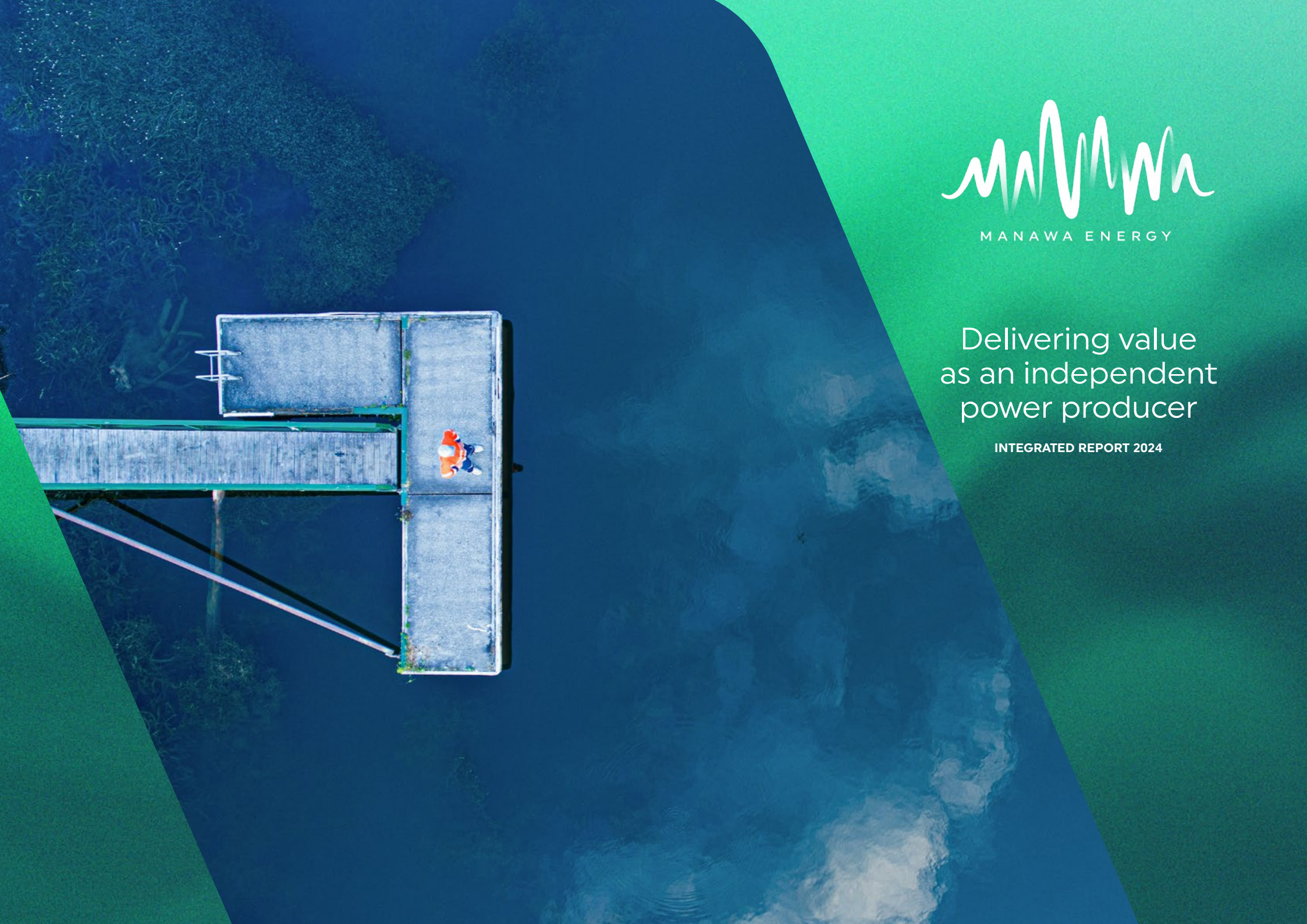


MANAWA ENERGY

Delivering value as an independent power producer

INTEGRATED REPORT 2024

MANAWA ENERGY

Tēnā koutou

Welcome to the Manawa Energy Integrated Report for the FY24 year.

This report has been reviewed by our Chief Executive Clayton Delmarter and our Chief Financial Officer Phil Wiltshire. The Manawa Energy Board is ultimately responsible for ensuring the integrity of this report, assisted by our external auditors KPMG, and supported by our management team.

This integrated report has been prepared to demonstrate the value we create. This requires us to examine not only our critical financial metrics, but also the resources and relationships – or environmental, social, and governance (ESG) factors – that influence us and that we influence.

This integrated report highlights our refreshed strategy, which has been implemented alongside a shift in our operating model to align with our market position as an independent power producer, and a renewed emphasis on operational performance.

We have set about this refresh against the backdrop of the significant electrification demands required by Aotearoa New Zealand's ongoing transition in favour of renewable energy. This includes making the most of our existing assets and progressing the most value-enhancing development opportunities from our renewable generation pipeline.

It is an exciting time for Manawa Energy – thank you for your continued support as we look to build a platform for growth and deliver greater value to investors and stakeholders.

Thanks for reading.

Deion Campbell
Chair

Sheridan Broadbent
Chair, Audit and Risk Committee

20 May 2024

Annual Shareholder Meeting

The Manawa Energy Board will host shareholders at the Manawa Energy annual shareholder meeting in Tauranga on 17 September 2024. The notice of meeting will be shared with shareholders in August 2024.

Shareholder communications

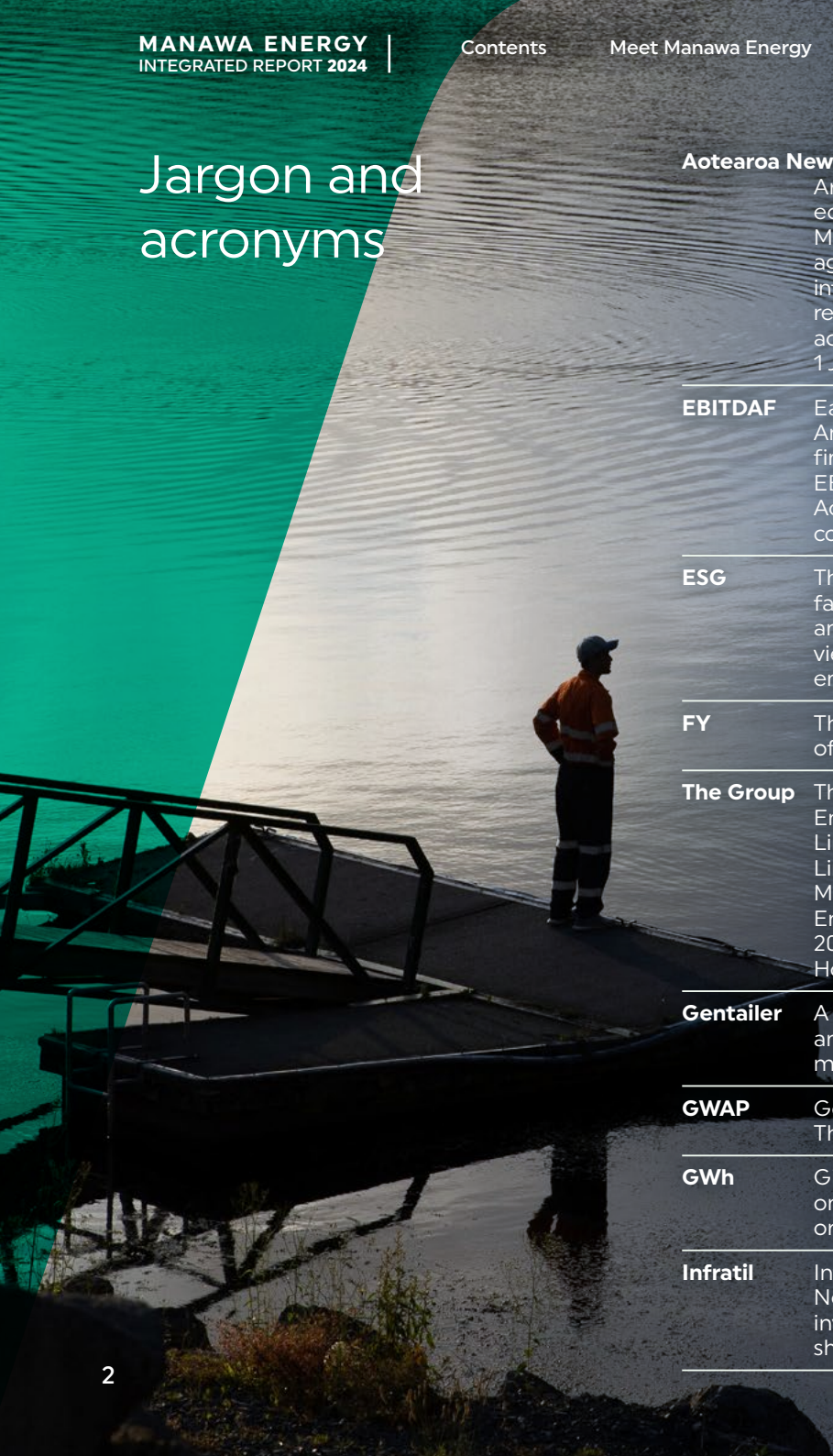
We encourage all shareholders to choose to receive digital communications from us so that we use less paper producing our investor documents. For shareholders who continue to receive hard copies, we use sustainable inks and paper.

Contents

Cover image: Matahina, Bay of Plenty

Matahina Dam, Bay of Plenty

Jargon and acronyms



Aotearoa New Zealand Climate Standards	Around 200 of Aotearoa New Zealand's most economically significant entities – including Manawa Energy – are required to report against these new standards to disclose critical information about their exposure to climate-related risks. The regime takes effect for accounting periods that start on or after 1 January 2023.
EBITDAF	Earnings Before Interest, Tax, Depreciation, Amortisation, Fair value movements of financial instruments, and asset impairments. EBITDAF is a non-GAAP (Generally Accepted Accounting Principles) financial measure commonly used within the electricity industry.
ESG	The environmental, social and governance factors to assess sustainability practices and performance. ESG takes the holistic view that sustainability extends beyond just environmental issues.
FY	The financial year ended 31 March of the stated year.
The Group	The collection of entities comprising Manawa Energy Limited, Manawa Energy Generation Limited, King Country Energy Holdings Limited, King Country Energy Limited, Manawa Energy Insurance Limited, Manawa Energy Metering Limited, Maungatapere 2021 Limited, Manawa Energy Renewables Holdco 1 Limited and ANZ Renewables Limited.
Gentailer	A vertically integrated company that is both an energy generator and retailer to mass market or residential customers.
GWAP	Generation Weighted Average Price. The average revenue per unit of generation.
GWh	Gigawatt hour, a unit of energy representing one billion watt hours or one million kilowatt hours.
Infratil	Infratil Limited is an Aotearoa New Zealand-based infrastructure investment company. It has a 51 percent shareholding in Manawa Energy.
Independent power producer (IPP)	An independent power producer develops, owns and operates facilities to generate electricity for sale to large end-users, and is not owned by a utility nor typically vertically integrated.
KCE	King Country Energy (**kce.co.nz**) is a hydropower electricity generator, owned by Manawa Energy (75 percent) and King Country Trust (25 percent). It owns five power stations in the King Country and Horowhenua districts that are operated by Manawa Energy: Mokauiti, Wairere, Kuratau, Piriaka and Mangahao.
LWAP	Load Weighted Average Price. The average cost of energy per unit for retail load only.
MNW	The Manawa Energy stock 'ticker' on NZX.
MW	Megawatt, a unit of energy representing one million watts.
MWac	Megawatt rating associated with the alternating current output of a generator.
PPA	A power purchase agreement is a long-term contract between an electricity generator and a customer.
NZX	NZX is the national stock exchange for Aotearoa New Zealand.
Scheme	The infrastructure associated with a hydroelectric power facility which may include one or more power stations.
TCFD	The Task Force for Climate-related Financial Disclosures. It developed a set of voluntary, consistent climate-related disclosure recommendations that underpin the new Aotearoa New Zealand climate-related disclosures regime.
TECT	TECT Holdings Limited is a 27 percent shareholder in Manawa Energy.
Trustpower	Manawa Energy's former name. The Trustpower brand and mass market retail business were sold to Mercury Energy in May 2022.

Te Reo Māori

Aotearoa
The Māori name for New Zealand

Hapū
Kinship group, subtribe of an iwi

Iwi
Extended kinship group, tribe

Kaitiaki
Trustee, minder, guard, custodian, guardian, caregiver, keeper, steward

Mana whenua
Authority over land or territory

Tangata whenua
People of the land or indigenous people, often used as a collective term for Māori

Taonga
Treasure, anything prized – applied to anything considered to be of value including socially or culturally valuable objects, resources, phenomenon, ideas and techniques

Te ao Māori
Denotes the Māori world view

Te reo
Literally the language, short for 'te reo Māori'

Tikanga
Custom, protocol

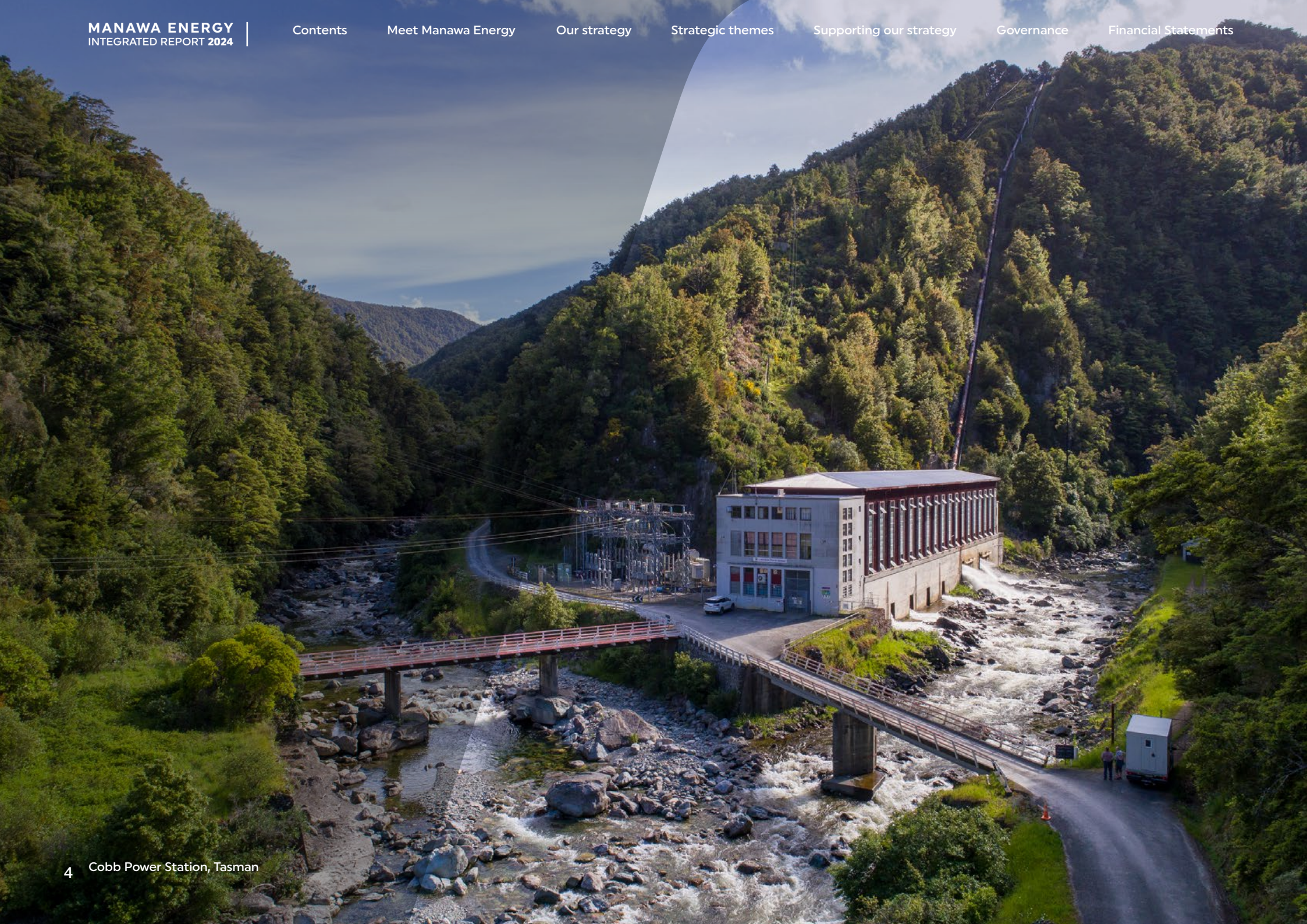
Tuna
Eel of various species, including the longfin eel

Whakapapa
Genealogy, lineage, descent

Whakawhanake
To develop, improve

Whenua
Land, ground

Most translations from Te Aka Māori Dictionary **maoridictionary.co.nz**



 Cobb Power Station, Tasman

FY24 Metrics*

224 (FY23 238)
employees (FTEs)

26
power schemes

510 (FY23 510)
megawatts of installed capacity

$24m (FY23 $444m)
profit after tax

0.96 (FY23 1.15)
Total recordable injury frequency rate

>99% (FY23 >99%)
of electricity generated is renewable

1,901 (FY23 1,917)
gigawatt hours of electricity generated

$145m (FY23 $137m)
EBITDAF from continuing operations***

>99% (FY23 >99%)
compliance across
~3,500
resource consent conditions

2,503
tons of CO_2 equivalent emissions produced. Using market-based method for Scope 2.

Produced enough electricity to power
270,000
average Kiwi homes

19c (FY23 16c)
ordinary dividend per share declared (full year)

* Metrics as at 31 March 2024 or for FY24.
** People employed in the mass market retail business that was sold to Mercury Energy are not included in this figure.
*** EBITDAF is a non-GAAP measure. Please refer to **Note 4** to the financial statements for further details.

Chair and Chief Executive's review

We are very pleased to be sharing our thoughts in this Integrated Report after another big year for Manawa Energy, having reset the business as an independent power producer (IPP) focused on delivering for shareholders through strong asset management, a clear focus on value creation and progressing a competitive new development pipeline.

FY24 represents our first full financial year as Manawa Energy. We have a refreshed management team, a refreshed Board, and a refreshed strategy. The company is in a strong position to realise the potential of our diverse fleet of hydro assets, the specialist skills and deep local knowledge of our teams throughout the country, our proven track record of effectively managing these assets, and our long history of successful renewable energy development underpinning our increasingly strong pipeline of new development opportunities.

Manawa Energy is proud to be the owner of 25 individual and unique hydropower schemes. These multi-generational renewable generation assets are located within and around many communities throughout the country. This year we have sharpened our focus on operating these assets as efficiently as possible and ensuring we can continue to operate them for many decades to come, protecting and enhancing their value wherever possible.

We are currently in the midst of the most significant asset refurbishment programme in the company's history, targeting our highest value strategic assets, including Matahina (Bay of Plenty), Highbank and Coleridge (Canterbury) and Waipori (Otago). These projects are progressing well and some of these are highlighted in more detail throughout this Integrated Report.

Continuous improvement in our core business has also been a focus this year including finalising our ESG and refreshed Health and Safety strategies with the Board, rationalising a number of IT systems and processes, and integrating KCE's Kuratau hydropower station into our 24/7 operations centre which should allow further optimisation of this asset.

Over the course of FY24, we successfully divested the majority of our surplus land and our emission unit inventory, along with rationalising some options in our development portfolio. This demonstrates our team's ongoing effort to narrow our focus to those activities at the core of the business and that can deliver the highest strategic value.

Strategy

Becoming an IPP has simplified our business significantly, and provided us with an opportunity to clearly articulate the activities that will protect and create value. We believe that as an IPP we have an essential role to play in the New Zealand energy market, supporting an efficient, competitive landscape that will underpin an affordable, secure and sustainable energy system.

The three core pillars of our strategy encompass our approach to our existing asset base, our revenue contracting strategy and our development pipeline.

Maximising the long-term value of our existing assets is clearly at the core of our business. Our risk-based approach to asset management, ensuring we reliably and safely operate our diverse portfolio of assets and maintain our social licence is our 'secret sauce' – requiring a smart, tailored approach to different asset classes, utilising local knowledge, experience, technical innovation and robust analysis.

During the year the generation team refreshed our ten-year asset management plan (AMP), a key operational and strategic document that ensures our assets are well-understood. We are targeting our efforts where they will yield the greatest benefits.

As noted, our current investment programme is significant, including across the KCE assets (75% owned by Manawa Energy). Our asset refurbishment and enhancement programme, combined with investments in dam safety improvements, will see us investing more than $250 million over the 10-year period from FY23 to FY32.

The majority of our production volume is currently contracted to Mercury Energy under the offtake arrangements implemented at the time of the sale of the mass market retail business. This volume commitment starts to reduce from October 2024. We therefore have an opportunity to reflect carefully on our energy sale strategy into the future. Significant work was undertaken during the year to understand potential channels to market and how these might underpin our future growth. Discussions are under way with a number of parties in respect of long-tenor, large volume offtake agreements from our existing and future portfolio.

Deion Campbell, Clayton Delmarter and Phil Wiltshire celebrate 30 years since Manawa Energy (then known as TrustPower) opened for trading on the NZX on 18 April 1994.

Our history has seen us involved in many successful large-scale renewable energy developments throughout Aotearoa New Zealand and Australia, so it is pleasing to see Manawa Energy once again positioning for growth by progressing an attractive development pipeline of highly prospective wind and solar projects located strategically across Aotearoa New Zealand. It is also pleasing to work with like-minded partners with whom we can progress some of these opportunities, including Pioneer Energy (Kaihiku Wind Farm) and Hawke's Bay Airport (Hawke's Bay solar project).

The projects in our pipeline are expected to present exciting, value-accretive growth opportunities that will complement our existing asset base.

Excellent progress has been made securing additional development options and moving these towards investment ready status, including securing a resource consent for the first area of our Argyle Solar Farm project located adjacent to our Branch River hydro scheme in Marlborough, and moving two of our large-scale wind farm developments towards resource consent application lodgement in the upcoming financial year.

Financial results

Manawa Energy has delivered a solid financial result for FY24, with EBITDAF* from continuing operations up 6 percent, and underlying earnings in line with FY23. This result was despite the loss of avoided cost of transmission revenue ($17.2 million) and was primarily driven by a strong lift in net energy margins, improved asset performance and operational efficiencies realised as part of the shift to an IPP model.

Net profit after tax was $23.7 million compared to $444.4 million in the prior year. FY24 NPAT includes a non-cash $46 million unfavourable movement in the fair value of financial instruments. FY23 NPAT included the gain on sale for the mass market retail business and a non-cash $63 million favourable movement in the fair value of financial instruments.

The Board has declared a final FY24 dividend of 11 cents per share, lifting the full year ordinary dividend to 19 cents per share (up from 16 cents per share in FY23).

Confidence in delivery of our strategy, a recent downward revision to the capital expenditure outlook outlined in November 2023, as well as FY24 gains relating to the sale of surplus carbon units and the divestment of surplus land has enabled this lift in the FY24 dividend.

As we transition to an IPP capital structure, the Board will review its dividend policy.

As noted, our generation assets performed well throughout the year, with plant reliability performance metrics all showing improvement from previous years, supporting both generation production volumes and meeting strong irrigation demand. We generated 1,901GWh, broadly in line with 1,917GWh last year. We observed a lower level of lost energy due to outages than the prior two years, despite a larger planned outage programme over the year.

In October 2023, Manawa Energy's existing three NZX-listed bonds were approved as Green Bonds by the NZX. To support this designation, we established a new Sustainable Finance Framework. This designation ensures access to ESG-linked capital and is part of our ongoing ESG efforts.

We have significant balance sheet liquidity with $269 million of undrawn facilities at 31 March 2024 and a funding profile that has diversity of tenor, counterparty and source (including $375 million of senior bonds). We have longstanding relationships with our lenders that will support our IPP strategy and potential future changes in capital structure as we invest in the pipeline of new development opportunities.

Looking ahead, FY25 EBITDAF is expected to be in the range of $130 million–$150 million, with capital expenditure expected to be in the range of $40 million–$50 million.

Major planned scheme outages (linked to our major asset refurbishment programme) and consideration of lake storage levels at the start of the financial year mean we are expecting hydro generation volumes (including KCE schemes) of ~1,880GWh in FY25.

We expect to spend ~$6.5 million of operational expenditure and ~$4.0 million of capital expenditure on the progression and growth of the new development pipeline in FY25.

Health, safety and environment

The health, safety and wellbeing of our people remains paramount – during the year our Board agreed a revised Health & Safety strategy that will drive continuous improvement and a focus on the things that enhance our robust systems and remove potential barriers to safe and healthy work. This will continue to roll out across FY25.

Disappointingly, our LTI numbers increased this year – a review of these incidents has provided the team with valuable insights, and our focus on effectively managing critical risks remains strong. The team is using these learnings as part of a consistent desire to improve our Heath & Safety performance and ensure everyone goes home safely.

Our Total Recordable Incident Frequency Rate reduced slightly compared to FY23 which was pleasing to see.

Across the country our power schemes operate in accordance with approximately 3,500 resource consent conditions that govern operations, monitoring and maintenance, and ensure we operate in an environmentally sustainable and legally compliant way.

In the past year, we have continued Manawa Energy's positive record of compliance with our consents, with over 99 percent compliance across our consent conditions. The small number of non-compliances were largely technical in nature and immaterial, with one more material non-compliance addressed satisfactorily.

