

# Appendix 4D

## Half-year report



# Results for announcement to the market

## Half-year ended 31 December 2023

Comparative figures being the half-year ended 31 December 2022

Argo Global Listed Infrastructure Limited ABN 23 604 986 914

				2023 \$A'000	2022 \$A'000
Investment (loss)/income	down	143.7%	to	(2,285)	5,227
(Loss)/profit for the half-year	down	396.5%	to	(3,854)	1,300

### Dividends

Interim fully franked dividend payable 22 March 2024 (previous corresponding period 4.0 cents fully franked)	4.0 cents
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The Company's Dividend Reinvestment Plan (DRP) and Dividend Substitution Share Plan (DSSP) will operate for the interim dividend. The Directors have resolved that the shares will be allotted based on the volume weighted average ex-dividend market price of the shares traded on the record date and the three business days following the record date.

The record date for determining entitlements to the interim dividend	4 March 2024
The election date for determining participation in the DRP and DSSP	5 March 2024
Final fully franked dividend for year ended 30 June 2023 paid 29 September 2023	4.5 cents

### Net Tangible Asset Backing

	December 2023	December 2022
NTA per share <sup>1</sup>	\$2.30	\$2.37
NTA after unrealised tax provision <sup>2</sup>	\$2.29	\$2.35

1. After all costs, including tax payable.
2. As required under the ASX Listing Rules, theoretical NTA per share after providing for estimated tax on unrealised gains/losses in the portfolio. That is, after tax that may arise if the entire portfolio was sold.

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# Directors' Report

The Directors of Argo Global Listed Infrastructure Limited (ALI or Company) present their report together with the financial statements of the Company for the half-year ended 31 December 2023.

## Directors

The following persons were Directors of the Company during the period and up to the date of this report:

Russell Higgins AO, Chairman	Non-independent Director (appointed 1 July 2018)
Jason Beddow	Non-independent Director (appointed 26 March 2015)
Mark Hall	Independent Director (appointed 6 December 2019)
Fiona Hele	Independent Director (appointed 1 July 2022)
Joycelyn Morton	Non-independent Director (appointed 26 March 2015)

## Principal activities and state of affairs

The Company is a listed investment company established to provide investors with the opportunity to invest in a diversified portfolio of listed global infrastructure securities, with the primary objective of providing shareholders with long-term capital growth and dividend income.

The Company's registered office and principal place of business is Level 25, 91 King William Street, Adelaide SA 5000.

## Review of operations

The Company recorded a loss after tax of \$3.9 million for the period to 31 December 2023 compared with a \$1.3 million profit in the previous corresponding period. The decrease in profit was primarily due to a fall in valuations of investments in the portfolio. Reported profit can be volatile as it includes changes in the portfolio's market value from period to period, in addition to realised gains and losses from the sale of investments. This element of income is more volatile than operating revenue from the dividends and distributions received from the investments in the portfolio.

## Net Tangible Asset Backing

Net tangible asset backing per ALI share was \$2.30 as at 31 December 2023, compared with \$2.39 as at 30 June 2023 and \$2.37 as at 31 December 2022.

## Dividends

A fully franked final dividend of 4.5 cents per share for the year ended 30 June 2023 was paid on 29 September 2023.

On 19 February 2024, the Directors declared a fully franked interim dividend of 4.0 cents per share (2023: 4.0 cents per share fully franked) to be paid on 22 March 2024.

## Matters subsequent to the end of the interim period

The Directors are not aware of any other matters or circumstances that have arisen since the end of the financial period which have significantly affected or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in future financial years.

# Directors' Report

## Rounding of amounts

Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies to the Company and accordingly amounts have been rounded to the nearest one thousand dollars in accordance with that Instrument, unless otherwise stated.

## Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001*, is included on page 6.

This report is made in accordance with a resolution of the Board of Directors.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'R.A. Higgins', is written over a light blue rectangular background.

