ASX Release

Infigen

Level 17, 56 Pitt St,
Sydney NSW 2000
Australia

T 02 8031 9900
infigenenergy.com

Infigen Energy Ltd
ABN 39 105 051 616

Infigen Energy Trust
ARSN 116 244 118

20 August 2020

Appendix 4E and 2020 Annual Report

Attached are the following reports relating to Infigen Energy (ASX: IFN):

- Appendix 4E (Preliminary Final Report for the year ended 30 June 2020)
- Infigen Energy 2020 Annual Report

Ends

This announcement was authorised by: Managing Director and Chief Executive Officer, Ross Rolfe AO.

For further information please contact:

Peter Campbell
General Manager, Investor Relations
Peter.Campbell@InfigenEnergy.com
+61 403 936 030

About Infigen

Infigen is leading Australia to a clean future, today. Our strategy is to provide Australian businesses with firm supplies of reliable and competitively priced clean energy.

We generate renewable energy from our fleet of owned wind farms. We also source renewable energy from our portfolio of contracted assets. We manage intermittency risk with our fast start assets, enabling us to provide our customers with firm prices and firm volumes for renewable energy.

For more information, please visit: www.infigenenergy.com

INFIGEN ENERGY

Appendix 4E – Preliminary Final Report for the year ended 30 June 2020

Name of entity:	**Infigen Energy (ASX: IFN), a stapled entity comprising Infigen Energy Limited ('IEL') (ABN 39 105 051 616) and Infigen Energy Trust ('IET') (ARSN 116 244 118)**

Reporting period

Current Period:	1 July 2019 – 30 June 2020
Previous Corresponding Period:	1 July 2018 – 30 June 2019

Results for announcement to the market

	% Movement	30 June 2020 $'000	30 June 2019 $'000
Revenues from ordinary activities	Up 13.9%	293,186	257,506
Profit from ordinary activities after tax attributable to members	Down 91.5%	3,457	40,891
Net profit for the period attributable to members	Down 91.5%	3,457	40,891

Dividends or distributions

Infigen did not declare a distribution in relation to the six-month period ended 30 June 2020 (six-month period ended 30 June 2019: 1 cent per security). On 17 June 2020, the Infigen Board determined not to pay a distribution in relation to the six-month period to 30 June 2020, and on 3 August 2020, the Infigen Board determined to suspend distributions indefinitely.

Net tangible asset backing per security

	30 June 2020	30 June 2019
Net tangible assets per stapled security[1]	51 cents	50 cents

Associates and joint venture entities

Name of entity	Percentage holding	
	30 June 2020	30 June 2019
Forsayth Wind Farm Pty Limited	50%	50%
Infigen Suntech Australia Pty Limited	50%	50%
RPV Developments Pty Limited	32%	32%

Change of control of Infigen

On 5 August 2020, Iberdrola Renewables Australia Pty Limited attained a greater than 50% voting power in Infigen giving it effective control of Infigen. Please refer to the Annual Report for further details of the change of control.

Control gained over entities during the period

Nil.

Control lost over entities during the period

Nil.

For all other information required by Appendix 4E, please refer to the following documents lodged with the Australian Securities Exchange (ASX) on 20 August 2020:

- ASX Release
- Annual Report
- Annual Results Presentation

[1] FY20 Net tangible assets accounts for lease right-of-use assets. Prior years disregarded lease right-of-use assets as AASB 16 *Leases* had not come into effect.

Infigen

Annual Report
2020

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Front page:
Turbines in the mist
Lake Bonney Wind Farm, South Australia

Our Business Value Drivers In Context

Our Strategy

We generate and source renewable energy

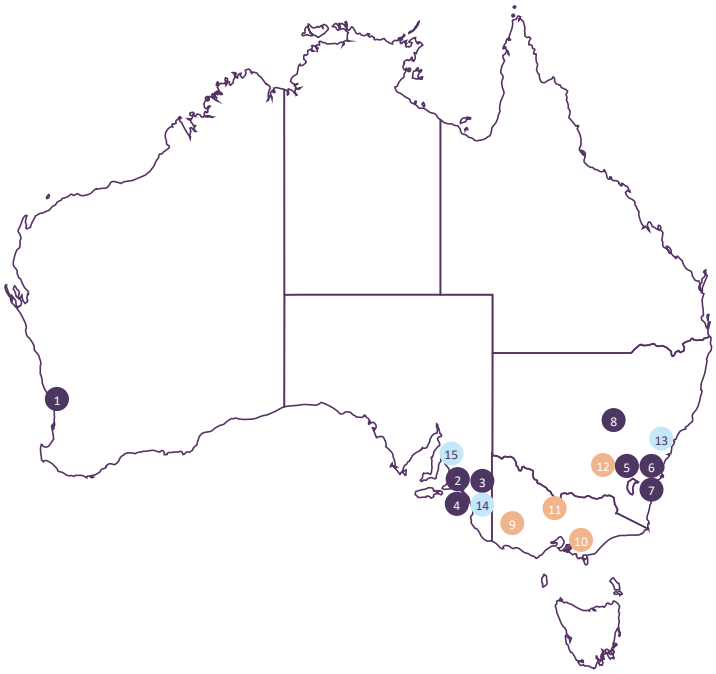
We add value by firming

We provide customers with reliable clean energy

Our Assets

Asset		Nameplate Capacity (MW)	State	
Owned Renewable Energy Assets				**Commercial Operation Date**
1	Alinta Wind Farm	89.1	WA	Jul 2006
2	Lake Bonney 1 Wind Farm	80.5	SA	Mar 2005
3	Lake Bonney 2 Wind Farm	159.0	SA	Sept 2008
4	Lake Bonney 3 Wind Farm	39.0	SA	Jul 2010
5	Capital Wind Farm	140.7	NSW	Jan 2010
6	Capital East Solar Farm	0.1	NSW	Sept 2013
7	Woodlawn Wind Farm	48.3	NSW	Oct 2011
8	Bodangora Wind Farm	113.2	NSW	Feb 2019
Contracted Renewable Energy Assets				**Contract Start Date**
9	Kiata Wind Farm	31.1	VIC	Sept 2018
10	Toora Wind Farm	21.0	VIC	Jan 2020
11	Cherry Tree Wind Farm	57.6	VIC	Jul 2020
12	Collector Wind Farm	136.0*	NSW	Expected H1FY21
Total Renewable Energy Assets		**915.6**		
Firming Assets				**Acquisition/Commercial Operation Date**
13	Smithfield OCGT	123.0	NSW	Acquired May 2019
14	SA Battery	25MW/52MWh	SA	Dec 2019
15	South Australian Gas Turbines	120.0	SA	Expected Q1FY21

* Infigen contracts 60% of the output of the 227MW Collector Wind Farm.



- Owned Renewable Energy Assets
- Contracted Renewable Energy Assets
- Firming Assets

Our Business Value Drivers

Our Purpose

Our Values

01. Our People

The safety, wellbeing, engagement and retention of our people.

02. Our Customers

The satisfaction, retention, diversification and growth of our customer base.

03. Our Communities

The maintenance of community support and relations.

04. Our Environment

The conservation of our natural environment on a global and local scale.

05. Our Supply Chain

The continuation of a stable and responsible set of suppliers and contractors.

06. Our Regulators

Fostering a predictable policy environment with a holistic approach to emissions, reliability and prices.

07. Our Financial Stakeholders

The generation of appropriate risk adjusted returns from the successful execution of our business strategy which in turn generates continued support for further growth.

Our Strategy

Renewables

Firming

Our Performance in FY20

Reliable Clean Energy

01. Our People

- **Safety**: 1 LTI in October 2019; LTIFR of 2.27
- Employee Net Promoter Score of +68

02. Our Customers

- C&I customer load growth of 30%.
- Innovative partnership with Swinburn Uni.

03. Our Communities

- Delivering our Bushfire Relief Plan.
- Developing broader sustainability plans with local communities.

04. Our Environment

- 99% of generation renewable in FY20
- Voluntarily offset 20% of FY20 emissions

05. Our Supply Chain

- Mapped over 200 suppliers ahead of Modern Slavery Reporting
- Supporting our suppliers through COVID-19.

06. Our Regulators

- 16 Regulatory Submissions
- Submissions published on Infigen's website for transparency.

07. Our Financial Stakeholders

- EBITDA of $163.3m
- Recommended takeover offer at 92 cps.

Business Risks and Mitigants

The Board is responsible for establishing and overseeing Infigen's risk management framework. The Board has delegated oversight of the risk management framework to the Audit, Risk and Compliance Committee (ARCC).

Our Enterprise Risk Management (ERM) framework governs the identification, management and escalation of risk to ensure that those with the potential to have a material effect on the business are eliminated or mitigated. Key pillars of the ERM framework include:

- Infigen's Risk Appetite Statement, which establishes the level of risk that the business will accept, tolerate or avoid in pursuit of its business strategy.
- Regular reporting to the ARCC which outlines the nature of the risk, the risk owner and the current internal controls that control or mitigate these material risks.

To implement the ERM, Infigen operates a Three Lines-of-Defence Model. The first line of defence is the Executive Leadership Team who are responsible for each of their business functions. The second line of defence is separate and independent oversight, for example facilitated by the Energy Risk Management Committee, Health and Safety Committee and Treasury Risk Management Committee. The third line of defence is internal and external audit, reporting directly to the Board and the ARCC.

The key risks to Infigen achieving its financial, operational and strategic objectives are outlined below. Failure to manage or control these risks may result in adverse reputational, financial or operational impacts to Infigen.

RISK AND DESCRIPTION	OUR APPROACH
01. Our People	
Safety and wellbeing Work related injury, harm, illness or loss of life among our people.	- Our priority is the safety and wellbeing of our people. - Hierarchy of controls to reduce or eliminate risk: engineering, protective equipment and behavioral protocols. - Regular review of safety by the Board, the ARCC, and the Health and Safety Committee. - Safety is a gateway factor considered by the Board in the award of any incentive payments. - Safety training that is fit for purpose is provided to all our employees. - Infigen's head office staff have been working remotely, and site staff practicing social distancing protocols during the COVID-19 crisis. Numerous initiatives were employed to maintain the engagement and wellbeing of our people during this time.

RISK AND DESCRIPTION	OUR APPROACH
Employee engagement and retention Continued creation of security holder value requires high levels of engagement from our people and retention of high performing staff.	- Personalised training and development plans for all employees. - Half yearly employee engagement survey with outcomes informing future programmes supplemented by short "pulse" surveys on specific items. - Regular employee briefings, information sharing and education sessions. - Infigen remains focused on engaging and retaining our high-performance team during the COVID-19 crisis. Staff engagement and motivation has been regularly monitored and remains very high during this time and while remote working.
02. Our Customers	
Customer satisfaction Customer satisfaction, retention and growth are critical to our business success.	- Substantial investment in people and systems with the intention of exceeding customer expectations. - Personal relationship managers providing bespoke energy solutions. - Continued product development that responds to and drives changing customer demands for energy.
03. Our Communities	
Community support We require strong relationships with the communities in which we operate.	- Extensive consultation with local communities, following the Observations and Recommendations of the Australian National Wind Farm Commissioner, supplemented by the Clean Energy Council's Community Engagement Guidelines. - Structured landholder engagement practices throughout our assets' life cycles. - Regular financial contributions to our communities. - Complaints hotline allowing issues to be raised and addressed. - Local employment promoted at our sites. - Reconciliation Action Plan initiated in FY20. - Establishing site specific sustainability strategies, providing remote and regional communities opportunities to voluntarily participate in wildlife regeneration and sustainable land management practices.
04. Our Environment	
Acute and chronic environmental risks Changing climate and weather patterns may affect our operating assets and business performance.	- Transforming environmental risks into long term opportunities is core to our business strategy. - Board approved Enterprise Risk Management framework seeks to identify and manage risk. - Climate related risks are considered in our annual budget and in major capital allocation decisions. - Implementation of The Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD), including scenario and sensitivity analysis.

RISK AND DESCRIPTION	OUR APPROACH
Environmental conservation and biodiversity Our assets are predominantly in rural and regional Australia. The development and operation of our assets may adversely affect the environment.	- Regularly monitor the effect of existing assets and evolve responses to emergent risks. - Seek to develop assets in areas where minimal disruption is expected to occur. - Ensure developments have robust and enforced environmental management plans. - Targeting carbon neutrality for the entire business by FY25. - Support land holders and regional communities in the voluntary adoption of sustainable environmental practices helping to further their social and economic goals.
05. Our Supply Chain	
Dependency on critical suppliers Our business relies upon a compliant and ethical supply chain to operate sustainably.	- Mapped over 200 major suppliers by financial expenditure. - Use of multinational original equipment suppliers for the largest supplies - which have robust and verifiable supply chain management processes. - Ongoing monitoring of human rights, modern slavery, compliance with sanctions, and compliance with anti-money laundering, corruption and bribery standards. - Supporting our suppliers through COVID-19.
06. Our Regulators	
Policy change Our business may be affected by the policy positions taken by Government and Regulators, including their preparedness to disregard 'competitive neutrality' as a fundamental operating principle underpinning the energy markets.	- Proactive articulation of the important role that clean energy will play in Australia's future. - Regular evaluation of the effect of potential changes to energy policy on Infigen's operations, finances and strategy. - Proactive engagement with regulatory bodies, rule makers, and policy makers focused on providing constructive contributions to future energy market design and strongly advocating for the importance of competitive neutrality to efficient market operation.
07. Our Financial Stakeholders	
Operational performance Our operating assets may fail to perform as expected. Our development projects may experience cost overruns or delays. Our development pipeline may not generate the returns we anticipate.	- Long term operations and maintenance agreements exist for all our owned wind farm assets with international OEMs providing availability and performance guarantees and financial incentives for surpassing performance targets. - Safe COVID-19 work practices implemented to ensure continued maintenance of operating assets (including existing spare parts inventory at sites) and progression of development assets. - Competent and experienced group of site managers to oversee operational performance. - Our development portfolio is tested at least annually for impairment.

RISK AND DESCRIPTION	OUR APPROACH
Competition from new technology Potential for new technologies to disrupt market and impact economics of incumbent generators.	- Emerging technologies are monitored and expert advice sought as appropriate. - Investment in new technologies, such as the SA Battery, progressed where appropriate. - Strong technical, quantitative and commercial capability to understand new technologies and their potential benefit to Infigen's portfolio.
Energy market risk Production outcomes and our contracting strategies affect overall business outcomes.	- Energy market activities are governed by the Board approved Energy Portfolio Risk Policy and Treasury Risk Management Policy which seek to balance risk and security holder value. - New customer contracts are analysed extensively prior to execution to understand portfolio implications. - Daily monitoring of positions occurs to ensure compliance with policies and defined risk parameters. - Highly experienced quantitative energy markets team with extensive expertise in market dynamics relating to the supply of energy.
Cyber security Breach may result in data theft, financial loss, or damage to our equipment.	- Program aligned to Australian Energy Sector Cyber Security Framework (AESCSF). - Regular reviews of dynamic threat environment. - Employee training. - Business Continuity Plan and Disaster Recovery Plan.
Capital management Capital is essential to support growth of our business. Liquidity is essential to support our energy markets activities.	- Board approved Capital Management Strategy balances returns to security holders, continued deleveraging and accretive growth. - Infigen is closely monitoring the current capital markets and the limitations caused by COVID-19, to identify potential impacts on the Capital Management Strategy. - Capital allocation is driven by the objective of creating security holder value over the short, medium and long term. - Regular market engagement ensures currency of information and relationships to support the business. - Liquidity is regularly reviewed and governed by the Board approved Treasury Risk Management Policy.
Compliance We are subject to a broad range of legal, regulatory and contractual obligations.	- Board approved Compliance Policy creates a framework to assure compliance. This is supported by the Code of Conduct and staff training. - Externally monitored "whistle-blower" policy and hotline. - Centralised electronic risk management platform with related dashboards and alerts.
Governance High governance standards are required to manage business opportunities and risks.	- Infigen's diverse board has the skills and experience to guide Infigen's strategy.

SAFETY

Infigen's first priority is the safety of the people and communities in which it operates. Infigen is committed to achieving its goal of zero harm.

Infigen adopts a combination of engineering solutions, as well as human practices and behaviours, to reduce or eliminate safety risks from its operating assets. Individual responsibility, for oneself and one's colleagues, is at the core of our organisational values and drives our efforts to continuously improve our safety performance.

Throughout Q4FY20, Infigen's head office staff worked remotely, and site staff implemented social distancing protocols in response to COVID-19.

Safety performance

Twelve-months ended	30 June 2020	30 June 2019	Change
Lost Time Injury (LTI)	1	-	1
Lost Time Injury Frequency Rate (LTIFR)	2.3	-	2.3
Total Recordable Injury Frequency Rate (TRIFR)	14.4	8.7	5.7

There was one recorded lost time injury at one of Infigen's sites for the twelve-months ended 30 June 2020.

The Lake Bonney 1 and Alinta Wind Farms continue as +11 years LTI free.

In FY20 Infigen refocussed on the requirements to ensure it creates safe work environments having regard to the manner in which it controls its increasingly different workplaces. The way in which Infigen discharges its duty of care is different in different factual circumstances. Where Infigen is in direct control of a workplace it has primary responsibility for all safety related initiatives. Where Infigen has engaged a suitably qualified experienced O&M provider with day to day control of the workplaces, Infigen is responsible for overseeing and monitoring the contractor's performance. Infigen works actively to continually improve the safety of the environments in which all our staff and contractors work.

CHAIRMAN & MANAGING DIRECTOR'S REPORT

Dear Infigen Security Holder,

Since we wrote to you last year, Australians have faced a squadron of challenges.

In the spring of 2019, the Bureau of Meteorology stipulated that the drought in Australia's east may have been the worst since Federation. In the summer, the drought culminated in a catastrophic bushfire season where 15 million acres were burnt, 30 lives lost, and more than 3,000 properties destroyed. In the autumn, just as some rains arrived, Australians were forced into lock-down by the COVID-19 pandemic. This has subsequently evolved into the most socially and economically devastating viral outbreak since the Spanish Flu – early in the twentieth century. Today, unemployment is heading menacingly towards 10%, and Australia is in recession, the first in almost three decades.

These developments have, of course, had a substantial impact on energy markets in general, and the electricity market in particular.

At the start of FY20, east coast gas prices were approximately A$9/GJ, export coal prices were around US$70/t and crude oil prices were approximately US$65/Bbl. Just twelve months later, each of these prices have declined by approximately a third. This decline in global energy prices has impacted the domestic electricity market. Despite east coast gas prices trading below full-cycle costs, the historic correlation between gas prices and forward electricity prices in the National Electricity Market (NEM) has continued. When combined with a decline in electricity demand of approximately 2% during the COVID-19 period, the overall result has been a reduction in wholesale electricity prices of 15-25%.

During this same period, (fortunately), the extent of this impact has been modified to some extent by a slower rate of decline in LGC prices than previously forecast. The market price for LGCs in CY21 has, for example, doubled over the course of FY20 and are currently trading at $30 per certificate. This trend in LGC prices is due to a combination of reduced supply (reflecting delays in third party renewable projects) and increased customer demand for green energy.

The uncertainty of the outlook for the viral spread is inexorably impacting Australian and global industries and influencing market confidence and sentiment – causing significant economic disruption for what is likely to be a prolonged period.

In these circumstances, while we remain confident that market fundamentals will likely produce a recovery in electricity prices in the medium term, the timing and extent of that recovery is beyond our predictive capability.

Against this uncertain backdrop and in these extremely challenging conditions, the Board and Management moved early and quickly to implement a range of strategic measures to protect and grow value for our security holders.

First, as always, we prioritised the safety and wellbeing of our people. At our operating sites, we have adopted a combination of split shifts and social distancing. Our head office staff, with very limited exceptions, have been working from home since 16 March 2020, prior to any government directives. To date, these working arrangements have had no notable impact on our operations or our ability to serve our customers. We have also implemented a diverse set of employee engagement initiatives designed to help our high-performance team to thrive in the remote workplace. It is pleasing to see that these initiatives – which are often employee led and utilise the extensive capability of modern communications technology – are yielding the desired results. In our most recent "employee pulse" survey, our people reported an Employee Net Promoter Score of +68 and a current motivation of 85%, based on the survey participation of 91% of our workforce.

Second, given the high level of social and economic uncertainty, we increased our level and tenor of our sales contracting to the extent possible and economic. In addition, we decided to take stock of, but not abandon, our near-term growth ambitions. Adopting a precautionary approach to cash management and market uncertainty, we have therefore deferred the relocation of the South Australian Gas Turbines (SAGTs) to CY22 as well as the Final Investment Decision with respect to Flyers Creek Wind Farm in NSW – pending a clearer indication of the timing and trajectory of economic recovery. To that end, we are also approaching cautiously the procurement of additional nameplate renewable energy capacity as we gain a clearer appreciation of the likely broader economic outlook. That said, our long-term strategy is based on industry and market fundamentals, which remain unchanged. We therefore remain committed to the growth strategy and we will move quickly as compelling opportunities arise. The timing and rate of implementation will necessarily take account of the risks and opportunities that emerge over the near to medium term.

Third, in FY20 we continued to deliver and de-risk our transformation into the utility of the future. As we have shared with you before, the utility of the future combines low cost, but intermittent, renewable energy with flexible, fast-start firming assets. Together, these assets enable us to provide customers with electricity that is at once affordable, reliable and clean. In FY20, we made important progress delivering this strategy. We had our first full year of operation at Smithfield OCGT which, both on an operational and commercial front, performed in line with expectations at acquisition. We also completed the SA Battery, an asset which has been performing very strongly. This was most observable during the "islanding" of the SA market in February 2020 when revenues from the SA Battery substantially offset the impact of the curtailment of the Lake Bonney Wind Farms. During FY20 we also agreed to lease 120MW of fast-start equipment from the SA Government for a period of 25 years. One of our highest priorities for FY21 is commencing the lease of that equipment and operating those assets commercially at their existing site in Lonsdale, SA. They will remain there until we relocate them to their permanent site at Bolivar on the outskirts of Adelaide. This is currently expected to occur in CY22.

Fourth, in FY20 we continued to deliver growth in our renewable energy generation. During the period, our renewable energy generation sold increased by 10% compared to FY19 - aided by a full year contribution from Bodangora Wind Farm (Owned) and Kiata Wind Farm (Contracted). We also positioned ourselves for continued growth in renewable generation beyond FY20 by entering into long term Power Purchase Agreements to receive the production from the Collector Wind Farm in New South Wales and the Toora Wind Farm in Victoria. Together these represent approximately one quarter of the 600-700MW renewable capacity growth target announced in 2019. In FY20, approximately 99% of our generation was renewable and we voluntarily offset 20% of our Scope 1 and Scope 2 CO_2 emissions attached to our business as a whole. We believe we are demonstrating that renewable energy can and will be the preponderant source of reliable electricity supply in Australia.

Fifth, in FY20 and into early FY21, folllowing an extended period of engagement, Infigen agreed a friendly change of control transaction with Iberdrola Renewables Australia Pty Limited (Iberdrola). The proposed off market takeover offer by Iberdrola is unanimously recommended by Infigen's Board. As outlined in Infigen's Target's Statement, the Board believes the cash offer of 92 cents per Infigen stapled security provides a sound balance of value and certainty for Infigen security holders. The 92 cent offer is at:

- a substantial premium of 56% to Infigen's undisturbed security price on 2 June 2020;
- an 82% premium to the 3 month VWAP;
- a 56% premium to the 6 month VWAP; and
- a 37% premium to the mean sell-side analyst price target

all as at that undisturbed date.

Iberdrola is the world's largest wind producer by volume and one of the world's largest electric utilities by market capitalisation. Like Infigen, Iberdrola is committed to decarbonisation, sustainability and the

creation of shared value for all stakeholders. Under Iberdrola's stewardship and with their substantial resources and expertise, we are well positioned to accelerate the delivery of our strategy to contribute to a more sustainable, competitive and customer-centric electricity market in Australia based on the generation of electricity from renewable technologies.

In closing, we would like to extend our thanks to all those who have made these achievements possible in a year characterised by significant uncertainty and rapid change. The engagement of our customers, the guidance of our Board, the tireless efforts of our staff, and the strong support of you, our security holders, have each been critical to our success in FY20.

With sincere regards,

Len Gill

Chairman

Ross Rolfe AO

Chief Executive Officer/
Managing Director

Chairman's addendum

On behalf of the Board, I would like to acknowledge the outstanding leadership of Ross Rolfe and the support and contribution of his leadership team since Infigen began its transition journey in 2016 and during FY20. The business has been transformed from a series of quality wind assets into a substantial energy utility, which supplies "firmed" renewable energy to meet the needs of industrial and commercial customers.

Pleasingly this has resulted in attracting the interest of major global renewable energy company, Iberdrola, resulting in a change of control transaction which will accelerate the ability for Infigen to grow.

L. F. Gill

Len Gill

Chairman

DIRECTORS' REPORT

Operating and Financial Review

This Operating and Financial Review (OFR) forms part of the Directors' Report. The OFR contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events and future financial prospects. Such statements are not statements of fact, and there can be no certainty of their outcome.

Change in Control

In August 2020, Iberdrola acquired an interest in Infigen stapled securities in excess of 50%, resulting in an effective change in control. Iberdrola is entitled to cast a majority of votes at a general meeting, allowing it to control the composition of the Boards, control the strategic direction of Infigen and determine Infigen's distribution and capital allocation policies. Iberdrola is entitled to appoint the directors to the Boards but under the terms of the Bid Implementation Agreement it has agreed to retain two independent directors while Infigen remains listed. Infigen expects that such appointments will occur shortly after the signing of these accounts. Accordingly, Iberdrola is now able to change the future strategic direction of Infigen, otherwise described in this Directors Report. Iberdrola stated in the Iberdrola Bidder's Statement dated 24 June 2020, that it intends to conduct a thorough and broad-based general strategic review of Infigen's corporate structure, assets, businesses, personnel and operations. Additional detail is provided in the section headed Significant Events and Matters.

Strategy and Growth

Infigen is leading Australia to a clean future, today. Infigen generates and sources renewable energy, adds value to renewables through firming, and, in so doing, provides customers with reliable and competitively priced clean energy.

This strategy is enabled by Infigen's investments in physical firming capacity, namely the Smithfield OCGT located in Western Sydney, the SA Battery, located near Millicent, South Australia (SA) and the SAGTs in SA where the 25 year lease is expected to commence in Q1FY21. These flexible, fast-start assets allow Infigen to manage the risks associated with the delivery of fixed volumes and prices from intermittent renewable energy sources.

This strategy also enables Infigen to grow nameplate renewable energy capacity by 600-700 MW, with 70-80% of this expanded generation able to be sold under medium to long term contracts. This increases the reliability of revenues and improves quality of earnings. As at 30 June 2020, Infigen had delivered 246MW of this 600-700MW target and is currently 71% contracted for its expected Renewable Energy Generation in FY21.

Increasing Contracting to Improve Quality of Earnings

Infigen sells electricity through three channels to market:

(1) C&I Customers, where Infigen sells renewable energy in firm volumes at a fixed price to customers contracting for reliable clean energy;

(2) PPAs, where Infigen sells renewable energy on a run of plant basis at a fixed price; and

(3) Merchant markets, where Infigen sells the energy into spot electricity markets. This energy can be produced from Infigen's renewable energy assets or its physical firming assets. This channel includes ancillary revenues, costs related to energy market participation and is presented net of electricity purchases from both spot markets and Contracted Assets.

C&I sales are medium to long-term contracts where specific customers contract their electricity load with Infigen at the agreed contract price. Infigen's sales through this channel therefore have limited price and volume risk. However, Infigen must manage the cost of firming, a factor reflected in Infigen's Merchant channel. C&I contracts may have inflation (CPI) escalators.

PPA sales occur under agreements where Infigen receives a fixed price for intermittent renewable energy production. Infigen's sales through this channel therefore have production risk (depending on wind

conditions) but not price and generally no delivery risk. PPA sales contracts generally have CPI escalators.

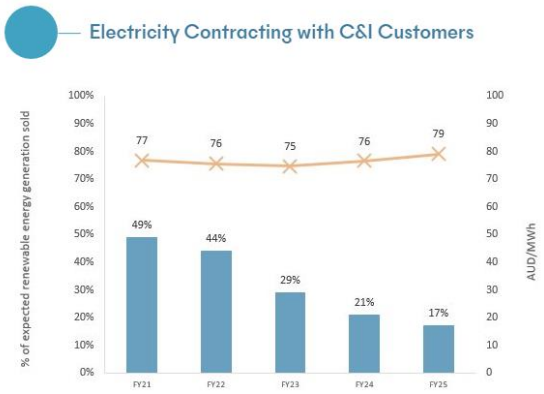
Merchant revenue includes:

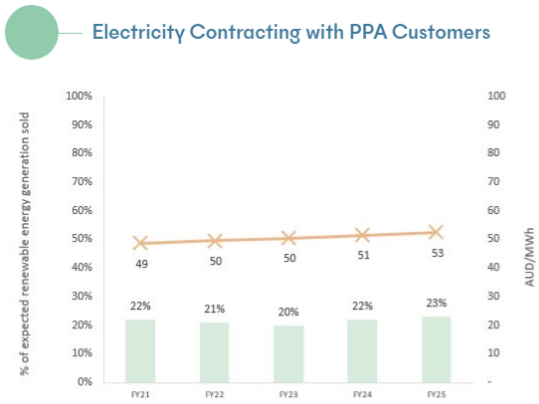
- spot electricity sales and purchases, and purchases of electricity from our Contracted Assets;
- hedge costs and benefits; and
- net revenues relating to Infigen's firming assets, the SA Battery, Smithfield OCGT and, going forward, the SAGTs.

