total \$Millions
2024								
<i>Cost or valuation</i>								
Balance at beginning of year	-	858.7	603.9	282.6	175.4	90.8	1,697.1	3,708.5
Additions	110.7	1.7	-	53.8	230.7	13.4	8.6	418.9
Additions on acquisition of subsidiary	1,696.4	-	-	60.2	130.1	-	-	1,886.7
Capitalised interest and financing costs	-	-	-	-	-	-	-	-
Disposals	(1.6)	(8.1)	(0.8)	(11.1)	(0.2)	(1.3)	-	(23.1)
Impairment	-	-	-	-	-	-	-	-
Revaluation	-	34.6	36.2	-	-	-	-	70.8
Transfers between categories	55.9	34.7	20.8	7.4	(128.6)	9.8	-	-
Transfers to assets classified as held for sale	-	(6.8)	-	-	-	-	-	(6.8)
Transfer to right of use assets	-	-	-	-	-	-	-	-
Transfers to intangible assets	-	-	-	-	(3.9)	-	-	(3.9)
Transfers from/(to) investment properties	-	-	-	-	-	-	-	-
Effect of movements in foreign exchange rates	-	-	-	1.9	1.2	1.0	-	4.1
Balance at end of year	1,861.4	914.8	660.1	394.8	404.7	113.7	1,705.7	6,055.2
<i>Accumulated depreciation</i>								
Balance at beginning of year	-	25.4	1.0	112.0	-	10.0	-	148.4
Depreciation for the year	227.8	9.5	16.9	44.5	-	7.1	14.9	320.7
Depreciation and amortisation on acquisition of subsidiary	808.2	-	-	22.1	-	-	-	830.3
Transfer from/(to) investment properties	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Disposals	0.1	-	-	(10.6)	-	(0.1)	-	(10.6)
Transfers to assets classified as held for sale	-	2.0	-	-	-	-	-	2.0
Transfer to right of use assets on transition to NZ IFRS 16	-	-	-	-	-	-	-	-
Effect of movements in foreign exchange rates	-	-	-	0.5	-	0.1	-	0.6
Balance at end of year	1,036.1	36.9	17.9	168.5	-	17.1	14.9	1,291.4
Carrying value at 31 March 2024	825.3	877.9	642.2	226.3	404.7	96.6	1,690.8	4,763.8

Capital work in progress in the year primarily relates to construction costs associated with Manawa Energy's large generator, dam strengthening and reconsementing costs, works at Wellington Airport, two new clinics at RHCNZ, Te Kohoa Waikato and North Hamilton and One NZ's network infrastructure projects.

Carrying value by Subsidiary

	Communication and network equipment \$Millions	Land and civil works	Buildings \$Millions	Vehicles, plant and equipment \$Millions	Capital work in progress \$Millions	Leasehold Improvements \$Millions	Renewable Generation Assets \$Millions	Total \$Millions
2024								
Gurin Energy	-	-	-	0.3	66.3	-	-	66.6
Manawa Energy	-	0.7	1.3	11.0	144.8	0.1	1,690.8	1,848.7
Mint Renewables	-	-	-	1.3	0.3	-	-	1.6
One NZ	825.3	-	-	39.5	96.0	-	-	960.8
Qscan Group	-	-	-	80.1	1.9	52.3	-	134.3
RHCNZ Medical Imaging	-	-	-	81.3	19.8	44.2	-	145.3
Wellington International Airport	-	877.2	640.9	12.7	75.7	-	-	1,606.5
Carrying value at 31 March 2024	825.3	877.9	642.2	226.2	404.8	96.6	1,690.8	4,763.8

	Land and civil works	Buildings \$Millions	Vehicles, plant and equipment \$Millions	Capital work in progress \$Millions	Leasehold Improvements \$Millions	Renewable Generation Assets \$Millions	Total \$Millions
2023							
<i>Cost or valuation</i>							
Balance at beginning of year	724.8	649.0	240.8	103.4	80.3	1,808.0	3,606.3
Additions	-	-	22.1	147.8	0.8	-	170.7
Additions on acquisition of subsidiary	-	-	5.2	-	2.1	-	7.3
Capitalised interest and financing costs	0.3	0.2	0.1	1.2	-	-	1.8
Disposals	-	-	(20.8)	-	(0.6)	(0.9)	(22.3)
Impairment	-	-	-	-	-	(12.8)	(12.8)
Revaluation	91.0	(53.2)	-	-	-	(78.0)	(40.2)
Transfers between categories	42.6	5.4	36.2	(73.7)	8.7	(19.2)	-
Transfers to assets classified as held for sale	-	-	-	-	-	-	-
Transfer to right of use assets	-	-	-	-	-	-	-
Transfers to intangible assets	-	-	-	-	-	-	-
Transfers from/(to) investment properties	-	-	-	(3.3)	-	-	(3.3)
Effect of movements in foreign exchange rates	-	2.5	(1.0)	-	(0.5)	-	1.0
Balance at end of year	858.7	603.9	282.6	175.4	90.8	1,697.1	3,708.5
<i>Accumulated depreciation</i>							
Balance at beginning of year	17.2	55.5	96.8	-	4.0	31.7	205.2
Depreciation for the year	8.2	14.8	34.3	-	6.2	16.1	79.6
Transfer from/(to) investment properties	-	-	-	-	-	-	-
Revaluation	-	(68.3)	-	-	-	(47.3)	(115.6)
Disposals	-	(1.0)	(18.7)	-	(0.1)	(0.5)	(20.3)
Transfers to assets classified as held for sale	-	-	-	-	-	-	-
Effect of movements in foreign exchange rates	-	-	(0.4)	-	(0.1)	-	(0.5)
Balance at end of year	25.4	1.0	112.0	-	10.0	-	148.4
Carrying value at 31 March 2023	833.3	602.9	170.6	175.4	80.8	1,697.1	3,560.1

Carrying value by Subsidiary

	Land and civil works	Buildings \$Millions	Vehicles, plant and equipment \$Millions	Capital work in progress \$Millions	Leasehold Improvements \$Millions	Renewable Generation Assets \$Millions	Total \$Millions
2023							
Gurin Energy	-	-	0.3	1.7	-	-	2.0
Manawa Energy	17.0	2.0	12.1	88.8	0.1	1,697.1	1,817.1
Mint Renewables	-	-	-	0.3	-	-	0.3
Qscan Group	-	-	76.9	2.6	46.9	-	126.4
RHCNZ Medical Imaging	-	-	65.1	12.3	33.8	-	111.2
Wellington International Airport	816.3	600.9	16.2	69.7	-	-	1,503.1
Carrying value at 31 March 2023	833.3	602.9	170.6	175.4	80.8	1,697.1	3,560.1

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment losses, or at fair value less accumulated depreciation and impairment losses.

Fair value is determined by an independent valuer or by management with reference to independent experts, using recognised valuation techniques. An independent valuer is engaged to provide a valuation if management does not have sufficient expertise to perform the valuation. These valuations are undertaken on a systematic basis at least every five years. In years where a valuation is not undertaken, a material change assessment of each asset class is performed to assess whether carrying amounts differ materially from fair value. This assessment is undertaken with assistance from independent experts and includes reference to projections of future revenues, volumes, operational and capital expenditure profiles, capacity, terminal values, the application of discount rates and replacement values (as relevant to each class of asset) as an indicator of a possible material change in fair value. Where a material change in fair value is identified, the carrying value is adjusted to bring carrying value materially in line with fair value.

There were no independent external valuations of property, plant and equipment performed as at 31 March 2024.

As at 31 March 2024 a material change assessment was performed for each asset class recorded at fair value less accumulated depreciation where no external valuation was undertaken. A summary of the fair value consideration is provided below.

Manawa Energy's Renewable Generation Assets

Manawa Energy's renewable generation assets are measured at fair value and are revalued by Independent external valuers, every three years or more frequently if there is a significant change in value.

Manawa Energy's renewable generation assets include land and buildings which are not separately identifiable from other generation assets. Renewable generation assets were last independently revalued, using a discounted cash flow methodology, as at 31 March 2023, to their estimated market value as assessed by Deloitte Corporate Finance. Based on the Group's assessment there was no material change identified in the carrying value of Manawa Energy's generation assets at 31 March 2024.

The valuation of Manawa Energy's renewable generation assets are sensitive to the inputs used in the discounted cash flow valuation model. A sensitivity analysis of key inputs is given in the table below. The overall valuation has been determined to be between \$1,663.9 million to \$1,952.4 million and, while the mid-point has been selected for revaluation purposes, any value within this range would be considered appropriate. The sensitivities around weighted average cost of capital have been used to create this overall range.

The following table summarises the valuation approach and key assumptions used by the independent valuer to arrive at fair value at the date of the last external valuation.

Renewable Generation Assets	Low	High	Valuation impact vs. midpoint
New Zealand Assets			
Forward electricity price path	Decreasing in real terms from \$140/MWh to \$85/MWh by 2028. Thereafter held constant.	Decreasing in real terms from \$140/MWh to \$95/MWh by 2024. Thereafter held constant.	-/+ \$123.0 m
Inflation	1.7% per annum	2.3% per annum	-\$90.0m / + \$100.0m
Generation volume	1,841 GWh per annum	2,030 GWh per annum	-/+ \$149.0m
Operating costs	\$60.0 million per annum	\$73.0 million per annum	-/+ \$96.0m
Capital expenditure	\$27.0 million per annum average	\$33.0 million per annum average	-/+ \$53.0m
Weighted average cost of capital	6.70%	7.70%	-\$144.0m / + \$174.0m

Wellington International Airport's property, plant and equipment

Wellington Airport's Land, Civil Assets and Buildings are measured at fair value.

Land

The Group's assessment of WIAL's land indicated a material change in value with reference to New Zealand and Wellington house price indices published by Real Estate of New Zealand, changes in commercial and industrial property values and consideration of other key inputs. Using the last independent external valuation performed for the year ended 31 March 2023 as a base, further work was performed to estimate fair value including an assessment of key inputs into land value. An increase in MVAU rate per hectare to \$2.86 million (2023: \$2.74 million) was adopted and was based on increases across residential, commercial and industrial property. There has been no change to other key inputs from the prior year. Airport developers WACC has been held at 12.2%. Based on this, a fair value increase of \$25.5 million (2023: \$74.1 million) has been made to the carrying value of land and recognised in the Asset Revaluation Reserve and Other Comprehensive Income.

Civil Assets

At 31 March 2024, a material change assessment was performed for Civil asset class given no independent external valuation was undertaken. Based on the Group's assessment which includes reference to the Waka Kotahi Construction index and the Producers Price index, and assisted by WSP Opus International Consultants Limited, a fair value increase of \$9.1 million has been made to the carrying value of these assets in the Asset Revaluation Reserve and Other Comprehensive Income (2023: \$16.9 million).

Buildings

The Buildings asset class is comprised of three main sub-components; (a) Specialised buildings, (b) Vehicle business assets and (c) Hotel business assets.

(a) Specialised buildings

Based on the Group's assessment which includes reference to the capital goods price index and consumer price index, a fair value increase of \$12.6 million has been made to the carrying value of these assets in the Asset Revaluation Reserve and Other Comprehensive Income (2023: \$29.4 million).

(b) Vehicle business assets

Based on the Group's assessment which includes reference to passenger forecasts and discounted cash flow modelling, a fair value increase of \$20.0 million has been made to the carrying value of these assets in the Asset Revaluation Reserve and Other Comprehensive Income (2023: \$2.7 million).

(c) Hotel business assets

Based on the Group's assessment which includes reference to passenger forecasts and discounted cash flow modelling, a fair value increase of \$3.6 million has been made to the carrying value of these assets in the Asset Revaluation Reserve and Other Comprehensive Income (2023: \$8.1 million).

The following table summarises the valuation approach and key assumptions used by the independent valuers to arrive at fair value at the date of the last independent external valuation. Where there have been fair value adjustments in the year ended 31 March 2024, further detail has been provided under the respective asset classes below.

Asset classification and description	Valuation approach	Key valuation assumptions		+/- 5% Valuation impact
Land				
Aeronautical land - used for airport activities and specialised aeronautical assets.	Market Value for Existing Use ('MVEU')	Average MVAU rate per hectare	\$2.74 million per hectare	+/- \$28.0m
Non-aeronautical land - used for non-aeronautical purposes e.g. industrial, service, retail, residential and land associated with the vehicle business.		Developer's WACC rate	12.20%	+/- \$15.0m
		Holding period	6 years	+/- \$22.0m

Last external valuation undertaken as at 31 March 2023 by independent valuers, CBRE Limited. For the year ended 31 March 2024, a material change assessment has been undertaken, and further work carried out which resulted in a fair value increase of \$25.5 million. In relation to the value at 31 March 2024, a 5% change in the indices referenced equates to +/- \$29.0 million in fair value. A 5% change in developers WACC rate equates to +/- \$16.0 million in fair value.

Civil

Civil works includes sea protection and site services, excluding such site services to the extent that they would otherwise create duplication of value.	Optimised Depreciated Replacement Cost ('ODRC')	Average cost rates per sqm for concrete, asphalt, base course and foundations	Concrete \$887 Asphalt \$989 Basecourse \$127 Foundations \$20	+/- \$9.5m
		Estimated remaining useful life	Average remaining useful life 30 years	+/- \$9.5m

Last external valuation undertaken as at 31 March 2020 by independent valuers, WSP Opus International Consultants Limited. For the year ended 31 March 2024, a material change assessment has been undertaken, and further work carried out which resulted in a fair value increase of \$9.1 million. In relation to the value at 31 March 2024, a 5% change in the indices referenced equates to +/- \$0.5 million in fair value.

Buildings

Specialised buildings used for identified airport activities	Optimised Depreciated Replacement Cost ('ODRC')	Average modern equivalent asset rate (per square metre)	\$9,273	+/- \$15.7m
Non-specialised buildings used for purposes other than for identified airport activities, including space allocated within the main terminal building for retail activities, offices and storage.				\$2,089
Vehicle business assets associated with car parking and taxi, shuttle and bus services (excluding land and civil)	Discounted Cash flows ('DCF') and Capitalisation Rate	Revenue growth	2.20%	+/- \$0.5m
		Cost growth	2.12%	+/- \$0.5m
		Discount rate	9.75%	+/- \$4.8m
		Capitalisation	7.75%	+/- \$7.5m

Last external valuation undertaken as at 31 March 2023 by independent valuers, CBRE Limited. For the year ended 31 March 2024, a material change assessment has been undertaken, and further work carried out which resulted in a fair value increase of \$32.6 million. In relation to the value of specialised buildings at 31 March 2024, a 5% change in the indices referenced equates to +/- \$0.6 million in fair value. In relation to the value of vehicle business assets, a 5% change in passenger cashflow forecasts equates to +/- \$8.8 million in fair value.

Asset classification and description	Valuation approach	Key valuation assumptions		+/- 5% Valuation impact
Hotel business assets				
	Discounted Cash flows ('DCF') and Capitalisation Rate	Capitalisation rate	7.25%	+/- \$1.6m
		Discount rate	9.25%	+/- \$0.8m

Last external valuation undertaken as at 31 March 2023 by independent valuers, CBRE Limited. For the year ended 31 March 2024, a material change assessment has been undertaken, and further work carried out which resulted in a fair value increase of \$3.6 million. In relation to the value at 31 March 2024, a 5% change in the cashflow forecasts equates to +/- \$1.3 million in fair value.

Effect of level 3 fair value measurements on profit or loss and other comprehensive income

The following table summarises for property, plant and equipment measured at fair value, classified as level 3 in the fair value hierarchy, the effect of the fair value movements on profit or loss and other comprehensive income for the year. Items classified as level 3 contain valuation inputs for the asset that are not based on observable market data.

2024	Recognised in profit or loss \$Millions	Recognised in OCI \$Millions	Total \$Millions
Level 3 fair value movements			
Renewable Generation Assets	-	-	-
Land and civil works	-	34.6	34.6
Buildings	-	36.2	36.2
	-	70.8	70.8

2023	Recognised in profit or loss \$Millions	Recognised in OCI \$Millions	Total \$Millions
Level 3 fair value movements			
Renewable Generation Assets	(12.8)	(30.7)	(43.5)
Land and civil works	-	91.0	91.0
Buildings	-	15.1	15.1
	(12.8)	75.4	62.6

There were no transfers between property, plant and equipment assets classified as level 1 or level 2, and level 3 of the fair value hierarchy during the year ended 31 March 2024 (2023: nil).

Revalued assets at deemed cost

For each revalued class the carrying amount that would have been recognised had the assets been carried on a historical cost basis are as follows:

2024	Cost \$Millions	Accumulated depreciation \$Millions	Net book value \$Millions
Renewable Generation Assets	766.9	-	766.9
Land and civil works	423.0	(76.7)	346.3
Buildings	679.1	(248.0)	431.1
	1,869.0	(324.7)	1,544.3

2023	Cost \$Millions	Accumulated depreciation \$Millions	Net book value \$Millions
Renewable Generation Assets	766.9	-	766.9
Land and civil works	345.2	(70.8)	274.4
Buildings	692.8	(217.6)	475.2
	1,804.9	(288.4)	1,516.5

(14) Investment properties

	Owned property \$Millions	Right of use assets \$Millions	Total \$Millions
2024			
Balance at beginning of year	97.0	35.2	132.2
Additions	-	-	-
Disposals	(4.2)	-	(4.2)
Transfers from/(to) property, plant and equipment	-	-	-
Investment properties revaluation net increase/(decrease)	(8.0)	(0.3)	(8.3)
Transfers to assets held for sale	5.2	0.3	5.5
Balance at end of year	90.0	35.2	125.2
2023			
Balance at beginning of year	197.4	81.9	279.3
Additions	-	3.6	3.6
Disposals	-	(1.0)	(1.0)
Transfers from/(to) property, plant and equipment	3.3	-	3.3
Investment properties revaluation net increase/(decrease)	(4.5)	21.3	16.8
Transfers to assets held for sale	(99.2)	(70.6)	(169.8)
Balance at end of year	97.0	35.2	132.2

The fair value of investment properties at Wellington International Airport and Infratil Infrastructure Property are estimated each year by an independent valuer, Jones Lang LaSalle, which reflects market conditions at balance date. Changes to market conditions or to assumptions made in the estimation of fair value will result in changes to the fair value of the investment properties.

