



22 May 2023

Company Announcements  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

### Shareholder Information Meetings

Please find attached the presentation slides for the Shareholder Information Meetings of Argo Investments Limited (ASX: ARG) and Argo Global Listed Infrastructure Limited (ASX: ALI), being held in Melbourne, Adelaide, Brisbane and Sydney this week.

Yours faithfully,

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

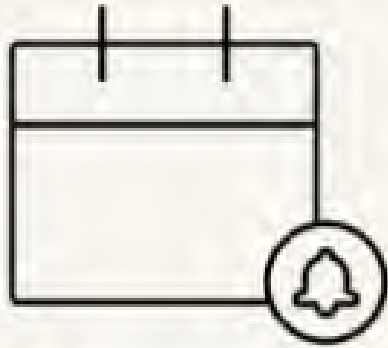
Tim Binks  
Company Secretary

# Shareholder Information Meeting



May 2023

# Meeting details

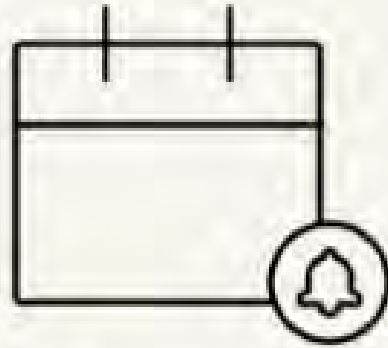


## Melbourne

Monday 22 May  
10am

**Grand Hyatt  
Hotel**

123 Collins Street,  
Melbourne

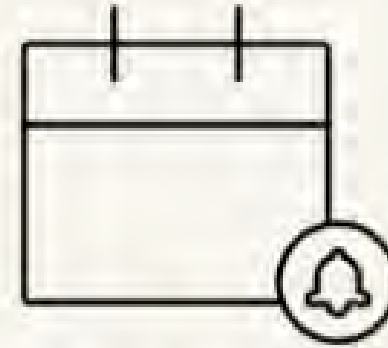


## Adelaide

Tuesday 23 May  
10am

**Adelaide  
Convention Centre**

North Terrace,  
Adelaide

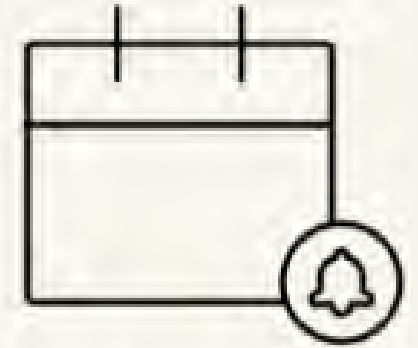


## Brisbane

Wednesday 24 May  
10am

**Sofitel Brisbane  
Central**

249 Turbot Street,  
Brisbane



## Sydney

Thursday 25 May  
2pm

**Amora  
Hotel**

11 Jamison Street,  
Sydney

# 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 Investments Limited (ACN 007 519 520) and Argo Global Listed Infrastructure Limited (ACN 604 986 914). ASCO's Financial Services Guide is available on request or at [argoinvestments.com.au](https://argoinvestments.com.au) or [argoinfrastructure.com.au](https://argoinfrastructure.com.au).

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# Your presenters



**Jason Beddow**  
Managing Director  
*BEng, GdipAppFin(SecInst)*



**Andy Forster**  
Senior Investment Officer  
*BComm (Hons), CFA*



**Brydie Lloyd-Roberts**  
Investment Analyst  
*BComm*

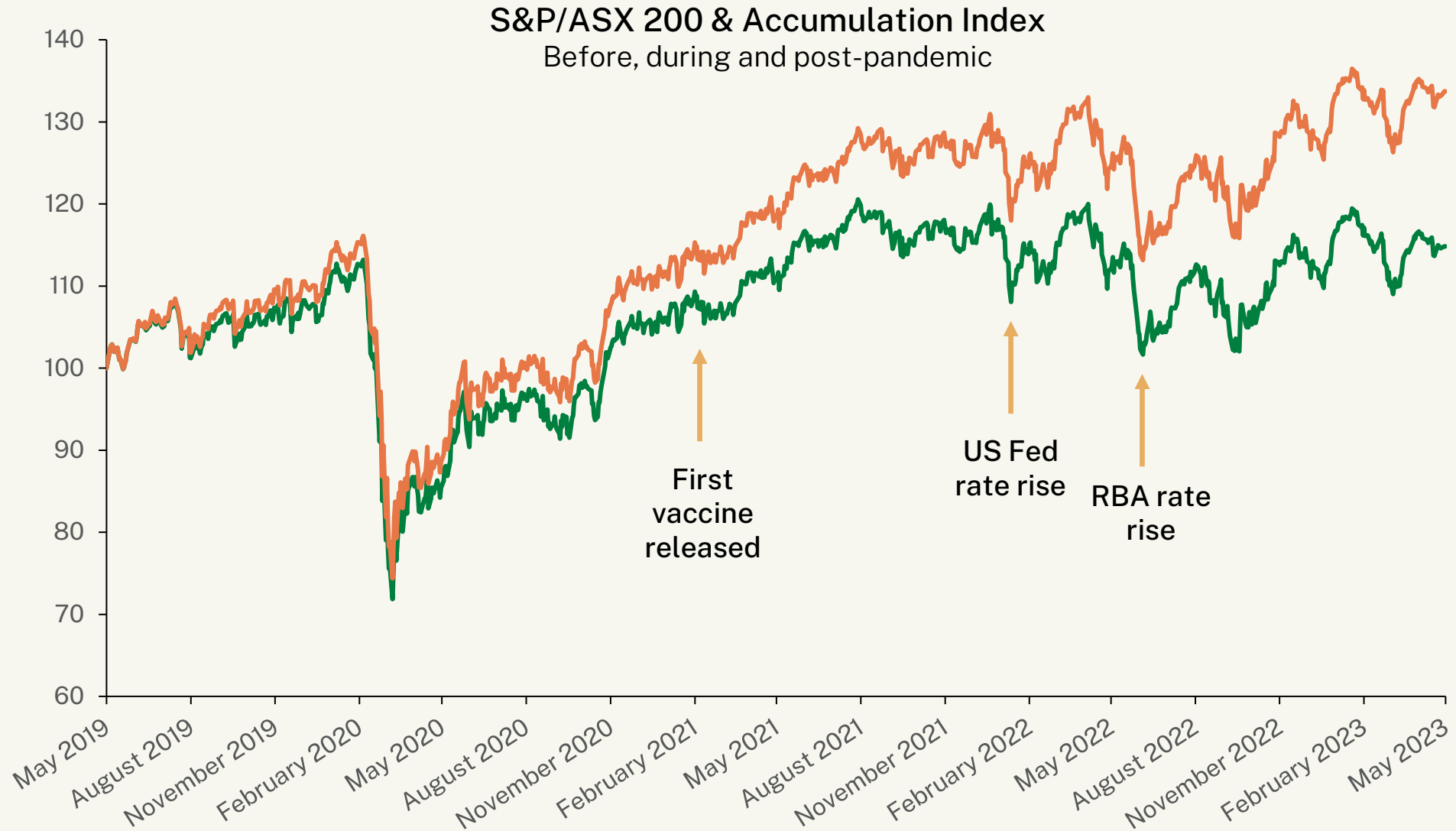


**Colin Whitehead**  
Investment Analyst  
*BA (Hons) Accounting and Finance, CFA*



**Ben Morton**  
Senior Portfolio Manager at Cohen & Steers  
*BAS, MES*

# Share market performance



# Overview



Half year profit

**\$137.0 m**

Up +6.2%

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Dividend yield

**3.8%**

5.4% grossed up

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Half year earnings  
per share

**18.2c**

Up +2.2%

---

LIC capital gain

**15.0c**

For FY2022 per share

---

Interim dividend, fully  
franked per share

**16.5c**

Up +3.1%

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MER

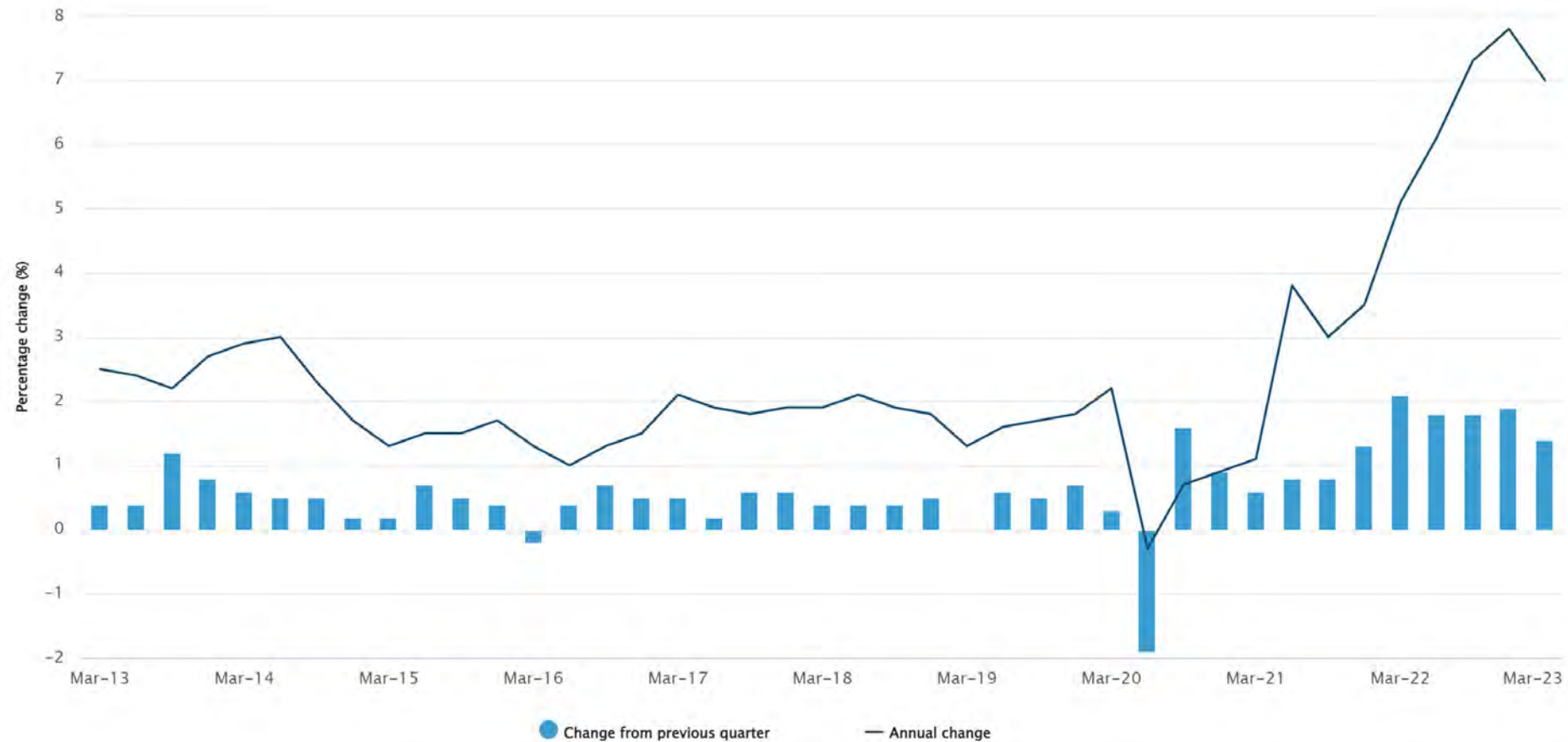
**0.16%**

Management expense ratio

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# Inflation remains persistently high