These diversified sources of revenue enable Infigen to sell intermittent renewable energy to C&I Customers contracting for firm load.

In FY21, Infigen's Merchant revenue will be influenced by a higher level of electricity purchases from Infigen's Contracted Asset portfolio which will include additional volumes purchased from:

- Toora Wind Farm;
- Cherry Tree Wind Farm; and
- Collector Wind Farm.





Based on contracting levels and expected renewable energy generation as at 20 July 2020.

In addition to its electricity sales, Infigen generates revenue from the sale of LGCs. LGCs originated with Australia's Renewable Energy Target ("RET") established in 2003. The value of LGCs is determined by market-based trading, which takes into account their supply, demand and a legislated surrender obligation each calendar year to 2030. In FY20, Infigen realised an average price of $56.3 for its LGCs sold. In FY21, Infigen has contracted 100% of its expected LGCs at an average fixed price of $34 per LGC. The lower average price in FY21 reflects changing market conditions, including increased LGC supply from new entrant renewable energy assets.

Development

Infigen's development pipeline consists of several high-quality projects with opportunities to create security holder value. These projects include:

(1) Flyers Creek Wind Farm: a c140 MW project located 20km south of Orange, NSW, with the potential to generate approximately 450 GWh per year.

(2) Woakwine Wind Farm: a c300 MW project located near Lake Bonney, SA, with the potential to connect into the Victorian grid.

(3) Capital 2 Wind Farm: a c100 MW expansion adjacent to the Capital Wind Farm at Lake George, NSW.

Of these projects, Flyers Creek Wind Farm is the highest near-term priority. The timing of any Final Investment Decision will be assessed in the context of the electricity demand outlook and the anticipated timing of a return to normal market conditions.

Infigen believes the future of the NEM continues to lie in low cost renewable energy, supported by physical firming assets such as batteries, gas peakers and hydroelectric facilities. This view is also supported by the Australian Energy Market Operator in its Integrated System Plan. As the NEM evolves, Infigen expects the value of its development pipeline to be realised. The pace of this development and the sequencing of particular projects will depend upon the relative merits of each project in terms of the competitiveness of its price and ability to provide the greatest contribution to business value.

Operational Highlights

Infigen's fleet of owned operating wind farm assets continued its strong performance with the overall fleet performance exceeding budgeted availability and production targets. Total turbine availability was 95.8%.

The long-term service and maintenance contracts in respect of all owned wind farms provided high availability and continued to demonstrate the value of the contracting structure with our service providers who are our long-term partners in respect of the operations and performance of the wind farms.

FY20 was the first full-year period with a full contribution from Smithfield OCGT. The asset generated 26 GWh, reflecting a 2% capacity utilisation factor for the period. Output from Smithfield OCGT is highly variable, with annual capacity utilisation expected to be in the range of 2-8%. Smithfield OCGT complements Infigen's renewable energy portfolio and customer contracting strategy. Its economic contribution to Infigen is not necessarily related to our generation.

In FY20, Infigen's 25 MW/52 MWh battery in SA commenced operating at full capacity in late CY19 and made its first revenue contribution in FY20. The value of the battery to the portfolio was highlighted in Q3FY20 when market intervention prevented the Lake Bonney Wind Farms exporting energy for 15 days but the battery was able to strongly contribute to replacement revenue through its participation in the frequency control ancillary services market which was also dislocated at the time of market intervention and constraint. The asset is participating in all energy and FCAS markets and is currently performing above management's expectations at Final Investment Decision.

Infigen expects its lease of the SAGTs to commence in Q1FY21. The four units, totalling 120 MW, will operate at their existing site, Lonsdale, SA, until they are relocated to Bolivar, SA. The relocation budget is broadly in line with Infigen's transaction announcement in August 2019. Infigen currently expects relocation to occur in CY22.

National Energy Policy and Energy Market Rules

Infigen continues to engage with the Federal and State Governments and relevant regulators that influence the operation of the markets in which Infigen actively participates. We remain committed to working constructively with all stakeholders to deliver an efficient transition to a future energy market that offers affordable, reliable, clean supplies of energy to Australian consumers. Central to the ability of the energy market to achieve this transition at the lowest cost to the consumer is the emergence of a coherent and consistent national energy policy that is informed by economics and engineering.

It is important to note that a viable, long term national policy needs to contemplate the system as a whole. Generation, transmission and distribution networks and retail function as an ecosystem. Hence it is important that the market can make commercial assessments of the most viable long-term investment response to market opportunities – without fear that the economics of projects will be undermined by new policy initiatives of government that defy the gravity of market principles. Uniform, nationally consistent policy that is designed to enable a healthy market-based response to customer needs will ensure long term competitiveness of the supply of energy – given the quality and abundance of our resources.

Policy discontinuity continues to pose challenges for participants in the Australian electricity market. While Infigen welcomes reforms that improve market design and customer outcomes, ongoing policy change provides an uncertain environment for the deployment of growth capital into new generation. Initiatives such as the federal government's Underwriting New Generation Investment plan (UNGI), the Coordination of Generation and Transmission Investment (COGATI) reform, and the ongoing Energy Security Board post 2025 market design consultation, create material uncertainties for new entrants. In Infigen's negotiations to contract offtake under long-term renewable PPAs, achieving agreement between the parties requires the agreed allocation of unknown risks, a factor that ultimately results in the delay of new renewable projects entering the market.

Infigen will continue to work with government policy makers, industry participants and regulators to deliver a stable, market based, policy environment which is underpinned by transparent rules. If this can be achieved Australia is well placed to deliver a world class energy industry that realises the potential value of its abundant and infinite supply of renewable energy to support a globally competitive domestic economy.

Impact of COVID-19 on operations

COVID-19 has been a dramatic event affecting all aspects of Australian social and economic life. Although Infigen's business continues to demonstrate operational resilience to the pandemic, the decline in domestic economic activity and fuel prices is having a substantial impact on electricity prices and Infigen's near-term earnings outlook.

The combined forces of lower domestic economic activity and lower global energy prices have contributed to a substantial step down in spot and forward prices for wholesale electricity. However, Infigen's proactive contracting strategy for electricity and LGCs moderates the impact of these factors. The reduction in forward electricity prices over recent months is illustrated in the table below:

Wholesale Baseload Electricity Prices (AUD/MWh)				
	FY20	FY21	FY22	FY23
NSW	79	55	54	54
SA	73	62	52	50
VIC	84	64	52	46

Source: Australian Energy Regulator (AER), as at 29 July 2020

The rate and pace of Infigen's growth has been re-calibrated to reflect the changed economic circumstances.

Infigen's Management and the Boards oversight and scrutiny of Infigen's cash flow forecasts, sensitivities and scenario analysis was elevated responding to the change in conditions as a result of COVID-19.

Notwithstanding the strategic implications of lower electricity prices, at this stage the pandemic has had no observable impact on Infigen's core operations, supply chain or ordinary business activities. In addition, the energy sector has maintained operational performance during the COVID-19 pandemic.

Infigen has worked closely with its suppliers to manage any risks around supply chain shortages and disruption. Infigen's largest suppliers are multinational original equipment manufacturers – which have robust and verifiable supply chain management processes.

Throughout Q4FY20, Infigen's head office staff worked remotely, and site staff implemented social distancing protocols. Infigen's management team remains acutely focused on engaging and retaining our high performance team during this period of economic uncertainty. Staff engagement is regularly monitored and remains very high with high levels of motivation in all teams after 6 months of remote working.

Strategic priorities

Despite the significant short-term impacts of COVID-19, Infigen remains committed to leading Australia to a clean energy future. Infigen believes that when normalisation of the energy market resumes, Infigen's capacity to continue to grow and lead the clean energy transition in Australia remains highly prospective.

In the short term Infigen will continue to deliver its business strategy and, in particular, will be focused on:

(1) Taking possession of and operating the SAGTs at Lonsdale and undertaking the preparatory work necessary to move them to a gas enabled site at Bolivar in SA.

(2) Cautiously evaluating opportunities to increase the volumes of renewable energy capacity available for sale in prudent pursuit of completing its target for renewable energy growth of between 600 MW - 700 MW.

(3) Engaging actively with our existing customers and remaining focussed on ensuring contracting with new customers creates value; and

(4) Progressing Flyers Creek Wind Farm, NSW, so that a Final Investment Decision can be taken when it is appropriate to do so.

Outlook

In FY21 Infigen expects to generate and source 2.2-2.3 TWh of renewable energy to be sold via its three channels to market. This includes the sale of 22% at $49/MWh to PPA customers and 49% at $77/MWh to C&I customers. One hundred percent of our expected LGCs are contracted for sale at an average price of $34 per LGC in FY21. Our asset operating costs are expected to be approximately $50m-$60m and our business operating costs approximately $30m. The uncontracted volumes of generation are sold via the Merchant channel and are therefore exposed to market risk in FY21. Market conditions also impact the price at which forward sales can be contracted. The energy market outlook therefore remains a key factor in determining business performance.

In FY21 the outlook for the Australian energy market, like most other sectors of the Australian economy, will be influenced (to a

greater or lesser extent) by the social and economic response of the community to the COVID-19 pandemic. Without an ability to predict how the virus will evolve, it is challenging, if not impossible to forecast the market with any measure of confidence.

We have already begun to see the initial impacts of the first wave of the virus. We expect these to deepen as the second wave in Victoria (and potentially other Australian states) takes effect, and its implications flow through into the economy more generally.

As a result, we are experiencing a combination of reduced commercial and industrial demand together with a high availability of plant during the COVID period. This high plant availability appears to have been as a result of thermal plant operators deferring maintenance due to COVID restrictions. While customer interest in contracting medium term supply agreements remains solid, their price expectations are based on the subdued forward curve – a curve that reflects the current supply demand imbalance.

It is also relevant to note that there has been a deep and sustained reduction in international fuel prices that has flowed through to domestic electricity prices. This has sharply reduced domestic gas prices to below medium-term extraction costs of $5-6 per GJ. Given the tight relationship between gas prices and wholesale electricity prices, electricity prices may remain soft until global fuel prices recover.

These combined impacts offer a sobering view of electricity prices in the short to medium term.

Conversely, during this period we have also observed an “accelerated slowdown” in commitments to new renewable investments. This is due both to the increasing risks and complexities associated with grid connection as well as the uncertainty generated by the global pandemic. This development has had the effect of providing more price support to LGCs and has slowed the rate of price decline in the forward contract market – to some extent.

The short term effect on Infigen is, nevertheless, an expected reduction in net revenues from its portfolio of renewable generation and fast start firming assets. Downward pressure is being placed on Infigen’s uncontracted electricity revenue – which will not be offset by the modest improvement in LGC prices.

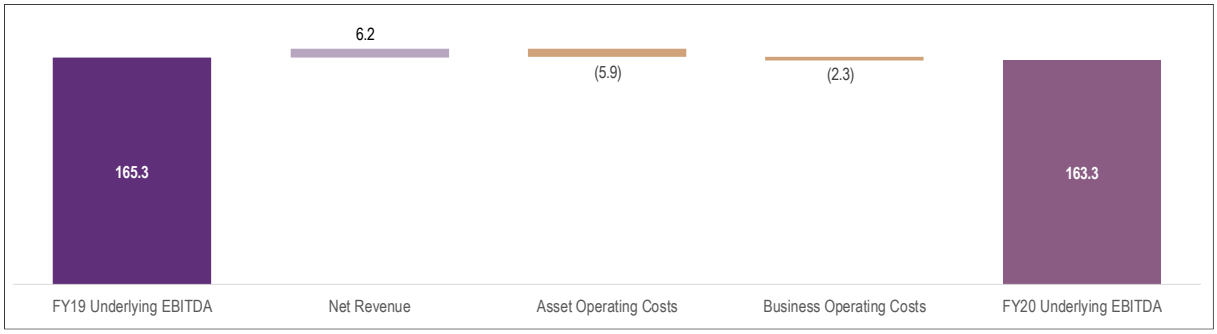
Given these factors, Infigen currently expects its net revenue and EDITDA to be materially lower in FY21 compared to FY20. In the light of this and the likely requirement for additional capital for future growth, the Board has announced the indefinite suspension of distributions.

Financial Overview

Summary of Financial Performance[1]

Year ended 30 June ($ million)	2020	INFIGEN 2019	Change	Change %
Net revenue	235.6	229.3	6.2	3
Asset operating costs	(47.3)	(41.4)	(5.9)	(14)
Business operating costs	(25.0)	(22.7)	(2.3)	(10)
Underlying EBITDA	**163.3**	**165.3**	**(2.0)**	**(1)**
Other income	1.2	-	1.2	-
Depreciation and amortisation expense	(67.2)	(54.6)	(12.6)	(23)
Net (loss) / gain on changes in fair value of financial instruments	(13.3)	6.5	(19.7)	(304)
Change of control costs	(7.8)	-	(7.8)	-
Impairment of development assets	-	(9.9)	9.9	100
EBIT	**76.2**	**107.3**	**(31.2)**	**(29)**
Interest rate derivative hedge ineffectiveness	(18.6)	-	(18.6)	-
Net finance costs	(50.2)	(45.9)	(4.3)	(9)
Profit before tax	**7.4**	**61.4**	**(54.0)**	**(88)**
Income tax expense	(3.9)	(20.5)	16.6	81
Net profit after tax	**3.5**	**40.9**	**(37.4)**	**(92)**

Underlying EBITDA



[1] Individual items and totals reconcile with the Consolidated Financial Statements, however, may not add due to rounding of individual components.

Financial Performance Commentary

Decrease in Underlying EBITDA (-$2.0 million)

Higher Net Revenue (+$6.2 million):	Offset by Higher Costs (+$8.2 million):
Resulting from: - 10% higher PPA Revenue due to a full year of Bodangora Wind Farm (60% contracted under a PPA) and partially offset by the expiry of the Lake Bonney 3 PPA in December 2019 - 30% higher C&I Revenue - reflecting continued success contracting C&I customers *Reduced by:* • 4% lower Merchant Revenue due to lower spot prices and higher electricity purchases • 3% lower LGC Revenue due to lower spot prices, partially offset by higher volumes • Lower Compensated Revenue (-$10.0 million)	Asset Operating Costs (+$5.9 million): - Bodangora Wind Farm operational for the full year (+$2.2 million) - Smithfield OCGT operational for the full year and SA Battery commenced operations during the year (+$2.7 million) - Higher Frequency Control Ancillary Services expense (+$2.7 million) *Reduced by:* • Adoption of AASB 16[1] (-$3.4 million) Business Operating Costs (+$2.3 million): - Higher Corporate Costs reflecting ongoing investment in business capabilities (+$4.6 million) *Reduced by:* • Lower Development Costs (-$1.4 million) • Adoption of AASB 16[1] (-$0.8 million)

Decrease in Net Profit after Tax (-$37.4 million) – resulting from the above, plus:

Higher non-underlying costs (+$61.8 million)	Reduced by other variances (-$26.5 million):
Resulting from: - Higher Depreciation and Amortisation Expense (+$12.6 million): - Bodangora Wind Farm and Smithfield OCGT operational for the full-year, and SA Battery commenced operations during the year (+$9.9 million) - Adoption of AASB 16[1] (+$2.7 million) - Higher Net Loss on Changes in Fair Value of Financial Instruments (energy derivatives) (+$19.7 million) - consisting of a current year net loss (-$13.3 million) and a prior year net gain of (+$6.5 million) - Change of Control Costs (+$7.8 million) - incurred in considering and responding to takeover offers on behalf of security holders - Hedge ineffectiveness of the in-built floor in Infigen's Corporate Facility interest rate swaps (+$18.6 million) - Higher Net Finance Costs (+$4.3 million): • Interest charge in relation to the adoption of AASB 16 (+$3.0 million) • Lower Interest Income (+$1.5 million)	- Lower Income Tax Expense (-$16.6 million) due to lower Profit Before Tax - No impairment of development assets in the current year (-$9.9 million)

[1] Lease payments (which were previously included in both Asset Operating Costs and Business Operating Costs) have been replaced by depreciation and interest expense on the newly recognised right-of-use assets and lease liabilities as a consequence of the mandatory adoption of AASB 16 *Leases* on 1 July 2019. Refer to Note A2 of the Consolidated Financial Statements for details of the transition to AASB 16.

Net Revenue

Infigen presents Net Revenue on a contracted and uncontracted basis, which includes the following:

- Contracted Revenue - electricity revenue sold via the PPA and C&I Customer sales channels, as well as contracted LGC revenue; and
- Uncontracted Revenue - remaining electricity sales sold via the Merchant sales channel, and remaining LGC revenue. Uncontracted Revenue is subject to price risk.

Year ended 30 June ($ million)	2020	2019	Change	Change %
Contracted Revenue	203.9	182.0	21.9	12
Uncontracted Revenue	31.6	37.2	(5.6)	(15)
Compensated Revenue	0.1	10.1	(10.0)	(99)
Net Revenue	**235.6**	**229.3**	**6.3**	**3**

Electricity Revenue

The table below outlines the components of Infigen's Electricity Revenue sales channels.

Sales channel	Description	Revenue contribution (%)	
		2020	2019
PPAs	Contracted sales from Owned Renewable Energy Assets where Infigen sells at a fixed price based on run-of-plant production	21	22
C&I Customers	Contracted sales under medium to long-term C&I contracts (and short to medium-term wholesale contracts) - where Infigen sells at a fixed price and a firm volume	57	51
Merchant	Uncontracted sales to spot electricity markets. This occurs when Infigen's electricity generation is greater than C&I Customer and PPA needs Offset by electricity purchases from spot electricity markets. This occurs when Infigen's electricity generation is lower than C&I Customer needs Net settlement of buy-side hedges and net results of electricity product sales	22	27
		100	100

PPAs

The increase in electricity sold through the PPA sales channel is primarily attributable to a full-year's contribution from the 113 MW Bodangora Wind Farm, of which 60% of production is sold under PPA until 31 December 2030. This was partially offset by the expiry of the Lake Bonney 3 PPA in December 2019.

Year ended 30 June	Electricity Sold (GWh)				PPA Electricity Price ($/MWh)			
	2020	2019	Change	Change %	2020	2019	Change	Change %
PPAs	571	489	82	17	49.8	52.9	(3.0)	(6)

C&I Customers

The increase in electricity sold through the C&I Customer sales channel reflects Infigen's continuing strategy to improve the quality and quantity of revenue received under C&I Customer contracts.

Year ended 30 June	Electricity Sold (GWh)				C&I Customers Electricity Price ($/MWh)			
	2020	2019	Change	Change %	2020	2019	Change	Change %
C&I Customers	974	768	207	27	80.2	78.4	1.7	2

Merchant

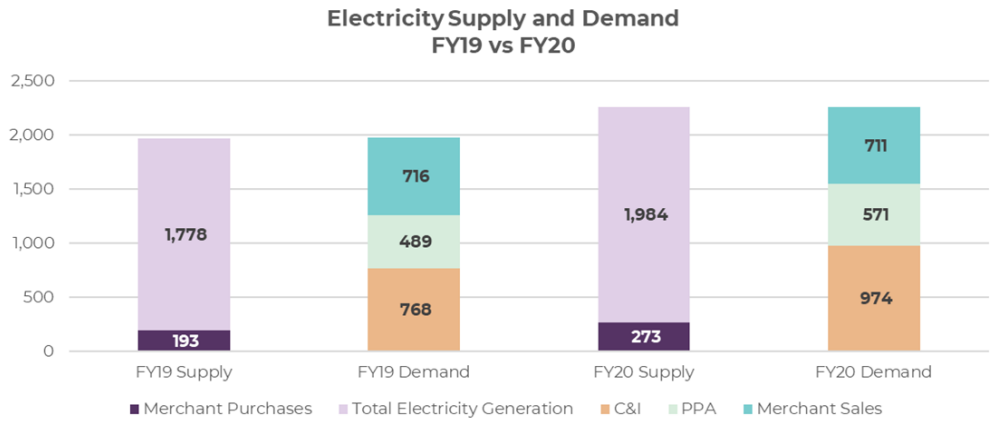
Infigen's overall Merchant revenue declined, and was affected by:

- Lower prices received for Infigen's generation sold to spot electricity markets. This occurs when Infigen's electricity generation is greater than C&I Customer and PPA needs. COVID-19 has resulted in softer electricity demand and more subdued electricity prices in the National Electricity Market
- Higher volumes of electricity purchased from Infigen's Contracted Assets (including Toora Wind Farm PPA which commenced in January 2020); and
- Partially offset by a full-year's operation of the Smithfield OCGT and a significant first-year's contribution from the SA Battery.

Year ended 30 June ($ million)	Net Revenue contribution			
	2020	2019	Change	Change %
Merchant	30.6	31.9	(1.4)	(4)

Infigen's Electricity Supply and Demand profile

The graphic below displays the sources of supply and demand for Infigen's electricity generation for the year ended 30 June 2020.



LGC Revenue and Price

The average Infigen LGC price decreased by 8.3% from the prior year compared to the market decrease of 10.7%. Infigen was partially protected from the market decline by its contracted LGC position. Infigen's contracted LGC position will continue as an important (partial) mitigant against potential over-supply and/or declining prices.

Contracted LGC revenue for the year ended 30 June 2020 was 99% (2019: 95%).

The spot value of an LGC as at 30 June 2020 was $37.2 (30 June 2019: $41.6).

Year ended 30 June	2020	2019	Change	Change %
Infigen LGC average price ($)	56.3	60.9	(4.6)	(8)

The percentage of the expected LGCs created and sold on a contracted basis and weighted average price for future periods is: 100% and $34 (FY21); 55% and $27 (FY22); 24% and $41 (FY23); 20% and $48 (FY24); and 19% and $50 (FY25) respectively. This is based on existing contracted positions, historical production for existing wind farms, and LGCs purchased by Infigen from its Contracted Assets. These numbers assume the minimum level of LGC sales to the Sydney Desalination Plant.

COVID-19 related assistance and support by governments and others

As at 30 June 2020 and the date of this report, Infigen had not sought or received government or private sector assistance as a result of COVID-19.

Asset Operating Costs

Year ended 30 June ($ million)	2020	2019	Change	Change %
Turbine O&M	23.2	20.5	2.7	13
Asset management	7.3	7.6	(0.2)	(3)
Other direct expenses	6.0	7.8	(1.8)	(23)
Balance of plant	2.8	2.4	0.4	15
Owned Renewable Energy Assets	**39.3**	**38.2**	**1.0**	**3**
Firming assets	2.4	0.2	2.2	1277
FCAS net expense	5.7	3.0	2.7	90
Total	**47.3**	**41.4**	**5.9**	**14**

In the prior year, other direct expenses included landowner lease payments of $3.4 million which were replaced by depreciation and interest expense upon the mandatory adoption of AASB 16 *Leases* on 1 July 2019.

Infigen's wind farms incur FCAS charges from the Australian Energy Market Operator. These charges relate to services (performed by market participants) that maintain key technical characteristics of the power system. FCAS net expense reflects gross charges net of hedge payouts.

Business Operating Costs

Year ended 30 June ($ million)	2020	2019	Change	Change %
Corporate costs	22.8	19.0	3.8	20
Development costs	2.2	3.7	(1.4)	(39)
Total	**25.0**	**22.7**	**2.3**	**10**

Net Finance Costs

Year ended 30 June ($ million)	2020	2019	Change	Change %
Interest expense – external borrowings	40.0	40.2	(0.1)	-
Interest expense – lease liabilities	3.0	-	3.0	100
Bank and amortisation of capitalised commitment fees	7.8	7.3	0.5	7
Unwind of discount on decommissioning provisions	0.2	0.1	0.1	20
Total borrowing costs	**51.0**	**47.6**	**3.4**	**7**
Interest income	(0.8)	(2.3)	1.5	66
Net borrowing costs	**50.3**	**45.3**	**4.9**	**11**
Net foreign exchange loss	-	0.6	(0.6)	(100)
Net financing costs	**50.2**	**45.9**	**4.3**	**9**

Current year interest expense for external borrowings represents a full year of interest cost for the Bodangora Wind Farm, which offset the decrease in the Corporate Facility interest expense in the current year.

Net Operating Cash Flow

Year ended 30 June ($ million)	2020	2019	Change	Change %
Underlying EBITDA	163.3	165.3	(2.0)	(1)
Movement in renewable energy certificates	5.8	16.1	(10.4)	(64)
Movement in other working capital	(7.2)	0.9	(8.1)	(900)
Non-cash items	(1.1)	(0.3)	(0.8)	(3)
Net finance costs paid	(42.4)	(37.7)	(4.6)	(12)
Net operating cash flow	**118.4**	**144.3**	**(25.8)**	**(18)**

The decrease in net operating cash flow was primarily due to the timing of receipts associated with renewable energy certificates and from the sale of electricity.

Review of Operations

Renewable Energy Generation Sold

Year ended 30 June	2020 (GWh)	2019 (GWh)	Change	Change %
Production sold from Owned Renewable Energy Assets[1]	1,827	1,684	144	9
Production purchased and sold from Contracted Assets[2]	131	92	39	42
Renewable Energy Generation Sold	**1,959**	**1,775**	**184**	**10**

Summary of Operational Production from Owned Renewable Energy Assets

Year ended	Unit	2020	2019	Change	Change %
Production generated[3]	GWh	1,877	1,740	137	8
Production sold	GWh	1,827	1,684	144	9
Capacity factor[4]	%	31.9	31.1	0.8	-
Turbine availability[5]	%	95.8	97.3	(1.5)	-
Site availability[6]	%	95.2	96.6	(1.5)	-
Generation expenses[7]	$/MWh	22.5	23.6	(1.1)	(5)

	Sold		
Year ended 30 June	2020 (GWh)	2019 (GWh)	%
Alinta	331	342	(9)
Bodangora	335	220	52
Capital	394	364	9
Lake Bonney 1	178	184	(2)
Lake Bonney 2	353	339	4
Lake Bonney 3	95	90	7
Woodlawn	161	149	8
Total	**1,827**	**1,684**	**9**

The increase in production sold was primarily driven by a full-year of operations of Bodangora Wind Farm (+116 GWh).

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1 Owned Renewable Energy Assets refers to Infigen's seven owned wind farms.

2 Contracted Assets refer to production acquired under run of plant PPAs where Infigen is the offtaker. Production from Contracted Assets commenced with Kiata Wind Farm in September 2018 and includes Toora Wind Farm from January 2020.

3 Production Generated is subject to marginal loss factors (MLFs) that are fixed annually by AEMO to account for network losses. Production Sold reflects the impact of these MLFs.

4 Calculated by dividing production generated from Owned Renewable Energy Assets during the year by the amount of electricity that would have been produced if the generation assets had been running at full capacity during the year.

5 Indicates the percentage of time wind turbines have been available to generate electricity from Owned Renewable Energy Assets.

6 Indicates the percentage of time wind turbines and balance of plant have been available to generate electricity from Owned Renewable Energy Assets.

7 Calculated by dividing generation expenses with production generated from Owned Renewable Energy Assets. The prior year excluded Bodangora Wind Farm whilst it was still under construction and adds back those lease payments excluded from EBITDA after the adoption of AASB 16 *Leases* on 1 July 2019.

Firming assets

The 25 MW/52 MWh Battery at Lake Bonney, SA (SA Battery) was completed and commenced operating at full capacity in FY20. The SA Battery successfully and substantially offset the revenue impact of the curtailment of the Lake Bonney Wind Farms during the "islanding" of the South Australian market in Q1FY20.

Production sold from the Smithfield OCGT was 25 GWh and the capacity utilisation was 2% during the year. Annual capacity utilisation is expected to be in the range of 2-8%, with significant variations in output expected from month to month.

Infigen's firming assets complement its renewable energy assets, and their economic contribution to Infigen is not directly related to production. Infigen's firming assets enable Infigen to increase the volume of renewable energy it supplies to its C&I Customers.

Balance Sheet

As at 30 June	Unit	2020	2019	Change	Change %
Cash	$ million	147.2	103.7	43.5	42
Debt (drawn)	$ million	585.5	639.1	(53.5)	(8)
Net Debt	$ million	438.4	535.4	(97.0)	(18)
Net assets per security	$	0.61	0.61	-	-
Book gearing[1]	%	41.7	46.9	(5.2)	(11)
Net debt / Adjusted EBITDA[2]	ratio	2.7	3.2	(0.6)	(17)

Cash consists of:

- Unrestricted cash - $137.5 million (2019: $95.6 million), including cash on hand and term deposits held at call; and
- Restricted cash - $9.7 million (2019: $8.0 million), which is held in accordance with the minimum cash requirements for Australian Financial Services Licence (AFSL) compliance and the derivative trading margin account.

Debt (drawn) consists of:

- The Corporate Facility - $438.8 million (2019: $483.8 million). During the year, principal repayments of $45.0 million were made in accordance with the facility terms;
- The Bodangora Facility - $146.8 million (2019: $155.3 million). During the year, fixed semi-annual repayments of $8.5 million were made in accordance with the facility terms; and
- Excludes capitalised commitment fees of $13.3 million (2019: $19.6 million) as shown in the Consolidated Financial Statements.

Net Debt consists of debt (drawn) less cash.

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1 Calculated as Net Debt (accounting for capitalised commitment fees) divided by the sum of Net Debt (accounting for capitalised commitment fees) and Net Assets.

2 Calculated as Net Debt divided by Adjusted EBITDA (on a 12-month look-back basis). Adjusted EBITDA uses Underlying EBITDA, and adds back those lease payments excluded from EBITDA after the adoption of AASB 16 *Leases* on 1 July 2019.

