



3 December 2025

**Infratil Newsletter – November 2025**

Attached is a copy of the latest Infratil Newsletter for investors. It includes commentary on the recent HY26 financial results and the common topics discussed with investors since the results.

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## Infratil Newsletter – November 2025



The headline for our half-year results announcement was ‘*Earnings lift as Infratil refines its portfolio for growth*’. This reflected our Proportionate Operational EBITDAF [1] lifting 7% from the prior period, helped by stronger than ever digital and renewable energy thematics, and the sale of another \$255 million of assets to boost our funding capacity. Guidance for operational EBITDAF was unchanged on a like-for-like basis, with some tweaks up and down for individual businesses.

We were, therefore, somewhat surprised by the drop in Infratil’s share price on the day. Much of the detail on key assets had already been communicated via our September Investor Day, and feedback from our subsequent investor and analyst discussions was that the results were in line with market expectations. The growing momentum in Longroad Energy and CDC earnings was seen as positive.

Instead, it became clear that our results had coincided with growing global question marks about AI demand and the potential implications for CDC. This uncertainty saw the share price drop to levels well below our September 30<sup>th</sup> net asset value of \$15.55 per share.

As we set out in our [Interim Report](#), we’re confident about CDC’s outlook because:

- CDC continues to see strong broad-based demand for its data centres and has a diversified customer base across national critical infrastructure, public sector, hyperscale & AI, with AI only one part of the demand mix.
- CDC’s annualised weighted average lease term is 30 years (including options)
- Australia is an attractive market for hyperscalers given its mature data centre system, lease rates, and cost-effective power.

There was further evidence of this global demand with significant new investment announcements in the United States. Microsoft and NVIDIA announced a new partnership to contribute a combined US\$15 billion of hardware and capital, and cloud infrastructure, to AI company Anthropic. Anthropic, in turn, made a \$30 billion commitment to using Microsoft's cloud services.

A few days later, NVIDIA reported results that beat market expectations. It said demand for its new computing chips is "off the charts, and cloud GPUs are sold out," driven by the continued shift to data centre computing, a growing customer base and the adoption of AI capability.

These are positive developments. For Infratil, we're looking past the latest bout of market volatility. We're focused on the things we control and continuing to enhance the value of our businesses. To this end, we thought it would be useful to share a summary of the more popular topics from our Australasian investor meetings since the results.

### **CDC and the outlook for data centre demand**

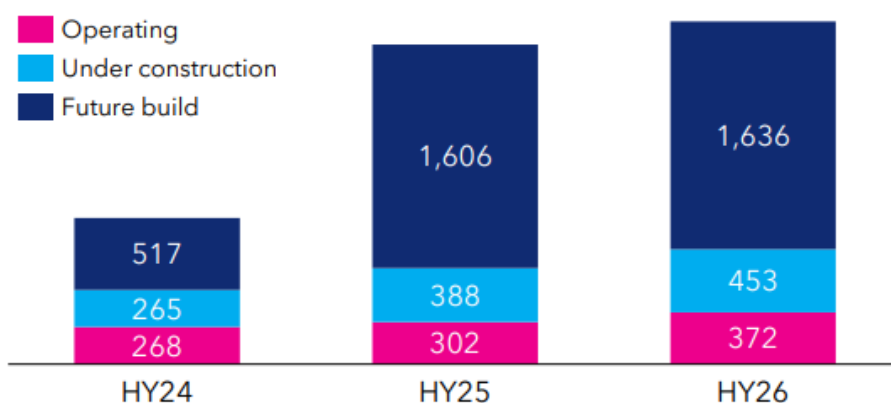
Reflecting its size in our portfolio and the recent share market trends, CDC was the focus of most meetings. Consistent topics included CDC's demand and deployment profile, and its FY27 earnings trajectory.

As we said in the results, CDC has multiple opportunities it is exploring with existing and new customers to sell significant additional capacity. CDC's recent 140 megawatts (MW) of new contract announcements mean it will deliver forecast revenue to achieve its target of doubling its FY25 EBITDAF of A\$330 million in FY27. The pace of earnings growth beyond FY27 will depend on the rate at which workloads are deployed across CDC's growing operating capacity and the timing of future contract wins.