The valuation of Wellington International Airport's investment properties is based on a discounted cash flow and capitalisation rate approach. The fair value at 31 March 2024 is \$90.5 million (2023: \$97.0 million).

The valuation of Infratil Infrastructure Property's investment properties is based on a capitalisation of net income, forecast EBITDA and discounted cashflow approach. The fair value at 31 March 2024 is \$94.0 million (2023: \$99.2 million). There were no capital works in progress included in investment properties at 31 March 2024 (2023: none). Infratil Infrastructure Property investment property's assets and liabilities are classified as held for sale at 31 March 2024.

Where a lease pertains to property held to earn rental income, the right of use asset is included within Investment properties and is measured at fair value. Rental income from investment properties of \$15.8 million was recognised in profit or loss during the year (2023: \$14.2 million). Direct operating expenses arising from investment properties of \$4.6 million were also recognised in profit or loss during the year (2023: \$2.7 million).

The following table summarises the valuation approach and key assumptions used by the valuer to arrive at fair value.

Description	Valuation approach	Fair value hierarchy level	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Wellington International Airport				
			Weighted average discount rate	7.66% (2023: 7.56%) An increase in the discount rate will decrease the fair value.
Airport Retail Park and other properties held to earn rental income.	DCF and Cap rate	3	Weighted average income capitalisation rate	6.72% (2023: 7.05%) An increase in the capitalisation rate will decrease the fair value.
			Weighted average lease term	3.66 years (2023: 3.20 years) An increase in the average lease term will ordinarily increase the fair value.
Infratil Infrastructure Property				
Investment property assets situated at 100 Halsey Street, Wynyard Quarter, Auckland. The site includes a commercial, car park and hotel building, as well as the ground lease for the adjacent bus depot site.	DCF and Cap rate	3	Weighted average discount rate	9.61% (2023: 9.06%) An increase in the discount rate will decrease the fair value.
			Weighted average income capitalisation rate	8.15% (2023: 7.87%) An increase in the capitalisation rate will decrease the fair value.

Last external valuation undertaken as at 31 March 2024 by independent valuers, Jones Lang LaSalle.

(15) Leases

(15.1) Right of use assets

Right of use assets related to leased properties that do not meet the definition of investment properties are summarised below. Land and buildings right of use assets include land held under ground leases and rental of office space.

	Cell sites \$Millions	Land and Buildings \$Millions	Plant and equipment \$Millions	Total \$Millions
2024				
<i>Cost</i>				
Balance at beginning of year	-	202.8	0.6	203.4
Additions	3.6	59.7	32.3	95.6
Additions on acquisition of subsidiary	765.2	165.1	118.3	1,048.6
Disposals	(19.0)	(29.5)	(10.8)	(59.3)
Remeasurements	-	7.4	-	7.4
Effect of movements in exchange rates	-	2.1	-	2.1
Transfers to assets held for sale	-	-	-	-
Balance at end of year	749.8	407.6	140.4	1,297.8
<i>Accumulated depreciation</i>				
Balance at beginning of year	-	41.7	0.5	42.2
Depreciation for the year	32.5	43.3	9.2	85.0
Effect of movements in exchange rates	-	0.8	-	0.8
Disposals	10.4	54.0	10.5	74.9
Transfers to assets held for sale	-	-	-	-
Balance at end of year	42.9	139.8	20.2	202.9
Carrying value at 31 March 2024	706.9	267.8	120.2	1,094.9
2023				
<i>Cost</i>				
Balance at beginning of year		179.0	0.4	179.4
Additions		15.4	0.2	15.6
Additions on acquisition of subsidiary		7.5	-	7.5
Disposals		(2.8)	-	(2.8)
Remeasurements		4.4	-	4.4
Effect of movements in exchange rates		(0.7)	-	(0.7)
Transfers to assets held for sale		-	-	-
Balance at end of year		202.8	0.6	203.4
<i>Accumulated depreciation</i>				
Balance at beginning of year		19.9	0.3	20.2
Depreciation for the year		22.6	0.2	22.8
Effect of movements in exchange rates		(0.4)	-	(0.4)
Disposals		(0.4)	-	(0.4)
Transfers to assets held for sale		-	-	-
Balance at end of year		41.7	0.5	42.2
Carrying value at 31 March 2023		161.1	0.1	161.2

(15.2) Lease liabilities

	2024 \$Millions	2023 \$Millions
<i>Maturity analysis - contractual undiscounted cash flows</i>		
Between 0 to 1 year	162.7	34.9
Between 1 to 2 years	148.7	30.8
Between 2 to 5 years	374.8	81.8
More than 5 years	1,582.8	410.6
Transfers to liabilities held for sale	(69.3)	(221.6)
Total undiscounted lease liabilities	2,199.7	336.5
	2024 \$Millions	2023 \$Millions
<i>Lease liabilities included in the statement of financial position</i>		
<i>Split as follows:</i>		
Current	81.4	19.0
Non-current	1,068.0	189.2
	1,149.4	208.2
	2024 \$Millions	2023 \$Millions
<i>Amounts recognised in the consolidated statement of comprehensive income</i>		
Interest on lease liabilities	70.6	12.8
Variable lease payments not included in the measurement of lease liabilities	0.5	-
Expenses relating to short-term leases	2.9	0.7
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	0.3	-

The weighted average incremental borrowing cost applied to lease liabilities at 1 April 2023 was 6.91% (1 April 2022: 5.05%). Total cash outflow for leases for the year ended 31 March 2024 was \$137.2 million (2023: \$28.1 million).

(15.3) Leases as a lessor

The Group has receivables from operating leases relating to the lease of premises. The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	2024 \$Millions	2023 \$Millions
<i>Operating lease receivables as lessor</i>		
Between 0 to 1 year	23.9	15.4
Between 1 to 2 years	17.0	10.3
Between 2 to 5 years	33.5	21.0
More than 5 years	41.4	43.1
Total undiscounted lease payments	115.8	89.8

(16) Goodwill

	2024 \$Millions	2023 \$Millions
Balance at beginning of the year	1,846.1	1,807.2
Goodwill arising on acquisitions	2,881.4	42.8
Goodwill disposed of during the year	-	-
Goodwill impaired during the year	(62.5)	-
Transfers to disposal group assets classified as held for sale	-	-
Effects of movements in exchange rates	12.0	(3.9)
Balance at the end of the year	4,677.0	1,846.1
<i>The aggregate carrying amounts of goodwill allocated to each investment are as follows:</i>		
Manawa Energy	61.9	61.9
Mint Renewables	1.1	-
One NZ	2,880.1	-
Qscan Group	653.4	703.7
RHCNZ Medical Imaging	1,080.5	1,080.5
	4,677.0	1,846.1

The goodwill arising on Infratil's acquisition of an additional 49.95% stake in One NZ during the current year is outlined in note 8.1.

The carrying value of Goodwill is allocated across the five subsidiaries and is subject to an annual impairment at the Cash Generating Unit ('CGU') level to ensure the carrying value does not exceed the recoverable amount at balance date. This is outlined below for each company.

Manawa Energy

Cash Generating Units and Impairment testing

The CGU is the operating segment of Manawa for impairment testing within the Group. In determining whether an impairment is necessary, the fair value of the Company's investment in Manawa is assessed with reference to the market share price quoted on the NZX at each reporting date.

Qscan Group

Cash Generating Units

Qscan goodwill is allocated across six CGUs being, Queensland, Tasmania and Western Australia ('QTWA'), Northern New South Wales ('NNSW'), Australian Capital Territory ('ACT'), Southern New South Wales ('SNSW'), Regional, Western Australia, ('WA').

Impairment testing

Goodwill assets were tested for impairment at 31 March 2024. The test involved calculating the recoverable value of the assets to ensure that it exceeded their carrying value.

The recoverable amount of the CGUs has been calculated using the Fair Value Less Costs of Disposal ('FVLCD') approach on a discounted cash flow model. The recoverable amount of a CGU is defined as higher of FVLCD and its value in use ('VIU'). Qscan's VIU is less than its FVLCD.

The future cash flows were discounted using a post-tax weighted cost of capital ('WACC') for the Qscan Group of 10.93% (31 March 2023: 10.38%).

The cash flow forecasts cover a period of 5 years with a terminal growth rate thereafter. The terminal growth rate, being 3% (31 March 2023: 3%), was determined based on management's estimate of the long-term annual EBITDA growth rate for the Qscan Group and assume continuation of stable growth in healthcare services in Australia.

The cashflow forecasts are initially based on the FY2025 Board approved budget, with forecasts beyond year one taking into consideration:

- Historical revenue growth and EBITDA margins achieved by each CGU as well as the trends within the Australian medical imaging industry, including the recovery in demand following the disruption caused by the Covid-19 pandemic;
- Estimated cashflows related to new clinic growth including capital expenditure to support these activities; and
- Estimated cash flows related to Information Technology projects to support future growth in revenue and EBITDA margins.

The recoverable value calculations have been assessed for sensitivity in the earnings margins as a key input to reflect the macroeconomic and inflationary conditions in the market. Based on the sensitivity assessment performed, the estimated recoverable amount of three of the six CGUs fell below its carrying amount by approximately \$61.9 million (31 March 2023: nil). As a result, Qscan recognised a \$61.9 million (A\$57.4 million) impairment expense which is presented in net realisations, revaluations and impairments in the Statement of Comprehensive Income. The impairment loss was fully allocated to goodwill.

The impairment loss is based on the downside scenario that assumes EBITDA margin growth is not fully realised (EBITDA margins sensitised to be between ~1-2% growth on historically observed margins) and that the anticipated revenue growth is achieved more so through volume (rather than yield), putting pressure on Qscan's ability to grow clinic margins.

RHCNZ Medical Imaging

Cash Generating Units

Goodwill is allocated to the operating entities within RHCNZ of Pacific Radiology ('PRG'), Auckland Radiology ('ARG'), and Bay Radiology ('BRL').

Impairment testing

The recoverable amount of the CGUs has been calculated based on a value in use model using an internal discounted cash flow valuation model.

The future cash flows were discounted using a post-tax WACC for the RHCNZ Group of 9.8% (31 March 2023: 10.1%), with a CGU risk specific equity premium applied to ARG and BRL.

The cash flows in the model cover a period of 10 years with a terminal growth rate of 3.5% thereafter. The cash flows are initially based on the FY2025 Board approved budget and Board approved long-term key assumptions, noting cash flows are based on a pure value in use basis and exclude greenfield growth opportunities that were included in the budget. Forecasts beyond year one taking into the following key inputs and assumptions: long-term industry growth (aligning with independent market research and global trends), patient volume growth, operating costs (specifically staff), and machinery and facility utilisation.

During the year, no impairment was deemed necessary across the three CGUs.

One NZ

Cash Generating Units

The CGU is the operating segment of One NZ for impairment testing within the Group.

Impairment testing

The impairment assessment has determined the recoverable amount of the CGU by assessing the Fair Value Less Costs of Disposal ('FVLCD') of the underlying assets. During the year ending 31 March 2024 no impairment arose as a result of the assessment of goodwill. No reasonably possible changes in assumptions have been identified that would result in impairment.

The model uses cash flow projections based on 20-year management approved forecasts. The forecasts use management estimates to determine forecast earnings, expenses and capital expenditure for the CGU based on both past experience and future expectations of CGU performance. The major inputs and assumptions used in the model that require judgement include revenue and operating expense forecasts, customer numbers and churn, discount rate and growth rate used. This is because cash flows from the fixed and mobile product lines or the consumer/enterprise/wholesale customers cannot be independently identified. Strategic decision making is made at the ICN JV group level.

(17) Intangibles

	Radio spectrum licences \$Millions	Software \$Millions	Construction in progress \$Millions	Customer contracts \$Millions	Brands \$Millions	Total \$Millions
2024						
<i>Cost or valuation</i>						
Balance at beginning of the year	-	12.1	-	12.1	118.3	142.5
Additions at cost	6.2	43.6	16.3	-	0.1	66.2
Additions on acquisition of subsidiary	166.3	352.7	66.7	429.3	49.5	1,064.5
Disposals	-	(0.3)	(0.1)	-	-	(0.4)
Impairment	-	-	-	-	-	-
Transfers between categories	-	45.0	(45.0)	-	-	-
Transfers from property, plant and equipment	-	-	3.9	-	-	3.9
Transfers to assets classified as held for sale	-	-	-	-	-	-
Effect of movements in exchange rates	-	(0.2)	-	(0.1)	0.8	0.5
Balance at end of year	172.5	452.9	41.8	441.3	168.7	1,277.2
<i>Amortisation and impairment losses</i>						
Balance at beginning of the year	-	(7.3)	-	(6.5)	-	(13.8)
Amortisation on acquisition of subsidiary	(47.4)	(218.4)	-	-	-	(265.8)
Amortisation for the year	(10.6)	(85.5)	-	(52.2)	(4.6)	(152.9)
Disposals	-	0.1	-	-	-	0.1
Impairment	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Effect of movements in exchange rates	-	0.2	-	(0.1)	-	0.1
Balance at end of year	(58.0)	(310.9)	-	(58.8)	(4.6)	(432.3)
Carrying value 31 March 2024	114.5	142.0	41.8	382.5	164.1	844.9
2023						
<i>Cost or valuation</i>						
Balance at beginning of the year	-	12.7	-	10.9	106.8	130.4
Additions at cost	-	1.8	-	-	-	1.8
Additions on acquisition of subsidiary	-	-	-	1.1	11.9	13.0
Disposals	-	(2.4)	-	-	-	(2.4)
Impairment	-	-	-	-	-	-
Transfers from property, plant and equipment	-	-	-	-	-	-
Reclassification of SaaS costs previously capitalised	-	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	0.1	(0.4)	(0.3)
Balance at end of year	-	12.1	-	12.1	118.3	142.5
<i>Amortisation and impairment losses</i>						
Balance at beginning of the year	-	(5.5)	-	(3.6)	-	(9.1)
Amortisation for the year	-	(3.0)	-	(2.9)	-	(5.9)
Disposals	-	1.2	-	-	-	1.2
Impairment	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Reclassification of SaaS costs previously capitalised	-	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-	-
Balance at end of year	-	(7.3)	-	(6.5)	-	(13.8)
Carrying value 31 March 2023	-	4.8	-	5.6	118.3	128.7

(18) Loans and borrowings

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

	2024 \$Millions	2023 \$Millions
Current liabilities		
Unsecured bank loans	247.0	51.6
Secured bank loans	28.8	455.4
less: Loan establishment costs capitalised and amortised over term	(6.2)	(12.4)
	269.6	494.6
Non-current liabilities		
Unsecured bank loans	645.0	23.1
Secured bank loans	2,238.5	286.9
less: Loan establishment costs capitalised and amortised over term	(14.2)	(4.7)
	2,869.3	305.3
Facilities utilised at reporting date		
Unsecured bank loans	892.0	74.6
Unsecured guarantees	-	-
Secured bank loans	2,267.3	742.4
Secured guarantees	5.5	5.1
Facilities not utilised at reporting date		
Unsecured bank loans	1,169.9	1,233.9
Unsecured guarantees	-	-
Secured bank loans	130.6	140.0
Secured guarantees	-	-
Facilities utilised at reporting date		
Interest bearing loans and borrowings - current	269.6	494.6
Interest bearing loans and borrowings - non-current	2,869.3	305.3
Total interest bearing loans and borrowings	3,138.9	799.9
	2024 \$Millions	2023 \$Millions
Maturity profile for bank facilities (excluding secured guarantees):		
Between 0 to 1 year	356.8	843.0
Between 1 to 2 years	2,062.5	542.2
Between 2 to 5 years	1,983.8	805.7
Over 5 years	56.7	-
Total bank facilities	4,459.8	2,190.9

Financing arrangements

Wholly owned subsidiaries

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

At 31 March 2024 there was \$811.0 million of drawn debt under the IGG facilities (31 March 2023: nil) and undrawn IGG facilities totalled \$800.9 million (31 March 2023: \$898.4 million).

Non-wholly owned subsidiaries

The Group's non-wholly owned subsidiaries also enter into bank facility arrangements. Amounts outstanding under these facilities are included within loans and borrowings in the table above. Wellington International Airport and Manawa Energy's facilities are both subject to negative pledge arrangements, which with limited exceptions does not permit those entities to grant security over their respective assets. One NZ, Qscan Group and RHCNZ Medical Imaging borrow under syndicated bank debt facilities, under which security is granted over their respective assets. All non-wholly owned subsidiary facilities are subject to restrictions over the sale or disposal of certain assets without bank agreement.

