Infratil interim results announcement

For the period ended
30 September 2024

Infratil

Disclaimer

This presentation has been prepared by Infratil Limited (NZ company number 597366, NZX:IFT; ASX:IFT) (the 'Company')

To the maximum extent permitted by law, the Company, its affiliates and each of their respective affiliates, related bodies corporate, directors, officers, partners, employees and agents will not be liable (whether in tort (including negligence) or otherwise) to you or any other person in relation to this presentation.

Information

This presentation contains summary information about the Company and its activities which is current as at the date of this presentation. The information in this presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in the Company or that would be required in a product disclosure statement under the Financial Markets Conduct Act 2013 or the Australian Corporations Act 2001 (Cth).

This presentation should be read in conjunction with the Company's Interim Report for the period ended 30 September 2024, market releases and other periodic and continuous disclosure announcements, which are available at www.nzx.com, www.asx.com.au or infratil.com/for-investors/.

Not financial product advice

This presentation is for information purposes only and is not financial, legal, tax, investment or other advice or a recommendation to acquire the Company's securities and has been prepared without taking into account the objectives, financial situation or needs of prospective investors.

Future Performance

This presentation may contain certain "forward-looking statements" about the Company and the environment in which the Company operates, such as indications of, and guidance on, future earnings, financial position and performance. Forward-looking information is inherently uncertain and subject to contingencies outside of the Company's control, and the Company gives no representation, warranty or assurance that actual outcomes or performance will not materially differ from the forward-looking statements.

Non-GAAP Financial Information

This presentation contains certain financial information and measures that are "non-GAAP financial information" under the FMA Guidance Note on disclosing non-GAAP financial information, "non-IFRS financial information" under Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by the Australian Securities and Investments Commission (ASIC) and are not recognised under New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), Australian Accounting Standards (AAS) or International Financial Reporting Standards (IFRS). The non-IFRS/GAAP financial information and financial measures include Proportionate EBITDAF, EBITDAF and EBITDAF. The non-IFRS/GAAP financial information and financial measures do not have a standardised meaning prescribed by the NZ IFRS, AAS or IFRS, should not be viewed in isolation and should not be construed as an alternative to other financial measures determined in accordance with NZ IFRS, AAS or IFRS, and therefore, may not be comparable to similarly titled measures presented by other entities. Although Infratil believes the non-IFRS/GAAP financial information and financial measures provide useful information to users in measuring the financial performance and condition of Infratil, you are cautioned not to place undue reliance on any non-IFRS/GAAP financial information or financial measures included in this presentation.

Proportionate EBITDAF represents Infratil's share of the consolidated net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, gains or losses on the sales of investments, and excludes acquisition and sale related transaction costs and International Portfolio Incentive Fees. Further information on how Infratil calculates Proportionate EBITDAF can be found in the Appendix.

No part of this presentation may be reproduced or provided to any person or used for any other purpose without express permission.

Interim results announcement

Presenters

Jason Boyes
Infratil CEO

Andrew Carroll
Infratil CFO

Section 1

Key Developments

Key developments

Resilient portfolio performance and continued shareholder value creation

Good operating performance across key areas of our portfolio, despite a testing domestic landscape and global volatility

CDC continues to experience significant growth in demand, driving an expansion of its development pipeline. Positive progress on customer negotiations. External valuation indicators underscore the sector's strong global appeal

One NZ performance is in line with expectations and strategic priorities are on track. Initiatives implemented in the prior period are contributing positively to earnings

Longroad's construction on track across 1.7GW of projects. Uncertainty from the U.S. election outcome is a headwind until resolved

We have committed to support Contact Energy's proposed acquisition of 100% of Manawa Energy, announced in September

We remain optimistic about the future of the global connectivity sector despite the Console Connect transaction not proceeding

Well supported June 2024 $1,275 million equity raise. Balance sheet flexibility to support continuing investment across the portfolio, at or above expected target returns, for future earnings growth and shareholder value creation

Total shareholder return

15.9% *(1 April - 13 November)*

20.0% *(10-year annual return)*

Equity raise

$1,275 million

raised at $10.15 a share

Available capital

NZ$1,891 million

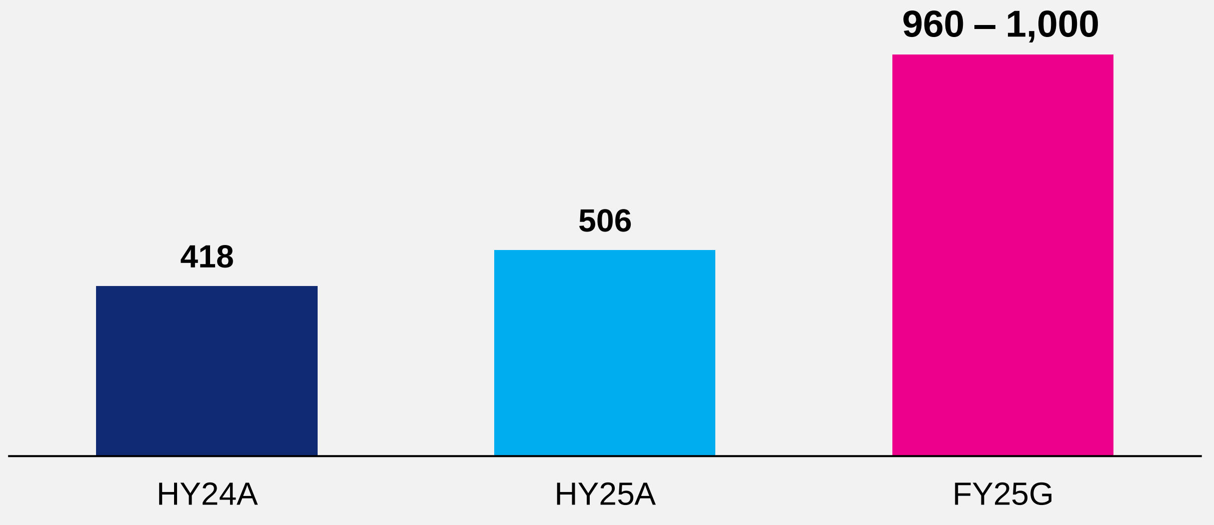
following our equity raise

Financial performance

Improved interim results and strongly growing investment across the portfolio

- Proportionate operational EBITDAF for the half year of $506 million was in line with expectations
- Earnings growth reflects strong contributions from CDC, One NZ and Wellington Airport compared to the prior period. The uplift relative to HY24 also reflects a period of One NZ under full ownership. On a like for like basis, Operational EBITDAF increased 7%[1] on HY24
- Proportionate capex increased to $1.2 billion, up from $803 million in HY24, as investment by CDC and the development renewables businesses accelerates. Increased development expenditure is consistent with that trend
- Infratil investment during the period principally relates to capital calls from renewables businesses Longroad, Gurīn and Galileo

Proportionate operational EBITDAF (NZ$m)



Proportionate operational EBITDAF

$506m ▲

Up 21% from HY24

Proportionate development EBITDAF

($28m)

Up 52% from HY24

Proportionate capital expenditure

$1,224m ▲

Up 52% from HY24

Infratil investment

$145m ▼

Down 93% from HY24

1. HY24 Operational EBITDAF has been normalised to assume a full period of ownership of One NZ. HY24 normalised Operational EBITDAF is $472 million

Interim dividend

Moderate dividend growth balanced with capital needs of the portfolio

Interim dividend

- A unimputed interim dividend of 7.25 cents per share (cps) has been declared
- The record date is 21 November 2024 (ex-dividend date of 20 November 2024)
- The payment date is 10 December 2024

Dividend reinvestment plan (DRP)

- The dividend reinvestment plan will be active for the interim FY25 dividend
- There will be a 2% discount offered for the FY25 interim dividend
- Dividend reinvestment plan elections must be made by 22 November 2024

Interim dividend

7.25 cps

3.6% increase on HY24

Record date

21 November 2024

Payment date of 10 December 2024

DRP strike price

2% discount

On the 10-day VWAP to 6 December 2024

Sustainability

Busy half year, with more disclosure enhancements and progress by portfolio companies

Continuing to lift the level of disclosure, with portfolio companies increasingly releasing their own climate and sustainability disclosures, demonstrating our commitment to transparency

During the period, we released our second Sustainability Report and our inaugural Climate Related Disclosures under the new mandatory Aotearoa New Zealand Climate Standards regime

This year Infratil and all its portfolio companies undertook GRESB assessments

- Infratil's score increased to 86 from 83 last year – 30% of the score is from Infratil, and 70% from a weighted average of our portfolio company scores

In FY24 the Weighted Average Carbon Intensity[1] (WACI) of our portfolio was 47.9 tCO_2e per million US$ of revenue, reflecting an 18% reduction in carbon intensity from FY2023

Going forward we are focused on broadening disclosure, tracking progress towards our SBTi targets, and further improving our GRESB and ESG ratings. With ASX300 and MSCI inclusion, these benchmarks hold growing importance.

Reports released

2024 Sustainability Report

2024 Climate-Related Disclosures

Weighted Average Carbon Intensity (FY24)

47.9 tCO_2e per million US$ revenue

18% reduction in carbon intensity from FY2023

Renewable generation

3,582Gwh

Enough to power over 500,000 average New Zealand homes

Infratil

1. Weighted Average Carbon Intensity (WACI) reflects the scope 1 and 2 emissions associated with portfolio company investments per million US dollars of each portfolio company's revenue. WACI provides insight into emissions intensity on an activity basis and is useful for comparison within sectors, to gain an understanding of each company's 'carbon efficiency' relative to its industry peers.