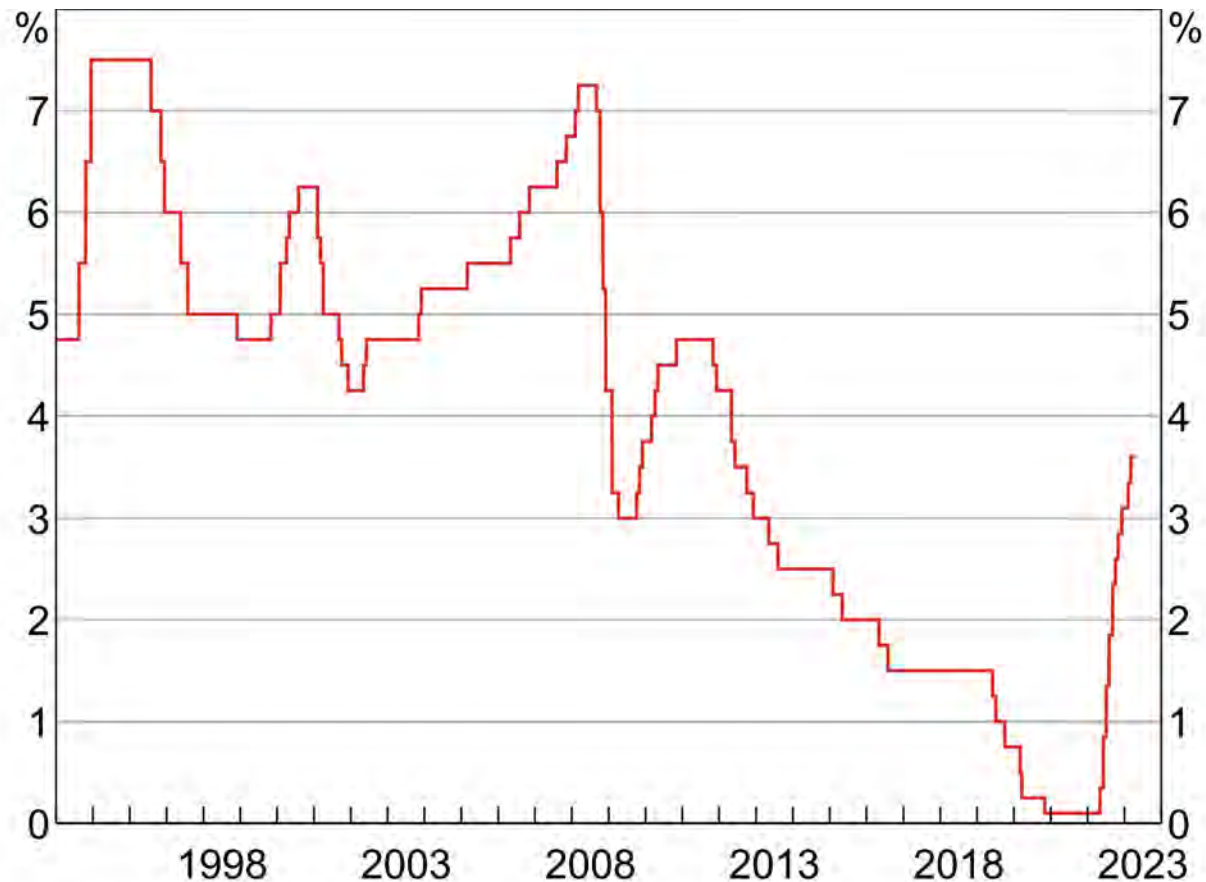
Australian Consumer Price Index  
(quarterly and annual movement)





# Sharp interest rate increases beginning to impact sentiment

Australia's official cash rate



# ...while unemployment is at historic lows

Australia Unemployment Rate vs Pauses in RBA Hiking Cycle



# Australian banks in good shape



Half year profit  
**\$4.0 billion**  
up 22.0%

Interim dividend  
**\$0.70 per share**  
up 14.8%



Half year profit  
**\$4.0 billion**  
up 11.7%

Interim dividend  
**\$0.83 per share**  
up 13.7%



Commonwealth Bank

Half year profit  
**\$5.2 billion**  
up 10.0%

Interim dividend  
**\$2.10 per share**  
up 20.0%



Half year profit  
**\$3.5 billion**  
flat 0.0%

Interim dividend  
**\$0.81 per share**  
up 12.5%

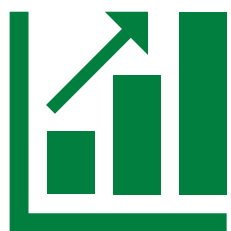


Full year profit  
**\$5.2 billion**  
up 10.1%

Full year dividend  
**\$7.50 per share**  
up 20.6%



# Banks reporting season: key themes



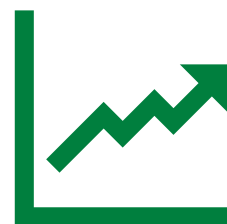
Net interest margin  
strong, but peaking



Strong  
capital position

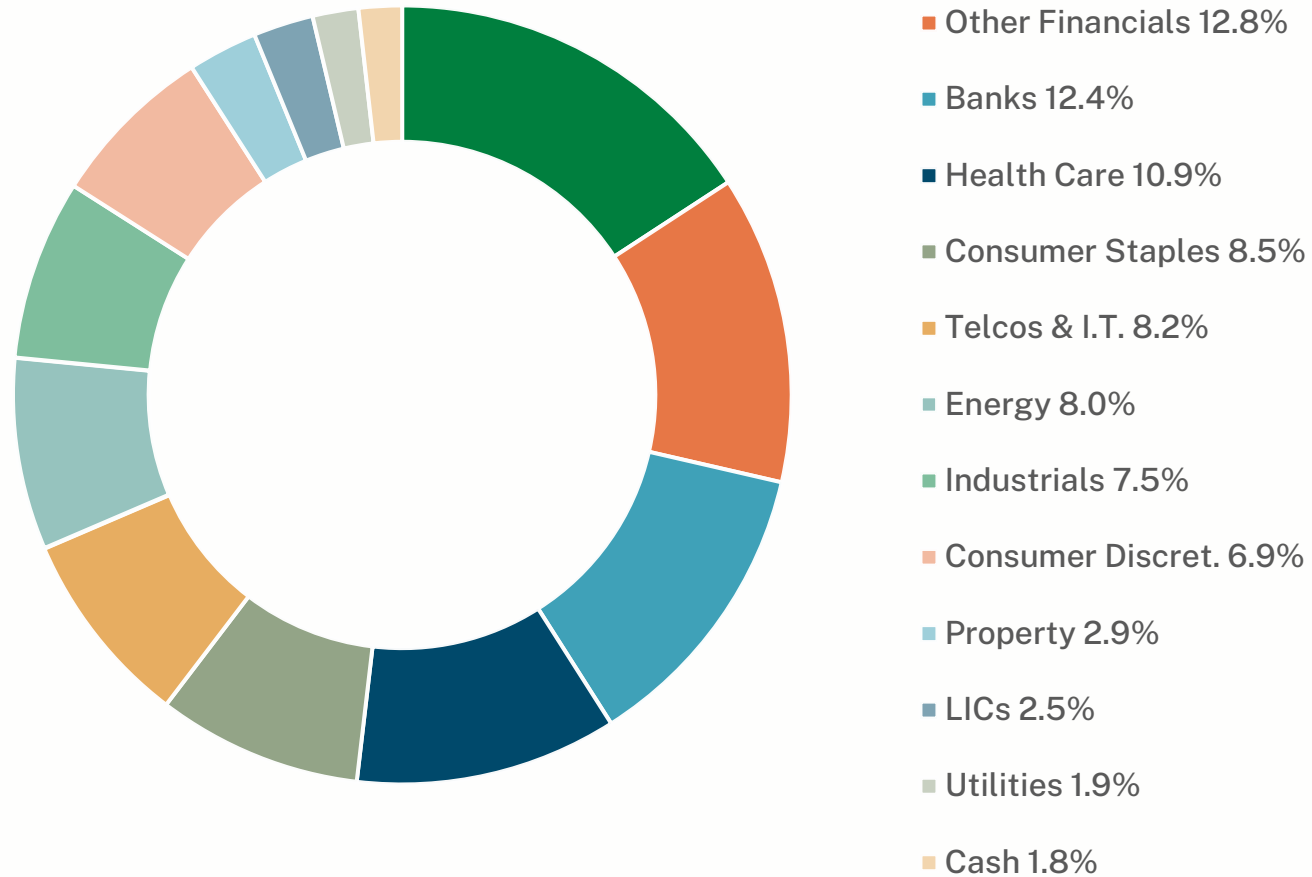


Bad debts  
remain low



Higher  
dividends

# Diversified portfolio



*Figures above are to 30 April 2023.*



# Top 20 holdings



Figures above are to 30 April 2023.