The various bank facilities across the Group require the relevant borrowing group to operate within defined performance and gearing ratios as is typical of debt facilities of this nature. Throughout the period the Group has complied with all debt covenant requirements as imposed by the respective lenders.

Interest rates

Interest rates payable on bank loan facilities are floating rate determined by reference to prevailing money market rates at the time of draw-down plus a margin. Interest rates paid during the year ranged from 6.48% to 9.24% (31 March 2023: 1.40% to 8.44%).

(19) Infratil Infrastructure bonds

	2024 \$Millions	2023 \$Millions
<i>Balance at the beginning of the year</i>	1,311.3	1,388.5
Issued during the year	277.2	115.9
Exchanged during the year	(52.2)	-
Matured during the year	(69.9)	(193.7)
Purchased by Infratil during the year	-	-
Bond issue costs capitalised during the year	(3.6)	(1.5)
Bond issue costs amortised during the year	2.4	2.4
Issue premium amortised during the year	(0.3)	(0.3)
Balance at the end of the year	1,464.9	1,311.3
Current	156.1	122.0
Non-current fixed coupon	954.6	835.3
Non-current variable coupon	122.3	122.1
Non-current perpetual variable coupon	231.9	231.9
Balance at the end of the year	1,464.9	1,311.3
<i>Repayment terms and interest rates:</i>		
IFT210 maturing in September 2023, 5.25% p.a. fixed coupon rate	-	122.1
IFT230 maturing in June 2024, 5.50% p.a. fixed coupon rate	56.1	56.1
IFT260 maturing in December 2024, 4.75% p.a. fixed coupon rate	100.0	100.0
IFT250 maturing in June 2025, 6.15% p.a. fixed coupon rate	43.4	43.4
IFT300 maturing in March 2026, 3.35% p.a. fixed coupon rate	120.3	120.3
IFT280 maturing in December 2026, 3.35% p.a. fixed coupon rate	156.3	156.3
IFT310 Maturing in December 2027, 3.60% p.a. fixed coupon rate	102.4	102.4
IFT270 maturing in December 2028, 6.78% p.a. fixed coupon rate	146.2	146.2
IFT320 maturing in June 2030, 5.93% p.a. fixed coupon rate until June 2026	115.9	115.9
IFT330 maturing in July 2029, 6.90% p.a. fixed coupon rate	150.0	-
IFT340 maturing in March 2031, 7.08% p.a. fixed coupon rate	127.2	-
IFTHC maturing in December 2029, 7.78% p.a. variable coupon rate, reset annually	123.2	123.2
IFTHA Perpetual Infratil infrastructure bonds	231.9	231.9
<i>less: issue costs capitalised and amortised over term</i>	(8.6)	(7.4)
<i>add: issue premium capitalised and amortised over term</i>	0.6	0.9
Balance at the end of the year	1,464.9	1,311.3

Fixed coupon

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

IFTHC bonds

The IFTHC bonds the Company has on issue are at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds. The coupon for the IFTHC bonds for the 1-year period from (but excluding) 15 December 2023 was fixed at 7.78% per annum (for the 1-year period to 15 December 2023 the coupon was 7.89%). Thereafter the rate will be reset annually at 2.50% per annum over the then one year swap rate for quarterly payments.

IFT270 bonds

The interest rate of the IFT270 bonds was fixed at 4.85% for the first five years and then reset on 15 December 2023 for a further five years. The interest rate for the IFT270 bonds for the period from (but excluding) 15 December 2023 was fixed at 6.78% until the maturity date.

IFT320 bonds

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

Perpetual Infratil infrastructure bonds ('PIIBs')

The Company has 231,916,000 (31 March 2022: 231,916,000) PIIBs on issue at a face value of \$1.00 per bond. Interest is payable quarterly on the bonds. On 15 November 2023 the coupon was set at 7.06% per annum until the next reset date, being 15 November 2024 (2023: 6.45%). Thereafter the rate will be reset annually at 1.50% per annum over the then one year swap rate for quarterly payments, unless Infratil's gearing ratio exceeds certain thresholds, in which case the margin increases. These infrastructure bonds have no fixed maturity date. No PIIBs (2023: nil) were repurchased by Infratil Limited during the year.

Throughout the year the Company complied with all debt covenant requirements as imposed by its bond supervisor.

At 31 March 2024 Infratil Infrastructure bonds (including PIIBs) had a fair value of \$1,363.1 million (31 March 2023: \$1,203.4 million).

(20) Manawa Energy bonds

	2024 \$Millions	2023 \$Millions
Unsecured senior bonds		
<i>Repayment terms and interest rates:</i>		
MNW180 maturing in July 2026, 3.35% p.a. fixed coupon rate	125.0	125.0
MNW190 maturing in September 2027, 5.36% p.a. fixed coupon rate	150.0	150.0
MNW170 maturing in February 2029, 6.56% p.a. fixed coupon rate	100.0	100.0
<i>/ess: Issue costs capitalised and amortised over term</i>	(2.3)	(3.0)
Balance at the end of the year	372.7	372.0
Current	-	-
Non-current	372.7	372.0
Balance at the end of the year	372.7	372.0

Manawa Energy's unsecured senior bonds rank equally with their bank loans. Manawa Energy borrows under a negative pledge arrangement, which with limited exceptions does not permit Manawa Energy to grant any security interest over its assets. The Trust Deed for these bonds requires Manawa Energy to maintain certain levels of shareholders' funds and operate within defined performance and debt gearing ratios. The arrangements under the Trust Deed may also create restrictions over the sale or disposal of certain assets unless the senior bonds are repaid or renegotiated. Throughout the year Manawa Energy complied with all debt covenant requirements as imposed by its bond supervisor.

At 31 March 2024 Manawa Energy's unsecured senior bonds had a fair value of \$373.5 million (31 March 2023: \$364.4 million).

(21) Wellington International Airport bonds and USPP notes

	2024 \$Millions	2023 \$Millions
<i>Repayment terms and interest rates:</i>		
WIA030 Retail bonds maturing May 2023, 4.25% p.a. fixed coupon rate	-	75.0
WIA040 Retail bonds maturing August 2024, 4.00% p.a. fixed coupon rate	60.0	60.0
WIA050 Retail bonds maturing June 2025, 5.00% p.a. fixed coupon rate	70.0	70.0
WIA060 Retail bonds maturing April 2030, 4.00% p.a. fixed coupon rate until 1 April 2025	98.1	97.0
WIA070 Retail bonds maturing August 2026, 2.50% p.a. fixed coupon rate	100.0	100.0
WIA080 Retail bonds maturing September 2031, 3.32% p.a. fixed coupon rate	121.7	120.5
WIA090 Retail bonds maturing August 2028, 5.78% p.a. fixed coupon rate	75.0	75.0
WIA0100 Retail bonds maturing September 2030, 6.02% p.a. fixed coupon rate	100.0	-
USPP Notes - Series A (US\$36 million)	55.2	53.7
USPP Notes - Series B (US\$36 million)	55.2	53.7
<i>less: Issue costs capitalised and amortised over term</i>	<i>(3.3)</i>	<i>(4.5)</i>
Balance at the end of the year	731.9	700.4
Current	60.0	75.0
Non-current	671.9	625.4
Balance at the end of the year	731.9	700.4

The Trust Deed for the retail bonds requires Wellington International Airport ('Wellington Airport') to operate within defined performance and debt gearing ratios. The arrangements under the Trust Deed creates restrictions over the sale or disposal of certain assets. Throughout the year Wellington Airport complied with all debt covenant requirements as imposed by the retail bond supervisor.

Wellington Airport's USPP comprised two equal tranches, Series A of US\$36 million 10 year Note with a coupon of 3.47%, maturing July 2027 and Series B of US\$36 million 12 year Note with a coupon of 3.59%, maturing July 2029. In conjunction with the USPP issuance, Wellington Airport entered into cross currency interest rate swaps ('CCIRS') to hedge the exposure to foreign currency risk over the term of the notes.

At 31 March 2024 Wellington Airport's bonds had a fair value of \$616.6 million (2023: \$581.0 million), and Wellington Airport's USPP Notes had a fair value of \$117.4 million (2023: \$115.3 million).

The USPP notes are measured at amortised cost, translated to New Zealand dollars using the spot rate at balance date.

As at 31 March 2024 Wellington Airport has bank facilities amounting to \$100 million, which remain undrawn (31 March 2023: \$100 million). These facilities and the US\$72 million USPP Notes have certain financial covenants which were all met as at 31 March 2024.

(22) Financial instruments

The Group has exposure to the following risks due to its business activities and financial policies:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

(22.1) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. The Group is exposed to credit risk in the normal course of business including those arising from trade receivables with its customers, financial derivatives and transactions (including cash balances) with financial institutions. The Group minimises its exposure to credit risk of trade receivables through the adoption of counterparty credit limits and standard payment terms. Derivative counterparties and cash transactions are limited to high-credit-quality financial institutions and organisations in the relevant industry. The Group's exposure and the credit ratings of significant counterparties are monitored, and the aggregate value of exposures are spread across approved counterparties. The carrying amounts of financial assets recognised in the Statement of Financial Position best represent the Group's maximum exposure to credit risk at the reporting date. Generally no security is held on these amounts.

Exposure to credit risk

	2024 \$Millions	2023 \$Millions
<i>The Group had exposure to credit risk with financial institutions at balance date from cash deposits held as follows:</i>		
Financial institutions with 'AA' credit ratings	-	-
Financial institutions with 'AA-' credit ratings	154.4	547.6
Financial institutions with 'A+' credit ratings	2.6	-
Financial institutions with 'A' credit ratings	20.1	226.6
Unrated financial institutions	59.1	0.3
Total cash deposits with financial institutions	236.2	774.5
Cash on hand	-	-
Total Cash and cash equivalents	236.2	774.5

No cash was included in assets held for sale at 31 March 2024 (31 March 2023: nil). Credit ratings are from S&P Global Ratings or equivalent rating agencies.

Trade and other receivables

The Group has exposure to various counterparties. Concentration of credit risk with respect to trade receivables is limited due to the Group's large customer base in a diverse range of industries and geographies.

Ageing of trade receivables

	2024 \$Millions	2023 \$Millions
<i>The ageing analysis of trade receivables is as follows:</i>		
Not past due	341.6	77.1
Past due 0-30 days	42.5	18.4
Past due 31-90 days	9.7	6.7
Greater than 90 days	14.8	6.2
Total	408.6	108.4
<i>The ageing analysis of impaired trade receivables is as follows:</i>		
Not past due	(2.2)	(0.4)
Past due 0-30 days	(1.1)	(0.2)
Past due 31-90 days	(1.0)	(0.2)
Greater than 90 days	(11.2)	(6.0)
Total	(15.5)	(6.8)
<i>Movement in the provision for expected credit loss for the year was as follows:</i>		
Balance as at 1st April	6.8	4.7
Acquired through acquisition of subsidiary	15.9	0.5
Expected credit loss recognised (Charged to operating expenses)	5.6	1.2
Bad debts recovered	2.2	(0.6)
Provisions made/(utilised)	(15.0)	1.0
Transfers to assets classified as held for sale	-	-
Balance as at 31 March	15.5	6.8
Other prepayments and receivables	157.0	63.6
Total Trade, accounts receivable and prepayments	550.1	165.2

(22.2) Liquidity risk

Liquidity risk is the risk that assets held by the Group cannot readily be converted to cash to meet the Group's contracted cash flow obligations. Liquidity risk is monitored by continuously forecasting cash flows and matching the maturity profiles of financial assets and liabilities. The Group's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages liquidity risk by maintaining sufficient cash and committed credit facilities and ensuring an appropriate spread of debt maturities and credit profile to ensure access to capital markets as required.

The tables below analyses the Group's financial liabilities, excluding gross settled derivative financial liabilities and deferred tax, into relevant maturity groupings based on the earliest possible contractual maturity date at year end. The amounts in the tables below are contractual undiscounted cash flows, which include interest through to maturity. Perpetual Infratil Infrastructure Bonds cash flows have been determined by reference to the longest dated Infratil bond maturity in the year 2030. Contractual cashflows include liabilities held for sale at 31 March 2024.

	Balance sheet \$Millions	Contractual cash flows \$Millions	6 months or less \$Millions	6-12 months \$Millions	1 to 2 years \$Millions	2 to 5 years \$Millions	5+ years \$Millions
31 March 2024							
Accounts payable, accruals and other liabilities	1,131.7	1,560.4	852.5	80.0	526.1	31.5	70.3
Lease liabilities	1,149.4	2,266.7	81.4	81.3	146.4	374.8	1,582.8
Unsecured & secured bank facilities	3,138.9	3,642.1	268.2	119.4	2,198.7	990.4	65.4
Infratil Infrastructure bonds	1,233.0	1,546.0	89.8	131.7	222.8	549.2	552.5
Perpetual Infratil Infrastructure bonds	231.9	345.9	8.2	8.2	16.4	49.1	264.0
Wellington International Airport bonds	731.9	899.6	75.6	14.4	98.1	301.3	410.2
Manawa Energy bonds	372.7	429.4	8.1	8.1	413.2	-	-
Derivative financial instruments	149.6	225.1	68.0	56.2	95.4	0.5	5.0
	8,139.1	10,915.2	1,451.8	499.3	3,717.1	2,296.8	2,950.2
31 March 2023							
Accounts payable, accruals and other liabilities	793.5	945.2	756.8	39.2	90.1	57.1	2.0
Lease liabilities	208.2	555.5	16.3	16.2	30.8	81.8	410.4
Unsecured & secured bank facilities	799.9	900.2	84.1	470.1	56.2	289.8	-
Infratil Infrastructure bonds	1,079.4	1,310.9	148.9	23.6	47.1	669.1	422.2
Perpetual Infratil Infrastructure bonds	231.9	339.9	7.5	7.5	15.0	44.9	265.0
Wellington International Airport bonds	700.4	853.7	89.1	12.5	83.7	279.9	388.5
Trustpower bonds	372.0	445.6	8.1	8.1	16.2	310.2	103.0
Derivative financial instruments	117.0	249.8	51.5	30.8	164.1	3.3	0.1
	4,302.3	5,600.8	1,162.3	608.0	503.2	1,736.1	1,591.2

(22.3) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and energy prices will affect the Group's income or the value of its holdings of financial assets and liabilities. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while minimising the volatility in the Group's NZD cashflows.

(22.3.1) Interest rate risk (cash flow and fair value)

Interest rate risk is the risk of interest rate volatility negatively affecting the Group's interest expense cash flow and earnings. Infratil mitigates this risk by managing its interest rate exposures in accordance with its Group Treasury Policy, which sets out defined maximum and minimum hedging levels that are maintained as a proportion of forecast total drawn debt. Infratil achieves compliance with these thresholds by issuing fixed rate bonds or entering into interest rate derivatives to adjust its fixed rate exposure profile. Borrowings issued at fixed rates does expose the Group to fair value interest rate risk.

	2024 \$Millions	2023 \$Millions
<i>At balance date the face value of interest rate contracts outstanding were:</i>		
Interest rate swaps - notional value	4,683.6	2,672.2
Fair value of interest rate swaps	50.3	43.5
Fair value adjustments	(9.7)	3.3
Cross currency interest rate swaps - notional value	99.8	99.8
Fair value of cross currency interest rate swaps	10.2	6.9
<i>The termination dates for the interest rate swaps are as follows:</i>		
Between 0 to 1 year	777.6	420.0
Between 1 to 2 years	1,130.8	250.2
Between 2 to 5 years	1,600.2	1,448.0
Over 5 years	1,175.0	554.0
<i>The termination dates for the cross currency interest rate swaps are as follows:</i>		
Between 0 to 1 year	-	-
Between 1 to 2 years	-	-
Between 2 to 5 years	49.9	49.9
Over 5 years	49.9	49.9

Interest rate sensitivity analysis

The following table shows the impact on post-tax profit and equity of a movement in bank interest rates of 100 basis points higher/lower with all other variables held constant.

	2024 \$Millions	2023 \$Millions
Profit or loss		
100 bp increase	14.4	18.4
100 bp decrease	(16.2)	(18.7)
Other comprehensive income		
100 bp increase	21.4	4.0
100 bp decrease	(20.5)	(4.3)

Assumptions used in the interest rate sensitivity analysis include:

Reasonably possible movements in interest rates were determined based on a review of historical movements. A movement of 100 basis points higher/lower is considered appropriate to demonstrate the sensitivity of the Group to movements in interest rates. The sensitivity was calculated by taking interest rate instruments including loans and borrowings, bonds, interest rate swaps and cross currency interest rate swaps at balance date and adjusting the interest rate upwards and downwards to quantify the resulting impact to profit or loss and other comprehensive income.

(22.3.2) Foreign currency risk

The Group has exposure to foreign currency risk on the value of its net investment in foreign investments, assets and liabilities, future investment obligations and future income. Foreign currency obligations and income are recognised as soon as the flow of funds is likely to occur. Decisions on buying forward cover for likely foreign currency investments is subject to the Group's expectation of the fair value of the relevant exchange rate.

The Group may enter into forward exchange contracts to reduce the risk from price fluctuations of foreign currency commitments associated with the construction of generation assets and to hedge the risk of its net investment in foreign operations. Any resulting differential to be paid or received as a result of the currency hedging of the asset is reflected in the final cost of the asset. The Group has elected to apply cash flow hedge accounting to these instruments.