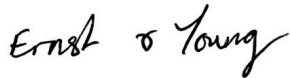
R.A. Higgins AO  
Chairman

19 February 2024

## **Auditor's independence declaration to the directors of Argo Global Listed Infrastructure Limited**

As lead auditor for the review of the half-year financial report of Argo Global Listed Infrastructure Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- (b) No contraventions of any applicable code of professional conduct in relation to the review; and
- (c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.



Ernst & Young



Jonathan Hall  
Partner

19 February 2024

# Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2023

	Note	2023 \$'000	2022 \$'000
<b>Investment income</b>			
Dividends and distributions		6,500	6,566
Interest		14	25
Net foreign exchange (losses)/gains		(129)	310
Realised net gains on financial assets at fair value through profit and loss		1,399	20,904
Unrealised net change in fair value of financial assets at fair value through profit and loss		(10,069)	(22,578)
Total investment (loss)/income		(2,285)	5,227
<b>Expenses</b>			
Management fees		(2,406)	(2,562)
Custody and administration fees		(156)	(157)
Directors' fees		(101)	(99)
Registry fees		(64)	(55)
Transaction costs		(308)	(281)
Other expenses		(222)	(239)
Total expenses		(3,257)	(3,393)
(Loss)/profit before income tax expense		(5,542)	1,834
Income tax benefit/(expense)		1,688	(534)
(Loss)/profit for the half-year		(3,854)	1,300
Other comprehensive income		-	-
Total comprehensive (loss)/income for the half-year		(3,854)	1,300
		cents	cents
<b>Earnings per share</b>			
Basic and diluted earnings per share	2	(2.2)	0.8

# Statement of Financial Position

at 31 December 2023

		December 2023	June 2023
	Note	\$'000	\$'000
<b>Current Assets</b>			
Cash and cash equivalents		8,355	5,792
Receivables		1,523	1,929
Receivables – trade settlements		-	3,043
Financial assets at fair value through profit or loss	3	399,191	423,040
Current tax asset		913	-
Total Current Assets		409,982	433,804
Total Assets		409,982	433,804
<b>Current Liabilities</b>			
Payables		503	510
Payables – trade settlements		361	3,709
Current tax liability		-	6,770
Financial liabilities at fair value through profit or loss		-	4
Total Current Liabilities		864	10,993
<b>Non-Current Liabilities</b>			
Deferred tax liability		2,251	4,927
Total Non-Current Liabilities		2,251	4,927
Total Liabilities		3,115	15,920
Net Assets		406,867	417,884
<b>Equity</b>			
Contributed equity	4	358,434	357,628
Profit reserve		37,568	45,537
Retained earnings		10,865	14,719
Total Equity		406,867	417,884

(to be read in conjunction with the accompanying notes)

# Statement of Changes in Equity

for the half-year ended 31 December 2023

		<b>Contributed equity</b>	<b>Profit reserve</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance as at 1 July 2023		357,628	45,537	14,719	417,884
Total comprehensive income for the half-year		-	-	(3,854)	(3,854)
Dividend paid	5	-	(7,969)	-	(7,969)
Dividend Reinvestment Plan	4	806	-	-	806
Balance as at 31 December 2023		358,434	37,568	10,865	406,867

for the half-year ended 31 December 2022

		<b>Contributed equity</b>	<b>Profit reserve</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance as at 1 July 2022		335,206	60,147	5,091	400,444
Total comprehensive income for the half-year		-	-	1,300	1,300
Dividend paid	5	-	(7,539)	-	(7,539)
Dividend Reinvestment Plan	4	768	-	-	768
Share Purchase Plan	4	21,006	-	-	21,006
Cost of share issues	4	(65)	-	-	(65)
Balance as at 31 December 2022		356,915	52,608	6,391	415,914