* EBITDAF is a non-GAAP measure. Please refer to **Note 4** to the financial statements for further details.

Continuing efforts, in partnership with iwi and other parties, have successfully provided tuna (eel and elver, or young eels) passage past structures associated with several of our schemes across New Zealand. For example, a record number of elver were transferred over summer at the Arnold Dam on the West Coast. This is an area of focus for Manawa Energy and an opportunity to work closely with iwi and other parties to improve environmental and cultural outcomes associated with our assets.

Market context

There is no question that one of the key challenges facing the sector globally is the energy transition. Whilst every energy market globally has its unique characteristics, the shift to a greater share of cost-effective, intermittent renewables (such as wind and solar) moves forward at pace. There is significant competition for resources as these markets all lean into addressing this challenge at the same time.

This shift is well under way in Aotearoa New Zealand and requires care and planning across the sector in to ensure the transition delivers a system that is resilient and can provide the most affordable energy for Kiwis. This means coordinated investments in core infrastructure in generation, transmission and distribution networks combining to deliver secure, low-cost supply of energy to consumers and drive electrification.

Our unique collection of distributed hydro generation assets, many of which are embedded within distribution networks, provide a valuable service to the local communities and networks they connect to. This includes deferring investment in network and transmission capacity, regional security of supply, lowering wholesale electricity prices, reducing transmission losses, regional economic benefits and associated emissions reductions.

> “Our future is bright, and our mission is clear – the commitment and effort of our people will ensure our success and we look forward to the year ahead with confidence.

We will play a key role in supporting the electrification of the economy and the supply of low-cost renewable energy via our existing portfolio and development pipeline – however it is critical that the policy environment recognises the value of these existing assets and removes roadblocks to the efficient development and delivery of new renewable generation.

We are encouraged by the direction of proposed resource management reforms under the coalition Government and consider these will be supportive of recognising and protecting the value of our hydro asset portfolio, along with streamlining the consenting of our renewable generation development pipeline.

Our commitment to engaging and working with mana whenua, communities and other key stakeholders will not change – as noted we recognise the multi-generational nature of our assets and the importance of and significant value in building healthy, enduring relationships.

Thanks

Our thanks go to the wider Manawa Energy team, who go above and beyond to ensure our assets operate reliably. These people are at the heart of our future as we look to maintain and grow our position as the leading IPP in the Aotearoa New Zealand market.

The progress made throughout the year would also not have been possible without the efforts of the Board and management team – it has been a year of significant change, and we thank you for your leadership, perseverance and hard work.

For the Tauranga team, it has been fantastic to complete the move into a new, dedicated, office space in the CBD after a long wait. The new office provides our people with an environment that encourages high performance, teamwork, collaboration and social interaction.

Our future is bright, and our mission is clear – the commitment and effort of our people will ensure our success and we look forward to the year ahead with confidence.

Thank you for your ongoing support.

Deion Campbell
Chair

Clayton Delmarter
Chief Executive

Meet Manawa Energy

About us

Our values

These four values underpin our culture and guide our behaviour:

We're down to earth: We take what we do seriously and have fun doing it. We're grounded and respectful, bringing good energy to lighten the load of our big challenges.

We're joined up: We succeed by working together and valuing the contributions of others to deliver on Manawa Energy's goals.

We're resourceful: We're creative, finding smart ways to solve problems, and we aren't afraid to do things a bit differently.

We get it done: We tackle our work head on, taking calculated risks to deliver on our commitments through proactivity, determination, and perseverance.

Our assets

KEY

- MNW scheme
- KCE Power Scheme*
- Transmission lines
- Office

*Manawa Energy owns 75 percent of KCE

75 years
Capacity-weighted age of our schemes

Manawa Energy schemes were commissioned between 10 and 116 years ago, and 22 are 90+ years old

TOTAL FY24
1,901 GWh

GWh	
23	Arnold
38	Branch River
0	Bream Bay
169	Cobb River
257	Coleridge
19	Deep Stream
2	Esk
116	Highbank/Montalto
30	Hinemaiaia
209	Kaimai
5	Kaniere Forks/McKays Creek
42	Kumara/Dillmans/Duffers
30	Kuratau
116	Mangahao
19	Mangorei
311	Matahina
6	Mokauiti
20	Motukawa
62	Paerau/Patearoa
86	Pātea
7	Piriaka
15	Wahapo
6	Waihopai
181	Waipori
115	Wheao/Flaxy
16	Wairere

Board of directors

For full **profiles** of our Board, please visit our website.

Deion Campbell
CHAIR
NON-INDEPENDENT DIRECTOR

Deion joined the Board in July 2022 and has been Chair since July 2023. He is an Operating Partner and a Chartered Company Director. His 30 years experience includes 15 years at Trustpower and 3 years as CEO of Tilt Renewables. He is Chair of Mint Renewables. He holds a BE (Hons) and a ME from The University of Canterbury, is a Fellow of Engineering NZ and a graduate of the INSEAD Advanced Management Program.

Joanna Breare
INDEPENDENT DIRECTOR

Joanna joined the Board in 2021 after retiring as Chief Executive of Todd Energy. She is the Chair of Venture Taranaki Trust and holds a BSc (Hons) and a PhD in Geology from the University of London.

Sheridan Broadbent
INDEPENDENT DIRECTOR

Sheridan joined the Board in 2021. She is an independent director of Spark NZ, Downer Group, and Deputy Chair of the Business Leaders' Health and Safety Forum. She holds a BCom from the University of Auckland and is a graduate of the Harvard Business School Advanced Management Program.

Phillippa Harford
NON-INDEPENDENT DIRECTOR

Phillippa joined the Board in July 2023. She is a Partner at Morrison. She was Infratil's Chief Financial Officer for ten years (stepping down in November 2023) and prior to that Head of Tax for Morrison. Phillippa is Chair of One NZ and a director of RetireAustralia. She holds a BCA from Victoria University, a Diploma in Corporate Finance and is an FCA.

Michael Smith
NON-INDEPENDENT DIRECTOR

Michael was appointed to the Board in 2021 by TECT. He chairs Craigs Investment Partners custodial and superannuation subsidiaries and was a director of Port of Tauranga Limited for 16 years. Michael holds an LLB from Victoria University and has practised as a commercial lawyer since 1985.

Joe Windmeyer
NON-INDEPENDENT DIRECTOR

Joe joined the Board in July 2023. He is a Partner in the corporate advisory team at Russell McVeagh, specialising in corporate and commercial law. He has 30 years of experience advising clients in the energy sector and was named 'Lawyer of the Year' for Corporate Governance and Compliance Practice in the 2024 Best Lawyers New Zealand Guide.

Note: **Paul Ridley-Smith** and **Kevin Baker** stepped down from the Board in July 2023.

Management team

For full **profiles** of our management team, please visit our website.

Clayton Delmarter

CHIEF EXECUTIVE

Clayton was appointed as Chief Executive in February 2024, after being appointed as interim Chief Executive in September 2023. He has over 20 years' experience in the renewable energy industry in Aotearoa New Zealand, Australia and North America including roles at Morrison and Tilt Renewables. He holds a BSc (Technology) (Hons) from the University of Waikato, a Graduate Diploma in Business Studies (Finance) from Massey University and is a graduate of the University of Oxford Saïd Business School Advanced Management and Leadership programme.

Phil Wiltshire

CHIEF FINANCIAL OFFICER

Phil joined the company in February 2022 and leads our finance, strategy, legal, investor relations and business performance functions. He has more than 20 years' experience in CFO roles for various companies including Mainland Products and Vitaco Health Group. He has a BCom from the University of Auckland and is a member of Chartered Accountants Australia and New Zealand.

Matt James

GM TRADING & WHOLESALE

Matt joined Trustpower in 2000 as a graduate out of Waikato University. He has held various roles over the past 23 years across retail, commercial contracting, product development and strategic partnerships. His most recent role was Head of Commercial and Industrial/Market Operations. He joined the management team in April 2023.

Todd Mead

GM GENERATION

Todd has more than 25 years of hydro-engineering and project management experience in Aotearoa New Zealand, Australia and North America. He joined Trustpower in 2015 and has held senior generation roles including Engineering Manager, Production Manager and Head of Development. He joined the management team in April 2023. Todd holds a Bachelor of Mechanical Engineering (Hons) from the University of Auckland, a Master of Engineering Management from the University of Colorado and has completed Melbourne Business School's Advanced Management Program.

Richard Spearman

GM MARKET OPERATIONS

Richard joined Trustpower in 2004 and leads our market operations functions. He has over 30 years' experience in the electricity industry. He has a formal engineering and business background and has led projects ranging from real-time distribution network and generation operations to transmission systems engineering, technology systems, regulatory, metering, energy trading and generation development. He holds a BE (Hons) and an MBA from the University of Canterbury. He is a member of the Institute of Electrical and Electronics Engineers and the Institute of Directors.

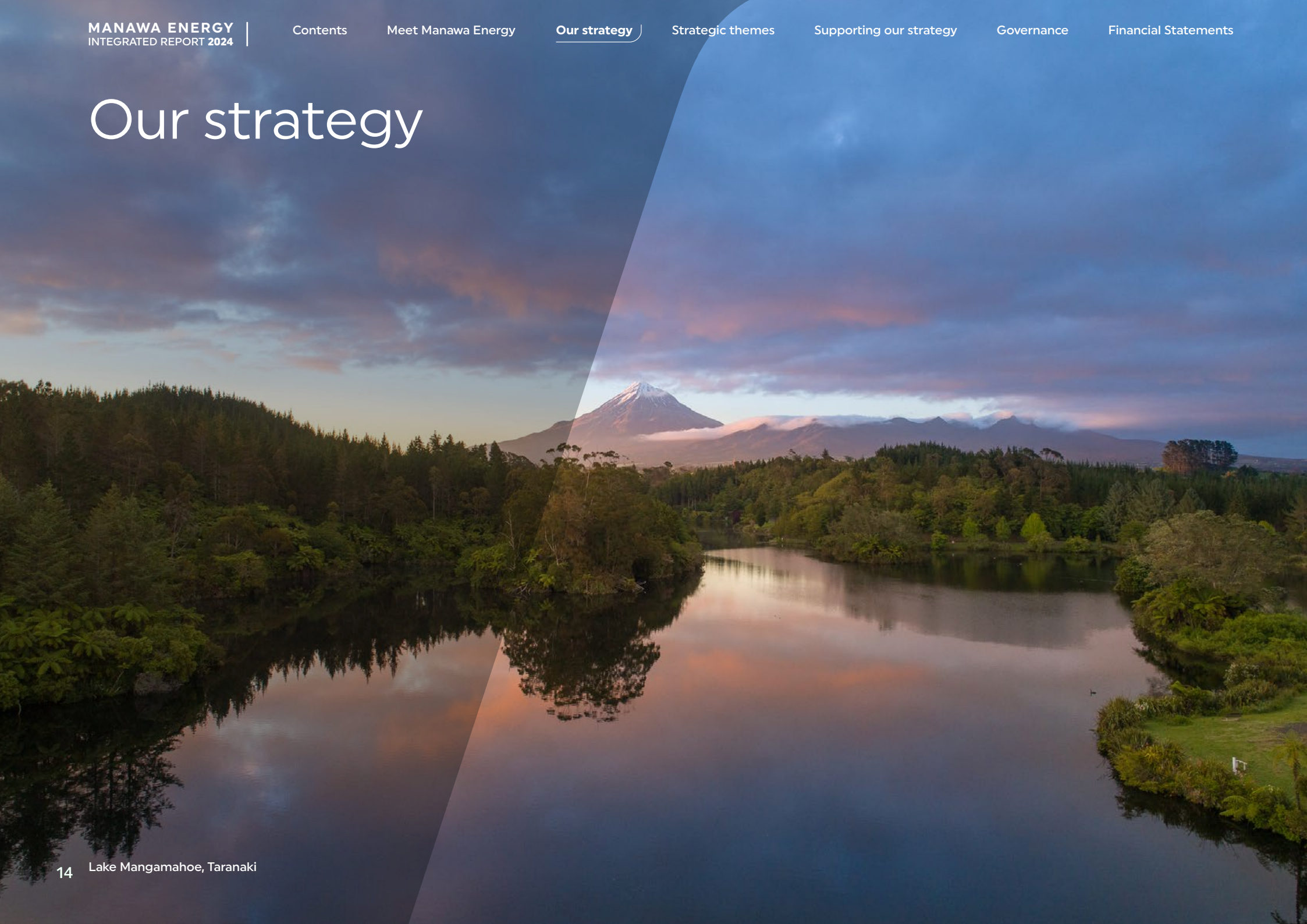
Deborah Sinclair

GM PEOPLE & CULTURE

Deborah has more than 20 years of people and culture experience in a variety of senior roles in Aotearoa New Zealand across a range of industries. She joined Trustpower in 2022 as Head of People and Culture, supporting Manawa Energy's transition to an IPP along with developing and embedding the company's revised people and culture strategy. Deborah holds a BCom from Victoria University of Wellington.

Note: **Matt van Deventer** resigned as Digital Transformation Projects Director in June 2023. **David Prentice** resigned as Chief Executive in August 2023. **Catherine Thompson** resigned as GM Regulatory and Risk in October 2023.

Our strategy



Lake Mangamahoe, Taranaki

Our strategy

We are clear about what we are here to deliver: reliable, efficient operations of our existing hydro assets so they continue their legacy as backbone infrastructure of our energy system, complemented by our pipeline of wind and solar developments to deliver growth.

We must manage a wide range of resources including our assets and infrastructure, the natural resources that we use to generate electricity and value, our many relationships and our social licence, our staff and their hard work and intellectual heft, and the financial capital that is available to us.

Maximising the long-term value of existing assets

The strategy for our existing asset portfolio is clear, and our efforts have been focused on refining, not reinventing this strategy.

This ensures that we continue to maintain and build on progress to date including:

- Asset management planning – during the year the team completed a refreshed formal asset management plan (AMP) that is an essential part of our asset strategy and sets out how this will be effectively implemented;
- Protecting the value of our unique schemes and assets by proactive environmental management and our approach to re-consenting;
- Continuing to evolve our risk-based approach to asset management and prioritising efficient use of resources;
- Improving our real-time operations capability including growing real-time market understanding and adoption of modern analytical capability and techniques to get the most out of our unique mix of assets. In addition, over the course of the year we have significantly strengthened the relationship and interaction between our market operations, generation and trading and wholesale teams to better holistically capture the different drivers of value and more effectively balance our operational decisions across these functions; and
- Championing constant incremental improvement and the use of technology to advance our performance and free up Manawa Energy's people to focus on value-add activities.

Our major asset expenditure programme currently under way has focused on prioritising major investment expenditure into higher–value assets to deliver:

- **Revenue protection**: Hydro assets have long lives, delivering 50+ years of reliable cash flows. The average age of the hydro machines being replaced by Manawa Energy is 73 years.
- **Increased reliability**: Modern and efficient machines provide greater reliability and efficiency, alongside a reduction in ongoing maintenance requirements.
- **Enhancement uplift**: Newer machines usually see an increase in capacity and production. The enhancement programme will deliver 78GWh of additional annual production by 2028.
- **Future benefit capture**: As the proportion of intermittent renewables (i.e. wind and solar) in the energy system increases, this will see an inherent increased value in hydro assets and their peaking capability i.e. the ability to generate and capture value when demand is high.

Growth through new developments

The response to climate change is radically reshaping the energy sector around the world. This is creating substantial demand for investment in decarbonisation and providing a catalyst for new business models and capital structures. Development of renewable energy represents one of the single largest and most important investment opportunities in history with over US$4 trillion of investment in wind and solar assets forecast globally over the next decade.

In Aotearoa New Zealand, the electricity sector is set to play a key role in decarbonising the broader energy sector, improving energy affordability, and increasing energy independence.

Manawa Energy is well-positioned to take advantage of these electrification tailwinds. We are proven renewable developers, and the pioneers of wind generation development in Aotearoa New Zealand. As Trustpower, we successfully developed wind farms at Tararua and Mahinerangi in New Zealand (197 MW capacity) and Snowtown 1 & 2 in Australia (370 MW capacity) between 1999 and 2014.

Our focus is firmly on the future and playing our part in supporting a thriving, low-emissions, electrified economy for Aotearoa New Zealand.

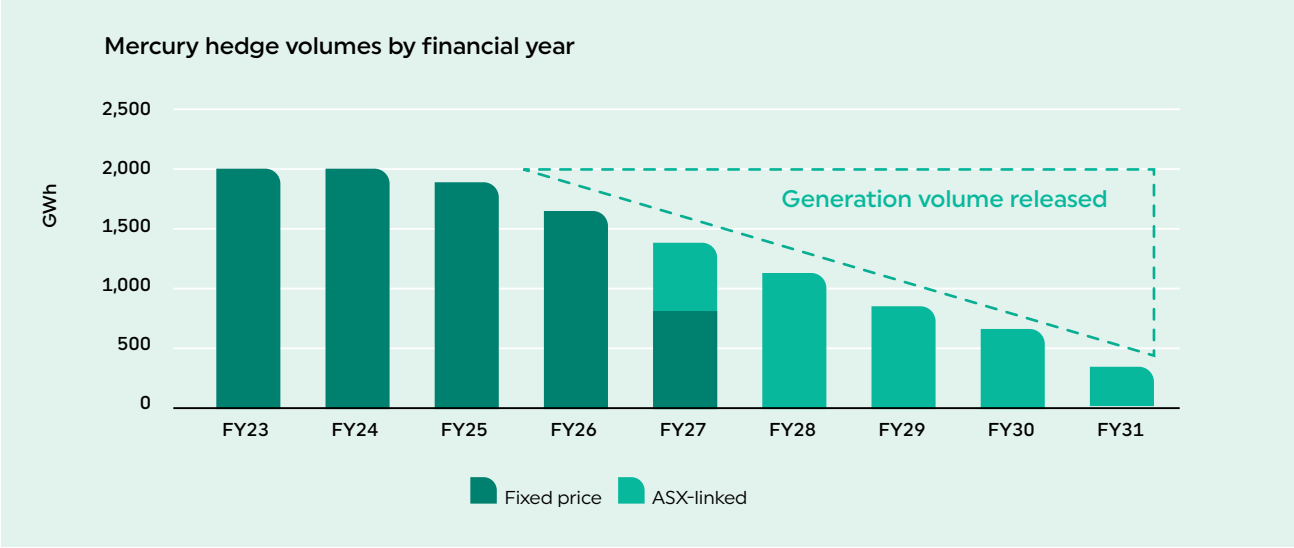
We are committed to working collaboratively with landowners, mana whenua, businesses and communities through all stages of the projects.

Capturing value through our contracting strategy

Our contracting strategy is focused on optimising our various channels to market, considering a range of factors including the likely current and future state of the market, customer requirements, shareholder expectations and access to capital.

As an IPP, securing long-tenor, large-volume offtake arrangements (or power purchase agreements) with investment-grade counterparties will reduce risk and provide us with stronger revenue certainty. This in turn will enable the delivery of our growth agenda by underpinning a capital structure that provides us with flexibility to support a review of debt and dividend levels, which will be critical in enabling our investment in new developments.

This type of contracting arrangement will become an increasingly important part of our strategy, alongside our other channels to market, as the large volume of generation currently contracted to Mercury Energy reduces from October 2024 through until September 2031 and we look to generate additional volume as we execute on opportunities in our development pipeline.



What is an IPP?

In November 2023 we announced a strategic reset to shift our operating model and drive a clearer distinction between our historical position as a vertically integrated gentailer versus our current status as an independent power producer (IPP).

An independent power producer develops, owns and operates facilities to generate electricity for sale to large end-users, and is not owned by a utility nor typically vertically integrated.

IPPs support the efficient operation of many energy markets globally by investing in new generation development and reducing electricity costs through competitive pressure and efficient risk allocation and management.

Although well-established in Australia and elsewhere, the IPP concept is relatively new in the Aotearoa New Zealand market and Manawa Energy is well-positioned to lead the way with our portfolio of diverse assets and an attractive development portfolio.

Progress against strategic plan

Key strategic area	FY24 Achievements	FY25 Goals/Targets	Beyond FY25 Goals/Targets
Protecting and enhancing our existing renewable assets	› Completed Branch intake enhancement (+10GWh pa uplift) and significant maintenance works at Waipori (including generator replacement at 3 Station) › First of two Matahina turbine replacements nearing completion with commissioning in Q1 FY25 (+12GWh pa uplift) › Arnold dam safety works and Highbank irrigation pumps as turbines project nearing completion › Reconsents lodged for three schemes – Kaimai, Wheao, and Kuratau	› Complete Arnold dam safety works, first Matahina turbine replacement project (+12GWh pa uplift), and Highbank irrigation pumps as turbines projects › Commence the second of the Matahina turbine replacements (+5GWh pa uplift), and make significant progress on Highbank unit upgrade works (+8GWh pa uplift) › Continue planning, procurement and site works for major project at Coleridge (+23GWh pa uplift) › Continued improvement in plant reliability, outage planning, operational efficiency › Achieve reconsent for Mangorei and Motukawa, progress reconsent for Mangahao	› Deliver on >$250m asset refurbishment, enhancement, and dam safety programme › Realise 78GWh pa enhancement uplift (from 2021 baseline) › Reconsenting program continues to successfully progress with goal of protecting asset value or enhancing where practical
Long-term, low-risk, large-volume contracting strategy	› Near-term portfolio well balanced › Progressed discussions with customers for long-tenor, large-volume offtakes for current and future portfolio	› Continue assessing long-term offtake options › Continue to progress internal portfolio management and capital structure workstreams to support strategy execution › Sign cornerstone PPA agreement	› Achieve and manage desired long-term portfolio position, including paths to market for new developments
Developing attractive new generation investment options	› Pipeline grown to 1,255MW of secured options with diversity across geography and technology › Argyle southern area consented, northern area consent lodged (April 2024) › Advanced options that require Transpower connection are currently in the queue › Significant progress on consenting work for key development options	› Argyle Solar southern consented › Argyle Solar investment ready (northern and southern areas) › Lodge consents for two large-scale wind farms › Material advancement of development option pipeline	› Execute on best options in line with market needs

The regulatory environment

Manawa Energy works with our peers in the wider electricity generation industry where our views are aligned, but otherwise focuses on **regulatory issues that uniquely impact our business** so we can protect our asset base and promote regulatory settings that incentivise new renewable development. This includes advocating for conditions that support investment in wind/solar developments, distributed hydro-generation, and an efficient and effective wholesale electricity market. Ultimately, this is done to meet the demand for electrification and help deliver on the country's climate-related goals and to protect our business interests.

The National-led coalition Government has outlined the roadmap for the **resource management reform** programme. Collectively, we consider these reforms will make it easier to consent new and existing infrastructure, including renewable energy, and Manawa Energy will continue to actively engage in the reform process.

Key points of reform include:

- repealing the Natural and Built Environment Act (completed in December 2023);
- introducing a 'one-stop shop' fast-track consenting regime designed to make it faster and easier for infrastructure and major projects to get approval;
- amending the existing Resource Management Act 1991, including obligations around freshwater management and significant natural areas; and
- unlocking 'development and investment in infrastructure' through the amendment, review and development of various national direction instruments.

Elsewhere, we continue to respond to the **Electricity Authority market** reforms, which are under way in response to the advice from the regulator's Market Development Advisory Group. Our view is that a well-functioning wholesale market will play an important part in our strategic ambitions.

We also continue to work hard to help key stakeholders understand **Manawa Energy's points of difference**, its unique position in the market as an IPP and credible new generation developer, and our consistent position on the critical importance of our operations for a thriving, low carbon future for Aotearoa New Zealand.

Material issues: what matters most?

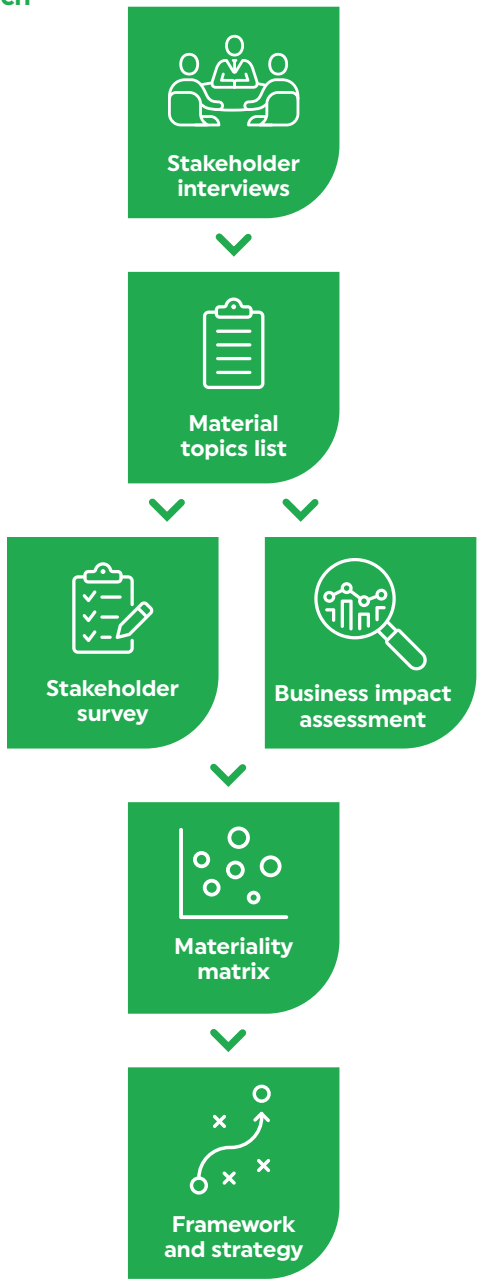
We have seen increasing demand, higher expectations, and expanding disclosure obligations around sustainability information from various stakeholders, including shareholders and the investment community, iwi, customers, suppliers and development partners, and our own staff.