The following table shows the impact on post-tax profit and equity if the New Zealand dollar had weakened or strengthened by 10 per cent against the currencies with which the Group has foreign currency risk with, all other variables held constant.

	2024		2023	
	+ 10% \$Millions	- 10% \$Millions	+ 10% \$Millions	- 10% \$Millions
Profit or loss				
AUD	(10.5)	10.5	(11.7)	11.7
EUR	(0.7)	0.7	(0.7)	0.7
GBP	-	-	-	-
USD	(6.4)	6.4	(0.1)	0.1
Other comprehensive income				
AUD	(126.9)	127.5	(117.9)	118.3
EUR	(1.1)	1.1	(0.8)	0.8
GBP	(8.7)	8.7	(6.5)	6.5
USD	(36.9)	39.3	(27.4)	29.7

Assumptions used in the foreign currency exposure sensitivity analysis include:

Reasonably possible movements in foreign exchange rates were determined based on a review of historical movements. A movement of plus or minus 10% has been applied to the NZD/AUD, NZD/USD, NZD/EUR and NZD/GBP exchange rates to demonstrate the sensitivity of foreign currency risk of the company's investment in foreign operations and associated derivative financial instruments. The sensitivity was calculated by taking each currency pair's spot rate as at balance date, moving this spot rate by plus and minus 10% and then reconvert the foreign currency balances with the 'new spot-rate'.

Unhedged foreign currency exposures

At balance date the Group has the following unhedged exposure to foreign currency risk arising on foreign currency monetary assets and liabilities that fall due within the next twelve months:

	2024 \$Millions	2023 \$Millions
<i>Cash, short term deposits and trade receivables</i>		
United States Dollars (USD)	3.9	1.6
Australian Dollars (AUD)	3.3	4.6
Euro (EUR)	0.8	1.3
Pound Sterling (GBP)	0.7	0.8
<i>Bank overdraft, bank debt and accounts payable</i>		
Australian Dollars (AUD)	1.6	-

(22.3.3) Energy price risk

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

The electricity price contract for difference ('CFD') entered with Mercury NZ Limited was transferred at a price of \$1 per the mass market retail business sale and purchase agreement. When valued against the wholesale electricity price curve, this derivative had a value on day 1 of negative \$521.7 million. NZ IFRS 9 Financial Instruments requires that where the fair value differs to the transaction price for a Level 3 instrument, the valuation must be calibrated to reflect the transaction price. As a result, no day 1 fair value has been recorded. The day 1 loss of \$521.7 million will be recognised in profit and loss as contractual cash flows on the swap are settled and fair value gains/losses on the calibrated swap are realised over time.

During the current period, \$129.7 million (cumulative to date: \$251.9 million) of the deferred day 1 value has been recognised through wholesale electricity revenue as the calibrated CFD cash flows have been realised throughout the period. These CFD cash settlements have reduced the impact of changes in wholesale electricity prices on Manawa Energy's revenue. As the absolute value of the actual hedge as at 31 March 2024 is less than the absolute of the hypothetical, the hedge is deemed effective and any prior ineffectiveness taken to the profit and loss is reversed. On this basis a current period fair value loss of \$69.6 million (31 March 2023 \$97.3 million gain) has been recognised with \$nil (31 March 2023: \$27.8 million) taken to the cash flow hedge reserve and \$69.6 million loss (31 March 2023: \$69.6 million gain) taken to net fair value gains/losses on financial instruments. The fair value of this electricity price derivative at 31 March 2024 is a \$3.7 million liability (31 March 2023: \$97.4 million asset).

	2024	2023
<i>At balance date the aggregate notional volume of outstanding energy derivatives were:</i>		
Electricity (GWh)	11,810.9	12,926.0
Fair value of energy derivatives (\$millions)	(17.6)	62.5

	2024 \$Millions	2023 \$Millions
<i>The termination dates for the notional energy derivatives are as follows:</i>		
Between 0 to 1 year	422.1	634.2
Between 1 to 2 years	1,251.8	650.7
Between 2 to 5 years	90.1	628.3
Over 5 years	46.0	72.1
	1,810.0	1,985.3

Energy price sensitivity analysis

The following table shows the impact on post-tax profit and equity of an increase/decrease in the Level 3 forward electricity prices with all other variables held constant:

	2024 \$Millions	2023 \$Millions
Profit or loss		
10% increase in energy forward prices	(9.3)	(12.2)
10% decrease in energy forward prices	9.3	12.2
Other comprehensive income		
10% increase in energy forward prices	68.9	104.4
10% decrease in energy forward prices	(83.6)	(104.4)

Assumptions used in the energy forward price sensitivity analysis include:

Reasonably possible movements in energy forward prices were determined based on a review of historical movements. A movement of 10% higher/lower is considered appropriate to demonstrate sensitivity to movements in forward energy prices. The sensitivity was calculated by taking balances that incorporate expectations of forward electricity prices at balance date and adjusting the forward electricity price upwards and downwards to quantify the resulting impact to profit or loss and other comprehensive income.

If the discount rate for valuing electricity price increased/decreased by 1% then the fair value of the electricity price derivatives would have decreased/increased by \$0.8 million (2023: \$1.4 million). If the forecast inflation rate has increased/decreased by 1% then the fair value of electricity price derivatives would have increased/decreased by \$8.3 million (2023: \$16.2 million).

(22.4) Fair values

The carrying value of derivative financial assets and liabilities recorded in the statement of financial position are as follows:

	2024 \$Millions	2023 \$Millions
Assets		
Derivative financial instruments - energy	110.3	156.0
Derivative financial instruments - cross currency interest rate swaps	10.2	6.9
Derivative financial instruments - foreign exchange	2.8	3.3
Derivative financial instruments - interest rate	70.4	66.0
	193.7	232.2
<i>Split as follows:</i>		
Current	116.3	25.3
Non-current	77.4	206.9
	193.7	232.2
Liabilities		
Derivative financial instruments - energy	127.8	93.5
Derivative financial instruments - cross currency interest rate swaps	-	-
Derivative financial instruments - foreign exchange	1.6	0.5
Derivative financial instruments - interest rate	20.2	23.0
	149.6	117.0
<i>Split as follows:</i>		
Current	90.2	37.0
Non-current	59.4	79.5
	149.6	116.5

Estimation of fair values

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

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

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

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

Valuation input	Source
Interest rate forward price curve	Published market swap rates
Foreign exchange forward prices	Published spot foreign exchange rates
Electricity forward price curve	Market quoted prices where available and management's best estimate based on its view of the long run marginal cost of new generation where no market quoted prices are available
Discount rate for valuing interest rate derivatives	Published market interest rates as applicable to the remaining life of the instrument
Discount rate for valuing forward foreign exchange contracts	Published market rates as applicable to the remaining life of the instrument
Discount rate for valuing electricity price derivatives	Assumed counterparty cost of funds ranging from 5.1% to 6.1% (31 March 2023: 3.1% to 6.1%)

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

Fair value hierarchy

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

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

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

	Level 1 \$Millions	Level 2 \$Millions	Level 3 \$Millions	Total \$Millions
31 March 2024				
Assets per the statement of financial position				
Derivative financial instruments - energy	-	-	110.3	110.3
Derivative financial instruments - cross currency interest rate swaps	-	10.5	-	10.5
Derivative financial instruments - foreign exchange	-	2.4	-	2.4
Derivative financial instruments - interest rate	1.5	69.0	-	70.5
Trade receivables - fair value through other comprehensive income	-	-	63.5	63.5
Total	1.5	81.9	173.8	257.2
Liabilities per the statement of financial position				
Derivative financial instruments - energy	-	-	127.8	127.8
Derivative financial instruments - cross currency interest rate swaps	-	-	-	-
Derivative financial instruments - foreign exchange	-	1.6	-	1.6
Derivative financial instruments - interest rate	-	20.2	-	20.2
Total	-	21.8	127.8	149.6
31 March 2023				
Assets per the statement of financial position				
Derivative financial instruments - energy	-	-	155.5	155.5
Derivative financial instruments - cross currency interest rate swaps	-	6.9	-	6.9
Derivative financial instruments - foreign exchange	-	3.3	-	3.3
Derivative financial instruments - interest rate	-	66.5	-	66.5
Total	-	76.7	155.5	232.2
Liabilities per the statement of financial position				
Derivative financial instruments - energy	-	-	92.9	92.9
Derivative financial instruments - cross currency interest rate swaps	-	-	-	-
Derivative financial instruments - foreign exchange	-	0.6	-	0.6
Derivative financial instruments - interest rate	-	23.0	-	23.0
Total	-	23.6	92.9	116.5

There were no transfers between derivative financial instrument assets or liabilities classified as level 1 or level 2, and level 3 of the fair value hierarchy during the year ended 31 March 2024 (31 March 2023: none).

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

	2024 \$Millions	2023 \$Millions
Assets per the statement of financial position		
Opening balance	155.5	106.2
Foreign exchange movement on opening balance	-	-
Acquired as part of business combination	-	-
Gains and (losses) recognised in profit or loss	117.8	(48.1)
Gains and (losses) recognised in other comprehensive income	(163.1)	97.4
Transfer to assets held for sale	-	-
Closing balance	110.2	155.5
Total gains/(losses) for the year included in profit or loss for assets held at the end of the reporting year	91.5	63.0
Liabilities per the statement of financial position		
Opening balance	92.9	103.2
Foreign exchange movement on opening balance	-	-
Acquired as part of business combination	-	-
(Gains) and losses recognised in profit or loss	31.2	(10.3)
(Gains) and losses recognised in other comprehensive income	3.7	-
Transfers to liabilities held for sale	-	-
Closing balance	127.8	92.9
Total gains/(losses) for the year included in profit or loss for liabilities held at the end of the reporting year	77.2	87.9
Settlements during the year	54.3	(11.2)

(22.5) Risk Management Framework

The Board of Directors has overall responsibility for the establishment and oversight of Infratil's risk management framework. Infratil has established an Audit and Risk Committee's ('ARC') and a comprehensive enterprise risk management framework. The ARC's risk management responsibilities include reviewing management practices in relation to the ongoing identification, assessment and management of risks which are grouped into principal risk categories; portfolio, operational, stakeholder and regulatory and compliance. Particular attention is given to strategic risks that have the potential to materially impact the overall performance of the Infratil portfolio. Infratil Management provide regular reporting to the ARC on the relevant risks and the controls and treatments for those risks, with escalation to the Board where necessary. Through its material Board representation across each significant subsidiary and associate, Infratil seeks to ensure that the Board and Management teams of each entity have robust governance and risk management processes in place to effectively identify, assess and monitor the operational and strategic risks relevant to each individual business.

(22.6) Climate Risk Assessment and Mitigation

Infratil recognises the importance of assessing and mitigating climate-related risks across their portfolio companies. As a responsible investor in infrastructure assets, Infratil acknowledges the potential impacts of climate change on its portfolio and is committed to taking proactive measures to address these risks.

Assessment of Climate Risks

Infratil has conducted a thorough assessment of climate-related risks across its portfolio, considering both physical risks and transition risks associated with climate change.

As of 1 April 2023, the Group is a Climate Reporting Entity for the purpose of the Financial Markets Conduct Act 2013 ('FMCA'). On 21 December 2023, Infratil released its voluntary inaugural Climate Related Disclosures. Further information on the Group's response to climate-related risks and disclosures is available here <https://infratil.com/for-investors/reports-results-meetings-investor-days/#sustainability-reports-page>. Infratil will release its mandatory Climate Risk Disclosure report by 31 July 2024.

The Group reviews its investments against independent external valuation reports to determine whether there is any indication that those assets have suffered an impairment loss. Independent external valuations also form the basis for the International Portfolio Incentive Fees paid to Morrison annually. The valuers have considered the impact of climate change on the investments but have made no explicit adjustments in respect of climate change matters. However, the Group and valuers anticipate that climate change could have a greater influence on valuations in the future as investment markets place a greater emphasis on this topic.

(22.7) Capital Management

The Group's capital includes share capital, reserves, retained earnings and non-controlling interests of the Group. From time to time the Group purchases its own shares on the market with the timing of these purchases dependent on market prices, an assessment of value for shareholders and an available window to trade on the NZX. Primarily the shares are intended to be held as treasury stock and may be reissued under the Dividend Reinvestment Plan or cancelled. During the year the Group issued 677,644 shares under the dividend reinvestment plan.

The Group seeks to manage its maturity concentration through the regular assessment of its funding maturity profile and maintaining aggregate concentration below an acceptable limit. Discussions on refinancing of debt facilities will normally commence at least six months before maturity. Facilities are maintained with highly rated financial institutions, and with a minimum number of bank counterparties to ensure diversification.

(23) Capital commitments

	2024 \$Millions	2023 \$Millions
Group capital commitments		
Committed but not contracted for	79.8	135.5
Contracted but not provided for	214.6	32.8
Capital commitments	294.4	168.3

Group capital commitments are primarily associated with RHCNZ Medical Imaging's capital expenditure in relation to completion costs for new branches, branch expansion and the purchase of various new and replacement machinery, One NZ's open capital expenditure purchase orders and committed spend for Spectrum, and Wellington Airport's new fire station.

Infratil capital commitments

Capital commitments from Infratil are primarily associated with Infratil's capital contributions to development phase subsidiaries and associates. Total committed capital by Infratil and total uncalled commitment to date is designated in the entity's local currency.

	Local currency	Total commitment at 31 March 2024 \$Millions	Uncalled Commitment at 31 March 2024 \$Millions	Uncalled commitment at 31 March 2024 (NZD) \$Millions
Longroad Energy	USD	346.0	52.3	87.4
Galileo	EUR	68.0	4.0	7.2
Gurīn Energy	USD	133.0	67.9	113.4
Kao Data	GBP	202.3	9.6	20.3
Mint Renewables	AUD	219.0	209.5	228.2
Clearvision	USD	100.0	41.9	70.0
Total				526.5

Infratil approved increases to its capital commitments to Galileo (€52.0 million) and Gurīn Energy (US\$57.0 million). These will be executed after 31 March 2024 and are therefore not included in the table above. The uncalled commitment at 31 March 2023 was \$679.1 million. Infratil's shareholding allows it to control the timing and quantum of any capital calls.

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

	2024 \$Millions	2023 \$Millions
Net surplus for the year	845.1	891.7
<i>(Add) / Less items classified as investing activity:</i>		
(Gain)/Loss on investment realisations, impairments and disposals of discontinued operations	(1,008.2)	(328.7)
Transaction costs: payables relating to investing activities	(0.1)	0.7
<i>Add items not involving cash flows:</i>		
Movement in financial derivatives taken to the profit or loss	63.1	(91.5)
Decrease in deferred tax liability excluding transfers to reserves	(17.8)	(14.6)
Changes in fair value of investment properties	8.0	4.3
Equity accounted earnings of associate net of distributions received	(203.4)	(486.1)
Depreciation	406.0	102.2
Movement in provision for bad debts	5.7	-
Amortisation of intangibles	153.5	5.8
Other	33.2	(8.7)
<i>Movements in working capital:</i>		
Change in receivables	16.8	(25.8)
Change in inventories	13.2	(0.1)
Change in trade payables	39.2	27.1
Change in accruals and other liabilities	56.1	(99.3)
Change in current and deferred taxation	47.4	8.6
Net cash flow from operating activities	457.8	(14.4)

(25) Key management personnel disclosures

Key management personnel have been defined as the Chief Executives and direct reports for the Group's operating subsidiaries (including executive Directors).

	2024 \$Millions	2023 \$Millions
<i>Key management personnel remuneration comprised:</i>		
Short-term employee benefits	23.9	15.7
Post employment benefits	-	-
Termination benefits	2.4	-
Other long-term benefits	1.5	1.8
Share based payments	1.9	1.1
	29.7	18.6

Directors fees paid to directors of Infratil Limited and its subsidiaries during the year were \$5.0 million (2023: \$4.3 million).

(26) Related parties

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

The passive mobile tower assets sold by One NZ to Fortysouth during the year ended 31 March 2023 have been leased back to One NZ as part of the 20-year master service agreement. Following the One NZ acquisition (Note 8.1), the right-of-use asset and lease liability attributable to agreements with Fortysouth are held on the Balance Sheet at \$714.0 million and \$762.5 million, respectively. Additionally, interest expense was \$62.4 million and right-of-use asset depreciation was \$32.3 million for the 10 months to 31 March 2024 within the Statement of Comprehensive Income. The Group's share of the operating revenue for Fortysouth is included within share of associate earnings line in the Statement of Comprehensive Income. Infratil has deemed that any unrealised gains or losses for transactions between One NZ and Fortysouth are not material and will not be eliminated.

There are other related party transactions between companies within the Group. These are carried out in the ordinary course of business at the appropriate market rate. The arrangements are not deemed material for separate disclosure.

Management and other fees paid by the Group (including associates) to Morrison or its related parties during the year were:

	Note	2024 \$Millions	2023 \$Millions
Management fees	27	214.6	232.9
Executive secondment and consulting		0.3	1.0
Directors' fees		3.0	2.8
Financial management, accounting, treasury, compliance and administrative services		1.6	1.9
Total management and other fees		219.5	238.6

As at 31 March 2024 no amounts included in the above table related to discontinued operations (2023: nil).

At 31 March 2024 amounts owing to Morrison of \$9.2 million (excluding GST) are included in trade creditors (2023: \$5.7 million).

