

Manawa Energy Bond Offer

Investor Presentation

August 2022

Joint Lead Managers



Disclaimer and Important Information

This presentation has been prepared by Manawa Energy Limited ("Manawa Energy") in relation to the offer ("Offer") of five year, unsecured, unsubordinated fixed rate bonds ("Bonds") described in this presentation. Alongside this presentation, Manawa Energy has lodged with NZX various materials in respect of the Offer (together, the "Offer Materials"). The Offer Materials should be read in their entirety before any investment decision is made.

The Offer is made in reliance upon the exclusion in clause 19 of Schedule 1 of the Financial Markets Conduct Act 2013 (NZ) ("FMC Act"). The Bonds will have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as Manawa Energy's existing bonds which are currently quoted on the NZX Debt Market under the ticker codes "MNW150", "MNW170" and "MNW180" (maturing on 15 December 2022, 22 February 2029 and 29 July 2026 respectively and with fixed interest rates of 4.01%, 3.97% and 3.35% per annum respectively) (the "Existing Bonds"). The Bonds are of the same class as the Existing Bonds for the purposes of the FMC Act and the Financial Markets Conduct Regulations 2014 (and the Existing Bonds are the only debt securities of Manawa Energy that are currently quoted in the same class as the Bonds). Investors should look to the market price of the Existing Bonds to find out how the market assesses the returns and risk premium for those bonds. When comparing the yields of two debt securities, it is important to consider all relevant factors (including the credit rating (if any), maturity and the other terms of the relevant debt securities). Manawa Energy is subject to disclosure obligations under the NZX Listing Rules that requires it to notify certain material information to NZX for the purpose of that information being made available to participants in the market. This presentation should be read in conjunction with Manawa Energy's other periodic and continuous disclosure announcements released to NZX, and can be found by visiting <https://www.nzx.com/companies/MNW>.

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Application has been made to NZX for permission to quote the Bonds on the NZX Debt Market and all the requirements of NZX relating thereto have been duly complied with. However, NZX accepts no responsibility for any statement in this presentation. The NZX Debt Market is a licensed market operated by NZX, a licensed market operator regulated under the FMC Act.

This presentation may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Manawa Energy. All such forward-looking statements involve known and unknown risks, significant uncertainties, assumptions, contingencies, and other factors, many of which are outside the control of Manawa Energy, and which may cause the actual results or performance of Manawa Energy to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such forward-looking statements speak only as at the date of this presentation. Except as required by law or regulation (including the NZX Listing Rules), Manawa Energy undertakes no obligation to update these forward looking statements for events or circumstances that occur subsequent to the date of this presentation or to update or keep current any of the information contained herein. Any estimates or projections as to events that may occur in the future are based upon the best judgement of Manawa Energy from the information available as of the date of this presentation. A number of factors could cause actual results or performance to vary materially from the projections. Investors should consider the forward-looking statements in this presentation in light of those matters. Accordingly, neither Manawa Energy nor any other person can give investors assurance that the outcomes discussed in this presentation will be achieved. Investors are strongly cautioned not to place undue reliance on any forward-looking statements.

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Offer highlights

Issuer	Manawa Energy Limited (MNW.NZX).
Description	Unsecured, unsubordinated, fixed rate bonds.
Credit Rating	Unrated.
Offer amount	Up to \$125 million with the ability to accept up to \$25 million in oversubscriptions at Manawa Energy's discretion. The Offer consists of two parts: a Firm Offer and an Exchange Offer.
Term and Maturity	5 years, maturing 8 September 2027.
Use of proceeds	General corporate purposes, including the purchase and repayment of the MNW150 bonds maturing 15 December 2022.
Joint Lead Managers	ANZ Bank New Zealand Limited, Craigs Investment Partners Limited, Forsyth Barr Limited.

Introduction to Manawa Energy



An overview of Manawa Energy

- Formerly Trustpower Limited.
- Name change to Manawa Energy Limited in May 2022 following the sale of mass market retail business to Mercury NZ in May 2022.
- Manawa means 'heart' – the name was gifted to us by Ngāti Hangarau hapū, who hold mana whenua over the area where our Kaimai scheme is located.
- 26 generation schemes throughout New Zealand. Capacity of 498MW.
- Approximately 650 large Commercial & Industrial (C&I) customers.
- New Zealand's largest independent* electricity generator and renewables developer.
- Strategy focuses on growth through the development of new renewable generation as well as optimising and enhancing existing hydro generation assets.
- Headquartered in Tauranga, approximately 230 FTE employees.
- Current market capitalisation is ~\$1.9bn.
- 51% owned by Infratil, 27% owned by TECT Holdings Limited.

** By independent we mean without an integrated mass-market retail business.*



Manawa Energy has a long & proud history

Manawa Energy is a new name, but its history is nearly 100 years old. Formerly Trustpower Limited with a long history owning, operating and developing new renewable generation assets.

1923

- Tauranga Electric Power Board established.

1993

- Trustpower Limited is formed.

1994-
2015

- Trustpower exits distribution.
- Grows hydro and wind generation capacity through development of new schemes and purchasing of existing schemes to a peak of 1,101MW.
- Retail offering expanded to include telecommunications and gas with customers throughout New Zealand.

2016

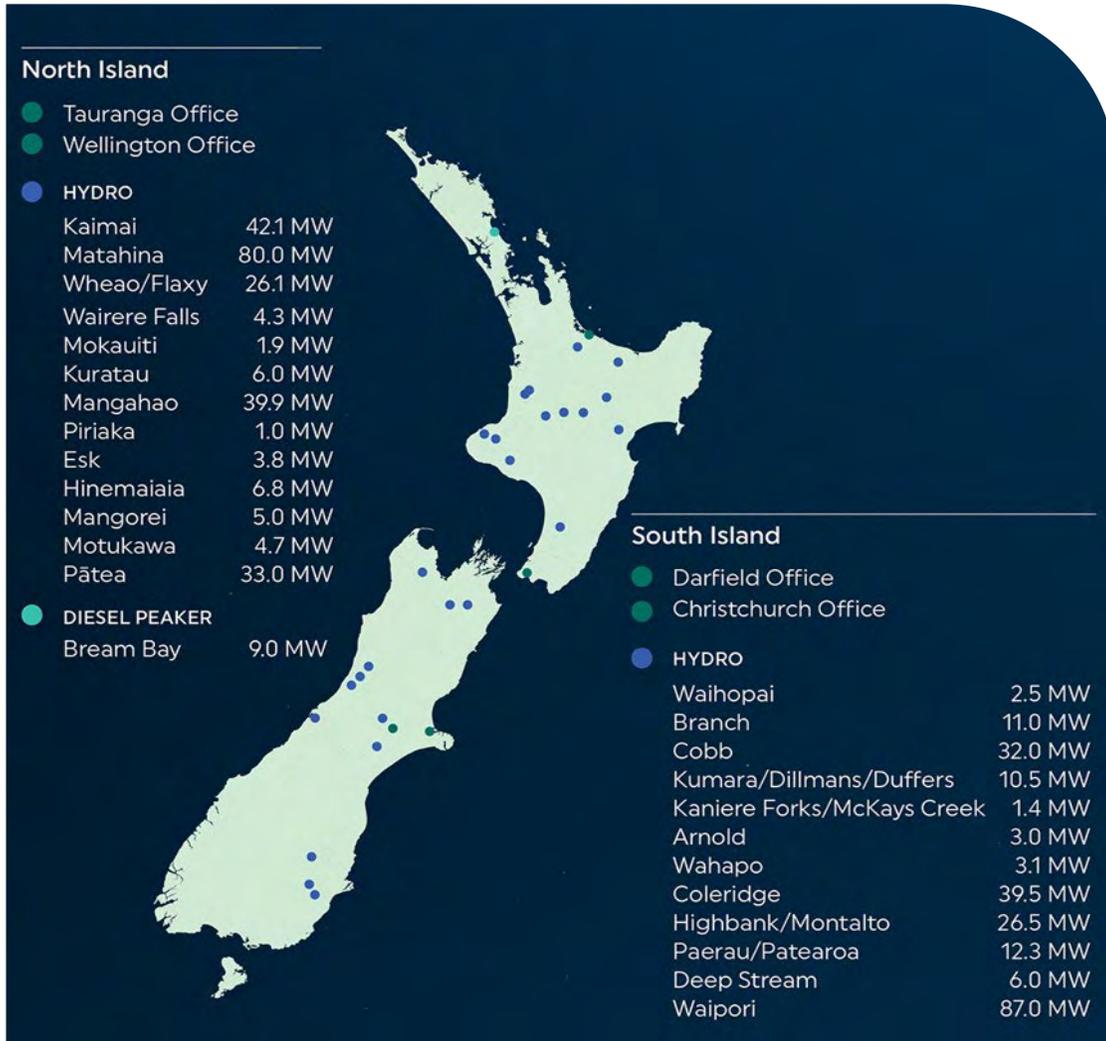
- Wind assets demerged to form Tilt Renewables.

