



21 October 2024

Company Announcements  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

## Annual General Meeting 2024

Please find attached the Chairman's Address, Managing Director's Address and the accompanying presentation slides for today's Annual General Meeting of Argo Global Listed Infrastructure Limited (ASX: ALI).

Yours faithfully,

A handwritten signature in black ink, appearing to read "Tim Binks".

Tim Binks  
Company Secretary



## 2024 Annual General Meeting Chairman's Address

*Delivered by Mr. Russell Higgins AO at the ninth Annual General Meeting of Argo Global Listed Infrastructure Limited (Argo Infrastructure or Company) at the Adelaide Convention Centre on Monday 21 October 2024 at 12.30pm.*

### Financial results

During the 2024 financial year, global infrastructure stocks generated a positive return, although they significantly lagged broader global equity markets as investors favoured growth-style stocks. The higher-for-longer interest rate environment across many of the world's major economies also weighed on the asset class, particularly Electric Utilities, which comprise nearly half of the benchmark index.

Against this challenging backdrop, Argo Infrastructure delivered a profit of \$12.8 million, but more importantly, our global portfolio of listed infrastructure companies generated income of \$14.9 million, up +3.8% from the previous year. In an environment of persistently high inflation, we believe the increased income we received from our investment portfolio demonstrates the benefit of inflation-linked pricing mechanisms, which allow many infrastructure businesses to increase their user fees in line with inflation.

### Record high fully franked annual dividend

In August, the Board was pleased to declare a record-high, fully franked final dividend of 5.0 cents per share. Together with the interim dividend of 4.0 cents per share, annual fully franked dividends increased to 9.0 cents per share — another record high for the Company.

Since Argo Infrastructure's inception, dividends paid to our shareholders now total 57.75 cents per share. Importantly, our most recent dividend marks the Company's thirteenth consecutive fully franked dividend.

Our established track record of delivering franked dividends underscores a key benefit of Argo Infrastructure's listed investment company (LIC) structure. When the Company pays tax on profits and realised gains in Australia, we generate imputation credits for our shareholders. Investing in overseas assets directly or

via a trust structure does not provide this advantage.

### **Investment performance**

Following a challenging period, the new financial year has seen something of a reversal in fortunes for global infrastructure stocks. In the first three months of financial year 2025, the benchmark index gained +9.4% amid growing expectations that the world's largest economy, the United States, would enter a new monetary easing cycle. As we know, in mid-September, the US Federal Reserve cut the official cash rate by a larger-than-expected 50 basis points.

Argo Infrastructure has also performed well since the start of the new financial year with the portfolio increasing +10.9% in the September quarter. Over the same period, our share price rose +18.8%, narrowing our share price discount to net tangible assets (NTA) significantly.

For the 12 months to 30 September, Argo Infrastructure's portfolio has gained +24.0%, outperforming the benchmark index by 4.2%. In fact, our portfolio has outperformed the benchmark index over all time periods to 30 September 2024.

### **Share price relative to NTA**

In our view, Argo Infrastructure's current share price discount to NTA is partly a function of the recent underperformance of infrastructure stocks relative to broader equities following sharp increases in interest rates, which remain high. However, as central banks worldwide begin or continue cutting official interest rates, it is reasonable to expect that returns from global infrastructure stocks will revert to long-term averages.

At the same time, listed investment companies (LICs) across the ASX are currently trading at larger-than-average share price discounts to NTA. One of the main factors driving this trend is the increased relative appeal of cash investments due to higher interest rates now available on term deposits and other cash investments.

We believe that Argo Infrastructure's current share price discount to NTA is largely cyclical due to these two factors. Nevertheless, we remain focused on ensuring the Company's share price better reflects the value of its underlying assets by continuing to implement a range of initiatives. These include buying the shares required for allocation to participants in the Dividend Reinvestment Plan and Dividend Substitution Share Plan 'on-market' rather than issuing new stock. Additionally, Argo Infrastructure has an on-market buy-back facility in place to be used when deemed appropriate.

## Independent research

Pleasingly, two external research houses have again recognised Argo Infrastructure's track record. Following an extensive research and review process, independent investment ratings firm Lonsec recently published its 2024 report on Argo Infrastructure and reaffirmed its 'recommended' rating for the fourth year in a row.