Morrison, or Employees of Morrison received directors fees from the Company, subsidiaries or associates as follows:

	2024 \$000's	2023 \$000's
CDC Group Holdings Pty Ltd	178.0	241.4
Fortysouth	-	-
Galileo	373.5	350.4
Gurin Energy	430.5	480.9
Infratil Infrastructure Property	59.3	33.8
Longroad Energy	246.0	240.5
RHCNZ Medical Imaging	180.0	180.0
Manawa Energy	324.3	438.8
Mint Renewables	310.1	82.3
Qscan Group	-	-
RetireAustralia	423.2	306.3
One NZ	-	-
Wellington International Airport	463.5	441.5
	2,988.4	2,795.9

A loan has been provided to the co-investor of Gurin Energy. Given this entity represents the key management personnel of Gurin Energy, it has been identified as a related party loan. The loan balance at 31 March 2024 is \$6.5 million (31 March 2023: \$2.9 million) and is included within trade and other receivables at 31 March 2024.

(27) Management fees paid under the Management Agreement with Morrison Infrastructure Management Limited

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

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

	2024 \$Millions	2023 \$Millions
New Zealand & International Portfolio Management Fees	86.8	63.3
International Portfolio Incentive Fees	127.8	169.6
	214.6	232.9

New Zealand Portfolio Management Fee

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

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

International Portfolio Management Fee

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

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

International Portfolio Incentive Fees

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

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

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

International Portfolio Initial Incentive Fee

The Company's investments in Kao Data and Gurin Energy are eligible for the International Portfolio Initial Incentive Fee assessment as at 31 March 2024 (31 March 2023: Qscan Group). Kao Data and Gurin Energy have generated a total initial incentive fee of \$38.8 million (Kao Data: \$15.6 million, Gurin Energy: \$22.8 million) (31 March 2023: nil).

International Portfolio Annual Incentive Fee

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

The Company's investments in CDC Data Centres, Galileo, Longroad Energy, RetireAustralia and Qscan Group are eligible for the International Portfolio Annual Incentive fee assessment as at 31 March 2024 (31 March 2023: CDC Data Centres, Galileo, Longroad Energy, RetireAustralia).

Based on independent valuations obtained as at 31 March 2024, an Annual Incentive Fee of \$89.0 million has been accrued as at that date (31 March 2023: \$169.6 million).

International Portfolio Annual and Initial Incentive Fees

	2024 \$Millions	2023 \$Millions
CDC Data Centres	60.1	38.6
Galileo	23.1	(0.5)
Gurin Energy	22.8	-
Kao Data	15.6	-
Longroad Energy	19.1	136.7
Qscan	(7.0)	-
RetireAustralia	(5.9)	(5.2)
	127.8	169.6

Payment of Annual Incentive Fees

Any Annual Incentive Fee calculated in respect of a Financial Year is earned and paid in three annual instalments, with the second and third instalments being scaled down if the fair value of the relevant asset (including distributions, if any) is less than fair value or cost as at the 31 March for which the Incentive Fee was first calculated.

International Portfolio Realised Incentive Fee

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

No Realised Incentive Fees were payable as at 31 March 2024 (31 March 2023: nil).

(28) Contingent liabilities

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

(29) Events after balance date

Dividend

On 20 May 2024, the Directors approved a fully imputed final dividend of 13.0 cents per share to holders of fully paid ordinary shares to be paid on 25 June 2024.



Independent Auditor's Report

To the shareholders of Infratil Limited

Report on the audit of the consolidated financial statements

Opinion

In our opinion, the consolidated financial statements of Infratil Limited (the 'company') and its subsidiaries (the 'group') on pages 64 to 126 present fairly, in all material respects:

- i. the Group's financial position as at 31 March 2024 and its financial performance and cash flows for the year ended on that date;

in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards issued by the New Zealand Accounting Standards Board.

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 31 March 2024;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including a summary of significant accounting policies.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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



Scoping

The scope of our audit is designed to ensure that we perform adequate work to be able to give an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the financial reporting systems, processes and controls, and the industry in which it operates.



The context for our audit is set by the group's major activities in the financial year ended 31 March 2024. In establishing the overall approach to the group audit, we determined the type of work that needed to be performed at the component level by us, as the group engagement team, or component auditors operating under our instruction.

A full scope audit was performed on the most significant investments for the group using component materialities which were lower than group materiality. The component materiality considered the size and the risk profile of each component.

Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those investments to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the group financial statements as a whole. We kept in regular communication with component audit teams throughout the year with phone calls, discussions and written instructions and ensured that the component audit teams had the appropriate skills and competencies which are needed for the audit. We reviewed the work undertaken by component auditors in order to ensure the quality and adequacy of their work.

Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at \$120 million determined with reference to a benchmark of group total assets. We chose the benchmark because, in our view, this is a key measure of the group's performance.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion. Our procedures were undertaken in the context of and solely for the purpose of our statutory audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

The key audit matter

How the matter was addressed in our audit

Acquisition of One NZ

On 7 June 2023, Infratil announced the acquisition of Brookfield's 49.95% stake in One NZ for \$1.8billion, increasing Infratil's ownership from 49.95% to 99.90%. The completion of the acquisition occurred on 15 June 2023.

The One NZ acquisition is deemed to be a step acquisition (achieved in stages) given Infratil held a 49.95% interest in One NZ prior to the transaction. Accounting for step acquisitions under IFRS is inherently complex, requiring the Directors to exercise judgement in the following areas:

- Determining acquisition date;

Our audit procedures included:

- Evaluating the acquisition accounting adopted by the Group against the requirements of the accounting standards;
- Reviewing management's calculation for the fair value of the existing interest as at the acquisition date and subsequent gain on disposal recognised;
- Determining the appropriateness of the acquisition date with reference to the achievement of control over the acquired business interest;
- Reviewing the fair value of the purchase consideration with reference to the underlying sale agreements and cash consideration paid;



The key audit matter

- Disposal of the existing interest, which includes measuring the fair value of the existing interest and recognising a gain/loss on disposal;
- Estimating the fair value of the purchase considerations;
- Identification of potential intangible assets acquired as part of the acquisitions; and
- Determining the fair value of assets and liabilities acquired.

Given the size of the acquisition and complexity involved, we consider this to be a key audit matter.

The impact of the acquisition is disclosed in note 8.1 of the financial statements.

How the matter was addressed in our audit

- Evaluating the qualifications, competence and objectivity of experts used by the group to determine the fair value of assets and liabilities acquired;
- Performing audit procedures over the acquisition balance sheet amounts;
- Assessing the identification of potential intangible assets acquired as part of the acquisitions;
- Using valuation specialists to assess the appropriateness of the valuation methodology and key assumptions adopted by managements specialist for calculating the fair value for each material category of tangible and intangible assets; and
- Assessing the adequacy of disclosures in the financial statements using our understanding obtained from our testing and against the requirements of the accounting standards.

Carrying value of Goodwill

As disclosed in note 16, the carrying value of the group's goodwill as at 31 March 2024 was \$4.7 billion. Key goodwill balances relate to One NZ, \$2.9 billion, RHCNZ group, \$1.1 billion, and Qscan Group, \$0.7 billion.

The goodwill is valued based on discounted cash flow models which include a range of judgemental assumptions about the future performance of the relevant cash generating unit (CGU).

The impairment testing focuses on those assumptions which have the most impact on value and therefore indicate a higher risk of impairment.

Given the significance of the goodwill to the group, we consider this to be a key audit matter.

Our audit procedures over the goodwill included:

- Assessing the appropriateness of the CGUs determined;
- Comparing the methodology adopted in the valuation models to accepted valuation approaches;
- Comparing the cash flow forecasts to Board approved budgets;
- Comparing the revenue and EBITDA forecast to historic cash flows, and growth rates achieved;
- Using our valuation specialists to assess the reasonableness of the discount and terminal growth rates used for each CGU; and
- Performing sensitivity analysis and considering a range of likely outcomes for various scenarios.

Valuation of Property, Plant and Equipment

As disclosed in note 13 of the financial statements, the group has property, plant and equipment of \$4.8 billion (2023: \$3.6 billion), with renewable generation assets, communication and network equipment, land and civil works and buildings making up the majority of this balance. The group has a policy of recording classes of property, plant and equipment at cost less accumulated depreciation, or at valuation. Renewable generation assets, land and civil works and buildings are recorded at fair value, with valuations undertaken at least every three years and a material change assessment carried out in the intervening years.

Renewable generation assets (\$1.7 billion).

Valuation of renewable generation assets is considered to be a key audit matter due to both its magnitude and the judgement involved in the assessment of the fair value of these assets by the group's Directors. The judgement relates to the

Utilising our energy sector valuation specialist we have challenged the key assumptions used to determine the estimated valuation range. Our procedures included:



The key audit matter

valuation methodology used and the assumptions included within that methodology.

A full external revaluation of generation assets was carried out as at 31 March 2023, with a material change assessment carried out in the current period.

Fair value is determined using a discounted cash flow methodology. The valuation of generation assets involves a number of significant assumptions including;

- forward electricity prices;
- the weighted average cost of capital used to discount future cash flows;
- the inflation rate; and
- operational inputs such as future generation volumes, operating costs and capital expenditure.

All these assumptions involve judgements about the future.

Land and civil works (\$0.9 billion) and Buildings (\$0.6 billion).

Valuation of land and civil works and buildings, specifically in relation to airport assets, is considered to be a key audit matter due to the magnitude and judgement involved in the assessment of the fair value of these assets by the group's Directors. The judgement relates to the valuation methodologies used and the assumptions included in each of those methodologies.

The group has a policy of having the assets externally revalued at least every 5 years by an independent valuer. The last full external revaluation of land and buildings was carried out as at 31 March 2023. The last independent valuation of civil works asset was carried out as at 31 March 2020.

In years where an external revaluation is not undertaken, a material change assessment for each asset class is performed to assess whether the carrying values of each class materially vary from their fair value.

The assumptions that have the largest impact on the fair value assessment are:

- The potential value of the airport land if there was no airport on the site primarily driven by weighted average cost of capital;

How the matter was addressed in our audit

- Assessing the methodology used in determining the fair value;
- Comparing the forward electricity price path to current externally derived market forecast data;
- Comparing the weighted average cost of capital against our independently calculated rate reflecting current market conditions; and
- Comparing the inflation rate used to the Reserve Bank of New Zealand forecast.

We have assessed the appropriateness of the operational inputs and assumptions for generation volumes and costs by:

- Comparing forecast generation volumes to actual released volumes over time; and
- Assessing forecasted operating and capital expenditure by understanding and evaluating the reasons for any significant changes between the costs in the current forecast and historical actual costs, and agreeing forecasts to supporting approval documentation.

Our audit procedures to assess the fair value of land, buildings and civil works included, amongst others:

- Comparing the valuation methodologies used for the material change assessment, to the valuation methodologies used by the external valuers in prior external valuations;
- Assessing the key assumptions which are judgemental in nature and which have the largest impact on the value of land, buildings and civil works. This comprised assessing:
 - Changes to the weighted average cost of capital/ discount rate against observable market data;
 - the reasonableness of income capitalisation rates;
 - changes in the ODRC of specialised buildings and civil works with reference to relevant indices;
 - changes in the value of underlying land prices with references to relevant indices; and
 - the future cash flows against budgets and historical financial performance.

The key audit matter

How the matter was addressed in our audit

- The replacement cost of buildings including the main terminal building with reference to relevant indices;
- The replacement cost of civil works including the runway, taxiways and roads with reference to relevant indices; and
- The estimated future cash flows and expected rate of return from the vehicle and hotel business assets.

Carrying value of investment in associate

The carrying value of the group's investment in associates as at 31 March 2024 was \$3.3 billion. Investments in associates contribute a significant portion of the group's net surplus and total assets.

Given the significance of these investments to the group, we consider this to be a key audit matter.

Our procedures performed to assess the carrying value of associates included, amongst others:

- For significant associate investments, performing audit procedures over the investee financial information;
- Testing a sample of acquisitions made and distributions received from associates during the year; and
- Consideration of associate's performance to date with reference to the most recent audited financial statements and assessment of relevant indicators of impairment.

Other information

The Directors, on behalf of the group, are responsible for the other information included in the entity's Annual Report. Other information includes discussion and analysis of the business on pages 1 to 61 and corporate governance disclosures on pages 133 to 146. Our opinion on the consolidated financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Use of this independent auditor's report

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



Responsibilities of the Directors for the consolidated financial statements

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

- the preparation and fair presentation of the consolidated financial statements in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards) and International Financial Reporting Standards issued by the New Zealand Accounting Standards Board;
- implementing necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of these consolidated financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/>

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Brent Manning

For and on behalf of

KPMG
Wellington

20 May 2024

Corporate Governance

The Board is committed to undertaking its role in accordance with internationally accepted best practice, within the context of Infratil's business. Infratil's corporate governance practices have been prepared with reference to the Financial Markets Authority's Corporate Governance Handbook, the requirements of the NZX Listing Rules and the recommendations in the NZX Corporate Governance Code ('NZX Code').

Copies of Infratil's key corporate governance documents are available on the corporate governance section of Infratil's website: <https://infratil.com/about-infratil/board/#our-governance-documents>.

These include Infratil's Constitution, the Management Agreement, the Board and Committee Charters, the Corporate Governance Statement (which discloses Infratil's compliance with the NZX Code) and key corporate governance policies.

Corporate governance structure

The Board is elected by the shareholders with overall responsibility for the governance of Infratil, while the day-to-day management of Infratil has been delegated to Morrison. The respective roles of the Board and Morrison within this corporate governance structure are summarised below.

The Board

Role of the Board

The Board's role and responsibilities are set out in the Board Charter. The primary role of the Board is to approve and monitor the strategic direction of Infratil recommended by Morrison and add long-term value to Infratil's shares, having appropriate regard to the interests of all material stakeholders.

Further information on the Board's role is set out in the Corporate Governance Statement and the Board Charter.

Board Committees

The Board has established three standing committees, and other committees may be formed when it is efficient or necessary to facilitate efficient decision-making or when required by law:

- **Audit and Risk Committee**

The Board has established this Committee to oversee financial reporting, accounting policies, financial management, internal control systems, risk management systems, systems for protecting assets and compliance.

- **Nomination and Remuneration Committee**

The Board has established this Committee to manage the identification, consideration and recommendation of director appointments to the Board, succession planning for Directors, ensuring written agreements are in place for all Directors, the induction programme for new Directors and recommending remuneration for directors for consideration by shareholders.

- **Manager Engagement Committee**

The Board has established the Manager Engagement Committee to monitor Morrison's performance and compliance with the Management Agreement.

Further information on the Audit and Risk Committee, Nomination and Remuneration Committee and Manager Engagement Committee is set out in the Corporate Governance Statement.

Board Membership

The number of Directors is determined by the Board, in accordance with Infratil's constitution, to ensure it is large enough to provide a range of knowledge, views and experience relevant to Infratil's business. The composition of the Board will reflect the duties and responsibilities it is to discharge and perform in setting Infratil's strategy and seeing that it is implemented. The Board Charter requires both a majority of the Board, and the Chair, to be independent Directors.

The Board currently comprises seven Directors (six independent Directors and one non-independent Director). The composition of the Board, experience and Board tenure are set out below:

Alison Gerry (BMS(Hons), MAppFin)

Chair and Independent Director

Alison Gerry has been Chair since May 2022, an independent director since 2014 and was last re-elected in 2022. She is a director of Air New Zealand, ANZ Bank New Zealand, and Chair of Sharesies. She has been a professional director since 2007. Previously, Ms Gerry worked for both corporates and for financial institutions in Australia, Asia and London in trading, finance and risk roles.

Jason Boyes (BCA, LLB(Hons))

Non-Independent Director

Jason Boyes is Chief Executive of Infratil and joined the Board in 2021. Mr Boyes is Chair of Longroad Energy and a director of CDC Data Centres. He joined Morrison in 2011 after a 15-year legal career in corporate finance and M&A in New Zealand and London. Mr Boyes has an interest in Morrison, which has the Management Agreement with Infratil.

Andrew Clark (MBA, BEng, BSc)

Independent Director

Andrew Clark joined the Board as an independent director on 1 June 2022. Mr Clark is an experienced strategist and transformation executive with over 30 years of diverse management consulting experience. During this time, he held a number of senior roles within the Boston Consulting Group (BCG).

Paul Gough (BCom(Hons))

Independent Director

Paul Gough joined the Board as an independent director in 2012 and was last re-elected in 2021. He is managing partner of the UK private equity fund STAR Capital. He is a director of several international companies in the transport, logistics, healthcare, infrastructure and financial services sectors. Mr Gough previously worked for Credit Suisse First Boston in New Zealand and London.

Kirsty Mactaggart (BAcc, CA)

Independent Director

Kirsty Mactaggart joined the Board as an independent director in 2019, and was last re-elected in 2022. Ms Mactaggart is a Director of Sharesies Investment Management Limited and a Senior Advisor at Montarne. Prior to her director and advisory career, she was Head of Equity Capital Markets and, Corporate Governance for Fidelity International in Asia, and was also a Managing Director at Citigroup based in Hong Kong and London. She has over 25 years of global equity market experience with a unique investor perspective and a focus on governance.

Peter Springford (MBA)

Independent Director

Peter Springford joined the Board as an independent director in 2016 and was last re-elected in 2023. He has extensive experience in managing companies in Australia, New Zealand and Asia, including five years based in Hong Kong as President of International Paper (Asia) Limited and four years as Chief Executive Officer and Managing Director of Carter Holt Harvey Limited.