We responded this year by working with sustainability specialists thinkstep-anz to complete Manawa Energy's inaugural material issues assessment. This provided us with independent data to help us think beyond traditional financial reporting and identify the environmental, social and governance-related issues most important to our stakeholders.

In July 2023 the Manawa Energy management team reviewed the resulting list of ranked topics and created a materiality matrix, prioritising topics based on levels of stakeholder concern and potential business impacts.

This was a key input into the development of our sustainability framework which will help us decide where to focus our efforts, identify and manage reputation risks, maintain our licence to operate, and tailor communication around topics that matter most to our stakeholders.

Approach



ESG priorities

We identified 15 topics taken from the materiality assessment and prioritisation, selected based on high business impact, and/or high stakeholder importance, and/or imminent compliance or legislative requirements.

These have been grouped under each of the headings of Environment, Social, and Governance and we have developed draft goals, deliverables and targets in relation to each.

Further information about each material issue is discussed throughout the report.

ENVIRONMENT

Renewable energy development
(see **Competitive development pipeline**)

Develop new renewable power generation with a long-term sustainable and innovative vision for the future.

Resilience of existing assets
(see **Existing assets**)

Ensure existing assets are maintained and managed as a core part of Aotearoa New Zealand's renewable energy portfolio.

Climate-related business risk
(see **Climate-related disclosures**)

We have the appropriate governance, risk management, strategy and metrics and targets to identify and consider how to manage the climate-related risks and opportunities that climate change presents for our business model and strategy. We play our part in Aotearoa New Zealand's transition to a low-emissions, climate resilient future.

Environmental management and biodiversity
(see **Taking care of tuna**)

We respect the natural resources we rely on to operate. We identify and manage our impact on biodiversity and freshwater and work with local communities to support and enhance the local environment.

SOCIAL

Safety and wellbeing
(see **Health, safety and wellbeing**)

We protect the health, safety, and wellbeing of our people.

Employee attraction, development and retention
(see **People and culture**)

Our ambition is to be a high-performing organisation that is purpose led, performance oriented, and with our values guiding everyday decision making.

Diversity, equity and inclusion
(see **People and culture**)

We have a diverse workplace with a culture and values that ensure everyone can confidently bring their skills, values, backgrounds, and experiences to work.

Community support
(see **Community**)

We support and engage meaningfully with the local communities in which we operate.

Cultural capability
(see **Developing our cultural capability**)

We build cultural awareness and strengthen our relationships with tangata whenua/mana whenua.

GOVERNANCE

Policy and regulation
(see **The regulatory environment**)

We influence legislation, regulation and policy at the sector and government level, as applicable to our business.

Communication
(see **The regulatory environment** and **Community**)

We communicate with our stakeholders in a genuine, transparent, and timely way.

ESG governance
(see **Governance**)

We have governance systems and processes in place to ensure sustainability-related activities are progressed with accountability, transparency, and credibility.

Sustainable financial performance
(see **Financial performance**)

We ensure sustainable financial growth and performance as a key component to the triple bottom line: economic, environmental, and social.

Ethical supply chain
(see **Understanding our supply chain**)

We understand and manage our supply chain, including mitigating supply chain risk (e.g. modern slavery, safety track record and environmental credentials) and local procurement.

Strategic themes

Cobb Reservoir, Tasman

Strategic themes

Strategic theme

Existing assets, maximising value

We have 65 employees in the field, a 24/7 operations centre based in Tauranga, and our existing hydro asset portfolio comprises more than 40 stations and more than 80 generating units throughout Aotearoa New Zealand, generating an average of around 1,950GWh of electricity per year.

We also play an integral role in the supply of high-reliability irrigation water to irrigation companies in mid-Canterbury via our pumping assets at Highbank on the Rangitata Diversion Race and via stored water releases from Lake Coleridge.

Our diverse and geographically dispersed portfolio of assets is at the core of our revenue generation and requires a smart, tailored approach to different asset classes, utilising local knowledge, experience, technical innovation and robust analysis. This diversity enables us to capture inflows wherever these may be and reduces our exposure to market risk.

There has also been an uplift in our systems and internal reporting processes, put in place to ensure we comply with the new dam safety regulations (the Building (Dam Safety) Regulations 2022) that came into effect on 13 May 2024.

Reliable performance

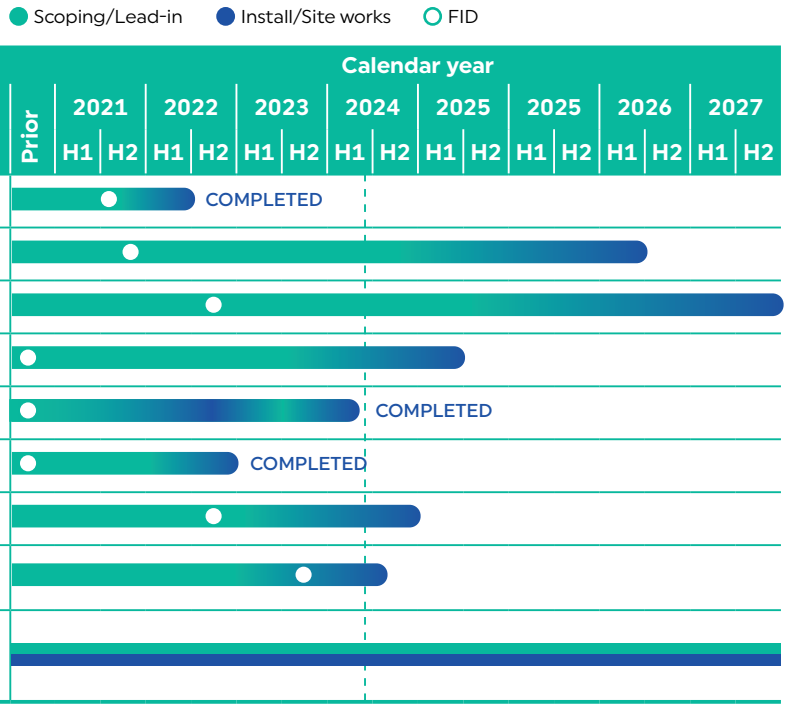
We are prioritising investment in our existing assets, with the goal of ensuring they will continue to deliver electricity reliably and efficiently long into the future. This includes building resilience into our assets to protect against the events nature will invariably throw at us, keeping the communities we operate in safe and ensuring the assets themselves stand the test of time.

Manawa Energy is investing in excess of $250 million over the FY23 to FY32 period on existing generation assets with a focus on continuing and improving on our track record of reliability including expenditure associated with our dam safety assets. The programme is on track to deliver the ongoing annual uplift of more than 78GWh from existing assets by 2028, with ~29GWh per year of this already delivered.

This year, we have made good headway with refurbishments, enhancements, and replacements across our key hydro-generation assets, with investment in our capital projects up by just over $18 million from FY23 to $50 million. This includes getting under way with our most significant projects at Highbank and Matahina, which together contribute approximately 20 percent of Manawa Energy's annual hydro production volume and will unlock approximately 25GWh of additional generation per annum upon completion.

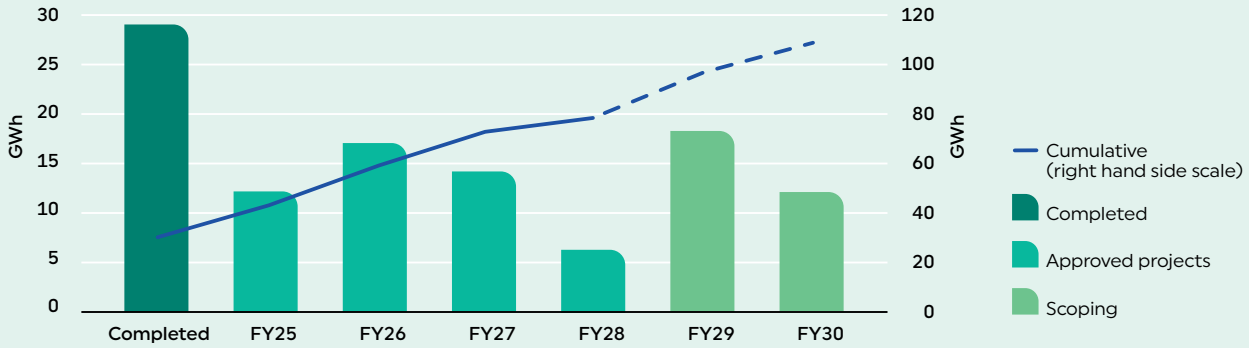
Timeline of selected major projects

Scheme	Location	Capacity (MW)	Commission date	Project scope	Final investment decision	Annual production uplift (GWh)
Branch	Marlborough	11	1983	New intake gallery	Jul-21	10
Highbank	Canterbury	25	1945	New turbine and generator	Dec-21	8
Coleridge	Canterbury	40	1914	3x new turbines, 1x new generator	Nov-22	23
Matahina	Bay of Plenty	80	1967	2x new turbines	Aug-20	17
Waipori	Otago	93	1907	2x new generators	Oct-19	–
Cobb	Tasman	36	1944	2x new generators	Mar-20	–
Arnold	West Coast	3	1932	Seismic strengthening of dam	Nov-22	–
Highbank	Canterbury	N/A	N/A	Convert irrigation pumps to turbines	Oct-23	–*
Various	Various	–	Various	Various refurbishments, replacements, dam safety upgrades, and enhancements	Various	20
Total		**288**				**78**



* Highbank pump conversion provides ~42GWh during main Highbank outage + resilience for future outages.

Strategic asset enhancements



Irrigation support

In addition to producing electricity, our Coleridge and Highbank assets also provide 'insurance' in the form of stored water and pumping services to several significant irrigation entities during periods when water is unavailable to them from traditional sources. These services are important for dependable food production across approximately 100,000 hectares of highly productive mid-Canterbury land.

This year, demand for stored water during the 2023/2024 growing season has been higher than usual and, supported by the reliable performance of our assets, we have provided record volumes of water during times of need for our customers.

Upgrading the turbine and generator unit at Highbank

The 25MW **Highbank** scheme in Canterbury was commissioned in 1946 and currently generates around 100GWh per year, enough to power around 13,000 average households.

In 2021 we decided to proceed with a complete replacement of the unit due to its condition and age, with the new design set to capture an efficiency uplift.

In September 2023, we commenced the upgrade with the installation of a new overhead gantry crane to disassemble and reassemble the equipment. This is the largest complete unit replacement in our history and is expected to deliver an uplift of 8GWh of renewable electricity per annum, and increased resilience and reliability.

The project, scheduled for completion in early FY27, includes the removal of 300 cubic metres of concrete and a complete rebuild of the internal structure. It has also been designed with silt resilience in mind to reduce the ongoing maintenance required. This resilience is achieved via the use of hard and soft coatings, sacrificial elements, and design features to enable faster overhauls.

We have also continued to work on the conversion of existing irrigation pumps to operate as turbines which will allow us to generate from these units, reducing lost production while the main unit is being upgraded and providing resilience for future outages.

New Highbank generator under construction

Upgrading the turbines at Matahina

We are also well-progressed on the upgrade of our turbines at **Matahina** in the Bay of Plenty. The 86-metre-high earth dam at Matahina on the Rangitāiki River is the largest of its type in the North Island, with an output of 280GWh, and the existing turbines are 57 years old.

After a four-year journey to design and manufacture new turbines with our international contractor, we commenced site works in November 2023. The new turbines are designed to achieve greater efficiency and increased energy generation by better accommodating the flow pattern at Matahina, which spends a lot of time in the lower flow range. They are expected to last another 50–60 years.

Each turbine runner weighs approximately 20 tonnes and is 3.5 metres in diameter. One is optimised to operate at reduced flows improving the overall operability of the station and commissioning is expected to be completed by mid-2024. The second is expected to be installed by mid-2025, optimised to operate at high flows, complementing the first runner.

Enhancement benefits from the turbines currently represent a revenue uplift to Manawa Energy and the upgrade will contribute 17GWh of generation enhancement against our target of increasing our scheme volumes by 78GWh by FY28.

New turbine being installed at Matahina

Restoration projects continue successfully

In December 2023, we completed remediation work at the 440m long **McKay's Creek** water conveyance tunnel on the West Coast, allowing us to get the power scheme there back up and running.

McKay's Creek station has installed capacity of 1.1MW, generates on average 8GWh per year and is notable for the reliability of its hydro production levels due to its position in the Lake Kaniere catchment, generating at the equivalent of full output for over 93 percent of the time in a typical year. In October 2021, the tunnel collapsed partially (with no safety risk), and the station had been unable to generate electricity since. The remediation work was particularly complex as the scheme uses old gold race canals that required careful management by our expert contractors. While the tunnel works were ongoing, Manawa Energy took the opportunity to refurbish the turbine and generator to ensure continued reliable operation.

Our two-station **Esk Valley** hydro scheme was significantly damaged during Cyclone Gabrielle in February 2023. Activity has been focused on remediation of the intakes and other civil structures over the past year, working closely with local subcontractors. Toronui power station (1.4MW) was successfully returned to service in October 2023 and the Rimu power station (2.9MW) is expected to be fully operational by mid-2024.

Operating in accordance with consents

Across the country our power schemes operate in accordance with approximately 3,500 resource consent conditions that govern operations, monitoring and maintenance, and ensure we operate in an environmentally sustainable and legally compliant way.

In the past year, we have continued Manawa Energy's positive record of compliance with our consents, with over 99 percent compliance across our consent conditions. There were 17 confirmed non-compliances, with 16 of these considered minor technical incidents which were quickly addressed.

The one material incident (based on Manawa Energy's materiality criteria) was in relation to an operational issue at our Pātea power scheme. We addressed the circumstances involved in this incident quickly and comprehensively.

Our consenting work has continued this financial year, to make sure Manawa Energy holds the consents required to operate our schemes and balances protecting the value of these assets with their impact on the environment and stakeholders. Several schemes are coming up for reconsent over the next few years. In the 2024 financial year we lodged reconsent applications for **Kaimai** and **Wheao** in Bay of Plenty. We have also continued to progress other reconsent applications already lodged.

Hydropower infrastructure as community assets

We also recognise the value of our hydropower infrastructure as community assets. With assets in National Parks and in areas popular with visitors and locals alike, we work closely with environmental and recreational groups in every community we are present. This includes providing recreational opportunities for swimming and kayaking, working on fish passage programmes, managing lake levels for jet-boating, sponsoring fishing competitions, and helping maintain camp sites, picnic areas and cycle trails.

One example is the Rangitāiki River Environment Fund in partnership with the Rangitāiki Hapū Coalition, Te Rūnanga o Ngāti Awa, and Fonterra. Overall we will contribute more than $800,000 toward the fund and an additional $800,000 in scholarships through until 2048.

See **Taking care of tuna** and **Community** sections for more on this too.

Case study

Taking care of tuna

Tuna (eels and elvers, or young eels) migration patterns intersect with our dams around the country. Since 2017, we have been working with partners including iwi and NIWA in the environment in and around the Matahina and Arnold dams to ensure the safe passage of these taonga species by trapping and transferring them. Although tuna are legendary climbers, our interventions have made it easier for the tuna to continue the routes they have been taking for millions of years.

At our Arnold Dam, elver are attracted to a flow on the right-hand side of the dam where they climb a ramp and enter a holding tank before being safely released upstream of the dam.

This summer has seen the largest number of elver transferred that we've ever recorded, with 596kg of elver – or around 450,000 – successfully sent on their way at Arnold dam, even during pre-planned dam strengthening works, and approximately 150kg – or around 132,000 elver – at Matahina.

For the larger eels completing their downstream migration at Matahina during the autumn months, we work with Omataroa Kaitiaki Ltd to operate a trap and transfer programme. Last April, twelve extra-large fyke nets were set on either side of the Matahina Station intake to capture migrant eels congregating in these locations. Over 130 migrant eels have been transferred for release downstream of the Matahina Dam to continue their migration, overseen by Omataroa.

We are excited to expand operations for the 2024 autumn migration season.

Strategic theme

Competitive development pipeline

Wind and solar generation continue to present the lowest-cost, zero-emissions technology options available in Aotearoa New Zealand to support continued decarbonisation of the economy and meet the anticipated increase in demand.

Our wind and solar development pipeline is our growth opportunity and we are focused on projects that can deliver the lowest-cost energy, with significant benefits to Aotearoa New Zealand's energy transition.

We have made good progress in the last financial year, securing and progressing a geographically diverse pipeline of 880MW of wind opportunities and 375MW of solar.

Over 500MW of additional wind and solar opportunities are also in advanced discussions.

Indicative timeline of currently announced development projects:

Project	Technology	Capacity (~MW)*	Output (~GWh/pa)	Calendar year: 2024 H1	2024 H2	2025 H1	2025 H2	2026 H1	2026 H2	2027 H1	2027 H2	2028 H1	2028 H2	2029 H1	2029 H2	2030 H1	2030 H2	Status
Huriwaka	Wind	250	850															Previous Central Wind project. Consenting workstreams under way.
Hapuakohe	Wind	230	790															Wind monitoring, site design, and consenting assessments under way.
Kaihiku**	Wind	150	530															Historic wind monitoring data available, consenting workstreams under way.
Ototoka	Wind	150	530															Wind monitoring and site development assessments under way.
Marlborough	Wind	100	350															Land secured. Wind monitoring and site development assessments under way.
Kaipara	Solar	70	130															Resource monitoring, site design, and consenting assessments under way.
Hawke's Bay Airport	Solar	40	80															Resource monitoring, site design, and consenting assessments under way.
Argyle	Solar	65	130															Southern area consented. Land secured for northern area; consent lodged.
Mackenzie Basin	Solar	200	430															Land secured. Consenting assessments under way.
Total		**~1,255**	**~3,820**															

* Solar project capacity is MWac.
** Manawa Energy is a 50% partner – the capacity and output figures are 50% of the total project expectations.

Kaihiku Wind Farm partnership

Our planned 300MW **Kaihiku Wind Farm** project is another significant wind development project in our pipeline. Kaihiku is a 50/50 partnership with Alexandra-based Pioneer Energy, a community energy company owned by the Central Lakes Trust. The partnership seeks to combine Pioneer's deep local knowledge and development experience with Manawa Energy's large-scale wind development expertise.

The Kaihiku project spans approximately 2,000ha within the rohe of Kai Tāhu in the Balclutha District. Like the Huriwaka Wind Farm, Kaihiku is ideally situated for a wind farm, having an excellent wind resource and good access to the national grid with lines running through the middle of the site. We anticipate that it will provide enough electricity to power approximately 135,000 homes per year. The estimated capital cost to build the project is expected to be in the range of $750 million to $1 billion.

The benefit to the Balclutha District and the country will go beyond the new renewable electricity generation too. The project commissioned a report that estimates between $210m–$230m of the project expenditure will be spent in Aotearoa New Zealand over the course of approximately two years of construction (accounting for the cost of imported components), with 5–10 permanent jobs being created in the region once the wind farm is operational.

Argyle Solar Farm

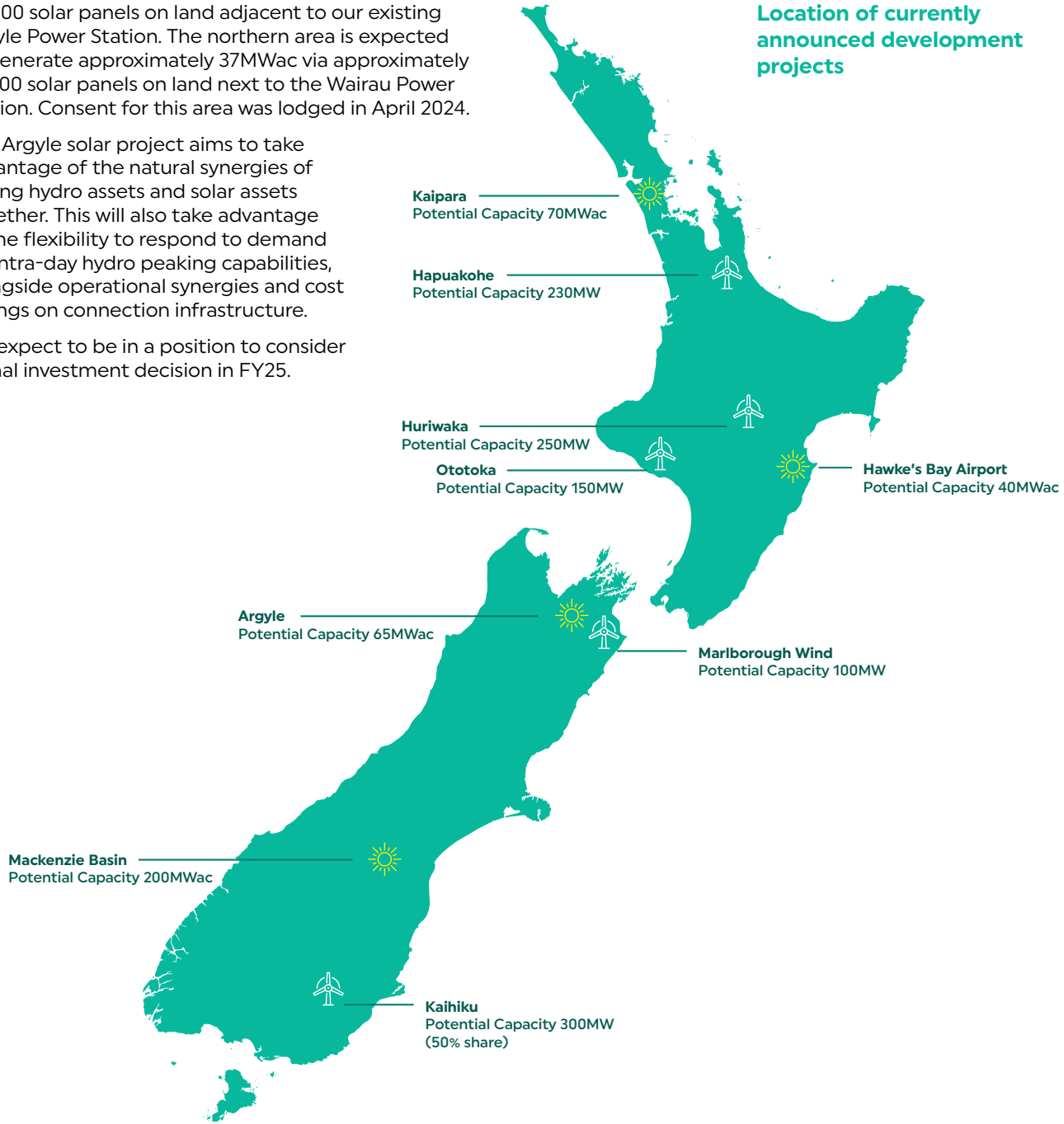
Our Argyle Solar Farm in Marlborough's Wairau Valley is an excellent example of our development pipeline taking advantage of our existing asset footprint, in this case the Branch River hydroelectric power scheme.

The proposed plans for the project consist of 135,000 solar panels on 174 hectares of land. Consent for the southern area was granted in December 2023 and is anticipated to deliver 28MWac via approximately 60,000 solar panels on land adjacent to our existing Argyle Power Station. The northern area is expected to generate approximately 37MWac via approximately 75,000 solar panels on land next to the Wairau Power Station. Consent for this area was lodged in April 2024.

The Argyle solar project aims to take advantage of the natural synergies of having hydro assets and solar assets together. This will also take advantage of the flexibility to respond to demand via intra-day hydro peaking capabilities, alongside operational synergies and cost savings on connection infrastructure.

We expect to be in a position to consider a final investment decision in FY25.

