

Shareholder Update

FOR THE HALF-YEAR ENDED 31 DECEMBER 2020



JASON BEDDOW
Managing Director
BEng, GdipAppFin(SecInst)

Dear valued shareholder,

As the global economy continues to navigate through the many challenges arising from the coronavirus pandemic, Argo Global Listed Infrastructure Limited (Argo Infrastructure) is pleased to report an increased fully franked interim dividend of 3.5 cents per share.

HALF-YEAR RESULT

Argo Infrastructure reported a half year accounting loss of \$5.4 million as a result of the downward revaluation of the investment portfolio to market value at 31 December 2020. The Company remains in a strong financial position with assets of more than \$320 million and no debt.

SUMMARY OF FINANCIAL RESULTS

	Half-year to 31 December 2020	Half-year to 31 December 2019	Change
Profit/(Loss)*	(\$5.4 million)	\$15.8 million	-134.2%
Interim per share (fully franked)	3.5 cents	3.0 cents	+16.7%
Net tangible asset (NTA) backing per share^	\$2.16	\$2.57	-16.0%

* Reported profit can be volatile as accounting standards require that operating income and realised profits and losses are added to, or reduced by, unrealised changes in the portfolio's market value from period to period.

^ After all costs, including fees and taxes.

RECORD INTERIM DIVIDEND

The interim dividend of 3.5 cents per share is Argo Infrastructure’s sixth consecutive fully franked dividend and represents an increase of +16.7% on last year. This demonstrates Argo Infrastructure's continued commitment and track record of generating sustainable total returns to shareholders.

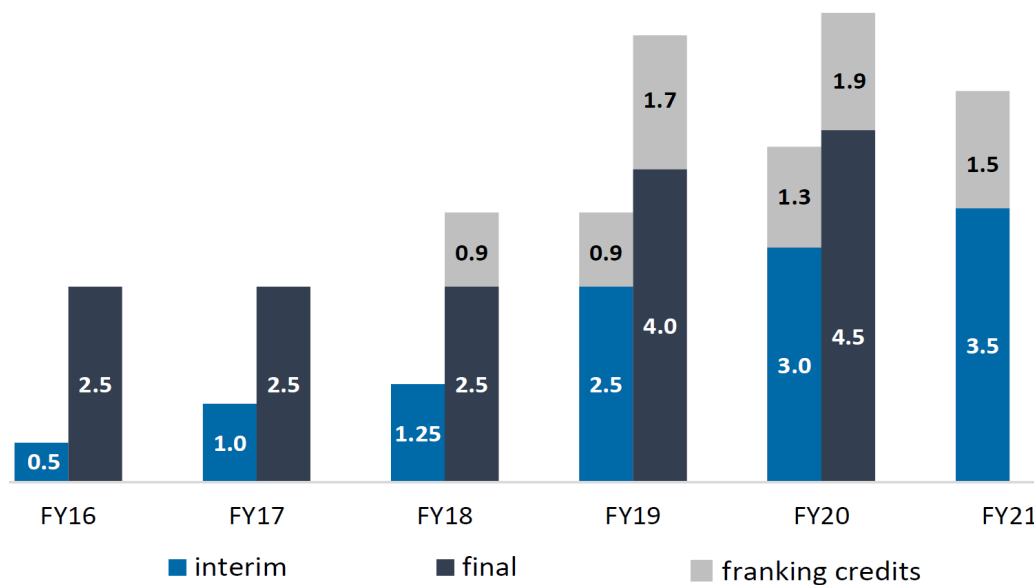
Including this interim dividend, total dividends paid out to shareholders since the Company's inception in 2015 total 27.75 cents per share.

When Argo Infrastructure pays tax in Australia and generates franking credits, we can frank dividends paid to our shareholders. This is an important benefit of investing in international assets via an Australian listed investment company (LIC) structure, as compared to a trust structure or investing directly offshore.

Including franking, the interim dividend brings the annual grossed-up dividend yield to approximately 5.4%.

DIVIDEND TRACK RECORD

ANNUAL DIVIDENDS HISTORY (CENTS PER SHARE)



INVESTMENT PERFORMANCE

Over the half-year to 31 December 2020, aggressive monetary and fiscal policy saw ‘risk-on’ investments, particularly technology stocks, perform strongly. In contrast, more defensive assets, including listed infrastructure, were generally overlooked by investors.

In this climate, the portfolio delivered a total return of -1.6% for the half-year to 31 December 2020, slightly trailing the infrastructure sector benchmark return of -1.3%. Argo Infrastructure’s share price fared better over the period rising +2.7%.