Capital Expenditure

Year ended 30 June ($ million)	2020	2019	Change	Change %
Development projects (capitalised)	5.0	5.1	(0.1)	(1)
Property, plant and equipment and IT equipment	2.6	79.4	(76.8)	(97)
Assets under construction	3.4	66.5	(63.1)	(95)
Total capital expenditure	**11.1**	**151.0**	**(139.9)**	**(93)**

Property, plant and equipment expenditure includes integration and safety improvements to Smithfield OCGT and certain wind farm and corporate upgrades.

Capitalised expenditure on assets under construction consists of:

- SA Gas Turbines (+$3.6 million); and
- SA Battery (-$0.2 million: net of refunds and grants received) completed Q2 FY20.

SIGNIFICANT EVENTS AND MATTERS

During the period to 30 June 2020 and subsequent to that date, Infigen has been the subject of two takeover offers, with the result that a change in control has occurred and Infigen is now more than 50% owned by Iberdrola SA (Iberdrola SA).

The background to the change in control is:

— On 3 June 2020, UAC Energy Holdings Pty Ltd (UAC) announced its intention to make an off-market takeover bid for all the Infigen stapled securities that it did not already own (UAC Offer) at a price of $0.80 per Infigen stapled security. The UAC Offer closed on Friday, 24 July 2020. On 29 July 2020, UAC lodged a Form 604 *Change in Interest of Substantial Holder Notice* indicating that it had a relevant interest in 19.94% of Infigen stapled securities.

— On 17 June 2020, Infigen entered into a Bid Implementation Agreement with Iberdrola Renewables Australia Pty Limited (Iberdrola) (a wholly owned subsidiary of Iberdrola SA) under which Iberdrola agreed to make an off-market takeover bid for all of the issued Infigen stapled securities (Iberdrola Offer). The Iberdrola Offer followed an extended period of engagement between Infigen and Iberdrola regarding potential cooperation or a control transaction. The Iberdrola Offer price was $0.92 per Infigen stapled security as at the date of these Consolidated Financial Statements.

— On 6 August 2020, Iberdrola lodged a Form 604 *Change in Interests of Substantial Holder Notice* with the ASX indicating its voting power in Infigen had increased to more than 50% on 5 August 2020 and accordingly the period of the Iberdrola Offer was automatically extended by 14 days to 19 August 2020.

— On 19 August 2020 the Iberdrola Offer was extended to 26 August 2020.

— On 20 August 2020 being the date of the last Form 604 *Change in Interests of Substantial Holder Notice* Iberdrola's voting power in Infigen was 72.76%.

Change of Control Events

Event	Description
Corporate Facility	Under the Corporate Facility, a review event has occurred as a result of Iberdrola acquiring 50.1% of the Infigen Securities (a Review Event). This allows a majority of Corporate Facility Lenders (Lenders) (being two-thirds of the Lenders by value of commitments) to request a consultation period of 45 days (Review Period). Iberdrola Financiación S.A.U. has committed to provide Iberdrola an unsecured loan for an amount up to $490 million that may be required to fund the refinancing of the Corporate Facility as a consequence of the Review Event. Iberdrola Financiación S.A.U.'s commitment will expire upon receipt of a waiver of the Review Event under the Corporate Facility becoming effective. Any such loan will not be repayable earlier than 30 September 2021. Iberdrola has committed to provide Infigen an unsecured loan for an amount up to $490 million that may be required to fund the refinancing of the Corporate Facility as a consequence of the Review Event. Iberdrola commitment will expire upon receipt of a waiver of the Review Event under the Corporate Facility becoming effective. Any such loan will not be repayable earlier than 30 September 2021.

Event	Description
Defence Advisory Fees	Goldman Sachs Australia Pty Limited and Lazard Pty Limited were appointed as defence advisors to Infigen in 2019. As at 30 June 2020, certain fees to the defence advisers were going to become payable regardless of the outcome of the takeover offers. An amount of $6m in respect of fees payable to the Defence Advisers has been included within 30 June 2020 accounts payable. Amounts in addition to this of $5m have been paid in FY21 as a result of the change in control occurring.
Performance Rights	As previously disclosed, the Board has a discretion under the rules of the Equity Plan to accelerate the vesting of performance rights in the event of a change in control of Infigen. As a result of the exercise of that discretion a "Change of Control" event occurred when Iberdrola advised that its voting power in Infigen had increased to more than 50%. As a consequence, a cash amount equal to the FY19 and FY20 Performance Rights valued at the Iberdrola Offer price of $0.92 were paid. There are no longer any Performance Rights on issue.
ISDA Master Agreements	The counterparties to Infigen's ISDA Master Agreements may also have rights arising under standard "credit event upon merger" provisions.

Sustainability Highlights

At Infigen, we strive to create shared value for all our stakeholders. We believe that our long-term success depends on fair and mutually beneficial relationships with our people, customers, communities, suppliers, regulators and financial stakeholders. We are also committed to making our business strategy resilient to climate risks and are positioned to benefit from Australia's inexorable transition to a clean energy future.

FY20 was a year of considerable uncertainty and rapid change. Our stakeholders faced a myriad of challenges including drought, bushfire, lower economic activity, and of course the COVID-19 pandemic. In response to this, Infigen introduced several bespoke initiatives designed to help our stakeholders manage through this challenging period.

In May 2020, Infigen made its first steps towards Integrated Reporting (<IR>) with the release of our 2019 ESG Report. The report is structured according to our seven stakeholder groups, or 'Business Value Drivers', which were determined by an all staff stakeholder mapping exercise. Our FY20 sustainability highlights are presented with reference to those same stakeholder groups.

1. Our People

The safety and wellbeing of our people will always be our first priority. Infigen recorded one lost time injury during FY20. As discussed at the AGM in November 2019, the injury related to a fall at the Smithfield OCGT. The operator returned to work in November 2019. In FY20, Infigen's Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Injury Frequency Rate (TRIFR) were 2.27 and 14.39, substantially below industry average, but above our target of zero harm.

In FY20, the COVID-19 pandemic introduced new challenges for our people who, with limited exceptions, have been working remotely since 16 March 2020. Infigen has introduced several bespoke initiatives to maintain employee engagement and productivity during this period of remote working.

These include:

- A transition to weekly all-staff briefings, with brief updates provided from staff of levels from across all parts of our business;
- The provision of a monthly stipend intended to cover any increase in household utility costs as a result from working from home; and
- The implementation of a diverse array of online all-staff social activities.

Despite the challenges of FY20, Infigen's high-performance workforce remains highly engaged. Infigen's most recent Employee Pulse survey indicated an Employee Net Promoter Score (eNPS) of +68 and current motivation of 85%. However, we are not complacent, and during this period of uncertainty, and as the needs our people continue to evolve, we will continue to evaluate and motif our approach as appropriate.

During FY20, voluntary turnover reduced to 3.6% (FY19: 11.0%), whilst the total number of employees and directors increased to 92 (FY19: 72).

2. Our Customers

Our Customers include manufacturers, food and beverage processers, telecommunications providers, building and construction companies, universities, ports and terminals, local councils, other utilities, and other commercial enterprises. In FY20, we continued our track record of growth and increased our electricity sales volumes (GWh) to our commercial and industrial customers by 27%. In addition, we continued to diversify our customer base, lowering renewal and counterparty risks. We also worked with several customers on renewal and extension options based on their evolving energy needs, including incorporation of on-site energy efficiency and demand side management measures, as well as providing accredited Green Power from our owned and operated wind farms.

In FY20, we welcomed Swinburne University as one of our new 100% renewable customers. Our pioneering contract structure with Swinburne provides for ongoing collaboration including internships, knowledge sharing and the potential for co-operation on energy innovation projects. Swinburne's entire energy usage is offset by LGCs direct from Cherry Tree Wind Farm.

3. Our Communities

Our Communities include the landowners, neighbours, local communities, councils and traditional owners around our operating assets and development sites. We maintain engagement through the life-cycle, endeavouring to always act fairly. During FY20, Infigen distributed $126.3m of economic value to its broader stakeholders.

In FY20, following the devastating summer bushfire season, Infigen implemented several programmes aimed at contributing to the recovery of our local communities. Each element was developed based on direct feedback or request from our communities and stakeholders. The elements include: (1) investing in training, equipment and facilities at the Rural Fire Services branches around our sites; (2) a financial contribution to the rebuilding of the Two Thumbs Koala Sanctuary, where three American firefighters lost their lives defending the facility; and (3) stimulating the economies of remote and regional communities by providing staff an extra annual leave day for use in bushfire affected regions.

In October 2019, Infigen hosted the 8th annual Run With The Wind open day event at Woodlawn Wind Farm with 692 participants, raising funds for the local community and improving community awareness with respect to wind energy.

In FY20, Infigen submitted our Reconciliation Action Plan (RAP) to Reconciliation Australia for review and comment. Our RAP articulates our organisation's commitments to providing opportunities to Australia's First Peoples. The plan reflects the recommendations of the Reconciliation Action Plan Committee, a group that meets at least four times a year.

The members of Infigen's RAP Committee include: Ross Rolfe - Chief Executive Officer; Megan Richardson - Development Manager; Edward Arena - General Manager - People and Culture; Dr Valerie Cooms - Quandamooka woman and Board member of Indigenous Business Australia; and Mike Nolan - Wiradjuri man and CEO of Wellington Local Aboriginal Land Council. Infigen's RAP is focused on providing education and engagement opportunities, strengthening our relationships with Aboriginal communities, reviewing internal policies and procedures to ensure no barriers exist for Aboriginal and Torres Strait Islander job applicants, and reporting on our year's performance to Reconciliation Australia.

4. Our Environment

We consider our environment to be both local and global. Locally, our generation assets operate within rural and regional Australia. In these local environments we consider how to minimise our impacts and improve resource efficiency, protect biodiversity and conserve natural ecosystems. Globally, we are supporters of the Paris Agreement's objective of limiting temperature risk increase to well below 2 degrees Celsius. We measure and manage our carbon emissions, targeting the 100% offset of our Scope 1 and Scope 2 emissions by FY25.

In FY20, more than 99% of Infigen's generation was renewable, and in addition, we voluntarily offset approximately 20% of our already low emissions.

Infigen continues to champion its "Green the Team" initiative, which was created by employees in FY19 with the aim of offsetting carbon emissions relating to staff's private electricity consumption. Infigen purchases carbon offsets in the wholesale market for those staff that want to offset their home-based carbon emissions and staff pay Infigen directly for this, which is cheaper than other retail options for consumers. Infigen is proud of this staff-created initiative and continues to meet 50% of the cost of any staff member that wants to participate in this personal emissions program. In FY20, 79% of employees participated in this program.

In FY20, staff began a research project investigating what additional measures we

can take to protect and conserve our protected and non-protected species around our assets. This initiative has engaged representatives from across the business with the objective of learning and applying best in class conservation measures over and above of our regulatory obligations. It is expected that this initiative will result in additional wildlife conservation initiatives being undertaken at our operating sites.

5. Our Supply Chain

Our Supply Chain consists of over 200 suppliers, each of whom provides Infigen with equipment, services and advice that are relevant to our business strategy and operational performance. Infigen has high expectations of its supply chain and suppliers can expect high standards from us in return. The behaviour of our suppliers is a reflection of our own brand and reputation.

In FY20 we undertook the primary research and engagement that will underpin our Modern Slavery Reporting. Through a whole of business supplier risk-mapping project, Infigen has evaluated the risk level of its top 200 suppliers and engaged with suppliers on an individual basis where appropriate. The Modern Slavery Act (Commonwealth) requires all companies with revenue of more than A$100m to assess risks relating to modern slavery across the company's supply chain and work with our suppliers to mitigate or remediate any risk areas identified. As part of this process, Infigen has been developing several new policies and procedures, including an Anti-Modern Slavery Policy and a Supplier Minimum Standards document policy which are awaiting approval. Infigen is also chairing the Clean Energy Council's Modern Slavery 'Working Group', with the aim of streamlining processes involving our common suppliers and collaborating to overcome common challenges.

6. Our Regulators

Our Regulators expect Infigen to act in good faith, taking a long-term approach to providing a stable and reliable supply of electricity in Australia. In FY20, Infigen continued to proactively engage with regulators on policy issues and potential regulatory changes. In FY20 Infigen submitted 16 regulatory submissions, most of which involve associated regulatory engagement. We publish our regulatory submissions on our website to increase transparency with our stakeholders.

In FY20, Infigen made several submissions regarding the Energy Security Board (ESB) post-2025 market design consultation and the proposed Co-ordination of Generation and Transmission Investment (COGATI). Broadly speaking, Infigen's submissions focused on the importance of clearly identifying the challenges facing the NEM and on developing practical and least cost solutions, particularly around ensuring sufficient market reserves to respond to unexpected events and solutions to improve system strength in the grid.

7. Our Financial Stakeholders

Our Financial Stakeholders provide Infigen with the capital resources that are critical to all aspects of our business. Our Investors have entrusted us with their capital and they expect us to manage that capital in a way that delivers them sustainable risk adjusted returns.

We understand that our investors expect clear and transparent reporting, a strong governance framework, an alignment of interests, a culture of risk management, a resilient long-term strategy and a commitment to making the most of the growth opportunity in Australia's energy sector.

As outlined throughout this FY20 Annual Report, Infigen had a strong financial performance in FY20, despite a highly uncertain macroeconomic environment. This resulted in $163.3m of EBITDA and an all cash off market takeover offer from Iberdrola Renewables Australia Pty Limited (Iberdrola) for all Infigen stapled securities at 92 cents per security, an offer that is unanimously recommended by Infigen's Board. The offer is at an 82% premium to the 3 month VWAP and a 37% premium to the average analyst price target, both as at the last undisturbed trading date (2 June 2020) of Infigen's stapled securities.

As outlined in the Q4FY20 Activity Report on 3 August 2020, due to lower domestic economic activity and lower energy prices, resulting from COVID-19, Infigen expects its EBITDA and Net Revenue in FY21 to be materially lower than FY20.

Infigen's Corporate Governance Statement (CGS) describes Infigen's governance performance against the corporate governance principles and recommendations (third edition) issued by the ASX Corporate Governance Council. In FY20, Infigen complied with these Principles and Recommendations, including disclosures of relevant information.

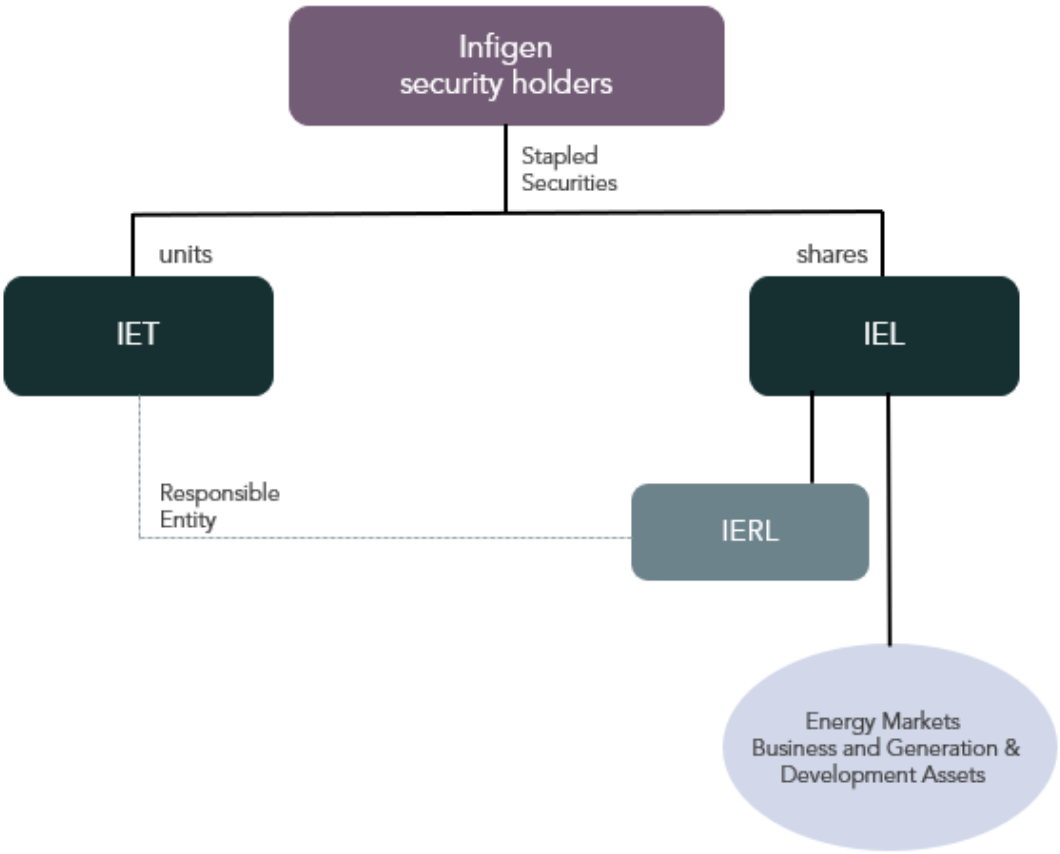
CORPORATE STRUCTURE

Infigen comprises Infigen Energy Limited (IEL), Infigen Energy Trust (IET) and the controlled entities of IEL and IET.

On a standalone basis, the Trust comprises IET and its controlled entities.

IET is a Registered Scheme, and Infigen Energy RE Limited (IERL) is the Responsible Entity of IET. The relationship of the Responsible Entity and IET is governed by the Constitution of IET. IET has raised the majority of the contributed equity for Infigen. IET has also been the stapled entity through which distributions have historically been paid to security holders. During the year, IET held interests in financial investments.

The following diagram represents the structure of Infigen.



Directors

The following people were Directors of IEL and IERL during the year ended 30 June 2020 and up to the date of this report (unless otherwise indicated):

Non-Executive Directors

- Leonard Gill
- Philip Green (resigned 31 July 2020)
- Emma Stein
- Mark Chellew
- Karen Smith-Pomeroy

Executive Directors

- Ross Rolfe AO
- Sylvia Wiggins

Directors' Meetings

The number of Board meetings and meetings of standing Committees established by the respective Boards held during the year ended 30 June 2020, and the number of meetings attended by each Director, are set out below.

A = Number of meetings attended as a Board/Committee member

B = Number of meetings held during the year that the person held office

Directors	Board meetings				Committee meetings			
	IEL		IERL		Audit, Risk & Compliance		IEL Nomination & Remuneration	
	A	B	A	B	A	B	A	B
L Gill	13	13	13	13	-	-	3	3
P Green	13	13	13	13	4	5	-	-
E Stein	13	13	13	13	5	5	3	3
M Chellew	13	13	13	13	5	5	3	3
K Smith-Pomeroy	13	13	13	13	5	5	-	-
R Rolfe	13	13	13	13	-	-	-	-
S Wiggins	13	13	13	13	-	-	-	-

Additional meetings of committees of Directors were held during the year, but these are not included in the above table for example, where the Boards delegated authority to a committee of Directors to oversee or approve specific matters or otherwise approve documentation on behalf of the Boards.

Non-Executive Directors

Leonard (Len) Gill Independent Non-Executive Chairman of IEL and IERL Appointed to IEL and IERL on 5 June 2017 and	Len is a professional non-executive director with a 40-plus year career in the electricity, gas and infrastructure industries. He also provides energy and management consultancy services. Len is currently a Non-Executive Director of Family Life, a community support services charity. His previous roles include Chairman of Alinta Energy, Chairman of Metgasco, Non-Executive Director of Ecogen Energy Pty Ltd, Non-Executive Director of Ampetus Energy Pty Ltd,

subsequently elected Chairman effective 31 December 2017 Member of the Nomination & Remuneration Committee	Non-Executive Director of WDS Limited, Non-Executive Director of Verve Energy, Managing Director and CEO of TXU Australia and Chairman of South East Australian Gas Pty Ltd. Len holds a Bachelor of Engineering (Civil) from the University of Melbourne and is a Member of the Australian Institute of Company Directors.
Emma Stein Non-Executive Director of IEL and IERL Appointed to IEL and IERL on 21 September 2017 Chairman of the Audit, Risk & Compliance Committee Member of the Nomination & Remuneration Committee	Emma has significant corporate and operational experience within energy, fuel and industrial markets, and was previously the UK Managing Director for French utility Gaz de France's gas and electricity retailing operations. Prior to this, Emma was Managing Director of British Fuels - Gas, the first independent company to gain a domestic retail licence following the deregulation of the UK's energy markets in the 1990's. Since moving to Australia in 2003, Emma has been an independent Non-Executive Director on the boards of companies in the oil and gas, resources, energy and energy infrastructure, engineering, waste management and facility management sectors. Emma currently serves as a Non-Executive Director of Alumina Limited (appointed February 2011), Cleanaway Waste Management Limited (appointed August 2011) and Adelaide Brighton Limited (appointed October 2019). Emma is a former Non-Executive Director of Programmed Maintenance Services Limited, Transfield Services Infrastructure Fund, Clough Limited and the DUET Group. Emma holds tertiary qualifications in Science and a Master of Business Administration (MBA). Emma is an Honorary Fellow of the University of Western Sydney and a Fellow of the Australian Institute of Company Directors.
Mark Chellew Non-Executive Director of IEL and IERL Appointed to IEL and IERL on 21 September 2017 Chairman of the Nomination & Remuneration Committee Member of the Audit, Risk & Compliance Committee.	Mark has over 30 years of experience in the building materials and related industries, including roles such as Managing Director of Blue Circle Cement in the United Kingdom and senior management positions within the CSR group of companies in Australia and the United Kingdom. Mark is the former Managing Director and Chief Executive Officer of Adelaide Brighton Limited, a position he held for over 12 years before his retirement from the role in May 2014. Mark has been an Independent Non-Executive Director of Cleanaway Waste Management Limited since March 2013 and became Chairman in September 2016. Mark is also an Independent Non-Executive Director of Caltex Australia Limited (appointed April 2018). Mark holds a Bachelor of Science (Ceramic Engineering), Master of Engineering (Mechanical Engineering) and Graduate Diploma in Management.

Karen Smith-Pomeroy Non-Executive Director of IEL and IERL Appointed to IEL and IERL on 12 December 2018 Member of the Audit, Risk & Compliance Committee	Karen is an experienced non-executive director, with involvement in the energy, property and financial services sectors. She has significant experience as a senior executive in the financial services sector and in excess of 10 years working directly with energy businesses. Karen has specific expertise in risk and governance, deep expertise in credit risk and specialist knowledge of a number of industry sectors, including energy and infrastructure. Karen is currently a non-executive director of Kina Securities Limited, Stanwell Corporation Limited, and Queensland Treasury Corporation (Capital Markets Board). She is a former non-executive director of CS Energy Ltd and Tarong Energy Corporation Ltd. Karen holds accounting qualifications and is a Graduate of the Advanced Risk Management Course Wharton College, University of Pennsylvania, USA. Karen is also a Fellow of the Institute of Public Accountants, Fellow of the Financial Services Institute of Australasia, and a Graduate of the Australian Institute of Company Directors.

Executive Directors

Ross Rolfe AO Managing Director of IEL and IERL Appointed as Non-Executive Director to IEL and IERL on 9 September 2011 and Executive Director on 17 November 2016	Ross has broad experience in the Australian energy and infrastructure sectors in senior management, government and strategic roles. In August 2008 Ross was appointed to the position of Chief Executive Officer of Alinta Energy. Ross completed a capital restructuring of the business and stepped down from the CEO and Managing Director role in April 2011. Prior to that appointment, Ross held the position of Director General of a range of Queensland Government Departments, including Premier and Cabinet, State Development, and Environment and Heritage, as well as the position of Co-ordinator General. Ross was also the Chief Executive Officer of Stanwell Corporation, one of Queensland's largest energy generation companies from 2001 until 2005. Ross was previously Chairman of WDS Limited and CS Energy, and a non-executive director of CMI Limited and Thiess Pty Ltd. Ross is currently Chairman of the North Queensland Airport Group.
Sylvia Wiggins Executive Director – Finance & Commercial of IEL and IERL Appointed as Non-Executive Director to IEL and IERL on 18 April 2016 and Executive Director on 8 May 2017	Sylvia provides leadership in ensuring Infigen creates and preserves security holders value with specific focus on finance, commercial and compliance as Infigen executes its strategy and operates as an active energy market participant. Sylvia's experience in developing, executing and managing strategic planning, investment, commercial negotiations and capital management in a number of international investment and advisory firms has been critical in Infigen transitioning its capital structure to better support the business strategy for growing customer numbers and volumes at sustainable profit margins and enable it to execute the capital "lite" strategy. Sylvia has over 20 years' experience as a legally qualified chief executive officer, executive and senior investment banker across a broad range of businesses and countries, including energy, infrastructure, defence and structured finance areas. Sylvia previously established her own advisory firm and worked for Alinta Energy and was the inaugural Chief Executive Officer of Global Investments Limited, which is listed on the Singapore Stock Exchange. Sylvia is an external member of the Department of Defence's independent assurance review and holds a Bachelor of Laws and Jurisprudence from UNSW.

Executive Team

Tony Clark Executive General Manager - Operations & Projects Since February 2017	Tony is responsible for the operation of Infigen's wind farms and delivery of development projects. Tony has over 20 years' experience working in the power sector having acted as an owner-developer with ERM Power and Stanwell Corporation, as a consultant to owners and financiers with Worley Parsons, and as a contractor with direct hands-on responsibility for the detailed design and construction of power projects with ABB Engineering Construction. In addition to Infigen's generation portfolio, Tony has been involved in the operations or construction of a number of Australia's power stations including Braemar 2, Neerabup, Uranquinty, Collie, Stanwell and Kareeya power stations. Early in his career, Tony worked as a researcher at the Energy Research Centre of the Australian National University with a specific focus on the commercialisation of solar thermal technologies. Tony holds Masters degrees in Commercial Law from Melbourne University, Business Administration from Deakin University, and Engineering from the Queensland University of Technology.
Tim Nelson Executive General Manager - Energy Markets Since March 2020	Tim joined Infigen in March 2020 as Executive General Manager, Energy Markets. During 2019, Tim was the Executive General Manager, Strategy and Economic Analysis, at the Australian Energy Market Commission where he established its thought leadership and quantitative analysis capabilities. Up until November 2018, Tim was the Chief Economist of AGL Energy and led the company's public policy advocacy and its sustainability strategy, including AGL's revised Greenhouse Gas Policy, climate risk disclosure and the Powering Australian Renewables Fund (PARF) concept. Tim is a member of the Westpac Stakeholder Advisory Council and is on the Research Committee for the Centre for Policy Development. Tim is an Associate Professor at Griffith University and is widely published in Australian and international peer-reviewed journals. He holds a PhD in economics for which he earned a Chancellors Doctoral Research Medal and a first-class honours degree in economics. Tim is a fellow of the Governance Institute of Australia (FGIA and FCIS) and a graduate of the Australian Institute of Company Directors (GAICD).

REMUNERATION REPORT

Dear Security Holder,

On behalf of the Board, I am pleased to present the 2020 Remuneration Report.

Despite the impact of a global pandemic accompanied by a worldwide recession and a global oil war with its associated impact on electricity prices, the Infigen team have performed exceptionally well and managed to limit the impact of these events on the business and its employees.

Our employees have been working from home since 16 March 2020 and in that time, we retained the workforce, successfully onboarded six new employees and recruited a further four employees to operate our SA gas turbines. The transition to remote working has been executed with strong employee support as evidenced by our employee survey results and as equally important, with no adverse impact on business performance.

Throughout the year we have conducted four pulse surveys, three of which were conducted during COVID 19. Despite the uncertainty caused by the global pandemic and two simultaneous takeover transactions, 85% of our employees rated their current motivation as high or very high. At the same time our eNPS score increased from +16 in December 2018 to +55 in October 2019 and +68 in June 2020. This compares to an A/NZ benchmark of +4.5. Today, three-quarters of our employees are promoters of Infigen with 53% rating Infigen ten out of ten as a great place to work.

Pre COVID 19, the company was tracking ahead on its strategic objectives. The unprecedented nature of the pandemic and its potential implications caused management, with Board support, to pause further cash commitments by the business until the impact of the virus on the economy and the energy market were better understood.

Throughout the year we continued to pursue our strategy to reduce the reliance of our revenue on the spot market and improve the quality of our earnings. We implemented an enhanced retail offering and billing capability, the customer base grew to 79% of the contracted portfolio, increased our firming capability by commissioning the SA Battery and securing a 25-year lease from the South Australian Government for 120MW of aero derivative gas turbine equipment.

The implementation of our firming strategy has enabled us to secure 136MW of renewable generation in NSW from the Collector wind farm under a ten-year PPA and 21MW of renewable generation in Victoria from the Toora wind farm under a three-year PPA. Our negotiations were well advanced on a number of other renewable energy PPAs, however these negotiations were suspended until the full impacts of COVID 19 were better understood.

Our projects team advanced to construction and commissioned the Cherry Tree wind farm which was developed by Infigen and sold to the John Laing Group under our Capital Lite strategy. Infigen has agreed to purchase 100% of the output from the Cherry Tree wind farm under a run of plant PPA. Following commissioning the plant transitioned to our Operations team who will provide asset management services on behalf of the asset owner.

Finally, on 17 June 2020 Infigen announced that it had entered into a Bid Implementation Agreement with Iberdrola Renewables Australia Pty Limited, under which Iberdrola made an off market takeover bid for Infigen. This offer came following an extended period of engagement with Infigen regarding potential cooperation or a control transaction. As a result of the work that the team performed in the lead up to this potential transaction, the Board were able to unanimously recommend that security holders accept the offer from Iberdrola in the absence of a superior proposal.