Section 2 – Portfolio company updates

CDC (48.2% ownership)

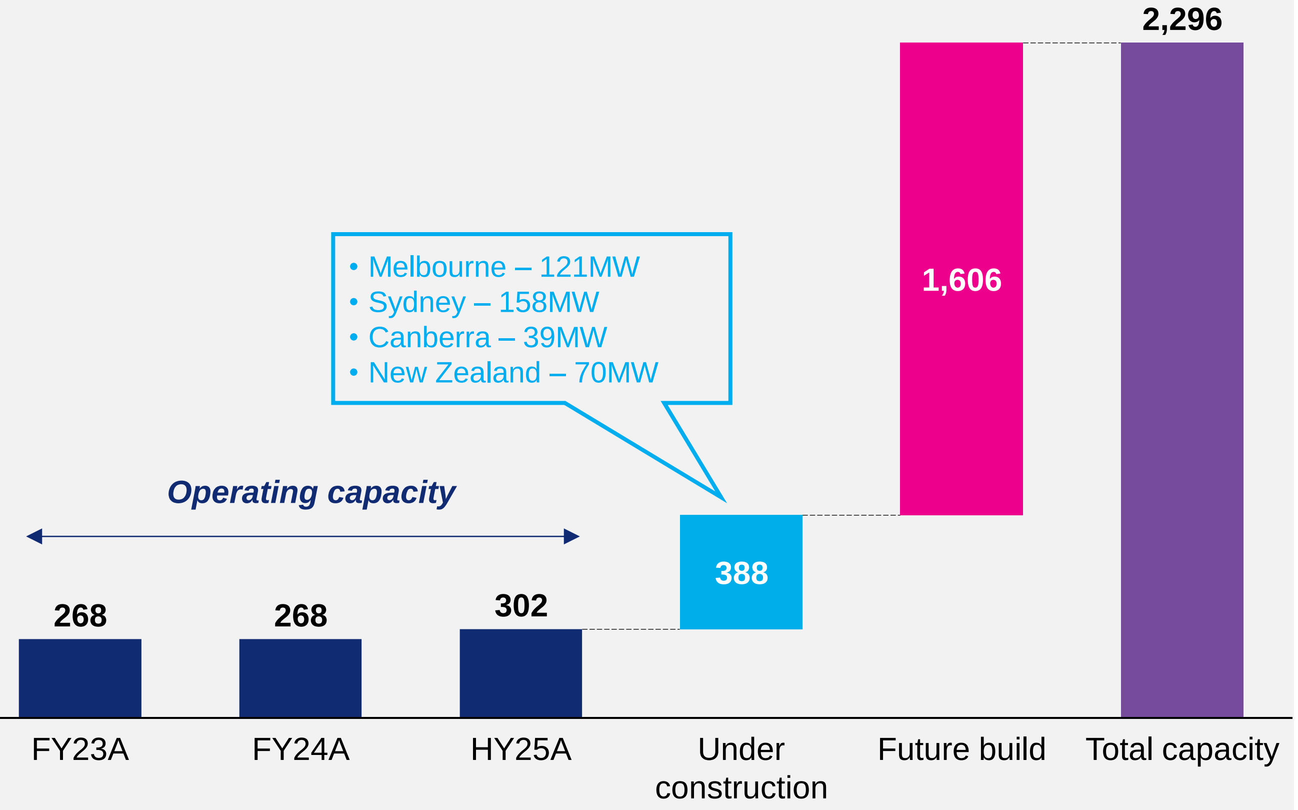
CDC

Unprecedented demand has driven CDC to double its total future capacity and accelerate development

Year to date

- EBITDAF for the period was A$159 million, up A$36 million (29%) from the prior period, driven by the commissioning of the first Melbourne data centre (34MW) in June and higher utilisation across existing data centres
- EBITDAF margin remained in line with the prior period at 75%
- Weighted Average Lease Expiry (WALE) has remained strong at 31 years
- Strong customer demand has increased the forecast build capacity by over 1,000MW by 2034 in the last 6 months, reflecting both the upsizing of existing sites and the addition of new sites
- Customers' timing and technical requirements for significant new workloads continue to evolve. Advanced customer negotiations for ~300MW are largely complete. We expect to sign most of these customer contracts pre-Xmas, with ~100MW expected to progress in the New Year
- Lender support remains robust, with A$1.5 billion raised through the US Private Placement and Asian Term Loan markets to fund the expanding development pipeline
- Achieving NVIDIA DGX-Ready Data Centre certification across its ANZ data centres positions the business as the first hyperscale provider in New Zealand and the largest across ANZ to secure this certification

Existing capacity and future growth[1] (MW)



388MW under construction

1,000MW development pipeline increase

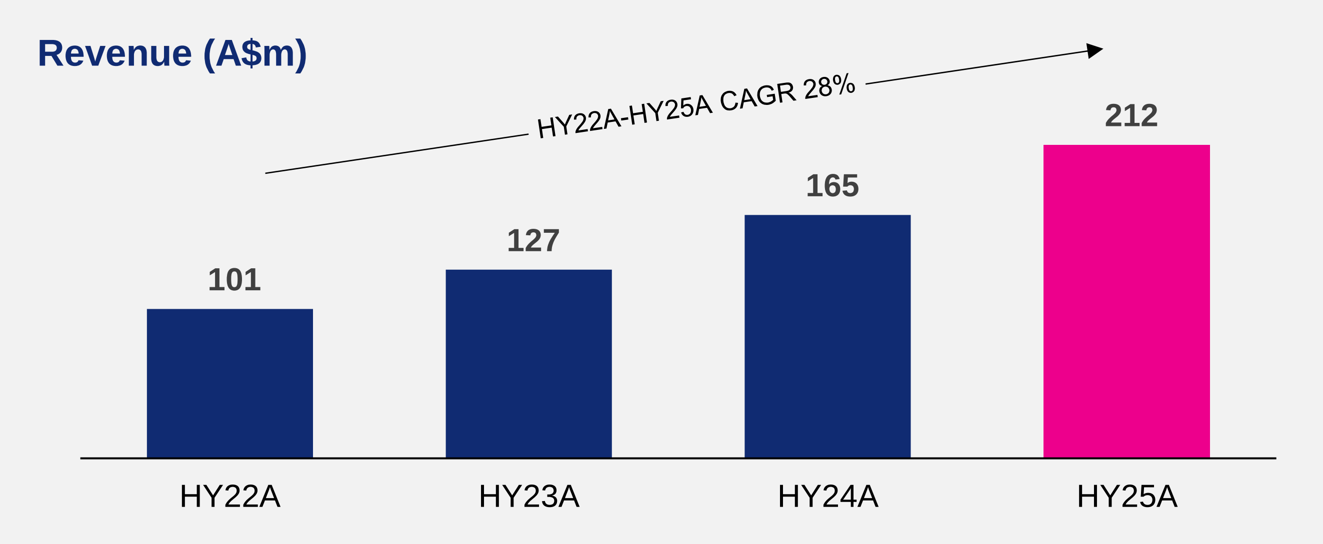
1. Forecast capacity to be delivered by FY34

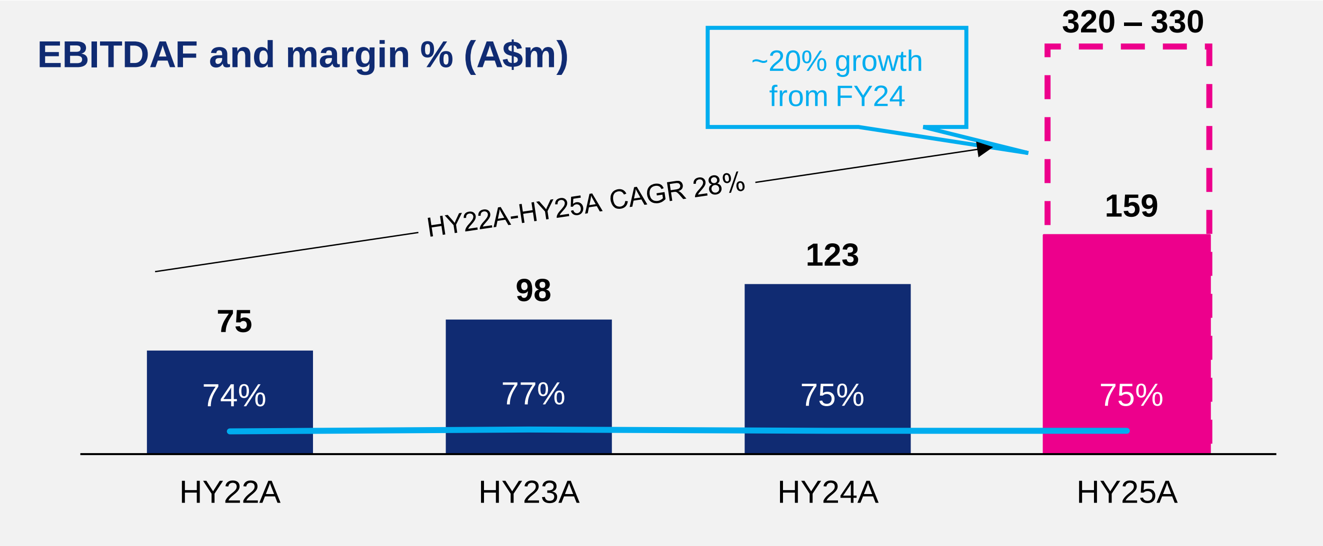
CDC

Significant contracting and construction tracking well, demand strong and broad based

Outlook

- FY25 EBITDAF guidance is maintained at A$320 million to A$330 million, though trending toward the lower end with some new workload deployments shifting out into first half FY26
- FY25 capital expenditure guidance range moderated to A$1.8 billion to A$2.1 billion (previously A$2.4 billion to A$2.7 billion)
- 388MW of capacity under construction across multiple sites is expected to begin operations over the next 18 months
  – 150MW is expected to begin operations by Q1 FY26
- On track to commence construction of 200MW+ of additional capacity over the next 8 months as previously announced, including at Marsden Park
- We continue to see strong and broad-based demand for significant capacity above the previously announced 400MW+ advanced negotiations
- Infratil expects to commit ~A$700 million over the next 2 – 3 years up from A$600 million. ~A$450 million is expected to be injected in December 2024





Section 2 – Portfolio company updates

One NZ (99.8% ownership)