Location of currently announced development projects



Case study

Huriwaka Wind Farm

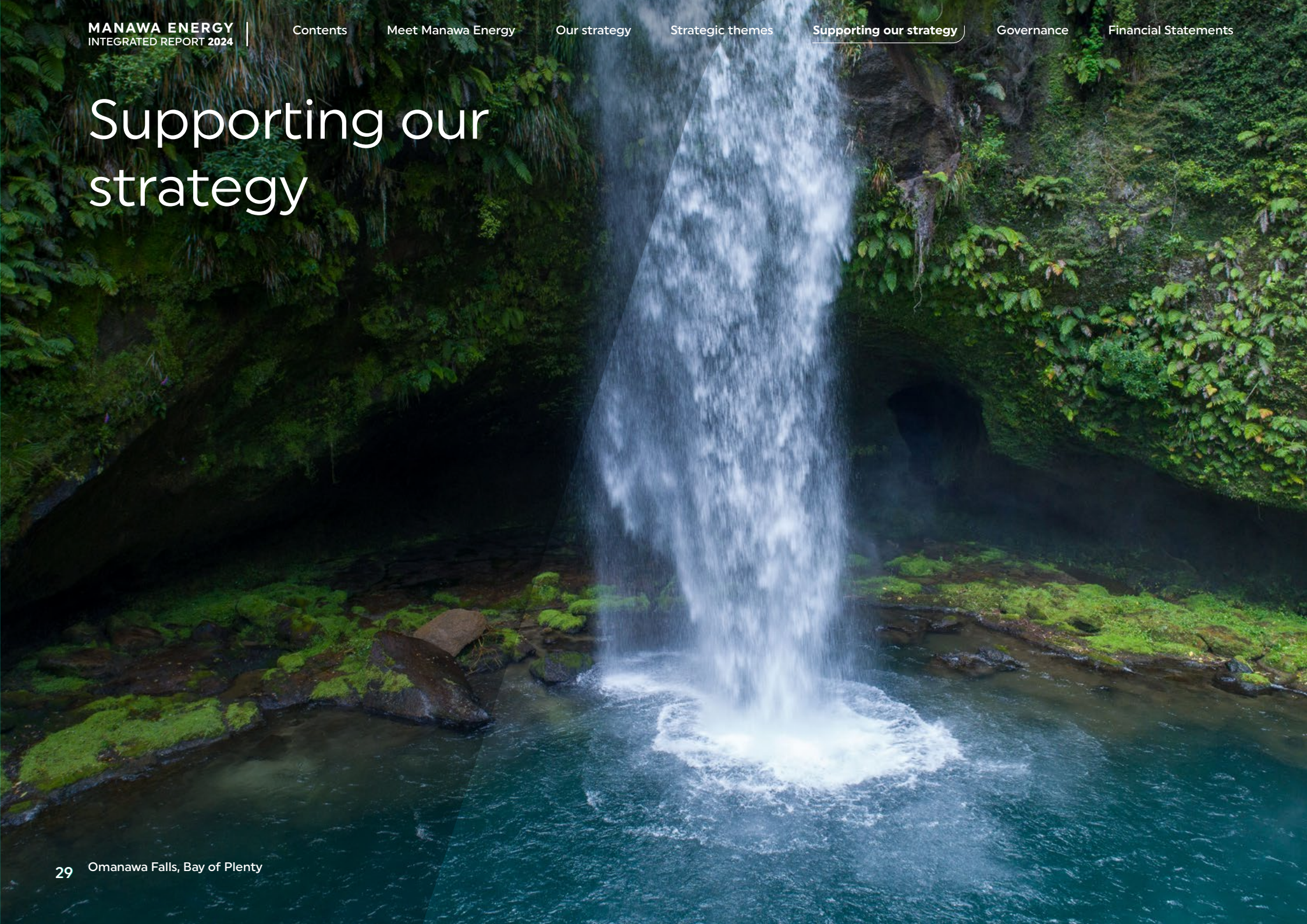
As a pioneer of wind development in Aotearoa New Zealand, we have a strong track record of delivery of large-scale renewable energy projects. Our planned 250MW wind farm at Huriwaka in the Rangitīkei area is one such project and, once built, it will be one of the biggest wind farms in the country – with the expectation that it will generate enough electricity to power up to 111,000 average homes each year (or around 850GWh per year).

The Huriwaka project spans 47 square kilometres within the rohe of Ngāti Whitikaupeka, Ngāti Tamakōpiri and Ngāti Rangi in the Rangitīkei and Ruapehu Districts. It is located approximately 12km north of Taihape and 10km southeast of Waiouru, with the project site used entirely for pastoral farming.

The site has a well-proven, quality wind resource, excellent access to the national grid lines that run adjacent to the site, relative isolation from residential areas and good proximity to significant electricity demand in the upper North Island.

We plan to lodge consent by the end of 2024 and expect full development (including construction and commissioning) to take up to four years at a capital cost of approximately $650 million to $850 million.

Supporting our strategy



Omanawa Falls, Bay of Plenty

Supporting our strategy

People and culture

This year we have focused on setting up the foundations for high performance.

FY24 has seen the people and culture team take a 'back to basics' approach, aligned with the refresh of our strategy. We recognise that as an IPP, we are now operating in a more focused, leaner way, and by ensuring we have the right capability in the right places we can continue to develop a high-performing culture. This supports effective decision-making about how and where we invest, and the ability to respond quickly to commercial opportunities and changes in our external environment.

We have also increased our focus on performance and the results of this effort have been positive, with our internal data indicating a positive increase of 2–4 percent across four of the five performance metrics that we measure (and the fifth is stable), alongside an 18 percent increase in those that feel they can discuss their career aspirations with their people leader.

Refreshed employee benefits

In July 2023 we announced a refreshed employee benefits programme. Alongside being paid fairly, it is important our people are rewarded and feel motivated by a range of other benefits: we know looking after them supports the success of Manawa Energy.

New parental support policy

We announced a new parental support policy in December 2023 to demonstrate the importance of creating an inclusive and supportive workplace at a potentially challenging time. The key elements include a gender-neutral approach, meaning both men and women can be recognised as the primary carer, 12 weeks' leave for the primary carer with payments 'topped up' to 100 percent of ordinary hourly pay from the Government paid parental leave payment, and 2 weeks of paid leave for a partner.

Our approach also ensures a KiwiSaver lump sum contribution equivalent to 3 percent of ordinary hourly pay for the period of parental leave (up to 12 months), annual leave topped up to ordinary hourly pay on return from parental leave, coaching support for the primary carer, a childcare 'koha' of $3,000 and a new baby meal support pack.

Working towards our diversity and inclusion

Our Diversity and Inclusion Policy outlines our aspirations to be a workplace where:

- Our people feel valued and included;
- Diversity of thinking and approach is valued;
- We encourage a broad range of people to be part of Manawa Energy and make employment decisions without bias;
- We have a diverse Board and management team;
- Diversity is visible across all divisions and at all levels of the business; and
- We are culturally competent and well-equipped to meet the cultural needs and differences of people.

Manawa Energy continues to work on the foundations to build a diverse and inclusive organisation. Late in FY24 a diversity and inclusion strategy focusing on belonging and inclusion was endorsed by the management team and work is under way on a three-year implementation plan. Activity will include practices that are already in place such as flexible working, parental support, and social connections.

Gender diversity at Board and management team levels at 31 March

		FY24	FY23	FY22*
Board	Male	**3**	4	4
	Female	**3**	2	2
	Gender diverse	**–**	–	–
Management team	Male	**5**	4	6
	Female	**–**	1	2
	Gender diverse	**–**	–	–

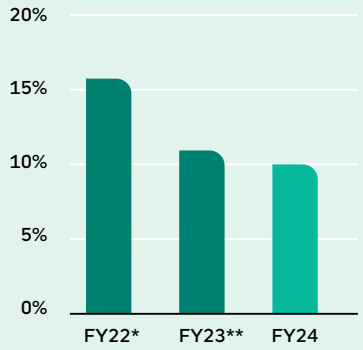
* FY22 figures are from when the company was known as Trustpower.

It will also include a focus on connection to strategy, leadership, and building a deeper knowledge of te ao Māori.

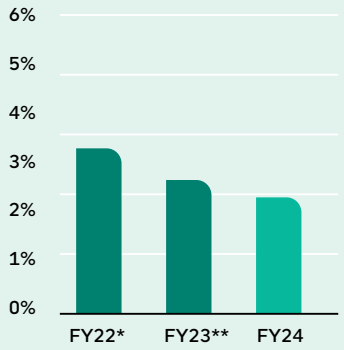
We face many of the gender challenges of other energy sector and engineering-based businesses.

Just 9 percent of our people in the generation team are female, with numbers much higher in our corporate functions. Our gender pay gap (using median hourly rates) is 16 percent, down from 22 percent last year.

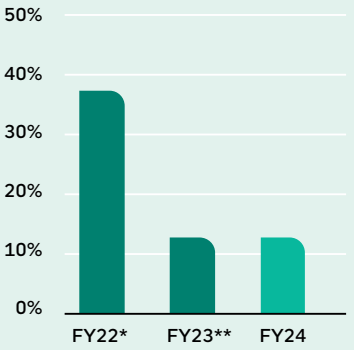
12 month voluntary full- and part-time turnover



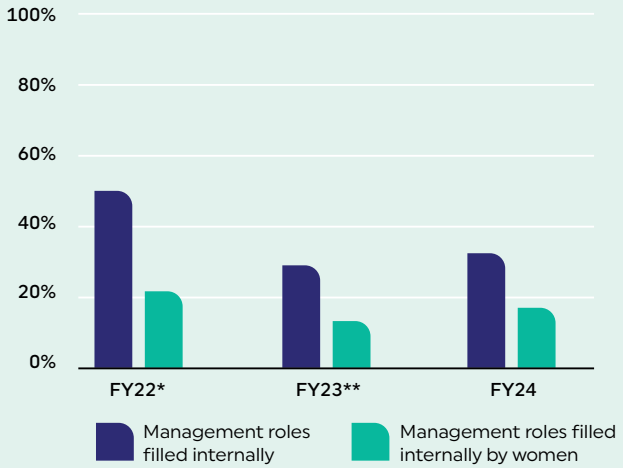
Unscheduled absences



Percentage of roles filled by internal candidates



Percentage of management roles filled by women through internal promotion



Percentage of women at Board, management, leadership and employee levels at 31 March

* FY22 figures are from when the company was known as Trustpower.
** FY23 figures include one month of data from when the company was known as Trustpower.

Case study

Moving into our permanent home

This year the evolution of Manawa Energy went beyond consolidation of our strategy and identity as an IPP as we shifted our Tauranga head office into our new purpose-built, permanent home at 93 Cameron Road.

In April 2024 we were fortunate to be led by Ngāi Tamarāwaho and Ngāti Hangarau in a blessing ceremony to officially open the new building.

The new building is not just a significant investment in infrastructure for Manawa Energy, it's a significant investment in our people. This space has been specifically designed with collaboration in mind with more places to work together, twice the number of meeting rooms we had available at Durham Street and fantastic social spaces. We know it will play an invaluable role in creating a culture in which we can all find purpose and belonging at Manawa Energy, bringing us together.

We'd like to acknowledge the collective effort of the dedicated project team and countless contractors who have spent the last two years working hard to bring the new building to life for us including Wallace Properties, The Property Group, Wingates and iLine Construction.

We are delighted to be sharing the building space with New Zealand Blood Service, an organisation providing a vital service to our communities.









Health and safety

We strive for health and safety to be an outcome of our team's work around the country, not just a process input. We recognise that our people often operate in higher-risk physical environments, sometimes in isolated and remote areas. When we do our job right, our people go home well and injury-free after being productive in their work, no matter their role or work location.

After a thorough review, we recognised that while great work is consistently achieved in challenging conditions, we had an opportunity to improve on our health and safety approach. This year insights captured from 178 of our people via 25 workshops informed an updated approach and provided valuable insights into our safety culture and systems – particularly in the identification of what was working well, and potential barriers to safe and healthy work.

New strategy

This work helped us identify five core strategic pillars that underpin our refreshed Health and Safety strategy agreed with the Board in November 2023 and set out in the table to the right.

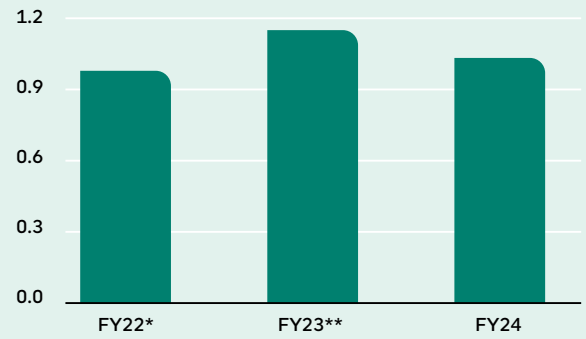
Building an inclusive culture	Systems that work for our people	Applying a mature risk mindset	Be a learning organisation	Staying well
› Everyone feels listened to and understood › Strengthening and growing trust and support between leaders and teams › Improvements are encouraged and valued › Leaders consistently support their people and lead by example	› Frontline workers co-design 'fit for purpose' frontline systems › Pragmatic processes are supported with training and focused on enabling teams to work safely › Simple, integrated systems with clear ownership › Systems that support decision-making in real time – and provide insights when systems aren't helping people get work done safely	› Consistent decisions and choices made to protect people, environment, and assets within our risk appetite › Compliance is the minimum as we support people to manage risk in the moment › Dynamic risk assessments are aligned to the company's enterprise risk management approach › Assurance that is positive and creates value	› Sharing insights and continuous improvements › Cross-business collaboration for learning and improvement › Investing in a wide range of learning opportunities › Integrated and flexible system that supports people's growth and development › Leaders invest in time for people to learn and strengthen our systems	› Health and wellbeing are equally as important as safety and fundamental to how we operate › Inclusive environment where people are comfortable sharing ideas, questions, concerns and mistakes › Deep understanding of what work conditions affect our people, and a consistent response › Proactive intervention

Safety performance data

We track our safety performance using two key measures: Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injuries (LTI). We note that while these measures are internationally recognised, they are lagging indicators.

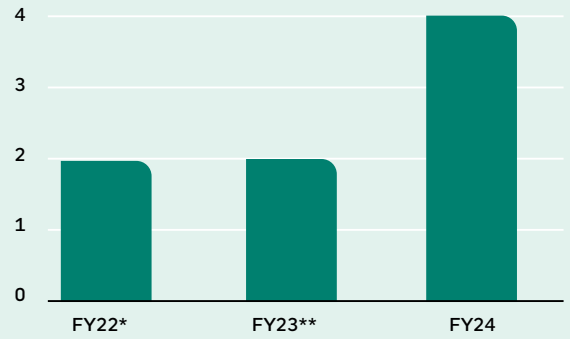
Disappointingly, our LTI numbers increased this year – a review of these incidents has provided the team with valuable insights, and our focus on effectively managing critical risks remains strong. The team is using these learnings as part of a consistent desire to improve our Heath and Safety performance and ensure everyone goes home safely. Our TRIFR reduced slightly compared to FY23.

Total recordable injury frequency rate (TRIFR)



Number of lost time and medical treatment injuries per 200,000 hours worked for employees and contractors working under our safety management system.

Lost time injuries (LTI)



TRIFR: Injuries to outsourced contractors are not included in this calculation as it is not practical to capture outsourced contractor hours.
LTI: Contractor injuries were excluded from this metric in FY22 but included for FY23 and FY24.
* FY22 figures are from when the company was known as Trustpower.
** FY23 figures include one month of data from when the company was known as Trustpower.

Financial performance

Solid result driven by strong asset management, and focus on strategy and value creation

Manawa Energy delivered a solid financial result for FY24, with EBITDAF* from continuing operations up 6 percent on the previous year, and underlying earnings in line with FY23. This was pleasing given we lost the benefit of more than $17 million in avoided cost of transmission revenue, countered by increased energy margins, improved asset performance and strong discipline in the drive for operational efficiency.

Profit after tax was down significantly year-on-year primarily because of the one-off gain from the sale of the mass market retail business in FY23, as well as a non-cash unfavourable movement in financial instruments of $46 million. In FY23 there was a non-cash favourable movement in financial instruments of $63 million.

The Board has declared a final FY24 dividend of 11 cents per share. This lifted the full year ordinary dividend to 19 cents per share, up from 16 cents per share in FY23.

The increased dividend was underpinned by confidence in delivery of our strategy, a recent downward revision to the capital expenditure outlook outlined in November 2023, and the FY24 gains relating to the sale of surplus carbon units and divestment of surplus land.

As we transition to an IPP capital structure, the Board will be reviewing the company's dividend policy.

In October 2023, our three existing NZX-listed bonds were approved as Green Bonds by the NZX, and the company established a new Sustainable Finance Framework. This ensures access to ESG-linked capital and is part of our ongoing ESG efforts.

Looking ahead

We are committed to the execution of the refreshed strategy, and as an IPP we will leverage a highly contracted revenue stream to enable capital structure changes that will unlock significant funding for growth via the new development pipeline.

In FY25 our EBITDAF is expected to be in the range of $130 million – $150 million, with capital expenditure expected to be in the range of $40 million – $50 million. We expect to spend approximately $6.5 million on operational expenditure and $4.0 million of capital expenditure on the progression and growth of the new development pipeline. Hydro-generation volumes are expected to be around 1,880 gigawatt hours.

* EBITDAF is a non-GAAP measure. Please refer to **Note 4** to the financial statements for further details.

Hororata Glow Festival, Canterbury

Sustainability – working for good

We're committed to working for the good of our people, our environment, our communities and our shareholders.

As noted earlier (see **Material issues: what matters most**) we completed our first materiality assessment as Manawa Energy and have identified and prioritised 15 material issues to ensure our sustainability efforts are geared towards the most important environmental, social and governance (ESG) issues and aligned with the company's strategic plan.

We know long-term intergenerational thinking is fundamental to the concept of sustainability. Our sustainability strategy is an opportunity to bring our name to life and ensure that we behave in a way that will enhance our reputation, build meaningful relationships, and enable continued access to the natural resources we rely on to operate.

Climate-related disclosures

The XRB released its final climate standards in December 2022 and as noted in last year's Integrated Report, Manawa Energy is considered a 'climate reporting entity' for the purpose of these standards under the Financial Markets Conduct Act 2013. We have a compliance obligation to prepare and publish a series of climate-related disclosures for the Group (together, our Climate Statement) for FY24.

We already consider climate change in our governance, strategy and risk management and are familiar with climate-based reporting – we disclosed against the TCFD framework as Trustpower (FY21) and Manawa Energy (FY22) and against the Aotearoa New Zealand Climate Standard 1 (NZ CS 1) as Manawa Energy in FY23.

A copy of the Climate Statement will be published and accessible at **manawaenergy.co.nz/results** by 31 July 2024.

Our Climate Statement will provide information about the impacts of climate change on our business model and strategy, including analysis of the physical and transitional impacts of various potential climate change scenarios. The information disclosed in our Climate Statement relates to the governance arrangements, risk management, strategy and metrics and targets that Manawa Energy is using to identify, assess and manage climate-related risks and opportunities.

Building a climate-resilient business

Our changing climate will undoubtedly shape the way we operate in the medium to long term, and we know more extreme weather patterns resulting from climate change could increase the risk of damage to our assets and impact our generation revenue. There may also be opportunities for us to capture, including in relation to the increased value of hydro-generation as more intermittent renewable generation enters the market.

From a governance and risk management perspective, Manawa Energy maintains an enterprise risk management system, and climate risk is considered as part of this system and managed via the risk management framework, governed by the Audit and Risk Committee of the Board.

We will provide more information and analysis on climate-related impacts in our Climate Statement to be published in July 2024.

Understanding our supply chain

Understanding our supply chain is important on several strategic fronts, including our asset enhancement projects and potential new development projects. As noted above we are well under way with examining the emissions profile of our supply chain to identify a baseline and a plan to reduce our Scope 3 emissions.

Greenhouse gas emissions

Greenhouse gas (GHG) emissions were measured for the Manawa Energy business across FY24. We calculate our emissions using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Our emissions are classified under the following scopes:

- **Scope 1 direct GHG emissions** – emissions from sources that are owned or controlled by our business, e.g. our vehicle fleet or generation.
- **Scope 2 indirect GHG emission**s – emissions from our purchased/used electricity consumed by our business, e.g. our electricity use.
- **Scope 3 indirect GHG emissions** – emissions from sources our business uses but does not own or control, e.g. travel.

FY24 Greenhouse gas emissions

	Emissions source	FY24 tCO_2e Base Year
Scope 1 – direct emissions	Stationary combustion (Bream Bay)	213
	Mobile combustion (vehicle fleet)	644
	Refrigerant gases	12
Total Scope 1		**869**
Scope 2 – indirect emissions	Purchased electricity (location based)**	656
	Purchased electricity (market based)**	677
Total Scope 1 and 2	**Market Based**	**1,546**
Scope 3 – indirect emissions	Fuel- and energy-related activities	441
	Water and waste water (per capita)	18
	Travel (domestic and international air travel, taxis/rental cars, hotel accommodation)	498
Total Scope 3		**957**
Total GHG Emissions	**Market Based**	**2,503**

** As per GHG Protocol the location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using grid-average emission factor data). The market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice, using a residual mix emission factor). The reporting of both location-based and market-based emissions is required under the GHG Protocol as Manawa operate in a market where product or supplier specific electricity and data is available.

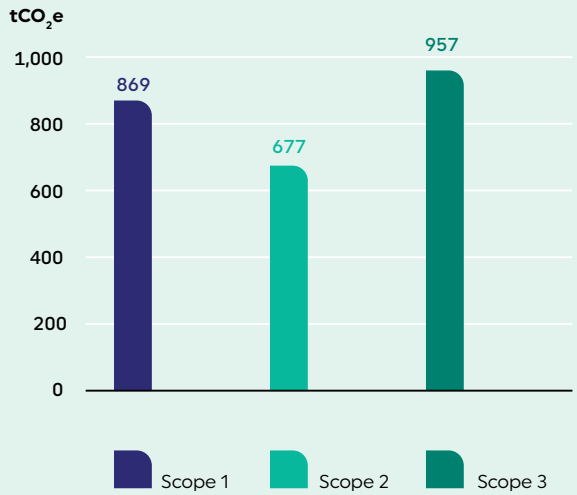
This year we have worked with independent sustainability experts thinkstep-anz to improve our data collection methods and refine our data set. We continue to prepare the foundations of an emissions reduction plan, ahead of setting emissions reduction targets.

As a result of these improvements FY23 data is no longer seen to be a suitable Base Year. It was concluded that resetting rather than restating the Base Year was more appropriate, because, although FY23 data is available, the FY24 data is more reliable and verified. From FY25's report, emissions data will be provided with comparison to the Base Year.

The emissions reporting for FY24 covers Scope 1, Scope 2 and selected Scope 3 GHG emissions. We have worked on expanding Scope 3 emissions data collection during FY24 (including purchased goods and services, capital goods, and downstream leased assets) and will report on these categories from FY25.

Details of the FY24 emissions inventory will be included in the FY24 Climate Statement. A limited assurance opinion on our Scope 1 and Scope 2 emissions will also be included in the FY24 Climate Statement.

GHG emissions FY24



Community

We are a part of communities throughout Aotearoa New Zealand. The common threads that bind us are the desire to see our natural environments flourishing and local communities prospering.

We deliberately focus our community contributions on activities that benefit the people and environments near our schemes, offices, and development sites. This year we provided more than $400,000 to communities through environmental funds or trusts, educational scholarships or local sponsorships.

Key activities included:

- a new partnership with the Hororata Community Trust in Canterbury;
- our fourth year in a row as headline sponsor of the 2024 STEMFest event in Tauranga (the southern hemisphere's largest STEM-related event);
- sponsoring a new pool cover for the Parklands School pool in Motueka;
- completing tail race enhancements for the kayaking course at Mangorei;
- donating to Southern Marlborough Restoration Trust's wilding pine control efforts;
- providing more than $130,000 to the Rakaia Catchment Environmental Enhancement Society;
- sponsoring the Lake Brunner Cycle Trail; and
- sponsoring restoration work at the Sinclair Wetlands.

This year we also kicked off an internal activation programme for our people which will see us donate $20,000 to four causes over the course of the year, coinciding with activities inside and outside our sites and offices.

Case study

Hororata Community Trust

This year Manawa Energy lent its support to the Hororata Community Trust, an organisation that is a key contributor to the community in and around our Coleridge power station in Canterbury.

The trust was established in the aftermath of the 2011 Canterbury earthquakes and is all about providing spaces and activities to connect communities across a large geographic area including Hororata, Coalgate, Glentunnel, Whitecliffs, Glenroy, Windwhistle, and Lake Coleridge.

We proudly supported the Trust's annual Highland Games, the proceeds of which go directly back into the local communities. This is the largest Highland Games event in Aotearoa New Zealand, with around 9,000 people attending on the day, and one of the biggest in the world outside of Scotland. Participants get to try out traditional Highland sports, such as tug of war and hammer throw, as well as Highland dancing, music, food, and craft stalls.

We also sponsored Hororata's Glow Festival as one of two partners that helped the Hororata Domain glow for the 11,000 people that came through the gates to see hot air balloons from all over Aotearoa New Zealand and the world, including a choreographed lighting display. As part of the day, our team set up a mini hydro power scheme model to show the community how we generate power at nearby Coleridge and Highbank schemes.

Developing our cultural capability

We understand the importance of supporting our people in gaining a deeper understanding of te ao Māori so they can be increasingly confident in this realm, which will in turn help Manawa Energy further strengthen its relationships with iwi and hapū.

To achieve this, we have been developing a 'fit for purpose' educational programme in te ao Māori which can be practically applied by relevant Manawa Energy people within the different contexts in which they operate. This is expected to start rolling out in FY25.

We also want to make sure we are living up to our name in a way that shows up practically, and making sure our actions are deliberate and aligned with the set of four brand attributes that underpin how we turn up externally.

Kaitiakitanga
We look after and respect the natural environment.

Partnerships
We partner with stakeholders for a sustainable future.

Community
We are an active part of the communities we operate in across Aotearoa New Zealand.

Whakapapa
We respect the shared connection we have with mana whenua via our assets.

Our connection with mana whenua

We know effective engagement and strong relationships with hapū and iwi will be important now and into the future. We have many shared interests and longstanding historical connections to the natural resources that fuel Manawa Energy's business.

We are very proud of our strong connection with the Ngāti Hangarau hapū in the Tauranga region, who played a huge part in the formation of our identity and gifted the 'Manawa' name to us. Our brand was developed around the Manawa name, based on the natural environment in and around the Kaimai Hydro Scheme.

We have continued to work closely with Ngāti Hangarau on various projects this year including the continuation of our reo Māori pilot programme, community power credits, pepeha sessions for our people during Te Wiki o Te Reo Māori, and integrating Māori elements into our new head office on Cameron Road in Tauranga.