On Thursday 6 August 2020, Iberdrola announced that its voting power in Infigen increased to more than 50% on Wednesday 5 August 2020. Following this and pursuant to determinations made by the Infigen Board under the rules of the applicable employee incentive arrangements relating to a change of control, outstanding incentives have been released or paid to relevant Infigen employees, including the accelerated vesting and cash settlement of the FY19 and FY20 LTI grants. Further details are provided in the report.

The Infigen Board firmly believes that the friendly Iberdrola takeover offer and the unexpected UAC takeover offer are a positive reflection of the successful execution of our strategy and the commitment of a highly skilled workforce served by an experienced leadership team. On behalf of the Board I thank them for their dedication and commitment to preserve and create value on behalf of Infigen's security holders.

Yours faithfully

Mark Chellew
Chairman
Nomination & Remuneration Committee

KMP Summary Report

for the year ended 30 June 2020

Executives	Position
R Rolfe	Managing Director / CEO
S Wiggins	Executive Director - Finance & Commercial
P Simshauser (to 29 May 2020)	EGM Energy Markets
T Nelson (from 1 June 2020)	EGM Energy Markets
T Clark	EGM Operations & Projects

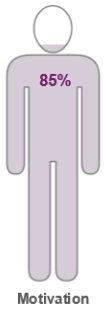
2020 Pulse Surveys

The Board monitors organisation culture and includes People & Culture metrics within Short and Long-Term Incentives. Throughout the year we have conducted four pulse surveys with an emphasis on employee wellbeing during the COVID-19 Pandemic.

Remuneration Framework

The remuneration framework is designed to strike the right balance between performance and rewards for preserving, creating and delivering long term security holder value. The key features are:

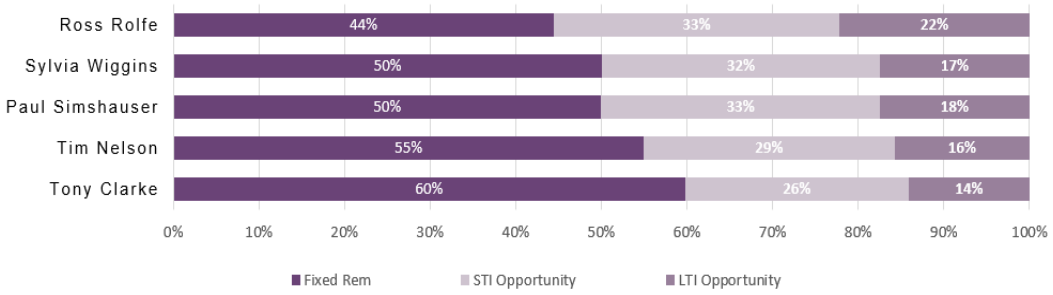
- Fixed Remuneration
- Short Term Incentive paid in cash with 20% deferred for 12 months
- Long Term Incentive with market based and operational performance conditions
- Clawback mechanisms embedded within the deferred STI and LTI grants



+68 eNPS

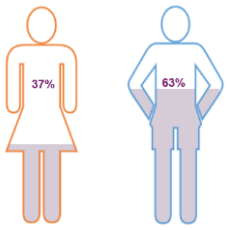
Up from +16 last year

KMP Remuneration Mix in FY20

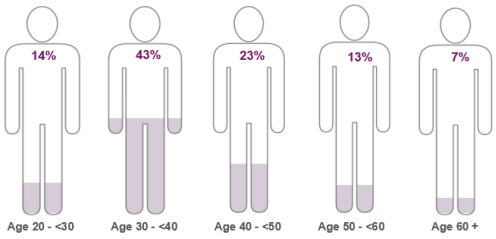


The Board adopted the Infigen Energy Diversity and Inclusion Policy in June 2011. Infigen sets and monitors progress against annual diversity objectives, which include gender diversity targets. More detailed information relating to diversity and inclusion objectives and achievements can be found in the Sustainability Highlights section of the Annual Report and the online ESG Report.

Gender Diversity



Age Diversity



53% of respondents rate Infigen 10 out of 10 as a great place to work

Remuneration received by Executive KMP during FY20

This table includes the full year actual remuneration received by each KMP.

KMP	FY20								FY19	
	Fixed remuneration	STI opportunity	FY20 Awarded STI Cash	FY20 Awarded STI Deferred	Vested LTI[3]	Other Payments[4]	Total	Performance related	Total	Performance related
	($)	($)	($)	($)	($)	($)	($)	%	($)	%
R Rolfe	879,625	659,718	686,107	171,526	97,311	440	1,835,009	52%	1,603,500	47%
S Wiggins	747,500	484,500	503,880	125,970	-	440	1,377,790	46%	1,199,500	39%
P Simshauser[1]	643,417	455,000	386,750	-	-	55,518	1,085,685	36%	838,450	41%
T Clark	407,423	181,500	159,720	39,930	-	440	607,513	33%	643,300	37%
T Nelson[2]	147,108	77,285	74,194	18,548	-	440	240,290	39%	-	-
	2,825,073	1,858,003	1,810,651	355,974	97,311	57,278	5,146,287		4,284,750	

Relationship between performance and incentive payments

FY20 KPIs	FY20 STI Assessment
Financial Performance (50%)	Underlying EBITDA $163.3 million
Strategic Objectives (50%)	KPIs related to the implementation of the 5 Year Business Plan to establish a platform for the continued value accretive transition of the business.
Objectives included: > Deliver a balanced portfolio for electricity sales over a 5-year forward period; > Expanding the sourcing of energy supply within the portfolio; > Implement a firming strategy; > Construction of the SA Battery; > An effective Capital Management strategy and structure; > Other strategic projects.	Infigen has: > enhanced its retail capability and implemented an advanced computer based customer billing system, enabling business growth; > as at 30 June 2020, the customer base grew to 79% of the contracted portfolio; > commissioned the SA Battery which is outperforming its original business case; > constructed and commissioned the Cherry Tree wind farm on time and within budget; > secured 136MW of renewable wind generation in NSW (Collector) under a ten-year PPA and 21MW of renewable wind generation in Vic (Toora) under a three-year PPA; > continued the development of the 145MW Flyers Creek wind farm to ensure it is capable of development as part of the next wave of Infigen development projects in NSW; > entered into an agreement to lease 120MW of aero-derivative gas turbine equipment from the South Australian Government for a period of 25 years. We have readied the business to receive these assets into the business and advanced plans to relocate them to Bolivar in SA; > implemented comprehensive ESG reporting and rebuilt the security holder register with over 70% institutional security holders prior to the Iberdrola takeover offer; > the business paid a distribution, pursued growth targets and deleveraged $53.5m of debt from free cash flow; > All key staff have agreed development plans. Employee motivation remained at 85% and above throughout the entire year and the eNPS increased to +68 in June 2020, up from +16 in December 2018 and +55 in October 2019; > Explored a whole of business transaction with Iberdrola Renewables Australia Pty Limited ("**Iberdrola**") which resulted in a Board supported takeover offer.
The FY20 KPIs included a Gateway hurdle where in the event of a fatality the Board would automatically consider rerating the STI Pool. The Board could also take into consideration Moderating Factors not foreseen or adequately addressed in setting the FY20 KPIs to rerate the STI.	

[1] FY20 is Pro-rated for part year with employment ending 29 May 2020. 'Other Payments' include statutory entitlements paid on termination.

[2] T Nelson is Pro-rated for part year employment commencing 16 March 2020.

[3] FY18 LTI Tranche 2 was cash settled upon vesting.

[4] 'Other Payments' include a temporary COVID-19 working from home allowance for electricity and internet paid to all Infigen employees.

FY20 LTI Terms and Conditions

Performance Period		Performance Conditions	Vesting Scale
1 July 2019 to 30 June 2022	50%	Infigen TSR performance compared to ASX 300 peer group excluding financial services, real estate and the materials & resources sectors	50th to 75th Percentile of peer group
	50%	Operational Performance Condition measures progress in implementing the 5 Year Business Plan and business strategy	Performance will be assessed against a scorecard setting out the strategic objectives, quantifiable measures and Board assessment criteria that will be used for determining the amount of Tranche 2 performance rights that will vest.

Statutory Remuneration Report

Remuneration of KMP

The remuneration framework for KMP comprises three components:

- fixed pay;
- STI, which is a variable payment linked to achieving specified performance measures over a 12-month period; and
- LTI, which is a variable payment linked to meeting specified performance hurdles over a 3-year period.

Remuneration is benchmarked against industry peers within utilities, electricity generation and infrastructure, having regard to the advice of external advisers.

1.1. Fixed Pay

Fixed pay comprises a cash salary and superannuation. Infigen does not offer remuneration packaging other than superannuation salary sacrifice.

1.2. Short Term Incentives

STI is an at-risk performance-related component of remuneration. STIs are subject to performance against key performance indicators (KPIs) aligned with strategy and annual budgets. KPIs are set annually and reviewed during the year and where appropriate changed to maintain alignment with the business strategy.

The NRC determines the KPIs for the KMP and reviews the KPI achievement. The NRC determines the CEO's STI payment, reviews and approves payments made to KMP and the aggregate amount of STI payments.

The FY20 KPIs were structured to ensure all employees continue to respond to a changing energy market to preserve and create security holder value. The 5 Year Business Plan was approved by the Board in August 2017 and continues to underpin the business strategy.

The updates to that 5YBP, most relevantly in June 2019 underpinned the implementation of the business strategy and, forms the basis of the FY20 KPIs. The 5 Year Business Plan has three primary work streams:

1. diversifying our customer base to improve revenue certainty and stability while maximising earnings from existing assets;
2. expanding the sourcing of energy supply within the Infigen portfolio in response to market signals and enhancing Infigen's capacity to deliver firm products to its customers; and
3. creating a capital structure to support Infigen's business strategy.

The FY20 KPIs included a gateway hurdle and moderating factors as preconditions used to determine events which automatically trigger Board consideration to rerate the STI pool for the whole organisation, a team or individual.

In FY20 the gateway hurdle was classified as a fatality, which would automatically trigger Board consideration to rerate the STI pool.

Moderating factors address matters not foreseen or adequately addressed in setting the FY20 KPIs. Moderating factors may be used to determine team or individual STI outcomes irrespective of the overall achievement against the FY20 KPIs. Examples of moderating factors were: any serious safety incidents, serious regulatory or contract breaches, actions that result in reputational damage to Infigen or conversely progress made to deliver projects that would defend, preserve or increase security holder value that were not within the scope of the KPIs.

The Board determined that neither the 'gateway hurdle' or any negative 'moderating factors' occurred during the year. Consequently, no downward adjustment to the STI opportunity was applied.

Individual STI payments awarded to KMP in FY20 were between 85% and 130% of the maximum STI opportunity. In determining individual STI payments, the NRC had regard to the specific KPIs established at the beginning of the year, achievement against those targets, and the achievements of management in responding to emerging threats and opportunities in the delivery of the revised business strategy.

The Board has discretion under the Infigen Short Term Incentive Plan to apply a performance factor adjustment (positive or negative) of up to 30% of the STI Payment achievement subject to the employee's performance, which takes into consideration amongst other things the manner and substance in which the KPIs were achieved and the employee's performance throughout the year.

1.2.1. Short Term Incentive Deferral

In FY20 20% of the KMP's STI payment was deferred for 12 months. Deferred STI is paid in cash at the end of the deferral period provided the employee has not resigned or had their employment terminated for cause prior to the payment date.

The deferred payment is subject to a Clawback provision.

Infigen issued 398,362 securities following the release of the FY18 financial results to satisfy vesting obligations of the FY17 deferred STI. As at 30 June 2020 these performance rights have not vested as no employee trading window has opened during the period. The forfeiture conditions remain during this period, effectively creating a three-year deferral.

1.2.2. Clawback

Infigen currently has a modified form of Clawback right in respect of LTI performance rights and deferred STI awards. Infigen's Clawback provisions are broader than a traditional malus provision. These Clawback provisions apply to current employees and former employees that are not deemed a 'Bad Leaver' upon termination of employment. The Clawback provision allows forfeiture of some or all deferred STI and/or unvested LTI performance rights if a previously vested LTI grant or STI payment was associated with a materially adverse financial misstatement, or if a Final Investment Decision has materially overstated the projected financial performance of the relevant asset or investment.

1.3. Long Term Incentives

LTIs are awarded as future rights to acquire Infigen securities. Each vested performance right will entitle the participant to receive one security, or a cash amount equivalent to the market price of a security, on the vesting date. Settlement in cash or securities is determined by the Board in its absolute discretion.

The number of rights granted is based on the LTI amount divided by the reference price for Infigen securities, being the volume weighted average ASX market price in the last five trading days of the prior financial year. For rights granted in FY20 the reference price was $0.4658.

LTI grants comprise two equal tranches, each subject to a different performance condition. Vesting of each tranche is contingent on achieving the relevant performance hurdle.

	Performance Conditions FY18, FY19 & FY20 LTI Grants
Tranche 1	Relative TSR
Tranche 2	Progress in implementing the revised business strategy

1.3.1. FY17 LTI Grant

The 3-year performance period of the FY17 Grant was from 1 July 2016 to 30 June 2019 with a 4th-year retest provision. The Tranche 1 performance condition was not achieved at 30 June 2019 and entered a final twelve-month retest period ending 30 June 2020. 28.3% of the Tranche 1 performance rights vested as a result of this re-test.

1.3.2. FY18 LTI Grant

The 3-year performance period of the FY18 Grant was from 1 July 2017 to 30 June 2020.

The Tranche 1 TSR performance condition failed the performance test at 30 June 2020 resulting in no performance rights vesting.

The Tranche 2 operational performance condition was a revenue diversity and growth measure. All the Tranche 2 performance rights were determined to vest having regard to the company's performance (see 1.5.1 below).

1.3.3. FY19 LTI Grant

The 3-year performance period of the FY19 Grant is from 1 July 2018 to 30 June 2021, after which all unvested rights will lapse.

The Tranche 1 performance condition is TSR.

The Tranche 2 operational performance condition is based upon the achievement against a strategic objectives scorecard to

measure progress in implementing the revised business strategy to increase sustainable value through de-risking revenue and achieving prudent growth.

The Board has discretion to adjust the vesting outcomes under each performance condition (both upwards and downwards) including in the following circumstances:

a. a fatality occurring any time prior to the vesting date;

b. where Infigen experiences a significant negative security holder experience, including where the absolute TSR is negative and the Board considers the vesting outcome is inappropriate;

c. if the Board determines that the operational performance condition outcome does not satisfactorily reflect the sustainable economic value created for Infigen and its security holders during the performance measurement period;

d. a significant corporate transaction eventuates that the Board considers has affected, or will materially affect, the achievability of a performance condition or the continued applicability of the performance condition;

e. if there have been material misstatements or misrepresentations that warrant such adjustments.

1.3.4. FY20 LTI Grant

The 3-year performance period of the FY20 Grant is from 1 July 2019 to 30 June 2022, after which all unvested rights will lapse.

The Tranche 1 performance condition is TSR.

The Tranche 2 operational performance condition is based upon the achievement against a strategic objectives scorecard to measure progress in implementing the revised business strategy to increase sustainable value through de-risking revenue and achieving prudent growth. The structure and conditions associated with the operational performance condition are consistent with the FY19 LTI grant.

1.4. TSR Performance Condition

TSR measures the change in value of a security plus cash distributions notionally reinvested in that security. For any portion of the FY18 and FY19 Tranche 1 performance rights to vest, the TSR of Infigen securities must outperform that of the median company in the S&P/ASX 200 index (excluding financial services, real estate and the materials and resources sector).

For any portion of the FY20 Tranche 1 performance rights to vest, the TSR of Infigen securities must outperform that of the median company in the S&P/ASX 300 index (excluding financial services, real estate and the materials and resources sector).

Table 2: Tranche 1 TSR Performance Rights Vest Progressively as Follows

		Percentile ranking					
		Below the 25th percentile	Equal to the 25th percentile	Between the 25th and 50th percentile	Equal to the 50th percentile	Between the 50th and 75th percentile	Between the 76th and 100th percentile
Percentage of Awards vesting	FY17	0% vesting	25% vesting	An additional 1% of awards vest for each percentile increase	50% vesting	An additional 2% of the award vests for each percentile increase	100% vesting
	FY18, FY19 & FY20	0% vesting	0% vesting	0% vesting	50% vesting	An additional 2% of the award vests for each percentile increase	100% vesting

1.5. Operational Performance Condition

Relevant business performance metrics for the last four financial years and current period are provided in the table below.

Table 3: Five Year Financial Performance

	Unit	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020
Closing security price	$	1.00	0.73	0.66	0.475	0.94
Underlying EBITDA	$ '000	120,196	143,412[1]	149,102	165,257	163,309
Capital Base	$ '000	1,021,051	1,019,834	1,153,062	1,187,113	1,120,444
EBITDA to Capital Base	%	11.77	14.06	12.9	13.92	14.58
Target	%	10.00	12.49	11.46	13.16	N/A
Distribution	$ per security	-	-	-	0.01	0.01

1.5.1. FY18 LTI Grant - Operational Performance Condition

The primary assessment was based on a matrix that rewards achievements in delivering specific targets set out in the 5 Year Business Plan. The targets are revenue diversity, as measured by the proportion of energy sales delivered through direct commercial and industrial customer channels, and growth, as measured by Energy Sold volume (GWh).

The matrix was aligned with Infigen's business strategy to deliver a range of products and solutions to different customers: balance risk, price and tenor; secure longer-term revenue stability; and growth. To achieve 100% of the Tranche 2 performance rights, Infigen had to have sold 2,740 GWh, where 40% is contracted to C&I customers.

The Board has discretion to adjust the vesting outcomes (both upwards and downwards) including in the following circumstances:

a) outperformance in value creation which is not reasonably captured by the operational performance condition;

b) misstatements or misrepresentations that warrant a downward adjustment;

c) in the event of a significant corporate transaction which the Board considers has affected the achievability of the performance conditions;

d) where strict applicability of the matrix parameters would lead to an outcome that does not satisfactorily reflect the sustainable economic value created for Infigen or its security holders over the performance period including where this results in a vesting outcome that was not fair or reasonable (to either the LTI participants or Infigen) in all the circumstances; or

e) where the vesting outcome is considered inappropriate because absolute TSR is negative.

When assessing the vesting outcome, the Board took into consideration achievement against the growth and revenue diversity matrix and contrasted that with the value that been created through the firming strategy and acquisition of the Smithfield OCGT, the SA Battery and SAGTs. The Board also considered revenue diversity through the prism of the net revenue contribution from the C&I sales, Kiata & Cherry Tree PPAs, Smithfield OCGT and SA Battery. As a result of these assessments the Board were satisfied that management have achieved the Board approved strategic objectives that were intended within the 5 Year Business Plan, to determine that 100% of the Tranche 2 performance rights will vest.

The vested performance rights were settled by a cash payment equivalent to the Market Price of $0.89 per Infigen Stapled Security.

1.5.2. FY19 and FY20 LTI Grants – Operational Performance Condition

The operational performance condition will assess progress in implementing the business plan to preserve and create Infigen security holder value while managing risk. Performance will be assessed against a scorecard setting out the strategic objectives, quantifiable measures and Board assessment criteria that will be used for determining the amount of Tranche 2 performance rights that will vest. Each strategic objective will be assessed separately and then aggregated to determine the final vesting percentage. This is to be overlaid with the Board's qualitative assessment of how the company

[1] Underlying EBITDA adjusted for inclusion of profit on sale of the Manildra solar farm development project.

has performed in implementing the company's strategy. The Board may exercise discretion when assessing individual and team performance in delivering the strategic objectives.

The Table below illustrates the five strategic objectives and performance assessment criteria included within the scorecard. Specific targets and other metrics that are commercial-in-confidence have not been disclosed, however the Board will disclose the assessment criteria taken into consideration when determining the vesting outcome at the end of the relevant performance measurement period.

Table 5: Criteria included within the Operational Performance Scorecards

Strategic objective	Performance assessment criteria
Preservation and creation of Security Holder value while managing market risk	Successful implementation of the Multi-Channel Route to Market Strategy which seeks to balance tenor, price and risk for revenue received from electricity and Large-scale Generation Certificates. This includes specific targets for contracted revenue streams.
Capital management	The further development and implementation of a capital management strategy which supports the execution of the broader business strategy, including target financial ratios to be achieved within a defined period.
Prudent investment	Growth in capacity and firming capability is to be undertaken in a disciplined manner that creates value by meeting a defined equity hurdle rate and/or by materially reducing risk.
Develop and maintain a high-performance culture	Implementation of a People and Culture strategy that recognises and values high performance, as well as being results oriented and emphasising accountability. Targets include achievement of specific human resource related metrics.
Transformational business opportunities	Operating in a dynamic energy market involves identifying, exploring and implementing initiatives to preserve and create security holder value.

1.6. Treatment of Incentives in a Change of Control

On 3 June 2020, UAC Energy Holdings Pty Ltd ("UAC") announced its intention to make an unsolicited off-market takeover bid for all stapled securities issued by Infigen that UAC did not already own. The UAC bid was initially subject to several conditions. On 29 June 2020, UAC announced that its bid was unconditional.

On 17 June 2020, Infigen and Iberdrola entered into a Bid Implementation Agreement pursuant to which Iberdrola agreed to make an off-market takeover bid for all stapled securities in Infigen ("Iberdrola Offer"). There were various conditions attached to the Iberdrola Offer including FIRB approval and a minimum acceptance condition where, at the end of the Offer Period, Iberdrola has a Relevant Interest in more than 50% of all Infigen Stapled Securities (on a fully diluted basis) ("Minimum Acceptance Condition"). On 16 July 2020, Iberdrola announced that the Iberdrola Offer was free of all conditions. On Thursday 6 August 2020, Iberdrola announced that, as at 5 August 2020 its voting power in Infigen increased to more than 50%.

As previously disclosed the Board has a discretion under the rules of the Infigen Energy Equity Plan ("Equity Plan") to accelerate the vesting of performance rights in the event of change of control of Infigen.

The Board exercised its discretion so that, subject to a bidder acquiring a relevant interest in more than 50% of all Infigen stapled securities (on a fully diluted basis) (such event, a "Change of Control"), with a minimum bid price of at least $0.80 per Infigen stapled security, the following would occur:

1. 3,561,630 performance rights relating to the FY19 and FY20 LTI grants will vest upon the date upon which a Change of Control occurs;
2. the FY19 and FY20 LTI vested performance rights will be settled in cash based on the Market Price (as defined in the Equity Plan) of an Infigen stapled security (such Market Price to be calculated on the vesting date) and provided that, should the Market Price be less than the final offer price per Infigen Stapled Security that is offered by a successful bidder that resulted in a Change of

Control (Successful Bid Price), then the Successful Bid Price will be used to calculate the value of these vested performance rights;

3. the Board will apply an overlay assessment to the Tranche 1 vesting outcome of the FY17 and FY18 LTI grants. This will be settled by a cash payment equivalent to the value of any additional performance rights that would have vested had the 30-trading day VWAP to 30 June 2020 (being the final day of the relevant performance period) been equal to the Successful Bid Price per Infigen Stapled Security that is offered by a successful bidder that resulted in a Change of Control; and
4. the cash incentive arrangement implemented for FY21 STI & LTI as disclosed previously in Infigen's target statement in response to the Iberdrola Offer.

The Change of Control event occurred on Wednesday 5 August 2020. These incentives, with a total value of $4,617,529, have now been paid to the relevant employees.

Infigen Energy – Executive KMP Statutory Remuneration Details

1.7. Statutory Remuneration Data for the Year Ended 30 June 2020

The Statutory Remuneration Data table below shows the accounting expense amounts that reflect a portion of possible future remuneration arising from prior and current year LTI grants.

Table 6: Statutory Remuneration Data for Executive KMP

Executive	Year	Short-term employee benefits					Post employment benefits	Other long-term employee benefits	Deferred STI	Share-based payments	
		Salary	STI payable in current period	Other payments[1]	Termination payments	Total of short-term employee benefits	Superannuation	LSL accrual	Cash Settled[2]	Equity settled	Total
		($)	($)	($)	($)	($)	($)	($)	($)	($)	($)
R Rolfe	FY20	858,622	686,107	440	-	1,545,169	21,003	4,759	149,400	285,871	2,006,202
	FY19	835,969	597,600	-	-	1,433,569	20,531	5,397	86,304	306,427	1,852,228
S Wiggins	FY20	726,497	503,880	440	-	1,230,817	21,003	2,486	94,300	199,511	1,548,117
	FY19	707,469	377,200	-	-	1,084,669	20,531	4,619	91,000	118,982	1,319,801
P Simshauser[3]	FY20	622,414	386,750	320	55,198	1,064,682	21,003	-	69,290	86,892	1,241,867
	FY19	471,469	277,160	-	-	748,629	20,531	1,471	18,408	47,314	836,353
T Nelson[4]	FY20	141,857	74,194	440	-	216,491	5,251	-	-	-	221,742
	FY19	-	-	-	-	-	-	-	-	-	-
T Clark	FY20	386,420	159,720	440	-	546,580	21,003	1,726	31,860	69,747	670,916
	FY19	383,469	127,440	80,000	-	590,909	20,531	2,489	20,070	39,332	673,331
O Sela[5]	FY20	-	-	-	-	-	-	-	-	-	-
	FY19	226,617	-	-	14,336	240,952	12,359	-	-	-	253,311
Total remuneration	FY20	2,735,810	1,810,651	2,080	55,198	4,603,739	89,263	8,971	344,850	642,021	5,688,844
	FY19	2,624,993	1,379,400	80,000	14,336	4,098,728	94,483	13,976	215,782	512,055	4,935,024

1.7.1. Value of Remuneration that May Vest in Future Years

Remuneration amounts provided in the table below refer to the maximum value of performance rights relating to Infigen securities. These amounts have been determined at grant date by using a pricing model and amortised in accordance with AASB 2 *'Share Based Payments'*. The minimum value of remuneration that may vest is nil.

[1] FY20 COVID-19 working from home allowance for electricity and internet given to all employees.
[2] 20% of FY19 STI was Deferred for 12 months and cash settled.
[3] Resigned effective 29 May 2020. 'Other Payments' include statutory entitlements paid on termination.
[4] Commenced as Executive KMP on 1 June 2020.
[5] Resigned effective 18 January 2019.

Table 7: Remuneration that May Vest in Future Years

		Maximum value of remuneration which is subject to vesting in accordance with AASB 2 *Share Based Payments*				
Executive	Grant	FY18 ($)	FY19 ($)	FY20 ($)	FY21 ($)	FY22 ($)
R Rolfe	FY18	65,439	118,342	118,661	-	-
	FY19	-	38,416	65,397	65,219	-
	FY20	-		101,813	167,395	167,395
	Total	65,439	156,758	285,871	232,614	167,395
S Wiggins	FY18	49,361	89,267	89,507	-	-
	FY19	-	29,128	49,585	49,449	-
	FY20	-	-	60,419	99,338	99,338
	Total	49,361	118,395	199,511	148,787	99,338
P Simshauser	FY18	15,684	30,858	30,942	-	-
	FY19	-	16,456	55,950	-	-
	Total	15,684	47,314	86,892	-	-
T Clark	FY18	15,725	28,438	28,515	-	-
	FY19	-	10,894	18,546	18,495	-
	FY20	-	-	22,686	37,299	37,299
	Total	15,725	39,332	69,747	55,794	37,299

1.7.2. Unvested Performance Rights

The table below provides details of outstanding performance rights as at 30 June 2020 relating to Infigen securities that have been granted to Executive KMP (FY17, FY18, FY19 and FY20 grants). The performance rights are valued as at the grant date even though the grant was based on the volume weighted average price of the five trading days up to 30 June in the year prior to the grant.

Table 8: Unvested Performance Rights

Executive	Grant	Granted number	Grant date	Value per performance right at grant date	Value of performance rights granted at grant date	Potential Vesting Dates		
				($)	($)	LTI Tranche 1	LTI Tranche 2	Deferred STI
R Rolfe	FY17[1]	184,615	23 Nov 17	0.5189	95,799	30 Jun 19	30 Jun 19	-
	FY18	620,156	23 Nov 17	0.4577	283,845	30 Jun 20	30 Jun 20	-
	FY18[2]	170,409	23 Nov 17	0.6750	115,026	-	-	15 Sep 19
	FY19	500,224	28 Nov 18	0.4677	233,955	30 Jun 21	30 Jun 21	-
	FY20	944,208	22 Nov 19	0.6400	604,293	30 Jun 22	30 Jun 22	-
S Wiggins	FY18	467,790	23 Nov 17	0.4577	214,107	30 Jun 20	30 Jun 20	-
	FY18[2]	3,342	23 Nov 17	0.6750	2,256	-	-	15 Sep 19
	FY19	379,274	28 Nov 18	0.4677	177,386	30 Jun 21	30 Jun 21	-
	FY20	560,326	22 Nov 19	0.6400	358,609	30 Jun 22	30 Jun 22	
P Simshauser	FY18	157,712	11 Dec 17	0.4611	72,721	30 Jun 20	30 Jun 20	-
	FY19	214,275	28 Nov 18	0.4677	100,216	30 Jun 21	30 Jun 21	-
T Clark	FY18	149,025	23 Nov 17	0.4577	68,209	30 Jun 20	30 Jun 20	-
	FY19	141,855	28 Nov 18	0.4677	66,346	30 Jun 21	30 Jun 21	-
	FY20	210,390	22 Nov 19	0.6400	134,650	30 Jun 22	30 Jun 22	-

[1] Relates to Tranche 1 which entered fourth year re-test ending 30 June 2020.
[2] Relates to the STI Deferred from FY17.

