Annual Report

ARGO
INFRASTRUCTURE

2023

Contents

2023 overview

Net assets

$418m

At 30 June 2023
$400 million at 30 June 2022

Portfolio performance

+3.9%

Year ended 30 June 2023

Full year dividends

8.5c

Fully franked
8.0 cents in 2022

Fully franked dividends

11

Consecutive fully franked dividends paid

Total dividends

48.75c

Per share, paid since inception in 2015

NTA per share

$2.39

$2.45 at 30 June 2022

Shareholders

9,338

At 30 June 2023

Letter from the Chairman

Russell Higgins AO
Chairman

Dear valued shareholder,

It is with great pleasure that I present Argo Infrastructure's 2023 Annual Report.

For the 2023 financial year, Argo Infrastructure reported profit of $9.6 million* with income generated by the Company's global portfolio of listed infrastructure companies up more than +20% to $14.4 million. In part, this is a demonstration of the inflation-linked pricing mechanisms which allow infrastructure businesses to raise their fees to reflect inflation growth. This ability to protect margins during periods of rising inflation is an obvious benefit of the asset class.

Pleasingly, full year dividends were increased to 8.5 cents per share, fully franked – a record high for the Company. We believe this further shows our commitment to delivering sustainable returns over time to our shareholders. Importantly, Argo Infrastructure has now paid 11 fully franked dividends in a row.

We are often asked how we can pay *franked* dividends when we invest in a global portfolio of companies. It is because as an Australian tax-paying company, we generate imputation credits when we pay tax on profits and realised capital gains. We can then pass these credits on to our shareholders. This is an advantage of investing in international assets via an Australian listed investment company (LIC) structure, as compared to a trust structure or investing directly overseas.

Since listing on the Australian Securities Exchange (ASX) in July 2015, we have remained focused on our objective of providing long-term investors with a total return comprising of both capital growth and dividend income from our global portfolio of listed infrastructure companies.

On behalf of the Board, I would like to thank you, our loyal shareholders, for your ongoing support of Argo Infrastructure. I would also like to extend a warm welcome to shareholders who are new to the Company.

Yours faithfully,

Russell Higgins AO
Chairman
28 August 2023

This compares to $29.9 million the previous year. The fall in profit largely reflects a decrease in the investment portfolio's valuation as accounting standards require unrealised appreciation or depreciation in the market value of the portfolio to be treated as a profit or a loss for the year. As a result, reported profit can be volatile from year to year.

Letter from the Managing Director

Jason Beddow
Managing Director

Dear valued shareholder,

Global equity markets defied expectations over financial year 2023, gaining more than +20% (in A$ terms) despite persistently high inflation, steep interest rate increases and the spectre of recession. Although investors tended to shrug off the macroeconomic headwinds confronting the global economy, the year was punctuated with periods of considerable volatility – particularly in the first quarter.

The generally 'risk on' environment saw investor sentiment pivot towards more growth-oriented investments (such as technology stocks) and away from assets offering more defensive attributes. Against this backdrop, global listed infrastructure gained +2.7% (in A$ terms).

Infrastructure subsectors posted mixed returns over the year. The resilience of the global economy (particularly in the United States and Europe) saw the more economically sensitive infrastructure subsectors outperform. For example, Airports surged +15.3% (in local currency terms) with traffic volumes continuing their post-COVID rebound as enthusiasm for tourism-related travel continued largely unabated. Similarly, Marine Ports (+9.0%) benefited from reopening activity and easing supply chain disruptions.

For the year to 30 June 2023, Argo Infrastructure's portfolio delivered a total return of +3.9%, outpacing the benchmark index by +1.2%. Holdings in Marine Ports and Midstream Energy stocks contributed to the portfolio's performance.

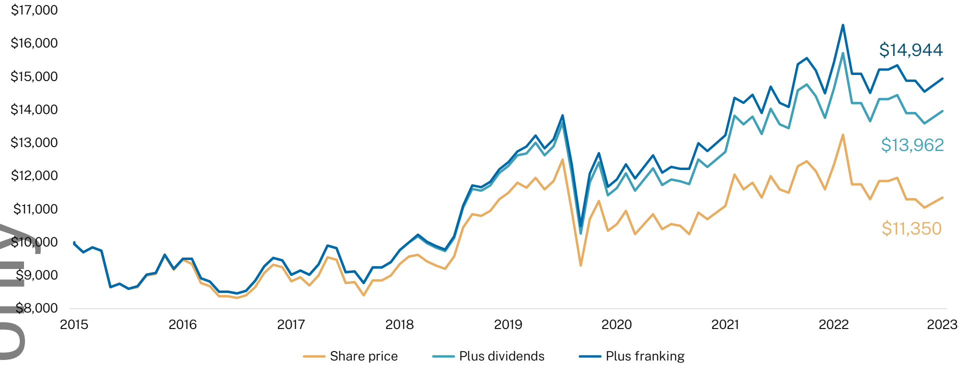
The modest overall performance of global listed infrastructure in FY2023 belies its strength during periods of heightened volatility, notably during the first quarter of the year. Historically, global infrastructure stocks have displayed a low correlation to broader equities. This means that, while the asset class does not capture all the upside of broader global equities, it provides some downside protection when markets fall sharply. In our view, this is a key advantage of the asset class in volatile conditions.