CDC has increased its FY26 capital expenditure guidance to A\$1.9 - A\$2.2 billion, from A\$1.6 - A\$1.8 billion previously, as it accelerates the delivery of capacity to meet demand. It plans to more than double its current built operating capacity of 372MW, with another 453MW expected to achieve first operations over the next 12 months. This is a significant amount of computing capacity and CDC is making strategic investments to ensure it has an extended pathway for power access as its campuses are developed.

*"Customer demand for liquid cooled, high density capacity has reached a new high, and we are best positioned in the market to deliver against it."* - CDC CEO Greg Boorer

### CDC Built Capacity Pipeline (MW) to 2034



Slide 9: [\*Infratil HY26 Results – Investor Presentation\*](#)

### Neoclouds – a new customer segment

Another popular topic was around key market risks and different market segments.

CDC recently signed a 40MW contract with Firmus Technologies, a leading Australian neocloud provider. Neoclouds like Firmus, or Coreweave in the USA, lease out their computing capacity to their end customers. This is a new fast-growing customer segment for data centre operators.

There are benefits from working with neocloud providers. First, they can ramp up their operations faster than other large-scale customers, meaning revenues are recognised sooner. Second, they operate high-density computing, allowing CDC to concentrate more computing capacity within the same footprint.

Some third-party estimates suggest densification could provide capacity increases of between 10% - 20% with minimal additional investment. CDC is assessing densification opportunities across its existing and planned data centre footprint, and how this might be reflected in future deployments.




While the neocloud model is different from traditional data centre customers, it presents an opportunity for diversification and CDC weighs up each contract carefully. CDC undertakes robust due diligence as part of its customer onboarding process, with credit quality of the underlying customers a critical consideration.

## Longroad Energy makes earnings inroads

Longroad Energy is attracting more investor attention as its renewable energy developments accelerate. It delivered strong EBITDAF growth – up 2.5 times from HY25 to US\$83 million in HY26. This was welcomed by the market because investment in its operating footprint is now beginning to deliver meaningful returns.

Longroad's EBITDAF guidance for FY26 was upgraded and we see the potential for further upside in the business:

- US electricity demand is soaring thanks to new data centres, industrial growth and electrification.
- With 1.1GW of capacity added in HY26 and another 1.6GW under construction, it is nearing the pace needed to lift Operating Company run-rate EBITDA [2] from US\$380 million in 2025 to US\$700 million in 2028.
- Greater scale lends itself to merger and acquisition opportunities, as smaller operators find changing market dynamics (including tax credit qualification and supply chain requirements) more challenging.

	Solar	Battery storage	Wind
			
Operating	2,347MW	729MW	459MW
Under construction	1,449MW	85MW	-

Side 10: [Infratil HY26 Results – Investor Presentation](#)

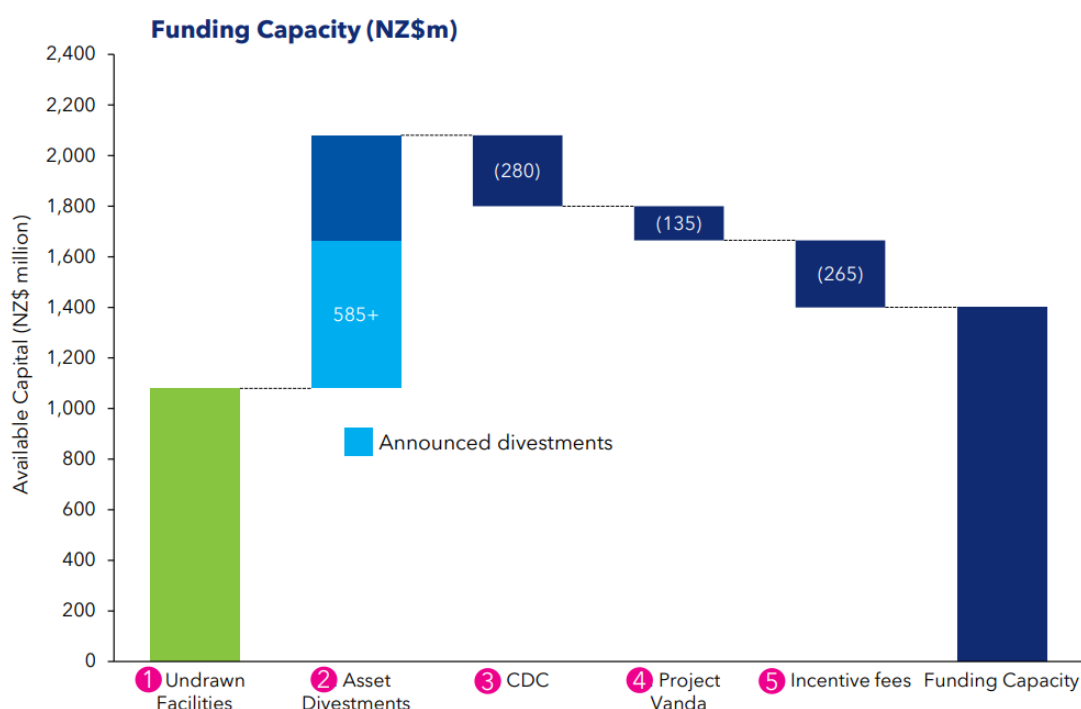
## Portfolio refinement enhances funding capacity