Independent Investment Research (IIR) has also maintained its 'recommended' rating for the Company. Both reports can be read in full on our website in the 'News and Insights' section.

## Directorate

As part of the Board's succession plan, Non-executive Director Ms. Joycelyn Morton retired from Argo Infrastructure's Board on 30 June 2024 after more than nine years of service. Joycelyn was one of our inaugural directors and played a key role in Argo Infrastructure's initial public offering and successful Australian Securities Exchange (ASX) listing in 2015. Her strong financial experience and team-first approach were of great value to the Company.

On behalf of the Board, I would like to take this opportunity to formally thank Joycelyn for her tireless work and contributions to Argo Infrastructure.

Ms. Sarah Brennan was appointed as an independent, Non-executive Director with effect from 1 July 2024 and I am pleased to introduce her to shareholders today. She is an experienced executive and non-executive director with more than 30 years of experience in financial services, including financial planning, superannuation, and banking. Sarah is standing for election by shareholders today and you will hear from her later in the meeting.

## Chief Financial Officer

Earlier this year, we announced that our Chief Financial Officer (CFO), Andrew Hill, would be retiring. At the end of August, we farewelled Andrew.

I would like to take this opportunity to thank him for his dedicated service to Argo Infrastructure since its inception. In that time, Andrew's diligence and expertise greatly benefited the Company and our shareholders. On behalf of Argo Infrastructure, I wish Andrew all the very best in his retirement.

Stephen Mortimer was subsequently appointed CFO to both Argo Infrastructure and Argo Investments, having been promoted from the position of Finance Officer. Stephen joined Argo in 2012 and over the last nine years has worked



closely with the CFO on all aspects of Argo Infrastructure's finances and financial reporting. He is a Certified Practising Accountant and a Graduate of the Institute of Company Directors.

I am pleased to formally introduce Stephen to our shareholders today.

## Outlook

As the world's major central banks transition to monetary policy easing, global infrastructure stocks can expect significant tailwinds. The asset class is also poised to benefit from a number of other themes shaping the global economy, such as the anticipated surge in low emissions energy demand, which will be a boon for electric and gas assets.

Shortly, Ben Morton, our Portfolio Manager, Cohen & Steers, will discuss these and other trends creating opportunities for listed infrastructure companies in a pre-recorded video from his office in New York.

As we approach the tenth anniversary of Argo Infrastructure's listing on the ASX, we remain focused on delivering total returns for our shareholders, consisting of capital growth and dividend income from our global portfolio of listed infrastructure companies.

While market participants' sentiment towards the asset class has waxed and waned over time, we are pleased that our portfolio has delivered an average return of +8.7% per annum since inception, with less volatility than broader equity markets. Argo Infrastructure remains in a solid financial position with approximately \$450 million of assets and no debt.

## Thank you

I would like to conclude by thanking our Managing Director, Jason Beddow, and his team for their continued excellent performance and hard work in running the Company. I would also like to thank Ben Morton and the team at Cohen & Steers who have done a sterling job as portfolio managers.

I also thank my fellow Board members for their insightful and valuable contributions to the Company over the last year.

Most importantly, I thank our loyal shareholders and, to our new shareholders, welcome to Argo Infrastructure.



## 2024 Annual General Meeting Managing Director's Address

*Delivered by Mr. Jason Beddow at the eighth Annual General Meeting of Argo Global Listed Infrastructure Limited (Argo Infrastructure or Company) held at the Adelaide Convention Centre on Monday 21 October 2024 at 12.30pm.*

### Falling interest rates and the asset class

At last year's Annual General Meeting, we focused on the impact of higher interest rates on global listed infrastructure following the rapid monetary policy tightening of the preceding 12 to 18 months.

Utilities are particularly sensitive to rate rises because they can carry considerable levels of debt due to their reliable income streams. As Electricity, Gas, and Water Utilities account for around half of the infrastructure benchmark index, their underperformance in this period has dragged on the overall performance of the asset class.

However, the monetary policy cycle has continued to mature in the period following our 2023 AGM. Over the last year, speculation continued to mount that the US Federal Reserve would begin lowering interest rates. After much anticipation, last month, the central bank cut rates by a larger-than-expected 50 basis points.