Anne Urlwin (BCom, FCA)

Independent Director

Anne Urlwin joined the Board as an independent director in January 2023. She is a chartered accountant and an experienced finance and governance professional. Her current governance roles include chairmanship of Precinct Properties and directorships of Vector and Ventia. She has previously been a director of Summerset Holdings, Tilt Renewables, Chorus and Meridian Energy. Ms Urlwin is Chair of the Audit and Risk Committee and has a significant accounting, financial, risk and sustainability background.

Director skill matrix

The skills matrix below indicates the areas of deep expertise of each director.

Name		Alison Gerry	Jason Boyes	Andrew Clark	Paul Gough	Kirsty Mactaggart	Peter Springford	Anne Urlwin
Qualifications		BMS (Hons), MAppFin	BCA, LLB (Hons)	MBA, BEng, BSc	BCom (Hons)	BAcc, CA	MBA	BCom, FCA
Skill	Capability							
Decision making, risk taking and collaboration	Ability to deal with ambiguity and digest and comprehend complex information quickly. Having an entrepreneurial and curious mindset and an appetite for taking risk. Collaboration and constructive engagement and high-quality decision making.	●	●	●	●	●	●	●
Corporate Governance	Listed company governance experience. Stakeholder management (including ESG issues). Experience dealing with an external manager and managing conflicts.	●	○		○	●	○	●
Investment & Funds Management	Capital or private market investment or funds management and institutional investment experience including capital management, risk allocation, risk adjusted returns and portfolio construction.	○	○		●	●		
Commercial	General commercial, transactional, strategy and asset management experience.	○	●	○	○	○	●	○
Financial	Audit, accounting, risk management and capital structuring experience.	●				○	○	●
Leadership	Experience as a CEO or senior executive in a large operational business, including the ability to set appropriate organisation culture.		●	●			●	
Strategy	Experience of strategy construction and execution, including strategic planning around investment option values and portfolio composition.		●	●	●		○	

● High capability ○ Medium capability

Independence

The Board Charter sets out the standards for determining whether a Director is independent for the purposes of service on the Board and committees. These standards reflect the requirements of the NZX Listing Rules.

A Director is independent if the Board affirmatively determines that the Director satisfies these standards. The Board has determined that:

- All the non-executive Directors (namely, A Gerry, A Clark, P Gough, K Mactaggart, P Springford and A Urlwin) are independent Directors.
- The Chief Executive (J Boyes), as an employee of Morrison and occupying a position analogous to an executive director, is not an independent Director.

Tenure

Directors are not appointed for fixed terms. However, the Constitution and the NZX Listing Rules require all Directors to stand for re-election at the third annual meeting after appointment or after three years (whichever is longer).

A Director appointed by the Board to fill a casual vacancy must also stand for election at the following annual meeting.

Board and Committee Meetings

The Board will normally hold at least six meetings in each year, and additional Board meetings are held where necessary in order to prioritise and respond to issues as they arise.

The Board and Committee meetings and attendance in Financial Year 2024 are set out below:

	Full Agenda Board Meetings	Limited Agenda Board Meetings	Audit & Risk Committee	Nomination & Remuneration Committee	Manager Engagement Committee
A Gerry	8/8	3/3	4/4	1/1	6/6
J Boyes	8/8	-	4/4	-	-
A Clark	8/8	3/3	3/4	-	6/6
P Gough	6/8	3/3	-	1/1	5/6
K Mactaggart	7/8	3/3	4/4	-	6/6
P Springford	8/8	3/3	-	1/1	6/6
A Urlwin	8/8	3/3	4/4	-	6/6

Independent Professional Advice and Training

With the approval of the Chair, Directors are entitled to seek independent professional advice on any aspect of the Directors' duties, at Infratil's expense. Directors are also encouraged to identify and undertake training and development opportunities.

The Board, the Audit and Risk Committee and individual Directors are subject to a performance appraisal from time to time, further information on which is set out in the Corporate Governance Statement.

Directors' and Officers' Insurance

Infratil has arranged Directors' and Officers' liability insurance covering Directors acting on behalf of Infratil. Cover is for damages, judgments, fines, penalties, legal costs awarded and defence costs arising from wrongful acts committed while acting for Infratil. The types of acts that are not covered are dishonest, fraudulent, malicious acts or omissions, willful breach of statute or regulations or duty to Infratil, improper use of information to the detriment of Infratil, or breach of professional duty.

Takeover Protocols

The Board has approved protocols that set out the procedure to be followed if there is a takeover offer for Infratil, which reflect the requirements of the Takeovers Code, market practice and recommendations by the Takeovers Panel.

Morrison

Role of Morrison

The day-to-day management responsibilities have been delegated to Morrison under the Management Agreement. The Management Agreement specifies the duties and powers of Morrison, and the management fee payable to Morrison (which is summarised in note 27 to the Financial Statements on page 125 of this annual report).

The Board determines and agrees with Morrison specific goals and objectives, with a view to achieving the strategic goals of Infratil. Between Board meetings, the Chair maintains an informal link between the Board and Morrison and is kept informed by Morrison on all important matters. The Chair is available to Morrison to provide counsel and advice where appropriate. Decisions of the Board are binding on Morrison. Morrison is accountable to the Board for the achievement of the strategic goals of Infratil. At each of its Board meetings, the Board receives reports from or through Morrison including financial, operational and other reports and proposals.

Infratil's management comprises people employed by the Morrison (including the Chief Executive and Chief Financial Officer), and people employed by Infratil's subsidiaries and investee companies.

Manager Performance

A key responsibility of the Board is monitoring Morrison's performance and compliance with the Management Agreement (including potential conflicts between the interests of Morrison and the interests of Infratil shareholders). Given the importance of this responsibility in the context of Infratil's business, the Board has established the Manager Engagement Committee as a dedicated Board committee charged with this responsibility.

The Board also recognises the potential for conflicts to arise in the allocation of investment opportunities among clients of Morrison (including Infratil). Infratil has used investment joint ventures for many years and expects to continue to do so, and the Board encourages Morrison to identify aligned parties with which Infratil can co-invest. Accordingly, the Board and Morrison have established a deal allocation process, so Infratil has visibility of all investment opportunities that fit with Infratil's investment strategy and clear investment rights in respect of those opportunities.

The Board initiates a review of the Management Agreement from time to time. An external review of the management fee payable to Morrison under the Management Agreement was conducted in Financial Year 2021 (and the key conclusions of that were noted in the 2021 Annual Report).

In Financial Year 2023, Infratil and Morrison agreed amendments to the incentive fee provisions in the Management Agreement. The amendments provide for: (a) annual 'offsetting' of over and under performance between the three categories of incentive fees for international assets; (b) carrying forward the impact of underperformance for unrealised assets (and in limited circumstances for realised assets); and (c) replacing the binary nature of the deferred tranche payments with a more proportionate approach. No changes have been made to the base management fees or how the underlying incentive fee calculations are performed. Incentive fees can still only be earned on international assets, and the hurdle for triggering payment of an incentive fee remains at a fixed 12% per annum with any fee calculated as 20% of outperformance above that hurdle.

Health and Safety

Health and safety is managed by Infratil's operational businesses and Morrison (rather than in aggregate at a group level), and the Board is provided with regular health and safety reports for those operating businesses and Morrison.

Climate-related Disclosure Obligations

For the purposes of NZX Listing Rule 3.7.1(b)(ii), as amended with effect from 24 May 2024, Infratil's climate statements will be accessible on its internet site here - <https://infratil.com/for-investors/reports-results-meetings-investor-days/#sustainability-reports-page>.

Diversity

Infratil has a Diversity Policy, which describes Infratil's approach to diversity and inclusion and how diversity and inclusion is promoted and embedded within Infratil, portfolio businesses and Morrison as manager of Infratil. The policy applies to the Board and also sets out the diversity principles which Infratil expects portfolio businesses and Morrison as manager of Infratil to adopt for their own businesses.

Further information on the Diversity Policy is set out in the Corporate Governance Statement.

The following table provides a quantitative breakdown as at 31 March 2024 as to the gender composition of the Board, Infratil's Officers, and senior executives and employees in portfolio businesses and Morrison:

2024 Position	Number			Proportion		
	Female	Male	Gender Diverse	Female	Male	Gender Diverse
Board	3	4	-	43%	57%	-
Officers ¹	-	3	-	-	100%	-
Morrison	94	105	-	47%	53%	-
Senior Executives ²	29	80	-	27%	73%	-
Organisation ³	3,750	2,919	13	56%	44%	0.2%

2023 Position	Number			Proportion		
	Female	Male	Gender Diverse	Female	Male	Gender Diverse
Board	3	4	-	43%	57%	-
Officers ¹	1	2	-	33%	67%	-
Morrison	90	97	-	48%	52%	-
Senior Executives ²	24	81	-	23%	77%	-
Organisation ³	3,616	2,848	10	56%	44%	0.2%

- Officers comprise the Chief Executive, Chief Financial Officer and Company Secretary
- Senior Executives are defined as a CEO or CEO direct report, or a position that effectively carries executive responsibilities, in portfolio businesses
- Organisation includes all portfolio businesses

Risk Management

Risk Management and Compliance

The Audit and Risk Committee is responsible for ensuring that Infratil has an effective risk management framework to identify, treat and monitor key business risks and regulatory compliance, and also reviews management practices in these areas. Formal systems have been introduced for regular reporting to the Board on business risk, including impacts and mitigation strategies and compliance matters.

Morrison (via the Chief Executive and Chief Financial Officer) is required to, and has confirmed to the Audit and Risk Committee and the Board in writing that, in their opinion:

- Financial records have been properly maintained and Infratil's financial statements present a true and fair view, in all material respects, of Infratil's financial condition, and operating results are in accordance with relevant accounting standards;
- The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice and comply with International Financial Reporting Standards and other applicable financial reporting standards for profit-oriented entities;
- This opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively; and
- That system of risk management and internal control is appropriate and effective internal controls and risk management practices are in place to safeguard and protect Infratil's assets, to identify, assess, monitor and manage risk, and identify material changes to Infratil's risk profile.

Internal Financial Control

The Board has overall responsibility for Infratil's system of internal financial control. Infratil does not have a separate internal audit function, however the Board has established procedures and policies that are designed to provide effective internal financial control:

- Annual budgets, forecasts and reports on the strategic direction of Infratil are prepared regularly and reviewed and agreed by the Board.
- Financial and business performance reports are prepared periodically and reviewed by the Board throughout the year to monitor performance against financial and non-financial targets and strategic objectives.

External Auditor

The Audit and Risk Committee is also responsible for the selection and appointment of the external auditor (which is included within the External Audit Relationship section of the Audit and Risk Committee Charter) and ensuring that the external auditor or lead audit partner is changed at least every five years.

Going Concern

After reviewing the current results and detailed forecasts, taking into account available credit facilities and making further enquiries as considered appropriate, the Directors are satisfied that Infratil has adequate resources to enable it to continue in business for the foreseeable future. For this reason, the Directors believe it is appropriate to adopt the going concern basis in preparing the financial statements.

Reporting and Disclosure

Disclosure

Infratil is committed to promoting investor confidence by providing forthright, timely, accurate, complete and equal access to information, and to providing comprehensive continuous disclosure to shareholders and other stakeholders, in compliance with the NZX Listing Rules. This commitment is reflected in Infratil's Disclosure and Communications Policy. Under this policy:

- All shareholder communications and market releases are subject to review by Morrison (including Chief Executive, Chief Financial Officer and Company Secretary), and information is only released after proper review and reasonable inquiry.
- Full year and half year results releases are approved by the Audit and Risk Committee and by the Board.

Shareholder and other Stakeholder Communications

Infratil aims to communicate effectively, give ready access to balanced and understandable information about Infratil group and corporate proposals and make it easy to participate in general meetings. Infratil seeks to ensure its shareholders are appropriately informed on its operations and results, with the delivery of timely and focused communication, and the holding of shareholder meetings in a manner conducive to achieving shareholder participation.

Shareholder meetings are generally held in a location and at a time which is intended to maximise participation by shareholders. Full participation of shareholders at the annual meeting is encouraged to ensure a high level of accountability and identification with Infratil's strategies and goals. Shareholders have the opportunity to submit questions prior to each meeting and Morrison, senior management of portfolio businesses and auditors are present to assist in and provide answers to questions raised by shareholders. There is also generally an opportunity for informal discussion with Directors, Morrison and senior management for a period after the meeting concludes.

Infratil supports the efforts of the New Zealand Shareholders' Association ("NZSA") to raise the quality of relations between public companies and their shareholders. Shareholders wishing to learn more about the NZSA can find information on its website (<http://www.nzshareholders.co.nz>). While Infratil supports the general aims and objectives of the NZSA, its specific actions and views are not necessarily endorsed by Infratil, or representative of Infratil's view.

Further information on Infratil's shareholder and other stakeholder communications is set out in the Corporate Governance Statement.

Remuneration and Performance

Directors' Remuneration

The Board determines the level of remuneration paid to Directors within the amounts approved from time to time by Shareholders. For the year ended 31 March 2024, this was \$1,525,500 per annum, which was approved by Shareholders at the 2023 annual meeting. Directors are paid a base fee and may also be paid, as additional remuneration:

- an appropriate extra fee as Chair or Member of a Board Committee;
- an appropriate extra fee as a director of an Infratil subsidiary (other than Manawa Energy); and
- an appropriate extra fee for any special service as a Director as approved by the Board.

In addition, Directors are entitled to be reimbursed for costs directly associated with the performance of their role as Directors, including travel costs. The Chair approves all Directors' expenses, and the Chair of the Audit and Risk Committee approves the Chair's expenses.

Mr Boyes is not paid fees in his capacity as a Director, and receives no remuneration from Infratil for his role as Chief Executive, and his remuneration as Chief Executive is paid by Morrison.

Remuneration is reviewed annually by the Board, and fees are reviewed against fee benchmarks in New Zealand and Australia and to take into account the size and complexity of Infratil's business. The fee structure approved by the Board for the year ended 31 March 2024 is set out below:

Annual fee structure	Financial year 2024 (NZD)	Financial year 2023 (NZD)
Base Fees:		
Chair of the Board	375,000	286,100
Director	187,500	137,400
Overseas Director (P Gough)	217,500	171,800
CEO (J Boyes)	Nil	Nil
Board Committee Fees:		
Audit and Risk Committee		
Chair	48,000	41,800
Member	22,500	21,500
Nomination and Remuneration Committee		
Chair	Nil	Nil
Member	Nil	Nil
Manager Engagement Committee		
Chair	30,000	15,000
Member	10,000	7,800

Directors' Remuneration paid by Infratil

Directors' remuneration (in their capacity as such) in respect of the year ended 31 March 2024 and 31 March 2023 paid by the Company was as follows (these amounts exclude GST, where appropriate):

Annual fee structure	Financial year 2024 (NZD)	Financial year 2023 (NZD)
A Clark	220,000	165,627
A Gerry (Chair)	375,000	269,765
A Urlwin	245,500	46,750
J Boyes (CEO)	-	-
K Mactaggart	250,000	173,900
M Tume ¹	-	156,585
P Gough	227,500	179,600
P Springfield	197,500	145,200
Total	1,515,500	1,137,427

¹ Retired 31 December 2022

Directors' Remuneration paid by Infratil Subsidiaries

No benefits have been provided by Infratil or its subsidiaries to a director for services as a director or in any other capacity, other than as disclosed in the related party note to the financial statements, or in the ordinary course of business. No loans have been made by Infratil or its subsidiaries to a director, nor has Infratil or its subsidiaries guaranteed any debts incurred by a director.

Employee Remuneration

During the year ended 31 March 2024, the following number of employees (and former employees) and Infratil and its subsidiaries received remuneration and other benefits in their capacity as employees of at least \$100,000. These disclosures are provided in accordance with sections 211(1)(g) and 211(2) of the Companies Act 1993 and, accordingly:

- These disclosures provide information in respect of employees (and former employees) of the portfolio businesses which are subsidiaries of Infratil. These businesses are One NZ, Mint Renewables, Gurin Energy, Infratil Infrastructure Property, Qscan, RHCNZ Medical Imaging, Manawa Energy and Wellington International Airport.
- These disclosures do not provide information in respect of employees (or former employees) of the portfolio businesses. These businesses are CDC Data Centres, Galileo, Kao Data, Longroad Energy, and RetireAustralia.
- These disclosures do not provide information in respect of employees (or former employees) of Morrison (who include most of the management team listed on page 12 of this annual report, including the Chief Executive and Chief Financial Officer), as these employees are remunerated by Morrison and the only cost to Infratil of these employees is the Management Fee payable to Morrison.