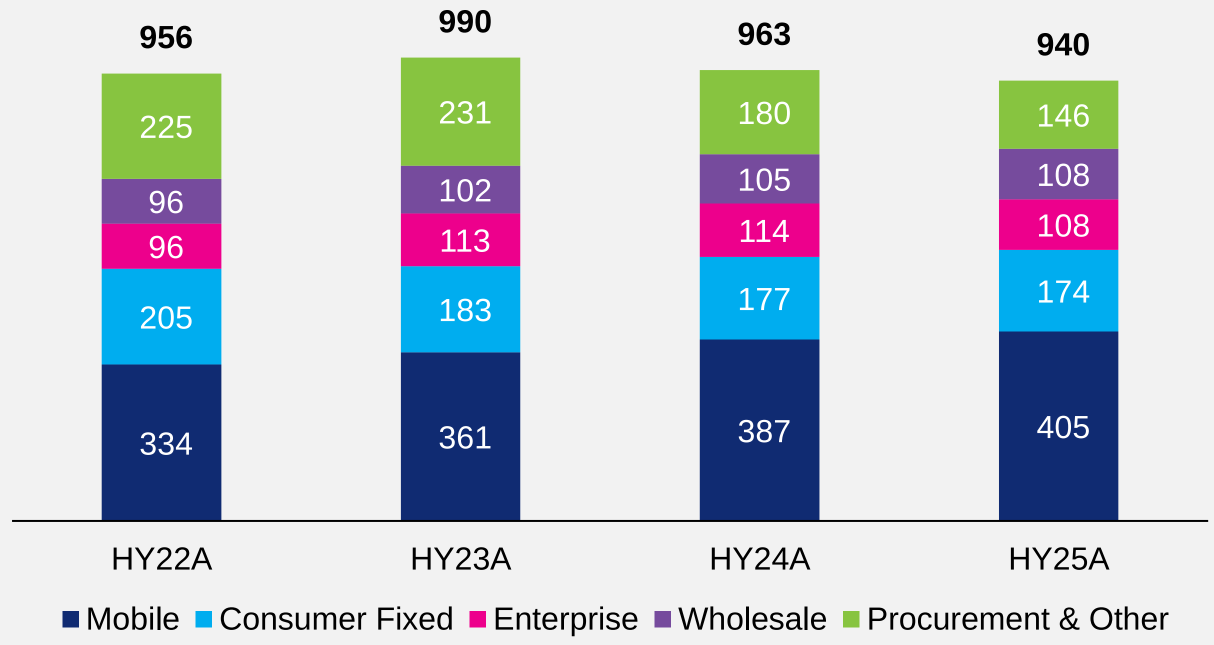
One NZ

Performance is in line with expectations and strategic priorities are on track

Year to date

- EBITDAF for the period was $304 million[1], up $25 million (9%) from the prior period. Growth was driven by consumer mobile and a strong focus on cost management
  - Mobile ARPU increased to $33.80 from $32.45
  - Operating costs reduced by $14 million compared to HY24
  - Enterprise softness is stabilising
- EBITDAF margin continues to improve to 32%, partially reflecting reduced volume of lower margin handset sales
- Operating cash flow[2] measure of $117 million improved $21 million compared to HY24
- The One Wallet loyalty programme is progressively expanding, reinvesting legacy discount removals to drive plan simplification, customer loyalty and reduce churn
- EonFibre launched in October with One NZ as the anchor customer, aiming to improve network utilisation and boost third-party revenue
- Starlink direct to mobile testing is underway. Pending US licence approvals, commercial launch is expected later in FY25

Revenue (NZ$m)[3]



Mobile ARPU $33.80
up from $32.45 in FY24

Consumer and SME fixed ARPU $74.40
up from $74.01 in FY24

1. EBITDAF for the period excludes EonFibre establishment costs
2. Operating free cash flow is proxied by EBITDAF less leases less accounting capex excluding spectrum
3. Revenue categories have been restated with some Enterprise customers moved into SME, no change in totals

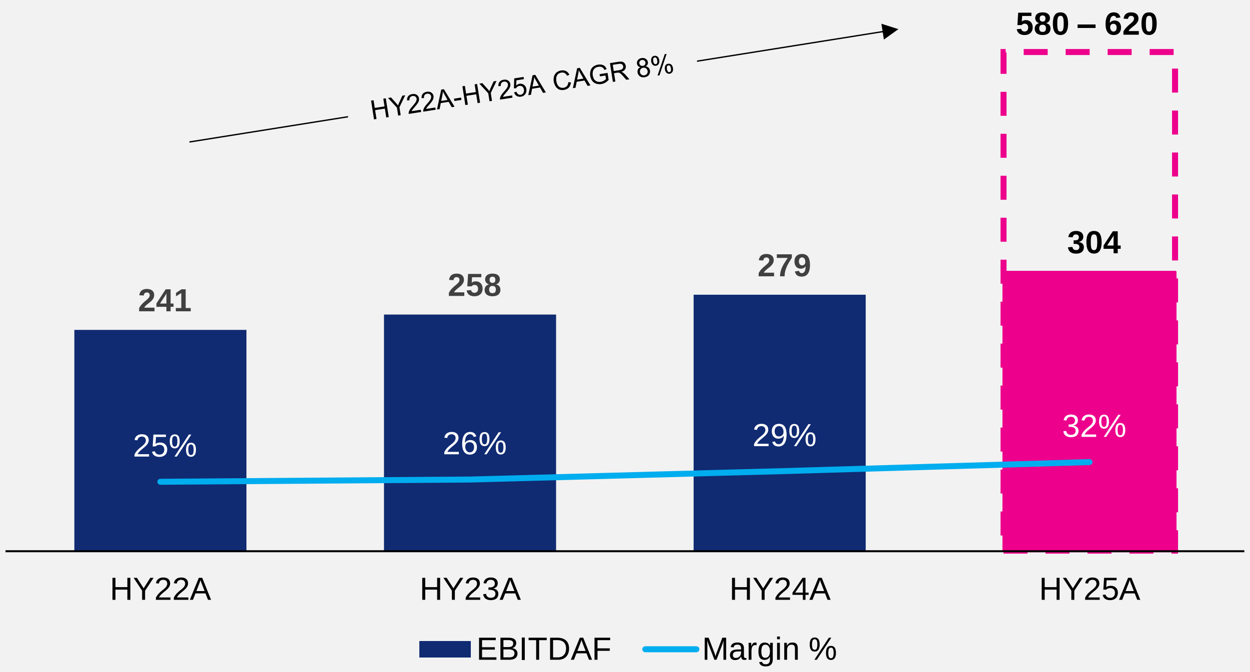
One NZ

Continuing to invest to support future earnings growth

Outlook

- FY25 EBITDAF guidance remains at $580 million – $620 million, with H2 EBITDAF expected to be broadly flat with similar revenue trends
- Capital expenditure (excl. spectrum) remains in the guidance range of $240 million – $270 million.
- Investment in 5G networks continues, while the 2G / 3G networks will close in December 2025
- On track to a similar cash flow outcome to FY24 but after absorbing incremental investment in Dense Air, DEFEND, Eon Fibre, IT transformation and increased interest costs
- Mid-30% EBITDAF margins continued to be targeted in the medium term through revenue growth and ongoing cost efficiency
  - Ongoing ARPU growth supported by annual pricing increases to realise appropriate returns on network and service investment
  - The multi-year IT upgrade is progressing well, with long-term benefits of improved efficiency and better experience. Simplifying the product landscape and migrating customers to in-market plans is a key enabler
  - AI implementation also driving productivity benefits

EBITDAF (NZ$m) and margin %



32% EBITDAF margin
Up from 29% at HY24

Guidance on track

Section 2 – Portfolio company updates

Longroad Energy (37.3% ownership)

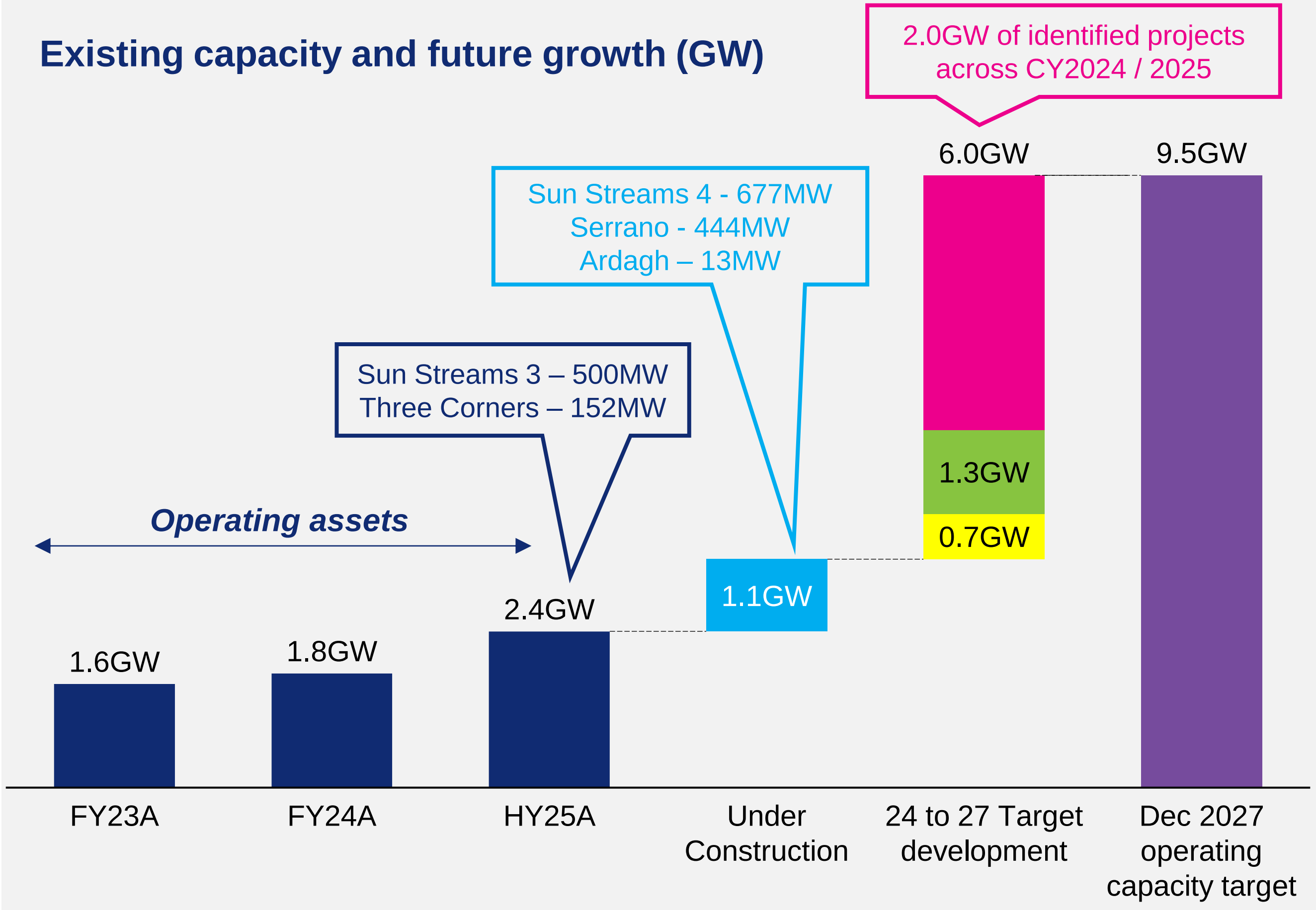
Longroad Energy

Construction on track, and good progress on projects for FY25 and FY26

Year to date

- EBITDAF for the half is US$37 million, down US$21 million (36%) from the prior period, primarily driven by outperformance in the prior year from Prospero 1 & 2 projects
- Construction is on track, with 652MW completed in the half year, and 1.1GW across three projects expected to complete in early FY26
- Growing energy demand has strengthened the PPA market, particularly from corporates, including sectors like data centres, AI, and the onshoring of manufacturing
- Expecting to close 0.7GW of projects in FY25
- Revenue arrangements signed for another 1.1GW of projects which are expected to close in FY26, with negotiations ongoing for a further 0.2GW (total of 2.0GW over FY25 and FY26)
- Some projects targeted for FY25 and FY26 have been unexpectedly delayed (e.g. Hawaii fires), reinforcing the importance of strong development capability, and maintaining a deep and diversified pipeline of projects supplemented by attractive M&A
- Although below our 1.5GW avg. yearly development target to date, Opco run-rate EBITDA broadly on track vs. CY2027 target based on higher-than-expected yield (see next slide)