The new phase of monetary policy easing by the world's largest economy is a significant tailwind for global listed infrastructure, particularly as more than half of the infrastructure index consists of US stocks. Most other major developed and emerging economies have also begun cutting interest rates or are expected to in the near-term. As the Chairman noted, in recent months the asset class has responded positively, posting solid gains and outperforming broader global equity markets.

### Portfolio Manager Cohen & Steers

When we established Argo Infrastructure approximately a decade ago, we recognised that the complexity and diversity of the asset class required a specialist portfolio manager with a truly global presence. After careful consideration, we decided on Cohen & Steers.

Founded in 1986 and listed on the New York Stock Exchange, Cohen & Steers has people and operations in offices worldwide, ‘on the ground’ close to infrastructure assets, and we believe this provides a distinct competitive advantage. Their local presence provides valuable insights and connections with key industry participants and facilitates relationships with regulators.

This, together with Cohen and Steers’ process and expertise, has continued to generate outperformance relative to the benchmark across all time periods of ALI’s history.

Tyler Rosenlicht from Cohen & Steers joined us on our investor roadshow earlier this year to share his insights into the asset class and its outlook. We look forward to having another member of the Cohen & Steers team present when we visit various capital cities in May 2025. In the meantime, lead portfolio manager Ben Morton, will share Cohen & Steers’ latest views on global listed infrastructure in a video we will play shortly.

#### **Thank you**

Before we play that video, I would like to acknowledge the ongoing efforts of all the team at Argo, Argo Infrastructure’s Manager.

I also thank the Chairman and Non-executive Directors, particularly, I welcome Sarah Brennan, who recently joined the Board. I look forward to working with the Board over the year ahead.

I wish all our shareholders well for the remainder of the year. We thank you for your continued support and I look forward to seeing you for our roadshow in 2025.





**ARGO INFRASTRUCTURE**  
Annual General Meeting

**2024**



An aerial photograph of the Yas Viceroy Hotel in Abu Dhabi, showing its distinctive orange-tiled, multi-lobed dome. The dome features a central star-like pattern and several circular skylights. The surrounding area includes parking lots, roads, and some greenery. A large, semi-transparent watermark spelling 'CRAB' is overlaid on the left side of the image. A white rectangular box with orange text and a blue rectangular box with white text are centered over the dome.

# Russell Higgins AO Chairman





# Disclaimer

This presentation has been prepared by Argo Service Company Pty Ltd (ASCO) (ACN 603 367 479) (Australian Financial Services Licence 470477), on behalf of Argo Global Listed Infrastructure Limited (ACN 604 986 914). ASCO's Financial Services Guide is available on request or at [argoinfrastructure.com.au](http://argoinfrastructure.com.au).

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Before making any decision about the information provided, an investor should consult their independent adviser and consider the appropriateness of the information, having regard to their objectives, financial situation and needs.

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# Board of Directors



Russell Higgins AO  
Non-executive Chairman



Jason Beddow  
Managing Director



Sarah Brennan  
Non-executive Director



Mark Hall  
Non-executive Director



Fiona Hele  
Non-executive Director



# Our Portfolio Manager



Ben Morton  
*BAS, MES*  
Senior Portfolio Manager

COHEN & STEERS



## Our objective

To provide a total return for long-term investors, consisting of capital growth and dividend income, from a global listed infrastructure portfolio which can provide diversification benefits for Australian investors.