2022

- Trustpower Limited changes its name to Manawa Energy Limited following the successful sale of its mass market retail business to Mercury NZ Limited.



Manawa Energy has a geographically diversified portfolio of hydro generation assets



44
hydro
power
stations

26
power
schemes

498MW¹
total NZ
installed
capacity

75%
shareholding in
King Country
Energy

20%
shareholding in
Rangitata
Diversion Race
(NZ's largest
irrigation scheme)

**Geographically
diversified**
Reduces exposure to
regional weather and
pricing

~1,942GWh¹
expected long
term average
annual output

~650
large commercial
and industrial
customers

4
regional
offices

¹Includes 100% of King Country Energy assets and production.

Experienced board and management team



Paul Ridley-Smith
Board Chair &
Non-Independent
Director



Joanna Breare
Independent Director



Sheridan Broadbent
Independent Director



Deion Campbell
Non-Independent
Director



Kevin Baker
Non-Independent
Director



Michael Smith
Non-Independent
Director



David Prentice
Chief Executive



Catherine Thompson
General Manager
Regulatory & Risk



Phil Wiltshire
General Manager
Corporate Services



Rob Buchanan
General Manager
Growth & Trading



Stephen Fraser
General Manager
Generation



Matt Van Deventer
General Manager
Technology & Delivery



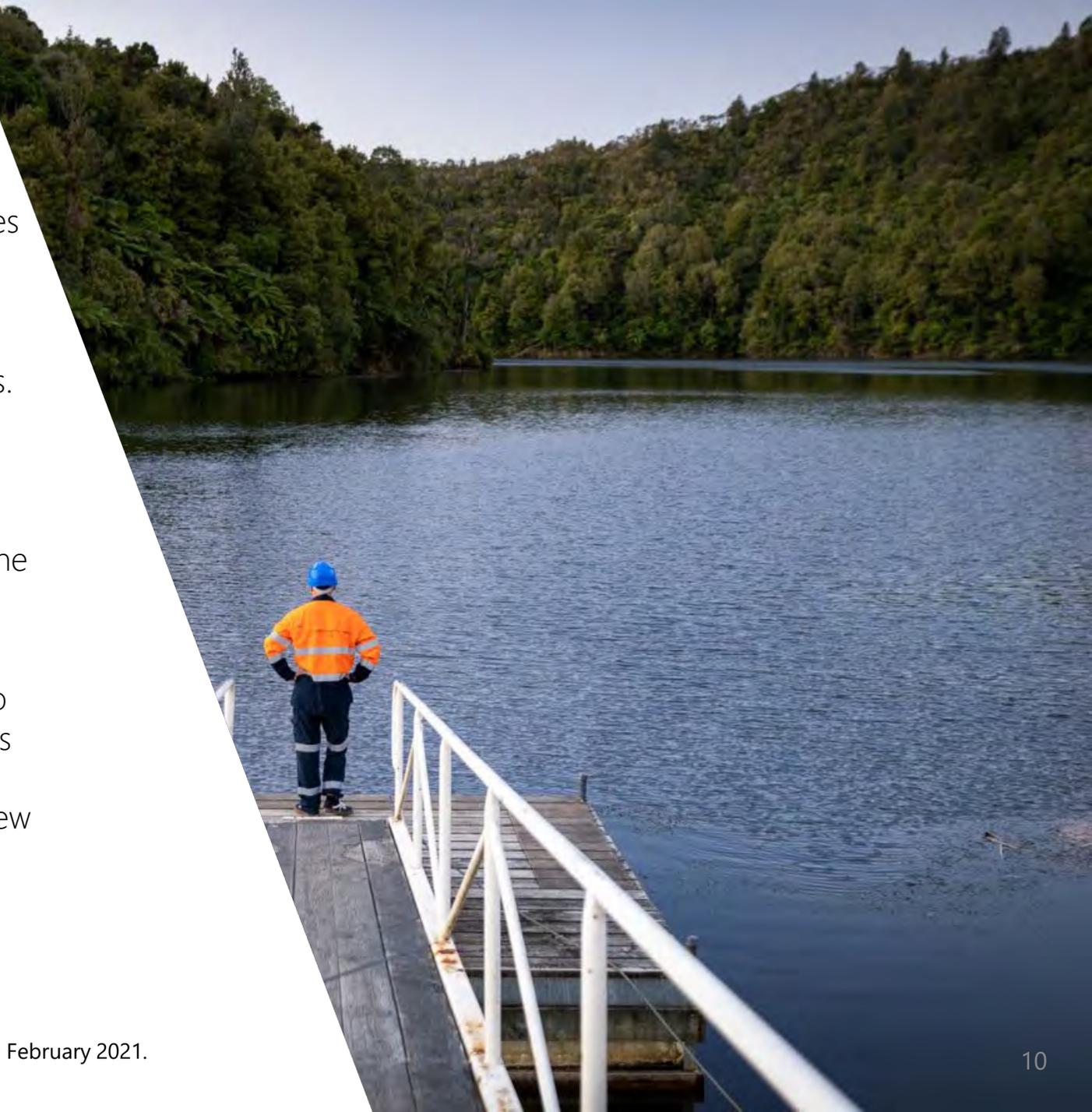
Strategic Overview



Industry overview

- Competitive market with high levels of renewable resources (80%+).
- Prices set by competitive spot and forward markets.
- Demand growth of ~30-40%¹ expected over next 20 years.
- Anticipated retirement of existing thermal plant and the decarbonisation of transport and industry provides significant opportunity for Manawa Energy's strategy, to develop and enhance renewable generation, to support the transition.
- The Government's recently released Emissions Reduction Plan outlines a plan for New Zealand to meet our net zero emissions target by 2050. It includes a number of elements that will support the building of renewable electricity generation to meet expected increased demand as the New Zealand economy decarbonises.

¹Climate Change Commission, *Electricity market modelling results summary*, published 22 February 2021.



Strategic plan overview

Growth



Generation

Develop a large portfolio of options.
Pursue partnerships with established participants.
Focus on areas we can lead the market, such as solar and wind development.



Market channels

Develop long-term relationships with customers through enhanced product offerings.
Utilise relationships with customers to support generation investment.
Investigate opportunities at grid-edge.

Operational Excellence



Generation

Deliver on our established value protection and enhancement strategies.
Optimise our existing portfolio through improved decision-making capability.



Market channels

Plan and optimise our wholesale risk position in the long-term.
Identify the highest value customers for our energy portfolio.

Critical Enablers



Technology and innovation

Embed a digital mindset in the business.
Optimise our systems following retail sale.
Use data and automation to enhance our decision-making and create value.