# Recent portfolio movements

## Purchases

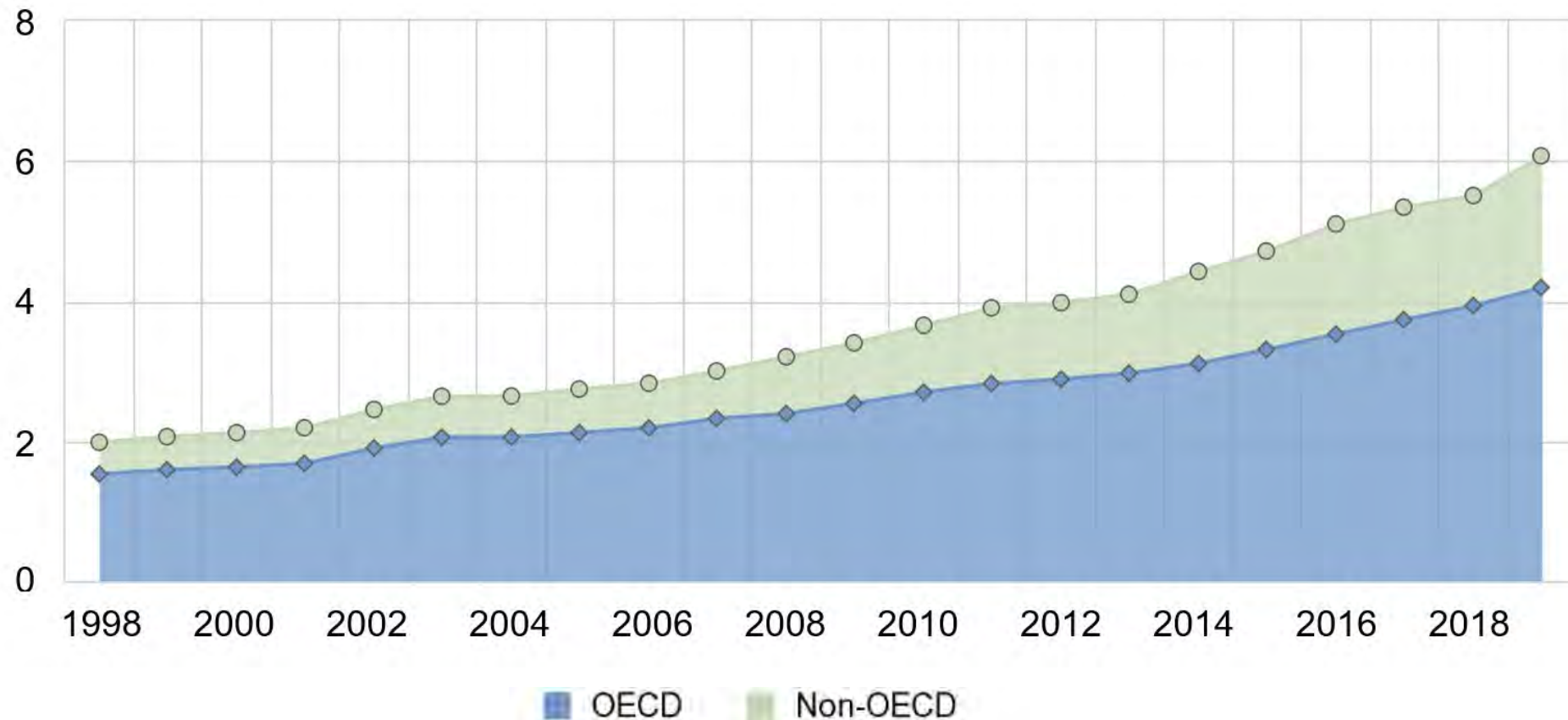


## Sales



# Stock in focus: IDP Education

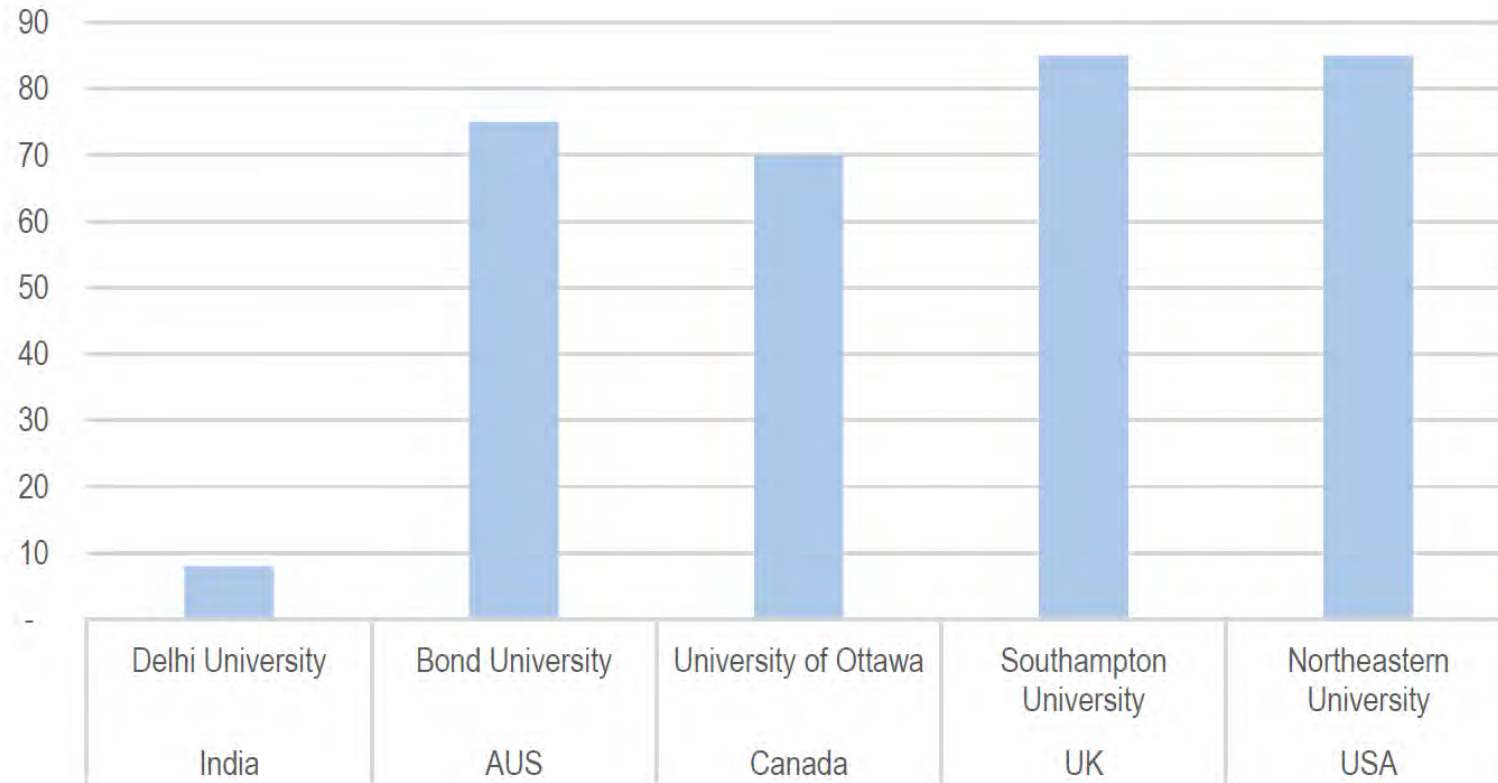
Growth in international or foreign enrolment in tertiary education worldwide  
(in millions of students)



# Stock in focus: IDP Education



Indicative graduate average salary per institution / nation  
('000,US\$)



