



4 August 2025

ASX / Media Release

Argo declares record fully franked final dividend, up +11.1%

Argo Investments Limited (ASX code: ARG), one of Australia's oldest and largest listed investment companies, announces an increased full year profit of \$259.8 million. The Board has declared a fully franked final dividend of 20.0 cents per share.

Summary of financial results	2025	2024
Revenue (including special dividends)	\$285.8 million	\$271.9 million
Profit	\$259.8 million	\$253.0 million
Earnings per share	34.1 cents	33.3 cents
Final dividend per share (fully franked)	20.0 cents	18.0 cents
LIC capital gain component	7.0 cents	3.0 cents
Full year dividends per share (fully franked)	37.0 cents	34.5 cents
Management Expense Ratio	0.15%	0.15%

Investment revenue was bolstered by better-than-expected dividends from numerous companies in the investment portfolio and an increase in special dividends received.

Record high fully franked dividend

The fully franked final dividend of 20.0 cents per share is up 2.0 cents on last year, an increase of +11.1%. Together with the interim dividend of 17.0 cents per share, this brings the full year dividend to 37.0 cents per share. Notably both the interim and final dividend mark record highs for Argo.

Given the continued growth in Argo's franking balance and recognising that imputation credits are more valuable in our shareholders' hands, the Board decided it was appropriate to meaningfully increase the final dividend. Argo is focused on sustainably growing fully franked dividends and for the foreseeable future accelerating the distribution of accumulated franking credits.

The final dividend also includes a listed investment company capital gain component of 7.0 cents per share reflecting gains crystallised in the portfolio. When Argo realises a

discounted capital gain, the associated tax benefit can be passed on to shareholders – allowing most individuals and self-managed superannuation funds to claim a tax deduction.

Investment portfolio

During the financial year, Argo purchased \$335.0 million of investments, which included new holdings and adding to existing positions. Over the same period, Argo received \$370.5 million from sales of investments, including \$48 million in Commonwealth Bank.

The larger movements in the portfolio during the period were:

Purchases

Amotiv
BHP Group
Dexus*
National Australia Bank
Origin Energy
Steadfast Group
Treasury Wine Estates
Worley
Xero*

Sales

Aristocrat Leisure
Brambles
Commonwealth Bank
Computershare
Diversified United Investment**
MAC Copper**
Macquarie Group
QBE Insurance Group
Technology One

* New portfolio position

** Fully exited position

The total number of stocks in the investment portfolio decreased slightly from 86 to 85.

Investment performance

Argo gained +13.3%, measured by net tangible assets (NTA) return after all costs and adjusted for company tax paid, slightly behind the S&P/ASX 200 Accumulation Index (Index) which increased +13.8% (without allowance for any costs).

Our holding in Technology One was the biggest positive contributor to Argo's performance with its share price surging more than 120% over the year. In contrast, the biggest negative contributor was our underweight holding in Commonwealth Bank of Australia (CBA). In defiance of traditional valuation metrics, the bank's share price reached numerous record highs during the year and we selectively reduced our exposure to end the financial year with 5.4% of the portfolio invested in CBA, compared to the index weighting of 12%.

Over the past five financial years since the onset of the COVID-19 crisis, a period marked by significant global disruption and volatility, Argo has delivered a compound annual return of +12.1%, outperforming the S&P/ASX 200 Accumulation Index, which returned +11.8% per annum, with no allowance for costs.

Our ability to navigate these tumultuous times and generate consistent, competitive returns reflects the strength of our diversified portfolio, long-term focus and disciplined investment approach that favours businesses that can maintain and grow their dividends.

Outlook

In recent months, global equities have continued to rise as investors appear to shrug off a host of risks facing the outlook. While the extreme tariff-led volatility has receded, uncertainty surrounding US trade policy persists. The Australian corporate reporting season now getting underway, provides a valuable opportunity to gain on-the-ground insights and understand bottom-line impacts of trade tensions on businesses with offshore exposure.

It will also provide tangible data to evaluate company fundamentals and the broader economy – beyond the macro factors that have largely driven market sentiment, particularly in the second half of FY2025.

In our view, geopolitical and macroeconomic risks remain elevated and should not be overlooked. In this environment, we highlight the defensive and diversified nature of Argo's portfolio. These attributes help ensure our portfolio is less susceptible to sharp market swings.

Argo remains focused on delivering a reliable income stream to shareholders. We see this as particularly important as interest rates have begun to fall and the outlook for dividends across the broader Australian share market is flat to declining.

Contacts

Jason Beddow
Managing Director
02 8274 4702

Meredith Hemsley
Communications Manager
02 8274 4707

About Argo

Argo Investments (ASX code: ARG) is one of Australia's oldest and largest listed investment companies (LICs). We offer investors low-cost, conservative and diversified exposure to Australian listed companies. Founded in Adelaide in 1946, Argo is one of ASX's top 100 companies and invests more than \$8 billion on behalf of approximately 90,000 shareholders.