Existing capacity and future growth (GW)



652MW of construction completed so far in FY25

1.1GW of new capacity under construction

1. Project run-rate EBITDAF calculated based on 5-year average EBITDAF once projects hit COD and recognized in run-rate EBITDAF total based on FNTP year
2. Generation capacity includes projects that have reached FNTP in the period

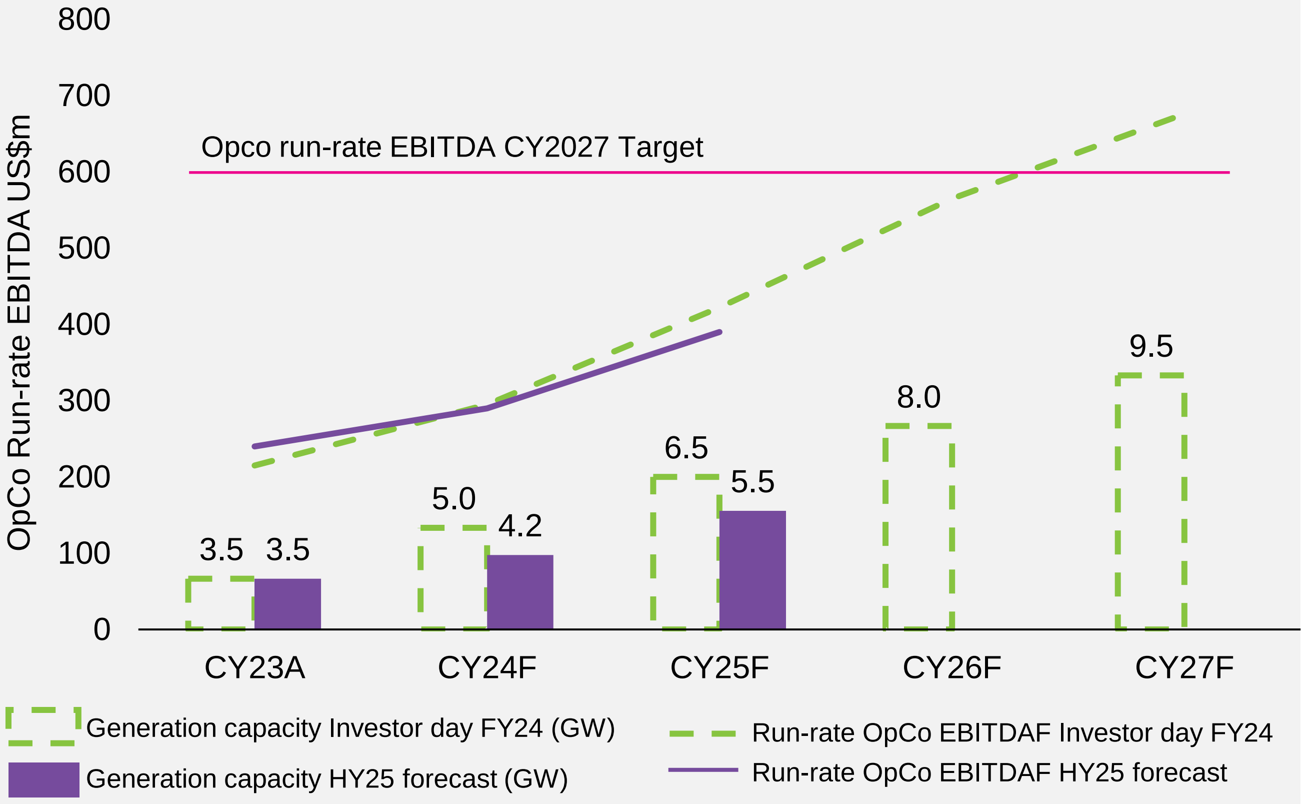
Longroad Energy

Uncertainty from U.S. elections, currently expecting modest exposure across FY25/26 projects

Outlook

- Longroad EBITDAF guidance range reduced to US$55 million - $60 million (US$10 million) due to the consolidation of Longroad's investment in distributed solar developer, Valta, and increased development expenditure
- U.S. election results creates uncertainty until the implications for green policies such as the Inflation Reduction Act (IRA) and tariffs are known. Modest exposure currently expected across FY25/26 projects (2.0GW):
  - FY25 projects (0.7GW) and 0.5GW of FY26 projects already safe harboured, so tax credits should be unaffected
  - Aim to safe harbour the balance (0.8GW) of FY26 projects early in the New year, ahead of any new legislation
  - Potential exposure to additional tariffs (c.6% of NPV of these projects, or c.1.5% of the current independent valuation, assuming +15% tariffs)
- Potential industry slowdown until uncertainty is resolved, which may take time. However, U.S. renewables fundamentals remain strong, driven by escalating demand for decarbonisation solutions, as well as rising power demand
- Infratil still expects to commit US$110 million of additional equity in FY25 to support Longroad's growth

Opco run-rate EBITDA[1,2] (US$m)



0.7GW of projects expected to reach financial close in FY25

Development pipeline steady at 28GW+

Section 2

Other portfolio companies

Gurīn Energy (95% ownership) and Kao Data (52.8% ownership)

Next-generation platforms scaling up with transformational projects approaching key development decisions

gurin ENERGY

- Gurīn has now received a conditional licence from Singapore's Energy Market Authority for Project Vanda, its US$2.5 billion project to deliver non-intermittent renewables to Singapore)
  - A panel procurement framework agreement was signed in September 2024
  - The full import license remains contingent on completing the subsea survey and EPC tender within the agreed timeframe and obtaining all necessary government approvals
- Two solar projects are under development in the Philippines. Construction has been completed on a 75MW solar project, currently undergoing final testing, while a 35MW project is expected to reach financial close by the end of 2024
- Progress continues on entry into the Japanese energy storage market with land and grid connections secured on the first block of land
- Land due diligence is underway on several sites across Thailand, the Philippines, and South Korea, with a combined capacity of over 1.5GW

75MW solar project in final testing

6.6GW pipeline of solar and storage projects

KAO DATA

- EBITDAF for the period was £2 million, up £4 million from the prior period, as data centre utilisation improves
- Continued strong momentum in the UK market driven through growth in cloud adoption and AI / HPC and intensifying scarcity in power and land for Data Centre use
- Kao Data has seen significant expansion in its sales pipeline and is actively chasing larger hyperscale contracts
- Construction is ongoing at the Slough and Harlow campuses, with an additional 4MW of capacity becoming operational at Slough during the period
- Development at Kao Data's new data centre site in Manchester is advancing, with demolition of existing buildings on the former industrial site now underway

26.8MW operating capacity

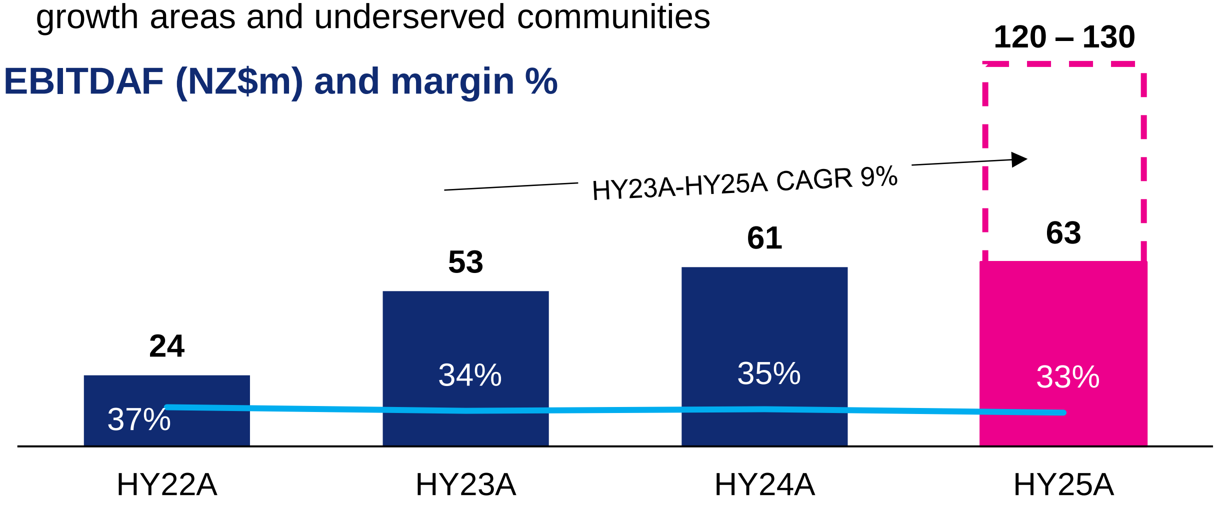
19.4MW under construction

RHCNZ Medical Imaging (50.0% ownership) and Qscan (57.6% ownership)

Infratil's diagnostic imaging businesses continue to grow EBITDAF amid rising cost pressures

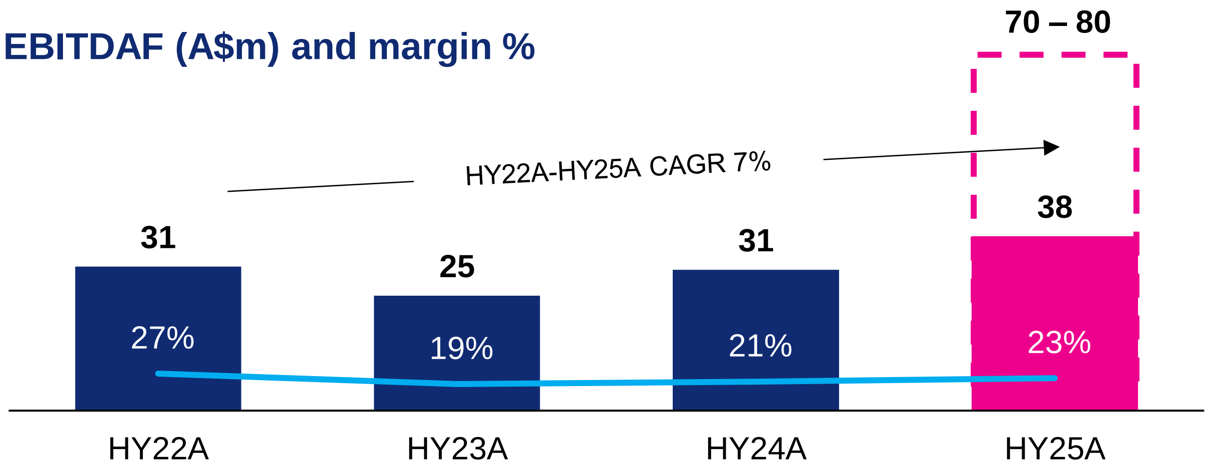
- EBITDAF for the period was $63 million, up $2 million (3%) from the prior period, with efficiency initiatives offsetting inflationary cost pressures and reduced public sector outsourcing. Due to expected continuation of these trends, updated guidance reflects moderated FY25 EBITDAF growth expectations from 15%+ to ~10%
- Key funders are currently reviewing how they contract their services, seeking requests for proposals for the national provision of services
- Three new clinics have opened: two in Hamilton and one in Tauranga, including PET-CT capability
- The business has a robust pipeline of growth opportunities targeting high-growth areas and underserved communities