Culture and capability

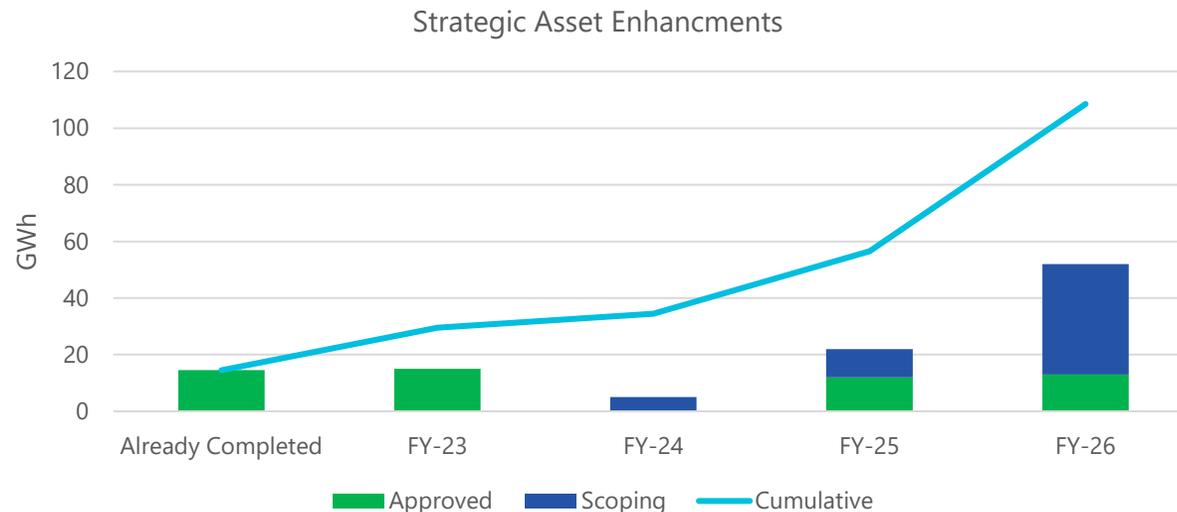
Create an environment that brings out the best in our people.
Plan for the future to ensure we have the capability we need to succeed.

Baseline Excellence

Sustainability – Health, Safety and Wellbeing – Reputation and Brand – Iwi Relationships – Business Performance and Financial Management.

Asset enhancement programme

- Focus on strategic asset enhancements is delivering volume and value.
- ~15GWh/year worth of enhancements have already been completed, with 15GWh/year expected to be completed in FY-23.
- A further ~79GWh/year worth of enhancements currently planned to be delivered across FY-24 to FY-26.
- These are at various stages of progress, with three key projects already approved and contracts signed.



Over 30 new solar & wind developments under consideration

- Manawa Energy has a history of new generation development with internal expertise as well as access to the capability of the broader HRL Morrison & Co group.
- Manawa Energy intends to employ a disciplined approach when seeking to execute on any of its portfolio of options.
- Focus to date on securing a wide range of options - focus now on execution of some more advanced options:
 - Up to ~120MW grid connected solar project near Thames, with the consenting process, including community and iwi consultation, commencing.
 - Up to ~100MW grid connected solar project north of Auckland.
 - MoU executed for a joint venture with Hawke's Bay airport for a 24MW solar development.
 - Consents have been obtained for a grid scale solar project, of up to ~12MW, in Northland, with potential offtake to a large C&I customer.
 - Evaluating over 1GW of wind projects in New Zealand across more than five sites.



Artist impression of proposed solar farm at Hawke's Bay Airport

Commercial & Industrial sales channel provides opportunities

- Manawa Energy divested its mass market retail business but retained its 650 Commercial & Industrial (C&I) customers as an important channel to market.
- Total volume into this channel is currently approximately 1,200GWh per annum.
- Approximately 40% of this volume is at fixed pricing, with the remainder at spot.
- As the Mercury hedge (per slide 21) steps down over time, this channel provides opportunities for us to sell our output as well as originate offtake arrangements in respect of generation development projects.
- Evolving strategy is to work with high volume customers seeking a renewable energy partner.



ESG – greater than 99% of generation is from renewable resources

- Given our reliance on natural resources, we maintain a strong focus on respecting and caring for the environment. Our approach is backed up by an Environmental Management System that is aligned with ISO14001.
- We are currently developing ESG commitments that will support our strategic ambitions and align with Infratil's portfolio entity ESG expectations.
- Manawa Energy participates annually in GRESB - a benchmarking assessment which captures information regarding environmental, social and governance performance and sustainability best practices for infrastructure companies (among other entities) worldwide.



Active community participation

Manawa Energy is committed to supporting the communities and environments in which it operates. This includes:

- Kiwi and Kokako protection and monitoring in the Kaimai Ranges – a partnership with DoC and Ngamanawa Incorporation (Ngati Hangarau).
- Supporting the West Coast Wilderness Trail from Greymouth to Ross, which passes two Manawa Energy hydroelectric power schemes.
- Approximately \$250,000 annually to environmental funds or trusts, and educational scholarships.
- Community-run native planting projects throughout New Zealand.