# Structural drivers generating battery demand



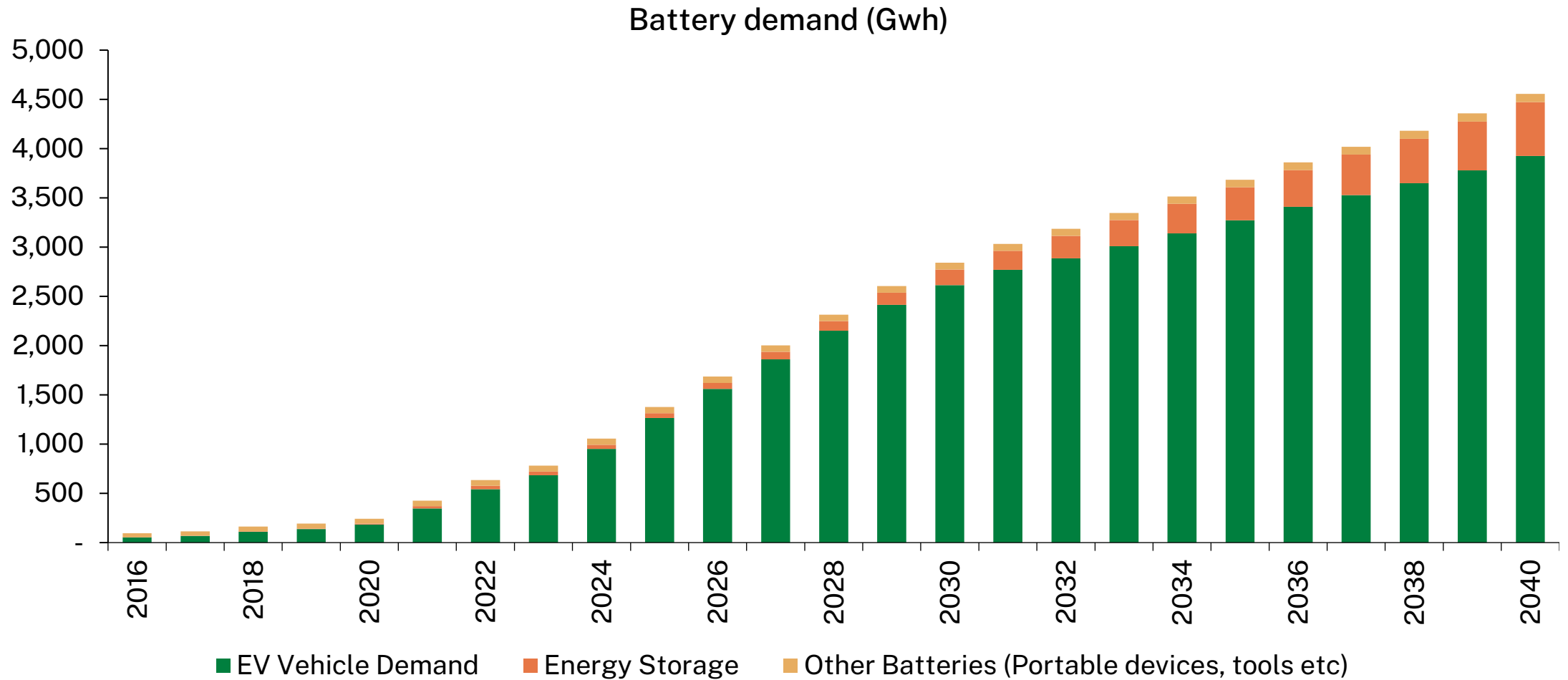
Decarbonisation &  
electrification



Government incentives &  
regulations

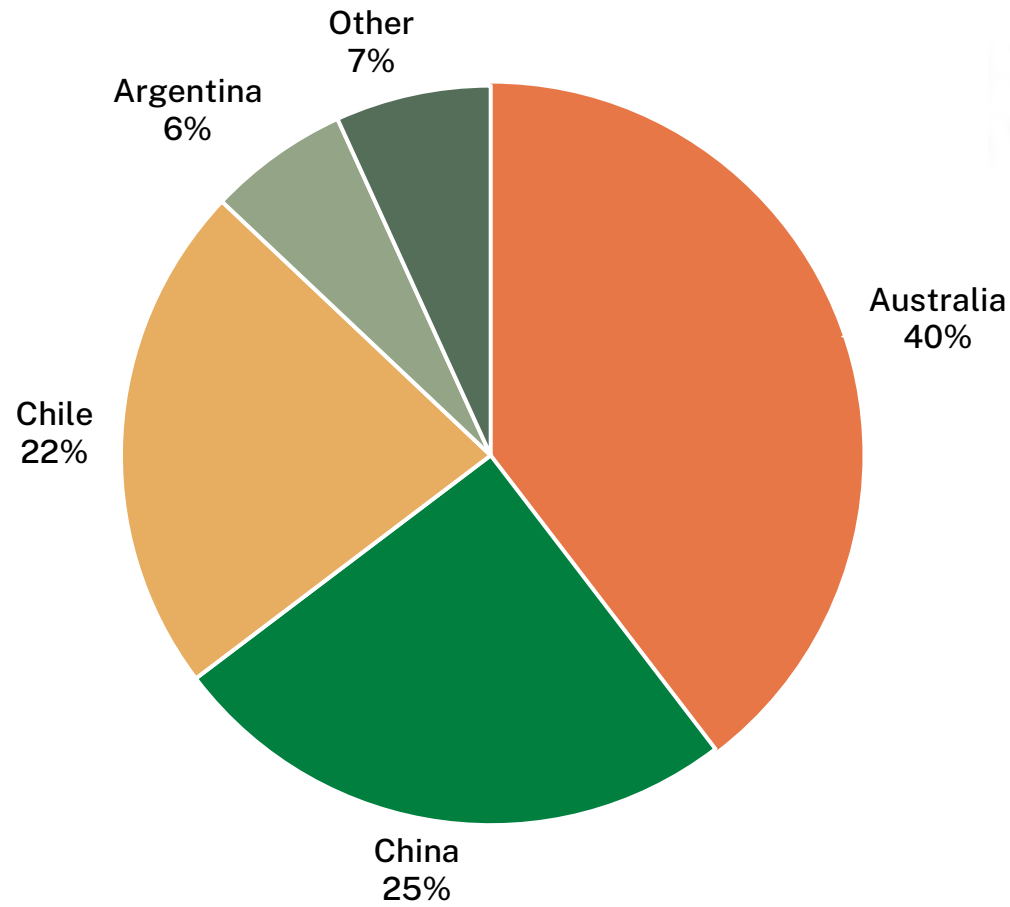


# Battery demand forecast to surge

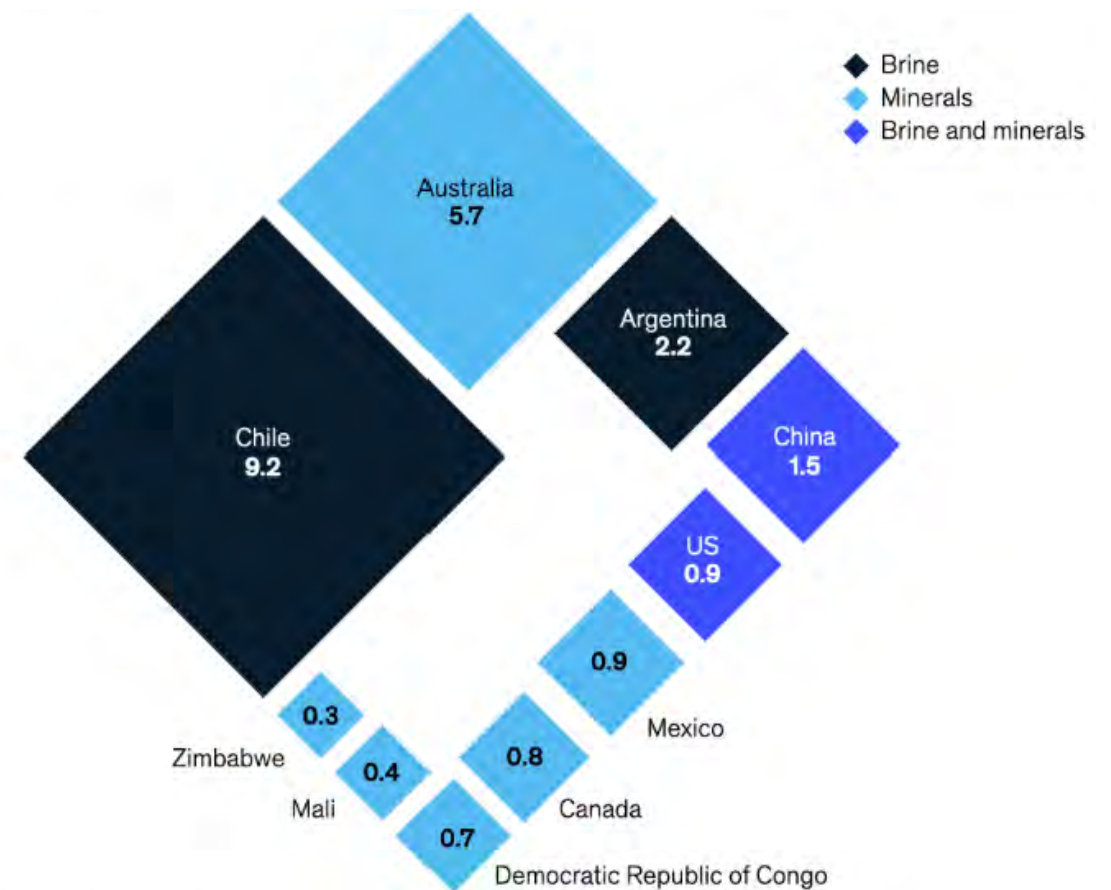


# Australia dominates global lithium mine supply

Lithium production by country



Top 10 countries with largest lithium reserves\*





# Australian lithium projects hit boom time!



Source: Goldman Sachs



# Argo's exposure to lithium

 **Allkem**

**RioTinto**

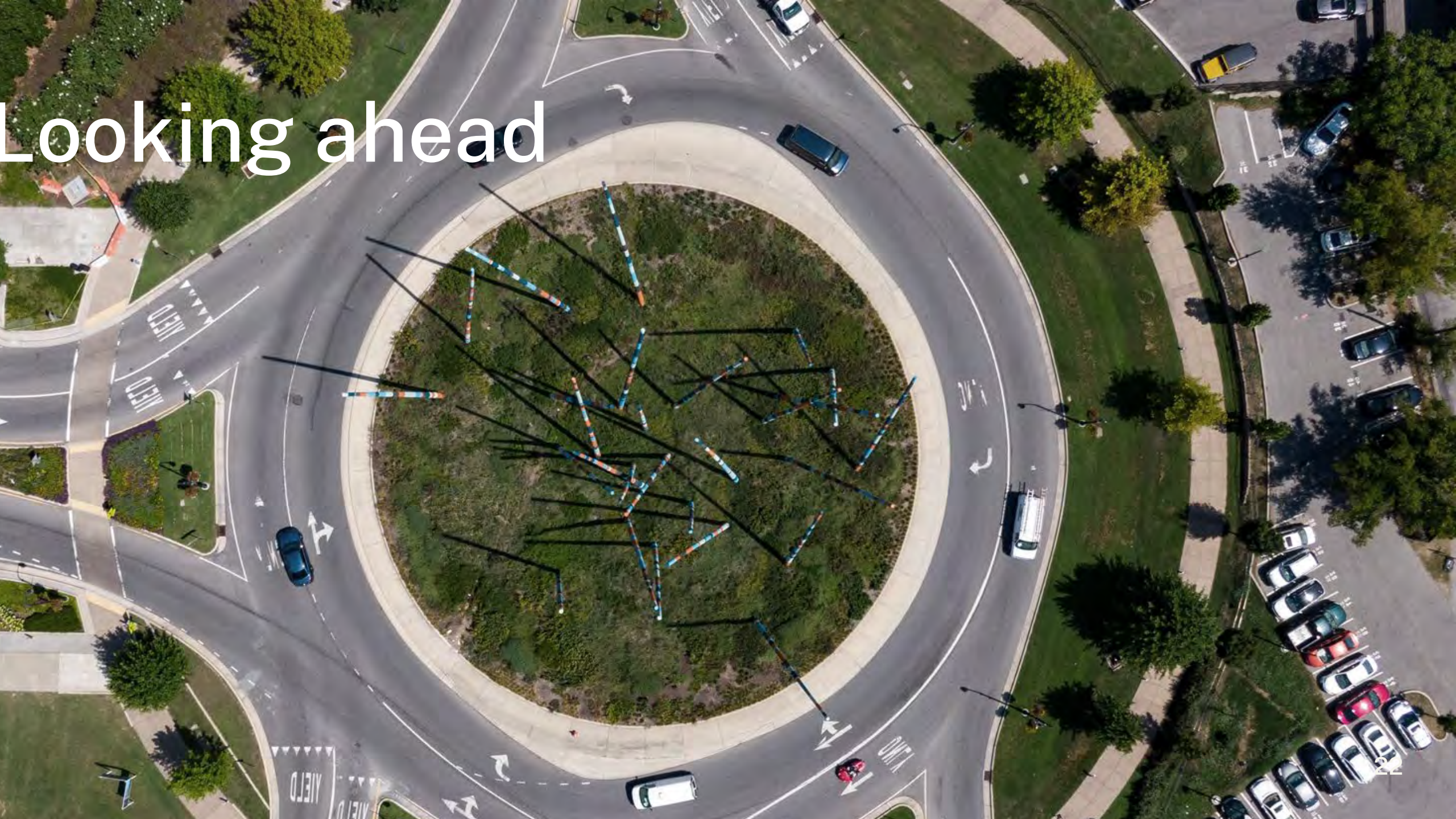


 **Liontown**

  
**Wesfarmers**



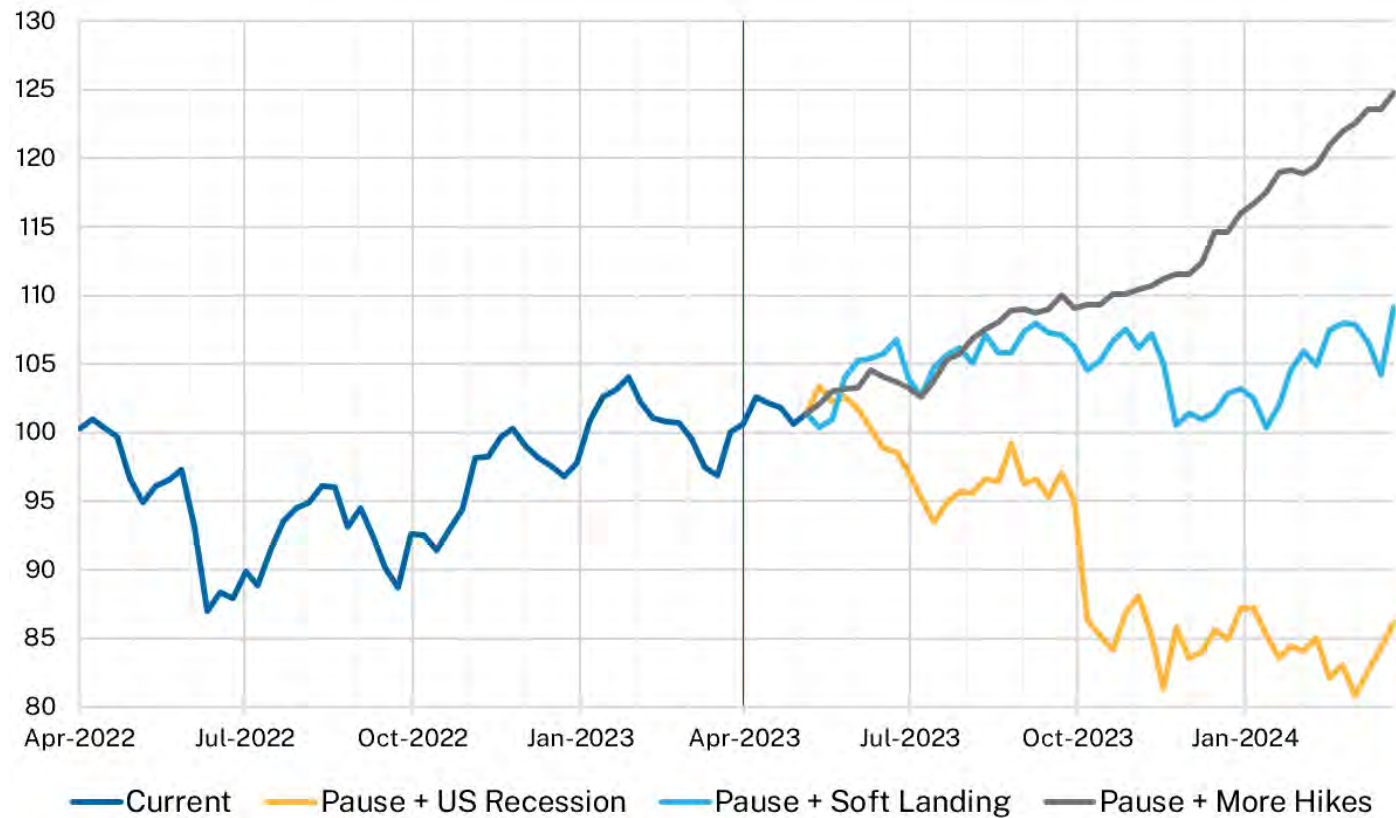
Looking ahead





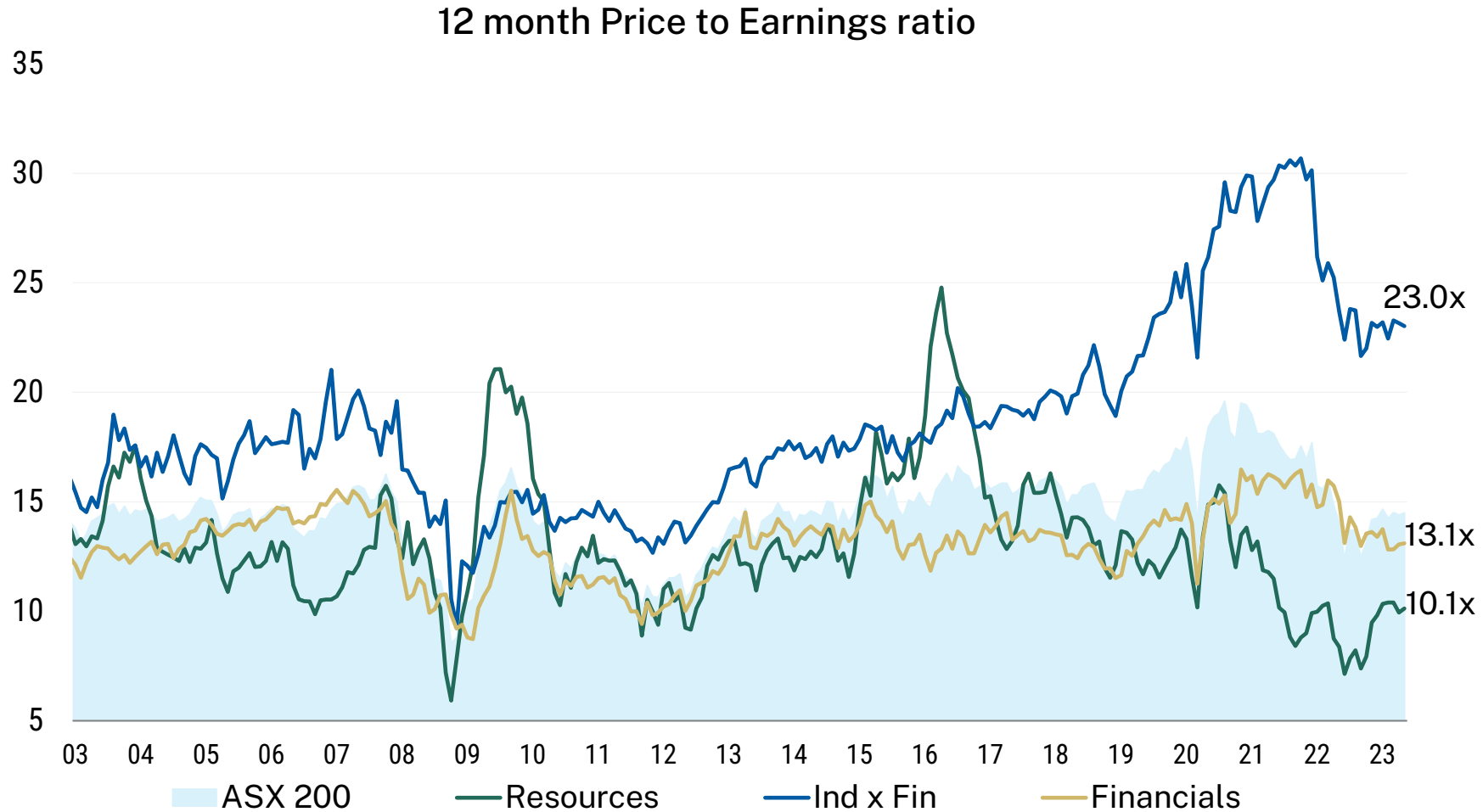
# Outlook: various possible scenarios

Potential Paths of ASX 300 Total Returns After  
Pause in RBA Hiking Cycle



Source: Macquarie. Data is based on past cycles and is not a forecast.

# Outlook: PE forecasts



# Overview

ASX code

ALI

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Dividend yield

3.8%

5.4% grossed up

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Manager

Argo  
Investments

---

Consecutive fully  
franked dividends

10

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Portfolio Manager

Cohen &  
Steers

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Market  
capitalisation

\$400m

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# Key considerations for investors

