Annual Meeting of Shareholders
Infratil Limited

HYBRID MEETING

TUESDAY, 18 AUGUST 2026 AT 2:30 PM NZST

Chair's address

Tēnā koutou katoa. Good afternoon and welcome to Infratil's 32nd Annual Shareholder Meeting.

I am Alison Gerry, your Board Chair.

I confirm that a quorum of shareholders is present and declare the meeting open.

The minutes from our last annual meeting have been approved and I will take the Notice of Meeting for today's meeting as read.

I'll start today's agenda with a brief overview of Infratil's progress in delivering value to shareholders and the areas the Board has been focused on.

Infratil CEO Jason Boyes will then provide his view on how Infratil and its portfolio companies are performing, and the outlook from here.

We'll then have an opportunity for shareholder questions before moving to the formal resolutions and voting.

Following the meeting, directors will also be available here in Wellington to talk with shareholders over afternoon tea.

Today's meeting is a hybrid format and we welcome those shareholders who have joined us here in the room in Wellington, as well as those who have joined online.

This slide shows the virtual meeting platform. The boxes indicate where to click to get a voting card and how to ask a question. If you need help, you can also call the number displayed in the blue bar at the top of the platform.

I would like to introduce the rest of your Board to you. Joining me in the room today are:

- Jason Boyes – Jason is Infratil's Chief Executive and he is seeking re-election today.
- Andrew Clark – Andrew has joined us from Melbourne and is a member of the Audit and Risk Committee.
- Paul Gough – Paul has travelled from London and is our longest serving director. He is a member of the Manager Engagement Committee.
- Kirsty Mactaggart - Kirsty is Chair of the Manager Engagement Committee and a member of the Audit & Risk committee.
- Peter Springford – Peter is a member of the Manager Engagement Committee and is retiring from the Board today after almost a decade. We'd like to acknowledge his contribution in materially enhancing Infratil's growth. He has been a strong steward of shareholder capital, and we're grateful that he has agreed to remain as an adviser to the Board for a few more months as we welcome our new directors.
- Anne Urlwin – Anne is Chair of the Audit & Risk Committee. She is seeking re-election at today's meeting.

We have announced two director appointments as part of our succession planning.

Brad Banducci is from Sydney and is here with us today. He is seeking election as a director, so you'll hear more from him shortly.

Unfortunately, our other new director, Tiffany Fuller, could not join us from Melbourne due to another long-standing board commitment. She will officially join the Infratil Board after today's meeting and will seek election next year. Tiffany brings extensive experience in corporate finance and investment banking.

We have other members of the Infratil team with us today, including:

- Andrew Carroll – who recently changed roles from Chief Financial Officer to a new Chief Operating Officer role. This role was created because of Infratil's growth. Andy is also a director of One New Zealand
- Matthew Ross – who was recently appointed from Deputy to Chief Financial Officer. Matt is also a director of Wellington Airport.

- Lee Coker – who has been appointed Head of Infratil Investment & Corporate Development
- Brendan Kevany - our Company Secretary.

Representatives from our auditors KPMG and our legal provider Chapman Tripp are also present.

The financial results were released back in May so I'll provide a brief recap.

Infratil delivered a strong performance in the financial year to the end of March. This was underpinned by an 11% uplift in earnings to almost a billion dollars.

The valuation of our asset portfolio grew by 13%, from $18 billion to more than $20 billion. And we lifted the dividend to 20.9 cents per share, up 2% on the prior year.

These results underlined one of Infratil's strengths - our geographic and sector diversity. Although our New Zealand businesses were largely constrained by ongoing softness in the domestic economy, Longroad Energy and CDC are enjoying exceptional demand in their markets and sectors. The substantial investment we've been channelling into those two businesses is beginning to deliver a strong trajectory of future growth.

Infratil's strength lies in our commitment to active management, strategic clarity, and long-term value creation.

During the year, we set the four medium-term objectives shown on the screen. These objectives were a response to Infratil's growing scale and maturity, and the new challenges and opportunities this growth brings as we continue to drive shareholder value. Jason will talk about our progress against these objectives in more detail.

I do want to underline that we are very focused on the type and scale of assets needed in Infratil's portfolio to drive ongoing out-performance and growth. This year you've seen significant progress in refining the portfolio. This has been a substantial programme of work, with more to follow.

This slide is a summary of the dashboard of the more specific activity the Board is monitoring closely.