Yours faithfully,

Jason Beddow
Managing Director
28 August 2023

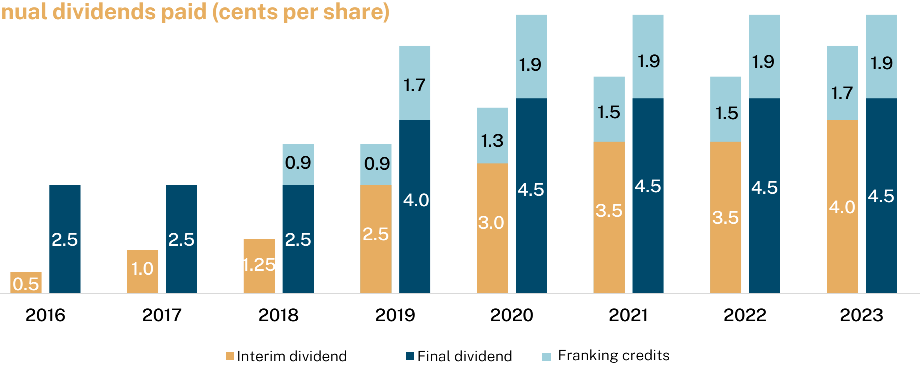
Shareholder returns

Shareholder returns – $10,000 invested since inception

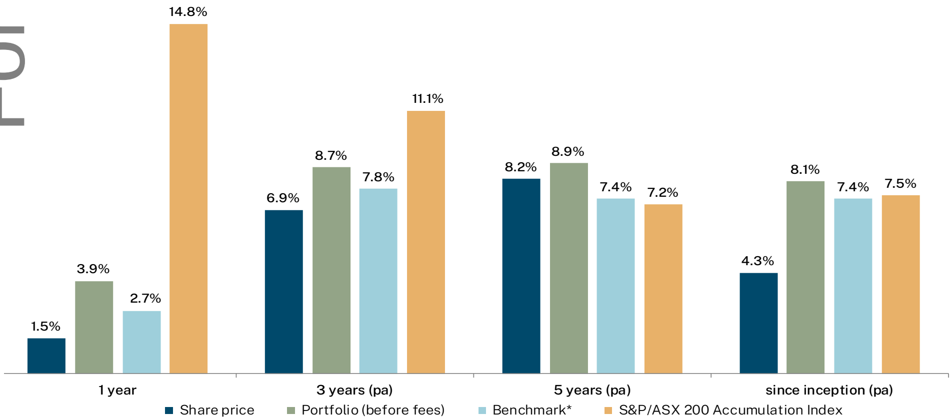


A $10,000 investment in ALI shares in July 2015 would have grown to a value of $13,962 (+4.3% per annum) at 30 June 2023. The tax effective value taking into account franking credits is $14,944 (+5.2% per annum).

Annual dividends paid (cents per share)



Total returns



All figures are to 30 June 2023.

**FTSE Global Core Infrastructure 50/50 Index (in A$).*

About Argo Infrastructure

Argo Infrastructure offers investors exposure to a diverse and actively managed global portfolio of infrastructure stocks, through a single ASX-listed company.

Argo Global Listed Infrastructure (Argo Infrastructure) was founded in 2015 by Argo Investments to provide an international diversification opportunity for Australian investors, who are typically predominately exposed to Australian equities.

Argo Infrastructure is managed by Argo Investments which brings considerable experience as one of Australia's oldest and largest listed investment companies. Management of Argo Infrastructure's investment portfolio is outsourced to specialist global manager, Cohen & Steers.

Infrastructure benefits

Infrastructure provides the essential services vital to society and economic progress. These assets are built to last many decades, are difficult to replace and generate consistent and predictable income, often with pricing mechanisms linked to inflation.

Argo Infrastructure invests in the listed infrastructure companies that own these assets all around the world.

Access global opportunities

Opportunities to invest in Australian listed infrastructure companies have dwindled in recent years. In contrast, there are approximately 350 listed infrastructure companies globally.

Argo Infrastructure offers diverse exposure these global listed infrastructure opportunities. The portfolio spans both emerging and developed economies and covers the full spectrum of infrastructure assets, such as water utilities, communication towers, pipelines and many other assets not accessible via the Australian share market.

Straightforward global investing

Our straightforward listed investment company (LIC) structure filters out the administrative complexity of investing overseas.

In addition, Argo Infrastructure offers the opportunity to receive fully franked dividends. A key benefit of investing in international assets via our Australian LIC structure is the ability to generate franking credits when company tax is paid in Australia.

Specialist global fund manager

Cohen & Steers is one of the world's largest and most respected listed infrastructure investors. Listed on the New York Stock Exchange, Cohen & Steers has an experienced team of analysts in offices across the world providing 'on the ground' insights. For more about Cohen & Steers, see page 7.

Simple to invest

Argo Infrastructure shares are bought and sold on the ASX. There are no upfront, ongoing or exit fees to invest in Argo Infrastructure. The only costs to invest are stockbroking charges to buy or sell shares.

Our objective

Our 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.

Shareholder benefits

Global diversification

Exposure across various geographies and both emerging and developed economies.

Specialist global fund manager

Access to a world-leading, specialist infrastructure fund manager.

Access new infrastructure opportunities

New opportunities offshore through government privatisations.

Proven investment approach

Experienced investment team with a long and successful track record.

Enhanced risk-adjusted returns

Less volatile than broader equities providing some relative downside protection.

Simple global investing

Exposure to a large and complex asset class through one simple ASX trade.

About the Portfolio Manager

The management of Argo Infrastructure's investment portfolio is outsourced to specialist global fund manager, Cohen & Steers.

One of the world's largest and most highly respected investors in global listed infrastructure and real assets, Cohen & Steers manages approximately A$120 billion on behalf of institutional clients and sovereign wealth funds.

Based in New York and listed on the New York Stock Exchange (NYSE code: CNS), the firm has an experienced team of analysts across the globe providing local insights to inform investment decisions.

Due to high levels of regulation and the political sensitivity of infrastructure assets, changes in governments or policies can impact infrastructure companies and their returns.

Having people 'on the ground' in close proximity to infrastructure assets, provides clear competitive advantages, including access to key industry participants and government regulators.

For more information

To find out more about Cohen & Steers, visit the firm's website: cohenandsteers.com.

COHEN & STEERS

Ben Morton
BAS, MES
Senior Portfolio Manager

Thuy Quynh Dang
BA
Portfolio Manager

Tyler Rosenlicht
BA, MBA
Portfolio Manager

Understanding global listed infrastructure

Infrastructure assets typically generate consistent and predictable income for the listed companies that own and operate them.

What is infrastructure?

The real or 'hard' assets critical to economic growth and the functioning of society. These assets fall into four broad categories:

Communications
Wireless communication towers, data centres and satellites.

Transportation
Toll roads, ports, freight and passenger railways and airports.

Utilities
Gas, electricity, water and renewables.