# 2024 overview

## Net assets

**\$417m**

\$418m in 2023

## Portfolio performance

**+4.8%**

Year ended 30 June 2024

## Full year dividends

**9.0c**

Fully franked per share  
8.5c per share in 2023

## Total dividends

**57.75c**

Per share, paid since  
inception in 2015

## NTA per share

**\$2.37**

Net tangible assets  
\$2.39 per share in 2023

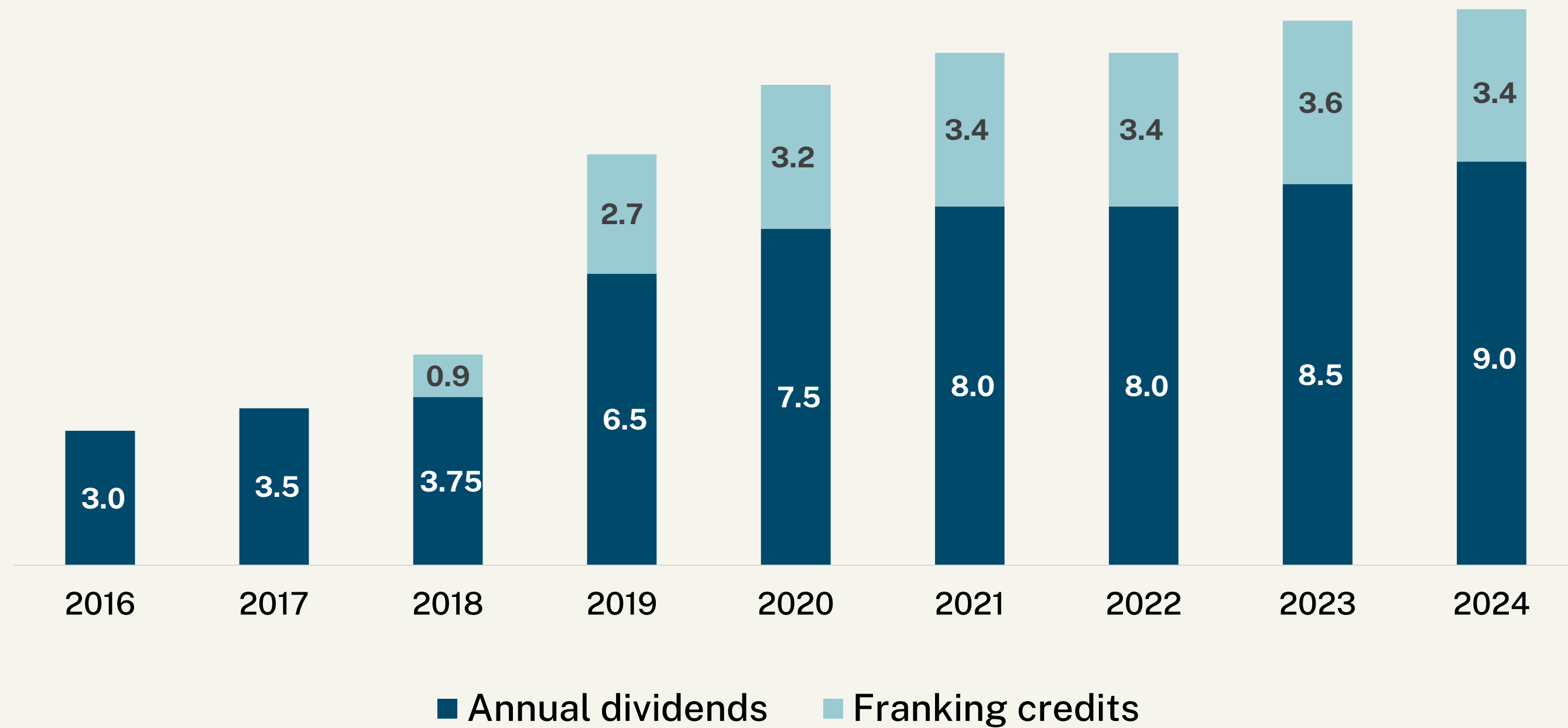
## Dividends paid

**13**

Consecutive fully franked  
dividends paid