First and foremost, our cornerstone goal is to deliver shareholders 11 to 15% returns per annum, after fees and taxes, over a 10-year period. This is based on share price growth and assuming dividends are reinvested.

Our performance against this measure is 17% per annum in the decade to the end of FY26. On a one-year basis, your return was just under 14%. This was a very pleasing outcome when you consider the impact market concerns about AI investment, and the Middle East conflict, had on global markets through the financial year.

These themes are continuing in the current financial year and underline the importance of backing quality assets, while remaining disciplined in the allocation of shareholder capital. We are very cognisant of asset and sector concentration risk, particularly with CDC's strong growth.

We have, therefore, spent time stress-testing CDC's valuation to ensure we have a good understanding of this and how to mitigate it. CDC also secured a public investment grade credit rating from Moody's Ratings in April, and this provides further support, as well as a competitive advantage.

In December, Infratil's inaugural BBB+ credit rating from S&P Global Ratings also recognised the strength, quality and resilience of our business. This has provided a welcome benefit in the form of greater funding flexibility and savings on our borrowing programme. It also means we have very clear credit metrics to operate to.

Another measure that we follow closely is our calculated net asset value, or NAV, per share after fees. Market views on value can differ from the independent or market-based valuations we use for portfolio companies. This means, for example, that Infratil's share price can lag our NAV per share where Infratil's valuations incorporate growth that is longer dated than equity markets are willing to value.

We saw this effect amplified across FY25 and FY26, with an approximately 25% discount to our assessed NAV. Market volatility was a significant driver of this discount.

That discount has closed to about 15% at more recent share price levels. We'll keep working to reduce this by helping our portfolio companies realise their growth opportunities, and by communicating our insights on future value to the market.

This communication is carried out through an extensive investor relations programme, ranging from our newsletters and retail roadshows, through to a growing schedule of global engagement with institutional investors.

At the same time, we're implementing initiatives to help investors better understand our business. These have included publishing valuation and fee models, and continuing to enhance our disclosure. New reporting on CDC's future contracted capacity is a good example of the latter.

ESG reporting is another focus because decisions grounded in responsible stewardship are part of creating long-term value and managing risk. We ranked first globally in our sector in one ESG reporting provider's infrastructure asset assessment, and we were recognised as the top Regional Leader for Asia-Pacific by another ratings provider.

I've already touched on portfolio strategy and will leave Jason to go into more detail. However, I would note that portfolio company relationships and resourcing are an area we are paying more attention to.

For example, greater collaboration between portfolio companies is an area where we see the potential to unlock more synergies and value. You've seen an example of this announced in the last week, with Contact Energy and CDC exploring a New Zealand data centre opportunity.

One of the Board's key roles is to monitor the performance of our day-to-day manager, Morrison. While the people working for Infratil are Morrison employees, the Board retains oversight and makes key decisions on the strategic direction of the business.

This includes driving strong performance from Morrison with the evolving mix of qualitative and quantitative measures I've talked about.

Infratil draws on the global expertise that Morrison is growing across multiple infrastructure sectors. This growth supports Infratil, as well as Morrison's other clients and investment funds. And this global exposure is becoming increasingly important for Infratil as we seek larger and new sector investment opportunities.

During July, Morrison announced a new strategic partnership with Sumitomo Mitsui Trust Bank. We've had a few investors ask what this might mean for Infratil. The simple answer is that this does not change Morrison's management of Infratil, or Morrison's investment and asset management responsibilities.

As Morrison's largest client by assets under management, we are well positioned. Infratil management sees all ideas being germinated at Morrison and the Infratil Board sees relevant opportunities. This means we aren't excluded or limited for choice.

Infratil may choose to invest on our own, or alongside other Morrison clients as we did with the original investment in CDC and Longroad Energy. Morrison may also undertake transactions for other funds and clients that Infratil has elected not to participate in.

The challenge for Infratil is more about balancing opportunities with our current priorities and the returns we are seeking.

There is a healthy tension in our relationship with Morrison and the management model encourages out-performance with incentive fees.

In the recent financial year, Morrison did not achieve the required incentive fee hurdle of 12% asset valuation growth on non-New Zealand assets. Instead, a negative $18 million amount will be carried forward into the FY27 fee calculation and netted off future positive fees.

The Board recently commissioned an independent benchmarking report from PwC to review the fee model as well. A summary of the report will be available on our website.

The report found that shareholders get great value under our agreements with Morrison. The 12% hurdle for out-performance is a high bar compared to other similar investment managers.