Midstream energy
Pipelines and storage.

Key characteristics

Infrastructure assets cover a diverse range of industries, yet they share key characteristics that translate into reliable, long-term income streams.

Stable and predictable cash flows
The essential service nature of most infrastructure assets means demand is reasonably inelastic. This generates stable and predictable cash flows, even in economic downturns.

High barriers to entry
Infrastructure assets are costly to build and difficult to replicate. This reduces competition and creates monopolistic market positions and pricing power.

Long-life assets
As infrastructure assets are typically built to last 30 to 50 years plus, they provide long-term investment income.

Inflation-linked pricing
Asset regulators generally take inflation into account when setting asset-pricing structures. So, as inflation rises, asset operators are often permitted to increase user fees.

Listed versus unlisted infrastructure

Listed infrastructure companies own the same kinds of assets as unlisted private infrastructure owners, with the added benefits of exchange-traded stocks including:

Transparency
Exchange-listed companies are public companies subject to various disclosure and governance requirements.

Diversification
Small minimum investments allow capital to be spread broadly across asset types. In contrast, direct infrastructure investments typically require a significant minimum capital commitment.

Flexibility
No fixed period for investment commitment. In contrast, direct infrastructure investments generally require the long-term lock-up of capital.

Liquidity
Highly liquid investment universe offers active managers the ability to rapidly adjust portfolio positions as conditions change.

Investment approach

The investment approach of Argo Infrastructure's portfolio manager has seen the portfolio outperform our benchmark infrastructure index over all time periods since inception.

Investment strategy

Argo Infrastructure's portfolio manager, Cohen & Steers, employs a high conviction and active approach which seeks to position our portfolio to benefit from the growing demand for infrastructure investment and the continued privatisation of traditionally government-owned assets and services worldwide.

Investment process

Cohen & Steers' investment process is based on fundamental research, incorporating a disciplined top-down screen of the global infrastructure universe to identify attractive subsectors, coupled with detailed bottom-up analysis of individual securities.

Cohen & Steers uses proprietary valuation models to rank the relative attractiveness of infrastructure subsectors depending on economic conditions globally, adjusting weightings as required to optimise portfolio performance.

The individual security analysis includes forming an independent view on a company's fundamentals, regulatory trends and financials. This analysis includes time spent in local markets meeting with management teams, visiting assets, and spending time with regulators.

Cohen & Steers' research analysts then develop projections for each company's earnings, cash flow and dividend growth potential, with the most effective metrics then selected for each subsector. Security level weightings are determined based on fundamental research and valuation models.

ESG integration

Cohen & Steers believes that environmental, social and corporate governance (ESG) factors can influence the returns from companies it invests in.

Recognising their significant importance, ESG factors are integrated into Cohen & Steers' fundamental stock analysis.

Cohen & Steers' ESG integration investment process follows four main steps:

1. Identify ESG factors and assign weights by asset class sector.
2. Generate proprietary ESG scores.
3. Integrate scores into investment decisions.
4. Engage companies to gain insight and drive positive change.

> "...companies that integrate ESG considerations into their strategic plans and operations can enhance long-term shareholder value while mitigating potential risks."
>
> – Cohen & Steers

More information

Detailed information about Cohen & Steers' investment approach, ESG integration and responsible investing is provided on their website: cohenandsteers.com.

Portfolio overview

Argo Infrastructure's actively-managed global portfolio of 50-70 listed infrastructure securities is diversified across various subsectors and geographies, including both emerging and developed economies.

The large and highly liquid nature of the global listed infrastructure universe offers the flexibility to build a diversified portfolio.

Argo Infrastructure's portfolio only includes listed companies that derive at least 70% of revenues from, or have at least 70% of assets committed to, the construction, development or financing of infrastructure assets, or the management, ownership and/or operation of infrastructure assets.

Up to 5% of the portfolio may be held in cash securities which provides the ability to pursue market opportunities as they arise. The portfolio is unhedged for currency and has no debt.

Top 10 holdings

Security name	Country of listing	Sub-sector	Portfolio (%)	Index (%)
NextEra Energy	US	Electric	6.2	5.1
American Tower	US	Communications	4.6	3.2
Sempra Energy	US	Gas Distribution	3.6	1.8
Transurban	AUS	Toll Roads	3.5	4.9
Canadian Pacific Kansas City	CAN	Railways	3.4	1.2
CSX	US	Railways	3.2	1.1
SBA Communications	US	Communications	3.1	0.9
Cheniere Energy	US	Midstream Energy	3.1	1.3
CentrePoint Energy	US	Electric	3.1	0.7
PPL	US	Electric	3.1	0.8
			36.9	**21.0**

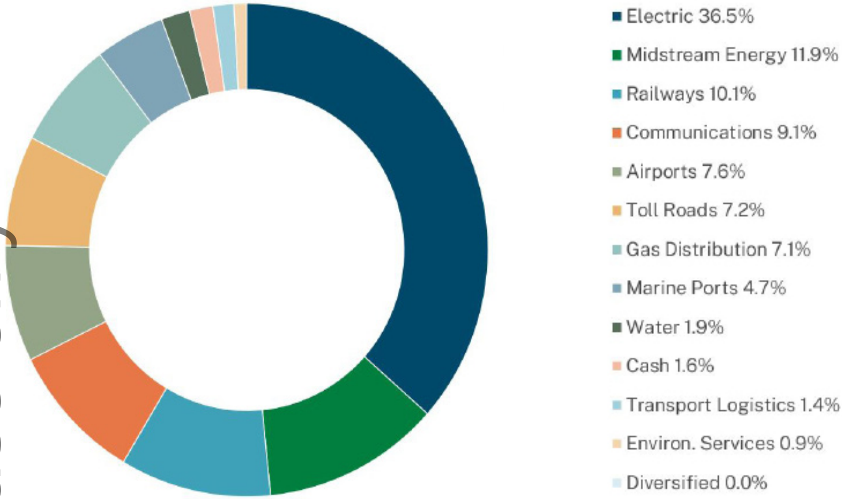
All figures are at 30 June 2023.

