

3Q 2021 AUM ANNOUNCEMENT

ANTIN INFRASTRUCTURE PARTNERS

12 NOVEMBER 2021

Seeing potential | delivering value



TRANSCRIPT

INTRODUCTION

Melanie Biessy

Senior Partner and Chief Operating Officer

Welcome to the 3Q Reporting Announcement for Antin Infrastructure Partners. This meeting will be hosted by Alain Rauscher, Managing Partner and CEO, Patrice Schuetz, Partner and Group CFO and myself, Melanie Biessy, Senior Partner and COO. We will have a short presentation followed by a Q&A. For the participants who have joined the webcast through the provided link, please use the Q&A box appearing on the bottom left side of your window. For the participants who have dialed in, once we will reach the Q&A, the operator will guide you to allow you to ask questions. Now the floor is yours, Alain.

PRESENTATION

Alain Rauscher

Managing Partner and Chief Executive Officer

Thank you, Melanie. Welcome all to our first quarterly report announcement, which we are very proud to do today.

A few points to highlight regarding the evolution of our performance over the last 12 months as at 30 September 2021. We have seen our total assets under management grow to €20.3 billion, up by 30.7% compared to previous year. Equally important, our total fee-paying assets under management have grown to €13.5 billion at a growth rate of 23.9% compared to the previous year. We continue to have very strong momentum in our fundraising, with a focus in particular on the NextGen Fund I, which has a target size of €1.2 billion, and on which we expect to hit first close very soon. The investment activity has been in line with expectations at €3.6 billion over the last 12 months through Fund IV and Mid Cap Fund I. We have also experienced strong investment performance across all funds, which are either ahead of plan, or as planned.

As you all know, we have successfully listed the company with a €632 million total offering on Euronext Paris, of which €402 million stemming from primary proceeds to support growth. The overallotment option was fully exercised. We shall finally provide you with some information on the implementation of the free share plan, which was announced during the IPO, and which aims at incentivizing the next generation of partners. With that, I'll leave the floor to Patrice.

FUNDRAISING

Patrice Schuetz

Partner and Group Chief Financial Officer

Good morning, everyone. I will now focus for a moment on fundraising, investments and exits over the last 12 months.

I'll start on the left-hand side of slide 3 with our fundraising. We've really had strong fundraising activity, with €5.2 billion in total including co-invest and \$3.4 billion when you exclude co-invest, spread across two funds: €1.2 billion raised for Fund III-B, which we closed in the fourth quarter of last year, and €2.2 billion in the Mid-Cap Fund I which we closed in the spring of 2021. This is up from €3.7 billion total fundraising over the prior period.

NextGen Fund I is currently in the market. We have a target fund size of €1.2 billion, and a hard cap of €1.5 billion. We feel really good about the level of engagement we're having with investors, and we also feel really good about the traction we get from them on the theme of energy transition. So, we're on track to announce a first close for that fund in the fall of this year.

Moving on to the investments, we've deployed a total of €3.6 billion including co-invest over the last 12 months. That's more than double the amount we have deployed in the prior 12 months. When you exclude co-invest, we were at €2.2 billion. When you look at the third quarter in particular, we announced two investments in our Mid Cap strategy, the ERR European Rail Rent partnership, which we announced in September, and Pulsant, a data center business which we announced in July. So, with those two investments in Mid Cap Fund I, we are already 13% deployed just a couple of months after having launched that strategy.

Looking at the deals we announced post-3Q, we announced an investment in Origis Energy, which is a US based renewable energy platform. It marks our third investment in the US market, and an important step towards further diversifying our investments geographically across Europe and the US. As you know, we expect to do more in the US as we move forward.

Including Origis, we're now 59% invested in our flagship Fund IV. As a reminder, the 75% investment ratio is the threshold that would trigger fundraising for the next flagship Fund V. We feel confident about the pipeline and the rate of deployment for Fund IV – we think we're about two investments away from formally launching fundraising for Fund V.