We also continued working with Ngāti Hangarau and other tangata whenua to provide fish passage throughout the Kaimai Scheme. Upstream passage has been provided by kaitiaki capturing elver and climbing galaxiids at Ruahihi Power Station and releasing them at different locations throughout the upstream catchment. Downstream passage has been provided by netting for tunaheke at several locations throughout the scheme, as well as recovering tunaheke that congregate at the Ruahihi Canal Forebay. Manawa Energy is also continuing to work alongside Ngati Hangarau and other Tangata Whenua as we develop longer term passage solutions that will be implemented over the next few years.

Case study

Unearthing history

In June 2023 our team working at the Pātea hydro scheme discovered an historic waka in the Pātea River. The story of the waka was covered by Stuff and their article is used with permission below.

Historic waka unearthed from Pātea River, after being hidden for 153 years

By Catherine Groenestein

A historically significant waka believed to be more than 150 years old has been unearthed in South Taranaki. The waka, which is 8 metres long, was discovered in the Pātea River and lifted out on Wednesday by helicopter, accompanied by waiata and karakia.

Tipene O'Brien, a descendent, said it was found at the site of the Kuranui Pā, which dates it back to the late 1860s and a painful story from the iwi's past. "It dates back to Te Pakakohi people, hence why it is so significant. It revealed itself 153 years to the day of when the pā surrendered to the armed constabulary."

He said the waka was discovered last week by contractors for Manawa Energy, which owns the Pātea hydro scheme, who were walking along the riverbanks to monitor eels in the river below the dam.

Te Pakakohi were involved in fighting over disputed land purchases in the 1860s and became entangled in Tītokowaru's War, a military conflict from June 1868 to March 1869 between the Ngāti Ruanui and Ngāruahine tribes and the New Zealand government, for which they endured harsh punishment far from home.

Te Pakakohi chief Ngawaka Taurua was one of 74 men who were sent to jail in Dunedin, where 18 died. "When the government soldiers went to get them, he led the people through the process and led them back. He's held in huge regard with South Taranaki people, hopefully that story can be told," O'Brien, who is a descendent of three men who were taken to Dunedin, said. "It's basically a matapihi – a window into the past. Hopefully with the waka coming out of the river and showing itself, it offers that opportunity."

Conversations about the waka's future were yet to be had, but "the hope is that it will end up in Aotea Utanganui, the South Taranaki museum".

Pātea Historical Society president Jacq Dwyer was one of around 70 people who watched the waka being lifted from the river and guided on to a trailer by iwi members. "It was amazing to see something that has kind of been given back, it's been sitting under dirt for a long time, but it's slowly worked its way out, it's a once-in-a-lifetime thing to get something like that back."

Archaeologist Ivan Bruce of New Plymouth described it as a miracle find. "It's a hugely important find for them, Kuranui is a very important site, and it's a very sad story. This is not the standard fishing canoe, we have just found the hull, it would have had carvings and barge boards too.

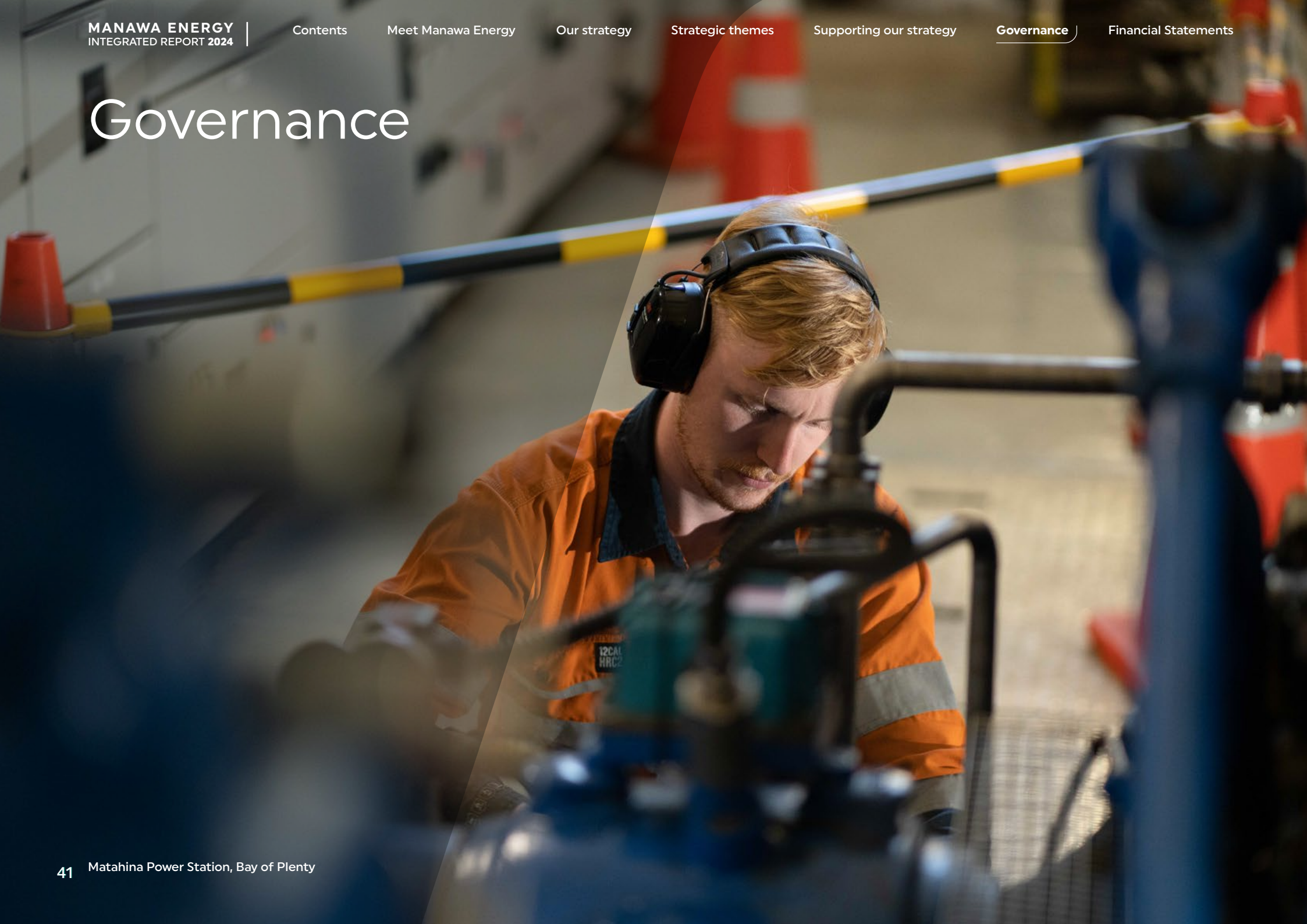
It would have been made from a single piece of totara, and taken a huge amount of energy to create, he said.

The waka was being cared for by conservator Suzanne Rawson, of Heritage Preservation Field Support Solutions in New Plymouth. "This is very significant, it has lashing holes, really intact, that tell us how it was used, how it was made ... you can see the adze marks on the hull," she said.

The preservation process for such a large taonga was major and will take at least two or three years, she said. "It will be kept in a tank of water, kept in the same environment as it was found, with some of the river water to keep that relationship. It is vulnerable, in a state of shock with the sudden oxygen, light and people ... we will let it rest and stabilise."

The iwi together with the Ministry of Culture and Heritage would decide on what happens with it, Rawson said.

Governance



Matahina Power Station, Bay of Plenty

Governance

Corporate Governance

Our Board

Roles and responsibilities

The Board is responsible for setting Manawa Energy's overall strategy and direction and determining our approach to risk. Our Board is committed to ensuring that Manawa Energy operates responsibly, ethically and complies with our legal obligations and company values. The Board operates to a charter that sets out its roles and responsibilities.

Board composition

The Board is made up of six directors who represent a range of unique skill sets, experience and perspectives.

A short biography of each director is in **Board of directors** and also on our **website**.

We comply with the NZX Listing Rule requirement to have at least two independent directors. The Board has determined that Joanna Breare and Sheridan Broadbent are independent directors based on the factors set out in the NZX Corporate Governance Code.

The remainder of our directors are non-independent: Deion Campbell and Phillippa Harford are non-independent due to their association with Infratil. Joe Windmeyer is non-independent due to his association with Infratil and his position as a partner at Russell McVeagh, a provider of material professional services to Manawa Energy. Michael Smith is non-independent because he has been appointed to the Board by TECT Holdings Limited (exercising its right to appoint a director under Manawa Energy's constitution).

The composition of our Board is not aligned with Recommendation 2.8 of the NZX Corporate Governance Code because the majority of the Board is not independent. This reflects that we are an Infratil subsidiary and TECT Holdings Limited's right to appoint a director under our constitution.

Recommendation 2.9 of the NZX Corporate Governance Code is that an issuer should have an independent Chair of the Board. Manawa Energy does not comply with this Recommendation – its Chairman, Deion Campbell, is a non-independent director. As an Infratil subsidiary, Manawa Energy considers this to be appropriate.

Board performance

On 21 September 2023, the Board disestablished the Governance and Nomination Committee and assumed responsibility for the key functions of that committee, including ensuring the Board has an appropriate balance of skills, experience, knowledge, judgement and diversity, monitoring director training undertaken by each director and reviewing and evaluating its performance, as well as the performance of its committees and that of individual directors. The Board charter was amended to reflect the assumption of these responsibilities by the Board.

The Board supports continuous education for directors and a fund has been created for directors' training, which can be used by individual directors (with the Chair's approval) where that training will benefit both Manawa Energy and the director.

The Board recently completed a Board governance and performance review, externally facilitated by Propero Consulting Limited. The resulting report included feedback for individual directors and the Board as a whole and provided an assessment of current capability against a strategic skills matrix. The review report will serve as the cornerstone for Board performance and assist in identifying professional development priorities and guiding future Board appointment processes.

Board committees

There are three standing Board committees that provide expert advice and support the Board on specific issues. The **Board and committee charters** are available on our website.

Committee	Purpose	Members	Notes
Audit and Risk	The Audit and Risk Committee's role is to oversee and assist the Board in the conduct of its responsibilities of ensuring accurate financial and climate-related reporting and responsible risk management.	› Sheridan Broadbent (Chair) › Joanna Breare › Phillippa Harford	
People and Remuneration	The People and Remuneration Committee assists the company to establish people and remuneration strategies, policies and practices.	› Joanna Breare (Chair) › Deion Campbell › Michael Smith	We have not adopted Recommendation 3.3 of the NZX Corporate Governance Code, which suggests that a majority of this committee should be independent directors. The Board considers the committee membership appropriate given the current composition of the Board.
Independent Directors	A standing Independent Directors Committee has been established to consider matters from time to time when a conflict arises.	› Sheridan Broadbent (Chair) › Joanna Breare	The standing members of the Independent Directors Committee are Manawa Energy's independent directors. Additional directors can be invited to join to consider specific conflict matters where that director does not have a conflict or interest in relation to the matter.

Corporate policies

We have a comprehensive suite of corporate policies that set our expectations of our people, address key risks, and provide guidance as to how business operations are managed, reported on and overseen. Our **Corporate Governance Statement** includes information about our policies and how they operate.

There are several key risk policies that guide Manawa Energy – these include policies for health and safety, generation asset management, dam safety, business continuity and major incident management, energy trading, and cybersecurity.

Our policies are regularly reviewed and approved by the management team or the Board (as appropriate). Several of our policies are on our **website**.

Code of Ethics

Our **Code of Ethics** sets out the standard of behaviour that we expect from our Board and our people. It guides our people to perform their roles in a way that is consistent with our values, strategic objectives and legal obligations. The Code of Ethics sits alongside our **Protected Disclosures (Whistleblowing)** and **Financial Product Dealing (Insider Trading)** policies. Copies of these documents are available on our website.

We made minor changes to our Code of Ethics to reflect our new corporate identity as Manawa Energy. We added a section on our values, a section on delegated financial authority, and adjusted our gifting policy to be more practical in application while retaining close control and transparency. We have made our Code of Ethics simple and easy to understand and available to our people. We intend to provide training on the Code of Ethics, but are not currently fully compliant with that aspect of Recommendation 1.1 of the NZX Corporate Governance Code.

Diversity and inclusion

Our **Diversity and Inclusion Policy** is available on our website. We are committed to eliminating barriers and providing a workplace environment that promotes diversity and inclusion. We endeavour to ensure our workplaces are free of discrimination and other unlawful behaviours. This intent is explained in full in

our Diversity and Inclusion Policy. The Board has reviewed progress on the initiatives set out in our Diversity and Inclusion Policy designed to work towards our goal of increased diversity and inclusion. You can read about our progress and current performance in **Working towards our diversity and inclusion**.

Reporting and disclosure

We have a **Continuous Disclosure Policy** to ensure that all of our shareholders have the same prompt access to material information about the company and its prospects.

Managing enterprise risk

Risk is an inherent aspect of our business – managing threats and opportunities in a way that ensures we achieve our strategic objectives. We are proud of our track record of operational excellence underpinned by our Enterprise Risk Management (ERM) framework.

Our ERM framework considers the potential for a range of impacts including financial, reputation and business disruption when assessing risk and we provide our Audit and Risk Committee and Board with regular risk and risk treatment reporting.

In line with the refresh to our strategy, we have refreshed our risk policies and guidelines and implemented a new risk management tool that aims to provide clarity on what matters when it comes to the risks we face and manage and to provide clarity on the language we use to assess risk across the company.

A risk matrix provides a guide for quantifying risks as low/moderate/high/extreme by assessing the impact from financial, business disruption, stakeholders, environment and community and safety perspectives. It also includes an assessment of likelihood and outlines what the potential consequences might look like across the spectrum of minor through to critical.

Risk authorities, responsibilities and accountabilities

Risk management framework

Audit

Internal audit

We have an internal audit programme which is overseen by, and reports to, the Audit and Risk Committee. The internal audit programme is designed to address key risks and controls across the business.

External auditor

The Board has engaged KPMG to act as external auditor.

Remuneration

Director remuneration

The total directors' fee pool is $840,000 per year. This was approved by shareholders at the 2018 shareholder meeting.

Directors' fees

The following fee structure was in place for the full financial year and was set by reference to our Directors' Fees Policy. The total remuneration FY24 (set out in the table below) reflects the fees paid to the Chair of the Governance and Nominations Committee, until its disestablishment on 21 September 2023.

The total Audit and Risk Committee Chair fee paid is lower than the annual fee as the role was vacant for three weeks during the year.

Directors' fee structure

Position	Current annual fee $
Chair	185,000
Director	100,000
Chair Audit and Risk Committee	20,000
Chair People and Remuneration Committee	15,000
Chair Manawa Energy Insurance Limited	5,000
Total fee payable	**725,000**

Total director remuneration FY24

	Base Fee $	Audit and Risk Committee Chair $	People and Remuneration Committee Chair $	Governance and Nominations Committee Chair $	Manawa Energy Insurance Limited Chair $	Total Remuneration FY24 $
Kevin Baker	30,108	6,022	–	–	–	36,129
Joanna Breare	100,000	–	15,000	–	1,788	116,788
Sheridan Broadbent	100,000	12,849	–	7,125	–	119,974
Deion Campbell	159,409	–	–	–	–	159,409
Paul Ridley-Smith	55,699	–	–	–	–	55,699
Michael Smith	100,000	–	–	–	–	100,000
Phillippa Harford	69,892	–	–	–	3,212	73,105
Joe Windmeyer	69,892	–	–	–	–	69,892
	685,000	**18,871**	**15,000**	**7,125**	**5,000**	**730,996**

The amount paid to directors of subsidiaries is shown in the table below. Note that directors' fees paid to Manawa Energy employees were paid to Manawa Energy – they were not paid to individual directors.

Subsidiary director remuneration FY24

Subsidiary	Non-executive directors	Total remuneration (director) $
King Country Energy Limited	Phil Wiltshire	52,500*
	Todd Mead	18,750*
	Catherine Thompson	6,250*
	Robert Carter	34,375
	Joanna Bransgrove	3,125
Maungatapere 2021 Limited	Nigel Arkell	9,000

* Paid to Manawa Energy.

Other payments made to directors

Deion Campbell is the Chair of Manawa Energy, Clayton Delmarter is Chief Executive of Manawa Energy. In the prior financial year and prior to their appointments to their respective roles, Manawa Energy purchased ANZ Renewables Limited from Mr Campbell and Mr Delmarter, for $780,000. During the current year, Manawa Energy paid Mr Campbell and Mr Delmarter, in their capacity as the former shareholders of ANZ Renewables, a total $242,000 milestone payment under the terms of the original sale and purchase agreement. No further payments are anticipated. ANZ Renewables Limited is involved in the development of a number of renewable energy projects in New Zealand.

Number of meetings held/attended for the year ended 31 March 2024

Director	Board meeting	Audit and Risk Committee	People and Remuneration Committee	Governance and Nominations Committee	Independent Directors Committee	Comments
Total meetings held	**9**	**5**	**5**	**1**	**8**	The IDC met regularly during the appointment of replacement Infratil directors in 2023.
Kevin Baker	2	1	–	–	–	Director resigned effective 19 July 2023
Joanna Breare	9	5	5	–	8	
Sheridan Broadbent	9	5	–	1	8	
Deion Campbell	9	–	3	1	–	
Paul Ridley-Smith	2	–	2	–	–	Director resigned effective 19 July 2023
Michael Smith	9	–	5	1	8	
Phillippa Harford	7	4	–	–	–	Director appointed 19 July 2023
Joe Windmeyer	7	–	–	–	–	Director appointed 19 July 2023

Chief Executive remuneration

Manawa Energy transitioned from David Prentice to Clayton Delmarter as Chief Executive during FY24. David Prentice finished on 31 August 2023. Clayton Delmarter acted as a contractor from 23 August 2023 to 6 February 2024 and was appointed permanently from 7 February 2024.

	Total Fixed Remuneration	Short-Term Incentive	Long-Term Incentive	Total Remuneration
David Prentice (1 April 2023 – 31 August 2023)				
FY24	$1,085,269	$0	$0	$1,085,269
FY23	$861,354	$103,700	$0	$965,054
Clayton Delmarter (23 August 2023 – 6 February 2024)				
FY24	$218,500	$0	$0	$218,500
Clayton Delmarter (7 February 2024 – 31 March 2024)				
FY24	$91,908	$0	$0	$91,908

Note that the Board will determine the outcome of the Chief Executive's performance in relation to FY24 in May 2024 and any resulting short-term incentive will be paid in May 2024 and disclosed in next year's Integrated Report.

The remuneration of the Chief Executive will next be reviewed in May 2025.

Chief Executive short-term incentive (STI)

The STI is a discretionary scheme based on the achievement of KPIs, and the maximum potential amount that can be paid is 20 percent of base salary.

The STI calculation is based on achievement in relation to 'shared company KPIs' (30 percent) and 'individual KPIs' (70 percent) linked to the delivery of Manawa Energy's strategic goals.

No STI payment was made to David Prentice on finishing with Manawa Energy.

Description	Performance measure	Percentage of maximum potential awarded
Clayton Delmarter (23 August 2023 – 31 March 2024)		
STI is a discretionary cash based scheme. Payment is based on the achievement of goals and key results. Maximum potential set at 20% of base salary.	30% based on shared Company goals: › 40% Health and Safety measures › 40% EBITDAF target › 20% Employee engagement 70% based on individual goals and key results aligned to delivery of the strategy.	To be determined in May 2024

Employee remuneration approach

Our people are core to the delivery of strong performance for our stakeholders. Our remuneration framework is designed to be competitive, affordable, and to attract and retain skilled people.

Our approach to remuneration has been coupled with our new performance framework in FY24 to ensure strategic business performance and long-term value are connected.

We are guided by the principles that remuneration practice should:

- reward the outcomes and behaviours underpinned by the values that are linked to our strategy and core business activity;
- attract and retain people who deliver on the company's goals;
- pay fairly within the Aotearoa New Zealand market;
- acknowledge that performance is motivated by more than pay;
- have transparent and well-understood processes; and
- provide flexibility within a framework.

The Board is supported by a People and Remuneration Committee to assist it in developing and implementing its remuneration philosophy. The **Committee Charter** and **Executive Remuneration Policy** is on our website.

There are two elements to employee remuneration; fixed remuneration and variable remuneration.

Fixed remuneration

Fixed remuneration is determined based on the role responsibilities, individual performance and experience, and benchmarked against available market remuneration data.

Variable remuneration

Variable remuneration comprises a short-term incentive scheme (paid in cash) and a long-term incentive scheme (paid in cash, refer to detail under Long-term incentive scheme).

Short-term incentive scheme (STI)

The STI for FY24 are based on employee performance (70 percent) and company performance (30 percent). Employee performance is measured against key performance objectives linked to how an individual delivers relevant strategic and operational activity.

Company performance is based on three areas:

- Financial, based on our EBITDAF for FY24;
- Health and safety – Medical Treatment Injuries (MTI) and Lost Time Injuries (LTIs); and
- Employee engagement.

The Board approves the management team's STI goals on an annual basis.

The Board retains the right to adjust any STI at its discretion and may choose not to pay STI payments.

Long-term incentive scheme (LTI)

The LTI is based on Manawa Energy's relative and absolute shareholder return over a three-year period. Eligible employees are issued a notional parcel of shares calculated based on the share price at the start of the scheme. Employees generally receive parcels of notional shares at the Board's discretion depending on seniority.

Under the current LTI scheme, no payment is made unless Manawa Energy's total shareholder return (TSR) is in the top half of all NZX50 companies, and the TSR is greater than zero over the three-year period. Payment is determined by the performance of 'relative TSR' and 'absolute TSR' based on a 50/50 split. Payment will be made based on the following performance criteria:

- **Relative TSR**: 50 percent of the value of the notional share parcel is paid if Manawa Energy is at the 50th percentile of all NZX50 companies, and 100 percent of the notional share parcel payable if Manawa Energy TSR is at or above the 80th percentile of all NZX50 companies.
- **Absolute TSR**: 50 percent of the value of the notional share parcel is paid if Manawa Energy has a TSR of 24.23 percent over the three-year period, and 100 percent of the notional share parcel is payable if Manawa Energy's TSR is 48.47 percent or greater over the three-year period. The absolute TSR thresholds are set for each tranche at the time of issue and may vary year on year.

Both relative and absolute TSR have intermediate calculations on a straight-line basis.

The LTI is settled in cash, and the Board may require employees to use the 'net after tax' proceeds to acquire Manawa Energy shares. The Board retains an overall discretion as to the structure of the LTI and the quantum of LTI issued each year.

Remuneration at or above $100,000

During the financial year the number of employees including former employees (including employees holding office as directors of subsidiaries) who received remuneration and other benefits in their capacity as employees of Manawa Energy and its subsidiaries that was or exceeded $100,000 is shown in the table on the following page.

The value of remuneration benefits analysed includes:

- fixed remuneration including allowance/overtime payments
- employer KiwiSaver contributions or superannuation allowance payments
- short-term cash incentives relating to FY23 performance but paid in FY24
- the value of equity-based long-term incentives paid during FY24
- redundancy and other payments made on termination of employment.

The figures do not include amounts paid post 31 March 2024 that relate to the financial year ended 31 March 2024 with this being included in the following years information.

Further details of the remuneration of the Chief Executive can be found in **Chief Executive remuneration**.

Salary band			Continuing employees	Discontinued employees	Total
$100,000	to	$109,999	20	1	21
$110,000	to	$119,999	38	3	41
$120,000	to	$129,999	25	–	25
$130,000	to	$139,999	12	–	12
$140,000	to	$149,999	14	1	15
$150,000	to	$159,999	16	1	17
$160,000	to	$169,999	18	–	18
$170,000	to	$179,999	6	1	7
$180,000	to	$189,999	3	2	5
$190,000	to	$199,999	3	–	3
$200,000	to	$209,999	2	–	2
$210,000	to	$219,999	2	1	3
$220,000	to	$229,999	1	–	1
$230,000	to	$239,999	1	1	2
$250,000	to	$259,999	2	1	3
$260,000	to	$269,999	3	1	4
$270,000	to	$279,999	2	–	2
$300,000	to	$309,999	1	–	1
$320,000	to	$329,999	1	1	2
$350,000	to	$359,999	1	–	1
$400,000	to	$409,999	1	–	1
$590,000	to	$599,999	1	–	1
$780,000	to	$789,999	–	1	1
$1,180,000	to	$1,189,999	–	1	1
		Total	**173**	**16**	**189**

Statutory disclosures

Directors of Manawa Energy Limited and subsidiaries

The following people held office as directors of Manawa Energy Limited as at 31 March 2024.

Company Name	Directors
Manawa Energy Limited	Deion Campbell, Phillippa Harford, Joe Windmeyer, Joanna Breare, Sheridan Broadbent, and Michael Smith

The following changes to the directors of Manawa Energy Limited took place during the year: Paul Ridley-Smith and Kevin Baker resigned as directors effective 19 July 2023. Phillippa Harford and Joe Windmeyer were appointed directors on 19 July 2023.

The following table lists Manawa Energy's subsidiaries and the people who held office as directors as at 31 March 2024.