Portfolio holdings

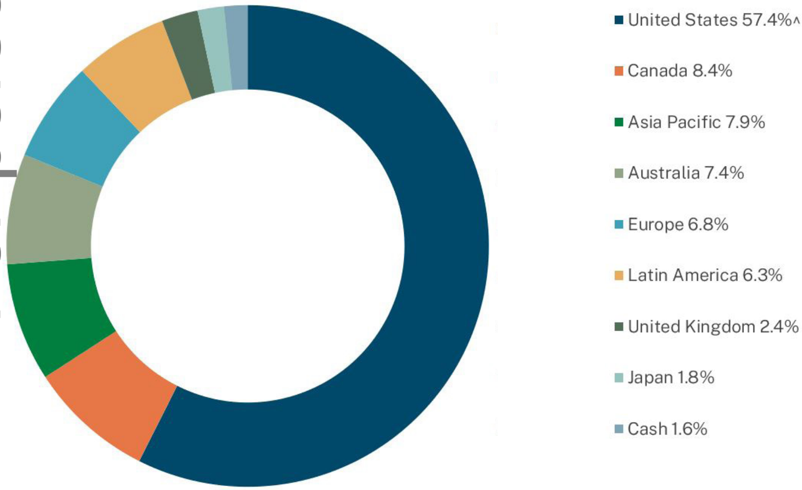
Argo Infrastructure's portfolio of investments, including the value of each holding, can be found on page 59 of this Annual Report.

Portfolio diversification

Sector diversification



Geographic diversification



^ Many of the largest infrastructure companies are listed in the United States, although their operations and earnings are often global.

All figures are at 30 June 2023.

Directors' Report

The Directors present their eighth Annual Report together with the financial report of Argo Global Listed Infrastructure Limited (ALI or Company) for the financial year ended 30 June 2023, including the Independent Auditor's Report.

Directors

At the date of this report, the Board comprised four Non-executive Directors and the Managing Director.

The Directors in office during or since the end of the financial year are as follows:

Russell Higgins AO
Non-Independent Non-executive Director and Chairman

BEc, FAICD

Joined the Board in 2018
Appointed Chairman in 2018

Experience
Highly experienced company director who has also held several senior government positions, particularly in industry, science and energy, and in economic and fiscal policy, in Australia and overseas.

ASX directorships, current
Argo Investments (since 2011, Chairman)

ASX directorships, last 3 years
-

Other directorships
Telstra Foundation (Chair), Argo Service Company (Chair)

Mark Hall
Independent Non-executive Director

BComm, FCPA, GradDipTax

Joined the Board in 2019
Audit & Risk Committee member (Chair)

Experience
Highly qualified and experienced in financial and taxation matters. Executive career included over 20 years with Telstra Corporation Ltd in senior finance roles including Deputy Chief Financial Officer and Acting Chief Financial Officer.

ASX directorships, current
-

ASX directorships, last 3 years
-

Other directorships
-

Fiona Hele

Independent Non-executive Director

BCom, FCA, FAICD

Joined the Board in 2022
Audit & Risk Committee member

Experience

Extensive experience advising public and private organisations on strategy, growth mergers and acquisitions, risk management, and people and culture in Australia and overseas.

ASX directorships, current

Kelsian Group (since 2016, Deputy Chair)

ASX directorships, last 3 years

-

Other directorships

Adelaide Venue Management Corporation, CEA Technologies

Joycelyn Morton

Non-Independent Non-executive Director

BEc, FCA, FCPA, FIPA, FGIA, FAICD

Joined the Board in 2015
Audit & Risk Committee member

Experience

Highly experienced corporate and government company director with executive experience in corporate, tax and accounting roles both in Australia and overseas.

ASX directorships, current

Felix Group Holdings (since 2021)

ASX directorships, last 3 years

Argo Investments (2012-2022), Beach Energy (2018-2021)

Other directorships

Gelion plc, Salvation Army Red Shield Doorknock Appeal Sydney (Chair)

Jason Beddow

Non-Independent Managing Director

BEng, GdipAppFin (SecInst), GAICD

Joined the Board in 2015

Experience

Started his career in mining engineering before moving into the investment industry, working in broking, research and funds management. Joined Argo in 2001 as an investment analyst, became Chief Investment Officer in 2008 and Chief Executive Officer in 2010.

ASX directorships, current

Argo Investments (since 2014, Managing Director)

ASX directorships, last 3 years

-

Other directorships

Argo Service Company (Managing Director)

Directors' relevant interests

The Directors' relevant interests in shares notified to the ASX in accordance with the *Corporations Act 2001*, at the date of this report are as follows:

	Shares
R.A. Higgins AO	233,253
J. Beddow	87,184
M.J.H. Hall	87,943
F.A. Hele	26,383
J.C. Morton	131,398

Board and committee meetings

At the date of this report, the Company has an Audit & Risk Committee of the Board.

There were four Board meetings and four Audit & Risk Committee meetings held during the financial year. The number of meetings attended during the financial year by each of the Directors while in office were:

	Board		Audit & Risk Committee	
	No. of meetings held while a Director	No. of meetings attended	No. of meetings held while a member	No. of meetings attended
R.A. Higgins AO	4	4	-	4*
M.J.H. Hall	4	4	4	4
F.A. Hele	4	4	4	4
J.C. Morton	4	4	4	4
J. Beddow	4	4	-	4*

* By invitation

Secretary

Tim Binks *BEc, CA, FGIA, GAICD* held the role of Company Secretary during the year and at the date of this report.

Mr. Binks is also the Chief Operating Officer of Argo. He joined Argo in 2007 and is an experienced governance executive with a background in accounting, funds management and stockbroking. He was appointed as Argo's Company Secretary in 2010 and became Chief Operating Officer in 2015, whilst still maintaining the company secretarial duties. He is also Company Secretary of Argo's wholly-owned subsidiary, Argo Service Company Pty Ltd (ASCO), which acts as ALI's Manager.

Other Key Management Personnel

The names of the other Key Management Personnel disclosed in this report are Mr. T.C.A. Binks (Company Secretary) and Mr. A.B. Hill (Chief Financial Officer). Both Mr. Binks and Mr. Hill are remunerated under service agreements with the Manager, ASCO.