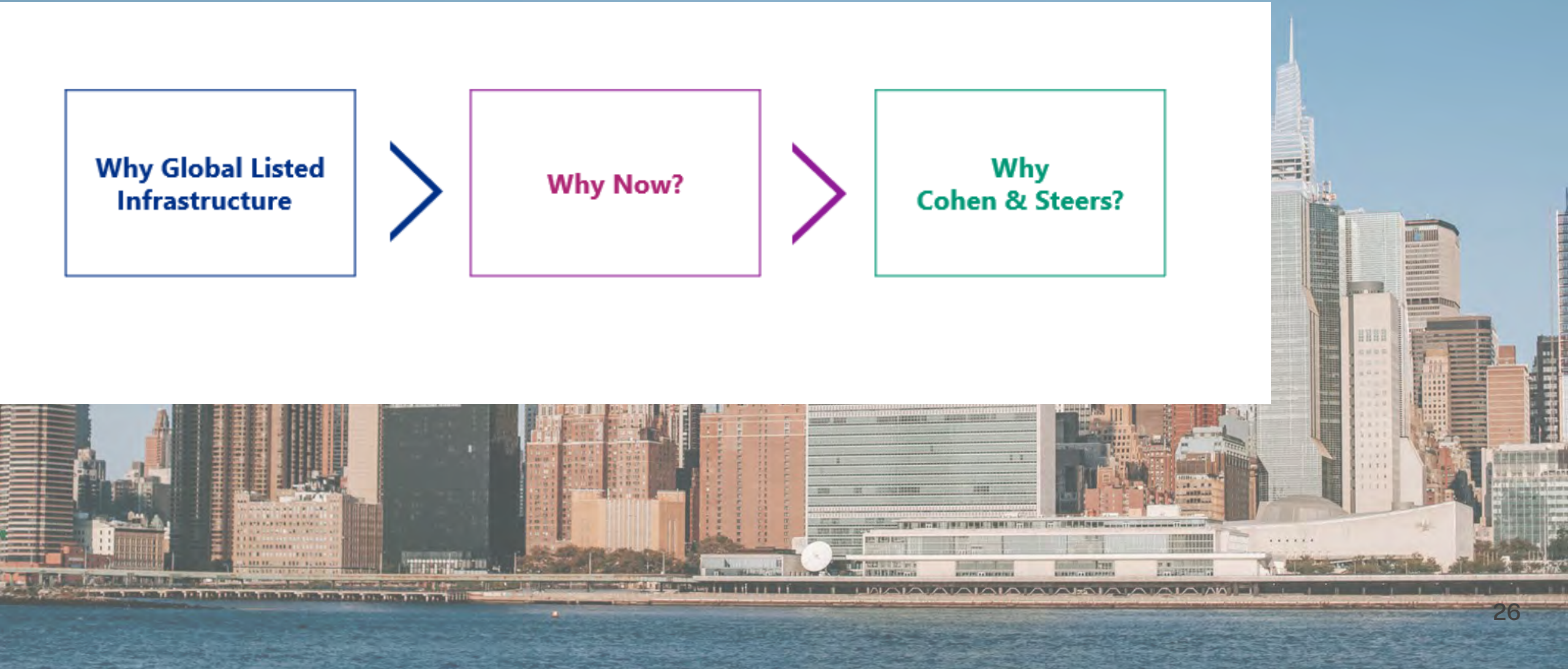
**Why Global Listed  
Infrastructure**



**Why Now?**



**Why  
Cohen & Steers?**





# Infrastructure is essential for economic growth

## Characteristics of Global Listed Infrastructure

- Long-lived real assets
- Often regulated or concession-based
- High barriers to entry
- Inflation-linked pricing

### Communications

Wireless towers, satellites, data centers



### Midstream Energy

Energy transportation, gathering & processing, storage



### Transportation

Toll roads, marine ports, railways, airports



### Utilities

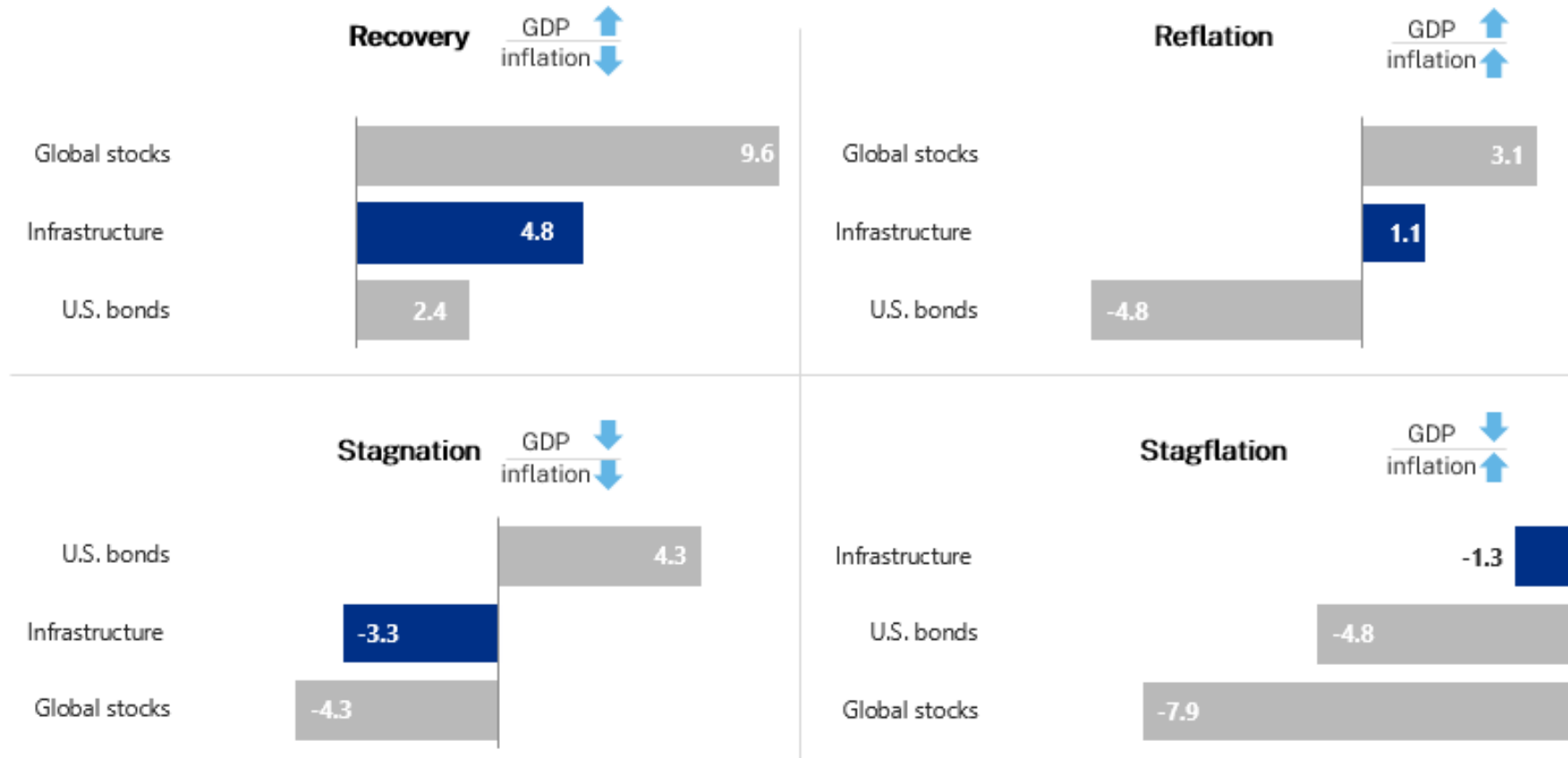
Electric, gas, water, renewables





# Differentiated behavior in growth and inflation regimes

Relative real return by category vs. long-term average (1978–2022)



# Defensive in times of market stress

## Scenario analysis of large drawdowns in global equity markets

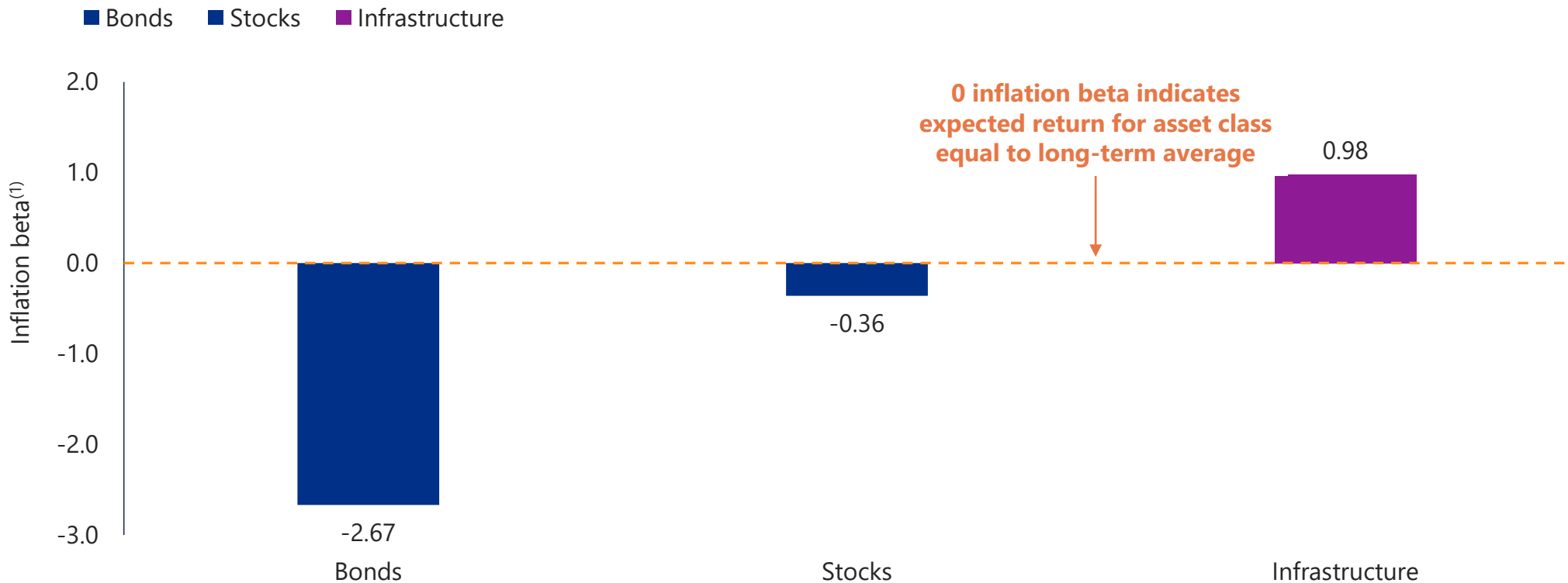
	Start Date	End Date	Global Listed Infrastructure <sup>(1)</sup> (%)	Global Equities <sup>(2)</sup> (%)	Rel Return (%)	Note
1	2/23/2007	3/5/2007	-3.46	-5.90	2.44	February Correction.
2	10/11/2007	1/22/2008	-6.17	-16.65	10.48	4th Quarter correction, US Economic data slows; banking/mortgage crisis grows.
3	9/14/2008	3/9/2009	-35.80	-45.75	9.95	Global Financial Crisis.
4	5/3/2010	5/25/2010	-11.57	-12.53	0.96	May 2010 Correction. Eur debt crisis; Monetary/Resi tightening in China; Japan falls on rising Yen.
5	7/26/2011	8/8/2011	-13.32	-15.53	2.21	August 2011 Correction. Economic slowdown; Euro Crisis Flare-up; Debt ceiling debate; UST downgrade.
6	5/21/2013	6/20/2013	-8.21	-6.20	-2.01	Taper Tantrum - Fed suggests possibly reducing monetary expansion; 10 Yr. U.S. T-Bond moves up from 1.93% to 2.42%.
7	5/19/2015	2/11/2016	-13.15	-17.60	4.45	High Yield Bond Spreads Widen (+385 bps), USD Strengthens and Oil moves to lower (\$58 to \$26); Russell 1000 Growth outperforms 1000 Value by 4.6%.
8	1/26/2018	2/8/2018	-7.69	-9.03	1.34	Russell 1000 Growth outperforms 1000 Values by 3.5%; Yield on 10 Year U.S. T-Bond moves higher from 2.25% to 2.46% (+21 bps).
9	9/27/2018	12/24/2018	--5.76	-17.35	11.59	4Q 2018 Market Correction; Economic slowdown; continued trade tensions, falling oil prices, rising political disruption around the world.
10	2/19/2020	3/23/2020	-35.22	-33.97	-1.25	COVID-19 pandemic and subsequent economic slowdown; OPEC+ market share war and oil supply glut
11	1/1/2022	12/31/2022	-4.10	-18.14	14.04	2022 Market Correction, high inflation, supply chain disruptions, Russia/Ukraine War
Average Relative Outperformance					4.93	

Source: Morningstar, Cohen & Steers

(1) Composite results are comprised of Cohen & Steers Global Listed Infrastructure accounts. Information is provided as supplemental to the composite performance disclosure available at the end of this presentation.  
 (2) Global Equities represented by the MSCI World Index (Net).

