



2021 Annual General Meeting Managing Director's Address

Delivered by Mr Jason Beddow at the 6th Annual General Meeting of Argo Global Listed Infrastructure Limited (Argo Infrastructure or Company) held online on Monday 25 October 2021 at 12.30pm (Adelaide time).

Merger and acquisition activity

Recent high profile takeover bids for several Australian listed infrastructure companies have brought the asset class to the forefront of investors' minds. As options to invest in infrastructure via the Australian Securities Exchange (ASX) potentially dwindle, it has sharpened the focus on offshore opportunities to gain exposure to the asset class.

Australians have long had opportunities to invest in domestic listed infrastructure companies. In fact, Australia was at the forefront of the asset class with the privatisation of numerous high-profile government-owned assets, particularly toll roads, airports and utilities.

However, with Sydney Airport, Spark Infrastructure and AusNet Services currently subject to takeover bids, opportunities for Australians to invest in domestic listed infrastructure are likely to diminish. If successfully completed, these transactions would reduce the aggregate market capitalisation of ASX-listed infrastructure companies by approximately 30%. Furthermore, there would be less than ten Australian listed infrastructure companies.

There are around 30 times more listed infrastructure companies outside of Australia with a combined market capitalisation roughly double the size of the ASX. The global asset class is highly diversified, spanning both developed and emerging markets. It also offers exposure to a range of infrastructure subsectors not represented on the ASX, such as water utilities and communications towers. As the world continues on the path of decarbonisation, many of the world's large, listed energy utilities are deriving a significant portion of their revenues from renewable power generation.

Shortly, you will hear from Ben Morton, Head of Global Infrastructure at Cohen & Steers which manages Argo Infrastructure's portfolio. He will describe how merger and acquisition activity in the Australian infrastructure space is part of a broader global trend, reflecting the strong demand for high-quality infrastructure assets globally. Also, the factors driving this demand, as well as other thematics currently impacting the asset class.

With its listed investment company structure, Argo Infrastructure provides simple, straightforward access to the large and diverse global listed infrastructure universe.

Thank you

I would like to thank the hard-working Argo team responsible for managing Argo Infrastructure. I also acknowledge the contribution from the Chairman and Non-executive Directors.

I wish all our shareholders well for the coming months. We thank you for your continued support and the trust that you have placed in us. I hope we will be able meet with you in person sometime in 2022.