# Statement of Cash Flows

for the half-year ended 31 December 2023

	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>		
Proceeds from sale of financial instruments at fair value through profit or loss	183,159	179,749
Purchase of financial instruments at fair value through profit or loss	(168,289)	(196,519)
Net foreign exchange (loss)/gain	(72)	318
Interest received	15	25
Dividends and distributions received	6,976	6,516
Other income received	-	79
GST recovered	276	271
Management fees paid	(2,416)	(2,532)
Custody fees paid	(158)	(130)
Other expenses paid	(1,037)	(1,091)
Income tax paid	(8,671)	(785)
Net cash inflow/(outflow) from operating activities	9,783	(14,099)
<b>Cash flows from financing activities</b>		
Dividends paid-net of Dividend Reinvestment Plan	(7,163)	(6,771)
Share Purchase Plan	-	21,006
Cost of share issues	-	(65)
Net cash (outflow)/inflow from financing activities	(7,163)	14,170
Net increase in cash and cash equivalents	2,620	71
Cash and cash equivalents at the beginning of the half-year	5,792	8,441
Effect of foreign currency exchange rate changes on cash and cash equivalents	(57)	(8)
Cash and cash equivalents at the end of the half-year	8,355	8,504

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# Notes to the Financial Statements

for the half-year ended 31 December 2023

## 1. Basis of preparation of half-year report

The general purpose financial report for the half-year ended 31 December 2023 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this half-yearly report is to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by Argo Global Listed Infrastructure Limited (Company) during the half-year, in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Where appropriate, comparative disclosures have been reclassified/amended to be consistent with the current year's presentation.

The half-year financial report was authorised for issue by the Directors on 19 February 2024.

## 2. Earnings per share

	2023 number '000	2022 number '000
Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share	177,272	171,154
	\$'000	\$'000
Profit for the half-year used in the calculation of basic and diluted earnings per share	(3,854)	1,300
	cents	cents
Basic and diluted earnings per share	(2.2)	0.8

## 3. Financial assets at fair value through profit or loss

	December 2023 \$'000	June 2023 \$'000
<b>Financial assets at fair value through profit or loss:</b>		
Equity securities	359,688	389,641
Unit trusts	39,502	33,399
Derivatives	1	-
Total	399,191	423,040

The Company is a listed investment company that invests in tradeable global listed infrastructure securities. Due to the nature of its business, the Company will always be subject to market risk as it invests its capital in securities which have fluctuating market prices. The Company's portfolio is diversified to reduce risk but market risk cannot be completely eliminated.

# Notes to the Financial Statements

## 4. Contributed equity

Ordinary shareholders are entitled to receive dividends as declared and are also entitled to one vote per share at shareholders' meetings.

	<b>December 2023</b>	<b>June 2023</b>	<b>December 2023</b>	<b>June 2023</b>
	No. of shares	No. of shares	\$'000	\$'000
Opening balance	177,079,055	167,535,376	357,628	335,206
Dividend Reinvestment Plan <sup>(1)</sup>	380,277	604,971	806	1,481
Share purchase plan	-	8,938,708	-	21,006
Cost of share issues			-	(65)
Closing balance	177,459,332	177,079,055	358,434	357,628

(1) On 29 September 2023, 380,277 shares were allotted at \$2.12 per share pursuant to the Dividend Reinvestment Plan in operation for the final dividend paid for the period ended 30 June 2023.

## 5. Dividends

Dividends are recognised during the half-year when declared.

	<b>2023</b>	<b>2022</b>
	\$'000	\$'000
<b>Dividend paid during the half-year</b>		
Final dividend for the year ended 30 June 2023 of 4.5 cents fully franked at 30% tax rate, paid 29 September 2023 (2022: 4.5 cents fully franked at 30% tax rate)	7,969	7,539
<b>Dividend declared after balance date</b>		
Since the end of the half-year, the Directors have declared the following dividend which has not been recognised as a liability at the end of the half-year:		
Interim dividend for the year ending 30 June 2024 of 4.0 cents fully franked at 30% tax rate, payable 22 March 2024 (2023: 4.0 cents fully franked at 30% tax rate)	7,098	7,071

# Notes to the Financial Statements

## 6. Segment information

The Company is managed as a whole and is considered to have a single operating segment, being investment in global listed infrastructure securities. There is no further division of the Company or internal segment reporting used by the Directors when making strategic, investment or resource allocation decisions.

