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ASX Release

5 July 2021

Conditional, non-binding proposal for the acquisition of Sydney Airport

Sydney Airport announces that it has received an unsolicited, indicative, conditional and non-binding proposal from a consortium of infrastructure investors ("the Consortium") to acquire, by way of scheme of arrangement and trust scheme, 100% of the stapled securities in Sydney Airport at an indicative price of A$8.25 cash per stapled security[1] [2] (the "Indicative Proposal").

The Consortium comprises IFM Investors (Nominees) Limited as trustee for IFM Australian Infrastructure Fund, Conyers Trust Company (Cayman) Limited as trustee for IFM Global Infrastructure Fund, QSuper Board (formerly the Board of Trustees of the State Public Sector Superannuation Scheme) as trustee for QSuper (formerly the State Public Sector Superannuation Scheme) and Global Infrastructure Management, LLC (on behalf of its managed and advised clients and funds).

The Indicative Proposal is subject to a number of conditions, which are outlined in Appendix A. Sydney Airport has appointed Barrenjoey and UBS as its financial advisers and Allens as its legal adviser.

The Sydney Airport Boards have commenced an assessment of the proposal.

The Sydney Airport Boards note that Sydney Airport is a world class airport and one of Australia's most important infrastructure assets. Sydney Airport is Australia's largest airport and is the gateway to international travel in and out of Australia.

The Indicative Proposal has been made during a global pandemic which has deeply affected the aviation industry and the Sydney Airport security price. The indicative price is below where Sydney Airport's security price traded before the pandemic. The Boards are undertaking detailed analysis of, amongst other things, whether the proposal is reflective of the underlying value of the airport given its long-term remaining concession and the expected short-term impact of the pandemic. The Boards will update Securityholders accordingly.

Sydney Airport Securityholders do not need to take any action in relation to the proposal at this stage. There is no certainty that the proposal will result in a transaction.

[1] As noted below, if the transaction were to proceed, it is proposed that UniSuper would receive an equivalent equity interest in the Consortium's holding vehicle rather than cash consideration.
[2] The indicative price would be reduced by the value of any dividends declared or paid by Sydney Airport prior to the schemes taking effect.

Sydney Airport Limited ACN 165 056 360 (SAL) and The Trust Company (Sydney Airport) Limited (ACN 115 967 087)
(AFSL 301162) (TTCSAL) as responsible entity for Sydney Airport Trust 1 (ARSN 099 597 921) (SAT1) (together "SYD")
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Appendix A

The Indicative Proposal has been made on the basis of a number of conditions, including:

- UniSuper Ltd ("UniSuper"), which holds approximately 15% of Sydney Airport's total securities, agreeing that it would reinvest its equity interest in Sydney Airport for an equivalent equity interest in the Consortium's holding vehicle (rather than receiving the cash consideration under the schemes);[3]
- Provision by Sydney Airport of due diligence, and, if provided, satisfactory completion of that due diligence by the Consortium;
- Approval from each of the investment committees of the Consortium members;
- A unanimous recommendation by the Sydney Airport Boards that Securityholders vote in favour of the schemes of arrangement in the absence of a superior proposal, subject to an independent expert concluding that the Indicative Proposal is in the best interests of Securityholders; and
- Entry into a mutually acceptable scheme implementation deed between Sydney Airport and a company owned by the Consortium members. Any scheme implementation deed would also be subject to a number of conditions, including Sydney Airport Securityholder approval, and court and regulatory approvals (including FIRB and ACCC).

Authorised for release by the SAL and TTCSAL Boards

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[3] If UniSuper does agree to receive this equity interest rather than cash under any scheme, it would be required to vote as a separate class on the scheme.