Investors were interested in the progress to refine our portfolio, including updates on our asset sales and how we see the portfolio evolving. The main portfolio news from our results was the sales of our 20% stake in Fortysouth for more than \$200 million and a legacy property asset for \$55 million.

With about \$585 million of divestments now announced, we're over halfway to our medium term \$1 billion divestment target. As the chart below from our HY26 presentation shows, we have substantial capacity to fund anticipated future growth through to at least the end of FY27. This should reassure investors who may have been questioning whether an equity raise may be needed to fund our current growth plans.

# Funding Capacity to End of FY27

Clear funding pathways to support our current plan



## Significant capacity exists to fund our current plan and future growth

- 1 Undrawn facilities as at 30 September 2025
- 2 \$1 billion of planned asset divestments
- 3 A\$250 million forecast equity commitment to CDC
- 4 Infratil share of expected equity funding for Project Vanda to end of FY2027
- 5 Accrued but unpaid incentive fees (on a 100% cash basis)

## Further funding capacity available from additional asset sales and/or new funding facilities

Note: Operating cashflows are not forecast to be in balance over the forecast period so will also impact liquidity to some degree.

Slide 23: [Infratil HY26 Results – Investor Presentation](#)

## Our New Zealand businesses' performance

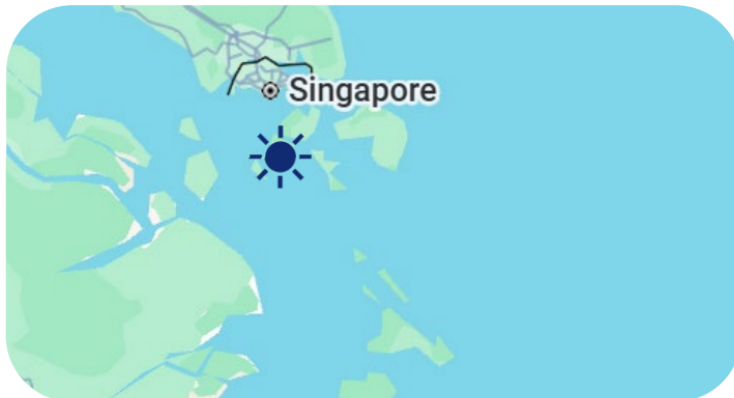
The New Zealand economy was subdued through HY26 and investors were keen to gauge how our domestic businesses are performing. As we noted in the results, our businesses were largely resilient.

- **One NZ** is seeing positive trading momentum, particularly in post-pay mobile, as it heads into the peak summer trading period.
- **Wellington Airport** had 5% fewer domestic passengers in HY26, but there are signs of improvement with continued growth in international passengers and 441,000 total passenger movements in September 2025 compared to 436,000 in September 2024.
- **RHCNZ Medical Imaging** had a challenging first half with a lower margin service mix and cost inflation leading to a reduction in its FY26 EBITDAF expectations. A standalone teleradiology service provider is being established, combining RHCNZ and Qscan assets and staff. This will be owned by Infratil alongside doctors and management.

### Gurin Energy - Going for growth

One business we'd hoped to be able to talk about more in our results announcement is Gurin Energy. Securing an export licence to deliver solar energy from Indonesia to Singapore is taking longer than initially expected, but we remain excited about Project Vanda and planning for the physical infrastructure is continuing in parallel. Clarity on the export licence would enable us to make a final investment decision on Project Vanda around mid-2026.