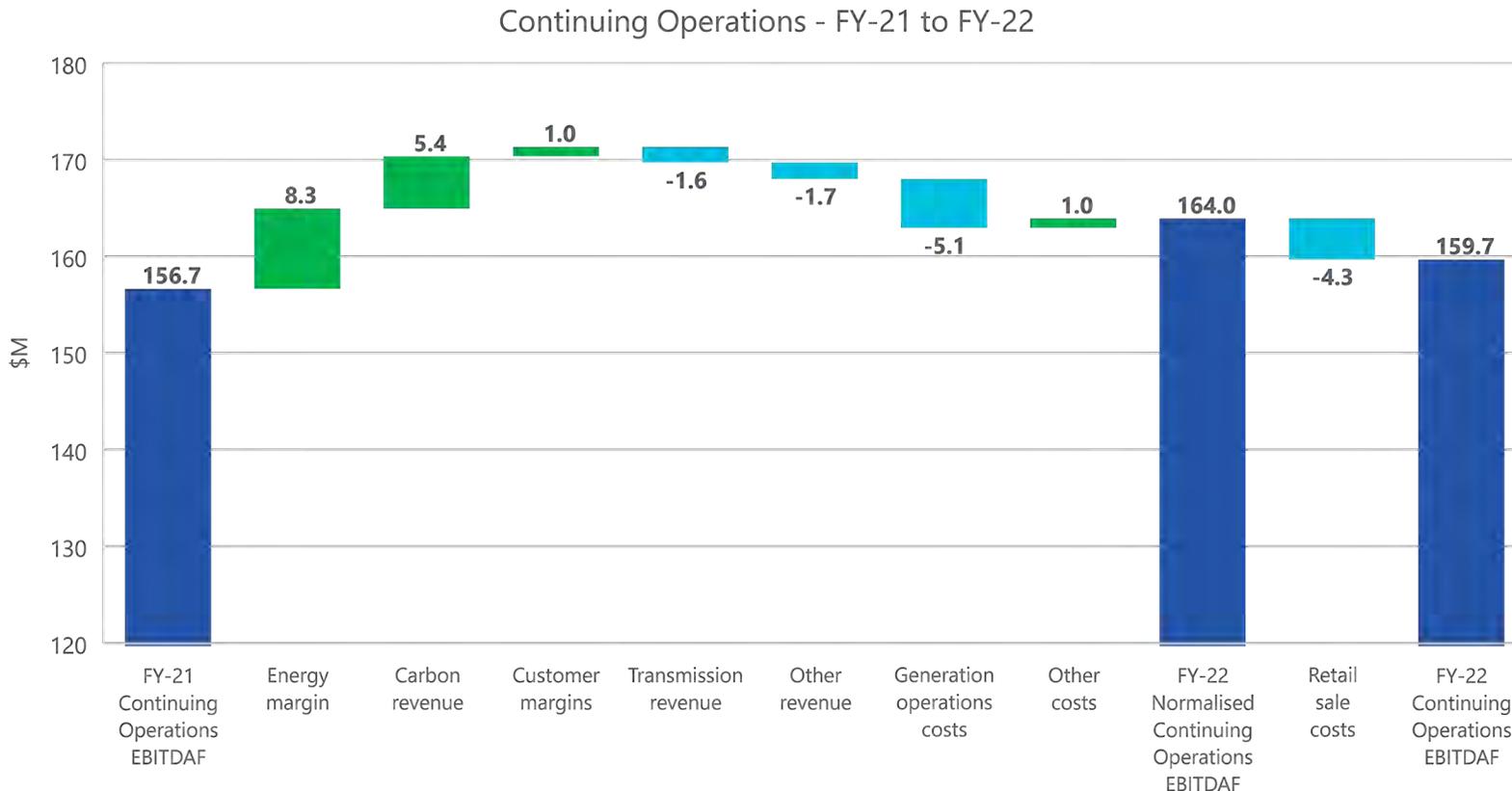
Current regulatory landscape

- Regulatory frameworks, including the recent establishment of the Emissions Reduction Plan (ERP) and the existing emissions trading scheme, provide strong foundations for the energy sector's role in supporting the transition to a highly renewable electricity market.
- Government has also recently announced significant financial support for decarbonisation activities.
- The development of a national energy strategy within the ERP, and clarification that the 100% renewable electricity target by 2030 is aspirational, support Manawa Energy's business strategy.
- These initiatives will help decarbonise the sector and provide more certainty around the balance between the energy trilemma (equity, security and sustainability).
- There are some regulatory work programmes that may challenge the sector (including resource management reform, freshwater reform and the NZ Battery project); we will continue to work closely with relevant decision makers to promote good policy decisions that reinforce the existing strong foundations for the sector.

FY-22 Financial Performance, FY-23 Guidance & Capital Structure



FY-22 financial summary

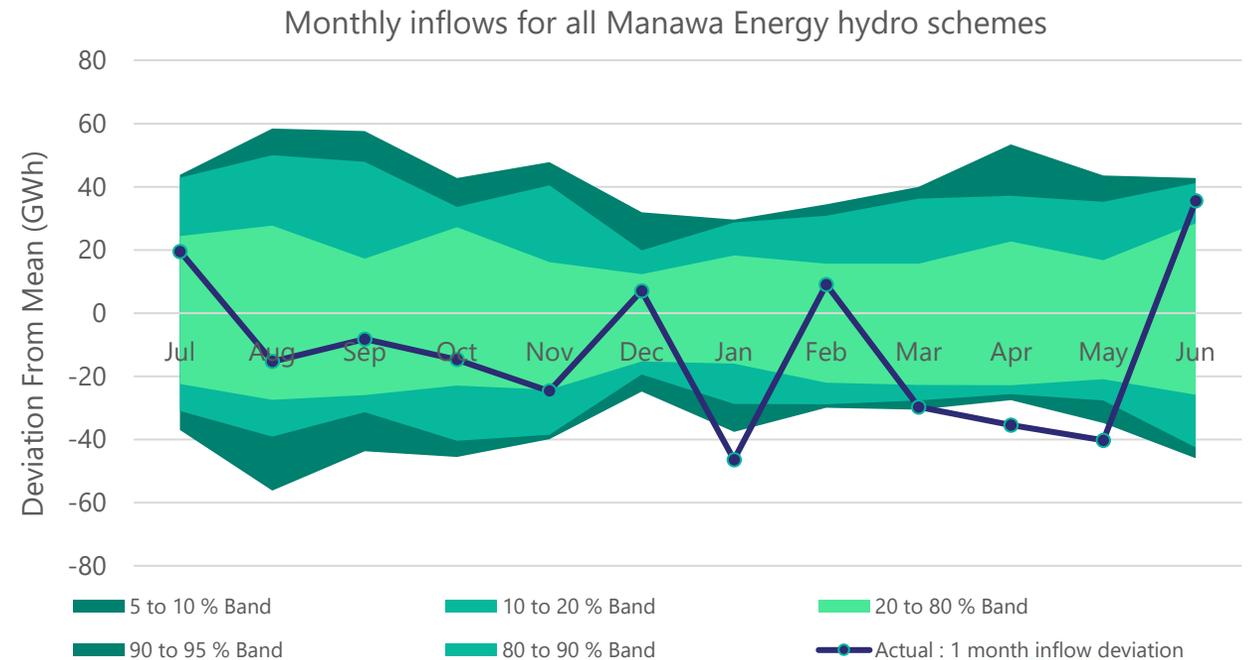
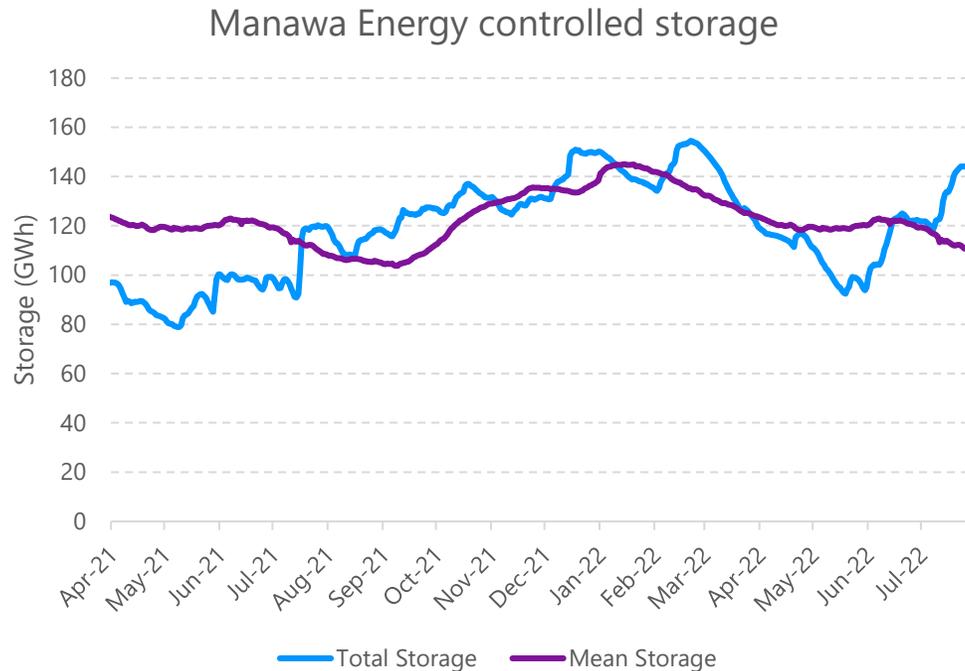


- Energy margin variance was driven by higher inflows (albeit materially below average) than the pcp, and higher wholesale prices.
- Carbon revenue is due to carbon credit inventory revaluations.
- Generation operations cost increase was driven by higher level of works compared to COVID-impacted FY-21, as well as higher insurance costs, and recharges from Corporate.
- Retail sale costs are those one-off expenses incurred due to the sale but not incurred of directly relating to the sale of the Trustpower retail business (e.g., establishment of Manawa Energy and separation activities).

EBITDAF is a non-GAAP financial measure, it is earnings before interest, tax expense, depreciation, amortisation, change in fair value of financial instruments.