Table 9: Change in Number of Performance Rights Held by Executive KMP throughout the Year

Set out below is the change in the number of performance rights held by Executive KMP over the period 1 July 2019 to 30 June 2020. No performance rights vested during the year ending 30 June 2020 as an employee trading window did not open during the year.

	Balance at 30 June 2019	Granted	Vested	Lapsed	Balance at 30 June 2020
R Rolfe	1,660,019	944,208	-	-	2,604,227
S Wiggins	850,406	560,326	-	-	1,410,732
P Simshauser	371,987	525,976	-	525,976	371,987
T Clark	290,880	210,390	-	-	501,270
T Nelson	-	-	-	-	-

1.8. Executive KMP Employment Contracts

The base salaries (excluding superannuation guarantee payments) for Executive KMP as at 30 June 2020 are as follows:

	As at 30 June 2020
R Rolfe	$858,623
S Wiggins	$726,497
T Clark	$393,997
T Nelson	$478,997

Employment contracts relating to Executive KMP contain the following conditions:

Duration of contract	> Open-ended
Notice period for either party to terminate the contract	> R Rolfe 12 months' written notice by Infigen or 6 months by R Rolfe > S Wiggins 12 months' written notice by Infigen or 6 months by S Wiggins > T Nelson 6 months' written notice by either party > T Clark 3 months' written notice by either party
Termination payments provided under the contract	> Upon termination, any accrued but untaken annual and long-service (but not sickness or personal) leave entitlements, in accordance with applicable legislation, are payable. In the event of redundancy, a severance payment is payable under the Infigen Energy Redundancy Policy equivalent to 4 weeks base salary for each year of service (or part thereof), up to a maximum of 36 weeks.
Termination for Material Adverse Change	> Both R Rolfe and S Wiggins may terminate their employment immediately where a material adverse change to the powers, duties, responsibilities, authority and/or status of the executive's role has occurred without the executive's consent, provided the executive has notified Infigen in writing of such change within one month (with their reasons for such change), and Infigen has failed to remedy this within one month of receiving notice from the executive of such change. > In the event that Infigen does not remedy the material adverse change, the executive will be entitled to a severance payment of 12 months' Fixed Remuneration or the maximum amount permitted by Part 2D.2.2 of the *Corporations Act 2001 (Cth)* if this is a lower amount. > The executive will not be a "Bad Leaver" under the Infigen Energy Equity Plan and is not entitled to notice of termination or severance payments under the Infigen Energy Redundancy policy. > Termination benefits are subject to the condition that they will not exceed the amount permitted by Part 2D.2.2 of the *Corporations Act 2001 (Cth)* without security holder approval.

1.9. Remuneration of Non-Executive Directors

Non-Executive Director fees are determined by the Boards based on the aggregate amount approved by security holders. The approved aggregate directors' fee pool for the Board of IEL is $500,000. An aggregate directors' fee pool has not been set for the Board of IERL, which is the unlisted responsible entity of IET.

The fee paid to each Director varies with individual Board and committee responsibilities.

Annual Board and Committee fees were increased by 2.5% effective 1 July 2019. This was the first time since 1 July 2008 that the base Non-Executive Director fee had been increased and Committee fees had last been adjusted on 1 July 2016.

Non-Executive Directors receive a cash fee for service inclusive of statutory superannuation. Non-Executive Directors do not receive any performance-based remuneration or retirement benefits other than statutory superannuation contributions.

1.9.1. Board/Committee Fees

Aggregate annual fees payable to Non-Executive Directors during the year ended 30 June 2020 are set out below.

Board / Committee	Role	Annual Fee
Infigen Boards	Chairman[1]	$256,250
	Non-Executive Director	$128,125
Infigen Audit, Risk & Compliance Committees	Chairman	$24,600
	Member	$12,300
IEL Nomination & Remuneration Committee	Chairman	$20,500
	Member	$10,250

1.9.2. Remuneration of Non-Executive Directors for the Year Ended 30 June 2020

The nature and amount of each element of fee payments to each Non-Executive Director of Infigen for the years ended 30 June 2019 and 30 June 2020 are set out in the table below.

Non-Executive Directors	Year	Fees		Super-annuation	Total
		IERL	IEL & IEBL[2]		
		($)	($)	($)	($)
L Gill[3]	FY20	117,624	117,624	21,002	256,250
	FY19	114,735	114,735	20,531	250,000
M Chellew[4]	FY20	63,232	83,732	13,961	160,925
	FY19	61,689	81,689	13,621	157,000
E Stein[5]	FY20	69,293	79,543	14,139	162,975
	FY19	67,603	77,603	13,794	159,000
P Green[6]	FY20	-	-	-	-
	FY19	-	-	-	-
K Smith-Pomeroy[7]	FY20	67,167	67,167	6,091	140,425
	FY19	34,647	34,647	6,583	75,877
Total Remuneration	FY20	317,316	348,066	55,193	720,575
	FY19	278,674	308,674	54,529	641,877

[1] No Committee fees are paid to the Chairman of the Infigen Boards.
[2] IEBL was unstapled from IEL and IET on 22 November 2018 and de-listed from the Official List of the ASX at the close of business 26 November 2018. IEBL is now a wholly-owned subsidiary company of IEL and is expected to be wound up in due course.
[3] L Gill is a member of the NRC.
[4] M Chellew is Chairman of the NRC and a member of the ARCC.
[5] E Stein is Chairman of the ARCC and a member of the NRC.
[6] P Green was appointed as a Non-Executive Director of IEL and IERL on 18 November 2010. Mr Green is a partner of TCI Advisor Services LLP which is an advisor to a substantial shareholder of Infigen. Since being appointed, Mr Green has elected to receive no Director fees.
[7] K Smith-Pomeroy was appointed as a Non-Executive Director of IEL and IERL on 12 December 2018. Ms Smith-Pomeroy is a member of the ARCC.

1.10. Guideline for Minimum Security Holdings for Non-Executive Directors

Non-Executive Directors who receive payment of Director Fees from Infigen are encouraged to acquire Infigen securities equivalent to the after-tax value of one year's Director base fee. The acquisition of the relevant amount of Infigen securities should be completed within 3 years of being appointed and subsequently elected as a Non-Executive Director. The acquisition of Infigen securities under this guideline is subject to Infigen's Securities Trading Policy and sufficient trading windows being open during the relevant period.

Because of the confidential, material and price sensitive nature of information relating to certain projects undertaken this year, some of which have now been disclosed to the market, Infigen employees and Directors were not permitted to trade Infigen securities throughout the year. These trading restrictions prevented Directors from acquiring any Infigen securities towards meeting the minimum-security holding guidelines.

Table 10: Infigen Security Holdings of Non-Executive Directors and Executive KMP

Infigen security holdings of Non-Executive Directors and KMP, including held by their personally related parties, over the period 1 July 2019 to 30 June 2020 are set out in the table below.

	Balance at 30 June 2019	Acquired during FY20	Sold during the year	Balance at 30 June 2020
L Gill	64,220	2,453	-	66,673
M Chellew	-	-	-	-
E Stein	-	-	-	-
P Green	-	-	-	-
K Smith-Pomeroy	-	-	-	-
R Rolfe	130,869	-	-	130,869
S Wiggins	12,173	-	-	12,173
P Simshauser	-	-	-	-
T Clark	60,869	-	-	60,869
T Nelson	-	-	-	-

1.11. Remuneration Adviser

The NRC engaged the services of a remuneration advisor during the year to provide general market practice information. No advice was provided that falls within the definition of a remuneration recommendation of the Corporations Act 2001, Chapter 1, Part 1.2, Division 1, section 9B (1)(a) and (b).

The Board was satisfied that the advice received was free from the undue influence of the KMP.

OTHER DISCLOSURES

Company Secretary

David Richardson was appointed Company Secretary of IEL and IERL on 26 October 2005. David is the General Manager Corporate Governance & Company Secretary of Infigen and is responsible for the company secretarial, insurance, corporate compliance and internal audit functions.

David was previously a Company Secretary within the AMP Group, including AMP Capital Investors, Financial Services and Insurance divisions, as well as holding prior financial services sector and regulatory positions.

David holds a Diploma of Law, Bachelor of Economics, Graduate Diploma in Company Secretarial Practice and is a Graduate of the Australian Institute of Company Directors. David is a Member of the Governance Institute of Australia and the Australian Institute of Company Directors.

Distributions

The Board determined not to pay a distribution for the second-half of the year-ending 30 June 2020. In doing so, the Board had consideration of the two off-market takeover offers (which remained active as at 30 June 2020), specifically their conditionality that Infigen not pay a distribution for this period. Additional details of the two off-market takeovers that were current as at 30 June 2020 are provided in the Significant Events and Matters section of this Directors Report.

Subsequent to the year ended 30 June 2020, the Infigen Boards determined to suspended distributions indefinitely. In making its determination, the Boards had reference to Infigen's Capital Management Policy which seeks to balance accretive growth, returns to security holders and continued deleveraging.

A Distribution Reinvestment Plan was available to security holders for the first-half of the year-ending 30 June 2020 distribution. Further details regarding distributions are set out in Note B7 and D1 to the Financial Report.

Principal Activities

The principal activities of Infigen and the Trust are set out in the Operating and Financial Review commencing on page 17 of this report.

Changes in State of Affairs

In the opinion of the Directors there were no other significant changes in the state of affairs of Infigen that occurred during the financial year other than those included in this Directors' Report.

Subsequent Events

There were no transactions or events of a material or unusual nature, not otherwise dealt with in this Directors' Report, likely to affect significantly the operations or affairs of Infigen or the Trust in future financial periods.

Environmental Regulations

To the best of the Directors' knowledge, Infigen has complied with all significant environmental regulations applicable to its operations.

Indemnification and Insurance of Officers

Infigen has agreed to indemnify (to the extent permitted by law) all Directors and Officers against losses or liabilities incurred in their role as Director, Alternate Director, Secretary, Executive, or other employee of Infigen. Infigen has not been advised of any claims under the aforementioned indemnity.

Current and former Directors and Officers are covered under a liability insurance contract, which is held, and premiums paid, by Infigen during the financial year.

Proceedings on Behalf of Infigen

No person has applied for leave of the Court to bring proceedings on behalf of Infigen, or to intervene in any proceedings to which Infigen is a party, for the purpose of taking responsibility on behalf of Infigen for all or part of those proceedings. Infigen was not a party to any such proceedings during the financial year.

Non-Audit Services

In accordance with internal policy, IEL and IET only engage the auditor for non-audit services where the services will not compromise the auditor's independence and where it is believed the auditor is best equipped to provide the services when considering their experience, expertise, and knowledge IEL and IET.

The Board has considered the Audit Risk & Compliance Committee's (ARCC) advice and the non-audit services provided by the auditor and is satisfied that the provision of these services by the auditor is compatible with, and did not compromise, the general standard of auditor independence imposed by the Corporations Act 2001. Furthermore, approval is required to be obtained from the ARCC Chairman and ARCC prior to the engagement of these services, to the extent the expected value of these services is above the dollar threshold set by the ARCC.

Non-audit services provided during the financial year consist of taxation related services (including general compliance and advisory) and transaction and advisory services. Fees paid or payable to the auditor for these services during the financial year are summarised in the below table.

Non-audit services	30 June 2020
Taxation related services	90,121
Transaction and advisory services	63,005
	153,126

The non-audit services provided also do not undermine the general principles relating to auditor independence as set out in the APES 110 Code of Ethics for Professional Accountants as they did not involve reviewing or auditing the auditor's own work or acting in a management or decision-making capacity for Infigen.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 58.

Rounding

All figures are presented in Australian Dollars with all values rounded off to the nearest thousand dollars, unless otherwise stated, in accordance with the Australian Securities and Investments Commission (ASIC) Corporations Instrument 2016/191.

Approval of Directors' Report

Pursuant to section 298(2) of the Corporations Act 2001, this report is made in accordance with resolutions of the Directors of IEL and the Directors of IERL, the responsible entity of IET.

On behalf of the Directors of IEL and IERL:

Leonard Gill
Chairman

Ross Rolfe AO
Chief Executive Officer / Managing Director

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Auditor's Independence Declaration

As lead auditor for the audit of Infigen Energy Limited ("IEL") and its controlled entities (together "Infigen"), and Infigen Energy Trust and its controlled entities (together "Trust") for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Infigen and Trust during the period.

Craig Thomason
Partner
PricewaterhouseCoopers

Sydney
20 August 2020

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

FINANCIAL REPORT

Consolidated Statements of Comprehensive Income

for the year ended 30 June

($'000)	Note	INFIGEN 2020	INFIGEN 2019	TRUST 2020	TRUST 2019
Revenue and other income					
Revenue	B2	293,186	257,506	-	-
Net gain on change in the fair value of financial instruments		-	6,487	-	-
Other income	B3	3,664	2,845	48,664	38,797
Total revenue and other income		296,850	266,838	48,664	38,797
Expenses					
Depreciation and amortisation expense		(67,171)	(54,555)	-	-
Cost of sales		(57,616)	(28,169)	-	-
Asset operating costs		(47,280)	(41,356)	-	-
Interest expense		(43,033)	(40,151)	-	-
Other finance costs	B4	(26,580)	(8,066)	-	-
Corporate costs		(24,473)	(19,544)	(1)	(1)
Net loss on change in the fair value of financial instruments		(13,262)	-	-	-
Change of control costs		(7,846)	-	-	-
Development costs		(2,197)	(3,681)	-	-
Share of net loss of equity accounted investments		(1)	(852)	-	-
Impairment of intangible development assets		-	(9,068)	-	-
Impairment of financial assets		-	-	-	(127,680)
Responsible entity expenses		-	-	(726)	(713)
Profit / (loss) before income tax		7,391	61,396	47,937	(89,597)
Income tax expense	B5	(3,934)	(20,505)	-	-
Net profit / (loss) for the year		3,457	40,891	47,937	(89,597)
Other comprehensive income that may be reclassified to profit or loss:					
Changes in the fair value of cash flow hedges, net of tax		15,384	(20,282)	-	-
Total comprehensive income		18,841	20,609	47,937	(89,597)
Net profit / (loss) attributable to:					
Equity holders of the parent		4,181	40,795	-	-
Equity holders of the other stapled entities		(724)	96	47,937	(89,597)
		3,457	40,891	47,937	(89,597)
Total comprehensive income / (loss) attributable to:					
Equity holders of the parent		19,565	20,513	-	-
Equity holders of the other stapled entities		(724)	96	47,937	(89,597)
		18,841	20,609	47,937	(89,597)
Basic and diluted earnings per security from net profit attributable to:		cents	cents	cents	cents
Equity holders of the parent	B6	0.4	4.3	5.0	(9.4)
Stapled security holders of Infigen	B6	0.4	4.3	-	-

The above consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statements of Financial Position

as at 30 June

($'000)	Note	INFIGEN 2020	INFIGEN 2019	TRUST 2020	TRUST 2019
Current assets					
Cash and cash equivalents	D2	147,185	103,681	654	442
Receivables	G8	27,146	20,317	-	10,000
Renewable energy certificates	G7	21,393	27,157	-	-
Derivative financial instruments	E5	5,589	3,502	-	-
		201,313	154,657	654	10,442
Non-current assets					
Property, plant and equipment	C1	938,293	991,815	-	-
Intangible assets	C3	101,813	101,321	-	-
Right-of-use assets	C2	42,143	-	-	-
Deferred tax assets	B5	12,014	14,400	-	-
Receivables	G8	2,751	2,828	595,204	548,517
Investments accounted for using the equity method		593	500	-	-
Derivative financial instruments	E5	6,900	11,738	-	-
		1,104,507	1,122,602	595,204	548,517
Total assets		1,305,820	1,277,259	595,858	558,959
Current liabilities					
Payables		28,879	18,689	2,137	1,411
Distribution payable	B7	-	9,566	-	9,566
Borrowings	D3	46,560	53,513	-	-
Lease liabilities	C2	1,817	-	-	-
Derivative financial instruments	E5	13,392	12,115	-	-
Provisions		5,357	3,903	-	-
		96,005	97,786	2,137	10,977
Non-current liabilities					
Borrowings	D3	525,664	565,902	-	-
Lease liabilities	C2	49,659	-	-	-
Derivative financial instruments	E5	26,609	19,090	-	-
Provisions		13,327	11,179	-	-
		615,259	596,171	-	-
Total liabilities		711,264	693,957	2,137	10,977
Net assets		594,556	583,302	593,721	547,982
Equity					
Contributed equity	D4	921,646	914,223	919,341	911,918
Reserves	G5	(53,152)	(69,146)	-	-
Retained losses		(273,938)	(261,775)	(325,620)	(363,936)
Total equity		594,556	583,302	593,721	547,982
Attributable to:					
Equity holders of the parent					
Contributed equity		2,305	2,305	919,341	911,918
Reserves		(53,152)	(69,146)	-	-
Retained losses		(235,844)	(234,026)	(325,620)	(363,936)
		(286,691)	(300,867)	593,721	547,982
Equity holders of the other stapled entities					
Contributed equity		919,341	911,918	-	-
Retained losses		(38,094)	(27,749)	-	-
		881,247	884,169	-	-
Total equity		594,556	583,302	593,721	547,982

The above consolidated statements of financial position should be read in conjunction with the accompanying notes.

Consolidated Statements of Changes in Equity

for the year ended 30 June

	INFIGEN					
Attributable to:	Equity holders of the parent				Equity holders of the other stapled entities	Total equity
($'000)	Contributed equity	Reserves	Retained losses	Total		
Opening balance – 2019	2,305	(47,816)	(274,821)	(320,332)	892,025	571,693
Net profit / (loss) for the year	-	-	40,795	40,795	96	40,891
Changes in the fair value of cash flow hedges, net of tax	-	(20,282)	-	(20,282)	-	(20,282)
Total comprehensive income / (loss)	**-**	**(20,282)**	**40,795**	**20,513**	**96**	**20,609**
Transactions with equity holders						
Distributions paid or provided for	-	-	-	-	(9,566)	(9,566)
Securities issued – Equity Plan	-	-	-	-	1,614	1,614
Share-based payments	-	(1,048)	-	(1,048)	-	(1,048)
De-stapling of IEBL shares	-	-	-	-	(6,261)	(6,261)
IEBL de-stapling transfer of retained losses	-	-	-	-	6,261	6,261
Closing balance – 2019	**2,305**	**(69,146)**	**(234,026)**	**(300,867)**	**884,169**	**583,302**
Opening balance – 2020	2,305	(69,146)	(234,026)	(300,867)	884,169	583,302
Adjustment on initial application of AASB 16 (net of tax)	-	-	(5,999)	(5,999)	-	(5,999)
Adjusted opening balance – 2020	2,305	(69,146)	(240,025)	(306,866)	884,169	577,303
Net profit for the year	-	-	4,181	4,181	(724)	3,457
Changes in the fair value of cash flow hedges, net of tax	-	15,384	-	15,384	-	15,384
Total comprehensive income / (loss)	**-**	**15,384**	**4,181**	**19,565**	**(724)**	**18,841**
Transactions with equity holders						
Distributions paid or provided for	-	-	-	-	(9,621)	(9,621)
Securities issued – Equity Plan	-	-	-	-	7,423	7,423
Share-based payments	-	610	-	610	-	610
Closing balance – 2020	**2,305**	**(53,152)**	**(235,844)**	**(286,691)**	**881,247**	**594,556**

	TRUST			
($'000)	Contributed equity	Reserves	Retained losses	Total
Opening balance – 2019	910,304	-	(264,773)	645,531
Net loss for the year	-	-	(89,597)	(89,597)
Total comprehensive income	**-**	**-**	**(89,597)**	**(89,597)**
Transactions with equity holders				
Distributions paid or provided for	-	-	(9,566)	(9,566)
Securities issued – Equity Plan	1,614	-	-	1,614
Closing balance – 2019	**911,918**	**-**	**(363,936)**	**547,982**
Opening balance – 2020	911,918	-	(363,936)	547,982
Net profit for the year	-	-	47,937	47,937
Total comprehensive income	**-**	**-**	**47,937**	**47,937**
Transactions with equity holders				
Distributions paid or provided for	-	-	(9,621)	(9,621)
Securities issued – Equity Plan	7,423	-	-	7,423
Closing balance – 2020	**919,341**	**-**	**(325,620)**	**593,721**

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statements of Cash Flows

for the year ended 30 June

($'000)	Note	INFIGEN 2020	INFIGEN 2019	TRUST 2020	TRUST 2019
Cash flows from operating activities					
Receipts from customers and compensation claims		283,354	271,002	-	-
Payments to suppliers and employees		(122,532)	(88,997)	-	-
Interest received		777	2,278	2	4
Interest and other finance costs paid		(43,164)	(40,023)	(1)	(1)
Income tax paid		-	-	-	-
Net cash inflow	G4	118,435	144,260	1	3
Cash flows from investing activities					
Payments for property, plant and equipment		(9,517)	(154,489)	-	-
Refunds received for property, plant and equipment		2,009	-	-	-
Payments for intangible assets		(5,537)	(6,271)	-	-
Proceeds from sale of development assets (intangibles)		1,100	6,500	-	-
Government grants received	C1	3,650	5,900	-	-
Payments for equity accounted investments		(94)	(108)	-	-
Net cash outflow		(8,389)	(148,468)	-	-
Cash flows from financing activities					
Proceeds from borrowings		-	4,148	-	-
Repayment of borrowings		(53,513)	(41,219)	-	-
Payment of lease liabilities		(1,310)	-	-	-
Distributions paid		(11,764)	-	(11,764)	-
Repayment of loan by a related party		-	-	11,975	-
Net cash inflow		(66,587)	(37,071)	211	-
Net (decrease) / increase in cash and cash equivalents		43,459	(41,279)	212	3
Opening cash and cash equivalents		103,681	144,898	442	439
Effects of exchange rate changes on the balance of cash held in foreign currencies		45	62	-	-
Closing cash and cash equivalents		147,185	103,681	654	442

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes.

A. REPORT OVERVIEW

Infigen comprises Infigen Energy Limited (IEL) and Infigen Energy Trust (IET), and their controlled entities.

The Trust comprises IET and its controlled entities.

IEL is determined to be the parent entity of Infigen.

One share in IEL and one unit in IET have been stapled together to form a single Infigen stapled security listed on the Australian Securities Exchange (ASX) under the code "IFN". They cannot be traded separately and can only be traded as stapled securities.

IEL is incorporated and domiciled in Australia. IET was established in and is domiciled in Australia.

Inter-entity balances and transactions (except unrealised losses that provide evidence that the asset(s) being transferred are impaired) are eliminated.

The acquisition method of accounting is used to account for business combinations by Infigen and the Trust.

Non-controlling interests in the results and equity of controlled entities are shown separately, where applicable, in the Consolidated Financial Statements.

Trust information

IET is a Registered Scheme (the Scheme) and Infigen Energy RE Limited (IERL) is the Responsible Entity of IET. The relationship of the Responsible Entity with the Scheme is governed by the Constitution of IET.

Statement of compliance

As permitted by Australian Securities and Investments Commission (ASIC) Corporations Instrument 2015/843, this report consists of the Consolidated Financial Statements and accompanying notes of both Infigen and the Trust for the year ended 30 June 2020 (the reporting period).

As permitted by ASIC Class Order 13/1050, the Consolidated Financial Statements treat IEL as the 'parent' of the stapled entities.

A.1. Basis of Preparation

Infigen and the Trust are for-profit entities for the purpose of preparing the Consolidated Financial Statements.

These Consolidated Financial Statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards, and International Financial Reporting Standards (IFRS).

These Consolidated Financial Statements have been prepared on the basis of the legislative and regulatory regime that existed as at 30 June 2020 and at the date of this report. Changes to the regulatory regime could affect the carrying values of assets.

These Consolidated Financial Statements have been prepared on the going concern basis using the historical cost conventions modified by the revaluation of financial assets and liabilities (including derivative financial instruments) measured at fair value, where applicable.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts.

All figures are presented in Australian Dollars with all values rounded to the nearest thousand dollars, unless otherwise stated, in accordance with the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

A.2. New and Amended Accounting Standards

Except as noted in the table below, new or amended accounting standards for the reporting period did not result in changes to the accounting policies, or retrospective adjustments to the financial results, of Infigen or the Trust.

As at 30 June 2020, no new or amended standards were available for early adoption, but not yet adopted, that are anticipated to have a material effect on the accounting policies or financial results of Infigen or the Trust.

AASB 16 *Leases* replaces AASB 117 *Leases* – effective 1 July 2019

Nature of change and Infigen's leases	Effect on financial statements

AASB 16 replaced AASB 117, removing the distinction between a 'finance' and 'operating' lease for a lessee, and requiring all contractual arrangements meeting the recognition criteria to be recorded on balance sheet by a lessee.

In applying AASB 16, Infigen recognised lease liabilities in relation to certain contractual arrangements previously classified as operating leases (under AASB 117) and corresponding right-of-use (ROU) assets (representing the right to use the underlying leased asset).

Infigen used the modified retrospective approach in applying AASB 16, whereby:

- comparative information is not restated
- lease liabilities are measured by discounting future lease payments at application date, by the incremental borrowing rate at application date (weighted average was 5.8%)
- ROU assets are measured as if AASB 16 were applied from the original lease start date
- differences between lease liabilities and ROU assets, adjusted for deferred tax, are recognised as an adjustment to opening retained earnings.

Additionally, Infigen used the following practical expedients to application:

- use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- exclusion of initial direct costs from the ROU asset
- use of hindsight in determining whether extension options were exercised.

Infigen predominantly leases the land on which its generation assets are situated. Such leases (including renewal options) span the expected economic life of the generation assets.

Reconciliation of operating lease commitments at 30 June 2019 to lease liability at 1 July 2019:

($'000)	INFIGEN
Operating lease commitments	73,230
Extension option assumptions	12,240
Discount rate assumptions	(17,910)
Excluded contractual arrangements	(5,083)
Index/rates – variable payments	(10,136)
Lease liability	**52,341**

Effect on the statement of financial position as at 1 July 2019 – increase/(decrease):

($'000)	INFIGEN
ROU assets	44,444
Prepayments and other	(673)
Deferred tax assets	2,571
Total assets	**46,342**
Lease liabilities	52,341
Total liabilities	**52,341**
Retained losses	(5,999)
Total equity	**(5,999)**

Effect on segment results for the year ended 30 June 2020 – benefit / (expense):

($'000)	INFIGEN
Asset operating costs	3,426
Business operating costs	892
Underlying EBITDA	**4,318**
Depreciation and amortisation expense	(2,746)
Earnings before interest and tax	**1,572**
Net finance costs	(3,008)
Profit before tax	**(1,436)**

AASB 16 *Leases* replaces AASB 117 *Leases* – effective 1 July 2019	
Nature of change and Infigen's leases	Effect on financial statements
Certain leases contain variable payment terms linked to future wind farm revenue and/or CPI increases which are excluded from the initial lease liability. Those related to future wind farm revenue are recognised in profit or loss when payments occur, while those relating to CPI increases cause a reassessment of the lease liability and corresponding ROU asset. ROU assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and included in depreciation in the consolidated statements of comprehensive income. **Significant judgement** is required in determining whether the exercising of an option is reasonably certain and therefore included in the lease term. If a significant event within the control of Infigen changes this determination, the lease liability and corresponding ROU asset is reassessed. Additional detail is provided at Note C2.	Effect on statement of cash flows for the year ended 30 June 2020 – benefit / (outflow): ($'000) — INFIGEN Payments to suppliers and employees — 4,318 Interest and other finance costs paid — (3,008) **Cash flows from operating activities** — **1,310** Payment of principal component of lease liabilities — (1,310) **Cash flows from financing activities** — **(1,310)** **Net cash movement** — **-** The Trust's financial results are not affected by AASB 16 *Leases* because it does not hold any leases.

B. RESULTS

B.1. Segment Information

Infigen generates and sources renewable energy, increases the value of intermittent renewables by firming, and provides customers with clean, reliable and competitively priced energy solutions. Revenues are derived from various market channels in Australia. Because of Infigen's performance from a geographic and product perspective, Australia has been identified as Infigen's sole reportable segment.

Only Infigen's (and not the Trust's) segment information is provided to the chief operating decision-makers, who are deemed to be the Board of Directors (Board). Accordingly, only Infigen's segment information has been disclosed in this note.

The Board assesses the performance of the operating segment using statutory earnings before interest, tax, depreciation and amortisation (EBITDA), adjusted to exclude certain significant non-cash and one-off items that are unrelated to the operating performance of Infigen (Underlying EBITDA). Since Infigen operates in a single segment, the assets and liabilities are those disclosed in the consolidated statements of financial position.

The segment information provided to the Board for the operating segment together with a reconciliation of Underlying EBITDA to net profit after tax is disclosed in the following table.

		INFIGEN	
($'000)	Note	2020	2019
Net revenue		235,570	229,337
Asset operating costs		(47,280)	(41,356)
Business operating costs		(24,980)	(22,705)
Share of net loss of equity accounted investments		(1)	(19)
Underlying EBITDA		**163,309**	**165,257**
Other income		1,151	47
Depreciation and amortisation expense		(67,171)	(54,555)
Net (loss) / gain on change in fair value of financial instruments		(13,262)	6,487
Change of control costs		(7,846)	-
Impairment of development assets		-	(9,901)
Earnings before interest and tax		**76,181**	**107,335**
Interest rate derivative hedge ineffectiveness		(18,584)	-
Net finance costs		(50,206)	(45,939)
Profit before tax		**7,391**	**61,396**
Income tax expense	B5	(3,934)	(20,505)
Net profit after tax		**3,457**	**40,891**

Infigen presents net revenue on a contracted and uncontracted basis which is disclosed below. Contracted revenue includes electricity revenue via Power Purchase Agreements (PPAs), electricity revenue from Commercial & Industrial (C&I) Customers and contracted Large-scale Generation Certificates (LGCs) revenue. Uncontracted revenue includes remaining electricity sales and remaining LGC revenue. Uncontracted revenue is subject to price risk.

