ASX / MEDIA RELEASE
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ASX: ARG

2026 FINANCIAL YEAR RESULTS

Strong investment outperformance and record high fully franked dividends

PROFIT **$260.2m** ▲ From $259.8m	**DIVIDEND YIELD** **6.0%** Including franking	**FULL-YEAR DIVIDENDS** **38.5c per share** ▲ Record high. Fully franked
NTA RETURN AFTER COSTS **+8.7%** Index +6.1%	**LIC CAPITAL GAIN COMPONENT^** **5.0c per share** Of final dividend	**FUTURE DIVIDENDS** **40.0c per share** 4 × 10.0 cps planned for CY2027

Amid tumultuous macroeconomic and market conditions, Argo Investments Limited (ASX code: ARG), one of Australia's oldest and largest listed investment companies, increased full-year profit to $260.2 million and declared a fully franked final dividend of 20.0 cents per share.

Fully franked dividends increased to another record high

The fully franked final dividend is 20.0 cents per share. Together with the interim dividend of 18.5 cents per share, the full-year dividend reaches a record 38.5 cents per share, fully franked. This represents a grossed-up annual yield of 6.0%, based on Argo's last closing share price.

The final dividend also includes a listed investment company (LIC) capital gain component of 5.0 cents per share, reflecting crystallised gains 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 in addition to the benefit of franking credits.

Introduction of quarterly dividend payments

The Board has determined that, commencing in January 2027, dividends will be paid quarterly instead of twice annually. This will provide shareholders with more regular income to help meet the evolving needs of many households, while also making Argo more attractive to new shareholders.

> **"The Board intends to declare four quarterly dividends of 10.0 cents per share, fully franked."**

Increased annual dividends of 40.0 cents per share forecast

Argo's Board intends to declare four quarterly dividends of 10.0 cents per share, fully franked, next year, totalling 40.0 cents per share, another record-high annual dividend. The Board remains committed to sustainably growing fully franked dividends over time and accelerating the distribution of accumulated franking credits.

Strong investment outperformance

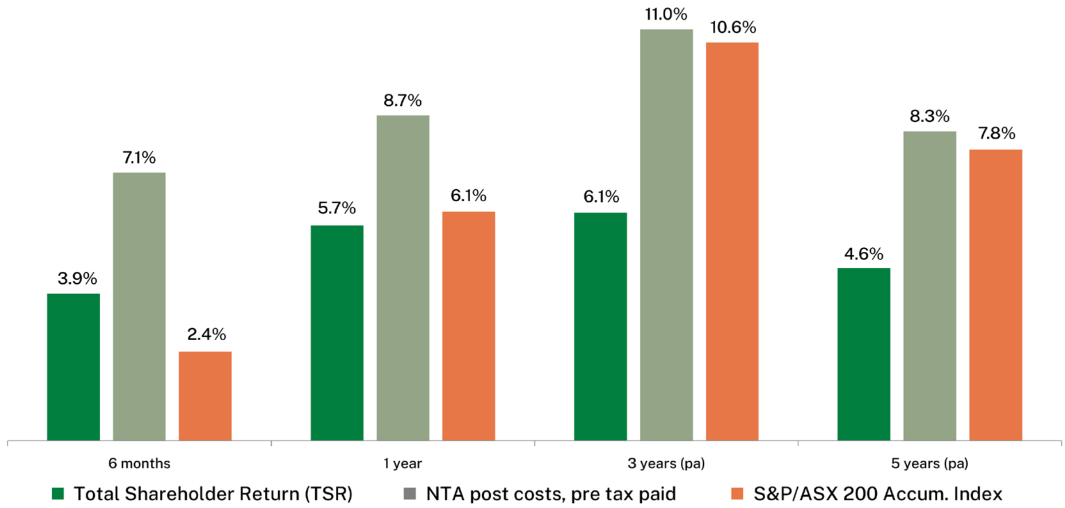
+8.7%	+6.1%	+4.7%
FY2026 NTA RETURN	ASX 200 ACCUMULATION INDEX	H2 OUTPERFORMANCE VS. INDEX

Argo delivered a full-year return of +8.7% based on net tangible assets (NTA) return after all costs and adjusted for company tax paid, outperforming the S&P/ASX 200 Accumulation Index (Index), which rose +6.1%, without allowing for any costs. The outperformance generated approximately $200 million in additional value for the portfolio.

Argo's NTA performance in the second half was particularly strong, gaining +7.1%, decisively outperforming the Index, which rose only +2.4%. The year-end NTA was a record high of $10.84 per share.