EBITDAF (NZ$m) and margin %



- EBITDAF for the period was A$38 million, up A$7 million (24%) from the prior period. This growth was driven by enhanced productivity and yield, supported by shifts in Qscan's modality mix and a revised pricing strategy
- The industry continues to face challenges from a shortage of radiologists and ongoing inflationary and cost pressures
- Recent changes in the regulatory environment include the deregulation of MRI licensing, reintroduction of indexation for PET, a new National Lung Cancer Screening Programme and a reduction in indexation for CT services
- The sector has seen increased M&A activity, with Capitol Health merging with Integral Diagnostics, Affinity acquiring Lumus Imaging, and the anticipated sale of IMED

EBITDAF (A$m) and margin %



Wellington Airport (66% ownership) and RetireAustralia (50% ownership)

Leveraging increasing underlying prices and active construction programmes to drive growth

- EBITDAF for the period was $63 million, up $12 million (25%) from the prior period. This growth was achieved despite lower-than-expected passenger volumes, driven by higher aeronautical pricing, strong commercial performance, and effective cost management
- Passenger volumes continue to be affected by domestic network constraints; domestic passenger numbers are down 4.4% from the same period last year
- International passenger numbers are up 12%. Qantas has expanded its presence, introducing larger aircraft on the Brisbane route and increasing the number of Melbourne flights
- The capital expenditure programme is progressing, with a focus on enabling works as the broader programme gains momentum. The airport's property portfolio has also grown, with several recent acquisitions of adjacent sites
- Recent airport transactions (Queensland and Perth Airports) at reportedly >20x LTM EV/EBITDAF were well above Wellington Airport's current independent valuation (15.4x)

82% passenger recovery
(% pre-covid)

$600m of planned investment over next 5 years

- Underlying profit for the period was A$58 million, up A$15 million (35%) from the prior period, driven by higher resales and two village price increases
- In the period, there were 213 resales, compared to 203 in HY24, with the average gain per resale increasing by 9% from HY24
- 40 new units were sold in the first half of FY25, compared to 83 units in the same period of FY24, with an average new unit sales price 17% higher than FY24
- Village occupancy remains stable at 95.6%, with waitlists in place across 25 out of 29 villages
- RetireAustralia is on track to achieve 500-550 total settlements in FY25, consistent with the prior year

95.6% Occupancy
waitlists in place across 25 out of 29 villages

149 new units under construction

Section 3

Guidance & liquidity

FY25 Guidance – Proportionate EBITDAF

FY25 Proportionate operational EBITDAF guidance range narrowed at the top end to NZ$960 – $1,000 million

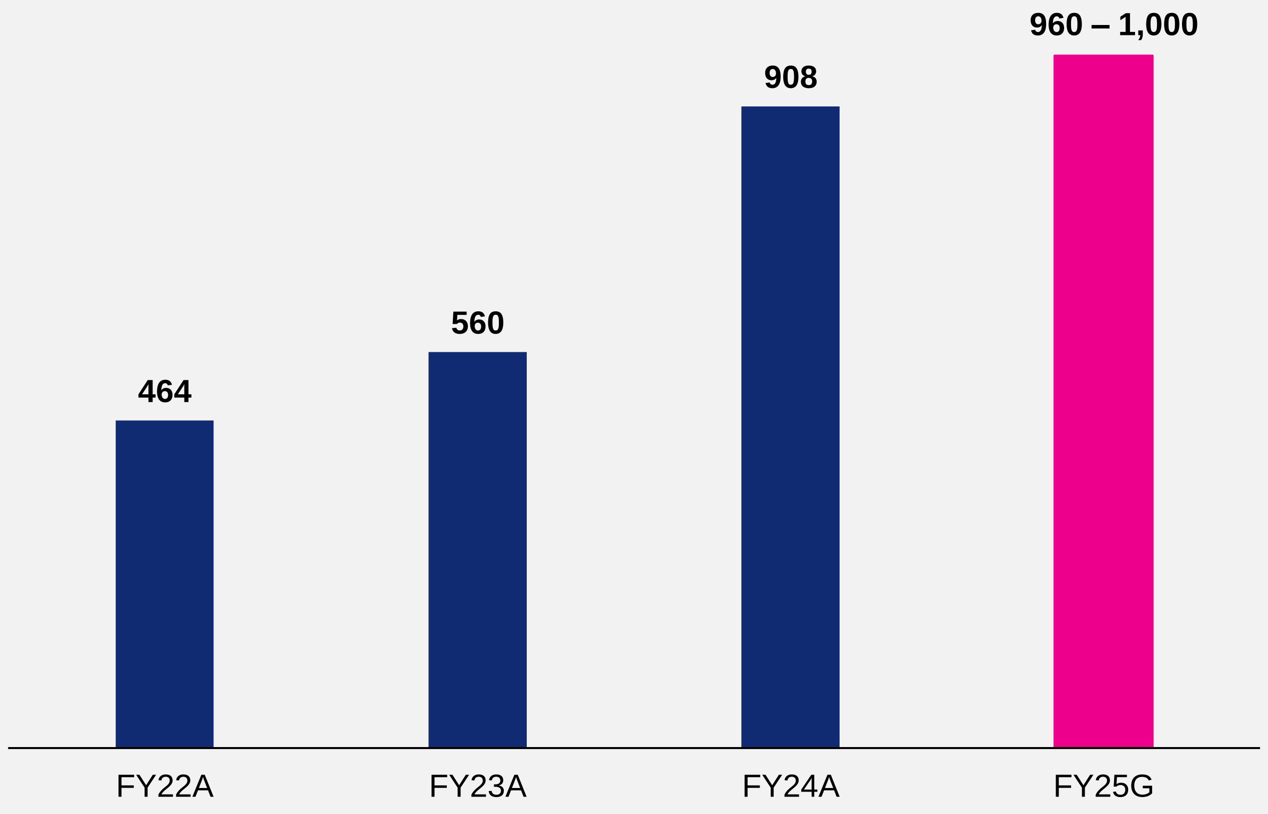
Operational EBITDAF Guidance

- **FY25 Proportionate operational EBITDAF guidance range narrowed at the top end to NZ$960 – $1,000 million** (previously NZ$962-$1,012 million)
- Key guidance assumptions (at 100%) include:
  - CDC EBITDAF of A$320-A$330 million (no change)
  - One NZ EBITDAF of NZ$580-$620 million (no change)
  - Manawa Energy EBITDAF of NZ$95-$115 million (no change)
  - Longroad Energy EBITDAF of US$55-$60 million (previously US$60-$70 million)
  - Wellington Airport EBITDAF of NZ$125-$135 million (no change)
  - Diagnostic Imaging EBITDAF of NZ$200-$220 million (previously NZ$210-$230 million)
  - Corporate Costs NZ$115-$125 million (previously NZ$105-$110 million)

Development EBITDAF Guidance

- Renewable development companies (Gurīn Energy, Galileo, Mint Renewables) proportionate EBITDAF guidance range reduced to a loss of NZ$65–$75 million (Infratil share) (previously NZ$80-$90 million)

Proportionate operational EBITDAF (NZ$m)



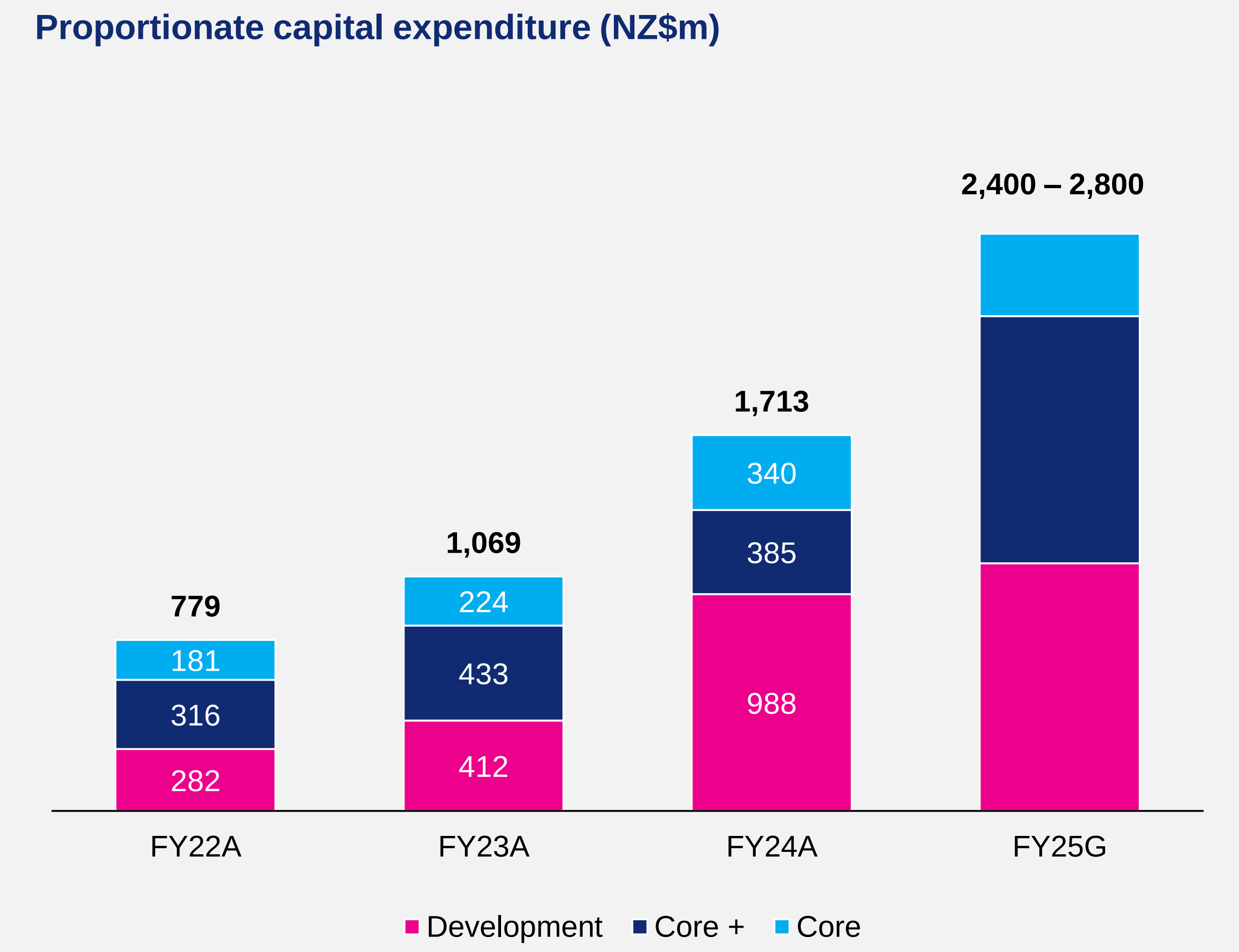
1. The following forecast exchanges rates are assumed for the purposes of currency translation in the guidance calculation NZD / AUD 0.9140, NZD / USD 0.6084, NZD / EUR 0.5590, and NZD / GBP 0.4734
2. Guidance is based on Infratil management's current expectations and assumptions about trading performance, is subject to risks and uncertainties, and dependent on prevailing market conditions continuing throughout the outlook period. Guidance is based on Infratil's continuing operations and excludes the impact of any transactions announced in the period.

