

Appendix 4D

Half-year report



Results for announcement to the market

Half-year ended 31 December 2022

Comparative figures being the half-year ended 31 December 2021

Argo Global Listed Infrastructure Limited ABN 23 604 986 914

				2022 \$A'000	2021 \$A'000
Investment income	down	87.8%	to	5,227	42,906
Profit for the half-year	down	95.3%	to	1,300	27,833

Dividends

Interim fully franked dividend payable 24 March 2023 (previous corresponding period 3.5 cents fully franked)	4.0 cents
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The record date for determining entitlements to the interim dividend	6 March 2023
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The election date for determining participation in the Dividend Reinvestment Plan	7 March 2023
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The Company's Dividend Reinvestment Plan will operate for the interim dividend. Shares issued under the DRP will be allocated 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 DRP Terms and Conditions can be accessed on the Company's website at argoinfrastructure.com.au.

Final fully franked dividend for year ended 30 June 2022 paid 30 September 2022	4.5 cents
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Net Tangible Asset Backing

	December 2022	December 2021
NTA per share ¹	\$2.37	\$2.51
NTA after unrealised tax provision ²	\$2.35	\$2.41

1. This figure allows for all costs incurred, including company tax and any tax payable on gains realised from portfolio sales.
2. Under ASX Listing Rules, the Company is also required to calculate the 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 2022.

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 profit after tax of \$1.3 million for the period to 31 December 2022, compared with a \$27.8 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.

In October 2022, the Company's Share Purchase Plan raised \$21.0 million in additional funds for investment in global listed infrastructure securities.

Net Asset Backing

	December 2022	June 2022	December 2021
NTA per share	\$2.37	\$2.45	\$2.51
NTA after unrealised tax provision ⁽¹⁾	\$2.35	\$2.39	\$2.41

(1) 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.

Dividends

A fully franked final dividend of 4.5 cents per share for the year ended 30 June 2022 was paid on 30 September 2022.

On 20 February 2023, the Directors declared a fully franked interim dividend of 4.0 cents per share (2022: 3.5 cents per share fully franked) to be paid on 24 March 2023.

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



R.A. Higgins AO
Chairman

20 February 2023



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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 2022, 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

20 February 2023

Statement of Profit or Loss and Other Comprehensive Income

for the half-year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
Investment income			
Dividends and distributions		6,566	5,658
Interest		25	-
Net foreign exchange gains		310	124
Net changes in fair value of financial assets at fair value through profit or loss (realised and unrealised)		(1,674)	37,124
Total investment income		5,227	42,906
Expenses			
Management fees		(2,562)	(2,330)
Custody and administration fees		(157)	(140)
Directors' fees		(99)	(91)
Registry fees		(55)	(60)
Transaction costs		(281)	(157)
Other expenses		(239)	(308)
Total expenses		(3,393)	(3,086)
Profit before income tax expense		1,834	39,820
Income tax expense		(534)	(11,987)
Profit for the half-year		1,300	27,833
Other comprehensive income		-	-
Total comprehensive income for the half-year		1,300	27,833
		cents	cents
Earnings per share			
Basic and diluted earnings per share	2	0.8	17.5

(to be read in conjunction with the accompanying notes)

Statement of Financial Position

at 31 December 2022

	Note	December 2022 \$'000	June 2022 \$'000
Current Assets			
Cash and cash equivalents		8,504	8,441
Receivables		1,150	1,179
Receivables – trade settlements		118	-
Financial assets at fair value through profit or loss	3	427,364	412,241
Total Current Assets		437,136	421,861
Total Assets		437,136	421,861
Current Liabilities			
Payables		408	497
Payables – trade settlements		145	-
Current tax liability		16,679	10,375
Total Current Liabilities		17,232	10,872
Non-Current Liabilities			
Deferred tax liability		3,990	10,545
Total Non-Current Liabilities		3,990	10,545
Total Liabilities		21,222	21,417
Net Assets		415,914	400,444
Equity			
Contributed equity	4	356,915	335,206
Profit reserve		52,608	60,147
Retained earnings		6,391	5,091
Total Equity		415,914	400,444

(to be read in conjunction with the accompanying notes)

Statement of Changes in Equity

for the half-year ended 31 December 2022

	Note	Contributed equity \$'000	Profit reserve \$'000	Retained earnings \$'000	Total \$'000
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

for the half-year ended 31 December 2021

	Note	Contributed equity \$'000	Profit reserve \$'000	Retained earnings \$'000	Total \$'000
Balance as at 1 July 2021		303,035	37,979	10,150	351,164
Total comprehensive income for the half-year		-	-	27,833	27,833
Transfer of profits during the half-year		-	16,840	(16,840)	-
Dividend paid	5	-	(6,903)	-	(6,903)
Dividend Reinvestment Plan	4	672	-	-	672
Share Purchase Plan	4	30,971	-	-	30,971
Cost of share issues	4	(74)	-	-	(74)
Balance as at 31 December 2021		334,604	47,916	21,143	403,663