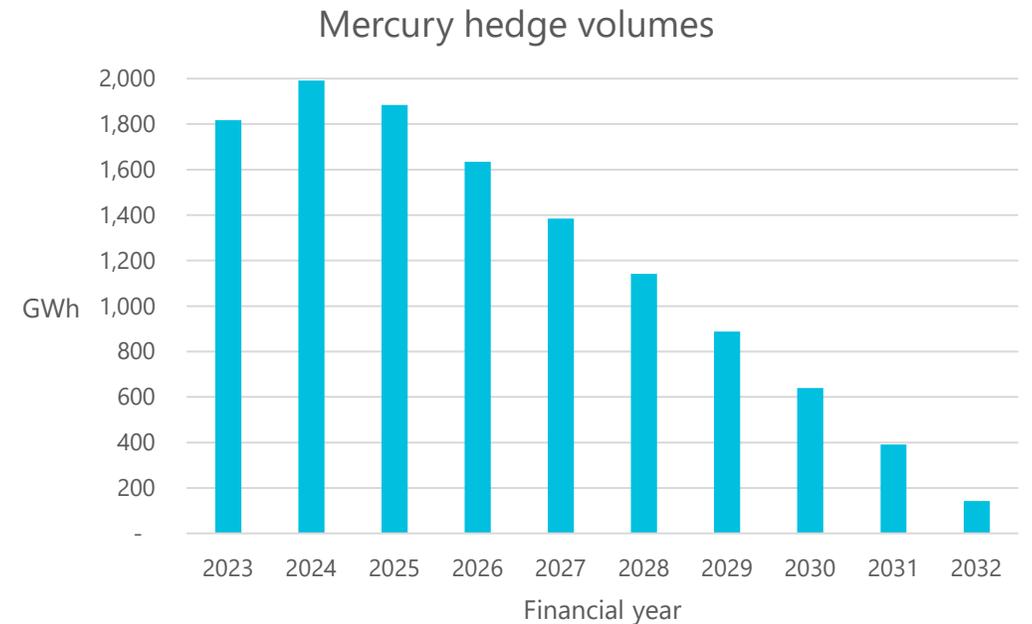
Inflows and storage

Manawa Energy's storage as at 31 July 2022 is at above average levels after below average inflows to start the year.



Mercury offtake provides strong price certainty as the Manawa Energy strategy develops

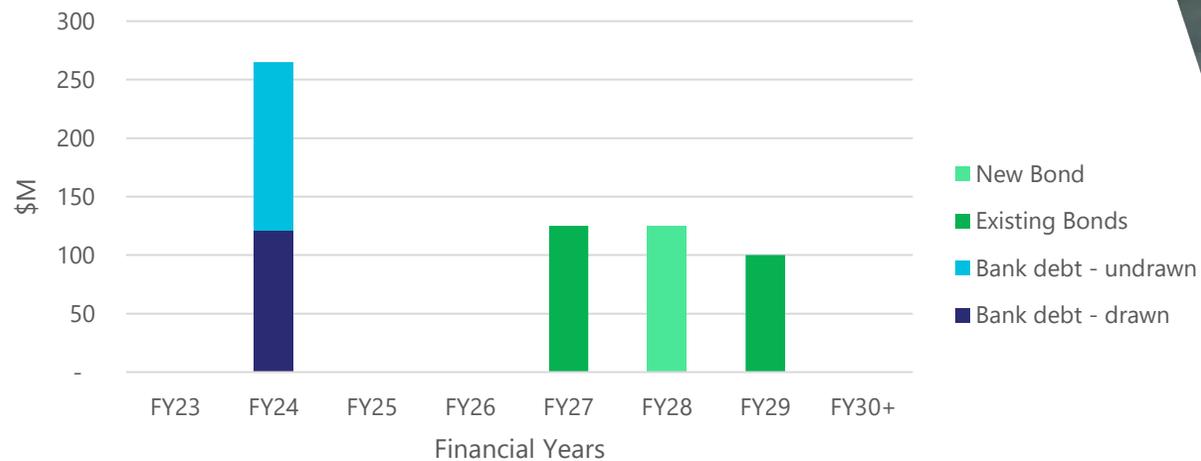
- Manawa Energy entered a long-term hedge with Mercury upon the sale of the mass market retail business. Initial hedge volume approximates the previous retail load.
- Hedge expires in 30 September 2031 and will provide price certainty for the near-term. Initial volume is approximately 2,000GWh reducing from 1 October 2024 to zero at 30 September 2031.
- Price is fixed until 30 September 2026 with a quarterly CPI escalator commencing 1 October 2022. Pricing is set with reference to ASX futures pricing thereafter.
- The reduction in volume over a long period of time allows Manawa Energy time to diversify its wholesale energy sales portfolio.
- We intend to do this by expanding our Commercial & Industrial (C&I) customer proposition, engaging with other retailers to provide wholesale energy and, where appropriate, enter into long term power purchase agreements with wholesale energy users seeking long-term renewable energy.



Capital structure

- Debt funding comprises a mix of retail bonds and bank debt.
- \$85 million of bank facilities refinanced in July 2022.
- Of the ~\$470 million received for the mass market retail business, ~\$110 million was returned to shareholders via a special dividend and the remainder was applied to existing debt.
- Interest rate hedging in place in accordance with Board approved treasury policy.

Debt maturity profile¹



¹Following the July bank refinancing, assuming \$125m of new Bonds raised and MNW150 bond repaid.

Capital structure (cont)

Gearing

- Target gearing ratio (net debt to EBITDAF) of 3.0 – 3.5 times but allow flexibility to extend to 4.0 times to fund growth.
- 30 June 2022 net debt \$494m¹.
- Net debt to EBITDAF of 3.3 times based on the mid-point of the full year FY-23 EBITDAF guidance range (see slide 24) and June 2022 net debt.
- 30 June 2022 gearing 26%² (debt to debt + equity).

Dividend Policy

- Dividend policy targets a pay-out ratio of between 70% and 90% of free cash flow over time.

Negative pledge

- Ensures equal ranking with bank lenders.

Covenants

- Total secured liabilities less than 7.5% of total tangible assets of the consolidated group (TTA) (other than “Permitted Security”).
- Maximum gearing covenant of consolidated net debt to consolidated TTA of 50%.
- Minimum 85% guaranteeing group TTA of consolidated group TTA.
- Minimum 85% guaranteeing group EBITDA of consolidated group EBITDA.

¹Including 100% of the debt of King Country Energy

²If the day one fair value loss of the Mercury hedge is not deferred (see slide 24 for more details), this ratio would be 31%.

FY-23 guidance

Manawa Energy continues to expect FY-23 EBITDAF to be in the range of \$140m - \$160m. This is underpinned by the following current assumptions:

- Generation volumes of ~1,850GWh.
- Wholesale prices in line with current forward pricing.
- C&I retail volumes of ~1,200GWh.
- Average hydrological conditions.
- No material adverse events.
- ACoT contribution of ~\$17.1m.

We expect CAPEX to continue to be in the range of \$45m - \$55m. This is comprised of the following expenditure:

- \$15m - \$19m of Generation asset maintenance and lifecycle, including King Country Energy assets.
- \$22m - \$26m for Generation asset enhancements and growth.
- \$8m - \$10m for technology, regulatory, environmental, and other capital expenditure.

FY-23 financial statements will include a liability for the fair value of the Mercury hedge. This is a non-cash item that will unwind over the term of the hedge. The day one fair value loss is expected to be deferred to the balance sheet (creating an asset) with this deferred loss also unwinding over the term of the hedge. This treatment is subject to audit confirmation.

- The 1 May 2022 (day 1) fair value was approximately negative \$530m.
- The 30 June 2022 fair value was approximately negative \$422m.

Note: Enhancement capex includes stand-alone enhancement projects as well as life cycle projects that include an enhancement of output alongside the replacement and life extension of the existing asset.

Trading conditions

- Trading conditions in the first two months of FY-23 were challenging - owing to dry conditions resulting in low hydro inflows and low wind production, combined with high wholesale prices.
- Combined with faster-than-anticipated new generation development investment (\$4.3 million of which is classified as opex), we are seeing some downward pressure on earnings for FY-23.
- However, well above-average lake storage and continued strong forward prices provide a more positive outlook for the remainder of the year.
- More details will be provided at the half-year results announcement in November.