The Company is domiciled in Australia and derives its revenue from its international investment portfolio through the receipt of dividends, distributions, interest and any profits on the revaluation or sale of its investments.

The portfolio of global listed infrastructure securities has the following geographical diversification:

	<b>December 2023</b>	<b>December 2023</b>	<b>June 2023</b>	<b>June 2023</b>
	A\$'000	%	A\$'000	%
US	230,692	57.6	246,763	58.5
Canada	30,698	7.7	36,177	8.5
Australia	28,558	7.2	31,835	7.5
Spain	14,819	3.7	14,596	3.5
Mexico	12,698	3.3	13,079	3.1
Other countries	81,726	20.5	80,590	18.9
Total	399,191	100.0	423,040	100.0

## 7. Fair value measurement

The Company discloses fair value measurements by level of the following fair value hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### (a) Fair value in an active market (Level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets and liabilities held by the Company is the last traded price.

The Company values its investments in accordance with the accounting policies set out in Note 2 to the financial statements. For the majority of its investments, the Company relies on information provided by independent pricing services for the valuation of its investments.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

# Notes to the Financial Statements

## (b) Valuation techniques used to derive Level 2 and Level 3 fair value

The fair value of financial assets and liabilities that are not exchange-traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Company would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

## (c) Recognised fair value measurement

The tables below sets out the Company's financial assets and liabilities (by class) measured at fair value according to the fair value hierarchy.

December 2023	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Financial assets at fair value through profit or loss:				
Equity securities	359,688	-	-	359,688
Unit trusts	39,502	-	-	39,502
Derivatives	-	1	-	1
Total	399,190	1	-	399,191

# Notes to the Financial Statements

June 2023	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Financial assets at fair value through profit or loss:				
Equity securities	389,641	-	-	389,641
Unit trusts	33,399	-	-	33,399
Total	423,040	-	-	423,040
<b>Financial liabilities</b>				
Financial liabilities at fair value through profit or loss:				
Derivatives	-	4	-	4
Total	-	4	-	4

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(i) **Transfers between levels**

There were no transfers between the levels of the fair value hierarchy for the half-year ended 31 December 2023.

(ii) **Fair value measurements using significant unobservable inputs (Level 3)**

The Company did not hold any financial instruments with fair value measurements using significant unobservable inputs during the half-year ended 31 December 2023.

(iii) **Fair values of other financial instruments**

Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value. The Company did not hold any financial instruments which were not measured at fair value in the Statement of Financial Position.

## 8. Events subsequent to balance date

No other matters or circumstances have occurred subsequent to the reporting date that have significantly affected, or may affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent periods.

## 9. Contingent assets, liabilities and commitments

The Company has no material commitments, contingent assets or liabilities as at 31 December 2023.

# Directors' Declaration

In the opinion of the Directors of Argo Global Listed Infrastructure Limited (Company):

- (a) The half-year financial statements and notes set out on pages 7 to 16 are in accordance with the *Corporations Act 2001*, including:
  - i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - ii. giving a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) There are reasonable grounds to believe that Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'R.A. Higgins', is written over a light blue rectangular background.

R.A. Higgins AO  
Chairman

19 February 2024

## **Independent auditor's review report to the members of Argo Global Listed Infrastructure Limited**

### **Conclusion**

We have reviewed the accompanying half-year financial report of Argo Global Listed Infrastructure Limited (the Company), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, other information as set out in Appendix 4D to the Australian Securities Exchange (ASX) Listing Rules and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Company does not comply with:

(a) The *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date;
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) The ASX Listing Rules as they relate to Appendix 4D.

### **Basis for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

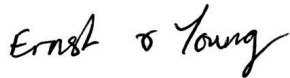
### **Directors' responsibility for the half-year financial report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and complies with the ASX Listing Rules as they relate to Appendix 4D. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and whether the half-year financial report is not in accordance with the ASX Listing Rules as they relate to Appendix 4D.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Ernst & Young



Jonathan Hall  
Partner  
Sydney  
19 February 2024