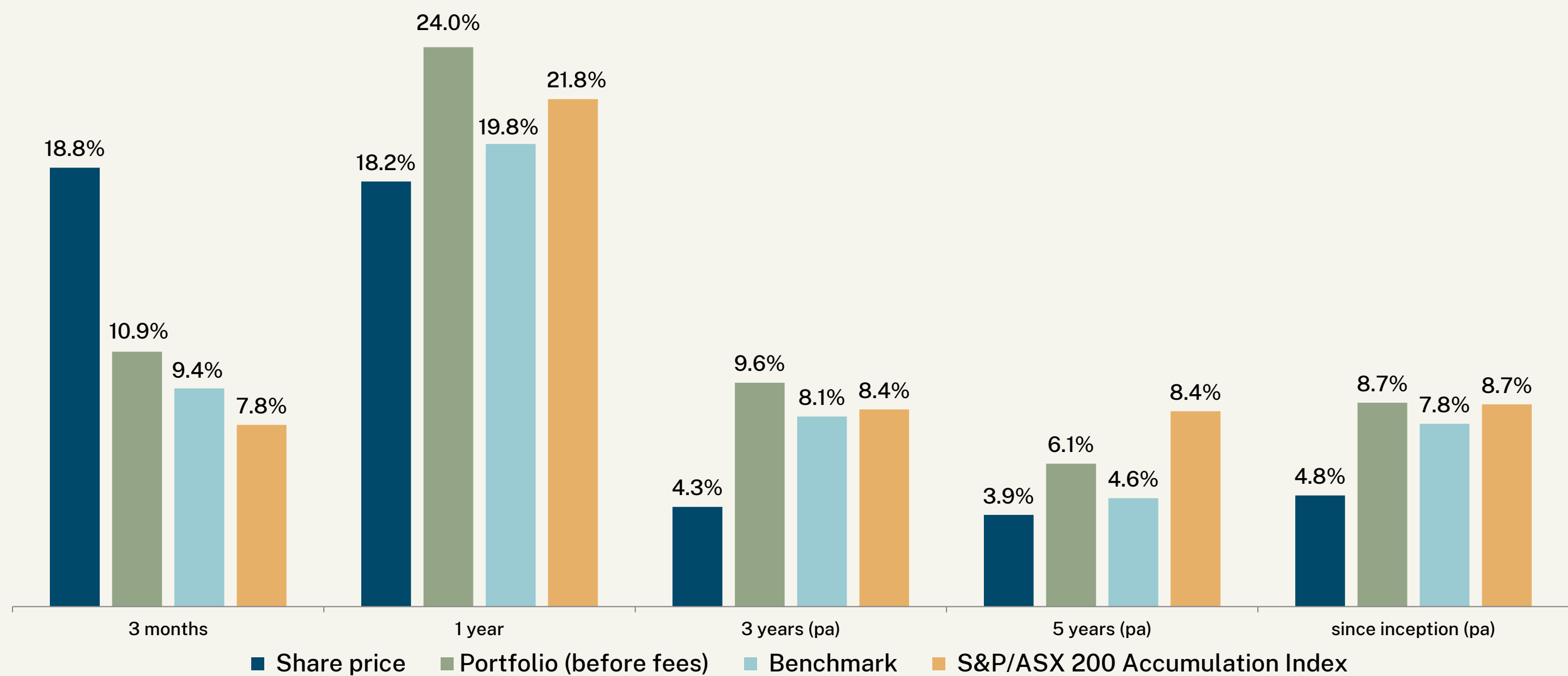


# Annual dividends cents per share





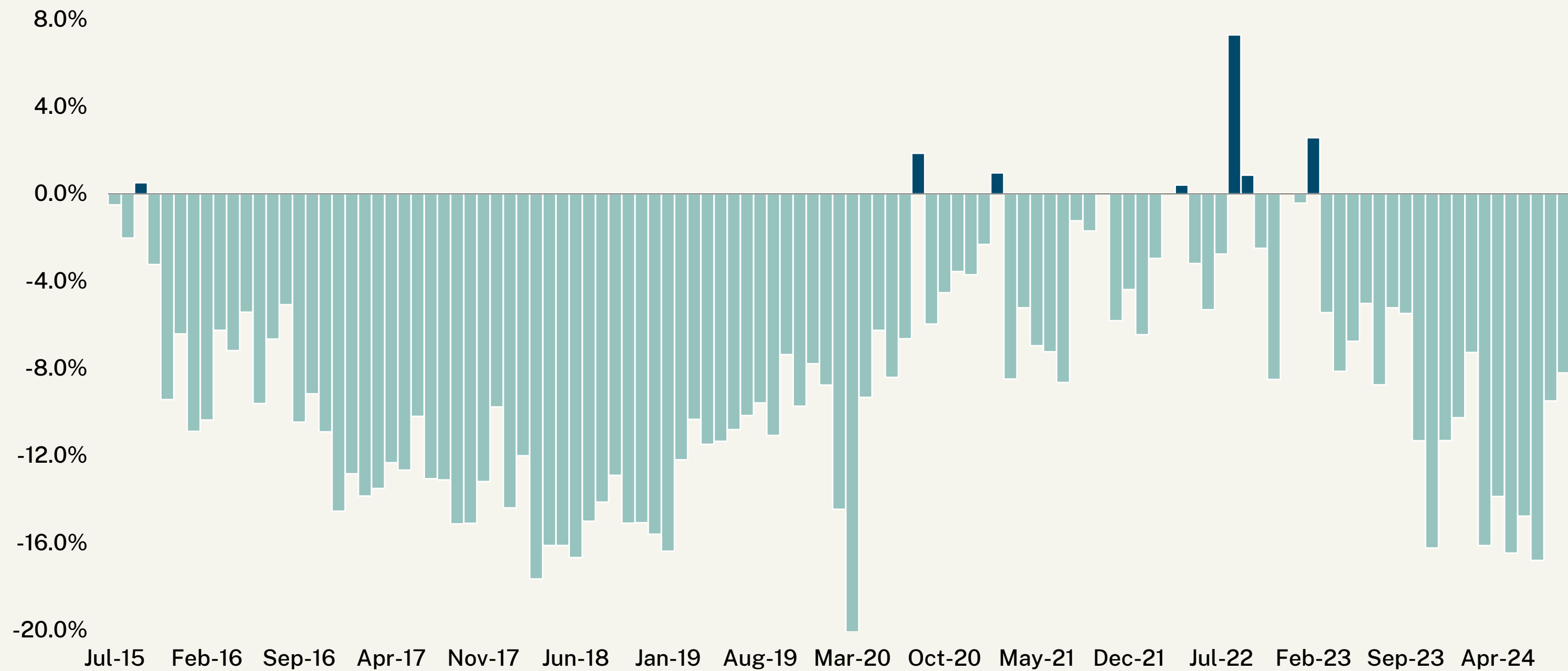
# Total returns



Figures are at 30 September 2024.



# Share price relative to NTA



Figures are at 30 September 2024.