(to be read in conjunction with the accompanying notes)

Statement of Cash Flows

for the half-year ended 31 December 2022

	2022	2021
	\$'000	\$'000
Cash flows from operating activities		
Proceeds from sale of financial instruments at fair value through profit or loss	179,749	104,615
Purchase of financial instruments at fair value through profit or loss	(196,519)	(123,954)
Net foreign exchange gain	318	147
Interest received	25	-
Dividends and distributions received	6,516	5,973
Other income received	79	55
GST recovered	271	230
Management fees paid	(2,532)	(2,290)
Custody fees paid	(130)	(159)
Other expenses paid	(1,091)	(804)
Income tax paid	(785)	(1,125)
Net cash outflow from operating activities	(14,099)	(17,312)
Cash flows from financing activities		
Dividends paid-net of Dividend Reinvestment Plan	(6,771)	(6,231)
Share Purchase Plan	21,006	30,971
Cost of share issues	(65)	(74)
Net cash inflow from financing activities	14,170	24,666
Net increase in cash and cash equivalents	71	7,354
Cash and cash equivalents at the beginning of the half-year	8,441	1,751
Effect of foreign currency exchange rate changes on cash and cash equivalents	(8)	(23)
Cash and cash equivalents at the end of the half-year	8,504	9,082

(to be read in conjunction with the accompanying notes)

Contents of the Notes to the Financial Statements

for the half-year ended 31 December 2022

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Notes to the Financial Statements

for the half-year ended 31 December 2022

1. Basis of preparation of half-year report

The general purpose financial report for the half-year ended 31 December 2022 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 2022 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 20 February 2023.

2. Earnings per share

	2022 number '000	2021 number '000
Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share	171,154	158,818
	\$'000	\$'000
Profit for the half-year used in the calculation of basic and diluted earnings per share	1,300	27,833
	cents	cents
Basic and diluted earnings per share	0.8	17.5

3. Financial assets at fair value through profit or loss

	December 2022 \$'000	June 2022 \$'000
Financial assets at fair value through profit or loss:		
Equity securities	393,476	371,983
Unit trusts	33,888	40,258
Total	427,364	412,241

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.

	December 2022	June 2022	December 2022	June 2022
	No. of shares	No. of shares	\$'000	\$'000
Opening balance	167,535,376	153,408,358	335,206	303,035
Dividend Reinvestment Plan ⁽¹⁾	298,944	543,132	768	1,274
Share purchase plan ⁽²⁾	8,938,708	13,583,886	21,006	30,971
Cost of share issues			(65)	(74)
Closing balance	176,773,028	167,535,376	356,915	335,206

(1) On 30 September 2022, 298,944 shares were allotted at \$2.57 per share pursuant to the Dividend Reinvestment Plan in operation for the final dividend paid for the period ended 30 June 2022.

(2) On 21 October 2022, 8,938,708 shares were allotted at \$2.35 per share pursuant to the Share Purchase Plan offered to eligible shareholders.

5. Dividends

Dividends are recognised during the half-year when declared.

	2022	2021
	\$'000	\$'000
Dividend paid during the half-year		
Final dividend for the year ended 30 June 2022 of 4.5 cents fully franked at 30% tax rate, paid 30 September 2022 (2021: 4.5 cents fully franked at 30% tax rate)	7,539	6,903
Dividend declared after balance date		
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 2023 of 4.0 cents fully franked at 30% tax rate, payable 24 March 2023 (2022: 3.5 cents fully franked at 30% tax rate)	7,071	5,855

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:

	December 2022	December 2022	June 2022	June 2022
	A\$'000	%	A\$'000	%
US	231,964	54.3	232,620	56.4
Canada	48,966	11.5	49,298	12.0
Australia	31,976	7.5	26,875	6.5
Japan	18,198	4.3	13,189	3.2
China	16,966	4.0	13,204	3.2
Other countries	79,294	18.4	77,055	18.7
Total	427,364	100.0	412,241	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 2022	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets at fair value through profit or loss:				
Equity securities	393,476	-	-	393,476
Unit trusts	33,888	-	-	33,888
Total	427,364	-	-	427,634
<hr/>				
June 2022	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets at fair value through profit or loss:				
Equity securities	371,983	-	-	371,983
Unit trusts	40,258	-	-	40,258
Total	412,241	-	-	412,241

Notes to the Financial Statements

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 2022.

(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 2022.

(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 2022.

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 2022 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.



R.A. Higgins AO
Chairman

20 February 2023

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 2022, 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 2022 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.

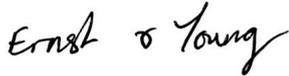
Directors' responsibility for the half-year financial report

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 2022 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
20 February 2023



ARGO

INFRASTRUCTURE