Bond Issue Details



Senior bond issue summary

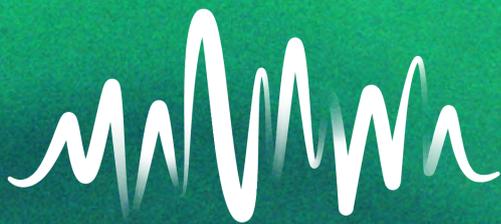
Issuer	Manawa Energy Limited (MNW.NZX).
Description	Unsecured, unsubordinated, fixed rate bonds.
Credit rating	Unrated.
Offer amount	Up to \$125 million with the ability to accept up to \$25 million in oversubscriptions at Manawa Energy's discretion.
Term and Maturity	5 years, maturing 8 September 2027.
Interest rate	The Interest Rate will be the sum of the Issue Margin (which may be above or below the Indicative Issue Margin) and the Base Rate on the Rate Set Date, but in any case will be no less than the minimum Interest Rate. The Interest Rate will be announced by Manawa Energy via NZX on the Rate Set Date.
Interest payments	Quarterly in arrear. Interest payment dates – 8 March, 8 June, 8 September and 8 December up to (and including) the Maturity Date. First interest payment date is 8 December 2022.
Financial covenant	Net Debt of the Consolidated Group / Total Tangible Assets of the Consolidated Group \leq 50% on each semi-annual test date.
Issuer's early repayment option	Manawa Energy may elect to redeem all the Bonds at the higher of face value (\$1.00) or volume weighted average market trading price.
Quotation	Expected to be quoted on the NZX Debt Market (ticker code MNW190).
Denominations	The minimum application is \$5,000, with multiples of \$1,000 thereafter.
Brokerage	Brokerage 0.50%, firm fee 0.25%.

Offer Structure

Firm Offer – bookbuild process	<p>NZX firms, institutional investors and other approved parties to be invited to participate in the bookbuild process.</p> <p>No public pool.</p>
Exchange Offer – MNW150 exchange option	<p>Manawa Energy is offering New Zealand resident holders of its 127,734,000 MNW150 bonds maturing on 15 December 2022, the opportunity to exchange all or some of their MNW150 bonds for Bonds under an online Exchange Offer.</p> <p>If the Exchange Offer is oversubscribed, Manawa Energy will scale applications using a methodology of its choosing.</p>
Firm Offer amount	Up to \$75 million.
Exchange Offer amount	Up to \$50 million.
Oversubscriptions	Up to \$25 million. Can be accepted under the Firm Offer and / or the Exchange Offer.
Purchase price under Exchange Offer	<p>Existing MNW150 holders can apply to exchange their MNW150 bonds for the new Bonds (on a one-for-one basis). The purchase price will be retained by Manawa Energy and applied to the Issue Price of the new bonds.</p> <p>In addition, Manawa Energy will pay a cash payment to exchanging MNW150 holders equal to interest on the exchanged MNW150 bonds for the period from (and including) 15 June 2022 to (but excluding) the Issue Date of the new Bonds. This payment reflects the interest accrued on the MNW150 bonds from the last interest payment date to the Issue Date of the new Bonds.</p>

Key dates

Opening Dates	Firm Offer: Monday, 22 August 2022 Exchange Offer: Friday, 26 August 2022
Closing Dates	Firm Offer: 12:00pm, Thursday 25 August 2022 Exchange Offer: 12:00pm, Friday, 2 September 2022
Rate Set Date	Thursday, 25 August 2022
Issue Date and allotment date	Thursday, 8 September 2022
Expected quotation on the NZX Debt Market	Friday, 9 September 2022
Maturity Date	Wednesday, 8 September 2027



MANAWA ENERGY

Indicative Terms Sheet

22 August 2022

Indicative Terms Sheet



This indicative terms sheet ("**Terms Sheet**") sets out the key terms of the offer ("**Offer**") by Manawa Energy Limited ("**Manawa Energy**") of up to \$125,000,000 (with the ability to accept oversubscriptions of up to \$25,000,000 at Manawa Energy's discretion) of unsecured, unsubordinated, fixed rate bonds maturing on 8 September 2027 ("**Bonds**").

The Bonds will be issued pursuant to a master trust deed dated 14 September 2016 (as amended from time to time) ("**Trust Deed**") as modified and supplemented by a series supplement dated 22 August 2022 ("**Series Supplement**" and, together with the Trust Deed, the "**Trust Documents**") entered into between Manawa Energy and Trustees Executors Limited ("**Supervisor**").

Unless defined in this Terms Sheet or the context otherwise requires, capitalised terms used in this Terms Sheet have the same meaning as given to them in the Trust Documents.

Important notice

The Offer of Bonds by Manawa Energy is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 ("**FMCA**").

The Offer contained in this Terms Sheet is an offer of Bonds that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as:

- Manawa Energy's bonds maturing on 15 December 2022, which have a fixed interest rate of 4.01% per annum and are currently quoted on the NZX Debt Market under the ticker code MNW150 ("**MNW150 Bonds**");
- Manawa Energy's bonds maturing on 22 February 2029, which have a fixed interest rate of 3.97% per annum and are currently quoted on the NZX Debt Market under the ticker code MNW170; and
- Manawa Energy's bonds maturing on 29 July 2026, which have a fixed interest rate of 3.35% per annum and are currently quoted on the NZX Debt Market under the ticker code MNW180,

(together, the "**Existing Bonds**").

Accordingly, the Bonds offered are the same class as the Existing Bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014.

Manawa Energy is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited ("**NZX**") for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/MNW.

The Existing Bonds are the only debt securities of Manawa Energy that are currently quoted and in the same class as the Bonds.

Investors should look to the market price of the Existing Bonds referred to above to find out how the market assesses the returns and risk premium for those bonds. When comparing the yield of two debt securities, it is important to consider all relevant factors (including the credit rating (if any), maturity and the other terms of the relevant debt securities).

Key dates for the Offer

Firm Offer Opening Date	Monday, 22 August 2022
Firm Offer Closing Date	12.00pm, Thursday, 25 August 2022
Rate Set Date	Thursday, 25 August 2022
Exchange Offer Opening Date	Friday, 26 August 2022
Exchange Offer Closing Date	12.00pm, Friday, 2 September 2022
Issue Date and allotment date	Thursday, 8 September 2022
Expected quotation of Bonds on NZX Debt Market	Friday, 9 September 2022
First Interest Payment Date	Thursday, 8 December 2022
Maturity Date of the Bonds	Wednesday, 8 September 2027

Key terms of the Bonds

Issuer	Manawa Energy Limited.
Description	Unsecured, unsubordinated, fixed rate bonds (" Bonds ").
Purpose of the Offer	The proceeds of the Offer will be used for general corporate purposes, including the purchase and repayment of Manawa Energy's MNW150 Bonds.
Offer	<p>The Offer consists of two parts:</p> <ul style="list-style-type: none"> Under the first part ("Firm Offer"), Manawa Energy is offering Bonds to New Zealand clients of the Joint Lead Managers, institutional investors and other primary market participants invited to participate in the bookbuild. Under the second part ("Exchange Offer"), Manawa Energy is offering New Zealand resident holders of its 127,734,000 MNW150 Bonds maturing on 15 December 2022, the opportunity to apply to exchange all or some of their MNW150 Bonds for Bonds under an online Exchange Offer. <p>There is no public pool for Bonds under the Offer and the Offer is not underwritten.</p> <p>See "Who may apply and how to apply" below.</p>