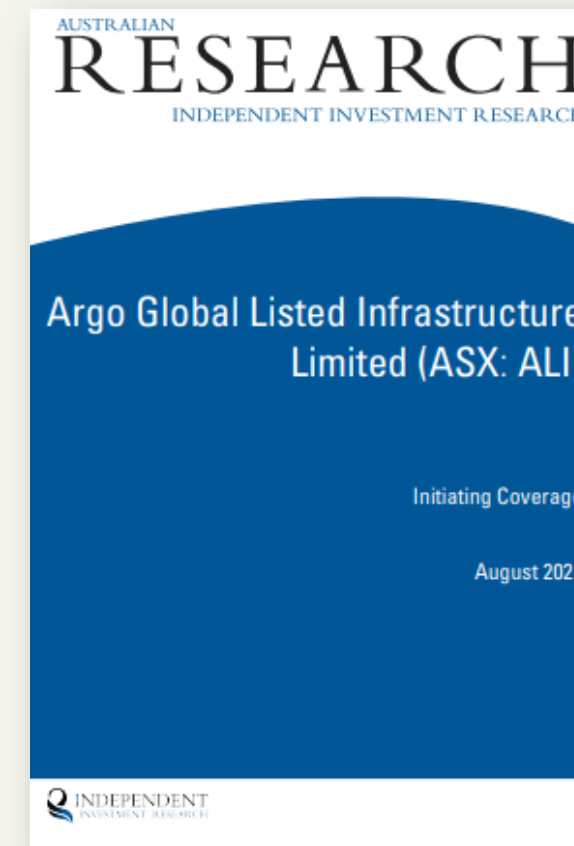
# Independent research

# Lonsec

## ‘Recommended’



## ‘Recommended’





CDPR

# Directorate



# Chief Financial Officer succession



Andrew Hill



Stephen Mortimer

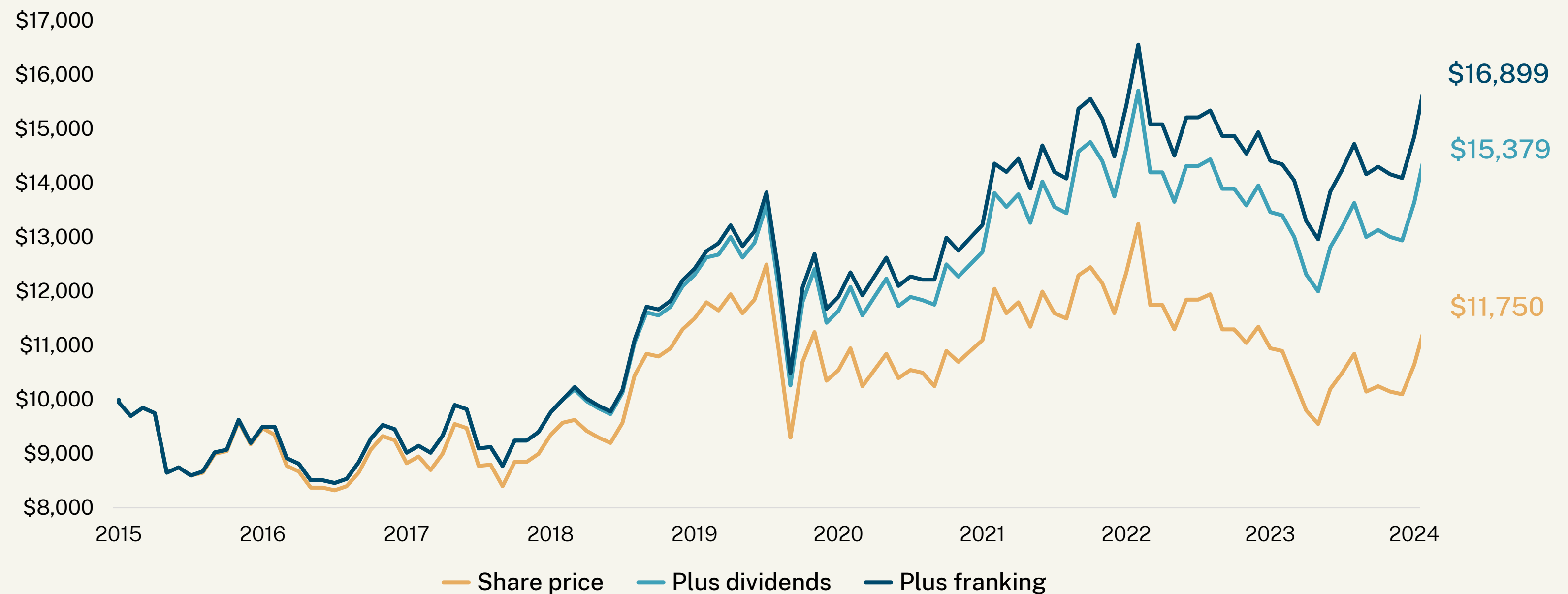




# Looking ahead



# Shareholder returns \$10,000 invested



Figures are at 30 September 2024.



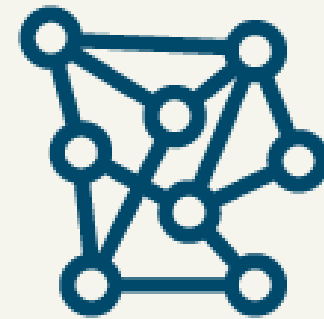
# Shareholder benefits



Global  
diversification



Specialist global  
fund manager



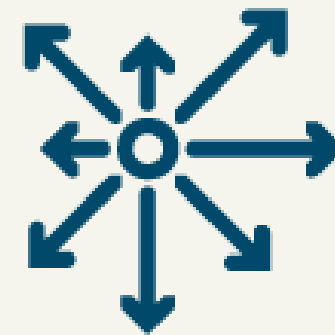
Access new  
infrastructure  
opportunities