FY25 Guidance – capital expenditure

FY25 Proportionate capital expenditure guidance has been reduced to $2.4 billion-$2.8 billion

Capital Expenditure - Guidance

- **FY25 Proportionate capital expenditure guidance reduced to $2.4 billion-$2.8 billion** (previously $2.7 billion-$3.1 billion)
- Key guidance assumptions (at 100%) include:
  - CDC A$1,800 million-A$2,100 million (previously A$2,350 million-A$2,650 million)
  - One NZ $240 million-$270 million (no change)
  - Manawa Energy $40 million-$50 million (no change)
  - Wellington Airport $130 million-$160 million (no change)
  - Diagnostic Imaging $90 million-$100 million (no change)
  - Longroad Energy US$1,000 million-US$1,300 million (no change)
  - Renewable development companies' capital expenditure of $490 million to $540 million as platforms invest in growth (no change)



Infratil

1. The following forecast exchanges rates are assumed for the purposes of currency translation in the guidance calculation NZD / AUD 0.9140, NZD / USD 0.6084, NZD / EUR 0.5590, and NZD / GBP 0.4734
2. Guidance is based on Infratil management's current expectations and assumptions about asset investment, is subject to risks and uncertainties, and dependent on prevailing market conditions continuing throughout the outlook period

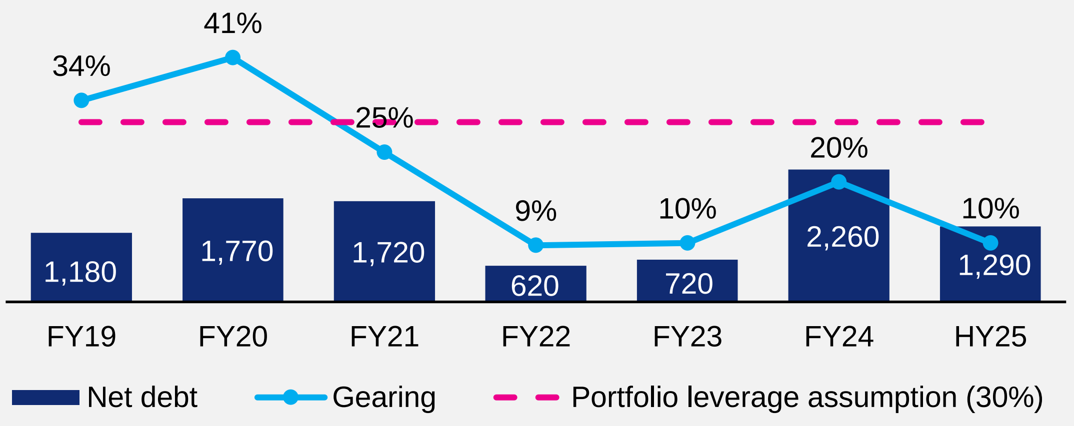
Funding and liquidity

Strong credit profile and significant flexibility to support investment opportunities across the portfolio

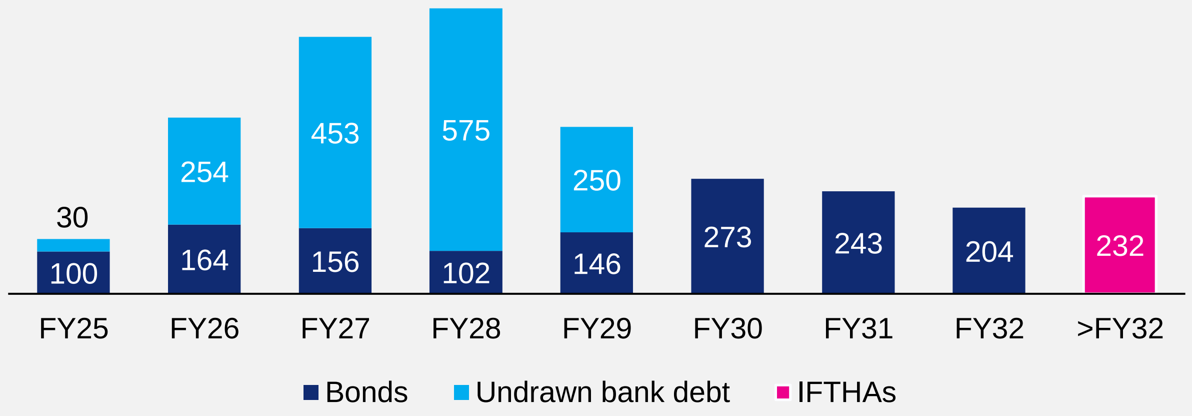
- We have significant balance sheet flexibility to support additional capital investment across FY25 / FY26, with relatively low gearing levels of 9.8% at September 2024
- $148.4 million of net new bonds issued in June 2024, refinancing of $100 million of IFT260 maturing in December 2024 planned
- Weighted average cost of debt of 6.14%, with 78% of drawn debt hedged and weighted average tenor of fixed term debt[2] of 4.2 years

For the period ended ($millions)	31 March 2024	30 September 2024
Net bank debt	$791.8	($328.8)
Infrastructure bonds	$1,241.1	$1,389.5
Perpetual bonds	$231.9	$231.9
Total net debt	**$2,264.8**	**$1,292.6**
Market value of equity	$9,066.7	$11,840.1
Total capital	**$11,331.5**	**$13,132.7**
Gearing [1]	**20.0%**	**9.8%**
Undrawn bank facilities	$800.9	$1,561.8
100% subsidiaries cash	$19.2	$328.8
Liquidity available	**$820.1**	**$1,890.6**

Net debt and gearing %



Debt maturity profile



1. Gearing is total net debt over total capital
2. Excludes Perpetual IFTHAs

Concluding remarks

Strategic focus on internal investment opportunities in sectors and assets we know well to drive sustainable growth

Good operating performance across key areas of our portfolio, despite a testing domestic landscape and global volatility

The current environment highlights the advantage of our focus on sectors with structural growth drivers which are more resilient to short-term economic and political shifts

Recent comparable transactions in data centres, diagnostic imaging, and airport sectors underscore the attractiveness of our assets and potential for valuation upside

We have significant balance sheet capacity, with increasing flexibility to support future growth initiatives

A number of key capital allocation decisions coming across the portfolio in the medium term

We will continue to allocate capital in a disciplined way at attractive returns that drive sustainable value creation for shareholders

Questions

Infratil

Supporting materials

Net asset value

The net asset value of Infratil assets has reached $14.0 billion as at September 2024

Overview

- The table represent Infratil's proportionate share of an assets independent valuation, market value, or book value
- CDC, Longroad Energy, Galileo, and RHCNZ Medical Imaging reflect the midpoint of 30 September 2024 independent valuations
- Mint Renewables, Qscan, RetireAustralia reflect the midpoint of the 30 June 2024 independent valuations adjusted for any subsequent capital calls
- One NZ, Kao Data, Gurīn Energy, and Wellington Airport reflect the midpoint of the 31 March 2024 independent values adjusted for any subsequent capital calls
- The fair value of Manawa Energy is shown based on the market price per the NZX
- Fortysouth, Clearvision and Property reflect their accounting book values as at 30 September 2024
- Key valuation methodologies and assumptions underpinning current independent valuations are summarised on the following pages

Period ended ($Millions)	31 March 2024	30 September 2024
CDC	$4,419.7	$5,236.5
One NZ	$3,530.5	$3,546.0
FortySouth	$195.2	$188.8
Kao Data	$556.2	$567.9
Manawa Energy	$728.0	$800.0
Longroad Energy	$1,952.0	$1,992.7
Galileo	$240.7	$245.0
Gurīn Energy	$237.1	$246.1
Mint Renewables	$2.0	$16.4
RHCNZ Medical Imaging	$606.7	$613.6
Qscan Group	$411.9	$436.5
RetireAustralia	$464.4	$490.3
Wellington Airport	$623.7	$623.7
Clearvision Ventures	$142.6	$134.8
Property	$98.4	$112.5
Portfolio asset value	**$14,209.1**	**$15,250.8**
Wholly owned group net debt	($2,264.8)	($1,292.5)
Net asset value	**$11,944.3**	**$13,958.3**
Shares on issue (million)	832.6	966.5
Net asset value per share	**$14.35**	**$14.44**

Independent valuation summary – Digital

Independent valuation reports are prepared for Infratil's portfolio companies for the purpose of calculating the international portfolio incentive fee (for the international for portfolios) and setting management long-term incentives for some portfolio companies

September 2024 valuation

CDC (48.17%) – A$4,811m (NZ$5,237m)

Valuation methodology

- **Primary valuation methodology:** DCF using FCFE (with a cross check to comparable companies and precedent transactions), surplus and underutilised land at cost
- **Forecast period:** 30 years (2055) (15 years in June 2024)
- **Enterprise value:** A$13,441m (A$12,723m in June 2024)
- **Equity value:** A$9,987m (A$9,376m in June 2024)
- **Net Debt:** A$3,454m (A$3,347m in June 2024)

Key valuation assumptions

- **Risk free rate:** 3.90%
- **Asset beta:** 0.575 (0.55 in June 2024)
- **Cost of equity:** 12.40% (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 (11.50% in June 2024)
- **Terminal growth rate:** 2.5%
- **Long term EBITDAF margin**: 85% (2039); 83% (2055)
- Future capex reflects CDC's published development pipeline (valuation assumes no development beyond FY40)

March 2024 valuation

Kao Data (52.8%) – £263.9m (NZ$556.2m)

Valuation methodology

- **Primary valuation methodology:** DCF using FCFE (with a cross check to comparable companies and precedent transactions)
- **Terminal value methodology:** Exit multiple
- **Forecast period:** 6.75 years (Dec-2030)
- **Enterprise value:** £572.8m
- **Equity value:** £499.8m