<p>Offer amount</p>	<p>Firm Offer Up to \$75,000,000 of Bonds.</p> <p>Exchange Offer Up to \$50,000,000 of Bonds.</p> <p>Oversubscriptions Manawa Energy has the ability to accept oversubscriptions of up to \$25,000,000 of Bonds at its sole discretion. Any such oversubscriptions can be accepted in aggregate under the Firm Offer and / or the Exchange Offer.</p> <p>Summary of Offer structure</p> <table border="1" data-bbox="328 645 1492 943"> <thead> <tr> <th data-bbox="328 645 611 689">Total Offer</th> <th data-bbox="611 645 892 689">Firm Offer</th> <th data-bbox="892 645 1173 689">Exchange Offer</th> <th data-bbox="1173 645 1492 689">Oversubscriptions</th> </tr> </thead> <tbody> <tr> <td data-bbox="328 689 611 943">Offer amount up to \$150,000,000</td> <td data-bbox="611 689 892 943">Up to \$75,000,000</td> <td data-bbox="892 689 1173 943">Up to \$50,000,000</td> <td data-bbox="1173 689 1492 943">Up to \$25,000,000 in aggregate. Can be accepted under the Firm Offer and / or the Exchange Offer</td> </tr> </tbody> </table>	Total Offer	Firm Offer	Exchange Offer	Oversubscriptions	Offer amount up to \$150,000,000	Up to \$75,000,000	Up to \$50,000,000	Up to \$25,000,000 in aggregate. Can be accepted under the Firm Offer and / or the Exchange Offer
Total Offer	Firm Offer	Exchange Offer	Oversubscriptions						
Offer amount up to \$150,000,000	Up to \$75,000,000	Up to \$50,000,000	Up to \$25,000,000 in aggregate. Can be accepted under the Firm Offer and / or the Exchange Offer						
<p>Credit rating</p>	<p>The Bonds will not be rated.</p>								
<p>Interest Rate</p>	<p>The Interest Rate will be the sum of the Issue Margin (which may be above or below the Indicative Issue Margin range referred to below) and the Base Rate on the Rate Set Date, but in any case will be no less than the minimum Interest Rate of 5.00% per annum.</p> <p>The Interest Rate will be announced by Manawa Energy via NZX on the Rate Set Date.</p>								
<p>Indicative Issue Margin</p>	<p>The indicative range of the Issue Margin is 1.40% – 1.60% per annum.</p>								
<p>Issue Margin</p>	<p>The Issue Margin (which may be above or below the Indicative Issue Margin range) will be determined by Manawa Energy in consultation with the Joint Lead Managers following completion of the bookbuild process and announced via NZX on the Rate Set Date.</p>								
<p>Base Rate</p>	<p>A 5-year mid-market rate for a New Zealand dollar interest rate swap, determined on the Rate Set Date by the Arranger in consultation with Manawa Energy, according to market convention, with reference to Bloomberg page 'ICNZ4' (or any successor page), expressed as a percentage per annum, adjusted for quarterly payments and rounded, if necessary, to the nearest 2 decimal places with 0.005 being rounded up.</p>								
<p>Interest payments</p>	<p>Interest will be payable quarterly in arrear in equal amounts on 8 March, 8 June, 8 September and 8 December of each year up to (and including) the Maturity Date. The first Interest Payment Date will be Thursday, 8 December 2022.</p> <p>If an Interest Payment Date is not a Business Day, the due date for the payment to be made on that date will be the next following Business Day and no adjustment will be</p>								

	made to the amount payable as a result of the delay in payment.
Manawa Energy's Early Redemption Option	<p>The Bonds are issued with an Early Redemption Option, meaning Manawa Energy may elect to redeem all the Bonds prior to the Maturity Date by giving Holders 15 Business Days' notice of the early redemption date.</p> <p>On early redemption, Manawa Energy will pay to each Holder an early redemption amount in respect of each Bond held by the Holder, which is equal to, in summary, the sum of:</p> <ul style="list-style-type: none"> • the greater of: <ul style="list-style-type: none"> - the Face Value of the Bond; and - a volume weighted average market trading price for the Bond, as determined in accordance with the Series Supplement; • all accrued but unpaid interest in respect of the Bond; and • any other amount due and payable in respect of the Bond. <p> Holders have no right to require Manawa Energy to redeem their Bonds prior to the Maturity Date, except if an Event of Default (as defined in the Trust Deed) occurs.</p> <p>If the Bonds are redeemed on a day that is not an Interest Payment Date, the amount of interest payable to Holders will be adjusted to reflect the number of days in the period in which the interest accrued prior to redemption.</p>
Guarantee	<p>The Bonds benefit from the cross guarantee provisions in the negative pledge deed originally dated 5 September 2016, as amended and restated on 10 November 2021 ("Negative Pledge Deed"). As at the date of this Terms Sheet, Manawa Energy is the only member of the Guaranteeing Group under the Negative Pledge Deed.</p> <p>In the Series Supplement, Manawa Energy has covenanted that:</p> <ul style="list-style-type: none"> • Total Tangible Assets of the Guaranteeing Group (being Manawa Energy and any subsidiary that is a guarantor under the Negative Pledge Deed) will at no time be less than 85% of the Total Tangible Assets of the Consolidated Group (being Manawa Energy and its Subsidiaries); and • for the 12 month period ending on each semi-annual test date, EBITDA of the Guaranteeing Group will not be less than 85% of EBITDA of the Consolidated Group.
Further indebtedness	Manawa Energy may incur finance debt (including bank debt or debt in respect of new bonds), without the consent of the Holders, while the Bonds are outstanding.
Financial covenant	<p>In the Series Supplement, Manawa Energy has covenanted to ensure that, on each semi-annual test date, Net Debt of the Consolidated Group divided by Total Tangible Assets of the Consolidated Group will not exceed 50%.</p> <p>The first test date for the financial covenant is 30 September 2022.</p>

<p>Negative pledge</p>	<p>In the Series Supplement, Manawa Energy has agreed that it will not create or permit to subsist any security interest over the whole or any part of its assets other than:</p> <ul style="list-style-type: none"> • in certain limited circumstances defined in the Series Supplement as Permitted Security; and • in addition to any Permitted Security, any security interest where the aggregate value of all of Manawa Energy's assets subject to the security interests does not exceed at any time an amount equal to 7.5% of the Total Tangible Assets of the Consolidated Group.
<p>Issue Price</p>	<p>\$1.00 per Bond (being the Face Value of each Bond).</p>
<p>Minimum application amount and denominations</p>	<p>The minimum application is \$5,000, with multiples of \$1,000 thereafter.</p>
<p>Record Date</p>	<p>5.00pm on the tenth calendar day before the due date for that payment (or, if that day is not a Business Day, the immediately preceding Business Day).</p>
<p>Who may apply and how to apply</p>	<p>Firm Offer All of the Bonds offered under the Firm Offer are reserved for clients of the Joint Lead Managers, institutional investors and other primary market participants invited to participate in the bookbuild. There is no public pool for the Offer.</p> <p>Accordingly, investors that are not otherwise eligible to participate in the Exchange Offer described below should contact a Joint Lead Manager, their financial adviser or any primary market participant for details on how they may acquire Bonds under the Firm Offer. Investors can find a primary market participant by visiting www.nzx.com/services/market-participants/find-a-participant.</p> <p>Each investor's financial adviser will be able to advise them as to what arrangements will need to be put in place for the investors to trade the Bonds, including obtaining a common shareholder number (CSN), an authorisation code (FIN) and opening an account with a primary market participant, as well as the costs and timeframes for putting such arrangements in place.</p> <p>Exchange Offer A re-investment option is available to New Zealand holders of MNW150 Bonds who may participate in the Exchange Offer by submitting an online application form.</p> <p>To be eligible to apply for Bonds under the Exchange Offer, you must have been a holder of MNW150 Bonds with a registered address in New Zealand at 5.00pm on Friday, 19 August 2022.</p> <p>If an eligible holder of MNW150 Bonds wishes to participate in the Exchange Offer, they</p>

can apply by submitting an online application form.

The size of the Exchange Offer is smaller than the aggregate amount of the outstanding MNW150 Bonds. If the Exchange Offer is oversubscribed, then Manawa Energy will scale applications using a methodology of its choosing. One of the factors that may be taken into account is the timing of when applications are received, and so holders of MNW150 Bonds wishing to apply for Bonds under the Exchange Offer should do so as soon as possible after they decide to participate in the Exchange Offer.

Successful Exchange Offer participants will be able to view their allocations on the Computershare investor website (www.investorcentre.com/nz) from the Issue Date of the Bonds. Holding statements will be sent to Exchange Offer participants on Monday, 12 September 2022, with the additional payment (referred to below) to be received by holders of MNW150 Bonds participating in the Exchange Offer to be made on Thursday, 15 September 2022.