Company	Director	Further information
ANZ Renewables Limited	Phillip Wiltshire	Phillip Wiltshire was appointed as a director on 8 September 2023. David Prentice ceased to be a director on 8 September 2023.
King Country Energy Holdings Limited	Phillip Wiltshire	Phillip Wiltshire was appointed as a director on 8 September 2023. David Prentice ceased to be a director on 8 September 2023.
King Country Energy Limited	Phillip Wiltshire Todd Mead Joanna Bransgrove	Todd Mead was appointed as a director on 29 September 2023. Joanna Bransgrove was appointed as a director on 29 February 2024. Catherine Thompson ceased to be a director on 29 September 2023. Robert Carter ceased to be a director on 28 February 2024.
Manawa Energy Metering Limited	Phillip Wiltshire	Phillip Wiltshire was appointed as a director on 8 September 2023. David Prentice ceased to be a director on 8 September 2023.

Continued ››

Company	Director	Further information
Manawa Energy Generation Limited	Phillip Wiltshire	Phillip Wiltshire was appointed as a director on 8 September 2023. David Prentice ceased to be a director on 8 September 2023.
Manawa Energy Insurance Limited	Phillip Wiltshire Phillippa Harford	Phillip Wiltshire was appointed as a director on 8 September 2023. Phillippa Harford was appointed as a director on 9 August 2023. David Prentice ceased to be a director on 8 September 2023. Joanna Breare ceased to be a director on 9 August 2023.
Manawa Energy Renewables Holdco 1 Limited	Phillip Wiltshire	Manawa Energy Renewables Holdco 1 Limited was incorporated on 25 August 2023.
Maungatapere 2021 Limited	Phillip Wiltshire	Phillip Wiltshire was appointed as a director on 28 March 2024. Nigel Arkell ceased to be a director on 28 March 2024.

Disclosure of interests by directors

In accordance with section 140 of the Companies Act, the following table lists the general disclosures of interest by directors of Manawa Energy Limited and its subsidiaries as at 31 March 2024.

Manawa Energy Limited

Director	Interest	Entity
Phillippa Harford	Director	ICN JV holdings Limited
	Director	ICN JV Investments Limited
	Director	ICN JV Limited
	Director	Infratil Digital Exchange Limited
	Director	Manawa Energy Insurance Limited
	Shareholder	Infratil Limited
	Unitholder and Partner	Morrison & Co LP
	Trustee	Wellington Regional Stadium Trust
	Director	RA Holdings (2014) Pty Limited (Australia)
Joe Windmeyer	Partner	Russell McVeagh
Joanna Breare	Chair	Venture Taranaki Trust
Sheridan Broadbent	Director	Spark New Zealand Limited
	Director	Downer EDI Limited
	Deputy Chair	New Zealand Business Leaders' Health and Safety Forum
Deion Campbell	Employee	HRL Morrison & Co
	CEO	Pastoral Partners Australia
	Chair	Mint Renewables Ltd
Michael Smith	Chair	Custodial Services Ltd
	Chair	Craigs Investment Partners Superannuation Management Ltd
	Chair	First Mortgage Managers Ltd
	Chair	Pathology Associates Ltd
	Chair	Genera Ltd

Disclosure of interest by directors of Manawa Energy subsidiaries*		
Todd Mead	GM Generation	Manawa Energy Limited
Phillip Gary Wiltshire	Chief Financial Officer	Manawa Energy Limited

* To the extent not disclosed above.

Information used by directors

No director of the company or a subsidiary issued a notice requesting to use information received in his or her capacity as a director that would not otherwise be available to the director.

Indemnity and insurance of directors and executives

In accordance with section 162 of the Companies Act and the terms of its constitution, we have continued to indemnify and insure Manawa Energy's directors and officers against potential liability or costs they might incur for actions or omissions in their capacity as directors, except to the extent prohibited by law.

King Country Energy Limited has entered into deeds of indemnity with directors and certain employees and has put in place insurance for these individuals.

Interests in Manawa Energy securities

As at 31 March 2024, Manawa Energy Limited directors had the following relevant interests in Manawa Energy securities.

		Interests in Manawa Energy Limited		Interests in associated companies
Director	Class of Security	Number held at 31 March 2024	Number held at 31 March 2023	Number held at 31 March 2024
Sheridan Broadbent	Ordinary shares	2,804	2,804	6,503
Joanna Breare	Ordinary shares	–	–	–
Deion Campbell	Ordinary shares	–	–	–
Michael Smith	Ordinary shares	–	–	–
Phillipa Harford	Ordinary shares	–	–	68,857
Joe Windmeyer	Ordinary shares	–	–	–

Securities dealings of directors

During the year, we were advised of the following securities dealings by directors of Manawa Energy Limited and its subsidiaries.

Director	Date of Dealing	Nature of Transaction	Consideration per share/ bond	Number of shares/ bonds involved
Sheridan Broadbent	4 July 2023	Acquisition of Infratil shares through retail offer	$9.20	776
Kevin Baker	19 June 2023	Acquisition of Infratil shares through rights issue	$9.20	64,440
Paul Ridley-Smith	6 and 7 September 2023*	Acquisition of beneficial interest in Manawa Energy shares	$4.46	33,398
Paul Ridley-Smith	26 September 2023*	Acquisition of beneficial interest in Manawa Energy shares	$4.49	10,789

* Aquisition was after Paul Ridley-Smith resigned as a director but was within the 6 month window for disclosure of dealings of directors.

Security holder information

Substantial security holders

As at 31 March 2024, Manawa Energy had 312,973,000 shares on issue.

The Company's register of substantial security holders recorded the following information as at 31 March 2024.

Security holder	Class of security	Number
Infratil Limited	Shares	159,997,249
TECT Holdings Limited	Shares	83,878,838

Spread of holders as at 31 March 2024

Shares	Holders	%	Shares	%
1 to 999	1,706	15.2%	782,526	0.3%
1,000 to 1,999	1,818	16.2%	2,216,113	0.7%
2,000 to 4,999	6,086	54.3%	14,973,318	4.8%
5,000 to 9,999	946	8.4%	6,203,381	2.0%
10,000 to 49,999	589	5.2%	10,102,159	3.2%
50,000 to 99,999	41	0.4%	2,762,367	0.9%
100,000 to 499,999	23	0.2%	4,663,786	1.5%
500,000 to 999,999	4	0.0%	2,743,938	0.9%
1,000,000 plus	15	0.1%	268,525,412	85.7%
Total	**11,228**	**100.0%**	**312,973,000**	**100.0%**

Senior bonds	Holders	%	Senior bonds	%
5,000 to 9,999	266	12.5%	1,511,000	0.4%
10,000 to 49,999	1,509	70.9%	31,371,000	8.4%
50,000 to 99,999	204	9.6%	13,283,000	3.5%
100,000 to 499,999	117	5.5%	19,730,000	5.3%
500,000 to 999,999	6	0.3%	3,806,000	1.0%
1,000,000 plus	25	1.2%	305,299,000	81.4%
Total	**2,127**	**100.0%**	**375,000,000**	**100.0%**

Shares	Holders	%	Shares	%
New Zealand	10,927	97.2%	305,695,569	97.7%
Australia	197	1.8%	6,221,039	2.0%
United Kingdom	30	0.3%	66,213	0.0%
United States of America	17	0.2%	719,923	0.2%
Other	57	0.5%	270,256	0.1%
Total	**11,228**	**100.0%**	**312,973,000**	**100.0%**

Senior bonds	Holders	%	Senior bonds	%
New Zealand	2,113	99.4%	366,552,000	97.8%
Australia	7	0.3%	8,237,000	2.2%
United States of America	3	0.1%	120,000	0.0%
Other	4	0.2%	91,000	0.0%
Total	**2,127**	**100.0%**	**375,000,000**	**100.0%**

Largest shareholders as at 31 March 2024

Rank	Holder name	Shares	%
1	Infratil Limited	159,997,249	51.1%
2	TECT Holdings Limited	83,878,838	26.8%
3	Hobson Wealth Custodian Limited (Resident Cash Account)	3,308,132	1.1%
4	BNP Paribas Nominees (NZ) Limited	3,032,238	1.0%
5	Accident Compensation Corporation	2,996,265	1.0%
6	Citibank Nominees (New Zealand) Limited	2,768,696	0.9%
7	HSBC Nominees A/C NZ Superannuation Fund Nominees Limited	2,560,309	0.8%
8	Custodial Services Limited (A/C 4)	2,524,661	0.8%
9	New Zealand Depository Nominee Limited (A/C 1 Cash Account)	2,476,083	0.8%
10	Public Trust Class 10 Nominees Limited	1,631,380	0.5%
11	Generate Kiwisaver Public Trust Nominees Limited	1,207,741	0.4%
12	Simplicity Nominees Limited	1,121,822	0.4%
13	TEA Custodians Limited Client Property Trust Account	1,021,998	0.3%
14	HSBC Nominees (New Zealand) Limited	802,108	0.3%
15	JBWere (NZ) Nominees Limited (NZ Resident A/C)	674,310	0.2%
16	FNZ Custodians Limited	671,520	0.2%
17	Clyde Parker Holland & Rena Holland	596,000	0.2%
18	Masfen Securities Limited	337,912	0.1%
19	Hobson Wealth Custodian Limited (Equities DTA Account)	324,517	0.1%
20	Brett Anthony Hart & Lynn Marion Fitness & Judith Louise Burney	321,000	0.1%
	Total	**272,252,779**	**87.1%**

Largest bondholders as at 31 March 2024

Rank	Holder name	Senior bonds	%
1	Custodial Services Limited (A/C 4)	107,666,000	28.7%
2	Forsyth Barr Custodians Limited (1-Custody)	72,886,000	19.4%
3	FNZ Custodians Limited	31,158,000	8.3%
4	Hobson Wealth Custodian Limited (Resident Cash Account)	24,152,000	6.4%
5	JBWere (NZ) Nominees Limited (NZ Resident A/C)	8,995,000	2.4%
6	Generate Kiwisaver Public Trust Nominees Limited	6,175,000	1.6%
7	Forsyth Barr Custodians Limited (Account 1 E)	6,014,000	1.6%
8	TEA Custodians Limited Client Property Trust Account	5,577,000	1.5%
9	Investment Custodial Services Limited (A/C C)	5,101,000	1.4%
10	HSBC Nominees (New Zealand) Limited	4,664,000	1.2%
11	NZPT Custodians (Grosvenor) Limited	4,627,000	1.2%
12	Commonwealth Bank of Australia	4,254,000	1.1%
13	Forsyth Barr Custodians Limited (A/C 1)	3,497,000	0.9%
14	Citibank Nominees (New Zealand) Limited	3,094,000	0.8%
15	Bank Of New Zealand - Treasury Support	2,486,000	0.7%
16	FNZ Custodians Limited (DRP NZ A/C)	2,205,000	0.6%
17	FNZ Custodians Limited (DTA Non Resident A/C)	1,783,000	0.5%
18	Adminis Custodial Nominees Limited	1,706,000	0.5%
19	MMC Limited	1,650,000	0.4%
20	Mint Nominees Limited	1,611,000	0.4%
	Total	**299,301,000**	**79.6%**

Credit rating

Manawa Energy Limited does not currently have an external credit rating.

NZX listings/waivers

The Company's shares are listed on the NZSX and its senior bonds are listed on the NZDX. There were no waivers granted by NZX or relied on by Manawa Energy in the 12 months preceding 31 March 2024.

NZX disciplinary action

There has been no action taken by NZX in relation to Manawa Energy under Listing Rule 9.9.3.

Auditor fees

Please see **Note 27** of the financial statements.

Donations

Manawa Energy Limited donated $12,500 to various charities in FY24. Note that this does not include more than $300,000 provided to environment funds or trusts, educational scholarships and community sponsorships.

NZX Corporate Governance Code

Manawa Energy Limited has complied with the recommendations of the NZX Corporation Governance Code, except where noted in this report, or in our **Corporate Governance Statement**.

Our Corporate Governance Statement and other governance policies and procedures are available on our **website**. The Corporate Governance Statement set out in more detail our compliance with the NZX Corporate Governance code and is current as at 17 May 2024.

Financial Statements

Matahina Power Station, Bay of Plenty

Financial Statements

for the year ended 31 March 2024

Manawa Energy is pleased to present its audited financial statements.

The notes to the financial statements are grouped into the broad categories the Directors consider the most relevant when evaluating the performance of Manawa Energy. The sections are:

Financial Performance	**Notes 2–5**
Assets	**Note 6**
Funding	**Notes 7–12**
Financial Risk Management	**Notes 13–17**
Tax, Related Parties and Other Notes	**Notes 18–31**

Accounting policies can be found throughout the notes to the financial statements and are denoted by a black box surrounding them. Policies are placed within the note that is the most relevant, however the policy applies to all financial statements and notes.

Key Metrics

	2024	2023	2022	2021	2020
Net Profit after Tax ($M)	24	444	120	31	98
Earnings Before Interest, Tax, Depreciation, Amortisation, Fair Value Movements of Financial Instruments and Asset Impairments (EBITDAF)* excluding discontinued operations ($M)	145	137	160	157	–
Total EBITDAF* ($M)	144	140	204	200	186
Underlying earnings after tax ($M)	66	66	89	91	78
Basic earnings per share (cents per share)	7.4	140.5	37.4	10.9	30.4
Underlying earnings per share (cents per share)	20.7	20.4	27.7	30.1	24.1
Dividends paid during the year (cents per share)	16.5	58.5	35.5	32.5	49.0
Net debt to EBITDAF (includes discontinued operations)	3.1	3.2	3.6	3.6	3.3
Net tangible assets per share (dollars per share)	3.80	3.96	3.25	3.14	3.12
Sales					
MM Retail sales (GWh)	–	129	1,819	1,824	1,817
C&I sales – Fixed Price (GWh)	383	424	407	483	826
C&I sales – Spot (GWh)	664	671	813	826	972
MCY sales (GWh)	2,003	1,824	–	–	–
	3,050	**3,048**	**3,039**	**3,133**	**3,615**
LWAP for C&I/MM sales ($/MWh)	143	127	176	147	108
Energy Production and Purchases					
North Island generation production (GWh)	970	1,132	824	777	849
South Island generation production (GWh)	931	785	936	931	910
Wind PPA offtake (GWh)	656	596	599	604	665
Net other external purchases (GWh)	311	308	332	355	847
	2,868	**2,821**	**2,692**	**2,667**	**3,271**
GWAP for MNW generation ($/MWh)	132	109	166	144	107
Other Information					
Resource consent non-compliance events	17	9	5	10	21
Staff numbers (full time equivalents)	224	238	777	801	809

*EBITDAF and Underlying earnings after tax are non-GAAP measures. Refer to **Note 4** for more information.

Directors' Responsibility Statement

The Directors are pleased to present the financial statements of Manawa Energy Limited and subsidiaries for the year ended 31 March 2024.

The Directors are responsible for ensuring that the financial statements fairly present the financial position of the Group as at 31 March 2024 and the financial performance and cash flows for the year ended on that date.

The Directors consider that the financial statements of the Group have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept that enable, with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the Financial Markets Conduct Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

The owners of Manawa Energy do not have the power to amend these financial statements after they are issued.

Deion Campbell
Chair

Sheridan Broadbent
Director

Company Registration Number: 565426
Dated: 20 May 2024

Consolidated Income Statement

for the year ended 31 March 2024

	Note	2024 $000	2023 $000
Continuing Operations			
Operating Revenue			
Retail electricity revenue – fixed price		87,819	81,672
Retail electricity revenue – spot price		135,548	122,568
Wholesale electricity revenue		216,332	216,068
Other operating income		33,414	16,476
		473,113	**436,784**
Operating Expenses			
Line costs		60,450	57,109
Electricity costs		153,231	134,214
Generation asset maintenance costs		31,042	27,111
Employee benefits		34,232	34,457
Generation development expense		4,155	6,700
Other operating expenses	5	44,989	40,455
		328,099	**300,046**
Earnings Before Interest, Tax, Depreciation, Amortisation, Fair Value Movements of Financial Instruments and Asset Impairments (EBITDAF)*	4(b)	**145,014**	**136,738**
Impairment of assets	6, 23	3,179	12,827
Gain on sale of other land and buildings		(1,558)	–
Net fair value (gains)/losses on financial instruments	15(d)	46,066	(62,895)
Amortisation of intangible assets		1,099	1,798
Depreciation	6	19,592	19,728
Operating Profit		**76,636**	**165,280**

	Note	2024 $000	2023 $000
Interest paid	9	26,803	25,616
Interest received	9	(574)	(731)
Net finance costs		**26,229**	**24,885**
Profit Before Income Tax		**50,407**	**140,395**
Income tax expense	18	26,317	39,157
Profit From Continuing Operations		**24,090**	**101,238**
Profit from Discontinued Operations	28	(436)	343,130
Profit After Tax		**23,654**	**444,368**
Profit after tax attributable to the shareholders of the Company		22,893	439,836
Profit after tax attributable to non-controlling interests		761	4,532
Basic and diluted earnings per share from continuing operations (cents per share)	12	7.5	30.9
Basic and diluted earnings per share from discontinued operations (cents per share)	12	(0.1)	109.6
		7.4	**140.5**

*EBITDAF is a non-GAAP measure. Refer to Note 4 for more information.

Consolidated Statement of Comprehensive Income

for the year ended 31 March 2024

	Note	2024 $000	2023 $000
Profit after tax		**23,654**	**444,368**
Other Comprehensive Income			
Items that may be subsequently reclassified to profit or loss:			
Fair value (losses)/gains on cash flow hedges	16	(31,260)	482
Items that will not be subsequently reclassified to profit or loss:			
Revaluation losses on generation assets	6	–	(30,704)
Tax effect of the following:			
Revaluation losses on generation assets	19	–	(3,488)
Fair value losses/(gains) on cash flow hedges	16	8,753	(135)
Total Other Comprehensive (Loss)/Gain		**(22,507)**	**(33,845)**
Total Comprehensive Income		**1,147**	**410,523**
Attributable to shareholders of the Company		386	403,061
Attributable to non-controlling interests		761	7,462
Total comprehensive income attributable to shareholders of the Company arises from:			
Continuing operations		822	59,931
Discontinued operations		(436)	343,130

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

	Note	Share capital $000	Revaluation reserve $000	Cash flow hedge reserve $000	Retained earnings $000	Total shareholders' equity $000	Non-controlling interest $000	Total equity $000
Opening balance as at 1 April 2022		**2**	**732,898**	**19,583**	**273,573**	**1,026,056**	**16,513**	**1,042,569**
Profit after tax attributable to the shareholders of the Company		–	–	–	439,836	439,836	4,532	444,368
Other comprehensive income – items that will not be reclassified to the profit or loss								
Revaluation losses on generation assets		–	(34,779)	–	–	(34,779)	4,075	(30,704)
Other comprehensive income – items that may be reclassified to the profit or loss								
Fair value losses on cash flow hedges:								
Realised		–	–	11,668	–	11,668	–	11,668
Unrealised		–	–	(11,186)	–	(11,186)	–	(11,186)
Tax effect of the following:								
Revaluation losses on generation assets		–	(2,343)	–	–	(2,343)	(1,145)	(3,488)
Fair value losses on cash flow hedges		–	–	(135)	–	(135)	–	(135)
Total other comprehensive income		**–**	**(37,122)**	**347**	**–**	**(36,775)**	**2,930**	**(33,845)**
Transactions with owners recorded directly in equity								
Dividends paid	11	–	–	–	(183,089)	(183,089)	(1,074)	(184,163)
Total transactions with owners recorded directly in equity		**–**	**–**	**–**	**(183,089)**	**(183,089)**	**(1,074)**	**(184,163)**
Closing balance as at 31 March 2023		**2**	**695,776**	**19,930**	**530,320**	**1,246,028**	**22,901**	**1,268,929**
Opening balance as at 1 April 2023		**2**	**695,776**	**19,930**	**530,320**	**1,246,028**	**22,901**	**1,268,929**
Profit after tax attributable to the shareholders of the Company		–	–	–	22,893	22,893	761	23,654
Disposal of revalued assets		–	(4)	–	4	–	–	–
Other comprehensive income – items that will not be reclassified to the profit or loss								
Revaluation losses on generation assets		–	–	–	–	–	–	–
Other comprehensive income – items that may be reclassified to the profit or loss								
Fair value gains/(losses) on cash flow hedges:								
Realised		–	–	(66,959)	–	(66,959)	–	(66,959)
Unrealised		–	–	35,699	–	35,699	–	35,699
Tax effect of the following:								
Revaluation losses on generation assets		–	–	–	–	–	–	–
Fair value gains/(losses) on cash flow hedges		–	–	8,753	–	8,753	–	8,753
Total other comprehensive income		**–**	**–**	**(22,507)**	**–**	**(22,507)**	**–**	**(22,507)**
Transactions with owners recorded directly in equity								
Dividends paid	11	–	–	–	(51,641)	(51,641)	(1,437)	(53,078)
Total transactions with owners recorded directly in equity		**–**	**–**	**–**	**(51,641)**	**(51,641)**	**(1,437)**	**(53,078)**
Closing balance as at 31 March 2024		**2**	**695,772**	**(2,577)**	**501,576**	**1,194,773**	**22,225**	**1,216,998**

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position

as at 31 March 2024

	Note	2024 $000	2023 $000
Equity			
Capital and reserves attributable to shareholders of the Company			
Share capital	10	2	2
Revaluation reserve		695,772	695,776
Retained earnings		501,576	530,320
Cash flow hedge reserve	16	(2,577)	19,930
Non-controlling interests		22,225	22,901
Total Equity		**1,216,998**	**1,268,929**
Represented by:			
Current Assets			
Cash and cash equivalents		1,654	2,805
Electricity market security deposits	13	29,972	45,837
Accounts receivable and prepayments	21	73,015	60,084
Assets held for sale	23	3,625	–
Emission units held for trading	22	–	8,199
Derivative financial instruments	15(a)	92,289	22,163
Taxation receivable		14,284	–
		214,839	**139,088**
Non-Current Assets			
Property, plant and equipment	6	1,849,021	1,817,073
Right-of-use assets		1,881	2,542
Derivative financial instruments	15(a)	25,710	143,455
Other investments		7,308	–
Intangible assets		2,117	2,215
		1,886,037	1,965,285
Total Assets		**2,100,876**	**2,104,373**

	Note	2024 $000	2023 $000
Current Liabilities			
Accounts payable and accruals	24	81,390	60,292
Unsecured bank loans	7	17,001	51,580
Lease liabilities		315	1,199
Derivative financial instruments	15(a)	89,480	36,828
Taxation payable		1,457	8,005
		189,643	**157,904**
Non-Current Liabilities			
Unsecured bank loans	7	64,000	23,050
Unsecured senior bonds	7	372,681	371,955
Lease liabilities		1,642	1,352
Derivative financial instruments	15(a)	48,646	71,592
Deferred tax liability	19	207,266	209,591
		694,235	**677,540**
Total Liabilities		**883,878**	**835,444**
Net Assets		**1,216,998**	**1,268,929**

Consolidated Cash Flow Statement

for the year ended 31 March 2024

	Note	2024 $000	2023 $000
Cash Flows from Operating Activities			
Cash was provided from:			
Receipts from customers		468,376	422,925
		468,376	422,925
Cash was applied to:			
Payments to suppliers and employees		307,274	290,914
Taxation paid		40,540	28,365
		347,814	319,279
Net cash flow from operating activities generated by discontinued operation		(435)	(39,392)
Net Cash from Operating Activities	30	**120,127**	**64,254**
Cash Flows from Investing Activities			
Cash was provided from:			
Sale of property, plant and equipment		12,905	290
Return of electricity market security deposits		58,100	158,586
Interest received		574	731
		71,579	**159,607**
Cash was applied to:			
Lodgement of electricity market security deposits		42,235	139,597
Purchase of property, plant and equipment		68,522	39,963
Purchase of other investments		7,309	–
Purchase of intangible assets		1,001	1,031
		119,067	**180,591**
Net cash flow to investing activities generated by discontinued operation		–	462,543
Net Cash used in Investing Activities		**(47,488)**	**441,559**

	Note	2024 $000	2023 $000
Cash Flows from Financing Activities			
Cash was provided from:			
Bank loan proceeds		228,991	29,987
Senior bond issue proceeds		–	100,000
		228,991	**129,987**
Cash was applied to:			
Bond brokerage costs		–	1,627
Repayment of bank loans		222,619	353,364
Repayment of senior bonds		–	77,831
Repayment of lease liability		849	1,396
Interest paid		26,235	23,896
Dividends paid to owners of the Company		51,641	183,089
Dividends paid to non-controlling shareholders in subsidiary companies		1,437	1,074
		302,781	**642,277**
Net cash flow to financing activities generated by discontinued operation		–	(100)
Net Cash used in Financing Activities		**(73,790)**	**(512,390)**
Net Increase in Cash and Cash Equivalents		**(1,151)**	**(6,577)**
Cash and Cash Equivalents at beginning of the year		2,805	9,382
Cash and Cash Equivalents at end of the year		**1,654**	**2,805**

Notes to the Financial Statements

for the year ended 31 March 2024

NOTE 1: GENERAL INFORMATION

Reporting Entity

The reporting entity is the consolidated group comprising Manawa Energy Limited and its subsidiaries together referred to as Manawa Energy. Manawa Energy is a limited liability company incorporated and domiciled in New Zealand. The principal activities of Manawa Energy are the ownership and operation of electricity generation facilities from renewable energy sources.

Manawa Energy Limited is registered under the Companies Act 1993, and is listed on the New Zealand Stock Exchange (NZX). It is an FMC Reporting Entity under the Financial Markets Conduct Act 2013.

The financial statements are presented for the year ended 31 March 2024.