Remuneration band	Number of employees
\$100,000 to \$110,000	222
\$110,001 to \$120,000	345
\$120,001 to \$130,000	272
\$130,001 to \$140,000	238
\$140,001 to \$150,000	120
\$150,001 to \$160,000	168
\$160,001 to \$170,000	123
\$170,001 to \$180,000	87
\$180,001 to \$190,000	66
\$190,001 to \$200,000	39
\$200,001 to \$210,000	46
\$210,001 to \$220,000	20
\$220,001 to \$230,000	26
\$230,001 to \$240,000	22
\$240,001 to \$250,000	21
\$250,001 to \$260,000	24
\$260,001 to \$270,000	20
\$270,001 to \$280,000	17
\$280,001 to \$290,000	13
\$290,001 to \$300,000	5
\$300,001 to \$310,000	14
\$310,001 to \$320,000	3
\$320,001 to \$330,000	13
\$330,001 to \$340,000	7
\$340,001 to \$350,000	8
\$350,001 to \$360,000	5
\$360,001 to \$370,000	11
\$370,001 to \$380,000	2
\$380,001 to \$390,000	4
\$390,001 to \$400,000	4
\$400,001 to \$410,000	6
\$410,001 to \$420,000	4
\$420,001 to \$430,000	7
\$430,001 to \$440,000	8
\$440,001 to \$450,000	4
\$450,001 to \$460,000	5
\$460,001 to \$470,000	3
\$470,001 to \$480,000	7
\$480,001 to \$490,000	2
\$490,001 to \$500,000	7
\$500,001 to \$510,000	2
\$510,001 to \$520,000	2
\$520,001 to \$530,000	1
\$530,001 to \$540,000	1
\$540,001 to \$550,000	1
\$550,001 to \$560,000	1
\$570,001 to \$580,000	2
\$580,001 to \$590,000	2
\$590,001 to \$600,000	2
\$620,001 to \$630,000	2
\$650,001 to \$660,000	2
\$660,001 to \$670,000	1

Remuneration band	Number of employees
\$670,001 to \$680,000	1
\$680,001 to \$690,000	1
\$720,001 to \$730,000	2
\$730,001 to \$740,000	3
\$740,001 to \$750,000	1
\$750,001 to \$760,000	1
\$760,001 to \$770,000	2
\$780,001 to \$790,000	2
\$840,001 to \$850,000	1
\$1,080,001 to \$1,090,000	1
\$1,180,001 to \$1,190,000	1
\$1,580,001 to \$1,590,000	1
\$1,890,001 to \$1,900,000	1

Disclosures

Directors Holding Office

Infratil's Directors as at 31 March 2024 were:

- Alison Gerry (Chair)
- Jason Boyes
- Andrew Clark
- Paul Gough
- Kirsty Mactaggart
- Peter Springford
- Anne Urlwin

Entries in the Interests Register

Statement of Directors' Interests

As at 31 March 2024, Directors had relevant interests (as defined in the Financial Markets Conduct Act 2013) in quoted financial products of Infratil or any related body corporate of Infratil, as follows:

	Beneficial Interests	Non-Beneficial Interests
Infratil Limited (IFT) ordinary shares		
A Clark	304,255	
A Gerry	39,637	
A Urlwin	16,818	
J Boyes	1,054,810	
K Mactaggart	76,659	
P Gough	222,525	
P Springford	50,785	
Manawa Energy ordinary shares		
K Mactaggart	8,300	
IFTHA Bonds		
A Clark	205,000	
IFT330 Bonds		
A Urlwin	56,000	
IFT340 Bonds		
A Urlwin	57,000	
P Springford	40,000	

As at 31 March 2024, Directors and Senior Managers held, in aggregate, 0.33% of the Infratil ordinary shares.

Dealing in Securities

The following table shows transactions by Directors and Senior Managers recorded in respect of those securities during the period from 1 April 2023 to 31 March 2024:

Director	No of securities bought/(sold)	Cost/(proceeds) (NZD)	Director	No of securities bought/(sold)	Cost/(proceeds) (NZD)
Infratil Limited (IFT) ordinary shares			Paul Gough - beneficial		
Andrew Carroll - beneficial			Acquisition of shares in the placement announced on 7 June 2023 - 14/06/2023	24,992	229,926
On-market acquisitions - 23/01/2024	17,500	180,369			
Initial disclosure - 22/11/2023	977		Paul Newfield - beneficial		
Andrew Clark - beneficial			Off-market transfer - 22/01/2024	605,294	6,125,575
On-market acquisitions - 22/01/2024	50,528	516,712	Acquisition of shares in the placement announced on 7 June 2023 - 14/06/2023	67,979	625,407
On-market acquisitions - 23/01/2024	39,472	408,481	Acquisition of shares in the placement announced on 7 June 2023 - 14/06/2023	37,204	342,277
On-market acquisitions - 09/06/2023	25,300	250,194	Peter Springford - beneficial		
On-market acquisitions - 09/06/2023	25,300	250,007	Allotment of shares under Dividend Reinvestment Plan - 19/12/2023	355	3,534
On-market acquisitions - 12/06/2023	25,300	248,143	Acquisition of shares under IFT's Retail Offer announced on 7 June 2023 - 04/07/2023	5,664	52,109
On-market acquisitions - 13/06/2023	25,300	249,425	Phillippa Harford - beneficial		
On-market acquisitions - 13/06/2023	50,600	497,673	Acquisition of shares in the placement announced on 7 June 2023 - 14/06/2023	7,733	71,144
Acquisition of shares under IFT's Retail Offer announced on 7 June 2023 - 04/07/2023	7,455	68,586	Infratil Limited (IFT) Infrastructure Bonds (IFT330)		
Alison Gerry - beneficial			Anne Urlwin - beneficial		
On-market acquisitions - 23/06/2023	516	4,975	Acquisition of Infratil Infrastructure Bonds - 15/09/2023	57,000	57,000
On-market acquisitions - 19/06/2023	255	2,475	Acquisition of Infratil Infrastructure Bonds - 21/07/2023	56,000	56,000
Acquisition of shares in the placement announced on 7 June 2023 - 14/06/2023	4,308	39,634	Infratil Limited (IFT) Infrastructure Bonds (IFT340)		
Anne Urlwin - beneficial			Peter Springford - beneficial		
On-market acquisitions - 23/01/2024	3,839	39,945	Acquisition of Infratil Infrastructure Bonds - 15/09/2023	40,000	40,000
On-market acquisitions - 24/01/2024	411	4,276			
On-market acquisitions - 14/06/2023	7,066	69,529			
Allotment of shares under Dividend Reinvestment Plan - 19/12/2023	68	677			
Acquisition of shares in the placement announced on 7 June 2023 - 14/06/2023	5,434	49,993			
Jason Boyes - beneficial					
Acquisition of shares in the placement announced on 7 June 2023 - 14/06/2023	118,464	1,089,869			
Kirsty Mactaggart - beneficial					
On-market acquisitions - 19/06/2023	1,543	14,975			
On-market acquisitions - 14/06/2023	2,038	20,000			
Acquisition of shares in the placement announced on 7 June 2023 - 14/06/2023	8,208	75,514			

Use of Company information

During the period the Board has received no notices from any Director of the Company or its subsidiaries requesting to use company information received in their capacity as a Director, which would not otherwise have been available to them.

Directors' Relevant Interests

The following are relevant interests of the Company's Directors as at 31 March 2024:

A Gerry

Director of Air New Zealand Limited
Director of ANZ Bank New Zealand Limited
Director of Glendora Avocados Limited
Director of Glendora Holdings Limited
Director of On Being Bold Limited
Director of Sharesies Limited
Director of Sharesies AU Group Limited
Director of Sharesies Group Limited
Director of Sharesies Nominee Limited
Director of Sharesies Investment Management Limited

J Boyes

Director of various Infratil wholly owned companies
Director of Infratil Trustee Company Limited
Chair of Longroad Energy Holdings, LLC
Director of CDC Group Holdings Pty Ltd
Director of various companies wholly owned by the H.R.L. Morrison & Co Group Limited Partnership
Director of Morrison & Co Employee Co-Invest (PIP 2) Limited
Director of Morrison & Co Employee Co-Invest (PIP 3) Limited
Director of Morrison Asian Investments Limited
Director of Morrison Leasing Limited

A Clark

Chair of the Regional Education Support Network

P Gough

Partner of STAR Capital Partners
Director of various STAR Capital Group entities
Director of Star Asset Finance Limited
Director of Gough Capital Limited
Director of OPM Investments Limited
Director of Tipu Capital Limited
Director of Tipu Capital (NZ) Limited
Director of STAR Mayan Limited
Director of Urban Splash Residential Limited and various Urban Splash Residential Group entities
Director of STAR Errigal BidCo Limited
Director of STAR III Limited
Director of Safair Holdings (Pty) Ltd
Director of Safair Lease Finance (Pty) Ltd
Director of SAFOPS Investment Holdings (Pty) Ltd
Director of STAR Throne Midco Limited
Director of STAR Throne Bidco DAC
Director of ASL Aviation Holdings DAC
Director of STAR III Executive Co-Investment Nominee Limited
Director of STAR Strategic Assets III-A nominee Limited
Director of STAR Strategic Assets III Nominee Limited
Director of STAR Fusion Topco Limited
Director of STAR Fusion Midco Limited
Director of STAR Fusion Bidco Limited

K Mactaggart

Director and shareholder of Luxury Stays Ltd.
Director of Sharesies Investment Management Limited

P Springford

Director and Shareholder of Cerbere Investments Limited
Director and Shareholder of Charlie Farley Forestry Limited
Director and Shareholder of Medicann Investments Limited
Director and Shareholder of Omaha Ventures Limited
Director and Shareholder of Springford and Newick Limited

A Urlwin

Director and Shareholder of Maigold Holdings Limited
Director and Shareholder of Urlwin Associates Limited
Director and Shareholder of Clifton Creek Limited
Director of Vector Limited
Director of Precinct Properties New Zealand Limited
Director of Ventia Services Group Limited
Director of City Rail Link Limited

P Gough

Aotea Energy Limited effected public offering of securities insurance brokered by Marsh & McLennan Agency Limited for the benefit of Z Energy Limited, Aotea Energy Investments Limited, Aotea Energy Holdings Limited and its subsidiaries, NZSF Aotea Limited and its subsidiaries, Guardians of New Zealand Superannuation as manager and administrator of the New Zealand Superannuation Fund as shareholder of NZSF Aotea Limited, Infratil Limited and its subsidiaries, Morrison and its subsidiaries (subject to a professional indemnity exclusion), and the directors and employees of the foregoing.

All Directors

Infratil has arranged Directors' and Officers' liability insurance covering any past, present or future director, officer, executive officer, non-executive director or employee acting in a managerial or supervisory capacity or named as a co-defendant with Infratil or a subsidiary of Infratil. Cover is for damages, judgements, fines, penalties, legal costs awarded and defence costs arising from wrongful acts committed while acting for Infratil or a subsidiary, but excluding dishonest, fraudulent, malicious acts or omissions, willful breach of statute or regulations or duty to Infratil or a subsidiary, improper use of information to the detriment of Infratil or a subsidiary, or breach of professional duty.

As permitted by its Constitution, Infratil Limited has entered into a deed of indemnity, access and insurance indemnifying certain directors and senior employees of Infratil, its wholly-owned subsidiaries and other approved subsidiaries and investment entities for potential liabilities, losses, costs and expenses they may incur for acts or omissions in their capacity as directors or senior employees, and agreeing to effect directors' and officers' liability insurance for those persons, in each case subject to the limitations set out in the Companies Act 1993.

Directors of Infratil Subsidiary Companies

Subsidiary Company	Director of Subsidiary
Alpenglow Australia Pty Ltd	Gary Shepherd
ANZ Renewables Limited	Phil Wiltshire
Athena Power Co., Ltd.	Ratchaneewan Pulnil, Kajal Bhimani Singh
Auckland Radiology Group Services Limited	Michael Brook, Peter Coman
Australian Sustainable Energy Developments Pty Ltd	William McIndoe, Peter Cowling, Glen Ryan
Bay Echo Limited	Michael Brook, Peter Coman, Graeme Porter, Stuart Tie, Jonathan Tisch, Calum Young
Bay Radiology Limited	Michael Brook, Peter Coman
Baycity Communications Limited	Jason Paris
Berera Radiology Holdings Pty Ltd	Gary Shepherd
Breast Screen Bay of Plenty Ltd	Michael Brook, Bruce Chisholm, Peter Coman, Antony Moffatt
Canterbury Breast Care Limited	Birgit Dijkstr, Philippa Mercer, Gemma Sutherland, Berenika Willi-Sedlacek
Centurion GSM Limited	Christopher Fletcher, Jason Paris and Thomas Thursby
Cleveland X-Ray Services Pty Ltd	Gary Shepherd
Cyclotek Pharmaceuticals Limited	Trevor Fitzjohn, Gregory Santamaria, Jeremy Sharr, Robert Ware
DEFEND Limited	Ralph Brayham, Nigel Everett, Wenzel Huettner, Michael Purchase and Michelle Young
Envision Medical Imaging Pty Ltd	Gary Shepherd
Envision Medical Real Estate Pty Ltd	Gary Shepherd
GE-SK Pte. Ltd.	Assaad Razzouk, Robert Driscoll, Michele Boardman
GE-TH Pte. Ltd.	Michele Boardman, Stanley Lim
Gurin Service Korea LLC	Kim Hannah, Kajal Bhimani Singh
Gurin Services (Thailand) Co., Ltd.	Michele Boardman, Ratchaneewan Pulnil
Gurin Services Japan K.K.	Stanley Lim , Celine Takizawa (Mazars Japan)
Gurin Services Philippines Inc.	Estelito Madridejos, Maria Canimo, Carol Salazar
Gurin Services Pte. Ltd.	Assaad Razzouk, Robert Driscoll, Michele Boardman, Stanley Lim , Mayen Michelle Ekong
Gurin Solar PH 2 Pte. Ltd.	Assaad Razzouk, Robert Driscoll, Michele Boardman, Stanley Lim
Gurin Solar PH 3 Pte. Ltd. (formerly known as SRE Green Power Pte. Limited)	Assaad Razzouk, Robert Driscoll, Michele Boardman, Stanley Lim
Gurin Solar PH 4 Pte. Ltd.	Michele Boardman, Stanley Lim
Gurin Solar PH 5 Pte. Ltd.	Michele Boardman, Stanley Lim
Gurin Solar PH 6 Pte. Ltd.	Michele Boardman, Stanley Lim
Gurin Solar PH I Pte. Ltd.	Assaad Razzouk, Robert Driscoll, Michele Boardman, Stanley Lim
Heart Vision Limited	Ross Keenan, Clive Low, Graham Muir
Hikari Solar Inc.	Estelito Madridejos, Maria Canimo, Carol Salazar
HR Clinic Asset Pty Ltd	Gary Shepherd
HR Clinic Services Pty Ltd	Gary Shepherd
HR Clinic Services Unit Trust	N/A
ICN JV Holdings Limited	Marko Bogoevski, Brett Chenoweth, Phillipa Harford, Alexandra Badenoch
ICN JV Limited	Marko Bogoevski, Brett Chenoweth, Phillipa Harford, Alexandra Badenoch
Ilesilver Pty Ltd	Gary Shepherd
Infratil 1998 Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillipa Harford (ceased 14 February 2024)
Infratil 2018 Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillipa Harford (ceased 14 February 2024)
Infratil 2019 Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillipa Harford (ceased 14 February 2024)
Infratil AR Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillipa Harford (ceased 14 February 2024)

Subsidiary Company	Director of Subsidiary
Infratil Australia Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil CHC Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil Digital Exchange Limited (established 8 May 2023)	Jason Boyes (appointed 8 May 2023), and Phillippa Harford (appointed 8 May 2023)
Infratil DX (Singapore) PTE. Ltd. (established 10 November 2023)	Jason Boyes (appointed 10 November 2023), Phillippa Harford (appointed 10 November 2023), and Wong Fang Shan (appointed 10 November 2023)
Infratil Energy Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil Energy New Zealand Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil Europe Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil Finance Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil HC Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil HPC Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil Infrastructure Property Limited	Peter Coman and Kevin Baker (ceased 6 June 2023)
Infratil Investments Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil No.1 Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil No.5 Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil PPP Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil RE Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil Renewables Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil RHC NZ Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil TowerCo Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil Trustee Company Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil US Renewables, Inc.	Jason Boyes and Phillippa Harford
Infratil Ventures 2 Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Infratil Ventures Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
J One Solar Corporation	Kim Hannah, Koh Seung Tae, Kajal Bhimani Singh
J Two Solar Corporation	Kim Hannah, Koh Seung Tae, Kajal Bhimani Singh
Jindo Green Solar Co., Ltd (formerly known as J Three Solar Corporation)	Kim Hannah, Koh Seung Tae, Kajal Bhimani Singh
Kanji Solar Inc.	Estelito Madrideojos, Maria Canimo, Carol Salazar
King Country Energy Holdings Ltd	Phil Wiltshire
King Country Energy Ltd	Phil Wiltshire, Todd Mead, Joanna Bransgrove
Lochindorb Wind GP Limited	Clayton Delmarter, Jan Jonker, Peter McClean, Richard Spearman