The purchase price for each MNW150 Bond that is purchased by Manawa Energy under the Exchange Offer will be an amount equal to the sum of the Face Value of the MNW150 Bond (being \$1.00) and the additional amount described below. Any MNW150 Bonds purchased by Manawa Energy will be held as treasury stock until the MNW150 Bonds are repaid on their maturity date (15 December 2022).

If an investor applies for Manawa Energy to purchase some or all of their MNW150 Bonds and their online application is accepted, the part of the purchase price equal to the Face Value of each MNW150 Bond that is purchased will be retained by Manawa Energy and applied to pay the Issue Price of the Bonds that are to be issued to the investor under the Exchange Offer. This means:

- the investor will not need to make any separate payment for Bonds that are issued to them under the Exchange Offer;
- other than for the additional amount described below, no payment will be made to the holder of MNW150 Bonds for their bonds that are purchased by Manawa Energy; and
- the additional amount that will be included in the purchase price for each of the MNW150 Bonds that are purchased by Manawa Energy under the Exchange Offer (if any) will be an amount that is equal to interest on the MNW150 Bonds for the period from Wednesday, 15 June 2022 to (but excluding) the Issue Date of the Bonds. This amount (after the deduction of any applicable taxes) will be paid on Thursday, 15 September 2022.

The issue of Bonds and payment of the additional amount referred to above will satisfy Manawa Energy's obligation to a holder of MNW150 Bonds to purchase their exchanged bonds on the Issue Date.

If a holder of MNW150 Bonds decides not to participate in the Exchange Offer but still

wishes to apply for Bonds, or wishes to apply for Bonds in addition to their current holding of MNW150 Bonds, they can contact a Joint Lead Manager, primary market participant, or their usual financial adviser to participate in the Firm Offer.

If a holder of MNW150 Bonds has provided an email address for investor correspondence to the Registrar, they will receive an email on the Exchange Offer Opening Date (Friday, 26 August 2022) with an email link (www.manawaenergybond.co.nz). The email link will take the holder to a Registrar website with information on how to apply for Bonds in the Exchange Offer using the online application form. Participants must complete and submit the online application form by no later than 12.00pm on the Exchange Offer Closing Date (Friday, 2 September 2022).

Once an applicant submits an online application form for the Exchange Offer, they will no longer be able to sell or otherwise transfer those MNW150 Bonds to which their application relates. If their application (or part of their application) for the Exchange Offer is unsuccessful, the MNW150 Bonds pertaining to their unsuccessful application (or unsuccessful part of their application) will be available again to them to sell or otherwise transfer once the Exchange Offer has settled following the Issue Date.

Further details of the Exchange Offer application process, including the confirmations required to be provided by holders of MNW150 Bonds, is set out on the Registrar's website referred to above.

Applications may be refused

In relation to the Firm Offer, Manawa Energy reserves the right to refuse any application or to accept an application in part only, without providing a reason.

If Manawa Energy refuses any application under the Exchange Offer due to the applicant being ineligible or as a result of the scaling process referred to above, the MNW150 Bonds that will not be exchanged will continue until their maturity date in accordance with their existing terms and conditions.

Brokerage	<p>Applicants are not required to pay brokerage or any charges to Manawa Energy for an application under the Offer.</p> <p>Manawa Energy will pay brokerage of 0.50% plus a firm fee of 0.25% of the aggregate principal amount of Bonds issued. Such amounts will be paid to the Arranger who will distribute the funds to primary market participants and approved financial intermediaries as appropriate.</p>
Quotation on NZX Debt Market	<p>Manawa Energy will take any necessary steps to ensure that the Bonds are, immediately after issue, quoted on the NZX Debt Market. Application has been made to NZX for permission to quote the Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the distribution of this Terms Sheet have been duly complied with. However, NZX accepts no responsibility for</p>

	<p>any statement in this Terms Sheet. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the FMCA.</p> <p>NZX Ticker code MNW190 has been reserved for the Bonds.</p>
ISIN	NZMNWDT190C7.
Transfers	<p>Holders are entitled to sell or transfer their Bonds at any time subject to the terms of the Trust Documents, applicable securities laws and regulations and the selling restrictions set out below. Manawa Energy may decline to accept or register a transfer of Bonds for the reasons set out in the Trust Documents.</p> <p>No transfer of Bonds will be registered if the transfer would result in the transferee holding Bonds of less than the minimum holding of \$5,000 of Bonds (unless the transferee would then hold no Bonds).</p>
Selling restrictions	<p>The Bonds will only be offered for sale or sold in New Zealand in conformity with all applicable laws and regulations in New Zealand. No action has been taken or will be taken to permit a public offering of Bonds or possession or distribution of any offering material, in any jurisdiction other than New Zealand. Nothing in this Terms Sheet is to be construed as authorising its distribution or the offer or sale of the Bonds, in any jurisdiction other than New Zealand, and Manawa Energy accepts no liability in that regard. This Terms Sheet may not be published, delivered or distributed in or from any country other than New Zealand other than in conformity with all applicable laws and regulations of that jurisdiction.</p> <p>By subscribing for or otherwise acquiring any Bonds, each Holder agrees to indemnify Manawa Energy, the Supervisor, the Arranger, the Joint Lead Managers and their respective directors, officers, employees and agents for any loss, cost, liability or damages suffered as a result of an investor breaching the selling restrictions referred to above in this Terms Sheet.</p>
Governing law	New Zealand.

The dates set out in this Terms Sheet are indicative only and are subject to change. Manawa Energy has the right in its absolute discretion and without notice to close the Firm Offer and / or the Exchange Offer early, to accept late applications, to extend the Firm Offer Closing Date and / or the Exchange Offer Closing Date or to choose not to proceed with the Offer. If either closing date is extended, subsequent dates may be extended accordingly. If Manawa Energy chooses to cancel the Offer and the issue of the Bonds, all application monies received will be refunded (without interest) as soon as possible.

Any internet site addresses provided in this Terms Sheet are for reference only and, except as expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Terms Sheet.

None of the Arranger, Joint Lead Managers nor any of their respective directors, officers, employees and



MANAWA ENERGY

agents: (a) accept any responsibility or liability whatsoever for any loss arising from this Terms Sheet or its contents or otherwise arising in connection with the Offer of the Bonds; (b) authorised or caused the issue of, or made any statement in, any part of this Terms Sheet; and (c) make any representation, recommendation or warranty, express or implied, regarding the origin, validity, accuracy, adequacy, reasonableness or completeness of, or any errors or omissions in, any information, statement or opinion contained in this Terms Sheet, and accept no liability (except to the extent such liability is found by a court to arise under the FMCA or cannot be disclaimed as a matter of law).

Copies of the Trust Documents are available at Manawa Energy's website at www.manawaenergy.co.nz/share-and-bondholder-information.

Investors should seek qualified independent financial and taxation advice before deciding to invest. In particular, investors should consult their tax adviser in relation to their specific circumstances. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations or tax filing obligations).

For further information regarding Manawa Energy, visit www.nzx.com/companies/MNW.

Address details

Issuer

Manawa Energy Limited
108 Durham Street
Tauranga 3110

Registrar

Computershare Investor Services Limited
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Takapuna
Auckland 0622
Private Bag 92119
Auckland 1142

Arranger and Joint Lead Manager

ANZ Bank New Zealand Limited
Level 10, ANZ Centre
171 Featherston Street
Wellington 6011

Joint Lead Managers

Craigs Investment Partners Limited
Level 32, Vero Centre
48 Shortland Street
Auckland 1010

Forsyth Barr Limited

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35 The Octagon
Dunedin 9016

Supervisor

Trustees Executors Limited
Level 5 Spark Central
70 Boulcott Street
PO Box 10-519
Wellington 6143

Legal advisers to Manawa Energy

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Vero Centre
48 Shortland Street
Auckland 1140