EXITS

Moving on to the exits on the right-hand side of slide 3, we completed €1.5 billion of total exits over the last 12 months, and €1.0 billion excluding co-investments. This includes Fund II exits of Inicea and Eurofiber. It also includes the transition of assets from Fund III into Fund III-B. We had no completed exits in the third quarter of 2021, but we did announce two exits: Amedes, which comes out of Fund II, and Almaviva, which comes out of Fund III. We feel good about the performance on both of those exits.

FUND PERFORMANCE

Moving on to the next slide and talking a moment about our investment performance. First of all, I'd like to say we saw increases in gross multiples across all our funds over the last 12 months. Fund II and Fund III in particular are tracking ahead of plan. Fund III-B and Fund IV are absolutely on plan. And when you look on the left-hand side of the slide, Fund III-B and Fund IV are tracking in a similar range to prior funds. In fact, for Fund IV, we're slightly ahead of Fund III and Fund I at a similar time in the lifecycle of the fund. With that, I will hand over to Melanie to talk about the implementation of the free share plan.

IMPLEMENTATION OF THE FREE SHARE PLAN

Melanie Biessy

Senior Partner and Chief Operating Officer

Thank you, Patrice. Indeed, as we announced during the IPO in the prospectus and in the supplemental prospectus, we have implemented the free share plan. A few key takeaways on this plan:

We will grant 7.4 million shares for a total grant value of €183 million and this amount excludes social charges. There's a two-year vesting period that starts in September 2021, and will end in September 2023. This vesting period will be followed by lock up arrangements similar to that of other partners. There will be a pretty modest share capital dilution of ~4.1% in September 2023, at the date of vesting of the free shares, and this amount assumes that vesting occurs for the entire plan.

Now an important point – there is a non-recurring impact on our IFRS pre-tax proceeds as you can see on the top left-hand side of slide 5: in 2021 negative €28 million impact, in 2022 €106 million, and in 2023 €78 million, including social charges. In terms of cash impact, as you can see on the bottom left-hand side, there is no cash impact in 2021 and 2022. The estimated cash outflow for 2023 at the time of the vesting is €29 million. The €29 million relate to the 11% blended rate of social charges that will be applicable at the time of the vesting. This cash impact is an estimate to date, based on today's share price. We will have to apply the blended 11% rate on the share price at the time of the vesting in September 2023. The total cash impact of €29 million is therefore subject to change depending on the share price at the time of the vesting. This is non-recurring, meaning that there is no more cash impact in 2024 and thereafter. In terms of dividend distribution, there should be no impact as the distributable reserves are computed under French GAAP.

Q&A

Patrice Schuetz: We can now move on to Q&A. I see we have no questions electronically in the system at the moment, so I suggest we move on to the telephone and verbal Q&A. Any questions please?

Operator: Certainly, thank you. Ladies and gentlemen, please signal star one on your telephone keypad to ask a question. Please ensure that the mute function on your telephone is switched off to allow your signal to reach our equipment. Again, to ask a question over the telephone, please signal by pressing star one on your telephone keypad. We will now go to our first question today. Please go ahead, your line is open.

Patrice Schuetz: Please go ahead.

Speaker: I've got three questions, please.

Firstly, can I check on the share plan? The issuance of these shares only happens at the end of the vesting period, if I heard that right? Can I also check if you're foreseeing any future share plans once in two or three years' time?

Secondly, could you talk about the investment pipeline? How much activity is out there? Do you have a strong number of leads in terms of potential future investments?

Thirdly, I was wondering if you could give us a bit of an update on the M&A environment? I think that was part of the reason for listing. Certainly, we've seen quite a lot of deals on the stake side, or general activity in private markets in terms of corporate M&A. Any update on activities you might be seeing could be helpful.

Thank you.

Melanie Biessy: Thank you for those questions. I will start with the free share plan and then I'll let Alain answer the other questions. You are totally right. The share dilution will only have an impact at vesting, at the time beneficiaries acquire the shares, in two years from the grant date, hence September 2023. A few comments on this plan. The first element is that the biggest part of the dilution will be borne by the existing equity partners, who are 85% shareholders of the firm. Another element as well to keep in mind is that, among the beneficiaries, you do not have any of the material equity shareholders of the firm such as Alain Rauscher, Mark Crosbie and myself. This plan has been built up to further align interest between partners, but also with shareholders. It has been offered exclusively to existing equity partners who have very limited access to equity, as well as to newly promoted partners who have no access to equity yet, and to new joiners who have joined the firm over the past 12/18 months and who have no equity in the firm. Again, value dilution will arise at the end of the vesting in September 2023.

