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Infratil's CDC valuation rises by A\$133 million

The 31 December 2023 independent valuation of Infratil's investment in CDC shows an increase of A\$133 million over the three months since the 30 September 2023 valuation.

Infratil's 48.24% investment in CDC is now valued at between A\$3,736 million to A\$4,335 million (with a midpoint of A\$4,017 million), up from A\$3,641 million to A\$4,186 million (with a midpoint of A\$3,884 million) at the end of September 2023.

The uplift in value reflects the strong progress CDC has made securing new customer contracts, in line with expectations in September 2023, but is largely offset by changes in macroeconomic inputs to the valuation. As at 31 December 2023, CDC's forecast pipeline to 2029 has grown modestly relative to that assumed in the 30 September 2023 independent valuation. Total operating capacity remains unchanged, while under construction and future build capacity is up 170MW to 1,220MW, reflecting CDC's latest view of its development pipeline and customer demand signals.

Region	Status	Build Capacity (MW) to 2028, as at September 2023	Build Capacity (MW) to 2029, as at December 2023
Canberra	Operating	117	117
Sydney	Operating	123	123
Auckland	Operating	28	28
Total Operating Capacity		268	268
Canberra	Under Construction	56	39
Sydney	Under Construction	147	158
Melbourne	Under Construction	32	155
Auckland	Under Construction	30	30
Total Under Construction Capacity		265	382
Canberra	Future Build	55	105
Sydney	Future Build	151	269
Melbourne	Future Build	208	93
Australian Expansion	Future Build	22	22
Auckland	Future Build	81	81
Total Future Build Capacity		517	570
Total Capacity		1,050	1,220

The blended cost of equity used in the valuation has increased from 11.20% to 11.25% between September and December 2023. This reflects an increase in the risk-free rate (3.75% to 3.95%) and an increase in gearing as a result of higher forecast debt levels as CDC continues investment in its expanded development pipeline. These effects are offset to a large degree by a decrease in asset-specific risk premium, driven by the advanced stage of new customer contracts and the valuer's assessment of the relative decrease in the overall risk of CDC delivering on its forecast growth.

CDC has also recently increased its debt facilities by A\$1.4 billion to assist with funding this growth. Terms of the deal are in line with current facilities and extend the weighted average tenor of its debt. The valuation reflects the benefits of this raising, however this is offset by the increase in the market-based base rate curve that underpins assumed debt costs in the independent valuation.

Net debt as at 31 December was A\$2,450 million.

CDC's FY2024 full-year EBITDAF guidance of A\$260 million to \$270 million remains unchanged.

Any investor enquiries should be directed to:

Mark Flesher
Investor Relations
mark.flesher@infratil.com