# Global Listed Infrastructure has historically benefitted from unexpected inflation

% Outperformance vs long-term average for every 1% Y/Y inflation surprise  
May 1991 – March 2023





# Why infrastructure now

**Supportive secular drivers**

**Differentiated performance profile**

**Supported valuations**

**Key sub-sector themes**



# Global Listed Infrastructure outlook



Utilities



Midstream Energy



Transportation

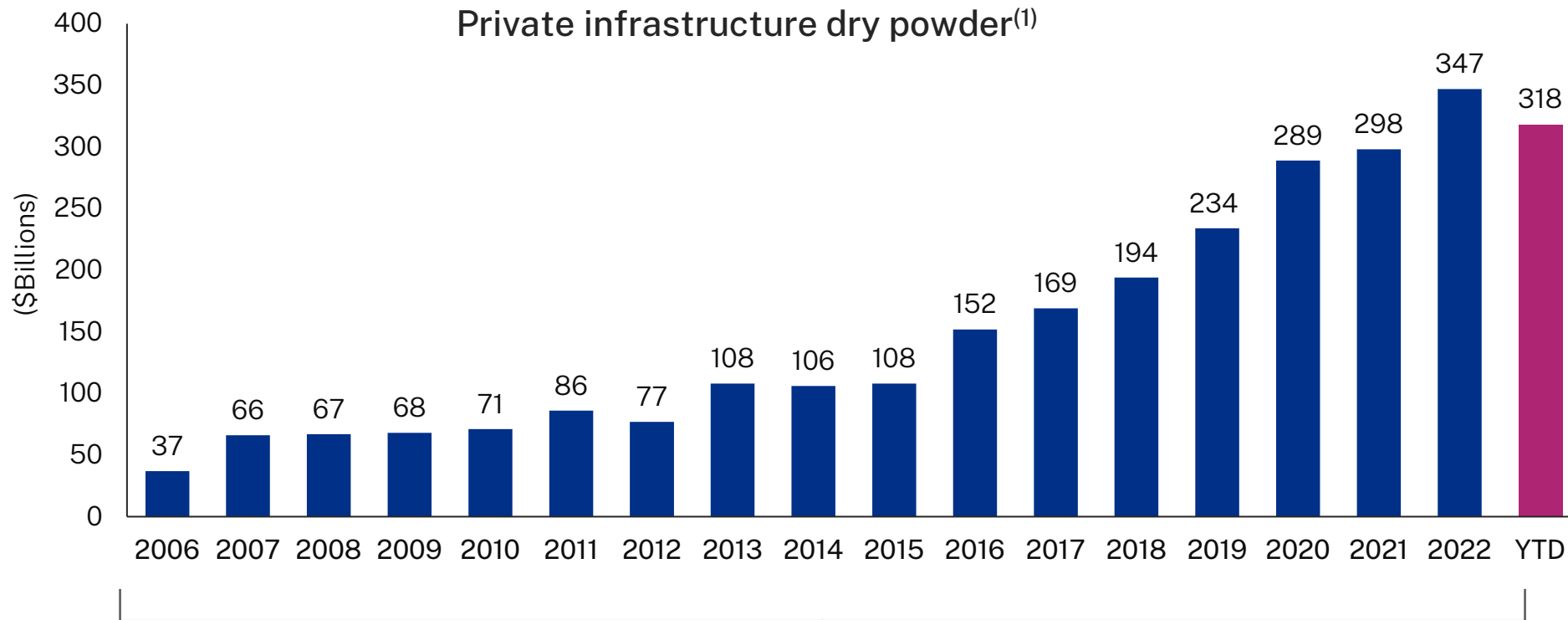


Telecommunications





# Record dry powder creating a valuation floor



Over \$318B

in assets on the sidelines. This could cause private investors to chase a limited number of deals, with increased competition possibly driving down returns



# Cohen & Steers Global Listed Infrastructure Strategy

1	Objective	<ul style="list-style-type: none"><li>• Maximize total return with a balance of capital appreciation and income</li><li>• Outperform benchmark</li></ul>
2	Philosophy	<ul style="list-style-type: none"><li>• Returns are generally driven by underlying asset values</li><li>• Access to a diversified portfolio of infrastructure without committing high levels of capital needed for private investments</li><li>• Inefficient markets provide opportunities for active managers to add value</li><li>• Management teams able to create value beyond the underlying assets</li></ul>
3	Approach	<ul style="list-style-type: none"><li>• Combines proprietary top-down, macro-level sector and country analysis and bottom-up, company-level research</li><li>• Diversification within a portfolio by sub-sector and geographic region</li></ul>



# Global Listed Infrastructure top holdings

Top ten holdings	Portfolio %
NextEra Energy Inc.	6.43
CSX Corporation	3.81
Sempra Energy	3.72
Grupo Aeroportuario De Sur-B	3.56
Transurban Group	3.48
Canadian Pacific Kansas City	3.16
National Grid PLC	3.09
Exelon Corporation	2.84
PPL Corporation	2.71
Union Pacific Corporation	2.57
<b>Total</b>	<b>35.37</b>





# Key holding: Towers



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## SBA Communications Corporation

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### Overview

- SBA is an owner of wireless infrastructure globally. 85% of its cash flows are in the US. The company leases space in its macro cell towers to carriers under L/T contracts. A decade long investment cycle to deploy 5G drives leasing growth for SBAC.
- Strong free cash flow generation allows management to buyback shares and/or make acquisitions.

Portfolio weight      2.48%

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# Key holding: Railways



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## Canadian Pacific Kansas City

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### Overview

- Transports primarily agricultural and energy commodities alongside growing automotive volumes.
- Operates over 20,000 route miles and serves eleven container ports across the pacific and gulf and provides direct access to the growing Mexican industrial markets.
- Long-term opportunity of integrating with recently acquired Kansas City Southern rail provides above average visible growth.

Portfolio weight      3.20%

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# Key holding: Utilities



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## NextEra Energy Inc.

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### Overview

- NextEra generates electricity through wind, solar, and natural gas as well as nuclear power units and provides distribution services.
- Provides retail and wholesale electric services to more than 5 million customers.
- \$90 billion of capital deployments planned between 2022-2025.

Portfolio weight      6.46%

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# Key holding: Airports



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## Asur

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### Overview

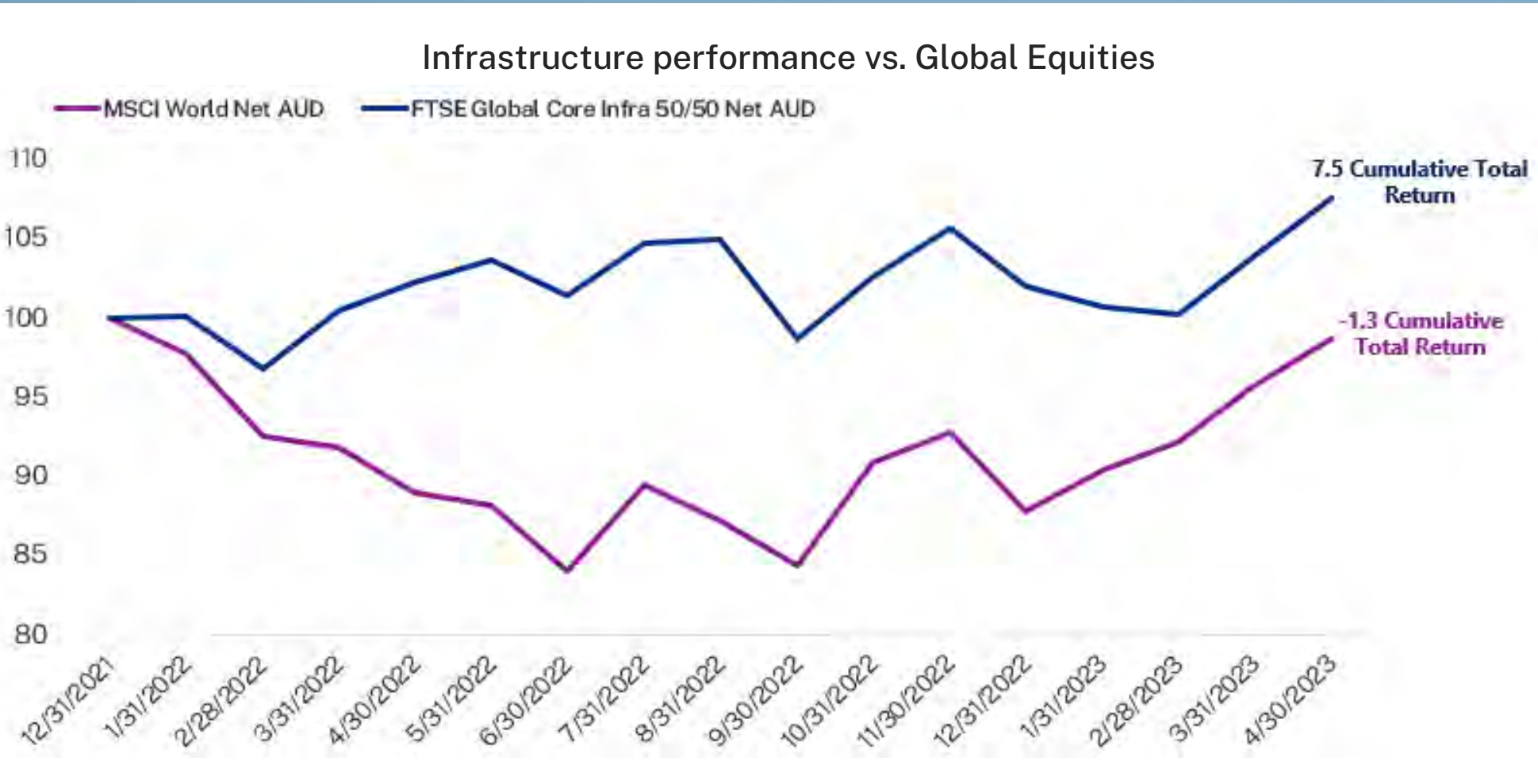
- ASUR is a Mexico-based company which holds concessions to operate, maintain and develop nine airports, including Cancún.
- The company benefits from attractive traffic growth, opportunities to grow commercial revenues and invest in its regulated business to improve and expand its airports.