Alain Rauscher: Let me now say a few words on the pipeline. Clearly, the pipeline is very full on our three strategies. We haven't announced yet a deal for the NextGen Fund I, but we are working on several projects, and we have had a number of investment committees concerning the NextGen strategy. So, we are very hopeful to announce before year-end one or two transactions. Concerning the Mid Cap Fund I, as you've seen it has been a very, very rapid start, with two deals announced accounting for 13% of total

committed capital. The same rule that Patrice mentioned of reaching 75% applies to Mid Cap Fund I when it comes to launching a successor fund.

Concerning our Large Cap strategy, we are basically one or two deals away from the 75% threshold, and we have a very full pipeline. The focus for us is just to be sure that we invest the capital in a profitable manner. We have no rush to do so, because evidently we want to make only good deals, and we are very hopeful to be able to stay in line with the timetable announced with not just two deals, but two good, if not excellent, deals.

Concerning the trend in the market overall, there is one big theme, of course, of concern to many investors and to many analysts, which is the recent surge in inflation, particularly in the US. It has been very steep and frankly, of levels unheard of since maybe 1990, so 31 years ago. There was a very interesting article published yesterday in the Financial Times, which means something. Now, the question is: is this a one off due to the fact that we exit lockdown, and therefore there is pressure on logistics, leading to an increase in prices?

As consumers, we can all appreciate the fact that whenever we want to order something, even things like a washing machine, there is shortage of products because producers are short of steel, etc. Clearly there is a short-term impact, and there is also some probably longer impact.

Another short-term impact in my view is the evolution of the energy prices, particularly gas and oil which have surged enormously recently.

What will happen next when growth rates start to stabilize at lower level, to me, needs to be demonstrated. But on this matter, I would think that energy prices should reduce over time.

There are, of course, some other tensions on the labor market, particularly for services industries. If you think about the restaurants, for instance a hotel restaurant, where some people have been out of the market for 12 to 18 months, it is becoming very hard to find staff now that activity is picking up again. Many staff have left. At current, I would say salaries need to go up to get some more people working in cafes, in restaurants, in hotels, etc.

So, clearly, I think this is probably the most lasting effect of Covid on prices and on inflation. We remain very prudent and we of course monitor this. For the fourth quarter results, we will provide you with a more detailed analysis on inflation trends, which we monitor very closely.

One thing I would like to add is that our business is as well-protected as can be against inflation. Why? Because most of our portfolio companies benefit from contracts, which basically provide some hedge on inflation as opposed to most other sectors. So, we can pass through some inflation as opposed to most of our peers.

Melanie Biessy: There was a last question on the momentum of the fundraising on the margin, and on this one, well, as we were mentioning, the first closing of the NextGen Fund I will happen pretty quickly. The traction with investors is excellent, and we anticipate that we would reach final close in 2022, and most probably before the end of Q2 2022.

Patrice Schuetz: Just adding to that, we do target first close before 2021 year-end.

Alain Rauscher: There is one thing I would like to add on this point for the first close of NextGen Fund I. It is important from your position because, as you know, the first close decides when the clock starts ticking for you and fees become due. So, basically, it means that you can have, once we do a first close, quite a certainty that the target will be reached. It will be just a matter of time, but in terms of accounts, it will basically start recording before the year end.

Melanie Biessy: Thank you. We'll now go to our next question.

Speaker: All right. So, I was going to ask about NextGen too, and you've already answered that question, but thank you very much, and thanks for the update.

Alain Rauscher: Thank you very much. Thank you.

Operator: Thank you. We have a question now from Gurjit Kambo from J.P. Morgan. Please go ahead.