		INFIGEN	
($'000)	Note	2020	2019
Contracted revenue		203,916	182,006
Uncontracted revenue		31,548	37,208
Compensated revenue		106	10,123
		235,570	**229,337**

The reconciliations of segment information to the consolidated statements of comprehensive income are disclosed in the following tables.

Net revenue

($'000)	Note	INFIGEN 2020	2019
Revenue	B2	293,186	257,506
Cost of sales		(57,616)	(28,169)
		235,570	229,337

Cost of sales

($'000)	INFIGEN 2020	2019
Purchases from the NEM for C&I retail supply agreements	(47,121)	(28,169)
Purchases of gas and other consumables	(3,126)	-
Renewable energy certificates	(7,369)	-
	(57,616)	(28,169)

Business operating costs

($'000)	Note	INFIGEN 2020	2019
Corporate costs		24,473	19,544
Development costs		2,197	3,681
Management fee income	B3	(1,690)	(520)
		24,980	22,705

Net finance costs

($'000)	Note	INFIGEN 2020	2019
Interest income	B3	777	2,278
Foreign exchange gains		46	-
Interest expense – borrowings & swaps		(40,025)	(40,151)
Interest expense – lease liabilities		(3,008)	-
		(42,210)	(37,873)
Other finance costs	B4	(7,996)	(8,066)
		(50,206)	(45,939)

Depreciation and amortisation

($'000)	Note	INFIGEN 2020	2019
Depreciation expense	C1	(59,546)	(49,692)
Amortisation expense	C3	(4,879)	(4,863)
Lease depreciation expense	C2	(2,746)	-
		(67,171)	(54,555)

Impairment of development assets

($'000)	Note	INFIGEN 2020	2019
Impairment of development assets (intangibles)	C3	-	9,068
Impairment of development assets (equity accounted investments)		-	833
		-	9,901

B.2. Revenue

Revenue is recognised at an amount which reflects the consideration expected to be received when control of a good or service is transferred to the counterparty.

Energy and environmental products

Electricity

- Electricity generated from Infigen's own generation assets (after applying marginal loss factors). Infigen is assessed as the principal because it controls the electricity before delivery to the National Electricity Market (NEM). Revenue is recognised at the spot price achieved when the unit of electricity passes to the NEM, which is when the performance obligation is considered to be satisfied
- Electricity sold to Infigen's C&I Customers under contracts at a fixed price and firm volume. Where the contract is a retail supply agreement:
  - Infigen is assessed as the principal because it controls the electricity before delivery to the customer
  - Revenue is recognised at the contract price once the unit of electricity is delivered to the customer, which is when the performance obligation is considered to be satisfied
  - The electricity supplied to the customer is purchased from the NEM and recorded as a component of cost of sales within the consolidated statements of comprehensive income
- Net settlement from PPAs, which are accounted for as electricity derivative contracts, and where Infigen is either the generator or the off-taker
- Net settlement from electricity derivative contracts such as ASX futures and options, and which are short to medium-term in nature

LGCs

- An LGC represents 1 MWh of generation from renewable energy generators. For generation from Owned Renewable Energy Assets, LGC revenue is recognised at fair value reflecting the consideration expected to be received. Each LGC is concurrently recognised in renewable energy certificates until it is sold, at which time, any difference between the sale price and book value is recorded as a component of revenue

Compensated revenue

- Liquidated damages as compensation for revenue losses caused by construction delays
- Proceeds arising from insurance claims, and compensation claims made against the Australian Electricity Market Operator (AEMO) and/or maintenance service providers

Revenue

	INFIGEN	
($'000)	2020	2019
Energy and environmental products	293,080	247,383
Compensated revenue	106	10,123
	293,186	257,506

B.3. Other income

	INFIGEN		TRUST	
($'000)	2020	2019	2020	2019
Management fee income	1,690	520	-	-
Interest income	777	2,278	2	4
Gain on disposal of development assets	490	-	-	-
Other	661	47	-	-
Foreign exchange gains	46	-	-	-
Unwind of discount on related party loan receivables	-	-	48,662	38,793
	3,664	2,845	48,664	38,797

B.4. Other finance costs

($'000)	INFIGEN 2020	2019
Bank fees and amortisation of capitalised commitment fees	7,839	7,305
Unwind of discount on decommissioning provisions	157	131
Foreign exchange losses	-	630
	7,996	8,066
Interest rate derivative hedge ineffectiveness	18,584	-
	26,580	8,066

Ineffectiveness of interest rate derivatives is recognised in net profit in accordance with Infigen accounting policy as discussed at Note E5.

B.5. Taxation

Infigen is subject to income tax in Australia and jurisdictions where it has foreign operations.

Under current legislation, the Trust is not subject to income tax as unit holders are presently entitled to the income of the Trust.

Key principles

Income tax expense consists of current tax expense and deferred tax expense. Income tax is recognised in the consolidated statements of comprehensive income, except to the extent that it relates to items recognised directly in equity.

Current tax expense represents the expected tax payable on the taxable income for the year, in accordance with current tax rates, and any adjustments to the previous financial years' tax payable.

Deferred tax expense is recognised in respect of temporary differences between an asset or liability's carrying value in the Consolidated Financial Statements and tax value.

Deferred tax is not recognised on the initial recognition of goodwill.

Deferred tax assets, including those arising from unused tax losses, are only recognised to the extent it is probable future taxable profits will be available.

Deferred tax liabilities are recognised for all temporary differences.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset, they relate to income tax levied by the same tax authority, and Infigen intends to settle on a net basis or realise the asset and settle the liability simultaneously.

Significant estimate and judgement is required in assessing the timing and level of future taxable profits. This includes assumptions about a variety of general economic and business conditions outside Infigen's control. The assumptions and projected cash flows used in this assessment are consistent with those used in assessing potential impairment of intangible assets detailed in Note C3. Changes in the underlying conditions outside Infigen's control could have an impact on future taxable profits and the utilisation of deferred tax assets.

Tax consolidation

IEL (as head entity) and its wholly-owned Australian resident entities form the Tax Consolidated Group which is taxed as a single entity. Group members fund and share tax with IEL while continuing to account for their own current and deferred tax amounts. Group members are identified at Note F1.

Income tax

($'000)	INFIGEN 2020	2019
Current tax	18,493	26,554
Deferred tax	(14,559)	(6,049)
Income tax expense	**3,934**	**20,505**
Deferred tax expense comprises:		
(Decrease) / increase in deferred tax assets	(15,946)	4,109
Increase in deferred tax liabilities	1,387	(10,158)
	(14,599)	**(6,049)**
Reconciliation of accounting profit to tax expense:		
Profit before income tax	7,391	61,396
Income tax expense calculated at 30%	**2,217**	**18,418**
Non-deductible expenses of IET, IEBL and intercompany interest	1,717	2,049
Previously unrecognised tax losses brought to account	-	-
Sundry items	-	38
Income tax expense	**3,934**	**20,505**
Effective tax rate	53%	33%
Tax paid / payable	**-**	**-**

Deferred tax assets

	INFIGEN						
			Attributable to:			Attributable to:	
($'000)	2018	Income	Equity	2019	Income	Equity	2020
Unused tax losses	107,618	(28,535)	-	79,083	(18,493)	-	60,590
Derivative financial instruments	1,869	(1,024)	8,517	9,362	3,893	(1,068)	12,187
Lease liability	-	-	-	-	12,872	2,571	15,443
Unrealised foreign exchange losses and other	3,294	(1,092)	-	2,202	(774)	-	1,428
Deferred tax assets	**112,781**	**(30,651)**	**8,517**	**90,647**	**(2,502)**	**1,503**	**89,648**
Depreciation	(69,548)	5,836	-	(63,712)	8,763	-	(54,949)
Renewable energy certificates	(12,998)	5,035	-	(7,963)	1,854	-	(6,109)
Derivative financial instruments	(3,831)	(741)	-	(4,572)	639	-	(3,933)
ROU assets	-	-	-	-	(12,643)	-	(12,643)
Other	(28)	28	-	-	-	-	-
Deferred tax liabilities	**(86,405)**	**10,158**	**-**	**(76,247)**	**(1,387)**	**-**	**(77,634)**
Net deferred tax	**26,376**	**(20,493)**	**8,517**	**14,400**	**(3,889)**	**1,503**	**12,014**

Deferred tax assets expected to be recovered after more than 12 months from 30 June 2020 are $12,014,000 (2019: $14,400,000).

The above two tables contain certain disclosure in accordance with Part A of the Voluntary Tax Transparency Code.

Unrecognised tax losses

($'000)	INFIGEN 2020	2019
Unused tax losses for which no deferred tax asset has been recognised	118,851	118,851
Tax benefit at 30%	**35,655**	**35,655**

B.6. Earnings per security

Basic earnings per security (Basic EPS) is calculated by dividing net profit for the period by the Weighted Average Number of Securities (WANOS) outstanding during the period. Basic EPS is then adjusted to account for the WANOS issued under the Infigen Energy Equity Plan during the year to calculate Diluted EPS.

	INFIGEN		TRUST	
	2020	2019	2020	2019
Net profit attributable to:				
- Parent equity holders ($'000)	4,181	40,795	47,937	(89,597)
- Stapled security holders ($'000)	3,457	40,891	-	-
WANOS:				
- Basic (thousands)	963,043	956,163	963,043	956,163
- Diluted (thousands)	966,734	957,745	966,734	957,745
Parent entity EPS:				
- Basic (cents)	0.4	4.3	5.0	(9.4)
- Diluted (cents)	0.4	4.3	5.0	(9.4)
Infigen EPS:				
- Basic (cents)	0.4	4.3	-	-
- Diluted (cents)	0.4	4.3	-	-

B.7. Distributions

Distributions are paid by the Trust and may be settled in securities via a Distribution Reinvestment Plan.

	Total ($'000)	Paid in cash ($'000)	Settled in securities ($'000)	Cents per security	Date paid / payable
2020					
30 June 2020 (Nil)	-	-	-	-	-
31 December 2019 (Declared 16 December 2019)	9,621	5,774	3,847	1.0	27 March 2020
2019					
30 June 2019 (Declared 20 June 2019)	9,566	5,990	3,576	1.0	27 September 2019
31 December 2018 (Nil)	-	-	-	-	-

C. OPERATING ASSETS

C.1. Property, plant and equipment

This section comprises in-use property, plant and equipment and assets under construction.

In-use property, plant and equipment consists of the seven owned wind farms in New South Wales (NSW), South Australia (SA) and Western Australia with a nameplate capacity of 670MW. Additionally, it includes firming assets (a 123MW open cycle gas turbine facility and 25MW/52MWh of battery storage) located in NSW and SA respectively.

Assets under construction includes capitalised leasehold improvement costs associated with the 120MW SA Gas Turbines.

Movements in carrying values

	INFIGEN			
	2020			2019
($'000)	In-use property, plant & equipment	Assets under construction	Total	Total
Opening balance	961,300	30,515	991,815	896,431
Additions	2,661	9,005	11,666	148,282
Government grants received	-	(3,650)	(3,650)	(5,900)
Refunds received	(32)	(1,977)	(2,009)	-
Capitalised interest	-	-	-	3,519
Depreciation expense	(59,546)	-	(59,546)	(49,692)
Transfer to in use property plant & equipment	30,316	(30,316)	-	-
Transfers to intangible assets	(736)	753	17	(825)
Closing balance	**933,963**	**4,330**	**938,293**	**991,815**
Cost	1,511,962	4,330	1,516,292	1,510,268
Accumulated depreciation	(577,999)	-	(577,999)	(518,453)
Net book value	**933,963**	**4,330**	**938,293**	**991,815**

Key changes during the year

Additions to in-use property plant and equipment include the SA Battery which was completed during the financial year.

Additions to assets under construction includes $3,577,000 of capital expenditure associated with the SA Gas Turbines. The annual lease payments of $5.02 million escalating with inflation over a lease term of 25 years with the South Australian Government, will be recognised in accordance with AASB 16 *Leases* upon commencement of the lease. The total capital expenditure associated with the SA Gas Turbines, which includes asset relocation costs but excludes Infigen project management costs, is estimated to be approximately $59.0 million. It is expected that the majority of the expenditure will be recognised as leasehold improvements within property, plant and equipment upon commercial operation.

Accounting treatment

In-use property, plant and equipment is measured at cost, less accumulated depreciation and impairment. Initial cost includes directly attributable acquisition expenditure. Subsequent costs are capitalised if it is probable that they will result in a flow of future economic benefits to Infigen, and they can be reliably measured. Other costs are expensed as incurred.

In-use property, plant and equipment depreciation is calculated on a straight-line basis over the estimated useful life of the relevant asset. Owned Renewable Energy Assets and associated plant are depreciated over 25 years except Bodangora Wind Farm which is depreciated over 30 years. The Smithfield OCGT (a firming asset) is depreciated over 20 years and the SA Battery over 15 years. Other items of plant and equipment are depreciated over a period of between three and 20 years.

Assets under construction represents direct construction costs relating to Owned Renewable Energy Assets and Firming Assets not ready for use and, where applicable, include interest incurred on construction facility borrowings. Assets under construction are transferred to in-use property, plant and equipment once the asset is ready for commercial use.

Government grants received for assets under construction are recognised to offset the carrying value of the asset and depreciated over the useful life of the asset upon commercial operation.

Decommissioning provision

Obligations exist to decommission Infigen's Owned Renewable Energy Assets and Firming Assets at the end of their useful economic lives. Decommissioning includes removal of wind turbines, firming assets, associated plant, and restoration of land.

A decommissioning provision is estimated by discounting the future decommissioning expenditure to its present value. A discount rate that considers the current market rates, adjusted for the uncertainty of the expenditure is used. The provision is reviewed, and adjusted where necessary, at the end of each financial year.

The provision is recognised as a non-current liability in the consolidated statements of financial position. At 30 June 2020 the provision balance is $12,672,000 (2019: $10,648,000).

Movement in carrying values	INFIGEN	
($'000)	2020	2019
Opening balance – 1 July	10,648	8,448
Additional provision charged to property, plant and equipment	1,867	2,069
Unwind of discount charged to income statement	157	131
Closing balance – 30 June	**12,672**	**10,648**

C.2. Leases

Infigen has contractual arrangements (as a lessee) to use land on which the majority of its generation assets are situated. These leases (including renewal options) span the expected economic life of the generation assets.

Carrying values

($'000)	INFIGEN 2020
Right of use assets	
Non-current	42,143
	42,143
Lease liabilities	
Current	1,817
Non-current	49,659
	51,476

Movement in Leases	
Right-of-use assets:	
Opening balance – 1 July	44,444
Variable lease escalations	445
Depreciation expense	(2,746)
Closing balance – 30 June	**42,143**
Lease liabilities:	
Opening balance – 1 July	52,341
Variable lease escalations	445
Interest expense	3,008
Gross payments	(4,318)
Closing balance – 30 June	**51,476**

Additional disclosure

During the reporting period, variable lease payments not included in the measurement of the lease liability were $688,000. These include variable lease escalations (e.g. CPI) and lease payments linked to wind farm production. Infigen does not expect material fluctuations in the quantum of variable lease payments, as they relate to the current portfolio of leases.

Lease extension options are included in the measurement of the lease liability where they are expected to be exercised to ensure matching of the total lease term with the expected useful lives of the generation assets.

Accounting treatment

ROU assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and included in depreciation in the consolidated statements of comprehensive income.

Lease liabilities are measured by discounting future lease payments by the incremental borrowing rate at the application date. The implied interest component of these lease payments is included in interest expense in the consolidated statements of comprehensive income.

The transition to AASB 16 *Leases* is disclosed in Note A2.

C.3. Intangible assets

Infigen recognises three types of intangible assets: licences and development rights, development assets, and goodwill.

Intangible asset	Description and accounting treatment
Licences and development rights	- Certain licences and development rights are required to construct and operate Infigen's owned generation assets. These include costs incurred on obtaining project approvals, land leases, and connection rights - Measurement is at cost less accumulated amortisation and impairment. Amortisation is calculated on a straight-line basis over the expected useful life of the assets to which the licences and development rights are attached
Development assets	- Development assets represent expenditure incurred prior to the commencement of an asset's construction
Goodwill	- Goodwill is recognised upon the acquisition of certain businesses. It represents the excess of the acquisition cost over the fair value of the share of net identifiable assets, liabilities, and contingent liabilities of the acquired business

Movements in carrying values

	INFIGEN				
	2020				2019
($'000)	Licences and development rights	Development assets	Goodwill	Total	Total
Opening balance	66,866	19,319	15,136	101,321	115,320
Additions	933	5,045	-	5,978	5,132
Disposals	-	(570)	-	(570)	(6,500)
Transfers (to)/from plant and equipment	736	(753)	-	(17)	825
Amounts written off	-	(20)	-	(20)	-
Transfers from other assets	-	-	-	-	1,041
Transfers – other	-	-	-	-	(566)
Amortisation expense	(4,879)	-	-	(4,879)	(4,863)
Transfers to licenses and development rights	8	(8)	-	-	-
Impairment expense	-	-	-	-	(9,068)
Closing balance	63,664	23,013	15,136	101,813	101,321
Cost	120,249	23,013	15,136	158,398	153,027
Accumulated amortisation and impairment	(56,585)	-	-	(56,585)	(51,706)
Net book value	63,664	23,013	15,136	101,813	101,321

Impairment – accounting treatment

All intangible assets are assessed for indicators of impairment on a semi-annual basis. Where indicators exist, impairment testing is undertaken.

For development assets and goodwill (indefinite useful life intangible assets), impairment testing is undertaken at least annually, or more frequently if indicators of impairment have been identified.

Impairment testing is undertaken by comparing an intangible asset's carrying and recoverable amounts. Impairment losses are recognised when carrying amounts are higher than recoverable amounts. Losses are recognised in the consolidated statements of comprehensive income.

Licences and development rights and goodwill are allocated to Infigen's operating assets cash-generating-unit (CGU) for impairment testing because they do not generate cash flows independent from other assets. Recoverable amounts are determined as the higher of value-in-use or fair value less costs to sell.

Value-in-use is calculated by estimating and discounting the future cash flows of Infigen's operating assets over their estimated economic useful lives, to their present value. Infigen uses a strict hierarchy of inputs which requires the use of existing contracts and observable market data (where available) over market forecasts and internal judgement.

Input hierarchy	Description
Infigen's contracted positions	- The price, quantity, and term of any current sales contracts, netted against operations & maintenance service contracts.
Observable market data	- For uncontracted forecast production (electricity, derivatives, and LGCs), Infigen uses the ASX-traded forward curve. - Note: the electricity forward curves currently used by Infigen reflect the significant FY20 decline in electricity prices.
Market forecasts	- Expert third-party assessments of forward pricing.
Judgement	- If none of the above exist, Infigen may rely on its historical outcomes, market reference points, and reasonably formed views about the future of the production market.

A post-tax discount rate is used to discount pre-financing future cash flow projections to their present value. The equivalent pre-tax rate at 30 June 2020 is 8.73% (2019: 8.13%).

The recoverable amount of development assets is measured using internal valuations. These valuations reference recent transactions where available and adjusted for any differences such as nature, location and size and consider the current and/or expected future market demand for these development assets.

Significant estimate and judgement is required in forecasting an intangible asset's discounted future cash flows. Changes in underlying estimates and judgements may cause a variation to recoverable amounts.

Impairment testing results

Infigen's impairment testing did not result in an impairment charge to development assets (both intangibles and equity accounted investments).

Infigen's impairment testing used the following sensitivity ranges: discount rate (+/-1%); market prices (+/- 10%); and renewable generation production (+/-5%). These ranges are considered appropriate (over the remaining useful lives of Infigen's generation assets) given industry standard benchmarks and historic volatility.

C.4. Commitments

Certain contracted expenditure not recognised as a liability at the reporting date is disclosed in the following table.

Commitment type	Description
Capital expenditure	- Renewable generation and firming assets capital expenditure, including spare parts and IT projects
Repairs and maintenance	- Long-term contractual agreements for specific, and scheduled, service and maintenance of Owned Renewable Energy Assets - Components of certain Firming Assets
Transmission services	- Long-term contractual agreements for the transmission of electricity generated to the NEM

Committed amounts

	INFIGEN	
($'000)	2020	2019
Capital expenditure	2,077	2,118
Repairs and maintenance	190,238	163,581
Transmission services	61,339	56,835
Total	253,654	222,534

D. CAPITAL STRUCTURE

D.1. Capital management

Infigen seeks a flexible capital structure that supports the preservation and creation of security holder value in a changing energy market.

To maintain or adjust its capital structure, Infigen may adjust its level of borrowings, issue or buy back securities, and adjust the quantum of security holder distributions.

The ratio of Net Debt to Adjusted EBITDA is a measure which assesses Infigen's capital structure and is monitored on a regular basis. It is calculated as Net Debt divided by Adjusted EBITDA (on a 12-month look-back basis). Adjusted EBITDA uses Underlying EBITDA and adds back those lease payments excluded from EBITDA after the adoption of AASB 16 Leases on 1 July 2019. At 30 June 2020 the ratio of Net Debt to Adjusted EBITDA was 2.7 (30 June 2019: 3.2).

Distributions are paid to Infigen security holders when determined by the Board having regard to Infigen's capital management policy which seeks to balance returns to security holders, value accretive investments and deleveraging.

The Board determined not to pay a distribution for the second-half of the year ended 30 June 2020. In doing so, the Board had consideration for the two off-market takeover offers (which remained active as at 30 June 2020), specifically their conditionality that Infigen not pay a distribution for this period. Additional details of the two off-market takeovers are provided at Note G1.

Refer to Note G10 for details on the suspension of future distributions subsequent to the year ended 30 June 2020.

Details of distributions declared and paid in the current and prior period are located at Note B7. A Distribution Reinvestment Plan (DRP) was available to security holders for the first-half of the year ended 30 June 2020 distribution.

As at 30 June 2020, the parent entity (IEL) had franking credits of $6,228,093 (30 June 2019: $6,228,093).

D.2. Cash and cash equivalents

Unrestricted cash includes cash on hand and term deposits held at call with financial institutions. Restricted cash includes the minimum balance requirements of Infigen Energy RE Limited's Australian Financial Services Licence (AFSL) and Infigen's electricity derivative margin account.

	INFIGEN		TRUST	
($'000)	2020	2019	2020	2019
Unrestricted cash	137,477	95,648	654	442
Restricted cash	9,708	8,033	-	-
	147,185	103,681	654	442

D.3. Borrowings

Infigen has two secured borrowing facilities: the Corporate Facility and the Bodangora Facility.

Carrying values and movements

	INFIGEN	
($'000)	2020	2019
Current		
Corporate Facility	38,750	45,000
Bodangora Facility	7,810	8,513
	46,560	53,513
Non-current		
Corporate Facility	400,000	438,750
Bodangora Facility	138,981	146,791
	538,981	585,541
Capitalised commitment fees	(13,317)	(19,639)
	525,664	565,902
Total borrowings	572,224	619,415

Movement in borrowings		
Opening balance - 1 July	619,415	650,099
Corporate Facility (repayments)	(45,000)	(33,750)
Bodangora Facility (drawdowns)	-	4,148
Bodangora Facility (repayments)	(8,513)	(7,469)
Expense of capitalised commitment fees	6,322	6,387
Closing balance	572,224	619,415

Specific details of Infigen's borrowing facilities are summarised in the following table.

Facility ($'000)	Available	Drawn	Maturity	Repayment terms
Corporate Facility	458,750	438,750		
- Facility A	73,750	73,750	Apr 2023	Amortised over term of facility
- Facility B	365,000	365,000	Apr 2023	Some repayment may be required but only from operating cash flows after April 2021 if certain leverage levels are not met Repaid in full at maturity
- Facility C (Working Capital)	20,000	-	Apr 2023	Repaid in full at maturity
Bodangora Facility	146,791	146,791	Sep 2034	Term facility Semi-annual fixed repayments in accordance with the repayment schedule
Total	605,541	585,541		

The Corporate Facility contains an additional $60.0 million facility (not included in the above table) available for providing bank guarantees and letters of credit, and/or to fund cash collateral posting requirements of up to $20.0 million. At the reporting date, $38,754,000 of bank guarantees and letters of credit had been issued under this facility.

Covenants

The Corporate Facility contains a leverage and a debt service ratio covenant covering Infigen's operating assets (excluding Bodangora Wind Farm and the Smithfield OCGT related entities).

The Bodangora Facility contains a debt service ratio covenant.

All financial covenants had been complied with during the financial year.

Accounting treatment

Borrowings are initially recognised at fair value (net of commitment fees), and subsequently measured at amortised cost, using the effective interest method. Transaction costs in respect of a borrowing are expensed over the expected term of the borrowing. Borrowings are classified as current liabilities, unless there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

D.4. Contributed equity

An IEL share and an IET unit are stapled together to form a single Infigen stapled security. Infigen's contributed equity consists of such stapled securities issued to security holders. Security holders are entitled to receive declared distributions, vote at security holders' meetings, and receive a proportional share of proceeds in the event of winding up of Infigen.

	INFIGEN		TRUST	
Securities – issued and fully paid	2020	2019	2020	2019
Carrying amount ($'000)				
Opening balance – 1 July	914,223	918,870	911,918	910,304
Securities issued – Distribution Reinvestment Plan – 27 March 2020	3,847	-	3,847	-
Securities issued – Distribution Reinvestment Plan – 27 September 2019	3,576	-	3,576	-
Securities issued – Equity Plan – 28 November 2018	-	1,614	-	1,614
De-stapling of IEBL shares	-	(6,261)	-	-
Closing balance	**921,646**	**914,223**	**919,341**	**911,918**
Number (thousands)				
Opening balance – 1 July	956,562	954,060	956,562	954,060
Securities issued – Distribution Reinvestment Plan – 27 March 2020	8,549	-	8,549	-
Securities issued – Distribution Reinvestment Plan – 27 September 2019	5,587	-	5,587	-
Securities issued – Equity Plan – 28 November 2018	-	2,502	-	2,502
Closing balance	**970,698**	**956,562**	**970,698**	**956,562**

E. Financial Risk Management

This section details Infigen's financial risk management activities. Effective financial risk management underpins Infigen's strategic business objectives and includes the use of financial instruments. Infigen's business activities and use of financial instruments expose it to various risks which the Board seeks to mitigate to levels it determines appropriate by implementing specific policies and procedures.

This section also details those financial assets and liabilities recognised and measured on a recurring fair value basis, their fair value classifications, and the methodologies used to determine fair value.

E.1. Financial Risk Summary

Risk type	Definition	Exposures	Mitigation methods
Market risk – Electricity	The risk of fluctuations in the fair value or future cash flows of a financial instrument because of changes in electricity price	- Electricity derivative contracts (including PPAs accounted for as derivative financial instruments)	- Infigen's sales channels seek to balance price, tenor and risk, thereby managing earnings certainty and co-optimising production, contract, and spot exposures - Adherence to the Energy Risk Portfolio Policy which includes volumetric hedge portfolio limits; limits for earnings at risk; and targets for the duration of hedges - Infigen undertakes analyses using in-house expertise and external consultancies to monitor market conditions and outlook - Infigen does not manage the fair value risk for electricity derivative contracts, as it does not affect the cash flows of the business
Market risk – Interest rate	The risk of fluctuations in the fair value or future cash flows of a financial instrument because of changes in market interest rates	- Variable rate borrowings - Interest rate derivatives	- Interest rate derivative contracts to manage exposure to variable rate borrowings - Monitoring of hedge ratio - Infigen does not manage the fair value risk for interest derivative contracts, as it does not affect its cash flows - Speculative trading is prohibited
Liquidity risk	The risk of not meeting obligations of financial liabilities	- Payables - Distribution payable - Borrowings - Derivative financial liabilities	- Monitoring and stress testing of cash flow and liquidity requirements - Consideration of refinancing options including as a result of a change of control event (see Note G1) and, where appropriate, completion of refinancing in advance of maturity - Access to $137.5 million of unrestricted cash and a $20.0 million working capital facility (Nil drawn at 30 June 2020) - Issue securities
Credit risk	The risk of financial loss from a counterparty to a financial instrument failing to discharge an obligation	- Cash and cash equivalents - Trade receivables (including the Trust's related party loan receivable disclosed at Note G3) - Derivative financial assets	- Established and regularly monitored counterparty credit rating and limit requirements - Counterparty collateral held (where appropriate) - Infigen's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets (net of any allowances for losses) in the consolidated statements of financial position - Expected credit loss provision for 30 June 2020 is nil (2019: Nil)

E.2. Market Risk – Electricity Price

Sensitivity analysis – electricity derivative contracts

The following table discloses the sensitivity of net profit before tax and other comprehensive income to a 10% change in electricity contract market futures prices (as it affects financial electricity instruments, including PPAs which are accounted for as electricity derivative contracts, and other electricity derivative contracts such as ASX futures and options) while holding all other variables constant. 10% is considered appropriate (over the remaining useful lives of Infigen's generation assets) given industry standard benchmarks and historic volatility. The fair value of Infigen's electricity derivative contracts not designated as cash flow hedges are recorded in net profit before tax, whilst those designated as cash flow hedges are recorded in other comprehensive income.

