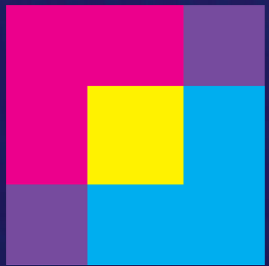


Infratil

Independent Valuation Update

As at 31 December 2024



Independent Valuation Update

Overview

- A number of Infratil's investments have independent valuations completed as at 31 December, with those results summarised below. The balance of Infratil's independent valuations have been previously disclosed.
- Longroad, Galileo and Qscan below reflect the midpoint of the 31 December independent valuations. CDC's key valuation methodologies and assumptions were presented as part the NZX valuation announcement on 6 January 2025.
- Key valuation methodologies and assumptions underpinning the remaining independent valuations are summarised on the following page and remain consistent with the 30 September 2024 valuations¹.
- The 31 December 2024 independent valuation of Infratil's investment in Longroad shows a US\$133 million decline in valuation over the three months since the 30 September 2024 valuation. This implies that Infratil's 37.01% share is now valued at US\$1,133 million, down from US\$1,265 million at the end of September 2024. The decline in the valuation is largely attributable to an increase in discount rates (base rates) outweighing positive updates to operating forecasts and development / construction progress.
- The 31 December 2024 independent valuation of Infratil's investment in Galileo shows a €12 million increase in valuation over the three months since the 30 September 2024 valuation. This implies that Infratil's 38% share is now valued at between €125.6 million and €176.5 million (with a midpoint of €151.1 million), up from €113.8 million to €164.9 million (with a midpoint of €139.4 million) at the end of September 2024. The increase in valuation is largely attributable to shareholder capital injected into the business and a increase in the development stage of some projects in Galileo's pipeline.
- The 31 December 2024 independent valuation of Infratil's investment in Qscan shows a A\$47 million increase in valuation over the six months since the 30 June 2024 valuation. This implies that Infratil's 57.62% investment in Qscan is now valued at between A\$416.2 million to A\$454.9 million (with a midpoint of A\$434.6 million), up from A\$358.2 million to A\$423.3 million (with a midpoint of A\$388.0 million) at the end of June 2024. The increase in valuation is due to changes in discount rate assumptions.

Portfolio Companies (NZ\$ Millions)	30 September 2024	31 December 2024
Longroad Energy	1,992.7	2,005.6
Galileo	245.0	278.3
Qscan Group	436.5	479.5

Independent Valuation Summary

Longroad (37.0%) – US\$1,133m (NZ\$2,006m)

- **Primary valuation methodology:** DCF using FCFF. Valuation approach consists of:
 - A top-down approach (aggregate enterprise cashflows, including a terminal value); and
 - Bottom-up valuation approach (DCF using FCFE for operating, under-construction, and near-term development projects², and a multiples approach for long-term development pipeline),
 - Platform derived from the difference between top-down & bottom-up valuations, less net debt.

• **Forecast period:** Top down: 30Y, Bottom up: 40Y (2065)

• **Enterprise value:** US\$6,940m

• **Equity value¹:** US\$3,039m

Key valuation assumptions

- **Risk free rate:** 4.9%
- **Asset beta:** top down - 0.86
- **Cost of equity:** 13.8% top-down (8.7% WACC), 9.4% operating assets, 9.5% under construction, 10% near-term projects plus additional milestone spreads, 16.5% long-term pipeline plus milestone discounts
- Terminal growth rate: 2.5% (top-down, year 30)
- Near-term (3 years) development pipeline: 4,344MW
- Long-term development pipeline (5 years): 24,112MW
- Multiple for long-term development projects: US\$150/kW
- Platform value assessed around ~11% of total enterprise value

Galileo (38%) – €151.1m (NZ\$278.3m)

- **Primary valuation methodology:** Transaction multiples for more advanced projects and cost for entry-stage projects

• **Equity value:** €397.5m

Key valuation assumptions

- **Risk free rate:** n/a (DCF methodology not adopted)
- **Asset beta:** n/a (DCF methodology not adopted)
- Multiples for development projects that are 'ready to build' range from €50-400k/MW depending on country and technology type (i.e. solar, wind or standalone battery storage)
- The valuer assigns a discount (~10-95%) to the multiple that it considers appropriate as the project moves towards 'ready to build' stage. For projects that are early to mid-stage of the development lifecycle, only a small percentage of the 'ready to build' value is captured with the majority of value being recognised as projects get close to 'ready to build' stage.
- Platform premium of ~1% applied

Qscan (57.6%) – A\$434.6m (NZ\$479.4m)

- **Primary valuation methodology:** DCF using FCFE (with a cross check to comparable companies and precedent transactions)

• **Forecast period:** 10 years (2034)

• **Enterprise value:** A\$972.1m

• **Equity value:** A\$754.2m

Key valuation assumptions

- **Risk free rate:** 4.00%
- **Asset beta:** 0.775
- **Cost of equity:** 13.2%
- **Terminal growth rate:** 3.5%