Other Key Management Personnel's interests in shares at the date of this report are as follows:

	Shares
T.C.A. Binks	5,936
A.B. Hill	17,760

Principal activities and state of affairs

The Company is a listed investment company established 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.

The Directors do not anticipate any particular developments in the operations of the Company which will affect the results of future financial years other than those mentioned in this report.

Operating and Financial Review

Summary of business model

The business objective of Argo Global Listed Infrastructure Limited (ASX code: ALI) 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. ALI provides investors with exposure to a complex international investment class via a single ASX-listed company.

The Company generates operating revenue from dividends and distributions received from its investment portfolio. It also receives a small amount of interest on any cash balances held from time to time.

In addition to this operating income, ALI's total reported profit includes gains and losses resulting from the sale of investments during the year and the revaluation to market value of the investments which are held at the end of the year. This element of income is more volatile due to fluctuations in markets and currencies.

ALI's major expense is a management fee, as it is externally managed and has no employees of its own. ALI's management fee is 1.2% per annum of its assets under management under $500 million, calculated monthly. A sliding scale operates to reduce the fee on assets above $500 million to 1.1% and above $1 billion to 1.0%. The fee is split equally between the Manager and the Portfolio Manager. No performance fees are charged.

The Manager is Argo Service Company Pty Ltd (ASCO), which is a wholly-owned subsidiary of Argo Investments Limited (ASX code: ARG). ASCO provides administrative, operational and financial services to ALI, in addition to overseeing the Portfolio Manager and providing the Company's Managing Director, Company Secretary and Chief Financial Officer.

The Portfolio Manager is Cohen & Steers Capital Management, Inc. (CNS), which is a leading global investment manager based in New York. Its parent company is listed on the New York Stock Exchange (NYSE code: CNS) and it is one of the world's largest investors in global listed infrastructure.

Other ALI expenses include transaction costs, custody fees, insurance, share registry charges and Directors' remuneration.

The Board determines the dividends paid to shareholders half-yearly, having regard to the income received by the Company from its portfolio dividends during the period, together with net realised gains on portfolio sales. When realised gains occur, franking credits can be generated from the corporate tax that ALI pays in Australia. These franking credits will be distributed to shareholders when available.

Due to ALI's international investment activities and its Australian domicile, the Company's returns are also impacted by foreign exchange translation on transactions during the year and balances at year end. The portfolio is unhedged for currency to assist the objective of providing returns which are uncorrelated to the Australian equity market.

Although the portfolio is diversified across 15-20 countries and a range of different currencies, approximately 55% of assets are valued in US dollars. As a result, the Australian dollar (A$) versus the US dollar (US$) is the exchange rate which most influences the value and profitability of the Company.

Review of events and activities during the year

The global listed infrastructure sector delivered a positive return this year despite the challenges of persistent, elevated inflation and most central banks aggressively raising interest rates. However the sector lagged the strong broader equity markets which were driven higher by investor appetite for growth-related stocks and technology companies which may benefit from artificial intelligence productivity gains, especially in the US.

ALI's portfolio returned +3.9% for the year ended 30 June 2023 (before fees), ahead of its benchmark FTSE Global Core Infrastructure 50/50 Index (A$), which returned +2.7%. There is generally a low correlation between ALI's returns and those of Australian equities, represented by the S&P ASX 200 Accumulation Index which returned +14.8%.

The best performing subsectors within global infrastructure were those which benefited more from economic activity remaining surprisingly buoyant during the year, including Airports (+15% in local currency terms), Railways (+11%) and Marine Ports (+9%).

Conversely, the weaker infrastructure subsectors were the traditionally defensive ones such as Electric Utilities (-4%) and Gas Distribution (-3%), as investors preferred growth-related equities in the risk-on environment.

In August 2022, the Inflation Reduction Act was passed in the US, which includes very significant incentives for investment in clean energy and decarbonisation. This will be beneficial to some infrastructure companies, such as utilities with renewable energy generation or development capability.

The Australian dollar depreciated slightly over the financial year from US$0.69 to US$0.66, providing a small benefit for ALI's Net Tangible Asset (NTA) backing per share.

Shareholders supported the Company's third Share Purchase Plan in October 2022, raising $21.0 million for additional portfolio investments.

There were no changes to the composition of the Board of Directors during the year.

Discussion of results and financial position

ALI's profit for the year ended 30 June 2023 was $9.6 million, compared to $29.9 million for the prior period. The portfolio produced $14.4 million in dividends, distributions and interest this year, up 22% on last year, highlighting the benefit of inflation-linked pricing mechanisms for many infrastructure companies and the Company's larger portfolio size following successful Share Purchase Plans over the past three years.

Accounting standards require ALI to value its portfolio at each year end and treat the unrealised appreciation or depreciation in that value as a profit or loss for the year, which can result in significant fluctuations in reported profits.

This year, the unrealised movement in portfolio value amounted to a depreciation of $25.6 million, compared to an appreciation of $3.5 million in the previous year. Realised portfolio sales during the year amounted to a net gain of $31.1 million, compared to $33.6 million in the previous year.

ALI's annual dividends to shareholders were increased to 8.5 cents fully franked this year. The final dividend is ALI's 11th consecutive fully franked dividend.

The Company's balance sheet remains strong, with net assets at 30 June 2023 of $418 million, up from $400 million at 30 June 2022. The portfolio accounts for the majority of assets and can fluctuate significantly due to market and currency movements.

NTA backing per share at 30 June 2023 was $2.39, down from $2.45 at 30 June 2022.

Future prospects, strategies and risks

ALI's future results will depend largely on the performance of the companies and other entities held in the portfolio. Although CNS actively manages the portfolio with a view to maximising these outcomes, ultimately the performance of those investee entities is influenced by many factors which are difficult to predict, including economic growth rates, inflation, interest rates, exchange rates, regulatory changes, sovereign risk and taxation levels. There are also company-specific issues such as management competence, capital strength, industry trends and competitive behaviour.

