

ASX ANNOUNCEMENT

28 May 2026

Infragreen Announces Strategic Review Update: Targeted Asset Realisations, Independent Valuation, Enhanced Disclosure and Capital Management

Key Points

- Strategic review ongoing with the assistance of Grant Samuel (financial adviser) and Talbot Sayer (legal adviser). Engagement with external parties undertaken to ensure a rigorous and comprehensive assessment of possible options for the business.
- Grant Samuel's engagement scope included assisting the Board to establish a strategic review framework, market positioning and options for IFN to unlock shareholder value.
- Grant Samuel's view is that IFN's share price materially undervalues the business. To further support this determination, IFN has engaged an independent valuer to provide a valuation for the business, which is ongoing and will be provided in the next 6 weeks.
- Valuation determination is supported by FY26 underlying revenue¹ forecast of \$113.4 million to \$120.9 million with 21% to 29% growth YoY, FY26 underlying EBITDA² forecast of \$22.5 million to \$25.0 million with 21% to 35% growth YoY and strong operating cash conversion.
- Near-term actions to address both the misalignment between share price and the underlying value and to unlock value for shareholders include portfolio optimisation through targeted asset realisations, an on-market buyback and enhanced financial disclosures to shareholders and the market, including an independent valuation.

Background

Infragreen Group Limited (ASX:IFN) (**Infragreen** or **IFN**) today updates the market on the strategic review conducted by the Board with the assistance of its financial adviser Grant Samuel and legal adviser Talbot Sayer.

The Board acknowledges that IFN's share price has significantly underperformed over the past 6 months and does not reflect the value of its investments. The strategic review has been undertaken to evaluate options to address this misalignment and unlock shareholder value.

The strategic review included a review of IFN's value and considered a range of strategic, transaction and capital management options. The process included engagement with a range of external parties (including shareholder partners in the businesses Infragreen owns) to ensure the Board's conclusions are informed by a rigorous, externally tested assessment of the alternatives reasonably available to Infragreen to unlock shareholder value.

¹ Underlying revenue is Infragreen's share of revenue from each Business based on shareholding percentage

² Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) is Infragreen's share of EBITDA from each Business, less Infragreen's expenses on a comparable basis to proforma EBITDA in the prospectus lodged in June 2025

Initial Outcomes of the Strategic Review

The strategic review has reached three main initial conclusions:

- **IFN's share price materially undervalues its high-quality portfolio of investments.** In FY26, the portfolio is forecast to deliver underlying revenue of \$113.4 million to \$120.9 million with 21% to 29% growth YoY, FY26 underlying EBITDA forecast of \$22.5m to \$25.0m with 21% to 35% growth YoY and strong operating cash conversion. Notwithstanding global geopolitical and macroeconomic headwinds, this remains broadly in line with prospectus forecasts and demonstrates the growth trajectory, quality and resilience of the underlying businesses. Grant Samuel's view is that IFN's share price materially undervalues the business. To give investors more detail on this outcome IFN has commissioned an independent valuation report which is expected to complete in 6 weeks. Key findings and assumptions will be released to the market.
- **IFN's investment strategy has delivered strong growth in revenue and earnings.** With Infragreen positioned across attractive mid-market sustainable infrastructure segments benefiting from long-term demand, favourable policy settings and high barriers to entry, the businesses in Infragreen's portfolio have generated significant earnings. While each of IFN's investments are attractive on a standalone basis, shareholder value will be maximised by focusing capital and management effort where it can generate the greatest shareholder value and prioritising businesses with the highest growth potential and greatest capacity for investment to achieve scale with aligned governance. On a case-by-case basis, IFN will also seek to realise investments where attractive exit valuations can be achieved. This will only be done in a measured way that maximises value for shareholders. The forced or rushed sale of any business would likely generate an outcome for shareholders that negatively impacts value.
- **IFN's current financial disclosures make it difficult for shareholders and potential investors to assess the quality of its underlying investments.** Addressing this issue requires enhanced disclosure with respect to the value, underlying financial performance and outlook for its individual businesses.

Near-term Priorities

To address the initial findings of the strategic review, the Board of IFN is committed to several actions that will be implemented over the coming months:

- **Portfolio Optimisation including Potential Business Sales:** a sale process is currently underway for Pure Environmental. IFN has previously stated that it was not contemplating a sale of its interest in Pure Environmental, however, subject to strength of the offers received, Infragreen may consider participating in the sale. IFN is also in discussions with shareholder partners in its other businesses and advisers which may lead to other divestments. Any divestment would need to be undertaken with a measured and patient approach in order to maximise value for IFN shareholders.
- **On-Market Buy-back:** the Board has authorised an on-market share buy-back of up to \$10m, reflecting the value accretion available to shareholders given the Board's belief that IFN's shares are trading at a significant discount to their underlying value. The buy-back is expected to commence on 12 June 2026 and will be conducted in accordance with the ASX Listing Rules and the Corporations Act. Further details will be announced in due course.
- **Independent Valuations:** IFN has commissioned a big four independent valuer to provide a business valuation. This is expected to be completed in 6 weeks. IFN will continue to provide independent business valuations on an annual basis.
- **Optimising Businesses:** IFN will continue to manage and optimise businesses within the group and evaluate acquisition opportunities across the portfolio. Pending results of the processes outlined above, the Board will prioritise capital allocation to delivering growth and scale across its highest-potential businesses.

- **Improved Financial Disclosure:** IFN will provide enhanced interim financial reporting commencing with the half-year results for FY27. This will include greater visibility over the underlying performance of each investment.

The Board will keep shareholders informed, as appropriate, as it progresses these initiatives.

Founder and Managing Director, Declan Sherman, said:

"As a shareholder in Infragreen, I share investors' concerns with how our shares have traded recently, but believe a patient and measured approach to deliver value for all shareholders is the right path. Our investment strategy focused on high-quality businesses aligned to sustainability themes is compelling. Our business is growing, and each business generates strong cashflows and they are difficult to replicate. In the past twelve months, the portfolio has delivered YoY underlying revenue growth of 21% to 35% and we see continued growth ahead. Our focus is to execute on the revised strategy and continue working actively with our portfolio companies on delivering organic and inorganic growth and crystallising that value for shareholders."

Infragreen Chair, Lindsay Ward, said:

"The Board commissioned this review with a single objective – to identify ways to close the gap between Infragreen's fundamental value and its share price. We recognise the challenges with share price performance and investor engagement. The Board is committed to tangible actions to demonstrate value, including asset realisations, independent portfolio valuations, enhanced financial disclosure and disciplined capital management."

This announcement has been authorised for release by the Board.

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About Infragreen

Positioned at the intersection of infrastructure and sustainability, Infragreen owns, operates and grows mid-market infrastructure businesses with significant untapped value that have historically had limited access to long-term capital. It has a strong focus on recycling and waste recovery alongside clean energy and energy transition across both Australia and New Zealand. Through its businesses, Infragreen drives sustainable value creation, meaningful impact, and improved community outcomes.

For more information, please visit:

<https://infragreen.au>