As this chart from the benchmarking report shows, Infratil has performed extremely well for a very long time. More importantly, we believe the portfolio today is as well positioned as it has ever been to continue delivering strong returns to shareholders.

These may be uncertain times, but they are also exciting times for ideas that matter.

I'll hand over to Jason now to tell you how we intend to continue to deliver that out-performance.

Chief Executive's address

Tēnā koutou katoa. Good afternoon everyone.

Market volatility meant FY26 was not quite the steadier year we had hoped for. However, CDC's announcement of Australasia's largest ever data centre contract in early May more than made up for that.

It was a transformational outcome and the share price reflected that with a significant increase. If you calculated our one-year returns at mid-August they were almost 29%. Our 10-year returns were 20%.

The strong increase in value reflects the rapid increase in earnings that CDC is now forecasting. CDC's EBITDAF for the current financial year is expected to be between A$680 and A$720 million dollars. The following year, it is expected to rise to more than one billion Australian dollars.

Once CDC has built and is invoicing its 1 gigawatt of contracted capacity, that will grow to about two billion dollars on an annualised basis.

Those are substantial numbers and, as this slide shows, CDC's data centres are substantial infrastructure.

This year, CDC expects to spend A$3.8 billion to A$4.2 billion (excluding land) in capital expenditure to build more data centre capacity. In the recent June quarter, it added another 90 megawatts of operating capacity and doubled the capacity under construction to 810 megawatts.

CDC is very focused on maintaining its social licence to operate. It locates its campuses in industrial areas and invests in electricity network infrastructure, such as substations, for its large-scale campuses. Infratil also has extensive sector expertise in renewable energy development that CDC can draw upon.

CDC is also a leader in minimising water use. Its closed-loop liquid cooling system has been installed across CDC-built facilities for more than 18 years.

We first invested in CDC in 2016 and we're now well ahead of the investment case written early last year to lift our CDC shareholding to 49.7%. June's independent valuation put our share of CDC at more than A$9 billion, up from about $7 billion a year ago.

Our investment in Longroad Energy in the United States also began in 2016.

Like CDC, Longroad is starting to come of age. Electricity demand is surging in the United States. Growth of between 30 to 40% is projected by 2040, driven by data centres, electrification and reshoring of manufacturing.

Longroad is responding by increasing its development cadence to more than 2 gigawatts a year. Near-term, this is underpinned by their acquisition of a massive 2.8 gigawatts early-stage project that is making its way through approvals. For comparison, New Zealand's installed generation capacity is about 11 gigawatts.

Regulatory support mechanisms for solar investment are in place until 2030, and even longer for batteries. At the same time, strong power demand and prices have offset higher delivery costs, maintaining attractive development returns.

Solar and battery storage remain the lowest-cost sources of new generation in many markets, and we've agreed to provide a further US$300 million of equity to Longroad to help accelerate its growth.

Longroad is also seeing the positive effects of data centre demand. It is close to completing a 400 megawatt project to supply a Meta data centre. And it has established a team to develop further data centre opportunities.

Their initial work has identified up to 10 gigawatts of their existing and future development sites that may also be suitable for data centre development. It is early days, but this could drive additional returns above Longroad's existing renewable generation plans.

Longroad is considering what form this might take, including whether to partner with an established data centre operator.

While the US market remains attractive, some Asian and European markets have seen development returns compress. Project delivery and platform costs have increased, along with complexity and time of developments.

For Galileo, our European renewable energy business, this has meant a reduction in valuation and a shift in its focus to fewer nearer term projects in a smaller number of markets.

In Asia, Gurīn Energy is managing its prioritisation of markets and opportunities carefully. Government approval for its large-scale Indonesian solar project is also taking longer than we'd hoped.

For a long time, we've wondered if CDC should expand offshore to capture some of the oversized growth we see there. Instead, we're seeing oversized overseas demand coming to Australasia.

To date, much of that demand has been focused on Australia. Last week we announced that two of our portfolio companies, Contact Energy and CDC, are exploring how they might satisfy that demand in Taranaki.

Contact Energy brings existing network infrastructure in Stratford, existing renewable electricity generation, and a substantial pipeline of new renewable energy projects. CDC brings globally recognised data centre expertise and sustainability credentials.

It's a partnership that makes great sense and, if the team can make the pieces fall into place, it really will meet our goal of delivering infrastructure ideas that matter. Both for the region and New Zealand.

We made solid progress delivering against our strategic objectives through the year.