The future prospects of ALI will continue to be influenced by the macro-economic outlook with respect to elevated inflation and rising interest rates globally. The possibility of global recession remains, and the extent of the impact of any recession is very difficult to forecast. In addition, the ongoing war in the Ukraine continues to affect energy prices and economic activity in Europe. However in uncertain times, infrastructure tends to be a relatively resilient sector. In addition, infrastructure exposure through listed stocks allows more flexible, active management of positions than exposure through direct investment.

The constantly changing nature of markets and other investment conditions requires the Company to diligently appraise any opportunities that may present themselves, although ALI does not envisage any significant changes to its business model.

The Directors firmly believe that ALI can bring important diversification benefits to Australian equity investors from an asset class, geographic and currency perspective.

As a close-ended listed investment company with no debt, ALI is well placed to benefit from the long-term growth and income potential of the global listed infrastructure sector which remains compelling.

Matters arising since year end

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial year which has 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.

Dividends

An interim fully franked dividend of 4.0 cents per share was paid on 24 March 2023.

On 28 August 2023, the Directors declared a final fully franked dividend of 4.5 cents per share to be paid on 29 September 2023.

Total dividends for the year amount to 8.5 cents per share. This compares to 8.0 cents per share last year.

Dividend Reinvestment Plan (DRP)

The DRP raised $1.5 million of new capital for investment during the year.

The DRP will operate for the 4.5 cents per share dividend payable on 29 September 2023 and the Directors have resolved that the shares will be allotted to participating shareholders at the market price of ALI shares, as defined by the DRP. No discount will apply.

Share buy-back

The Company has an on-market share buy-back facility in place, in order that its shares can be bought back and cancelled where they can be purchased at a significant discount to the net tangible asset backing per share. Any such purchases have the effect of increasing the value of the remaining shares on issue. No share buy-backs occurred during the year.

Environmental Regulations

The Company's operations are not directly affected by environmental regulations.

Indemnification of Directors and Officers and insurance arrangements

The Company indemnifies its past, present and future Directors and Officers against liabilities arising out of their position with the Company, except where the liability arises out of conduct involving a lack of good faith. The deed stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has paid a premium in respect of a Directors' and Officers' insurance policy covering the liability of past, present or future Directors and Officers, including executive officers of the Company. The terms of the policy prohibit disclosure of the details of the amount of insurance cover and the premium paid.

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.

Audit and Non-Audit Services

Details of the amounts paid or payable to Ernst & Young for audit and non-audit services provided during the year are set out in Note 18 to the financial statements of this report.

The Board has considered the position and, in accordance with advice from the Audit & Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* for the following reasons:

(a) all non-audit services have been reviewed by the Audit & Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor; and

(b) the non-audit services provided do not undermine the general principles relating to audit independence as set out in APES 110 Code of Ethics for Professional Accountants.

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001*, is included on page 23.

Remuneration Report (audited)

This report details the remuneration arrangements for each Non-executive Director of Argo Global Listed Infrastructure Limited. The Managing Director, Jason Beddow and the other executive Key Management Personnel are remunerated under their service agreements with the Manager, ASCO.

Non-executive Directors are remunerated by fees within the aggregate maximum annual limit of $400,000 as set out in the Company's Constitution. Any increase in the aggregate amount of Non-executive Directors' fees must be approved by a resolution of shareholders as required by the Company's Constitution.

Non-executive Directors receive a base fee, do not receive additional fees for participating in Board Committees, and are not entitled to any other remuneration (excluding Superannuation Guarantee entitlements).

The Board determines the remuneration levels and ensures they are set to attract and retain appropriately qualified and experienced Directors. The Directors' performance is reviewed annually and their remuneration is not directly linked to the Company's performance.

For the year ended 30 June 2023, the Chairman received a fee of $55,250 and the other Non-executive Directors received $45,600. All Non-executive Directors' Fees are inclusive of Superannuation Guarantee contributions.

Remuneration of Non-executive Directors

The table below sets out the Non-executive Directors' remuneration paid and payable by the Company for the financial year:

		Short-term employee benefits	Post-employment benefits	
		Directors' fees $	Superannuation[a] $	Total $
R.A. Higgins AO	**2023**	**52,625**	**2,625**[b]	**55,250**
	2022	45,000	4,500	49,500
M.J.H. Hall	**2023**	**41,267**	**4,333**	**45,600**
	2022	39,273	3,927	43,200
F.A.Hele[c]	**2023**	**41,267**	**4,333**	**45,600**
	2022	-	-	-
J.C. Morton	**2023**	**41,267**	**4,333**	**45,600**
	2022	39,273	3,927	43,200
A.E. Slattery[d]	**2023**	**-**	**-**	**-**
	2022	42,218	982[b]	43,200
Total	**2023**	**176,426**	**15,624**	**192,050**
	2022	165,764	13,336	179,100

(a) Superannuation contributions made on behalf of Non-executive Directors to satisfy the Company's obligations under the Superannuation Guarantee Charge legislation.

(b) Superannuation guarantee exemptions applied with exemption amounts paid as Directors' fees.

(c) Appointed 1 July 2022.

(d) Retired 30 June 2022.

Key Management Personnel equity holdings

The number of ordinary shares in the Company held or controlled by key management personnel or their related parties during the financial year:

	Opening balance	Changes during the year	Closing balance
R.A. Higgins AO	212,824	20,429	233,253
J. Beddow	87,184	-	87,184
M.J.H. Hall	72,425	15,518	87,943
F.A. Hele	n/a	26,383	26,383
J.C. Morton	114,411	16,987	131,398
T.C.A. Binks	5,736	200	5,936
A.B. Hill	15,068	2,692	17,760

End of audited remuneration report.

Corporate Governance Statement

The Corporate Governance Statement for the year ended 30 June 2023 can be accessed in the Corporate Governance section of the Company's website at argoinfrastructure.com.au.

Relevant governance charters, policies and codes are also available in this section of the website.