Subsidiary Company	Director of Subsidiary
Manawa Energy Holdco 1 Limited	Phil Wiltshire
Manawa Energy Insurance Limited (formerly known as Trustpower Insurance Limited)	Phillippa Harford and Phil Wiltshire
Manawa Energy Limited (formerly Trustpower Limited)	Joanna Breare, Sheridan Broadbent, Deion Campbell, Phillippa Harford, Michael Smith, Joe Windmeyer
Manawa Energy Metering Limited (previously known as Trustpower Metering Limited)	Phil Wiltshire
Manawa Generation Limited (formerly knowns as Hopsta Limited & Energy Direct NZ Limited)	Phil Wiltshire
Medex Radiology Ltd	Michael Brook, Peter Coman
Meitaki Limited	Martin Harrington, Matt Clarke and A Willis (based in the Cook Islands)
Mindarra Wind Farm Pty Ltd	William McIndoe, Peter Cowling, Glen Ryan
Mindarra Wind Farm Unit Trust	N/A
Mindarra Wind Holdings Pty Ltd	William McIndoe, Peter Cowling, Glen Ryan
Mint Renewables Holdings 1 Pty Ltd	William McIndoe
Mint Renewables Holdings 2 Pty Ltd	William McIndoe
Mint Renewables Holdings Administration Company Pty Ltd	William McIndoe
Mint Renewables Holdings Trust 1	N/A
Mint Renewables Holdings Trust 2	N/A
Mint Renewables Pty Ltd	William McIndoe, Peter Cowling
Nilgen Pty Ltd	William McIndoe, Peter Cowling, Glen Ryan
Nilgen Wind Farm Unit Trust	N/A
North Coast Radiology Holdings Pty Ltd	Gary Shepherd
North Coast Radiology Trust	N/A
Northern Suburbs Investment Trust	N/A
Northwest Auckland Airport Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
NZ Airports Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
One New Zealand Group Limited	Juliet Jones, Jason Paris, Nick Judd
Pacific Radiology Group Limited	Michael Brook, Peter Coman
Premier Medical Imaging Pty Ltd	Gary Shepherd
Proximal Pty Ltd	Gary Shepherd
PT Vanda Energy Indonesia	Diko Dewantomo Darwoto, Jeremy Chong, Enda Ersinallsal Ginting
PT Vanda Services Indonesia	Diko Dewantomo Darwoto, Jeremy Chong, Enda Ersinallsal Ginting
Qscan Cleveland CT JV Pty Ltd	Gary Shepherd
Qscan Dental JV Pty Ltd	Mark Hansen, Hal Rice
Qscan Everton Park CT JV Pty Ltd	Gary Shepherd
Qscan Everton Park Pty Ltd	Gary Shepherd
Qscan Group Bidco Pty Ltd	Gary Shepherd
Qscan Group Midco Pty Ltd	Gary Shepherd
Qscan Group Pty Ltd	Gary Shepherd
Qscan Intermediary 1 Pty Ltd (formerly Qscan Group Holdings Pty Ltd)	Gary Shepherd
Qscan Intermediary 2 Pty Ltd (formerly Qscan Mezzco Pty Ltd)	Gary Shepherd
Qscan Intermediary 3 Pty Ltd (formerly Qscan Finance Pty Ltd)	Gary Shepherd

Subsidiary Company	Director of Subsidiary
Qscan Intermediary 4 Pty Ltd (formerly Qscan Bidco Pty Ltd)	Gary Shepherd
Qscan NZ Limited	Michael Brook
Qscan Pty Ltd	Gary Shepherd
Qscan Services Pty Ltd	Gary Shepherd
Queensland Cardiovascular Imaging Pty Ltd	Mark Hansen, Hal Rice
Rangitata Diversion Race Management Limited	Neil Brown, Evan Chisnall, Jen Crawford, Matt James, Phil Lowe, Richard Spearman
Red Gully North Pty Ltd	William McIndoe, Peter Cowling, Glen Ryan
Red Gully North Wind Farm Pty Ltd	William McIndoe, Peter Cowling, Glen Ryan
Red Gully North Wind Farm Unit Trust	N/A
Red Gully South Pty Ltd	William McIndoe, Peter Cowling, Glen Ryan
Red Gully South Wind Farm Pty Ltd	William McIndoe, Peter Cowling, Glen Ryan
Red Gully South Wind Farm Unit Trust	N/A
Renew Nominees Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
RHCNZ Limited	Michael Brook, Peter Coman
RHCNZ Midco Limited	Michael Brook, Peter Coman
Rosa RE Pte. Ltd.	Jeremy Chong, Michele Boardman, Gareth Swales, Lee Yeow Chor (alternate director: Amir Mohd Hafiz Bin Amir Khalid)
ScreenSouth Ltd (Shares held by Canterbury Breast Care Ltd)	Shelley Boyd, Diana Burgess, Jacqueline Copland, Lynda Gray, Keiran Horne, Gemma Sutherland
Shizen Inc.	Estelito Madridejos, Carol Salazar, Kajal Bhimani Singh, Jeremy Chong, Jose Leviste, Jr.
Sindicatum C-Solar Power Inc.	Estelito Madridejos, Carol Salazar, Kajal Bhimani Singh, Jeremy Chong, Jose Leviste, Jr.
Skynet Broadband Pty Ltd	Matthew Swain
South East Radiology Pty Ltd	Gary Shepherd
Stella Power 1 Co., Ltd.	Ratchaneewan Pulnil, Kajal Bhimani Singh, Somkiat Masunthasuwun, Prapon Chinudomsut, Akarin Prathuangsit
Stella Power 2 Co., Ltd.	Ratchaneewan Pulnil, Kajal Bhimani Singh, Somkiat Masunthasuwun, Prapon Chinudomsut, Akarin Prathuangsit
Stella Power 3 Co., Ltd.	Ratchaneewan Pulnil
Strickland Crescent Nominees Pty Ltd	Julian Adler, Gary Shepherd
Suna Solar Inc.	Estelito Madridejos, Carol Salazar, Kajal Bhimani Singh, Jeremy Chong, Jose Leviste, Jr.
Swift Transport Limited	Andrew Carroll (appointed 14 February 2024), Jason Boyes and Phillippa Harford (ceased 14 February 2024)
Te Rourou, Vodafone Aotearoa Foundation Tāpui (Limited)	Christopher Fletcher, Jennifer Gill, David Graham, Juliet Jones, Jodie King and Kirstin Te Wao
The Northern Exposure Trust	N/A
Tiro Medical Ltd (Shares held by Canterbury Breast Care Ltd)	James Chase, Colin Dawson, Richard Wien
UMI Canberra Unit Trust	N/A
UMIC Newco Pty Ltd	Gary Shepherd
UMIC Pty Ltd	Gary Shepherd
Vanda RE Pte. Ltd.	Michele Boardman, Robert Driscoll, Emma Biddles, Jeremy Chong, Syed Malek Faisal Syed Mohamad, Lim Jui Kian
Wellington Airport Noise Treatment Limited	Martin Harrington and Matt Clarke
Wellington International Airport Limited	Rachel Drew, Elizabeth Albergoni, Wayne Eagleson, Matthew Ross, Phil Walker, and Tory Whanau
Whare Manaakitanga Limited	Martin Harrington and Matt Clarke
X Radiology Australia Pty Ltd	Gary Shepherd

Directors' Fees paid by Infratil Subsidiary Companies

(Not otherwise disclosed in the Annual Report)

Subsidiary company	Director of subsidiary	Currency	2024
Gurin Energy Pte. Ltd	Vimal Vallabh (Chair)	USD	75,000
	Priya Grewal	USD	37,500
	Anthony Muh	USD	75,000
	Jonty Palmer	USD	75,000
	Winnie Tang	USD	24,497
	Assaad Razzouk	USD	-
	Angela Qu	USD	42,500
Qscan Group Holdings Pty Ltd	Peter Coman (Chair)	AUD	-
	Rachel Drew	AUD	-
	Lilan Bianchi	AUD	84,360
	Dr Jason Yeo	AUD	56,240
	Dr Ian Cappe	AUD	133,570
	Dr Mark Hansen	AUD	156,782
	Dr Rajeev Jyoti	AUD	-
	Dr Tanya Wood	AUD	56,034
	John Livingston	AUD	172,151
	Alan McCarthy	AUD	126,540
RHC Holdco NZ Limited	Peter Coman (Chair)	NZD	60,000
	Michael Brook	NZD	60,000
	Dr Andrew Gooding	NZD	60,000
	Dr Nick Kenning	NZD	60,000
	Alan McCarthy	NZD	80,000
	Dr Katherine O'Connor	NZD	58,846
Manawa Energy Limited	Rachel Drew	NZD	60,000
	Deion Campbell (Chair)	NZD	159,409
	Paul Ridley-Smith	NZD	36,129
	Kevin Baker	NZD	55,699
	Joanna Breare	NZD	116,788
	Sheridan Broadbent	NZD	119,974
	Michael Smith	NZD	100,000
	Phillippa Harford	NZD	73,105
Joe Windmeyer	NZD	69,892	
Wellington International Airport Limited	Rachel Drew (Chair)	NZD	168,036
	Wayne Eagleson	NZD	104,298
	Matthew Ross	NZD	104,298
	Tory Whanau	NZD	86,915
	Phillippa Harford	NZD	25,350
	Phillip Walker	NZD	98,504
	Elizabeth Albergoni	NZD	67,359

Subsidiary company	Director of subsidiary	Currency	2024
Mint Renewables Limited	Deion Campbell (Chair)	AUD	75,000
	Will McIndoe	AUD	75,000
	Priya Grewal	AUD	75,000
	Clayton Delmarter	AUD	62,500
One New Zealand	Phillippa Harford (Chair)	NZD	-
	Marko Bogoevski	NZD	-
	Brett Chenoweth	NZD	-
	Alex Badenoch	NZD	7,292

Donations

The Group made donations of \$3.3 million during the year ended 31 March 2024 (2023: \$0.7 million).

Auditors

It is proposed that KPMG be reappointed automatically at the annual meeting pursuant to section 200(1) of the Companies Act 1993.

NZX Waivers

Infratil was granted and has relied on the following waivers from the NZX Listing Rules (all of which are available on Infratil's website: www.infratil.com/for-investors/announcements):

- On 22 May 2020, Infratil was granted a standing waiver from NZX Listing Rule 5.2.1 (this was originally granted on 8 May 2017 from the previous NZX Listing Rule 9.2.1 and was re-documented under NZX's transition arrangements for the current NZX Listing Rules). The effect of the waiver is to waive the requirement for Infratil to obtain an Ordinary Resolution from shareholders to enter into a Material Transaction with a Related Party to the extent required to allow Infratil to enter into transactions with co-investors that have also engaged an entity related to H.R.L. Morrison & Co Group LP for investment management or advisory services. The waiver is provided on the conditions specified in paragraph 2 of the waiver decision. Infratil has not relied on this waiver during Financial Year 2024.
- On 26 June 2020, Infratil was granted a standing waiver from NZX Listing Rule 7.8.5(b) to the extent that rule would otherwise require Infratil to prepare an appraisal report to accompany any Notice of Meeting at which shareholders will consider and vote on, an Ordinary Resolution in accordance with NZX Listing Rule 4.1.1 and NZX Listing Rule 4.2.1, to approve a proposal for the issue of Infratil ordinary shares to Morrison by way of satisfaction of Infratil's contractual obligation to pay Incentive Fees to Morrison in accordance with the prescribed payment mechanisms set out in the Management Agreement. The waiver is provided on the conditions specified in paragraph 5 of the waiver decision. During Financial Year 2024, Infratil relied on this waiver in seeking approval from shareholders at the 2023 Annual Meeting to give the Board the option to exercise Infratil's rights under the Management Agreement to issue shares to Morrison to pay the second instalment of the Financial Year 2023 international portfolio annual incentive fee and/or the third instalment of the Financial Year 2022 international portfolio annual incentive fee in 2024.

NZX Corporate Governance Code

Infratil considers that, during Financial Year 2024, Infratil materially complied with the NZX Code, but from time to time there may be recommendations which Infratil does not consider appropriate for it, and where it has adopted alternative arrangements which the Board considers are more appropriate.

Recommendation 5.3 states that an issuer should disclose the remuneration arrangements in place for the CEO in its annual report. Infratil does not disclose remuneration for the CEO in the Annual Report for the reasons set out in the Corporate Governance Statement.

Credit Rating

Infratil does not have a credit rating. As at 31 March 2024, Wellington International Airport Limited has a BBB/Stable/A-2 rating from S&P Global Ratings.

Continuing share buyback programme

Infratil maintains an ongoing share buyback programme, as outlined in its 2023 Notice of Meeting. Infratil did not repurchase any shares during Financial Year 2024 pursuant to that programme (which allows up to 20,000,000 shares to be bought back).

Shareholder information programme

Infratil is incorporated in New Zealand and is not subject to Chapters 6, 6A, 6B and 6C of the Australian Corporations Act 2001. The acquisition of securities in Infratil may be limited under New Zealand law by the Takeovers Code (which restricts the acquisition of control rights of more than 20% of Infratil other than via a takeover offer under the Code) or the effect of the Overseas Investment Act 2005 (which restricts the acquisition of New Zealand assets by overseas persons).

Substantial Product Holders

The following information is pursuant to Section 293 of the Financial Markets Conduct Act 2013. According to notices received by Infratil under that Act, there were no substantial product holders in Infratil as at 31 March 2024.

The total number of voting securities of the Company on issue as at 31 March 2024 were 832,567,631 fully paid ordinary shares (31 March 2023: 723,983,582).

On 1 May 2024, FirstCape Group Limited advised that it became a substantial product holder with a 6.14% interest in Infratil, following the FirstCape Group Limited acquisition of Jarden Wealth Limited, Harbour Asset Management Limited, BNZ Investment Services Limited, and JBWere (NZ) Pty Limited.

Twenty Largest Shareholders as at 31 March 2024

HSBC Nominees (New Zealand) Limited	57,809,981
Bnp Paribas Nominees NZ Limited Bpss40	51,319,515
Tea Custodians Limited	49,658,927
Citibank Nominees (Nz) Ltd	38,028,538
Custodial Services Limited	36,464,044
Forsyth Barr Custodians Limited	35,087,016
HSBC Nominees (New Zealand) Limited	35,022,662
JPMORGAN Chase Bank	31,077,354
FNZ Custodians Limited	29,007,655
Accident Compensation Corporation	28,158,136
New Zealand Superannuation Fund Nominees Limited	24,854,764
HSBC Custody Nominees (Australia) Limited	23,480,053
JBWERE (Nz) Nominees Limited	19,282,994
Morrison & Co Property Investment Limited	19,049,719
Robert William Bentley Morrison & Andrew Stewart & Anthony Howard	16,367,141
New Zealand Permanent Trustees Limited	15,733,948
New Zealand Depository Nominee	12,816,051
Premier Nominees Limited	11,963,384
Citicorp Nominees Pty Limited	10,644,587
National Nominees Limited	8,720,103

Spread of Shareholders as at 31 March 2024

Number of shares*	Number of holders	Total shares held	%
1 - 1,000	5,727	2,536,669	0.3%
1,001 - 5,000	8,299	21,627,680	2.6%
5,001 - 10,000	3,495	25,185,651	3.0%
10,001 - 50,000	3,717	75,293,511	9.0%
50,001 - 100,000	411	28,342,021	3.4%
100,001 and over	244	679,582,099	81.7%
TOTAL	21,893	832,567,631	100.0%

* 303 shareholders hold less than a marketable parcel of Infratil shares

Twenty Largest Infrastructure Bondholders as at 31 March 2024

Forsyth Barr Custodians Limited	193,891,665
JBWERE (Nz) Nominees Limited	184,636,166
Custodial Services Limited	150,198,713
FNZ Custodians Limited	113,893,993
New Zealand Central Securities	75,810,566
Hobson Wealth Custodian Limited	56,339,167
Investment Custodial Services Limited	31,875,178
Pin Twenty Limited	13,804,166
Forsyth Barr Custodians Limited	10,899,839
The Tindall Foundation	10,165,000
Rgtkmt Investments Limited	8,250,000
NZX WT Nominees Limited	7,340,886
Forsyth Barr Custodians Limited	6,951,224
FNZ Custodians Limited	6,259,780
JBWERE (Nz) Nominees Limited	6,000,000
Frank Simon Pearson & Sam Lindley Pearson	3,985,591
Adminis Custodial Nominees Limited	3,910,770
Tappenden Holdings Limited	3,770,000
Gareth Samuel Morgan & Gareth Huw Thomas	
Morgan & Mark Daniel McGuiness	3,577,000
Hobson Wealth Custodian Limited	3,100,000

Spread of Infrastructure Bondholders as at 31 March 2024

Number of bonds	Number of holders	Total bonds held	%
1 - 1,000	2	2,000	-
1,001 - 5,000	1,143	5,657,696	0.4%
5,001 - 10,000	3,041	29,105,600	2.0%
10,001 - 50,000	8,424	237,858,751	16.1%
50,001 - 100,000	1,431	115,586,949	7.8%
100,001 and over	879	1,084,788,346	73.7%
TOTAL	14,920	1,472,999,342	100.0%

Directory

Directors

Alison Gerry (Chair)
Jason Boyes
Andrew Clark
Paul Gough
Kirsty Mactaggart
Peter Springford
Anne Urlwin

Company Secretary

Brendan Kevany

Registered Office - New Zealand

5 Market Lane
PO Box 320
Wellington
Telephone: +64 4 473 3663
Internet address: www.infratil.com

Registered Office - Australia

C/- Morrison Private Markets
Level 31
60 Martin Place
Sydney NSW 2000
Telephone: +61 2 8098 7500

Manager

Morrison Infrastructure Management Limited
5 Market Lane
PO Box 1395
Wellington
Telephone: +64 4 473 2399
Internet address: www.morrisonglobal.com

Share Registrar - New Zealand

Link Market Services
Level 30, PwC Tower
15 Customs Street West
PO Box 91976
Auckland
Telephone: +64 9 375 5998
Email: enquiries@linkmarketservices.co.nz
Internet address: www.linkmarketservices.co.nz

Share Registrar - Australia

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

Auditor

KPMG
44 Bowen Street
PO Box 996
Wellington 6140

Legal Advisors

Chapman Tripp
20 Customhouse Quay
PO Box 993
Wellington 6140