Basis of Preparation

The financial statements are prepared in accordance with:

- the Financial Markets Conduct Act 2013, and NZX equity listing rules.
- Generally Accepted Accounting Practice (GAAP).
- New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS), International Financial Reporting Standards (IFRS) and other applicable New Zealand accounting standards and authoritative notices, as appropriate for for-profit entities.

In preparing the financial statements we have:

- Recorded all transactions at the actual amount incurred (historical cost convention), except for generation assets, emission units held for trading, and derivatives which are recorded at fair value.
- Reported in New Zealand Dollars (NZD) rounded to the nearest thousand.

Estimates and judgements made in preparing the financial statements are frequently evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Manawa Energy makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Critical accounting estimates and judgements

The areas involving a higher degree of judgement or complexity are disclosed below:

- fair value of Manawa Energy's generation assets (**Note 6**)
- fair value of derivatives and other financial instruments, particulary the electricity price CFD with Mercury NZ Limited (**Note 15(b)**).

Adoption Status of Relevant New Financial Reporting Standards and Interpretations

NZ IFRS 17 *Insurance Contracts*

The Company transitioned to IFRS 17 on April 1, 2023. The transition date balance sheet has been amended to reflect the changes as required by the standard. The impact of the transition on the Company's financial position, financial performance, and cash flows is zero and no retrospective changes to any numbers has been required.

The Company applies the Premium Allocation Approach (PAA) to measure contracts which is similar to the previous accounting treatment. Under the PAA, an entity should recognise insurance acquisition cash flows in the liability for remaining coverage (LRC) and amortise insurance acquisition cash flows as insurance service expenses. Alternatively, an entity can choose to recognise insurance acquisition cash flows as an expense when incurred if each insurance contract in a group has a coverage period of one year or less.

When measuring liabilities for incurred claims, the Company now discounts the future cash flows unless they are expected to occur in one year or less.

Manawa Energy has not early adopted any standards. There are no NZ IFRSs or NZ IFRIC interpretations that are not yet effective that would be expected to have a material impact on Manawa Energy.

Climate Change Risk

Climate change and environmental policies established by the New Zealand Government may have an impact throughout the New Zealand energy sector and impact the strategy of the business.

The Group considers that the greatest area of uncertainty is the wholesale electricity price path which reflects the impact of the New Zealand Government's climate change policy. The financial statement items which could be impacted by the uncertainty of climate change risks are as follows:

- Generation assets (note 6) are recorded at fair value with the wholesale electricity price path being a key driver of changes in the valuation. Sensitivity to changes in the wholesale electricity price path for Generation assets is shown in **Note 6**.
- Electricity price derivatives (note 15) are recorded at fair value with the wholesale electricity price path being the key driver of changes in the valuation. Sensitivity to changes in the wholesale electricity price path for Derivatives is shown in **Note 13**.

FINANCIAL PERFORMANCE

NOTE 2: OPERATING SEGMENT

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses and for which operating results are regularly reviewed by the entity's chief operating decision maker and for which discrete financial information is available. Manawa Energy's Board of Directors has been identified as the chief operating decision maker for the purpose of segmental reporting. Manawa Energy has determined that it operates in one segment generating and providing electricity across New Zealand. The determination is based on the reports reviewed by the Board in assessing performance, allocating resources and making strategic decisions. All of Manawa Energy's operations are provided in New Zealand, therefore no geographic information is provided. A portfolio of electricity hedges are used to manage the combined electricity generation revenue and the electricity cost related to the commercial and industrial retail customers.

NOTE 3: REVENUE

Revenue from contracts with customers comprises amounts expected to be received for the sale of electricity and related services in the ordinary course of the Group's activities.

Wholesale electricity revenue
Wholesale electricity revenue is received from the spot electricity market for Manawa Energy's own generation production and includes electricity price derivative settlements. 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 electricity revenue
Retail electricity revenue is received from commercial and industrial customers for the supply of electricity to their premises. Revenue is recognised over time when the energy is supplied for customer consumption. Retail electricity – fixed price refers to revenue from customers who are sold electricity at an agreed price. Retail electricity – spot price refers to revenue from customers who are sold electricity at spot electricity prices as determined by the New Zealand electricity market. 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.

Certain electricity meters are read on a progressive basis throughout the period. This means that some customers will have used electricity since their last meter reading but have not been billed for it. Manawa Energy therefore estimates the amount of unbilled electricity.

This estimate is then used in the calculation of electricity revenue, electricity purchases and line costs paid to network companies for the use of their networks and the national grid.

This estimate is based on units bought from the wholesale electricity markets as well as historical factors. Manawa Energy considers the estimate to be accurate as it is prepared on an individual customer-by-customer basis, is used consistently across both revenue and costs so therefore only impacts on the gross margin, and uses a well-established process based on each individual customer's historical data where this is available.

Even if there were a large error in the estimate, 10 percent for example, the impact on operating profit would be immaterial.

Other operating revenue
Other revenue is recognised when the service is provided. No individual component of other revenue is material.

Emission unit revenue from trading
Sale of emission units. Revenue is recognised at the point in time that the emission unit is confirmed as being transferred into the acquirer's emission unit account.

Revenue from the sale of emissions units held for trading was $10,629,000 (2023: $3,059,000). Fair value gain of emission units held for trading were $2,430,000 and are included in other operating revenue (2023: $3,551,000 fair value losses shown in other operating expenses) (refer to **Note 22**).

NOTE 4: NON-GAAP MEASURES

(a) Underlying Earnings after Tax

Underlying Earnings is a non-GAAP (Generally Accepted Accounting Principles) financial measure. Manawa Energy believes that this measure is an important additional financial measure to disclose as it excludes movements in the fair value of financial instruments which can be volatile year to year depending on movement in long-term interest rate and/or electricity future prices. Also excluded in this measure are items considered to be one-off and not related to core business such as changes to the company tax rate or gain/impairment of generation assets.

Underlying earnings does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities.

Underlying Earnings After Tax	Note	2024 $000	2023 $000
Profit after tax ($000)		**23,654**	**444,368**
Fair value losses/(gains) on financial instruments	15	46,066	(62,895)
Gain on sale of mass market retail business		–	(342,063)
Gain on sale of other land and buildings		(1,558)	–
Asset impairments		3,179	12,827
Adjustments before income tax		**47,687**	**(392,131)**
Change in income tax expense in relation to adjustments		(13,352)	14,019*
Change in tax treatment of commercial buildings	18	8,025	–
Adjustments after income tax		**42,360**	**(378,112)***
Underlying Earnings After Tax		**66,014**	**66,256***
Underlying earnings after tax attributable to the shareholders of the Company		64,826	63,989*
Underlying earnings after tax attributable to non-controlling interests		1,188	2,267

*The prior year underlying earnings number has been adjusted to ensure consistency with the treatment of deferred tax in the current year calculation.

(b) Earnings Before Interest, Tax, Depreciation, Amortisation, Fair Value Movements of Financial Instruments, Asset Impairments and Discount on Acquisition (EBITDAF)

EBITDAF is a non-GAAP financial measure but is commonly used within the electricity industry as a measure of performance as it shows the level of earnings before the impact of gearing levels and non-cash charges such as depreciation and amortisation. Market analysts use the measure as an input into company valuation and valuation metrics used to assess relative value and performance of companies across the sector.

EBITDAF does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar financial information presented by other entities.

NOTE 5: OTHER OPERATING EXPENSES

	2024 $000	2023 $000
Computer maintenance and support costs	4,996	5,441
Directors' fees	731	726
Donations	186	398
Emission units cost of sales	10,629	3,059
Emission units fair value losses	–	3,551
Market fees and costs	3,676	4,404
Other operating expenses	24,771	16,265
	44,989	**33,844**

OUR ASSETS

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment	Note	Generation Assets $000	Other Land and Buildings $000	Other Plant and Equipment $000	Total $000
Opening balance as at 1 April 2022					
Fair value		1,770,287	–	–	1,770,287
Cost		10,960	22,158	17,476	50,594
Capital work in progress		53,554	–	3,529	57,083
Accumulated depreciation		(32,297)	(799)	(7,925)	(41,021)
		1,802,504	**21,359**	**13,080**	**1,836,943**
Additions at cost		34,182	5,206	4,172	43,560
Depreciation		(16,115)	(118)	(3,237)	(19,470)
Disposals at net book value		(423)	–	(403)	(826)
Revaluations		(30,704)	–	–	(30,704)
Impairments		(12,827)	–	–	(12,827)
Transfers		(1,017)	(2,402)	3,816	397
Transferred to held for sale asset		–	–	–	–
Closing balance as at 31 March 2023					
Fair value		1,697,359	–	–	1,697,359
Cost		–	19,919	22,669	42,588
Capital work in progress		78,241	5,031	5,575	88,847
Accumulated depreciation		–	(905)	(10,816)	(11,721)
		1,775,600	**24,045**	**17,428**	**1,817,073**
Additions at cost		53,787	9,430	5,198	68,415
Depreciation		(14,874)	(1,157)	(2,645)	(18,676)
Disposals at net book value		(24)	(10,833)	(129)	(10,986)
Revaluations		–	–	–	–
Impairments		–	–	–	–
Transfers		–	–	–	–
Transferred to held for sale asset	23	–	(6,804)	–	(6,804)
Closing balance as at 31 March 2024					
Fair value		1,699,212	–	–	1,699,212
Cost		6,759	4,030	24,566	35,355
Capital work in progress		123,391	12,712	8,748	144,851
Accumulated depreciation		(14,874)	(2,062)	(13,461)	(30,397)
		1,814,488	**14,680**	**19,853**	**1,849,021**

Employee benefits capitalised in the year ended 31 March 2024 were $2,680,000 (2023: $1,618,000).

Property, Plant and Equipment
Generation assets are revalued by independent external valuers every three years or more frequently if there is evidence of a significant change in value. The revaluation reserve within equity contains accumulated revaluations of generation assets. All other property, plant and equipment is stated at its original cost less depreciation and impairment.

Land is not depreciated. Depreciation on all other property, plant and equipment is calculated using the straight-line method at the following rates:

Freehold buildings	2%
Generation assets	0.5–8%
Metering equipment	5–15%
Plant and equipment	10–33%

Generation Development
An ongoing part of Manawa Energy's business is the development of new generation assets. All costs incurred prior to the commitment to build a new asset are expensed, including exploration, evaluation and consenting costs. In line with the recognition criteria set out in NZ IAS 16 *Property, Plant and Equipment*, all costs from the point of commitment are capitalised if appropriate.

Generation assets include land and buildings which are not separately identifiable from other generation assets. Generation assets were independently revalued, using a discounted cash flow methodology, as at 31 March 2023, to their estimated market value as assessed by Deloitte Corporate Finance.

Fair value of generation property, plant and equipment

The valuation of Manawa Energy's generation assets is sensitive to the inputs used in the discounted cash flow valuation model. A sensitivity analysis around some key inputs is shown in the following table. The valuation is based on a combination of values that are generally at the midpoint of the range. The valuation impact is calculated as the movement in the fair value as a result of the change in the assumption and keeping all other valuation inputs constant. At 31 March 2023, the overall valuation range was determined to be $1,633,900,000 to $1,952,400,000, with the mid-point selected for revaluation purposes. Sensitivities of the fair value to changes in the weighted average cost of capital have been used to create this overall range.

Assumptions as at 31 March 2023	Low	High	Impact ($000) of Low/High Change in Assumption
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 2028. Thereafter held constant.	-/+ $123,000
Long-term inflation	1.7%	2.3%	-$90,000/ +$100,000
Generation volume	1,841GWh	2,030GWh	-/+ $149,000
Operating expenditure	$60,000,000 p.a.	$73,000,000 p.a.	+/- $96,000
Capital expenditure	$27,000,000 p.a. average	$33,000,000 p.a. average	+/- $53,000
Weighted average cost of capital	6.7%	7.7%	+$174,000/ -$144,000

Review of the carrying value of generation assets as at 31 March 2024

Manawa Energy has conducted a detailed review of the carrying value of the generation assets and is comfortable that it sits within a reasonable fair value range. This review included the use of independent experts (Deloitte), who provided a revision of the forward price of electricity and Manawa Energy's weighted average cost of capital. The current year assumptions to determine the assessed fair value range at 31 March 2024 all sit within the ranges in the above table and the assessed fair value range at 31 March 2024 is within the 31 March 2023 valuation range described above.

Some of these inputs are not based on inputs observable in the market, and so under NZ IFRS they are classified within level 3 of the fair value hierarchy.

Property, plant and equipment at historical cost

If generation assets were stated on an historical cost basis, the amounts would be as follows	2024 $000	2023 $000
Generation assets (at cost)	1,069,033	1,060,420
Generation assets under construction (at cost)	123,391	78,241
Generation assets accumulated depreciation	(336,078)	(321,204)
	856,346	**817,457**

Capital Commitments	2024 $000	2023 $000
The capital commitments figure is comprised of a number of capital projects across Manawa Energy's generation schemes. None of these projects are individually material.	43,719	15,438

OUR FUNDING

NOTE 7: BORROWINGS

Manawa Energy's debt comprises a combination of bank facilities and senior bonds that are listed on the New Zealand Stock Exchange.

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 negative pledge deed requires Manawa Energy to maintain certain levels of shareholders' funds and operate within defined performance and debt gearing ratios. The banking arrangements may also create restrictions over the sale or disposal of certain assets unless the bank loans are repaid or renegotiated. Certain Group companies, which represent over 90% of the Group's assets, form a guaranteeing group under the negative pledge arrangement where every member of the guaranteeing group guarantees the debt of every other member.

Manawa Energy's banking facilities are with institutions that all have a Standard & Poor's long-term credit rating of A or higher.

	2024		2023	
Senior bonds rank equally with bank loans	Unsecured Bank Loans $000	Senior Bonds $000	Unsecured Bank Loans $000	Senior Bonds $000
Repayment terms				
Less than one year	17,001	–	51,580	–
One to two years	34,000	–	23,050	–
Two to five years	30,000	375,000	–	275,000
Over five years	–	–	–	100,000
Bond issue costs	–	(2,319)	–	(3,045)
	81,001	**372,681**	**74,630**	**371,955**
Current portion	17,001	–	51,580	–
Non-current portion	64,000	372,681	23,050	371,955
	81,001	**372,681**	**74,630**	**371,955**
Undrawn facilities				
Less than one year	27,999	–	213,500	–
One to two years	146,000	–	21,950	–
Two to five years	95,000	–	–	–
Over five years	–	–	–	–
	268,999	**–**	**235,450**	**–**

	2024		2023	
Senior bonds rank equally with bank loans	Unsecured Bank Loans $000	Senior Bonds $000	Unsecured Bank Loans $000	Senior Bonds $000
Weighted average interest rate				
Less than one year	4.9%	–	5.5%	–
One to two years	7.0%	–	4.7%	–
Two to five years	6.7%	5.0%	–	4.4%
Over five years	–	–	–	4.0%
	6.4%	**5.0%**	**5.3%**	**4.3%**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently recognised at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the term of the borrowings using the effective interest method. A loan that matures within a year will still be considered non-current if Manawa Energy has an unconditional right to refinance the loan through non-current undrawn facilities with the same lender.

Except for senior bonds, the carrying amount of borrowings recorded in the financial statements approximates their fair values. At 31 March 2024 the senior bonds had a fair value of $373,471,000 (31 March 2023: $364,369,000). The bonds have been classified as level 1 in the fair value hierarchy.

Manawa Energy has complied with all debt covenants during the year and the period subsequent to balance date and is forecasting to remain compliant.

The current portion of unsecured bank loans of $17,001,000 related to a $45,000,000 facility in the name of King Country Energy Limited, a subsidiary of Manawa Energy. Subsequent to balance date, this facility has been refinanced with a $37,000,000 new debt facility, which now matures in two to five years.

Reconciliation of change in borrowings arising from financing activities	2024 $000	2023 $000
Balance 31 March 2023	446,585	748,764
Bank loan proceeds	228,991	29,987
Repayment of bank loans	(222,619)	(353,364)
Senior bond issue proceeds	–	100,000
Repayment of senior bonds	–	(77,831)
Bond brokerage cost	–	(1,627)
Non-cash bond brokerage cost amortisation	726	657
Balance 31 March 2024	**453,683**	**446,585**

NOTE 8: CAPITAL RISK MANAGEMENT OBJECTIVES

When managing capital, Manawa Energy's objectives are to ensure sufficient funds are available to pay liabilities when they fall due and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, Manawa Energy has discretion to adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Manawa Energy's primary measure for monitoring its capital structure is net debt to EBITDAF. This is calculated below:

	Note	2024 $000	2023 $000
Net debt			
Unsecured bank debt	7	81,001	74,630
Unsecured senior bonds	7	372,681	371,955
Cash and cash equivalents		(1,654)	(2,805)
		452,028	**443,780**
EBITDAF (including discontinued operations)		144,408	140,230
Net debt to EBITDAF		3.1	3.2

Manawa Energy has a medium-term target of maintaining its net debt to EBITDAF ratio to between 2.5 and 4.0.

As a secondary measure, Manawa Energy also monitors its gearing ratio. This ratio is calculated as net debt divided by net debt plus equity. The gearing ratio is calculated below:

	2024 $000	2023 $000
Net debt	452,028	443,780
Equity		
Total equity	1,216,998	1,268,929
Remove net effect of fair value of financial instruments after tax	2,577	(19,930)
	1,219,575	1,248,999
Total capital funding	**1,671,603**	**1,692,779**
Gearing ratio	**27%**	**26%**

NOTE 9: FINANCE INCOME AND COSTS

	2024 $000	2023 $000
Amortisation of debt issue costs	726	657
Interest paid on unsecured bank loans	5,452	4,586
Interest paid on unsecured senior bonds	16,466	15,766
Interest paid on lease liabilities	87	102
Other interest costs and fees	4,072	4,505
Total Interest Expense	**26,803**	**25,616**
Interest received on cash at bank	574	731
Total Interest Income	**574**	**731**

There was no capitalised interest in the year to 31 March 2024 (2023: none).
Interest paid includes realised gains and losses on interest rate swap arrangements.

NOTE 10: SHARE CAPITAL

	2024	2023	2024	2023
	000s of shares		$000	$000
Authorised and issued ordinary shares at beginning of period	312,973	312,973	2	2
	312,973	**312,973**	**2**	**2**

All shares rank equally with one vote per share, have no par value and are fully paid. The amount of share capital is increased or decreased by the amount paid or received when Manawa Energy buys or sells its own shares.

NOTE 11: DIVIDENDS ON ORDINARY SHARES

	2024	2023	2024	2023
	cents per share		$000	$000
Final dividend prior period	**8.5**	16.0	26,603	50,075
Interim dividend paid current period	**8.0**	7.5	25,038	23,473
Special dividend paid current period	**–**	35.0	–	109,541
	16.5	**58.5**	**51,641**	**183,089**
Final fully imputed dividend declared subsequent to the end of the reporting period payable 14 June 2024 to all shareholders on the register at 7 June 2024.	11.0	8.5	34,427	50,076

Dividend Distribution
Dividends payable to Manawa Energy's shareholders are recognised as a liability in the financial statements in the period in which the dividend is approved by the Board.

NOTE 12: EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of Manawa Energy by the weighted average number of ordinary shares on issue during the year.

	Note	2024	2023
Profit after tax from continuing operations attributable to the shareholders of the Company ($000)		23,329	96,706
Weighted average number of ordinary shares on issue (000s)	10	312,973	312,973
Basic and diluted earnings per share from continuing operations (cents per share)		7.5	30.9
Profit after tax from discontinuing operations attributable to the shareholders of the Company ($000)	28	(436)	343,130
Weighted average number of ordinary shares on issue (000s)		312,973	312,973
Basic and diluted earnings per share from discontinuing operations (cents per share)		(0.1)	109.6
Underlying earnings after tax attributable to the shareholders of the Company ($000)	4	64,826	63,989
Weighted average number of ordinary shares on issue (000s)	10	312,973	312,973
Underlying earnings per share (cents per share)		20.7	20.4

OUR KEY FINANCIAL RISKS

NOTE 13: ELECTRICITY PRICE RISK

In New Zealand there is a wholesale electricity market that sets the price of electricity every half hour. This market is volatile and the prices can vary significantly. All of the electricity that Manawa Energy generates is sold on this market and the cash received is therefore volatile.

Manawa Energy manages this volatility by:

- Selling electricity to certain retail customers at a fixed price.
- Entering hedge agreements which fix the price paid for electricity on the wholesale market (refer **Note 15**).

Consequently these measures limit the amount of electricity sold which is exposed to spot pricing. Manawa Energy's Energy Trading Policy sets limits around the amount of fixed exposure permissible now and into the future.

The aggregate notional volume of the outstanding electricity derivatives at 31 March 2024 was 11,811GWh (31 March 2023: 12,926GWh).

Sensitivity analysis

At 31 March 2024, if the relevant forward electricity prices increased/decreased by 10 percent with all other variables held constant, post-tax profit for the year and other components of equity would have been adjusted by the amounts in the following table as a result of the fair value change in electricity price derivatives.

	2024 $000	2023 $000
Decrease to profit of a 10% increase in electricity forward price	(9,309)	(12,213)
Increase to profit of a 10% decrease in electricity forward price	23,965	12,213
Decrease to equity of a 10% increase in electricity forward price	(83,591)	(104,435)
Increase to equity of a 10% decrease in electricity forward price	68,935	104,435

Electricity Market Security Deposits

Manawa Energy is required to provide cash deposits as prudential security in order to trade in the wholesale electricity futures market. The required level of deposits depends on the amount of outstanding contracts Manawa Energy is a party to and the fair value of these contracts. These deposits are not necessarily convertible to cash as, in some cases, Manawa Energy's broker in this market applies these funds against offsetting trades. Electricity market security deposits are measured at amortised cost.

NOTE 14: INTEREST RATE RISK

All of Manawa Energy's bank facilities are on floating interest rates. Manawa Energy then uses Interest Rate Swaps (IRS) to fix most of the interest costs of the Group. This stabilises Manawa Energy's debt servicing costs. However for every dollar of debt protected against a potential rise in market interest rates, that same dollar is unable to take advantage of a potential fall in market interest rates. Payments made or received by IRS are recognised as a part of "Interest paid on unsecured bank loans".

The aggregate notional principal amount of the outstanding interest rate derivative instruments at 31 March 2024 was $748,000,000 (31 March 2023: $742,000,000).

Interest payment transactions are expected to occur at various dates between one month and nine years from the end of the reporting period consistent with Manawa Energy's forecast total borrowings.

Sensitivity analysis

At 31 March 2024, if interest rates at that date had been 100 basis points higher/lower with all other variables held constant, post-tax profit for the year and other components of equity would have been adjusted by the amounts in the following table, as a result of the fair value change in interest rate derivative instruments.

	2024 $000	2023 $000
Increase/(Decrease) to profit of a 100 basis point decrease in interest rates	115	(3,427)
(Decrease)/Increase to profit of a 100 basis point increase in interest rates	(140)	3,339
Increase/(Decrease) to equity of a 100 basis point decrease in interest rates	115	(3,427)
(Decrease)/Increase to equity of a 100 basis point increase in interest rates	(140)	3,339

NOTE 15: DERIVATIVE FINANCIAL INSTRUMENTS

(a) Fair value of derivative financial instruments

	2024 $000	2023 $000
Current		
Interest rate derivative assets	622	2,276
Electricity price derivative assets	91,494	19,791
Exchange rate derivative assets	173	96
	92,289	**22,163**
Interest rate derivative liabilities	–	1,551
Electricity price derivative liabilities	89,480	35,193
Exchange rate derivative liabilities	–	84
	89,480	**36,828**
Non-current		
Interest rate derivative assets	6,814	7,653
Electricity price derivative assets	18,762	135,683
Exchange rate derivative assets	134	119
	25,710	**143,455**
Interest rate derivative liabilities	10,259	13,786
Electricity price derivative liabilities	38,339	57,734
Exchange rate derivative liabilities	48	72
	48,646	**71,592**

Derivatives
Derivatives are initially recognised at fair value on the date the contract is entered into and subsequently remeasured to fair value. The gain or loss on remeasurement is recognised in the income statement, unless the derivative is designated into an effective hedge relationship as a hedging instrument, in which case the timing of recognition in the income statement depends on the nature of the designated hedge relationship. The Group uses cash flow hedges, which is where the derivative is used to manage the variability in cash flows relating to recognised liabilities or highly probable forecast transactions. The effective portion of changes in the fair value of cash flow hedges are recognised in other comprehensive income and accumulated in the cash flow hedge reserve. The ineffective portion of changes in the fair value of cash flow hedges is recognised immediately in the income statement in the net fair value (gains)/losses on financial instruments line. Amounts accumulated in other comprehensive income are reclassified to the income statement in the period when the hedged item is recognised in the income statement.

(b) Fair Value

Except for senior bonds (see **Note 7**), the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their 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 discounted cash flow analysis based on market-quoted rates.
- 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; and
  - discount rates.

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.

Electricity derivative valuation input	Source
Electricity forward price curve to value electricity price derivative instruments	Market quoted prices where available and the Directors' best estimate based on their view of the long run marginal cost of new generation where no market quoted prices are available.
Inflation forecast for valuing inflation-linked electricity price derviatives	Reserve Bank of New Zealand forecasts
Discount rate for valuing electricity price derivatives	Assumed counterparty cost of funds ranging from 5.1% to 6.1%

If the discount rate for valuing electricity price derivatives increased/decreased by 1% then the fair value of the electricity price derivatives would have decreased/increased by $794,000 (2023: $1,441,000). If the forecast inflation rate had increased/decreased by 1% then the fair value of electricity price derivatives would have increased/decreased by $8,270,000 (2023: $16,232,000).