Gurjit Kambo: Hi, good morning. Just a couple of questions.

Firstly, just in terms of the share sale and the P&L impact, how do you calculate that, and how do you determine how much goes into 2021, 2022 and 2023?

You said you've done a few more deals in the US. What type of deals are they? Are they deals where you've invested on your own, or are you sort of co-investing with other partners?

Thirdly, on NextGen, is it going to be two closes? Is it going to be a first close and a second close? Also if you can maybe just give us any indication if it is split equally between first and second close?

Those are the three questions. Thank you.

Patrice Schuetz: Maybe I'll start with your first question on the impact on the free share plan. What you basically do is, you take the €183 million plan size, and you accrue those in the P&L over the vesting period of the plan, so over a 24-month period. You then add on top of that the social charges, which are blended 11%, on the actual plan value today. So, you recalculate the plan value from €183 million to today's share price, and you add those social charges on top of that, and you also accrue them in the P&L over the 24 months vesting period of the plan.

Melanie Biessy: Pro-rata the share price.

Patrice Schuetz: Pro-rata, yes. So, hence, as the share price moves up, you would see the social charges move up. The IFRS projections may therefore be changing slightly on the basis of the changes in the share price, but not dramatically.

Alain Rauscher: On the second point which is the US investments, clearly Origis is a good illustration of that. On all three investments we made in the US, we have invested by ourselves with no material co-investors. However, in order to align interest, we ensure that the management put some skin in the game in the form of participating to the MIP. Also in the case where there are existing shareholders, as is the case for Origis, we ensure that they reinvest in the company a substantial amount of capital. This is our policy.

Our policy is not to do co-investment, but we may decide selectively to invite some co-investors. We give our LPs a priority to some co-investment programs. It can occasionally be outside investors. However, our strategy remains unchanged, which is to make controlling investments in association with the management.

Melanie Biessy: In terms of fundraising closing for the NextGen Fund I, the first closing is anticipated before the end of the year, and then we may do one or two closings before the last closing by mid-2022. This will be a pretty quick fundraising as we've experienced with the Mid Cap Fund I, because there's a lot of appetite from our fund investors and a pretty nice dynamic. Of course, people need a bit of time to make their own due diligence, but it should be pretty short timeframe between the first close and the last close of this fundraising.

Alain Rauscher: Whether we make basically two or three closes, frankly, is a pure technicality, because in reality what matters is the timing of availability of funds from LPs. And so, some may want to deploy capital sooner rather than later, others may say, please, we need another six months or three months before deploying capital. So, this is the kind of things which we have to take into account. For instance, some, and actually most of our LPs would have already utilized all their capital allocation for 2021. And therefore, although they are interested in investing in the NextGen Fund I, they would require us to be able to invest in 2022. But fundamentally, the key date for you to remember is the date of the first close, which will be this side of the year.

Patrice Schuetz: Yes. So, we have two more questions through the Q&A system that we can take up.

The first one was on M&A, and whether we have any plans to do corporate M&A in the near term.

I would say we evaluate M&A situations opportunistically, and as they come up. We're not in any situation where that would be imminent or close, and we also feel that we've just come out of the IPO process.

M&A may happen at some point, but it's by no way imminent or very close.

Melanie Biessy: Hiring was another question that was raised as well. As you've seen, we've hired a lot of people in 2021 mainly to make sure we have the right level of resources in terms of execution capacity for the three strategies. In 2022, we anticipate hiring roughly 20 people and mainly at junior level to continue reinforcing the setup of our investment team and be prepared for the growth in front of us.

Patrice Schuetz: Do we move on to more questions through the phone lines?

Operator: Thank you. As a reminder, ladies and gentlemen, to ask a question over the telephone, please signal by pressing star one on your telephone keypad. At this time, we have no further questions on the telephone.

Alain Rauscher: Excellent. Well, thank you to all, and we look forward to meeting you for our fourth quarter AUM announcement and conference. Thank you very much and have a good weekend.

Melanie Biessy: Thank you.

Alain Rauscher: Bye.

Patrice Schuetz: Thank you.

END OF TRANSCRIPT