

4 April 2025

CDC Independent Valuation – 31 March 2025

As a result of the transaction [announcement](#) in February, the primary valuation methodology applied by the independent valuer at 31 March 2025 was adjusted from a Discounted Cash Flow ('DCF') approach to a Historical Transaction approach. After being provided details of the outcome and nature of the sale process conducted by CSC, the valuer confirmed their view that the transaction met all criteria to be considered fair market value and subsequently adopted A\$13,701 million as the mid-point of its independent valuation.

This implies that Infratil's 48.17% investment in CDC is now valued at between A\$6,066 million and A\$7,208 million (with a midpoint of A\$6,600 million), up from A\$4,485 million to A\$5,385 million (with a midpoint of A\$4,924 million) at the end of December 2024.

As communicated in February, Infratil agreed to acquire approximately 1.58% of CDC's ordinary shares for ~A\$216 million, with Future Fund acquiring the remainder (10.46%) of the 12.04% stake being sold by CSC. The transaction was secured under CDC's pre-emptive rights regime, following a competitive international bidding process run by CSC. Completion of the acquisition is subject to customary closing conditions, including Foreign Investment Review Board ('FIRB') approval. Financial close is expected in the second half of 2025.

Given the historical use of DCF as the primary methodology, a secondary cross-check using this approach was also conducted and resulted in an implied cost of equity of 11.1%, down from 12.5% as assessed in December 2024. The decline in the implied cost of equity can be attributed to a decrease in gearing across the forecast period (given the increase in equity value), as well as a reduction in the asset-specific risk premium. The risk-free rate, asset beta and terminal growth rate remain unchanged.

The growth forecast underpinning CDC's build capacity to FY2034 remained largely unchanged from December 2024, with the exception of the completion of extensions to two of CDC's data centres in Auckland. This increased CDC's operational capacity by a further 16MW to 318MW and continues to demonstrate CDC's strong track record of delivering projects on time and to budget.

Region	Status	Build Capacity (MW) to FY34, as at 31 December 2024	Build Capacity (MW) to FY34, as at 31 March 2025
Canberra	Operating	117	117
Sydney	Operating	123	123
Melbourne	Operating	34	34
Auckland	Operating	28	44
Total Operating Capacity		302	318
Canberra	Under Construction	39	39
Sydney	Under Construction	158	168
Melbourne	Under Construction	121	121
Auckland	Under Construction	70	54
Total Under Construction Capacity		388	382
Canberra	Future Build	93	93
Sydney	Future Build	879	869
Melbourne	Future Build	630	630

Region	Status	Build Capacity (MW) to FY34, as at 31 December 2024	Build Capacity (MW) to FY34, as at 31 March 2025
Australian Expansion	Future Build	36	36
Auckland	Future Build	126	126
Total Future Build Capacity		1,764	1,754
Total Capacity		2,454	2,454

In line with prior communication, Infratil expects to commit a further A\$250 million within the next 12 months to continue to fund the expanding development pipeline.

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Appendix 1 – Independent Valuation Summary 31 March 2025

Valuation Methodology	31 March 2025	31 December 2024
Primary valuation methodology	Historical Transaction (with a cross check to DCF, comparable companies and precedent transactions)	DCF using FCFE (with a cross check to comparable companies and precedent transactions), surplus and underutilised land at cost
Forecast period	30 years (2055)	30 years (2055)
Enterprise value	A\$17,264 million	A\$13,399 million
Equity value	A\$13,701 million (IFT share: A\$6.600 million)	A\$10,223 million (IFT share: A\$4,924 million)
Net debt including accrued RMS payments	A\$3,563 million	A\$3,176 million
Key Valuation Assumptions		
Risk free rate	3.90%	3.90%
Asset beta	0.575	0.575
Cost of equity <i>(blended rate) reflecting the assessed risk of the spectrum of CDC's activity, from operating data centres with contracted revenues through to developing projects without contracted revenues.</i>	11.07% <i>(Implied)</i>	12.50%
Terminal growth rate	2.5%	2.5%
Long term EBITDA margin	83% (2055)	83% (2055)
Capex <i>Future capex reflects CDC's published development pipeline</i>	Valuation assumes no development beyond 2040	Valuation assumes no development beyond 2040