Portfolio weight      3.59%

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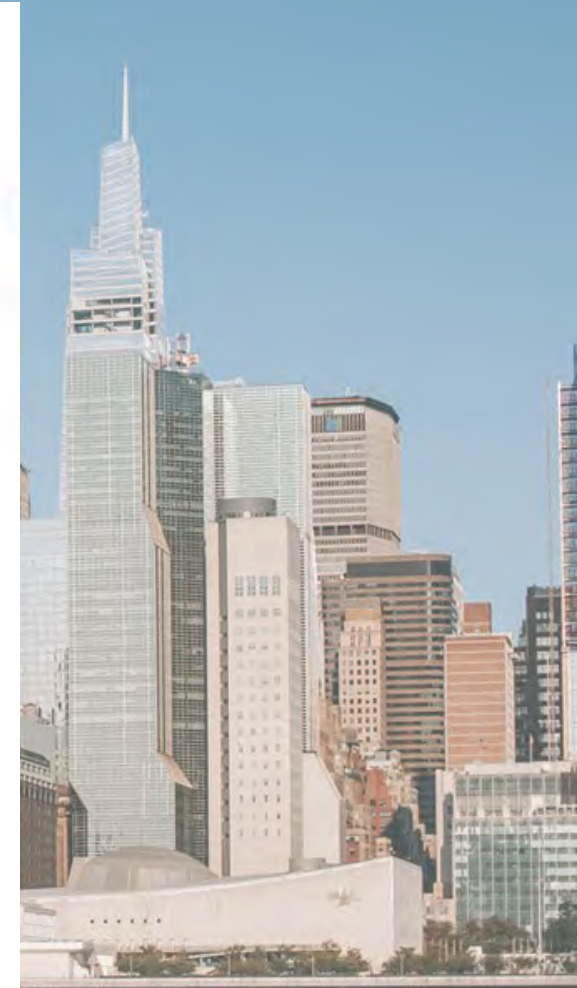


# Infrastructure performance remains strong following significant downside protection in 2022 to now



At April 30, 2023 in A\$.

Infrastructure represented by FTSE Global Core Infra 50/50 NR AUD . Global Equities represented by the MSCI World NR AUD.



# Global Listed Infrastructure performance attribution

Relative to the FTSE Global Core Infrastructure 50/50 Index, 1 Year

Relative performance for the period: +229 basis points

Contributors	Basis points	Comments
Electric	+176	Underweight Dominion Resources No position in Adani Transmission
Marine Ports	+62	Overweight Santos <u>Brasil</u> and Royal Vopak
Midstream	+33	Overweight Cheniere Energy and Targa Resources
Detractors	Basis points	Comments
Gas Distribution	-32	Out of bench position in <u>Altagas</u> No position in Centrica
Water	-31	Overweight Pennon Group
Communications	-10	Overweight SBA Communications No position in Iridium Communications





# Global listed infrastructure team

## Portfolio managers

**Ben Morton**  
Head of Global Listed  
Infrastructure,  
Senior Portfolio Manager  
New York  
20/25

**Thuy Quynh Dang**  
Portfolio Manager  
London  
12/23

**Tyler Rosenlicht**  
Portfolio Manager  
New York  
11/14

## Research analysts & associates

**Christopher DeNunzio**  
Managing Analyst  
New York  
6/8

**Humberto Medina**  
Senior Analyst  
New York  
13/23

**Grace Ding**  
Senior Analyst  
Hong Kong  
13/17

**João Monteclaro Cesar**  
Senior Analyst  
Hong Kong  
4/14

**Andrew Burd**  
Senior Analyst  
New York  
5/13

**Trent Mangold**  
Analyst  
New York  
3/5

**Stefano Bezzato**  
Analyst  
London  
1/23

**Angelo Magli, CFA**  
Senior Associate  
London  
2/6

## –Portfolio specialists–

**Michelle Butler**  
Senior Portfolio  
Specialist  
10/27

**Evan Serton**  
Senior Portfolio  
Specialist  
17/24



# Cohen & Steers' competitive advantages

Experienced global  
investment team

Cycle-tested record

Substantial market  
position

Dedicated real assets  
manager

Unique and rigorous  
investment process

Alignment of interest



# Summary

## Why Invest in global listed infrastructure

- Massive infrastructure investments are needed globally
- Historically compelling risk-adjusted returns with attractive income component
- Low long-term correlations to broad stock and bond markets
- Liquidity of listed market provides ability to invest and manage a portfolio efficiently
- Access to large, diverse universe
- Investor-friendly terms compared with long lock-up periods and high fees associated with private infrastructure investments

## Why Cohen & Steers

- Cohen & Steers is a pioneer and leader in the listed real assets space; listed infrastructure is core strategy for firm
- Disciplined process that combines top-down and bottom-up research
- Strong 18-year+ track record, outperforming in both up and down markets
- Dedicated team with significant experience and global presence; current investment team members have been on the team since inception
- Ownership structure promotes independence and continuity



# Footnotes

## Slide titled 'Differentiated behavior in growth and inflation regimes'

At December 31, 2022. Source: Cohen & Steers proprietary analysis, Survey of Professional Forecasters, University of Michigan Survey of Consumers.

Returns represent annualized average, categorized according to whether U.S. gross domestic product and the U.S. Consumer Price Index were above or below their prior-year estimates, based on the Philadelphia Federal Reserve Survey of Professional Forecasters 4-quarter-ahead real GDP forecast and the University of Michigan Survey of 1-Year Ahead Inflation Expectations, respectively. Percent of periods represented in each regime: Recovery: 24%, Reflation: 25%, Stagflation: 16%, Stagnation: 35%.

Past performance is no guarantee of future results. The information presented above does not reflect the performance of any fund or other account managed or serviced by Cohen & Steers, and there is no guarantee that investors will experience the type of performance reflected above. Global Stocks represented by MSCI World Index. Infrastructure represented by 50% Datastream World Gas, Water, & Multi-Utilities/30% Datastream World Pipelines/20% Datastream World Railroads through December 2002; Dow Jones Brookfield Global Infrastructure Index thereafter. Bonds represented by ICE BofA U.S. 7-10 Year Treasury Index.

## Slide titled 'Differentiated Global Listed Infrastructure has historically benefitted from unexpected inflation

Data quoted represents past performance, which is no guarantee of future results. An investor cannot invest directly in an index and index performance does not reflect the deduction of any fees, expenses or taxes. Index comparisons have limitations as volatility and other characteristics may differ from a particular investment. There is no guarantee that any historical trend illustrated above will be repeated in the future, and there is no way to predict precisely when such a trend will begin. The information presented above does not reflect the performance of any fund or other account managed or serviced by Cohen & Steers, and there is no guarantee that investors will experience the type of performance reflected above. The views and opinions are as of the date of publication and are subject to change without notice. The mention of specific sectors is not a recommendation or solicitation to buy or hold a particular security in a sector and should not be relied upon as investment advice.

(1) Inflation beta was determined by calculating the multivariate regression beta of 1-year real returns to the difference between the year-over-year realized inflation rate and lagged 1-year ahead expected inflation, including the level of the lagged expected inflation rate. Expected inflation as measured reflects median inflation expectation from University of Michigan Survey of 1-Year Ahead Inflation Expectations. Beta is a measure of the volatility of a security or a portfolio in comparison to the market as a whole. A real rate of return is the annual percentage return realized on an investment, which is adjusted for changes in prices due to inflation.

Stocks represented by S&P 500 Index. Bonds represented by ICE BofA U.S. 7-10 Year Treasury Index Infrastructure represented by 50/50 Blend of Datastream World Pipelines and Datastream World Gas, Water, & Multi-Utilities through December 2002; Dow Jones Brookfield Global Infrastructure Index thereafter.

## Slide titled 'Record dry powder creating a valuation floor'

(1) As defined by Preqin, Dry Powder is the amount of capital that has been committed to a private equity fund minus the amount that has been called by the general partner for investment. Preqin Dry Powder figures represent dry powder for all private funds reporting data at March 31, 2023, unless otherwise noted.

## Slide titled 'Cohen & Steers Global Listed Infrastructure performance

(1) The Linked FTSE Global Core Infrastructure 50/50 Net Tax Index is represented by the performance of 90% FTSE Global Core Infrastructure 50/50 Net Tax Index / 10% ICE BofAML Fixed Rate Preferred Index through 6/30/17, and the FTSE Global Core Infrastructure 50/50 Net Tax Index thereafter. The FTSE Global Core Infrastructure 50/50 Net Tax Index is a market-capitalization-weighted index of worldwide infrastructure and infrastructure-related securities and is net of dividend withholding taxes. Constituent weights are adjusted semi-annually according to three broad industry sectors: 50% utilities, 30% transportation, and a 20% mix of other sectors, including pipelines, satellites, and telecommunication towers.





OPRA

An aerial photograph of a group of surfers on clear, turquoise water. The surfers are scattered across the frame, some standing on their boards and others in the water. The water's surface is textured with small waves and ripples. The overall scene is bright and sunny, suggesting a warm day at the beach.

Find out more  
[argoinvestments.com.au](https://argoinvestments.com.au)  
[argoinfrastructure.com.au](https://argoinfrastructure.com.au)