Key valuation assumptions

- **Risk free rate:** 4.25%
- **Asset beta:** 0.55
- **Specific risk premium:** 8.0%
- **Cost of equity:** 16.0% reflecting Kao Data intends to undertake a number of development projects across its data centre sites
- **Terminal value multiple:** 22.0x (noting the shorter forecast period)
- Capex assumes operating capacity increases 74MW across existing and new sites with development occurring between FY25-FY30 (valuation assumes no development beyond FY30)

March 2024 valuation

One NZ (99.9%) – NZ$3,530.5m

Valuation methodology

- **Primary valuation methodology:** DCF using FCFF on a sum of the parts basis (ServeCo & FibreCo) (with a cross check to comparable companies and precedent transactions)
- **Forecast period:** 20 years (2044)
- **Enterprise value:** NZ$4,955 (pre IFRS16 - excluding lease liabilities of ~NZ$910m)
- **Equity value:** NZ$3,533 (IFT share NZ$3,530.5m)

Key valuation assumptions

- **Risk free rate:** 3.47%
- **Asset beta:** 0.60 (ServeCo) & 0.35 (FibreCo)
- **Weighted average cost of capital:** 9.25% (blended rate)
- **Terminal growth rate:** 2.5% (ServeCo) & 2.0% (FibreCo)
- **Long term capital expenditure:** Expected to gradually decrease to ~11.3% of revenue (incl. spectrum) over the forecast period on a blended basis for ServeCo and FibreCo. Short-term capital intensity expected to be elevated driven by investment in FibreCo, 5G rollout and IT simplification

FX Rates: NZD/USD: 0.6350 NZD/EUR: 0.5689 NZD/AUD: 0.9187 NZD/GBP: 0.4746

Independent valuation summary - Renewables

Independent valuation reports are prepared for Infratil's portfolio companies for the purpose of calculating the international portfolio incentive fee (for the international for portfolios) and setting management long term incentives for some portfolio companies

September 2024 valuation

Longroad (37.3%) – US$1,265m (NZ$1,993m)

Valuation methodology

- **Primary valuation methodology:** DCF using FCFE. 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 projects[2], and a multiples approach for long-term development pipeline)),
- Platform derived from the difference between top down and bottom-up valuations
- **Forecast period:** Top down: 10Y, Bottom up: 40Y (2065)
- **Enterprise value:** US$6,896m
- **Equity value[1]:** US$3,397m

Key valuation assumptions

- **Risk free rate:** 4.2%
- **Asset beta:** top down - 0.81
- **Cost of equity:** 12.3% top-down, 8.9% operating assets, 9.2% under construction, 9.5% near-term projects plus milestone discounts, 15% long-term pipeline plus milestone discounts
- Terminal growth rate: 5.0% (top-down, year 10)
- Near-term (3 years) development pipeline: 3,920MW
- Long-term development pipeline (5 years): 23,689MW
- Multiple for long-term development projects: US$197/kW
- Platform value assessed around ~8% of total enterprise value

March 2024 valuation

Gurīn (95%) – US$142.0m (NZ$237.1m)

- **Primary valuation methodology:** valuation range based on two different methodologies:
  - Income and cost approach: adopts a DCF using FCFE for more certain and near-term developments, probability weighted to account for development and construction risk and values less certain projects at cost
  - Market approach using multiples of comparable companies/transactions (which includes platform value), applied to the development pipeline (probability weighted)
- **Forecast period:** ~34 years (2057)
- **Equity value:** US$150m

- **Risk free rate:** 2.5%-6.2% based on 10 year govt bond yield of each country
- **Asset beta:** 0.47
- **Cost of equity:** 10.1% -13.1%
  - the discount rates used for each project are calculated with reference to each project's location
- Terminal value: N/A (finite life assets)
- Multiples for development projects: US$0.4-$0.9m per MW
- Development pipeline for multiples approach: 243MW

September 2024 valuation

Galileo (38%) – €139.4m (NZ$245.0m)

- **Primary valuation methodology:** Transaction multiples for more advanced projects and cost for entry-stage projects
- **Equity value:** €366.8m (€343.9m in June 2024)

- **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

FX Rates: NZD/USD: 0.6350 NZD/EUR: 0.5689 NZD/AUD: 0.9187 NZD/GBP: 0.4746

1. Longroad Equity Value adjusted for committed but uncalled capital included in the independent valuation
2. Assets that are expected to achieve FNTP in the next three calendar years

Independent valuation summary – Airports & Healthcare

Independent valuation reports are prepared for Infratil's portfolio companies for the purpose of calculating the international portfolio incentive fee (for the international for portfolios) and setting management long-term incentives for some portfolio companies

Valuation methodology

Key valuation assumptions

March 2024 valuation

Wellington Airport (66%) – NZ$624m

- **Primary valuation methodology:** DCF using FCFE (with a cross check to comparable companies and precedent transactions)
- **Forecast period:** 20 years (2044)
- **Enterprise value:** NZ$1,602m
- **Equity value:** NZ$945m (IFT share NZ$623.7m)

- **Risk free rate:** 4.85%
- **Asset beta:** 0.625
- **Cost of equity:** 11.75%
- **Terminal growth rate:** 2.5%

September 2024 valuation

RHCNZ (50.0%) – NZ$614m

- **Primary valuation methodology:** DCF using FCFE (with a cross check to comparable companies and precedent transactions)
- **Forecast period:** 12 years (2036)
- **Enterprise value:** NZ$1,678m (NZ$1,648m in March 2024)
- **Equity value:** NZ$1,228m (NZ$1,205m in March 2024)

- **Risk free rate:** 4.2% (4.5% in March 2024)
- **Asset beta:** 0.67
- **Cost of equity:** 12.1% (11.9% in March 2024)
- **Terminal growth rate:** 3.5%

June 2024 valuation

Qscan (57.6%) – A$388.0m (NZ$424.6m)

- **Primary valuation methodology:** DCF using FCFE (with a cross check to comparable companies and precedent transactions)
- **Forecast period:** 10 years (2034)
- **Enterprise value:** A$915.9m (A$903.4 million in March 2024)
- **Equity value:** A$673.4 (A$656.3m in March 2024)

- **Risk free rate:** 3.95%
- **Asset beta:** 0.80
- **Cost of equity:** 13.85%
- **Terminal growth rate:** 3.1%

June 2024 valuation

RetireAustralia (50%) – A$450.5m (NZ$492.9m)

- **Primary valuation methodology:** DCF using FCFF (with a cross check to comparable companies and precedent transactions)
- **Forecast period:** 40 years (2064)
- **Enterprise value:** A$1,111.0m (A$1,051.7m in March 2024)
- **Equity value:** A$900.9m (A$852.8m in March 2024)

- **Risk free rate:** 3.95%
- **Asset beta:** 0.89
- **Weighted average cost of capital:** 11.55% (blended rate)
- The valuer adopts different discount rates for each segment (i.e. existing, brownfield and greenfield developments) having regard to the different risk profiles
- **Terminal growth rate:** 2.5%

Portfolio returns

Asset	Segment	Geography	Month of Initial Investment	Duration (years)	Total capital invested[1] (NZD)	Total realised proceeds[2] (NZD)	Total unrealised proceeds[3] (NZD)	Total value[4] (NZD)	IRR (NZD)
CDC	Digital Infrastructure	Australasia	September 2016	8.1	555	157	5,237	5,394	37.2%
One NZ	Digital Infrastructure	New Zealand	July 2019	5.2	2,851	1,190	3,546	4,736	22.9%
Kao Data	Digital Infrastructure	United Kingdom	August 2021	3.1	404	-	568	568	17.6%
Fortysouth	Digital Infrastructure	New Zealand	October 2022	1.9	212	4	189	193	n/a
Clearvision Ventures	Digital Infrastructure	United States	March 2016	8.3	92	2	135	136	11.4%
Longroad Energy	Renewable Energy	United States	October 2016	7.9	668	308	1,993	2,301	60.9%
Manawa Energy[5]	Renewable Energy	New Zealand	April 1994	30.5	395	1,536	800	2,336	17.4%
Gurīn Energy	Renewable Energy	Asia	July 2021	3.2	128	1	246	247	58.9%
Galileo	Renewable Energy	Europe	February 2020	4.6	123	-	245	245	40.3%
Mint Renewables	Renewable Energy	Australia	December 2022	1.8	16	-	16	16	n/a
RHCNZ Medical Imaging	Healthcare	New Zealand	May 2021	3.3	425	63	614	677	16.4%
Qscan Group	Healthcare	Australia	December 2020	3.8	328	2	436	439	8.4%
RetireAustralia	Healthcare	Australia	December 2014	9.8	365	32	490	522	4.6%
Wellington Airport	Airports	New Zealand	November 1998	25.9	96	641	624	1,264	17.0%
Infratil Property	Other	New Zealand	December 2007	16.8	100	104	112	217	11.0%

Notes:
1. Total capital invested is equal to the sum of all capital invested by Infratil into the asset during the holding period, and consists of initial capital contributions, shareholder loan contributions, capital calls, and acquisition of management shares vesting under LTI schemes
2. Total realised proceeds is equal to the sum of all distributions received by Infratil during the holding period and consists of capital returns, shareholder loan interest payments, shareholder loan principal payments, dividends, and subvention payments.
3. Total unrealised proceeds is equal to the valuation of Infratil's stake in each of its assets. These valuations are aligned to Infratil asset values as summarised on page 28
4. Total value is equal to total realised proceeds plus total unrealised proceeds
5. A non-cash benefit equal to the value of Infratil's share of Tilt on split from Trustpower has been recognised in Total realised proceeds for Manawa to capture the value of the embedded option within Manawa

Incentive fees

Strong independent valuation uplift in CDC offset by slower valuation growth in Longroad results in a net incentive fee accrual of $93.6 million for HY25