#### Project Vanda overview



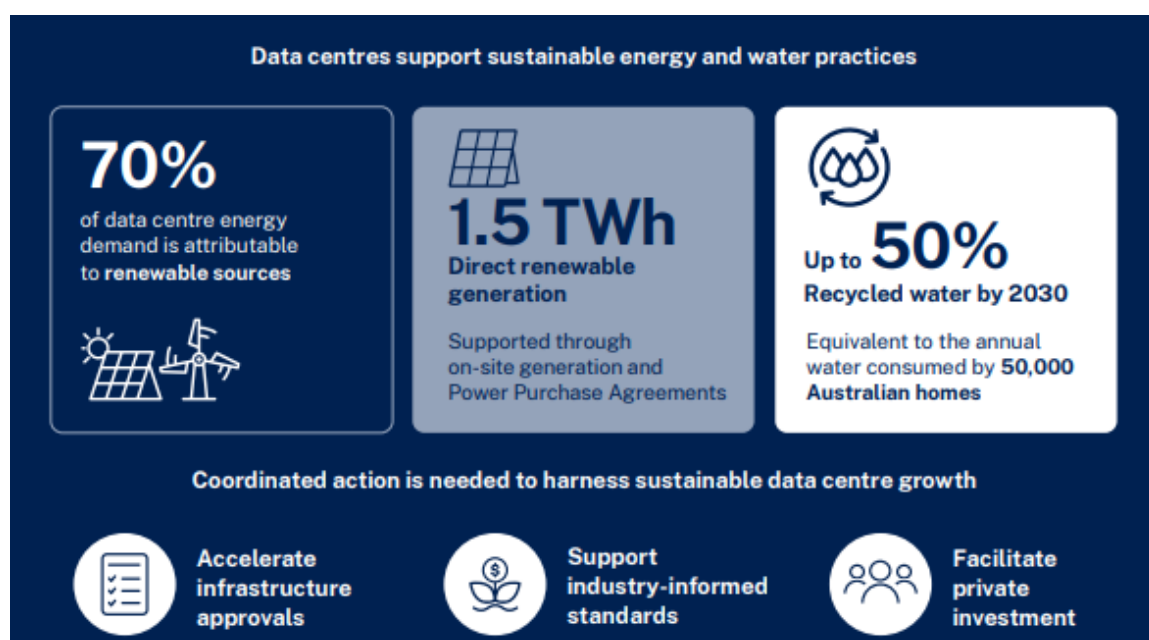
- Ownership: 75% Gurin Energy; 25% Gentari
- 2.2GWp solar plant + 5GWh battery storage + ~90km subsea cable
- Expected capex US\$2-3 billion, requiring ~US\$500 million of equity, with construction expected 2027 and targeting:
  - Phase 1 (~550MW solar) operational 2028
  - Phase 2 (~1,100MW solar) operational 2029
  - Phase 3 (~550MW solar) operational 2030

Slide 17: [\*Infratil HY26 Results – Investor Presentation\*](#)

## Australia's National AI Plan

This week the Australian Government released its [National AI Plan](#) for how it will support building an AI-enabled economy that is more competitive, productive and resilient. The Plan recognises CDC as driving data centre sustainability with its water conservation and net zero carbon electricity. The Government's goals include capturing the AI opportunity, saying: "We are positioning Australia as a leading destination for data centre investment while ensuring growth is sustainable and secure."

Data Centres Australia, which includes CDC in its membership, recently published [research](#) showing that data centres are key drivers of economic growth, renewable energy investment, and sustainable water solutions.



*[Data Centres as Enabling Infrastructure – November 2025](#)*

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[1] EBITDAF is an unaudited non-GAAP measure of net earnings before interest, tax, depreciation, amortisation, financial derivative movements, revaluations, and nonoperating gains or losses on the sales of investments and assets. Proportionate EBITDAF shows Infratil's operating costs and its share of the EBITDAF of the companies it has invested in. A reconciliation of net profit after tax to Proportionate EBITDAF is provided in the 13 November 2025 HY26 results presentation.

[2] Opco run-rate EBITDA calculated based on 5-year average EBITDA once projects reach operational status and recognised in Opco run-rate EBITDA total based on year of financial close, adding back all corporate overheads and development related costs.