Treatment of electricity price CFD entered with Mercury NZ Limited

Manawa Energy and Mercury NZ Limited entered into an electricity price derivative on 2 May 2022. On Day 1 this had a negative value of $521,777,000 which was deferred as per NZ IFRS 9 *Financial Instruments*. During the current period $129,713,000 (cumulative to date: $251,868,000) 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 $101,052,000 (2023: $97,376,000 gain) has been recognised with $31,457,000 (2023: $27,781,000) taken to the cash flow hedge reserve and $69,595,000 (2023: ($69,595,000) see **Note 15(d)**) taken to net fair value gains/losses on financial instruments.The fair value of this electricity price derivative at 31 March 2024 is ($3,676,000) (2023: $97,376,000).

Other derivatives valuation Input	Source
Interest rate forward price curve to value interest rate swaps	Published market swap rates
Discount rate for valuing interest rate derivatives	Published market interest rates as applicable to the remaining life of the instrument adjusted by the cost of credit of the counterparty for assets and the cost of credit of Manawa Energy for liabilities.
Foreign exchange forward prices to value foreign exchange contracts	Published spot foreign exchange rates and interest rate differentials
Discount rate for valuing forward foreign exchange contracts	Published market interest rates as applicable to the remaining life of the instrument adjusted by the cost of credit of the counterparty for assets and the cost of credit of Manawa Energy for liabilities.

(c) Fair value hierarchy

NZ IFRS 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy which represents the level of judgement and estimation applied in valuing the instrument:

- 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).

There were no transfers between level 1, 2 and 3 assets or liabilities within the fair value hierarchy (2023: none).

The following tables present Manawa Energy's derivatives that are measured at fair value.

Fair value As at 31 March 2024	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Assets per the statement of financial position				
Interest rate derivative assets	–	7,436	–	7,436
Electricity price derivative assets	–	–	110,256	110,256
Exchange rate derivative assets	–	307	–	307
	–	**7,743**	**110,256**	**117,999**
Liabilities per the statement of financial position				
Interest rate derivative liabilities	–	10,259	–	10,259
Electricity price derivative liabilities	–	–	127,819	127,819
Exchange rate derivative liabilities	–	48	–	48
	–	**10,307**	**127,819**	**138,126**

Fair value As at 31 March 2023	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Assets per the statement of financial position				
Interest rate derivative assets	–	9,929	–	9,929
Electricity price derivative assets	–	–	155,474	155,474
Exchange rate derivative assets	–	215	–	215
	–	**10,144**	**155,474**	**165,618**
Liabilities per the statement of financial position				
Interest rate derivative liabilities	–	15,337	–	15,337
Electricity price derivative liabilities	–	–	92,927	92,927
Exchange rate derivative liabilities	–	156	–	156
	–	**15,493**	**92,927**	**108,420**

The following tables present the changes during the year of the financial instruments classified within level 3 of the fair value hierarchy.

	2024 $000	2023 $000
Assets per the statement of financial position		
Opening balance	155,474	106,209
Gains and (losses) recognised in profit or loss		
Realised in wholesale electricity revenue	13,373	(56,379)
Unrealised	38,785	36,261
Gains and (losses) recognised in other comprehensive income		
Realised in wholesale electricity revenue	65,689	92,882
Unrealised	(163,065)	(23,499)
Closing balance	**110,256**	**155,474**
Total gains or (losses) for the period included in profit or loss for assets held at the end of the reporting period	91,549	63,015
Liabilities per the statement of financial position		
Opening balance	92,927	103,159
(Gains) and losses recognised in profit or loss		
Realised in wholesale electricity revenue	24,785	52,710
Unrealised	6,431	(62,942)
(Gains) and losses recognised in other comprehensive income		
Realised in wholesale electricity revenue	–	(4,963)
Unrealised	3,676	4,963
Closing balance	127,819	92,927
Total (gains) or losses for the period included in profit or loss for liabilities held at the end of the reporting period	77,163	87,942
Settlements during the year	**54,277**	**(11,244)**

(d) Fair value gains/losses on derivatives

The changes in the fair value of derivatives recognised in the income statement and the cash flow hedge reserve for the year to 31 March 2024 are summarised below:

Recognised in the income statement	Note	2024 $000	2023 $000
Interest rate derivatives		2,587	3,187
Ineffective portion transferred from cash flow hedge reserve	16	(69,595)	69,595
Electricity price derivatives		20,942	(9,887)
		(46,066)	**62,895**

Recognised in the cash flow hedge reserve	Note	2024 $000	2023 $000
Interest rate derivatives			–
Electricity price derivatives		(101,052)	69,383
Ineffective portion transferred to income statement	16	69,595	(69,595)
Exchange rate derivatives		197	694
		(31,260)	**482**

NOTE 16: CASH FLOW HEDGE RESERVE

Recognised in the income statement	2024 $000	2023 $000
Balance at beginning of year	19,930	19,583
Fair value (losses)/gains	(34,002)	58,409
Ineffective portion transferred to income statement	69,595	(69,595)
Transfers to property, plant and equipment	106	–
Transfers to wholesale electricity revenue	(66,959)	11,668
	(31,260)	482
Tax on fair value losses/(gains)	9,521	3,132
Tax on ineffective portion transferred to income statement	(19,487)	–
Tax on transfers to property, plant and equipment	(30)	–
Tax on transfers to wholesale electricity revenue	18,749	(3,267)
	8,753	**(135)**
	(2,577)	**19,930**

NOTE 17: LIQUIDITY RISK

The Group's ability to readily attract cost-effective funding is largely driven by its credit standing.

Prudent liquidity risk management requires maintaining sufficient cash, marketable securities or unutilised committed credit facilities to provide cover for reasonably conceivable adverse conditions. The Group operates under a Board-approved treasury policy which dictates the level of available committed facilities to be maintained. This is measured by forecasting debt levels under various adverse scenarios and comparing this to committed facility levels. At balance date the Group has $269m per **Note 7** (2023: $235m) in undrawn facilities to enable it to meet its working capital requirements as needed.

The following tables analyse Manawa Energy's financial liabilities excluding gross settled derivative financial liabilities into relevant maturity groupings based on the remaining period to the earliest possible contractual maturity date at the period end date. The amounts in the tables are contractual undiscounted cash flows.

Liquidity risk As at 31 March 2024	Less than 1 month $000	1–6 months $000	6–12 months $000	Over 1 year $000	Total $000
Net settled electricity price derivatives	12,856	47,272	28,880	22,019	111,027
Net settled interest rate derivatives	1,158	4,831	24,755	71,278	102,022
Accounts payable and accruals	77,142	–	–	–	77,142
Unsecured senior bonds	1,047	7,052	8,099	413,212	429,410
Unsecured bank loans	17,001	107	–	100,152	117,260
Total	**109,204**	**59,262**	**61,734**	**606,661**	**836,861**

Liquidity risk As at 31 March 2023	Less than 1 month $000	1–6 months $000	6–12 months $000	Over 1 year $000	Total $000
Net settled electricity price derivatives	6,330	34,813	11,458	107,393	159,994
Net settled interest rate derivatives	1,502	6,568	17,075	52,356	77,501
Accounts payable and accruals	56,898	–	–	–	56,898
Unsecured senior bonds	1,047	7,052	8,099	429,409	445,607
Unsecured bank loans	–	52,396	–	35,900	88,296
Total	**65,777**	**100,829**	**36,632**	**625,058**	**828,296**

OTHER DISCLOSURES

NOTE 18: INCOME TAX EXPENSE

	Note	2024 $000	2023 $000
Profit from continuing operations before income tax		50,407	140,395
Profit from discontinued operations before income tax		(606)	343,545
		49,801	**483,940**
Tax on profit @ 28%		13,944	135,503
Tax effect of non-deductible expenditure/non-assessable income		193	(96,568)
Income tax under provided in prior year		3,985	637
Removal of tax depreciation on buildings	19	8,025	–
		26,147	**39,572**
Income tax expense is attributable to:			
Profit from continuing operations		26,317	39,157
Profit from discontinued operations		(170)	415
		26,147	**39,572**
Represented by:			
Current tax		19,719	41,858
Deferred tax		6,428	(2,286)
		26,147	**39,572**

The 28% tax rate used above is the corporate tax rate payable by New Zealand corporate entities on taxable profit under New Zealand tax law.

Manawa Energy will no longer be able to claim tax depreciation on buildings, with estimated useful lives of 50 years or more, from its income tax year ending 31 March 2025. This has resulted in an increased deferred tax liability in respect of these buildings of $8,025,000.

Income tax expense
Tax returns for Manawa Energy and the detailed calculations that are required for filing tax returns are not prepared until after the financial statements are prepared. Estimates of these calculations are made for the purpose of calculating income tax expense, current tax and deferred tax balances. Any difference between the final tax outcomes and the estimations made in previous years will affect current year balances.

NOTE 19: DEFERRED INCOME TAX

	Note	2024 $000	2023 $000
Balance at beginning of year		209,591	221,551
Current year changes in temporary differences recognised in profit or loss	18	(22,525)	(2,366)
Current year changes in temporary differences recognised in other comprehensive income		(8,753)	3,623
Reclassification of prior year temporary differences	18	20,928	75
Disposed as part of sale of mass market retail business		–	(13,292)
Removal of depreciation on commercial buildings		8,025	–
Total deferred tax liabilities		**207,266**	**209,591**

The following tables show the breakdown of the temporary differences that make up the deferred tax liabilities and their movement for the year.

Temporary differences in deferred tax liabilities For the year ended 31 March 2024	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Removal of depreciation on commercial buildings	Closing Balance
Revaluations	144,347	–	–	–	144,347
Other property, plant and equipment movements	60,971	(4,456)	–	8,025	64,540
Employee benefits	(1,584)	176	–	–	(1,408)
Provision for impairment of accounts receivable	(87)	(39)	–	–	(126)
Customer base assets	–	–	–	–	–
Financial instruments	4,419	4,345	(8,753)	–	11
Other	1,525	(1,623)	–	–	(98)
	209,591	**(1,597)**	**(8,753)**	**8,025**	**207,266**

Temporary differences in deferred tax liabilities For the year ended 31 March 2023	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Transferred to held for sale liability	Closing Balance
Revaluations	140,859	–	3,488	–	144,347
Other property, plant and equipment movements	66,756	(4,406)	–	(1,379)	60,971
Employee benefits	(2,441)	(245)	–	1,102	(1,584)
Provision for impairment of accounts receivable	–	(87)	–	–	(87)
Customer base assets	–	(29)	–	29	–
Financial instruments	(35)	4,319	135	–	4,419
Other	16,412	(1,843)	–	(13,044)	1,525
	221,551	**(2,291)**	**3,623**	**(13,292)**	**209,591**

NOTE 20: IMPUTATION CREDIT ACCOUNT

	2024 $000	2023 $000
Imputation credits available for use in subsequent reporting periods	21,106	8,467

The above amounts represent the balance of the imputation account as at the end of the reporting period, adjusted for imputation credits that will arise from the payment of the amount of taxation payable. The consolidated amounts include imputation credits that would be available to the parent if subsidiaries paid dividends.

NOTE 21: ACCOUNTS RECEIVABLE AND PREPAYMENTS

	2024 $000	2023 $000
Current Portion:		
Trade receivables including unbilled sales	33,025	24,481
Provision for expected credit losses	(450)	(312)
Electricity market receivables	25,445	18,511
Other receivables	10,041	13,091
Prepayments	4,954	4,313
	73,015	**60,084**

Trade Receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for expected credit losses.

Collectability of trade receivables is reviewed on an ongoing basis including debts past due, but not considered impaired. Debts which are known to be uncollectible are written off. A provision for expected credit losses is established when the assessment under NZ IFRS 9 deems a provision is required.

Credit Risk

Manawa Energy has no significant concentrations of credit risk (2023: none). It has policies in place to ensure that sales are only made to customers with an appropriate credit history. Where a potential customer does not have a suitable credit history a bond is required before the customer is accepted. Manawa Energy's Credit Policy ensures that all counterparties with which Manawa Energy has electricity price hedging in place are assigned a credit limit and that potential exposure does not exceed that limit.

Debtors that are unlikely to pay the money they owe Manawa Energy are not included as an asset in the statement of financial position. The provision for expected credit losses is $450,000 (2023: $312,000).

Manawa Energy applies the NZ IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on days past due. The expected loss rates are based on the payment profiles of sales over a 12 month period before 31 March 2024 and the corresponding historical credit losses during this period, adjusted for any significant known amounts that are not receivable.

NOTE 22: EMISSION UNITS HELD FOR TRADING

Manawa Energy traded emission units for profit during the period. Fair value gains in its trading inventory of emission units were recognised within other operating income in the Income Statement and fair value losses were recognised in other operating expenses. Manawa Energy meets the definition of a broker-trader, with regards to emission units, as defined in NZ IAS 2 *Inventories* because the units it had purchased were purchased with the intent to sell for a profit. Emissions units held for trading are measured at fair value. Manawa Energy sold all 150,000 emission units for $10,629,000 during the period and therefore none are held at year end.

NOTE 23: ASSETS HELD FOR SALE

Manawa Energy is currently selling several properties on the West Coast (Arnold). The properties were procured in anticipation of developing new hydroelectricity generation projects. The projects were ultimately discontinued and the Board has endorsed the disposal of these properties.

NZ IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* requires that where a non-current asset is classified as held for sale that asset must be carried at the lower of cost or the amount expected to be recovered on sale. As a result an impairment of $3,179,000 has been recorded.

NOTE 24: ACCOUNTS PAYABLE AND ACCRUALS

	2024 $000	2023 $000
Employee entitlements	6,379	7,902
Interest accruals	3,053	3,210
GST payable	4,248	3,394
Other accounts payable and accruals	64,099	26,097
Trade accounts payable	3,611	19,689
	81,390	**60,292**

Accounts Payable and Accruals
Accounts payable and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

NOTE 25: RELATED PARTY TRANSACTIONS

Key management personnel

The key management personnel compensation (including Directors' fees) is as follows:

	Note	2024 $000	2023 $000
Salaries and other employee benefits paid during the year		4,940	4,679
Fair value movements in cash-settled, share-based incentives	26	(20)	(451)
		4,920	**4,228**

$990,000 of this amount was unpaid at 31 March 2024 (2023: $1,411,000).

Certain key managers participate in a cash-settled, share-based incentive scheme (refer to **Note 26**).

Shareholders

Manawa Energy is controlled by Infratil Limited (incorporated in New Zealand) which owns 51.0% (2023: 51.0%) of Manawa Energy Limited's voting shares.

TECT Holdings Limited owns 26.8% (2023: 26.8%) and the residual balance of 22.2% (2023: 22.2%) is widely held.

Entities under common control

One NZ New Zealand Limited

99.9% of One NZ is owned by Infratil Limited. Transactions with One NZ for the year consisted of general mobile and telephone services totalling $472,000 ($44,000 was unpaid as at 31 March 2024) (2023: $885,000).

Mint Renewables Limited

54.5% of Mint Renewables is owned by Infratil Limited. Transactions with Mint Renewables for the year consisted of consulting services totalling $61,000 ($10,000 was unpaid as at 31 March 2024) (2023: $nil).

Other

Manawa Energy Limited owns 15.0% of the ordinary shares of Rangitata Diversion Race Management Limited (RDR) which owns and operates an irrigation canal in Canterbury. RDR's operating and capital expenditure is funded by advances from its shareholders. There are now no outstanding advances between Manawa Energy and RDR.

Joe Windmeyer is a director of Manawa Energy and a partner at Russell McVeagh, a law firm. During the year, from the date that Mr Windmeyer was appointed to the Manawa Energy board, 19 July 2023, transactions with Russell McVeagh totalled $138,000. $33,000 of this amount was unpaid at 31 March 2024.

Deion Campbell is the Chair of Manawa Energy, Clayton Delmarter is Chief Executive of Manawa Energy. In the prior financial year and prior to their appointments to their respective roles, Manawa Energy purchased ANZ Renewables Limited from Mr Campbell and Mr Delmarter, for $780,000. During the current year, Manawa Energy paid Mr Campbell and Mr Delmarter, in their capacity as the former shareholders of ANZ Renewables, a total $242,000 milestone payment under the terms of the original sale and purchase agreement. No further payments are anticipated. ANZ Renewables Limited is involved in the development of a number of renewable energy projects in New Zealand.

NOTE 26: EMPLOYEE SHARE-BASED COMPENSATION

Certain members of Manawa Energy's executive management team and other employees are eligible to receive payment under a cash-settled share-based payment scheme. The scheme is defined as follows:

Each tranche of the scheme covers a three-year period. Key management personnel still employed by Manawa Energy at the end of each relevant period of the scheme are eligible to receive a bonus payment. 50% of the potential payment is determined by the total shareholder return (TSR) of Manawa Energy compared to the NZX 50 index companies, while 50% is determined by Manawa Energy's absolute TSR. The combined result is applied to a notional number of allocated shares. Payment is only made if the TSR is greater than that of 50% of NZX 50 companies and if TSR is greater than 0%. Additionally, the scheme has a set maximum return above which no increase in the bonus is received by the participants.

The fair value of the liability at 31 March 2024 has been determined by reference to Manawa Energy's and all other NZX 50 companies' current share price expected dividends and share price movements with comparison to the share price at the start of the relevant period and adjusted to reflect the present value of these future expected cash flows.

For the year ended 31 March 2024 the total expense recognised in the income statement was $83,000 (2023: $107,000) and the liability recognised in the statement of financial position as at 31 March 2024 was $445,000 (2023: $363,000).

NOTE 27: REMUNERATION OF AUDITORS

During the year the following fees were payable to the current auditors of Manawa Energy.

	2024 $000	2023 $000
Audit and audit-related services		
Audit of financial statements	251	220
Other assurance services		
Assurance of regulatory returns[1]	16	30
Review of half year financial statements	48	44
Agreed upon procedures over the financial information for King Country Energy Limited	23	21
GHG scope 1 & 2 assurance	15	–
GHG scope 3 pre assurance services	32	–
	385	**315**
Taxation services		
Tax compliance services[2]	16	44
Tax compliance advice[3]	–	12
	16	**56**
Other services		
Advisory services in relation to Maori culture capability assessment	28	59
	28	**59**
Total remuneration to auditors	**429**	**430**

1 Regulatory returns include assurance services surrounding the Manawa Energy Insurance Limited solvency return and telecommunications development levy.

2 Tax compliance services relate to the review of income tax returns and tax-related correspondence.

3 Tax consulting relates to general tax advisory services.

NOTE 28: DISCONTINUED OPERATIONS

Description

Manawa Energy sold its mass market retail business to Mercury NZ Limited on 2 May 2022. Accordingly the comparative period ending 31 March 2023 was reported as a discontinued operation. During the current period Manawa Energy became aware of a historical liability that had been incurred prior to the sale of the business. An expense of $604,000 (gross of tax) has been accrued in the current period reflecting the amount of this liability. Of this liability, $400,000 has been settled as at 31 March 2024.

NOTE 29: INVESTMENTS IN SUBSIDIARIES

Significant subsidiaries (31 March balance dates)	Country of incorporation and place of business	% owned by Manawa Energy		Nature of business
		2024	2023	
King Country Energy Holdings Limited	New Zealand	100	100	Asset holding
King Country Energy Limited	New Zealand	75	75	Electricity generation
Manawa Energy Insurance Limited	New Zealand	100	100	Captive insurance

NOTE 30: RECONCILIATION OF NET CASH FROM OPERATING ACTIVITIES WITH PROFIT AFTER TAX

	2024 $000	2023 $000
Profit from continuing activities:	24,090	101,238
Items classified as investing/financing		
Interest paid	26,235	23,896
Interest received	(574)	(731)
	25,661	**23,165**
Non-cash items:		
Amortisation of debt issue costs	726	657
Amortisation of intangible assets	1,099	1,798
Depreciation	19,592	19,728
Net gain on sale of property, plant and equipment	(1,787)	(322)
Other fixed and investment asset charges/(credits)	3,179	12,827
Movement in derivative financial instruments taken to the income statement	46,066	(62,895)
Decrease in deferred tax liability excluding transfers to reserves	6,427	(2,859)
	75,302	**(31,066)**
Decrease/(increase) in working capital:		
Accounts receivable and prepayments	(12,931)	7,301
Taxation payable/receivable	(20,831)	13,640
Accounts payable and accruals excluding capital expenditure accruals	29,271	(10,632)
	(4,491)	**10,309**
Operating cash flows generated from discontinued operations	(435)	(39,392)
Net cash from operating activities	**120,127**	**64,254**

NOTE 31: CONTINGENT LIABILITIES AND SUBSEQUENT EVENTS

The Group is not aware of any material contingent liabilities at balance date that have not been disclosed elsewhere in these financial statements (2023: nil).

The Group is not aware of any significant events that have occurred subsequent to balance date but prior to the signing of these financial statements that have not been disclosed elsewhere in these financial statements, apart from dividends declared in **Note 11**.

Independent auditor's report

To the shareholders of Manawa Energy Limited

Report on the audit of the consolidated financial statements

OPINION

In our opinion, the consolidated financial statements of Manawa Energy Limited (the 'Company') and its subsidiaries (the 'Group') on pages 59 to 83 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 issued by the New Zealand Accounting Standards Board and International Financial Reporting Standards issued by the International 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 income statement, 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 advisory services in relation to a Māori culture capability assessment and taxation compliance services to the subsidiary King Country Energy Limited. 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.

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
Generation assets fair value	
As described in **Note 6** of the financial statements, generation assets are recorded at fair value and revalued every three years, or more frequently if there is evidence of a significant change in value, to ensure that at each reporting date the carrying value is within a reasonable range of estimated fair values. 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. This is therefore considered to be a key audit matter. Management, with the assistance of independent valuers, have estimated a valuation range at 31 March 2024 and concluded that the current carrying value materially represents fair value. The Directors therefore concluded that a revaluation is not required.	Utilising our energy sector valuation specialists we have challenged the key assumptions used to determine an estimated valuation range. Our procedures included: › 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 assessed the appropriateness of the operational inputs and assumptions for generation volumes and costs by: › Comparing forecast generation volumes to actual realised 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. Additionally we: › Assessed the competence, independence and objectivity of the Group's valuation specialists; › Tested the veracity of Managements valuation model to ensure it calculated correctly; › Assessed the overall appropriateness of the fair value range; and › Considered the adequacy of the related financial statement disclosures. We had no matters to report as a result of our procedures.

The key audit matter	How the matter was addressed in our audit
Fair value of electricity derivatives	
As described in **Note 15** of the financial statements, the Group is exposed to electricity wholesale price risks which are managed using complex derivative financial instruments. The Group enters into a number of industry specific electricity derivative transactions to hedge future capacity, price risk and other business risks. These instruments are carried at fair value. There is complexity and judgement involved in determining the appropriate valuation and accounting treatment, particularly in respect of the Mercury Contract for Difference. Management uses a discounted cash flow technique to estimate the fair value of the electricity derivative at the valuation date. This utilises a range of observable and non-observable market data and valuation inputs in a model. This is therefore considered to be a key audit matter.	In conjunction with our specialists our procedures included: › Challenging the key assumptions applied by Management and agreed underlying data to contract terms; › Evaluating the hedge effectiveness of the Mercury CFD hedged electricity derivative. Our financial instrument specialists assessed the effectiveness of these hedges, following *NZ IFRS 9 Financial Instrument* requirements, by independently modelling the future changes in the value of these instruments to assess whether the underlying derivatives were effective; › Assessing the valuation calculation for the Mercury CFD contract; and › Assessing the valuations for all remaining electricity derivative contracts. Additionally we: › Confirmed electricity derivative contract details with the counterparties. We had no matters to report as a result of our procedures.

Other information

The Directors, on behalf of the Group, are responsible for the other information included in the entity's Integrated Report. The other information comprises of the information included on pages 1 to 58 and page 87 but does not include the consolidated financial statements and our auditor's report thereon. 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 consolidated 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 David Gates.

For and on behalf of

KPMG

KPMG
Tauranga
20 May 2024

Corporate directory

MANAWA ENERGY

Board of Directors

Deion Campbell (Chair)
Joanna Breare
Sheridan Broadbent
Phillippa Harford
Michael Smith
Joe Windmeyer

Registered office

93 Cameron Road
Tauranga 3110

Postal address
Private Bag 12055
Tauranga Mail Centre
Tauranga 3110

Telephone
0800 35 35 35

Media enquiries

comms@manawaenergy.co.nz

Investor enquiries

investor.relations@manawaenergy.co.nz

Website

manawaenergy.co.nz

Auditors

KPMG
Level 2
247 Cameron Road
Tauranga 3110

Postal address
PO Box 110
Tauranga 3140

Share registrar

Computershare Investor Services Limited
159 Hurstmere Road
Takapuna
Auckland 0622

Postal address
Private Bag 92119
Auckland 1142

Telephone
09 488 8700

Facsimile
09 488 8787

For shareholder enquiries about transactions, changes of address or dividend payments, please contact **Computershare**.

Stock exchange listing

New Zealand Exchange Limited
Level 2
NZX Centre
11 Cable Street
Wellington 6011

MANAWA ENERGY

manawaenergy.co.nz