	INFIGEN	
($'000)	2020	2019
Net profit before tax – increase / (decrease):		
Electricity forward price +10%	6,980	16,046
Electricity forward price -10%	(6,980)	(16,046)
Other comprehensive income – increase / (decrease):		
Electricity forward price +10%	(9,445)	(18,807)
Electricity forward price -10%	9,445	18,807

E.3. Market Risk – Interest Rate

Net borrowings exposure

For certain borrowings, Infigen uses interest rate derivatives and/or fixed debt to manage the risk of future cash flow variations. The following table discloses the weighted average fixed rate of interest rate derivatives and fixed debt where applicable to each borrowing facility (both excluding margin) as at the reporting date and the next five reporting dates. Interest rate caps (which are out of the money) as at the reporting date are excluded from the below disclosure. As at the reporting date, the interest rate caps have a notional value of $6,171,000 and an average capped rate of 5.79%.

Refer to Note E5 for details on the floating rate floor on the Corporate Facility and the interest rate derivative ineffectiveness recorded in FY20.

	INFIGEN					
($'000)	2020	2021	2022	2023	2024	2025
Interest rate swaps (Corporate Facility)	349,300	335,812	299,437	206,548	-	-
Interest rate swaps (Bodangora Facility)	63,112	62,296	58,901	55,342	51,712	47,613
Fixed debt (Bodangora Facility)	73,395	72,447	68,498	64,358	60,136	55,369
Total	485,807	470,555	426,836	326,248	111,848	102,982
Weighted average fixed rate (excluding margin)	2.66%	2.66%	2.67%	2.72%	3.24%	3.24%

Sensitivity analysis

The following table discloses the sensitivity of net profit before tax and other comprehensive income to a 100 basis points (bps) change in interest rates while holding all other variables constant. 100 bps is considered appropriate (over the remaining useful lives of Infigen's generation assets) given industry standard benchmarks and historic volatility. The effect on net profit is due to the exposure to variable rate borrowings offset by movements in the fair value of the ineffective portion of derivatives designated as cash flow hedges. The effect on other comprehensive income is due to the effective portion of fair value movements of derivatives designated as cash flow hedges.

($'000)	INFIGEN 2020	2019
Net profit before tax – increase / (decrease):		
+ 100 bps	3,060	(435)
- 100 bps	(1,485)	435
Other comprehensive income – increase / (decrease):		
+ 100 bps	4,632	16,167
- 100 bps	(4,632)	(16,167)

E.4. Liquidity Risk

The following table discloses the undiscounted cash flow maturities of financial liabilities and derivative financial instruments.

Lease liabilities represent the undiscounted contracted cash flows of the leases that constitute the lease liability in the consolidated statements of financial position as disclosed at Note C2.

Borrowings represent the contracted cash flows (including principal and interest payments) under the Corporate Facility and Bodangora Facility and have been determined by reference to the interest rate forward curves as at the reporting date.

Derivative financial instruments are presented on a net cash basis as they are settled on a net basis.

($'000)	Less than 1 year	1 to 5 years	Over 5 years	Total
	INFIGEN			
2020				
Borrowings	75,556	496,555	123,915	696,026
Lease liabilities	4,732	16,400	71,090	92,222
Payables	28,879	-	-	28,879
Derivative financial instruments (net settled):				
- Interest rate swaps	9,694	17,258	4,303	31,255
- Electricity derivatives	3,731	5,839	-	9,570
	122,592	536,052	199,308	857,952
2019				
Borrowings	86,634	558,165	143,437	788,236
Lease liabilities	-	-	-	-
Payables	18,689	-	-	18,689
Derivative financial instruments (net settled):				
- Interest rate swaps	6,565	15,726	3,174	25,465
- Electricity derivatives	5,501	-	-	5,501
	117,389	573,891	146,611	837,891
	TRUST			
2020				
Amounts due to related parties	2,137	-	-	2,137
2019				
Amounts due to related parties	1,411	-	-	1,411

E.5. Fair Value of Financial Assets and Liabilities

Financial assets and liabilities recognised and measured on a recurring fair value basis are shown in the following table. An explanation of fair value levels is provided in the following commentary.

($'000)	Fair value level	INFIGEN 2020	INFIGEN 2019
Current assets			
Electricity derivative contracts	2	1,739	-
Electricity derivative contracts	3	3,850	3,502
		5,589	3,502
Non-current assets			
Electricity derivative contracts	2	2,991	71
Electricity derivative contracts	3	3,909	11,667
		6,900	11,738
Current liabilities			
Electricity derivative contracts	2	-	511
Electricity derivative contracts	3	3,730	4,991
Interest rate derivative contracts	2	9,662	6,613
		13,392	12,115
Non-current liabilities			
Electricity derivative contracts	3	5,839	-
Interest rate derivative contracts	2	20,770	19,090
		26,609	19,090

Amounts in the above table have not been offset as no legally enforceable right of set-off presently exists.

Reconciliation of Level 3 financial assets and liabilities

($'000)	INFIGEN 2020	INFIGEN 2019
Opening balance – 1 July	10,178	10,884
Net movement in fair value of instruments recognised in net profit	(12,747)	6,487
Net movement in fair value of instruments recognised in other comprehensive income during the year	759	(7,193)
Closing balance – 30 June	(1,810)	10,178

There were no transfers between the fair value levels during the year.

Fair value levels

Financial assets and liabilities are classified and grouped into three levels according to the degree of which their calculation inputs are observable. Level 1 is completely observable (requiring no estimate and judgement) and Level 3 is unobservable (requiring significant estimate and judgement). The levels are summarised as follows:

- Level 1: measurement is derived from quoted market prices in active markets for identical assets or liabilities;
- Level 2: measurement is derived from inputs not traded in active markets, but calculated with significant inputs from observable market data; and
- Level 3: measurement is derived from significant inputs based on non-observable market data.

Significant estimate and judgement is required in assessing Level 2 and 3 fair values. The assumptions used in making these significant estimates is often based on long-term future events, which may therefore be subjective. Changes in the underlying estimates and judgements may cause a variation to the carrying values.

The following table summarises the methods used by Infigen to estimate the fair value of its financial assets and liabilities.

Instrument	Fair value level	Fair value methodology
Electricity derivative contracts	2	Calculates the present value of estimated future cash flows accounting for market forward prices
Interest rate derivative contracts	2	Discounts the present value of the estimated future cash flows using the applicable observable market yield curves having regard to timing of cash flows
Electricity derivative contracts	3	Uses: - A discounted cash flow methodology which reflects differences in contract price and long-term forecast energy pool prices (sourced from independent external price curves) - Estimation of electricity volumes (sourced from independent consultants' assessments of wind resource and availability) - Discount rates ranging from 9% to 12%

Accounting treatment

Financial assets and liabilities recognised and measured at fair value on a recurring basis consist of derivative financial instruments.

Fair value gains or losses relating to designated effective hedges are recognised in other comprehensive income and held in a separate hedging reserve in equity. Fair value gains or losses on derivatives designated as ineffective hedges are recognised in net profit. Hedges are assessed for effectiveness on a regular basis, which involves **significant estimate and judgement**. Where hedges are no longer considered effective (and subsequently designated ineffective), the balance of the hedging reserved is transferred to net profit. During the reporting period $18,584,000 of hedging reserve was transferred to net profit in relation to Infigen's Corporate Facility interest rate derivative contracts that were assessed as being ineffective. The ineffectiveness occurred because the Corporate Facility floating rate contains a 1.0% floor, and during the period the forward floating market rate dropped significantly below 1.0% for the remainder of the interest rate derivative contract term. The interest rate derivative contracts do not have a corresponding 1.0% floor, meaning there was no longer an economic relationship between the hedged item and hedging instrument.

The portion of the derivative contracts expected to be settled within 12 months are classified as current assets or liabilities, and those that are not, are classified as non-current assets or liabilities.

Other financial assets and liabilities (including cash, receivables, payables and borrowings) are not measured at fair value, in accordance with applicable accounting standards and Infigen's accounting policies. Infigen has assessed that their carrying values approximate their fair values.

F. GROUP STRUCTURE

F.1. Controlled Entities

Controlled entities that form the Cross-Guarantee Group are marked as [#] and those that form the Tax Consolidated Group are marked as [*]. Additional disclosure is located at Note F2 and B5 respectively.

Name of entity	Key	Country of incorporation	Ownership interest 2020	Ownership interest 2019
Parent entity				
Infigen Energy Limited	* #	Australia		
Other stapled entity				
Infigen Energy Trust		Australia		
Subsidiaries of the parent entity				
Batchelor Solar Pty Limited	*	Australia	100%	100%
BBWP Holdings (Bermuda) Limited		Bermuda	100%	100%
Bluff Solar Farm Pty Limited	*	Australia	100%	100%
Bodangora Wind Farm Pty Limited	*	Australia	100%	100%
Bogan River Solar Farm Pty Ltd	*	Australia	100%	100%
Bowen Solar Farm Pty Limited	*	Australia	100%	100%
BWF Finance Pty Limited	*	Australia	100%	100%
BWF Holdings Pty Limited	*	Australia	100%	100%
Capital East Solar Pty Limited	*	Australia	100%	100%
Capital Solar Farm Pty Limited	*	Australia	100%	100%
Capital Wind Farm (BB) Trust	*	Australia	100%	100%
Capital Wind Farm 2 Pty Limited	*	Australia	100%	100%
Capital Wind Farm Holdings Pty Limited	* #	Australia	100%	100%
CREP Land Holdings Pty Limited	*	Australia	100%	100%
CS CWF Trust	*	Australia	100%	100%
Flyers Creek Wind Farm Pty Ltd	*	Australia	100%	100%
Infigen Energy (Bermuda) Limited[1]	*	Bermuda	100%	100%
Infigen Energy (Malta) Limited		Malta	100%	100%
Infigen Energy (US) Pty Limited	*	Australia	100%	100%
Infigen Energy (US) 2 Pty Limited	*	Australia	100%	100%
Infigen Energy Custodian Services Pty Limited	*	Australia	100%	100%
Infigen Energy Development Holdings Pty Limited	*	Australia	100%	100%
Infigen Energy Development Pty Ltd	*	Australia	100%	100%
Infigen Energy Europe Pty Limited[2]		Australia	-	100%
Infigen Energy Europe 2 Pty Limited	*	Australia	100%	100%
Infigen Energy Europe 3 Pty Limited	*	Australia	100%	100%
Infigen Energy Europe 4 Pty Limited	*	Australia	100%	100%
Infigen Energy Europe 5 Pty Limited	*	Australia	100%	100%
Infigen Energy Finance (Australia) Pty Limited	*	Australia	100%	100%
Infigen Energy Finance (Germany) Pty Limited[2]		Australia	-	100%
Infigen Energy Finance (Lux) S.à.r.l		Luxembourg	100%	100%
Infigen Energy Germany Holdings Pty Limited[2]		Australia	-	100%
Infigen Energy Germany Holdings 2 Pty Limited[2]		Australia	-	100%
Infigen Energy Germany Holdings 3 Pty Limited[2]		Australia	-	100%
Infigen Energy Holdings Pty Limited	*	Australia	100%	100%
Infigen Energy Holdings S.à.r.l.		Luxembourg	100%	100%
Infigen Energy Investments Pty Limited	*	Australia	100%	100%

Name of entity	Key	Country of incorporation	Ownership interest 2020	2019
Infigen Energy Markets Pty Limited	*	Australia	100%	100%
Infigen Energy Niederrhein Pty Limited[2]		Australia	-	100%
Infigen Energy NT Solar Holdings Pty Limited	*	Australia	100%	100%
Infigen Energy NT Solar Pty Limited	*	Australia	100%	100%
Infigen Energy (NSW) Power Holdings Pty Limited	*	Australia	100%	100%
Infigen Energy RE Limited	*	Australia	100%	100%
Infigen Energy (SA) Power Holdings Pty Limited	*	Australia	100%	-
Infigen Energy SAGT Pty Limited	*	Australia	100%	-
Infigen Energy Services Holdings Pty Limited	*	Australia	100%	100%
Infigen Energy Services Pty Limited	*	Australia	100%	100%
Infigen Energy Smithfield Holdings Pty Limited	*	Australia	100%	100%
Infigen Energy T Services Pty Limited	*	Australia	100%	100%
Infigen Energy US Corporation		USA	100%	100%
Infigen Energy US Holdings LLC		USA	100%	100%
Infigen Energy US Development Corporation		USA	100%	100%
Infigen Energy US Holdings Pty Limited	*	Australia	100%	100%
Infigen Energy US Partnership		USA	100%	100%
Lake Bonney BESS Pty Limited	*	Australia	100%	100%
Lake Bonney Holdings Pty Limited	* #	Australia	100%	100%
Lake Bonney 2 Holdings Pty Limited	*	Australia	100%	100%
Lake Bonney Wind Power Pty Limited	*	Australia	100%	100%
Lake Bonney Wind Power 2 Pty Limited	*	Australia	100%	100%
Lake Bonney Wind Power 3 Pty Limited[2]		Australia	-	100%
Manton Solar Pty Limited	*	Australia	100%	100%
NPP LB2 LLC	*	USA	100%	100%
NPP Projects I, LLC	*	USA	100%	100%
NPP Projects V, LLC	*	USA	100%	100%
NPP Walkaway Pty Limited	*	Australia	100%	100%
NPP Walkaway Trust	*	Australia	100%	100%
Renewable Energy Constructions Pty Limited	*	Australia	100%	100%
Renewable Power Ventures Pty Ltd	*	Australia	100%	100%
RPV Investment Trust	*	Australia	100%	100%
Smithfield Land Holdings Pty Limited	*	Australia	100%	100%
Smithfield Power Generation Pty Ltd	*	Australia	100%	100%
Walkaway (BB) Pty Limited	*	Australia	100%	100%
Walkaway (CS) Pty Limited	*	Australia	100%	100%
Walkaway Wind Power Pty Limited	*	Australia	100%	100%
Woakwine Wind Farm Pty Ltd	*	Australia	100%	100%
Woodlawn Wind Pty Ltd	*	Australia	100%	100%
WWCS Finance Pty Limited	*	Australia	100%	100%
WWCS Holdings Pty Limited	*	Australia	100%	100%
WWP Holdings Pty Limited	* #	Australia	100%	100%
Subsidiaries of IET				
CS Walkaway Trust		Australia	100%	100%
Walkaway (BB) Trust		Australia	100%	100%

[1] Previously part of the stapled Infigen entities
[2] Voluntarily deregistered as of 3 March 2020

F.2. Deed of Cross Guarantee

Certain Infigen entities are party to a deed of cross guarantee made in accordance with the terms of ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 (Cross-Guarantee Group). Cross-Guarantee Group members are granted relief from the requirement to prepare and lodge individual audited financial reports and legally guarantee the liabilities and obligations of each other.

Financial information of the Cross-Guarantee Group

($'000)	Cross-Guarantee Group	
	2020	2019
Consolidated Statement of Comprehensive Income		
Revenue	-	-
Unrealised foreign exchange gain	1,764	9,987
Impairment of financial assets	-	(80,000)
Operating expenses	(9,486)	(2,211)
Depreciation and amortisation expense	(2,018)	(2,018)
Related party (receivable) / payable forgiven	50,040	(1,446)
Other finance costs	(4)	(4)
Profit / (loss) before income tax	**40,296**	**(75,692)**
Income tax benefit / (expense)	955	(4,649)
Net profit / (loss) for the year	**41,251**	**(80,341)**
Other comprehensive income that may not be reclassified to net profit:	-	-
Total comprehensive income / (loss) for the year, net of tax	**41,251**	**(80,341)**
Consolidated Statement of Financial Position		
Current assets		
Cash and cash equivalents	647	8,608
Receivables	31	-
Total current assets	**678**	**8,608**
Non-current assets		
Receivables	693,076	658,724
Shares in controlled entities	147,182	147,182
Deferred tax assets	69,407	93,607
Intangible assets	28,248	30,266
Total non-current assets	**937,913**	**929,779**
Total assets	**938,591**	**938,387**
Current liabilities		
Payables	7,961	10,257
Total current liabilities	**7,961**	**10,257**
Non-current liabilities		
Payables	1,204,428	1,243,179
Total non-current liabilities	**1,204,428**	**1,243,179**
Total liabilities	**1,212,389**	**1,253,436**
Net assets	**(273,798)**	**(315,049)**
Equity		
Contributed equity	2,305	2,305
Retained losses	(276,103)	(317,354)
Total equity	**(273,798)**	**(315,049)**

F.3. Parent Entity Disclosure

IEL is the parent of the Infigen stapled structure and for the purposes of preparing Infigen's Consolidated Financial Statements.

The following table discloses IEL's financial information, which has been prepared on a basis consistent with Infigen's Consolidated Financial Statements.

	IEL	
($'000)	2020	2019
Assets		
Current assets	678	8,608
Non-current assets	848,482	838,326
	849,160	**846,934**
Liabilities		
Current liabilities	7,961	10,257
Non-current liabilities	1,110,540	1,148,681
	1,118,501	**1,158,938**
Equity		
Issued capital	2,305	2,305
Retained losses	(271,646)	(314,309)
	(269,341)	**(312,004)**
Net profit / (loss) for the year	42,663	(68,929)
Total comprehensive income	**42,663**	**(68,929)**

Additional disclosure

IEL has a net asset deficiency of $269,341,000 at 30 June 2020 (2019: $312,004,000). This is principally due to $839,351,000 (2019: $841,326,000) of undiscounted long-term funding provided by IET. When combined with IET as the other stapled entity, IEL has positive net current assets and net total assets.

IEL is part of the Cross-Guarantee Group, the parties of which legally guarantee the liabilities and obligations of each other. Additional disclosure is located at Note F2.

The Trust

IET is the parent of the Trust for the purposes of preparing the Trust's Consolidated Financial Statements. IET's controlled entities contain no material assets or liabilities. The Trust's consolidated financial information shown in the Consolidated Financial Statements therefore reflect IET standalone financial information.

G. OTHER DISCLOSURES

This section contains additional required information not disclosed in previous sections of the Financial Report.

G.1. Significant Events and Matters

During the period to 30 June 2020 and subsequent to that date, Infigen has been the subject of two takeover offers, with the result that a change in control has occurred and Infigen is now more than 50% owned by Iberdrola SA (Iberdrola SA).

The background to the change in control is:

— On 3 June 2020, UAC Energy Holdings Pty Ltd (UAC) announced its intention to make an off-market takeover bid for all the Infigen stapled securities that it did not already own (UAC Offer) at a price of $0.80 per Infigen stapled security. The UAC Offer closed on Friday, 24 July 2020. On 29 July 2020, UAC lodged a Form 604 *Change in Interest of Substantial Holder Notice* indicating that it had a relevant interest in 19.94% of Infigen stapled securities.

— On 17 June 2020, Infigen entered into a Bid Implementation Agreement with Iberdrola Renewables Australia Pty Limited (Iberdrola) (a wholly owned subsidiary of Iberdrola SA) under which Iberdrola agreed to make an off-market takeover bid for all of the issued Infigen stapled securities (Iberdrola Offer). The Iberdrola Offer followed an extended period of engagement between Infigen and Iberdrola regarding potential cooperation or a control transaction. The Iberdrola Offer price was $0.92 per Infigen stapled security as at the date of these Consolidated Financial Statements.

— On 19 August 2020 the Iberdrola Offer was extended to 26 August 2020.

— On 20 August 2020 being the date of the last Form 604 *Change in Interests of Substantial Holder Notice* Iberdrola's voting power in Infigen was 72.76%.

Change of Control Events

Event	Description
Corporate Facility	Under the Corporate Facility, a review event has occurred as a result of Iberdrola acquiring 50.1% of the Infigen Securities (a Review Event). This allows a majority of Corporate Facility Lenders (Lenders) (being two-thirds of the Lenders by value of commitments) to request a consultation period of 45 days (Review Period). Iberdrola Financiación S.A.U. has committed to provide Iberdrola an unsecured loan for an amount up to $490 million that may be required to fund the refinancing of the Corporate Facility as a consequence of the Review Event. Iberdrola Financiación S.A.U.'s commitment will expire upon receipt of a waiver of the Review Event under the Corporate Facility becoming effective. Any such loan will not be repayable earlier than 30 September 2021. Iberdrola has committed to provide Infigen an unsecured loan for an amount up to $490 million that may be required to fund the refinancing of the Corporate Facility as a consequence of the Review Event. Iberdrola commitment will expire upon receipt of a waiver of the Review Event under the Corporate Facility becoming effective. Any such loan will not be repayable earlier than 30 September 2021.

Event	Description
Defence Advisory Fees	Goldman Sachs Australia Pty Limited and Lazard Pty Limited were appointed as defence advisors to Infigen in 2019. As at 30 June 2020, certain fees to the defence advisers were going to become payable regardless of the outcome of the takeover offers. An amount of $6m in respect of fees payable to the Defence Advisers has been included within 30 June 2020 accounts payable. Amounts in addition to this of $5m have been paid in FY21 as a result of the change in control occurring.
Performance Rights	As previously disclosed, the Board has a discretion under the rules of the Equity Plan to accelerate the vesting of performance rights in the event of a change in control of Infigen. As a result of the exercise of that discretion a "Change of Control" event occurred when Iberdrola advised that its voting power in Infigen had increased to more than 50%. As a consequence, a cash amount equal to the FY19 and FY20 Performance Rights valued at the Iberdrola Offer price of $0.92 were paid. There are no longer any Performance Rights on issue.
ISDA Master Agreements	The counterparties to Infigen's ISDA Master Agreements may also have rights arising under standard "credit event upon merger" provisions.

G.2. Share-Based Payments

Performance rights are granted to certain Infigen employees eligible under the Infigen Energy Equity Plan (Equity Plan). The Equity Plan consists of a long-term incentive (LTI) component which is generically known as a share-based payment (SBP).

The LTI is subject to two separate and equally weighted conditions, both of which are measured over three years:

- Total Shareholder Return (scaled market hurdle) – Infigen's security price relative to the ASX200 (excluding financial services, real-estate investment trusts, and the materials/resources sectors); and
- Operational Performance (internal hurdle) – accounts for specific revenue diversity and growth targets set by the Board. The Board has discretion to adjust vesting outcomes in circumstances including where actual value creation has not been reasonably reflected by the performance condition.

Performance rights vest as either Infigen stapled securities or cash, as determined by the Board. The cash equivalent is the market security price at the vesting date. Performance rights are measured at fair value at grant date and are expensed over the vesting period.

Judgement is required in determining the fair value. Infigen uses an internal model with inputs including exercise price, market price, term of the performance right, and security price at grant date.

SBP expense recognised during the reporting period

	INFIGEN	
($'000)	2020	2019
LTI	798	546
Deferred STI	-	70
Write-back prior year's LTI expense allocation	-	(51)
	798	565

Movement in number of performance rights outstanding during the reporting period

Equity Plan	Opening balance 1 July	Granted	Vested	Lapsed/ Forfeited	Closing balance 30 June
FY16 LTI	324,934	-	-	-	324,934
FY17 DSTI	334,049	-	-	-	334,049
FY17 LTI	987,960	-	(493,980)	-	493,980
FY18 LTI	1,531,011	-	-	-	1,531,011
FY19 LTI	1,372,256	-	-	-	1,372,256
FY20 LTI	-	2,715,350	-	(525,976)	2,189,374
Total	4,550,210	2,715,350	(493,980)	(525,976)	6,245,604

2,715,350 performance rights were granted in relation to the FY20 LTI grant during the reporting period. The weighted average security price for these rights at grant date was $0.46. The fair value of these performance rights at grant date was $1,255,578.

The 493,980 performance rights that vested during the reporting period were cash settled and related to the FY17 LTI operational performance condition. The 493,980 remaining outstanding FY17 LTI performance rights relate to the total shareholder return condition and they are subject to a one-year retest.

Infigen stapled securities have already been issued for the unvested FY16 LTI and FY17 DSTI and are held in trust on behalf of eligible employees. In accordance with the Equity Plan, these performance rights do not vest (and issued securities released from the trust) until an Infigen staff trading window opens.

Refer Note G1 for details of the acceleration of outstanding performance rights due to the takeover.

G.3. Related Party Transactions

The related party transactions and balances of Infigen and the Trust are disclosed below.

Infigen

Key Management Personnel (KMP) remuneration for the year-ended 30 June is disclosed in the following table.

	INFIGEN	
($)	2020	2019
Short-term employee benefits	5,269,119	4,686,077
Post-employment benefits (superannuation)	144,456	149,012
Other long-term benefits and SBP expense	995,842	741,813
Write-back prior year's LTI expense allocation	-	(51)
Total	**6,409,417**	**5,576,851**

Mr P Green, a non-executive director of Infigen, is a partner of TCI Advisory Services LLP (TCI), an advisor to an entity which has a substantial holding of Infigen securities. Mr P Green has advised Infigen that he does not have a relevant interest in those Infigen securities. Mr P Green resigned from the Board on 31 July 2020.

Infigen has an outstanding loan balance of $1,019,156 from RPV Developments Pty Ltd at 30 June 2020 (2019: $1,019,156). RPV Developments Pty Ltd is treated as an equity accounted investment by Infigen.

The Trust

The Trust pays the Responsible Entity a fee for managerial and administrative services, excluding amounts attributable to KMP remuneration. Fees paid or payable for the year ended 30 June 2020 were $726,330 (2019: $712,787).

The Trust has non-interest bearing loan receivables / (payables) from / (to) related parties that form part of the long-term funding arrangements of the Infigen stapled structure, as disclosed in the following table.

	TRUST	
($'000)	2020	2019
Current receivables		
Infigen Energy Limited	-	10,000
Non-current receivables		
Infigen Energy Limited	839,351	841,326
Infigen Energy Holdings Pty Limited	14,010	14,010
Infigen Energy (US) 2 Pty Limited	30,009	30,009
Total undiscounted value	883,370	895,345
Total discounted value (carrying value)	**595,204**	**548,517**
Current payables		
Infigen Energy RE Limited (carrying value)	(2,137)	(1,411)

The Trust has discounted its loan receivables to their net present value resulting in an unwinding income of $48,662,000 for the year ended 30 June 2020 (2019: $38,793,000). No impairment charge was recognised at 30 June 2020 (2019: $127,680,000). The forecast undiscounted cash flows of Infigen's operating assets support the carrying value as they exceed the undiscounted face values.

G.4. Cash Flow Information

Reconciliation of net profit to net cash inflow from operating activities

($'000)	INFIGEN 2020	INFIGEN 2019	TRUST 2020	TRUST 2019
Net profit / (loss) for the year	**3,457**	**40,891**	**47,937**	**(89,597)**
Adjustments				
Depreciation and amortisation	67,171	54,555	-	-
Unwind of discount on related party loan receivables	-	-	(48,662)	(38,793)
Impairment of financial assets	-	-	-	127,680
Interest rate swap (hedge ineffectiveness)	18,584	-	-	-
Impairment of development assets	-	9,901	-	-
Unrealised foreign exchange loss / (gain)	(45)	692	-	-
Share-based payments expense	797	565	-	-
Amortisation of borrowing costs	6,322	6,388	-	-
Share of profits of equity accounted investments	1	19	-	-
Accretion of decommissioning provisions	157	131	-	-
Net loss / (gain) on change in the fair value of financial instruments	13,262	(6,487)	-	-
Income tax expense / (benefit)	3,934	20,505	-	-
Net cash inflow / (outflow) from operating activities before changes in working capital	**113,640**	**127,160**	**(725)**	**(710)**
Changes in working capital				
Increase in receivables	(6,637)	(4,395)	-	-
Decrease in renewable energy certificates	5,764	16,170	-	-
Increase in payables	5,668	5,325	726	713
Net cash inflow from operating activities	**118,435**	**144,260**	**1**	**3**

Net debt reconciliation

($'000)	Cash	Borrowings due: within 1 year	Borrowings due: after 1 year	Total
Opening balance – 1 July 2019	103,681	(53,513)	(585,541)	(535,373)
Cash flows	43,504	6,953	46,560	97,017
Closing balance – 30 June 2020	**147,185**	**(46,560)**	**(538,981)**	**(438,356)**

G.5. Reserves

Infigen's reserves categories are summarised in the following table.

Reserve	Description and accounting treatment
Hedging reserve	Records fair value movements in cash flow hedges to the extent the cash flow hedges are deemed effective. The balance is reclassified to net profit when the hedged expense is recognised. Ineffective portions of cash flow hedges are recognised in net profit immediately.
Acquisition reserve	Records the acquisition of non-controlling interests in entities over which Infigen already exerted control. The carrying value is the difference between the purchase consideration and the amount by which the non-controlling interest is adjusted.
SBP reserve	Recognises the SBP expense. Amounts are transferred to contributed equity upon issue of securities under the Infigen Energy Equity Plan.

Carrying values

	INFIGEN	
($'000)	2020	2019
Hedging reserve	(437)	(15,821)
Acquisition reserve	(47,675)	(47,675)
SBP reserve	(5,040)	(5,650)
	(53,152)	(69,146)

G.6. Auditor's Remuneration

PricewaterhouseCoopers (PwC) continues to act as the independent auditor and has provided audit and other services to Infigen and the Trust during the financial year. Fees paid or payable to PwC for services provided are disclosed in the following table.

Amounts paid or payable

	INFIGEN		TRUST	
($)	2020	2019	2020	2019
Audit and other assurance services				
Audit of financial statements	371,000	349,000	20,667	19,487
Other assurance services	72,492	31,000	-	-
	443,492	380,000	20,667	19,487
Non-audit services				
Taxation related services	90,121	89,627	-	-
Transaction and advisory services	63,005	155,976	-	-
	153,126	245,603	-	-
Total auditor's remuneration	596,618	625,603	20,667	19,487

G.7. Renewable energy certificates

LGCs are either created (from owned assets) or sourced (from contracted assets). One LGC represents 1 MWh of generation from renewable energy generators. Infigen also sources other renewable energy certificates to meet surrender obligations for Infigen's C&I Customers.