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

On behalf of the Board

R.A. Higgins AO
Chairman
28 August 2023

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Auditor's Independence Declaration to the Directors of Argo Global Listed Infrastructure Limited

As lead auditor for the audit of the financial report of Argo Global Listed Infrastructure Limited for the financial year ended 30 June 2023, I declare 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 audit;

(b) no contraventions of any applicable code of professional conduct in relation to the audit; and

(c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Ernst & Young

Jonathan Hall

Jonathan Hall
Partner
Sydney
28 August 2023

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2023

	Note	2023 $'000	2022 $'000
Investment income			
Dividends and distributions		14,411	11,764
Interest		42	1
Net foreign exchange gains		477	130
Net changes in fair value of financial assets at fair value through profit or loss (realised and unrealised)	13(a)	5,483	37,105
Total investment income		20,413	49,000
Expenses			
Management fees	17, 19	(4,926)	(4,835)
Custody and administration fees		(319)	(292)
Directors' fees		(192)	(179)
Registry fees		(83)	(87)
Transaction costs		(666)	(436)
Other expenses		(521)	(477)
Total expenses		(6,707)	(6,306)
Profit before income tax		13,706	42,694
Income tax expense	3	(4,078)	(12,827)
Profit after income tax		9,628	29,867
Other comprehensive income		-	-
Total comprehensive income for the year		9,628	29,867
		cents	cents
Earnings per share			
Basic and diluted earnings per share	4	5.5	18.3

(to be read in conjunction with the accompanying notes)

Statement of Financial Position
at 30 June 2023

	Note	2023 $'000	2022 $'000
Current Assets			
Cash and cash equivalents	5	5,792	8,441
Receivables		1,929	1,179
Receivables — trade settlements		3,043	-
Financial assets at fair value through profit or loss	6	423,040	412,241
Total Current Assets		433,804	421,861
Total Assets		433,804	421,861
Current Liabilities			
Payables		510	497
Payables – trade settlements		3,709	-
Current tax liability		6,770	10,375
Financial liabilities at fair value through profit or loss	7	4	-
Total Current Liabilities		10,993	10,872
Non-Current Liabilities			
Deferred tax liability	3	4,927	10,545
Total Non-Current Liabilities		4,927	10,545
Total Liabilities		15,920	21,417
Net Assets		417,884	400,444
Equity			
Contributed equity	8	357,628	335,206
Profit reserve	9	45,537	60,147
Retained earnings	10	14,719	5,091
Total Equity		417,884	400,444

(to be read in conjunction with the accompanying notes)

Statement of Changes in Equity

for the year ended 30 June 2023

	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 year		-	-	9,628	9,628
Dividends paid	11	-	(14,610)	-	(14,610)
Dividend Reinvestment Plan	8	1,481	-	-	1,481
Share Purchase Plan	8	21,006	-	-	21,006
Cost of share issues	8	(65)	-	-	(65)
Balance as at 30 June 2023		357,628	45,537	14,719	417,884

for the year ended 30 June 2022

	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 year		-	-	29,867	29,867
Transfer of profits during the year	9,10	-	34,926	(34,926)	-
Dividends paid	11	-	(12,758)	-	(12,758)
Dividend Reinvestment Plan	8	1,274	-	-	1,274
Share Purchase Plan	8	30,971	-	-	30,971
Cost of share issues	8	(74)	-	-	(74)
Balance as at 30 June 2022		335,206	60,147	5,091	400,444

(to be read in conjunction with the accompanying notes)

Statement of Cash Flows

for the year ended 30 June 2023

	Note	2023 $'000	2022 $'000
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		414,872	259,354
Purchase of financial instruments at fair value through profit or loss		(419,518)	(278,071)
Net foreign exchange gain		434	168
Interest received		41	1
Dividends and distributions received		13,746	11,661
Other income received		-	42
GST recovered		532	487
Management fees paid		(4,916)	(4,790)
Custody fees paid		(290)	(311)
Other expenses paid		(2,104)	(1,641)
Income tax (paid)/received		(13,301)	415
Net cash outflows from operating activities	13(a)	(10,504)	(12,685)
Cash flows from financing activities			
Dividends paid — net of Dividend Reinvestment Plan		(13,129)	(11,484)
Share Purchase Plan proceeds		21,006	30,971
Cost of share issues		(65)	(74)
Net cash inflows from financing activities		7,812	19,413
Net (decrease)/increase in cash and cash equivalents		(2,692)	6,728
Cash and cash equivalents at the beginning of the year		8,441	1,751
Effect of foreign currency exchange rate changes on cash and cash equivalents		43	(38)
Cash and cash equivalents at the end of the year	5	5,792	8,441

(to be read in conjunction with the accompanying notes)

Contents of the Notes to the Financial Statements
for the year ended 30 June 2023

Notes to the Financial Statements
for the year ended 30 June 2023

1. General information

This financial report is for Argo Global Listed Infrastructure Limited (ALI or Company) for the year ended 30 June 2023.

The Company is a for-profit entity limited by shares, incorporated and domiciled in Australia. Its shares (ASX code: ALI) are publicly traded on the Australian Securities Exchange.

This financial report was authorised for issue by the Directors on 28 August 2023. The Directors have the power to amend and reissue the financial report.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of preparation

This financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and other mandatory professional reporting requirements. The financial report has been prepared on a historical cost basis, except for financial assets and financial liabilities at fair value through profit or loss, that have been measured at fair value. All amounts are presented in Australian dollars ($), unless otherwise noted.

The financial report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The accounting policies adopted are consistent with those of the previous financial year.

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

(b) Financial instruments

(i) Classification

The Company's investments are classified as 'Financial instruments at fair value through profit or loss upon initial recognition'.

These are investments in exchange traded equity instruments and unit trusts.

Receivables and payables are presented at amortised cost.

(ii) Recognition/derecognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date. Investments are derecognised when the right to receive cash flows from the investments has expired or the Company has transferred substantially all risks and rewards of ownership. The Company derecognises a financial liability when the obligation under the liability has expired.

(iii) **Measurement**

Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities at fair value through profit or loss are recorded in the Statement of Financial Position initially at fair value. Transaction costs of these financial assets and liabilities are expensed in the Statement of Profit or Loss and Other Comprehensive Income.

Subsequent to initial recognition, all financial assets and financial liabilities are measured at fair value. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of Profit or Loss and Other Comprehensive Income in the year in which they arise.