While we always make an investment decision with a view to holding an asset for the long-term, our growth has driven us to refine our current portfolio. This means we're divesting those businesses unlikely to scale, or deliver meaningful returns, under our ownership.

To date, we are more than $600 million towards our initial target of $1 billion from divestments. This has come from the sale of our stakes in Fortysouth, RetireAustralia, and our property business. A sale process is underway for our radiology business Qscan. We expect to continue refining the portfolio in the medium term.

Another goal is to balance our operating cash flows and dividends in the medium term. Income from our portfolio companies began to increase in the financial year. This narrowed our operating cash flow deficit, after cash dividends, to $90 million from $120 million in FY25.

One New Zealand and Wellington Airport play an important role as cash flow generators, with optimisation of those businesses to drive continued distributions. Both businesses have been resilient despite weak macroeconomic conditions and sector challenges.

Over time, we expect CDC and Longroad to generate sufficient returns to fund their own investment and distributions to Infratil.

The growth of CDC and Longroad is also helping meet our objective of diversifying our shareholder base. Wider ownership beyond New Zealand will benefit all investors over time by deepening the pool of potential investors.

Over the last year, our inclusion in the S&P/ASX 200 has boosted offshore trading and several more Australian analysts have initiated coverage. About a dozen analysts now publish research on Infratil.

We do have more work to do on helping investors understand our model. Having fewer portfolio companies will help with that.

Although we're always scanning for new infrastructure businesses, for now our strongest opportunities are adjacent to our existing data centre and renewables businesses. Longroad's exploration of data centre opportunities is a prime example, and it has attracted growing investor interest.

This chart shows the growth and composition of our portfolio over the last decade.

Our core investment themes haven't changed. We continue to see the strongest opportunities in data centres and renewable energy.

They can meet our target returns in a way that is reflected in the share price, at scale, and that growth can be supported by our internally generated cash flows.

CDC's size in our portfolio means some investors do ask when we might sell it to reduce any potential concentration risk. We remain comfortable with its position and scale in the portfolio today.

Approximately half of CDC's valuation is relatively low risk, comprising lengthy leases of mostly new, cutting-edge data centres, to some of the world's most creditworthy companies.

The rest is growth, and we constantly monitor the growth prospects of data centres around the world. They are at the 'picks and shovels' layer of today's digital world, housing the computing capacity that enables cloud and AI services.

Infratil has had portfolio concentration in our high conviction investments in the past. Our focus is on sifting through the noise around AI to understand what really matters for our existing investments.

We're in a good position to do that. We see demand and customer behaviour first-hand at CDC, we see the implications for energy demand through Longroad Energy, and we're seeing practical applications of AI at scale in One NZ and in teleradiology.

This image is a timely reminder of our philosophy to invest wisely in ideas that matter and take a long-term approach to creating value.

It was posted online just the other week to mark Morrison's founding back in 1988. It features the Infratil board, including Lloyd Morrison, at one of Trustpower's original wind farms around 20 years ago.

Wind farms were by no means mainstream infrastructure back at that time.

Now they are and we see data centres becoming mainstream infrastructure in the same way.

From those early days, the push from Lloyd was for Infratil to be brave and ambitious.

We're still aspiring to do things that haven't been done before. We're continually looking for new ways to add shareholder value. This involves taking calculated risk and backing our view of the future.

While there is a lot of AI hype that needs to be screened out, it is clear we are in the midst, arguably still near the beginning, of one of the largest technological developments and infrastructure build outs we're likely to see in our lifetimes.

AI is going to be transformational, just like railroads, electricity and the internet have been before. And it will be hugely important to a country's ability to innovate in the future.

Prior years of investment are beginning to produce a significant step-up in returns. This year we have guided to a 21% increase in proportionate operational EBITDAF from FY26. That's on a like-for-like basis at the midpoint, excluding corporate costs.

Looking further ahead, CDC and Longroad Energy are two hugely exciting businesses. We need to help them maximise and execute the opportunities in front of them to the best of their ability.

Infratil is well positioned to support that growth, and our divestments are adding extra capacity to strengthen our balance sheet. At the same time, we need to keep an eye to the future and identify the next large-scale growth businesses.

We're continuing to drive operational performance across the portfolio. As always, there's plenty to be done. Things may not always happen as quickly or predictably as we'd like, and capital discipline remains as important as ever.

We have the great fortune of having a range of fantastic investment opportunities in front of us. For an active investor like Infratil, those choices are what really matters when it comes to creating shareholder value.

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