	INFIGEN	
	2020	2019
Carrying value ($'000)		
LGCs	20,363	27,157
Other renewable energy certificates	1,030	-
	21,393	27,157
Number		
LGCs	455,965	513,245
Other renewable energy certificates	34,739	-

G.8. Receivables

Receivables consist of trade receivables (less allowance for any credit loss), unbilled revenue, and other receivables.

	INFIGEN	
($'000)	2020	2019
Current		
Trade receivables	6,661	3,041
Accrued revenue	17,358	11,084
	24,019	14,125
Prepayments	3,024	2,781
Other receivables	103	3,411
	27,146	20,317
Non-current		
Related party loan	1,019	1,019
Prepayments	1,732	1,809
	2,751	2,828

The ageing of trade receivables is shown in the below table:

	INFIGEN	
($'000)	2020	2019
Unbilled revenue	17,358	11,084
Not past due	6,587	3,041
Past due 31 – 60 days	61	-
Past due 30 days	13	-
	24,019	14,125

At the end of the reporting period, trade receivables with a carrying amount of $74,000 (2019: nil) were past due but not considered impaired. Other balances within trade and other receivables are neither impaired nor past due. It is expected that these other balances will be received when due.

Accounting treatment

Trade and other receivables are recognised at amortised cost, less an allowance for expected credit loss. Infigen's policy requires customers to pay in accordance within agreed payment terms which are generally due for settlement within 30 days.

Accrued revenue represents estimated electricity supplied to customers but unbilled at the end of the reporting period.

G.9. Contingent Liabilities

Contingent liabilities not recognised in the consolidated statements of financial position primarily comprise financial guarantees for AEMO, counterparties, and certain grid connections.

	INFIGEN	
($'000)	2020	2019
Financial guarantees (letters of credit)	44,514	32,774

The Trust

The Trust had no contingent liabilities as at 30 June 2020 (2019: Nil).

G.10. Events occurring after the reporting period

On 3 August 2020, the Infigen Board determined to suspend distributions indefinitely. In making its determination, the Boards had reference to Infigen's Capital Management Policy which seeks to balance accretive growth, returns to security holders and continued deleveraging.

Refer to Note G1 for details of the two off-market takeover offers and change of control arising after the reporting period.

Other than the events noted above, there were no transactions or events of a material or unusual nature, not otherwise dealt with in this report, likely to affect significantly the operations or affairs of Infigen or the Trust in future financial periods.

DIRECTORS' DECLARATION

In the opinion of the Directors of Infigen Energy Limited and the Directors of the Responsible Entity of Infigen Energy Trust, Infigen Energy RE Limited (collectively referred to as 'the Directors'):

a) the Consolidated Financial Statements and accompanying notes of Infigen and the Trust set out on pages 60 to 98 have been prepared in accordance with the *Corporations Act 2001*, including:
   i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   ii. giving a true and fair view of Infigen's and the Trust's consolidated financial position as at 30 June 2020 and of their performance for the year ended on that date;

b) there are reasonable grounds to believe that both Infigen and the Trust will be able to pay their debts as and when they become due and payable; and

c) the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations of the Chief Executive Officer and the Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors of IEL and IERL:

Leonard Gill	**Ross Rolfe AO**
Chairman	Chief Executive Officer / Managing Director

Independent auditor's report

To the stapled security holders of Infigen Energy Limited and the unit holders of Infigen Energy Trust

Report on the audit of the financial reports

Our opinion

In our opinion:

The accompanying financial reports of Infigen Energy Limited ("IEL") and its controlled entities (together "Infigen"), and Infigen Energy Trust and its controlled entities (together "Trust") are in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the financial positions of Infigen and Trust as at 30 June 2020 and of their financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial reports of Infigen and Trust comprises:

- the consolidated statements of financial position as at 30 June 2020
- the consolidated statements of comprehensive income for the year then ended
- the consolidated statements of changes in equity for the year then ended
- the consolidated statements of cash flows for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Infigen and Trust in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial reports in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial reports are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial reports.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial reports as a whole, taking into account the geographic and management structure of Infigen and Trust, their accounting processes and controls and the industry in which they operate.

The structure of Infigen is commonly referred to as a 'stapled group.' In a stapled group the securities of two or more entities are 'stapled' together and cannot be traded separately. In the case of Infigen, the shares in IEL have been stapled to the units in Trust. For the purposes of consolidation accounting, IEL is deemed the parent and the consolidated report reflects the consolidation of IEL and its controlled entities, and Trust.

Materiality	*Audit scope*	*Key audit matters*
• For the purpose of our audit of Infigen we used overall materiality of $3.9 million, which represents approximately 2.5% of earnings before interest, tax, depreciation and amortization (EBITDA) of Infigen. • We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial reports as a whole. • We chose EBITDA because, in our view, it is the benchmark against which performance is most commonly measured. It also closely represents operating cash flow and underlying earnings. EBITDA	• Our audit focused on where Infigen or Trust made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.	• Amongst other relevant topics, we communicated the following key audit matters to the Audit and Risk Committee: Infigen – Valuation of electricity derivatives – Recoverability of goodwill – Reclassification of hedging reserve balance to net profit – Change of control, which triggered a review event in the corporate facility Trust – Carrying amount of the related party receivables • These are further described in the *Key audit matters* section of our report.

is a generally accepted benchmark.

- We chose a 2.5% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial reports for the current period and were determined separately for Infigen and Trust. Relevant amounts listed for each part of the stapled group represent balances as they are presented in the financial reports and should not be aggregated. The key audit matters were addressed in the context of our audit of the financial reports as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

Key audit matter	***How our audit addressed the key audit matter***
Valuation of electricity derivatives *(Refer to note E5)* *Infigen - net derivative asset of $2.9m* *Trust - the KAM is not applicable as the Trust does not hold any derivatives*	
The valuation of electricity derivatives was a key audit matter as there was significant judgement and estimation required by Infigen in developing the key assumptions which underpin the valuation of these financial instruments. The key area of judgement related to Infigen's estimation of the fair value of certain derivatives within the Group's portfolio, particularly Level 3 instruments, which are valued by the Group via internal models using key inputs, including estimation of electricity volumes that are not based on observable market data.	We obtained a selection of the valuation models developed by Infigen and considered the methodology and key assumptions used. Assisted by PwC valuations experts, we compared the methodology used by Infigen with valuation methods commonly accepted in the industry. We evaluated a selection of inputs and assumptions and considered whether they were reasonable by comparing them to market observable data. We evaluated the Group's estimate of unobservable market data, with reference to external consultant's assessments. We assessed the disclosure in the financial statements and evaluated the completeness and accuracy thereof, with particular consideration given to the requirements of Australian Accounting Standards.
Recoverability of goodwill *(Refer to note C3)* *Infigen - recoverable amount of goodwill of $15.1m* *Trust - the KAM is not applicable as the Trust does not hold any goodwill*	
Infigen's goodwill is required by Australian Accounting Standards to be assessed for impairment at the cash-generating unit level ("CGU") level. Infigen's operating assets represent a CGU. Infigen determines the recoverable amounts based on the higher of value-in-use or fair value less costs to sell.	We performed the following procedures over the discounted cash flow model of the CGU, amongst others: • Assessed whether Infigen's identification of CGUs which are the smallest identifiable groups of assets that can generate largely independent

We considered the impairment assessment to be a key audit matter as significant estimate and judgement is required in forecasting Infigen's discounted future cash flows used to determine the value-in-use. The assumptions used are described in note C3.

cash inflows, was consistent with our knowledge of the operations.

- Tested the mathematical accuracy on a sample basis of the model's calculations.
- Compared the key assumptions used in the model to consultant reports obtained by management for wind performance and electricity prices, where appropriate.
- Evaluated Infigen's historical ability to forecast future cash flows by comparing budgets with reported actual results for the past years.
- Assessed whether the discount rate used in the model appropriately reflected the risks of the CGU by comparing the discount rate to other comparable companies. We were assisted by PwC valuations experts who compared the discount rate to market data and industry research.
- Considered Infigen's sensitivity analysis on the key assumptions used in the model (discount rates, market price and generation volume variability) to assess under which assumptions an impairment may occur and whether this was reasonably possible.
- Evaluated the adequacy of the disclosures made in note C3 in light of the requirements of Australian Accounting Standards.

We noted the takeover activity at 30 June 2020, which provided market evidence of the fair value of Infigen's CGUs. We compared the offer price per stapled security to the net asset value per stapled security. We considered market takeover activity as a cross check against the valuation outcomes from the value in use impairment assessment.

Reclassification of hedging reserve balance to net profit *(Refer to E5)*
Infigen – hedging reserve of $18.6m
Trust - the KAM is not applicable as the Trust does not have any hedging reserve

Infigen's interest rate swaps (Hedging Instrument) relating to the Corporate Facility (Hedged Item) are hedge accounted, whereby fair value gains or losses relating to the effective component of the Hedging Instrument are recognised in Other Comprehensive Income and held in hedging reserve.

The Corporate Facility references 3-month floating rate and has an interest rate floor of 1.0%, while the

We considered the forecast interest rates and compared them with the interest rate floor of 1%. We assessed the effectiveness of the hedge relationship.

We inspected the hedge documentation, loan contract and derivatives contracts to develop an understanding of the key contractual terms.

interest rate swaps do not have an interest rate floor. After comparing the forecast interest rates with the interest rate floor, Infigen assessed that there was no longer an economic relationship and discontinued the hedge accounting relationship. Accordingly, Infigen reclassified its hedging reserve of $18.6m to net profit.

We considered this to be a key audit matter due to the significant one-off nature of the transaction and the evaluation of the hedge effectiveness and forecast interest rates involving Infigen's judgement and estimation.

We assessed the hedge accounting calculations and evaluated Infigen's assessment of hedge effectiveness and accounting treatment in accordance with the requirements of Australian Accounting Standards.

We obtained confirmations directly from contract counterparties to verify the existence of the derivatives.

We evaluated whether the disclosures were consistent with the requirements of Australian Accounting Standards.

Change of control, which triggered a review event in the corporate facility *(Refer to note G1)*
Infigen – Outstanding amount under the corporate facility of $438.8m
Trust - the KAM is not applicable as the Trust is not a party to the debt arrangements

The change of control event triggered a review event in Infigen's corporate facility. This was a key audit matter because, in certain circumstances, it could lead to the lenders demanding repayment of the $438.8m facility.

We read the corporate facility agreement to understand the circumstances regarding the review event following the change of control.

We assessed the commitment provided by Iberdrola Financiación, S.A.U to Iberdrola Renewables Australia Pty Limited.

We assessed the commitment provided by Iberdrola Renewables Australia Pty Ltd to Infigen.

We obtained evidence to support the ability of Iberdrola Financiación, S.A.U and Iberdrola Renewables Australia Pty Limited to provide the commitment to Infigen.

Recoverability of the related party receivables *(Refer to note G3)*
Infigen - the KAM is not applicable as Infigen's related party receivables are immaterial
Trust – Outstanding amount of $595.2m receivable from Infigen Energy Limited

The existence of the related party receivables was a key audit matter because of the size of the balance in the Trust's statement of financial position.

We considered whether there were any factors indicating the receivables may not be fully recoverable with regard to the requirements of Australian Accounting Standards.

We considered whether there were any factors indicating that the impairment recorded in the prior period should be reversed, or partially reversed, with regard to the requirements of Australian Accounting Standards.

Other information

The directors of IEL and the directors of Infigen Energy RE Limited, the Responsible Entity of Trust, collectively referred to as "the directors", are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial reports and our auditor's report thereon.

Our opinion on the financial reports does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial reports, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial reports or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of the directors for the financial reports

The directors are responsible for the preparation of the financial reports that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial reports that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial reports, the directors are responsible for assessing the ability of Infigen and Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial reports

Our objectives are to obtain reasonable assurance about whether the financial reports as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 the financial reports.

A further description of our responsibilities for the audit of the financial reports is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 42 to 55 of the directors' report for the year ended 30 June 2020.

In our opinion, the remuneration report of Infigen Energy Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of IEL are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Craig Thomason
Partner

Sydney
20 August 2020

ADDITIONAL INFORMATION

Investor Information

Five-year financial and operating summary

30 June	Unit	2020	2019	2018	2017	2016
Safety						
Total recordable injury frequency rate		14.4	8.7	13.0	4.7	4.8
Lost time injury frequency rate[1]		2.3	-	2.6	4.7	-
Profitability						
Net Revenue	$ million	235.6	229.3	210.1	196.7	173.2
Asset operating costs	$ million	(47.3)	(41.4)	(40.0)	(37.5)	(35.6)
Business operating costs[2]	$ million	(25.0)	(22.7)	(21.0)	(19.8)	(17.5)
Underlying EBITDA	$ million	163.3	165.3	149.1	139.3	120.2
Net profit	$ million	3.5	40.9	45.7	32.3	4.5
Generation expenses[3]	$/MWh	22.5	23.6	24.0	23.9	23.0
Financial position (as at)						
Debt (drawn)	$ million	(585.5)	(639.1)	(676.1)	(657.3)	(747.6)
Cash	$ million	147.2	103.7	144.9	251.8	147.6
Net debt[4]	$ million	(438.4)	(535.4)	(531.2)	(405.5)	(600.0)
Equity	$ million	593.7	583.3	571.7	479.4	280.6
Securities on issue at the end of the year	# million	971	957	954	950	772
Book gearing[5]	%	41.7	46.9	45.8	45.5	68.0
Net assets per security	$	0.61	0.61	0.60	0.50	0.36
Net tangible assets per security[6]	$	0.51	0.50	0.48	0.38	0.20
Security holder value and cash flow						
Earnings per security	cps	0.4	4.3	4.8	4.0	1.1
Production						
Production sold from Owned Renewable Energy Assets[7,8]	GWh	1,827	1,684	1,480	1,399	1,406
Production purchased and sold from Contracted Assets[9]	GWh	131	92	-	-	-
Renewable Energy Generation Sold[10]	GWh	1,959	1,775	1,480	1,399	1,406

1 There were no lost time injuries in 2016 and 2019

2 Business operating costs includes energy markets costs

3 Calculated by dividing generation expenses with production generated from Owned Renewable Energy Assets. The prior year excluded Bodangora Wind Farm whilst it was still under construction and adds back those lease payments excluded from EBITDA after the adoption of AASB 16 *Leases* on 1 July 2019

4 Net Debt consists of Debt (drawn) less Cash

5 Calculated as Net Debt (accounting for capitalised commitment fees) divided by the sum of Net Debt (accounting for capitalised commitment fees) and Net Assets

6 FY20 Net tangible assets accounts for lease right-of-use assets. Prior years disregarded lease right-of-use assets as AASB 16 *Leases* had not come into effect.

7 Production generated is subject to marginal loss factors (MLFs) that are fixed annually by AEMO to account for network losses. Production sold reflects the impact of these MLFs.

8 Owned Renewable Energy Assets refers to Infigen's seven owned wind farms

9 Contracted Assets refers to production acquired under run of plant PPAs where Infigen is the offtaker. Production from Contracted Assets commenced with Kiata Wind Farm in September 2018 and includes Toora Wind Farm from January 2020.

Number of Securities and Holders

Infigen securities are listed and traded on the Australian Securities Exchange.

Each Infigen security consists of one IEL share and one IET unit, which, under each of their respective Constitutions, are stapled together and cannot be traded or dealt with separately. In accordance with its requirements in respect of listed stapled securities, ASX reserves the right to remove IEL and/or IET from the Official List if, while the stapling arrangements apply, the shares or units in one of these entities cease to be stapled to the shares or units in the other entity or one of these entities issues shares or units that are not then stapled to the relevant shares or units in the other entity.

The following additional investor information is current as at 31 July 2020.

The total number of Infigen securities on issue is 970,749,547 and the number of holders of these securities is 11,390.

Substantial Security Holders

The substantial security holders who have notified Infigen in accordance with section 671B of the Corporations Act 2001 are set out below.

Substantial security holder	Date of initial notice	Date of most recent notice	Number of Infigen securities advised in most recent notice
Iberdrola Renewables Australia Pty Limited	17-Jun-20	31-Jul-20	434,587,583
UAC Energy Holdings Pty Ltd	3-Jun-20	29-Jul-20	193,530,203

Voting Rights

It is generally expected that General Meetings of shareholders of IEL and unitholders of IET will be held concurrently where proposed resolutions relate to both entities. At these General Meetings of IEL and IET, the voting rights outlined below will apply.

Voting rights in relation to General Meetings of IEL:

- on a show of hands, each shareholder of IEL, who is present in person and each other person who is present as a proxy, attorney or duly appointed corporate representative of a shareholder, has one vote; and
- on a poll, each shareholder of IEL, who is present in person, has one vote for each share they hold. Also, each person attending as a proxy, attorney or duly appointed corporate representative of a shareholder has one vote for each share held by the shareholder that the person represents.

Voting rights in relation to General Meetings of IET:

- on a show of hands, each unitholder who is present in person and each other person who is present as a proxy, attorney or duly appointed corporate representative of a unitholder has one vote; and
- on a poll, each unitholder who is present in person has one vote for each one dollar of the value of the units in IET held by the unitholder. Also, each person attending as proxy, attorney or duly appointed corporate representative of a unitholder has one vote for each one dollar of the value of the units in IET held by the unitholder that the person represents.

Infigen Securities that Are Restricted or Subject to Voluntary Escrow

There are currently no Infigen securities that are restricted or subject to voluntary escrow.

On-Market Security Buy-Back

There is no current on-market buy-back of Infigen securities.

Distribution of Infigen Securities as at 31 July 2020

The distribution of securities amongst Infigen security holders is set out below.

Category	Securities	Percentage (%)	Security holders
100,001 and over	927,475,824	95.54	122
10,001-100,000	24,174,128	2.49	864
5,001-10,000	6,160,449	0.63	838
1,001-5,000	10,607,716	1.09	4,311
1-1,000	2,331,430	0.24	5,255
Total	970,749,547	100.00	11,390

The number of security holders holding less than a marketable parcel of securities as at 31 July 2020 was 3,188.

Top Infigen Security Holders

The largest Infigen security holders as at 31 July 2020 are set out below.

Rank	Security holder	Securities held Number	Percentage
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	248,024,135	25.55
2	IBERDROLA RENEWABLES AUSTRALIA PTY LIMITED	178,766,770	18.42
3	CS THIRD NOMINEES PTY LIMITED	130,683,416	13.46
4	CITICORP NOMINEES PTY LIMITED	82,479,067	8.5
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	76,320,995	7.86
6	CS FOURTH NOMINEES PTY LIMITED	41,623,817	4.29
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	36,356,421	3.75
8	NATIONAL NOMINEES LIMITED	18,379,567	1.89
9	IBERDROLA RENEWABLES AUSTRALIA PTY LIMITED	15,793,890	1.63
10	NEWECONOMY COM AU NOMINEES PTY LIMITED	15,141,589	1.56
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	10,007,137	1.03
12	CBC CO PTY LIMITED	7,140,000	0.74
13	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	5,895,812	0.61
14	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	4,410,842	0.45
15	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED	3,636,213	0.37
16	ONE MANAGED INVT FUNDS LTD	3,531,795	0.36
17	UAC ENERGY HOLDINGS PTY LIMITED	3,446,787	0.36
18	GROKCO PTY LTD	3,000,000	0.31
19	RHODIUM CAPITAL PTY LIMITED	2,000,000	0.21
20	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,983,956	0.20
Total top security holders		888,622,209	91.54
Total of other security holders		82,127,338	8.46
Total securities		970,749,547	100.00

Key ASX Announcements

The key announcements lodged with the ASX and released to the market throughout the reporting period are listed below.

2019	
22/08/2019	Appendix 4G
22/08/2019	Infigen Energy FY19 Full Year Results
22/08/2019	Appendix 4E and FY19 Annual Report
28/08/2019	Infigen Adds South Australia Gas Turbines
6/09/2019	S&P DJI Announces September 2019 Quarterly Rebalance
12/09/2019	Infigen Monthly Production – August 2019
12/09/2019	Presentation to RBC Renewables Forum
24/09/2019	Date of 2019 AGM
25/09/2019	Update – Dividend/Distribution – IFN
25/09/2019	DRP Participation and Price
26/09/2019	Appendix 3B
1/10/2019	Change of Director's Interest Notice
11/10/2019	Infigen Monthly Production – September 2019
21/10/2019	Infigen Energy 2019 AGM Notice of Meeting
31/10/2019	First Quarter FY20 Activity Report
7/11/2019	Smithfield OCGT Site Tour Presentation
13/11/2019	Infigen Monthly Production – October 2019
21/11/2019	Results of Annual General Meeting
21/11/2019	AGM Presentations
26/11/2019	Change of Director's Interest Notice
26/11/2019	Change of Director's Interest Notice
29/11/2019	Appendix 3B
10/12/2019	Infigen Monthly Production – November 2019
16/12/2019	Dividend/Distribution – IFN
16/12/2019	Infigen Announces H1/FY20 Distribution

2020	
06/01/2020	Ceasing to be a substantial holder from MUFG
10/01/2020	Becoming a substantial holder from MUFG
10/01/2020	Infigen Monthly Production - December 2019
29/01/2020	Ceasing to be a substantial holder
31/01/2020	Second Quarter FY20 Activity Report
10/02/2020	Becoming a substantial holder
11/02/2020	Ceasing to be a substantial holder
11/02/2020	Infigen Monthly Production - January 2020
21/02/2020	FY20 Interim Results
21/02/2020	Appendix 40 and FY20 Interim Financial Report
9/03/2020	Infigen enters into Collector Wind Farm PPA
11/03/2020	Infigen Monthly Production - February 2020
25/03/2020	Update - Dividend/Distribution - IFN
25/03/2020	DRP Participation and Price
26/03/2020	Appendix 2A
3/04/2020	Change of Director's Interest Notice
9/04/2020	Infigen Monthly Production - March 2020
1/05/2020	Third Quarter FY20 Activity Report
12/05/2020	Infigen Monthly Production - April 2020
13/05/2020	Infigen ESG Report 2019
2/06/2020	Change in substantial holding
3/06/2020	UAC Intention to Make an Off-Market Takeover Offer
3/06/2020	Becoming a substantial holder
3/06/2020	UAC announces takeover bid for Infigen Energy
4/06/2020	Infigen Recommends Investors Take No Action with respect to the UAC proposal

5/06/2020	Ceasing to be a substantial holder
9/06/2020	Infigen Board Recommends Investors Take No Action with respect to the UAC proposal
9/06/2020	Change in substantial holding
9/06/2020	UAC notice of people to whom information is to be sent
9/06/2020	UAC Bidder's Statement
10/06/2020	Infigen Monthly Production – May 2020
10/06/2020	Change in substantial holding
11/06/2020	Ceasing to be a substantial holder
17/06/2020	Becoming a substantial holder
17/06/2020	Announcement made by Iberdrola Australia
17/06/2020	Infigen announces no distribution for H2FY20
17/06/2020	Infigen announces recommended takeover offer from Iberdrola
19/06/2020	UAC FIRB approval obtained
23/06/2020	UAC Bidder's Statement Contains Outdated Information
23/06/2020	Infigen Target's Statement in response to UAC offer
24/06/2020	Iberdrola Bidder's Statement Received
29/06/2020	Infigen Receives Updated Offers – Advises Investors Take No Action
30/06/2020	Infigen Recommends Takeover Offer from Iberdrola

A comprehensive list and full details of all publications can be found on the Infigen website: www.infigenenergy.com, and the ASX website: www.asx.com.au

GLOSSARY

AEMC	Australian Energy Market Commission; responsible for making and amending the National Electricity Rules, National Gas Rules and National Energy Retail Rules.
AEMO	Australian Energy Market Operator; responsible for operating the NEM and the Wholesale Electricity Market (WA).
AFSL	Australian Financial Services Licence.
ASX	Australian Securities Exchange Limited (ABN 98 008 624 691) or Australian Securities Exchange as the context requires.
BOARD or BOARDS	Unless otherwise stated, the Boards of IEL and IERL.
BODANGORA FACILITY	The Syndicated Facility Agreement dated 30 March 2017 in relation to the project financing of the Bodangora Wind Farm.
CAPACITY	The maximum power that a generation asset is designed to produce.
CAPACITY FACTOR	A measure of the productivity of a generation asset, calculated by the amount of power that a generation asset produces over a set time, divided by the amount of power that would have been produced if the generation asset had been running at full capacity during that same time.
C&I	Consumer & Industrial.
CONTRACTED ASSETS	Renewable energy assets not owned by Infigen where Infigen acquires generation, and in certain cases LGCs, under run of plant PPAs as offtaker.
EARNINGS AT RISK	Measuring potential changes in revenue in a given period having regard to relevant factors and varying degrees of confidence.
EBIT	Earnings before interest and tax.
EBITDA	Earnings before interest, taxes, depreciation and amortisation.
FIRMING ASSETS	The Smithfield OCGT located in New South Wales, the SA Battery located in South Australia each owned by Infigen, and the SA Gas Turbines located in South Australia to be leased by Infigen.
FY OR FINANCIAL YEAR	A period of 12 months starting on 1 July and ending on 30 June in the next calendar year.
GRID	The network of power lines and associated equipment required to deliver electricity from generators to consumers.
GW	Gigawatt. One billion watts of electricity.
GWh	Gigawatt hour. One billion-watt hours of electricity.
IBERDROLA	Iberdrola Renewables Australia Pty Limited
IEL	Infigen Energy Limited (ABN 39 105 051 616).
IERL	Infigen Energy RE Limited (ACN 113 813 997) (AFSL 290 710), the responsible entity of IET.
IET	Infigen Energy Trust (ARSN 116 244 118).
IFN	The code for the trading of Infigen securities listed on the ASX.
INFIGEN	Infigen Energy, comprising IEL and IET and their respective subsidiary entities from time to time.
INFIGEN SECURITY OR SECURITY	Comprises one share in IEL and one unit in IET, stapled together to form a single stapled security which is listed on the ASX under the code "IFN". IEL shares and IET units cannot be traded individually – they can only be traded as stapled securities.
ISDA	International Swaps and Derivatives Association Inc.
LGC	Large-scale generation certificate, as defined in the Renewable Energy (Electricity) Act 2000 (Cth).
MLF or MARGINAL LOSS FACTOR	As electricity flows through the transmission and distribution networks, energy is lost due to electrical priority resistance and the heating of conductors. Revenue is subject to marginal loss factors that are fixed annually by AEMO to account for network losses.
MW	Megawatt. One million watts of electricity.
MWh	Megawatt hour. One million-watt hours of electricity.
NEM	National Electricity Market: the interconnected power system of five regional market jurisdictions – Queensland, New South Wales (including the Australian Capital Territory), Victoria, South Australia and Tasmania.
N.M.	Not meaningful.
NRC	Nomination & Remuneration Committee.
O&M	Operations and maintenance.
OCC	Operations Control Centre. A centrally located business function within Infigen that monitors and directs the operations of Infigen's owned generation assets.

OWNED RENEWABLE ENERGY ASSETS	Renewable energy assets owned by Infigen.
PPA	Power purchase agreement.
RENEWABLE ENERGY GENERATION	Electricity generation sold from Total Renewable Energy Assets post MLF.
SA BATTERY	The 25 MW/52 MWh Lake Bonney Battery Energy Storage System.
SA GAS TURBINES / SAGTs	The 120 MW aero-derivative gas turbine equipment to be leased from the South Australian Government for 25 years and the associated leasehold improvements paid for and owned by Infigen.
SMITHFIELD OCGT	The 123 MW Open Cycle Gas Turbine (OCGT) facility located at Smithfield, NSW.
TRUST	Infigen Energy Trust (IET) and its controlled entities.
UAC	UAC Energy Holdings Pty Ltd.
UNDERLYING EBITDA	EBITDA, excluding other income and any impairment charges.

CORPORATE DIRECTORY

Infigen Energy

Level 17, 56 Pitt Street
Sydney NSW 2000
Australia

+61 2 8031 9900
www.infigenenergy.com

Directors

Leonard Gill
(Non-Executive Chairman)

Mark Chellew
(Non-Executive Director)

Emma Stein
(Non-Executive Director)

Karen Smith-Pomeroy
(Non-Executive Director)

Ross Rolfe AO
(Chief Executive Officer / Managing Director)

Sylvia Wiggins
(Executive Director - Finance & Commercial)

Company Secretary
David Richardson

Annual General Meeting

Infigen Energy's 2020 Annual General Meeting will be held on 21 November 2020.

Infigen Securities

One share in IEL and one unit in IET have been stapled together to form a single stapled Infigen security and listed on the ASX under the code "IFN". They cannot be traded separately and can only be traded as stapled securities.

Responsible Entity for Infigen Energy Trust

Infigen Energy RE Limited
Level 17, 56 Pitt Street
Sydney NSW 2000
Australia
+61 2 8031 9900

Auditor

PricewaterhouseCoopers
One International Towers Sydney
Watermans Quay
Barangaroo NSW 2000
Australia

Registry

Link Market Services Limited
680 George Street
Sydney NSW 2000
Australia

+61 1800 226 671 (toll free within Australia)
registrars@linkmarketservices.com.au
www.linkmarketservices.com.au

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Infigen

Infigen Energy Limited
ACN 105 051 616

Infigen Energy Trust
ARSN 116 244 118

Registered office
Level 17, 56 Pitt Street
Sydney NSW 2000
Australia
+61 2 8031 9900

www.infigenenergy.com