The biggest positive contributors to performance during the financial year were our positions in Rio Tinto, Macquarie Group and Lynas Rare Earths. Our underweight exposure to Commonwealth Bank relative to the Index also boosted returns as the bank's share price retreated from its lofty valuations, following a sharp sell-off after the May Federal Budget. In contrast, Technology One detracted as the software company was subject to revaluations across its industry in response to AI advances.

Total returns (to 30 June 2026)



Investment portfolio movements

During the financial year, Argo purchased $267.1 million of investments, including new holdings and additions to existing positions. Over the same period, Argo received $368.2 million from sales of investments, including trimming positions in holdings where the investment team assessed they had reached full valuations.

LARGER PURCHASES
CSL
Amcor
Firmus Grid *
Generation Development Group *
Megaport
Worley
South32 *

** New portfolio position*

LARGER SALES
Reece
Rio Tinto
Macquarie Group
Wesfarmers
QBE Insurance Group
Aurizon Holdings
Woolworths Group
Lynas Rare Earths

The total number of holdings in the investment portfolio increased slightly from 85 to 86 during the period.

Robust returns and growing dividends throughout volatility

Over the past five financial years since the COVID pandemic, Argo's NTA has delivered a compound annual return of +8.3%, outperforming the Index, which returned +7.8% per annum, before costs. During this period, investors have faced an almost relentless barrage of disruptive events and developments that have generated market volatility not seen in decades, including unprecedented government stimulus, surging inflation, universal trade tariffs imposed by the US, war in the Middle East and a global oil shock, to name just a few. In addition, a plethora of unpredictable policies and pronouncements during both the first and second Trump administrations have generated some of the most pronounced bouts of volatility.

Throughout, we have consistently grown Argo's capital base while steadily increasing fully franked dividends to shareholders. Over this five-year period, Argo's dividend has increased by +37.5%, generating some of the highest dividend growth in the market. This performance reflects the tax-effective management of the portfolio and the low operating costs of our business. Argo is internally managed and does not pay fees to an external manager, which erodes returns for investors in many other managed investments.

Investing for our shareholders over 80 years

This year, Argo celebrates 80 years of investing for our shareholders. Founded in Adelaide in 1946, our Company has steadily increased our shareholder numbers and grown their capital through diverse market cycles, disruptive events and historic changes.

Over this period, we have not missed a single dividend to shareholders, and for the past 31 years, every dividend has been fully franked without interruption. Argo's enviable track record is a product of our disciplined, long-term investment strategy, our ongoing dedication to maintaining a straightforward, low-cost structure, and our unwavering focus on our shareholders' best interests.

Outlook

In the immediate term, we anticipate continued volatility, particularly over the corporate reporting season now getting underway, with stock prices likely to have outsized reactions if company results do not entirely meet market expectations.

The economic backdrop is mixed, with significant structural changes to Australia's economy unfolding following the latest Federal Budget. Offshore drivers are likely to further contribute to uncertainty, including the ongoing Middle East conflict and potential for further rate rises under the new US Federal Reserve chairman.

We recognise that Argo's share price does not currently reflect the portfolio's value, its above-Index performance or our growing fully franked dividends. Reducing the share price discount to NTA is a key focus for the Company. Our proactive measures over the past 18 months have included on-market buying of over $175 million of Argo shares for the Company's share buyback and neutralisation of Dividend Reinvestment Plan (DRP) and Dividend Substitution Share Plan (DSSP) issues. We intend to continue this on-market activity if the share price discount persists at current levels, as it is accretive to earnings per share, to the benefit of shareholders.

Argo remains focused on delivering a reliable income stream to shareholders through a diversified, conservatively managed portfolio.

Further details about the introduction of quarterly dividends are available on our website and in a separate ASX announcement of today's date.

SUMMARY OF FINANCIAL RESULTS	FY2026	FY2025
Profit	**$260.2m**	$259.8m
Earnings per share	**34.3c**	34.1c
Final dividend per share (fully franked)	**20.0c**	20.0c
of which LIC capital gain^	**5.0c**	7.0c
Full year dividends per share (fully franked)	**38.5c**	37.0c
Management Expense Ratio (MER)	**0.14%**	0.15%
Net Tangible Assets (NTA) per share	**$10.84**	$10.43

^The listed investment company (LIC) capital gain component of this dividend is unaffected by the recent changes to Australia's capital gains tax (CGT) regime.

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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 86,000 shareholders.

This announcement is authorised by Tim Binks, Company Secretary. Argo Investments Limited ACN 007 519 520