Proven investment  
approach



Enhanced risk-adjusted  
returns



Simple global  
investing



CD  
RE  
AVE

Jason Beddow

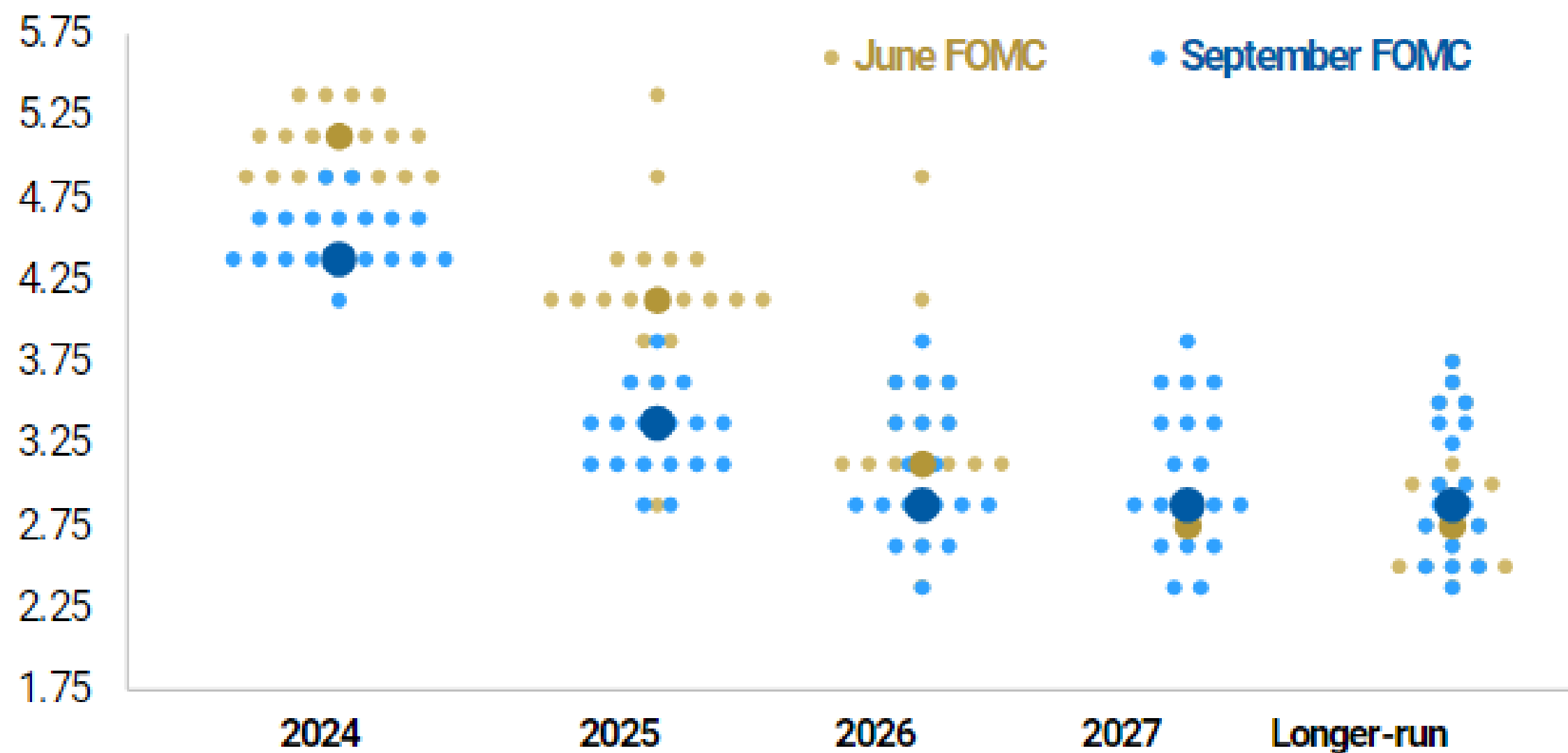
Managing Director



# Interest rate impacts

## Assessments of appropriate policy

US Federal Reserve Board Members at Federal Open Market Committee Meetings



Source: US Federal Open Market Committee.



# Our Portfolio Manager



**Ben Morton**  
*BAS, MES*  
Senior Portfolio Manager



**Thuy Quynh Dang**  
*BA*  
Portfolio Manager



**Tyler Rosenlicht**  
*BA, MBA*  
Portfolio Manager

**COHEN & STEERS**





**ARGO**

**INFRASTRUCTURE**