Incentive fee overview

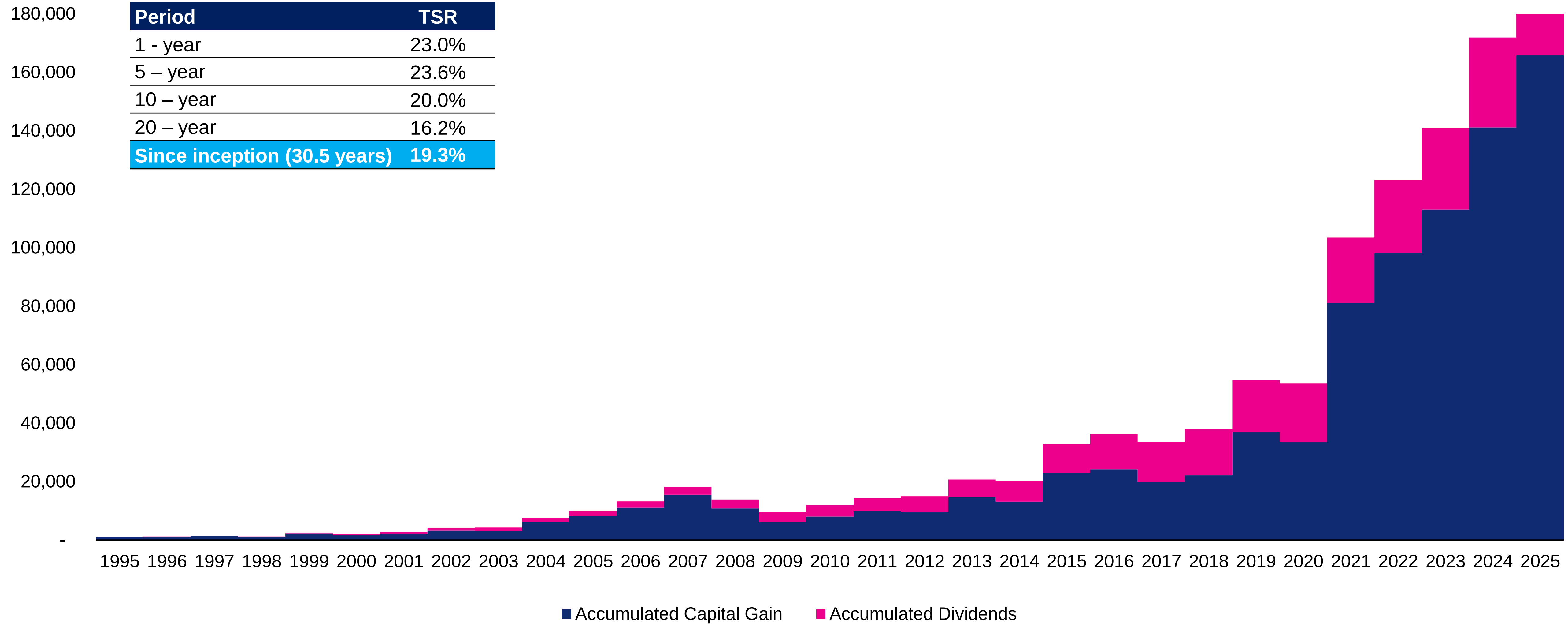
30 September ($millions)	FY24 Incentive Fee Valuation	Capital	FX	Distributions	Hurdle	HY25 Incentive Fee Valuation	Incentive Fee
Annual Incentive Fee							
CDC	4,399.3	(17.0)	-	19.2	(264.0)	5,212.0	110.2
Longroad Energy	1,503.1	(50.4)	7.7	-	(93.5)	1,582.5	(11.4)
Galileo	237.1	(13.6)	-	-	(15.1)	241.3	(4.9)
RetireAustralia	454.1	-	-	2.3	(27.1)	479.6	0.1
Qscan	407.8	-	-	-	(24.5)	432.1	(0.0)
Initial Incentive Fee							
Mint Renewables		(16.2)	-	-	(1.9)	16.2	(0.4)
	7,001.4	**(97.3)**	**7.7**	**21.5**	**(426.2)**	**7,963.7**	**93.6**

- The net incentive fee accrual for 30 September 2024 is $93.6 million
- No recent independent valuations are available for Kao Data or Gurīn Energy so no incentive fee has been accrued for these assets
- Valuations for the purposes of the incentive fee are calculated net of estimated costs of disposal and any potential capital gains taxes

Total shareholder returns

Infratil has delivered a total shareholder return of 23.0% for the year to 30 September 2024 and a 19.3% return over 30.5 years

Period	TSR
1 - year	23.0%
5 – year	23.6%
10 – year	20.0%
20 – year	16.2%
Since inception (30.5 years)	**19.3%**



Notes:
1. The accumulation index assumes that $1000 were invested in Infratil's IPO and that an investor reinvests all dividends at the time of receipt and participates in any equity raises or rights offerings so that they neither take any money out or invest any new money into Infratil
2. Accumulated dividends represents the total value of dividends received by the investor

Proportionate capital expenditure and EBITDAF

Proportionate capital expenditure

Period ended 30 September ($Millions)	2023	2024
CDC	$105.6	$436.8
One NZ	$122.4	$125.8
Fortysouth	$2.6	$4.3
Kao Data	$48.7	$37.8
Manawa Energy	$16.3	$13.2
Longroad Energy	$381.3	$448.5
Gurīn Energy	$25.1	$21.7
Galileo	$38.8	$57.8
Mint Renewables	$0.5	$0.3
RHCNZ Medical Imaging	$9.3	$11.8
Qscan Group	$7.4	$6.8
RetireAustralia	$28.5	$36.8
Wellington Airport	$16.3	$22.4
Proportionate Capital Expenditure	**$802.8**	**$1,224.0**

Proportionate EBITDAF

Period ended 30 September ($Millions)	Share	2023	2024
CDC	48.2%	$64.3	$83.7
One NZ	99.8%	$225.1	$304.0
Fortysouth	20.0%	$5.5	$7.0
Kao Data	52.8%	($1.6)	$2.4
Manawa Energy	51.1%	$39.8	$23.3
Longroad Energy	36.5%	$34.6	$22.1
RHCNZ Medical Imaging	50.0%	$30.7	$31.6
Qscan Group	57.6%	$18.2	$23.8
RetireAustralia	50.0%	$6.3	$17.3
Wellington Airport	66.0%	$33.4	$41.6
Corporate & other		($38.2)	($50.5)
Operational EBITDAF		**$418.1**	**$506.3**
Galileo	38.0%	($6.1)	($9.0)
Gurīn Energy	95.0%	($9.1)	($14.4)
Mint Renewables	73.0%	($2.9)	($4.1)
Development EBITDAF		**($18.1)**	**($27.5)**
Total continuing operations		**$400.0**	**$478.8**
Trustpower Retail business	51.1%	($0.4)	-
Total		**$399.6**	**$478.8**

Infratil investment

Infratil has undertaken relatively modest direct investment to support the growth of its assets. We expect investment will increase significantly in the second half of the financial year

Investment Overview

- Further investment into Kao Data to support the growth of the business as it invests in its Slough and Harlow data centres as well as progresses work on its Manchester site
- Longroad equity injections have been used to support new projects as they reach full notice to proceed and begin construction
- Investment into Gurīn, Galileo, and Mint Renewables is used to support platform growth and investment into capital projects and to support the growth of capability within the assets

Period ended 30 September ($Millions)	2023	2024
CDC	$34.8	$16.9
One NZ	$1,800.0	$20.0
Kao Data	$136.3	$11.5
Fortysouth	-	-
Longroad Energy	$50.3	$49.7
Gurīn Energy	$45.6	$23.8
Galileo	$23.0	$13.4
Mint Renewables	$1.8	$6.0
RHCNZ Medical Imaging	-	-
Qscan	-	-
Clearvision	$16.3	$4.0
Infratil Investment	**$2,108.1**	**$145.3**

Earnings reconciliation

Overview

- Proportionate EBITDAF is an unaudited non-GAAP (‘Generally Accepted Accounting Principles’) measure of financial performance, presented to provide additional insight into management’s view of the underlying business performance.
- Specifically, in the context of operating businesses, Proportionate EBITDAF provides a metric that can be used to report on the operations of the business (as distinct from investing and other valuation movements).

Period ended 30 September ($Millions)	2023	2024
Net profit after tax (‘NPAT’)	**1,189.5**	**(206.4)**
Less: Associates[1] equity accounted earnings	(140.9)	(107.0)
Plus: Associates[1] proportionate EBITDAF	153.0	123.5
Less: minority share of subsidiary[2] EBITDAF	(113.6)	(89.7)
Plus: share of acquisition or sale-related transaction costs	14.8	1.5
Plus: one-off restructuring costs (including Fibreco)	-	3.9
Net loss/(gain) on foreign exchange and derivatives	(55.1)	61.7
Net realisations, revaluations and impairments	(1,073.0)	(4.0)
Discontinued operations	0.6	-
Underlying earnings	**(24.7)**	**(216.5)**
Plus: Depreciation & amortisation	180.7	321.7
Plus: Net interest	155.1	206.1
Plus: Tax	51.6	77.8
Plus: International Portfolio Incentive fee	37.4	89.7
Proportionate EBITDAF	**400.0**	**(478.9)**

Portfolio company debt

Overview

- Gearing and credit metrics are monitored across the portfolio in aggregate and at the individual portfolio company level
- One NZ completed a refinancing of its debt package during HY25, upsizing debt capacity and securing improved commercial terms
- CDC successfully raised $1.5 billion raised through the US Private Placement (USPP) and Asian Term Loan markets in the period. As previously signalled CDC will require further investment from shareholders over the next 18 months to fund its accelerated growth while maintaining disciplined capital management and credit metrics
- EBITDAF based leverage metrics not appropriate for Longroad, RetireAustralia and Kao Data based on industry segment and current operating models
- In addition to the below metrics, Wellington Airport maintains a BBB S&P credit rating (stable outlook)
- Exposure to interest rates is monitored across each portfolio company and managed within approved treasury policy limits. 74% of drawn debt was hedged on a fixed rate basis as at
30 September 2024 and expected to remain in compliance with defined hedging policy bands typically out to 5 years or more across the Infratil portfolio

30 September 2024	Gearing[1]	Net Debt / EBITDA[2]	% of drawn debt hedged
CDC[3]	25.9%	9.8	80%
One NZ	29.8%	3.0	58%
Fortysouth	43.1%	12.3	89%
Kao Data	18.4%	n/a	71%
Manawa Energy[4]	23.2%	4.3	77%
Longroad Energy[5]	9.2%	n/a	90%
Galileo[6]	-	n/a	n/a
Gurīn Energy[7]	-	n/a	n/a
Mint Renewables[8]	-	n/a	n/a
RHCNZ Medical Imaging	26.6%	3.7	72%
Qscan Group	23.8%	3.0	74%
RetireAustralia	18.9%	n/a	84%
Wellington Airport	42.0%	5.8	82%
Value Weighted Average of Portfolio Companies[9]	28.0%		74%

Notes:
1. Gearing calculated as total net debt / total capital based on most recent independent valuations, listed equity value or book value at 30 September 2024
2. Unless otherwise stated EBITDAF definitions based on pre IFRS16 and allowable pro forma adjustments under financing arrangements for each Portfolio Company rounded to 1 decimal place.
3. CDC leverage metric applies September 2024 run rate EBITDA annualised and includes Shareholder Loans in Net Debt.
4. Manawa Net Debt / EBITDA includes impact of challenging trading conditions and a material bad debt during FY25, this metric is expected to normalise in FY26.
5. Longroad % of drawn debt hedged is based on non-recourse term debt but excludes construction and working capital facilities.

6,7,8 Holding company Net Debt position, excludes non-recourse project finance borrowing

9 Calculated based on IFT's value weighted, proportionate share of Total Net Debt / Total Capital across all portfolio companies

Infratil