TOP 10 PORTFOLIO HOLDINGS AT 28 FEBRUARY 2021

Security name	Country of listing	Subsector	Portfolio (%)
NextEra Energy	US	Integrated Electric	7.7
Transurban Group	AUS	Toll Roads	4.9
Norfolk Southern	US	Freight Rails	4.4
American Tower	US	Communication Tower	3.5
Enbridge	CAN	Midstream Energy	3.3
Southern Company	US	Regulated Electric	3.1
SBA Communications	US	Communication Tower	2.8
Public Service Enterprise Group	US	Regulated Electric	2.7
AENA SA	SPAIN	Airports	2.5
FirstEnergy	US	Integrated Electric	2.4
			37.3

OUTLOOK

Argo Infrastructure's specialist global Portfolio Manager, Cohen & Steers, is optimistic about a continued recovery in worldwide economic activity, particularly in the second half of the 2021 calendar year. However, the road to economic recovery may be uneven due to the emergence of new virus strains, vaccine distribution challenges and lags in the resumption of travel as the world moves towards 'herd immunity.'

Against this backdrop, Cohen & Steers remains focused on high-quality companies with strong balance sheets and liquidity profiles. In recent months, Cohen & Steers has sold down positions in some of the pandemic outperformers, such as communications towers, and added exposure to economic recovery via subsectors adversely impacted by the pandemic, such as freight railways.

The large and highly liquid nature of global listed infrastructure ensures Argo Infrastructure's actively managed portfolio can be rapidly repositioned in response to changing economic conditions, including rising inflation and interest rates.

In the longer term, several key structural trends support the outlook for many infrastructure assets globally. For example, intensifying data usage provides a strong tailwind for communication tower companies and data centres.

Similarly, the worldwide drive to decarbonise will underpin ongoing and significant investment in renewable energy-focused utilities. In addition, governments globally have committed funding for infrastructure investment as part of COVID stimulus measures.

With more than \$300 million of assets and no debt, Argo Infrastructure offers exposure to these long-term trends at asset prices that are at decade-lows relative to broader equity market valuations, whilst providing shareholders with an attractive dividend track record demonstrated since our IPO in 2015.

FIRST SHARE PURCHASE PLAN

Following requests from our shareholders to undertake an equity raising, Argo Infrastructure announced its inaugural Share Purchase Plan (SPP) in September 2020. The SPP was well supported with applications received from 2,133 shareholders, almost a quarter of our shareholders.

This milestone came a little over five years after the Company's initial listing on the Australian Securities Exchange (ASX) in July 2015. The SPP successfully raised \$23.2 million with 11,216,539 new shares issued. The funds were able to be invested almost immediately due to the large and highly liquid nature of the global listed infrastructure universe of stocks.

The SPP has increased Argo Infrastructure's size, which helps improve cost efficiencies by spreading the fixed costs over a larger asset base. Furthermore, having additional shares on issue should benefit the trading liquidity of the Company's shares.

We appreciate that SPPs are popular among listed investment company (LIC) shareholders because they provide the opportunity to acquire additional shares directly from the Company, without paying brokerage. Argo Infrastructure's Board will consider offering SPPs regularly in the future.

“ ALI's objective is to provide a total return for long-term investors consisting of capital growth and dividend income, from a global listed infrastructure portfolio which can provide diversification benefits for Australian investors. ”

MANAGE YOUR SHAREHOLDING ONLINE

You can simply and easily manage your Argo Infrastructure shareholding online. Use our share registry BoardRoom's secure and user-friendly website portal, InvestorServe, to:

- Change communication preferences
- Update bank account details
- View current balances
- Elect to participate in the dividend reinvestment plan (DRP)
- Download dividend statements
- View transaction histories
- Update your postal address*

**If your shareholding is CHESS sponsored, please contact your sharebroker to update your postal address.*

If you have any queries with respect to InvestorServe, accessing your information or in relation to your holdings, please do not hesitate to contact BoardRoom directly.

BOARDROOM PTY LIMITED

W investorserve.com.au

T 1300 389 922

If you have any questions or comments about Argo Infrastructure, please don't hesitate to contact us by telephone on (08) 8210 9555 or by email to invest@argoinfrastructure.com.au.

To receive Company news and financial results on the day they are announced, I encourage you to join our email distribution list by clicking on the 'subscribe' button on our website at argoinfrastructure.com.au.

On behalf of the Board, I thank you for your ongoing and loyal support of Argo Infrastructure.

Yours faithfully,



Jason Beddow

Managing Director