Other financial assets and liabilities

The carrying amount of other financial assets and liabilities held at amortised cost (which are all short-term) approximates fair value.

This includes cash and cash equivalents, receivables including receivables for trade settlements and payables including payables for trade settlements.

(iv) **Fair value measurement principles**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets and liabilities traded in active markets is subsequently based on 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 fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Further details on how the fair values of financial instruments are determined are disclosed in Notes 6 and 7.

(v) **Offsetting**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(vi) **Impairment of other financial assets**

The Company holds cash and cash equivalents and receivables with no financing component and maturities of less than 12 months at amortised cost. These assets are not materially impacted by impairment.

(c) **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) **Receivable/payable - trade settlements**

These amounts represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. Trades are recorded on trade date, and for equities, are normally settled within two business days.

(e) **Receivables**

Receivables are recognised when a right to receive payment is established. Amounts are generally received within 30 days of being recognised as receivables. Given the short-term nature of most receivables their nominal amounts approximate their fair value.

(f) **Payables**

Payables are measured at their nominal amounts. Amounts are generally paid within 30 days of being recognised as payables. Given the short-term nature of most payables their nominal amounts approximate their fair value.

(g) **Investment income**

Dividend income is recognised on the ex-dividend date, with any related foreign withholding tax recorded as an income tax expense.

Trust distributions are recognised on a present entitlement basis.

Interest income is recognised in the Statement of Profit or Loss and Other Comprehensive Income using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Other income is brought to account on an accruals basis.

Net changes in fair value of financial assets and liabilities at fair value through profit or loss are recognised as income and are determined as the difference between the fair value at the balance date or consideration received (if sold during the financial year) and the fair value as at the prior balance date or initial fair value (if acquired during the financial year). This includes both realised and unrealised gains and losses, but does not include interest or dividend income.

(h) **Expenses**

Company expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income on an accrual basis.

(i) **Income tax**

The Company is subject to income tax at 30% on taxable income for the year ended 30 June 2023 (2022: 30%).

The Company may incur withholding tax imposed by certain countries on investment income. Such income will be recorded gross of withholding tax in investment income, with the withholding tax expense included as part of income tax expense. Income tax expense comprises current and deferred tax.

Income tax expense is recognised in net profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. The current tax liability is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantially enacted. The deferred tax balances at 30 June 2023 are calculated at a tax rate of 30% (2022: 30.0%).

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised when there is a taxable temporary difference between the tax base of an asset or liability and its corresponding carrying amount in the Statement of Financial Position. This arises when the carrying amount of an asset exceeds its tax base.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(j) **Foreign currency translation**

(i) **Functional and presentation currency**

The financial statements are presented in Australian dollars which is the Company's functional currency.

(ii) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the Statement of Profit or Loss and Other Comprehensive Income on a net basis within change in fair value of financial instruments at fair value through profit or loss.

(k) **Dividends**

Dividends are recognised as a liability in the year in which they are declared.

(l) **Goods and Services Tax (GST)**

The Company is registered for GST. The issue or redemption of shares in the Company and, where applicable, the receipt of any distributions will not be subject to GST. The Company may be required to pay GST on management and other fees, charges, costs and expenses incurred by the Company. However, the Company may be entitled to input tax credits and reduced input tax credits in respect of the GST incurred.

Revenues, expenses, assets and liabilities are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(m) **Earnings per share**

Basic and diluted earnings per share are calculated by dividing profit attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(n) **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Company has an on-market share buy-back in place for capital management purposes. Details of the Company's share buy-back is provided in Note 8.

(o) **Segment reporting**

Operating segments are reported in a manner consistent with the Company's internal reporting provided to Directors.

(p) **Rounding of amounts**

The Company is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

(q) **Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances, but which are inherently uncertain and unpredictable, the result of which forms the basis of the carrying values of assets and liabilities. As such, actual results could differ from those estimates.

The Company's significant accounting estimates and judgements include fair value measurement of financial assets and liabilities that are not traded in an active market. Details on the determination of fair value are provided in Note 16(b).

(r) **New accounting standards and interpretations**

There are no standards that are not yet effective and that are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

3. Income tax

	2023 $'000	2022 $'000
(a) **Reconciliation of income tax expense to prima facie tax payable:**		
Profit before income tax	13,706	42,694
Prima facie tax expense calculated at 30% (2022: 30%)	4,112	12,808
Tax effect of dividends received	(15)	(17)
Other	(19)	36
Income tax expense	4,078	12,827
(b) **Income tax expense composition:**		
Current income tax	9,696	11,624
Deferred income tax	(5,618)	1,203
	4,078	12,827

	2023 $'000	2022 $'000
(c) **Deferred tax liabilities:**		
The balance comprises temporary differences attributed to:		
Dividends and distributions receivable	449	251
Unrealised gains on investments	4,611	10,393
	5,060	10,644
Offset by deferred tax assets:		
Foreign tax credits receivable	(113)	(72)
Costs associated with the issue of shares	(20)	(27)
	(133)	(99)
Net deferred tax liabilities	4,927	10,545
Movements:		
Balance at the beginning of the year	10,545	9,342
Charged to profit or loss	(5,618)	1,203
Balance at the end of the year	4,927	10,545
(d) **Franking account:**		
Total imputation credits available, after allowing for tax payable and franked dividends receivable, in subsequent financial years based on a tax rate of 30% (2022: 30%)	15,329	13,493
Impact on the franking account of the dividend declared but not recognised as a liability at the end of the financial year at tax rate of 30% (2022: 30%)	(3,415)	(3,231)
	11,914	10,262
The franking account balance would allow the Company to fully frank additional dividend payments at tax rate of 30% up to an amount of (2022: 30%)	27,799	23,945
	cents	cents
This equates to a per share amount of	15.7	14.3

The Company's ability to pay franked dividends is dependent upon receipt of franked dividends and the Company paying tax.

4. 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	174,030	163,092

	$'000	$'000
Profit for the year	9,628	29,867

	cents	cents
Basic and diluted earnings per share	5.5	18.3

Basic and diluted earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares on issue for the year.

At the end of the year, there were no outstanding securities that are dilutive in nature for the Company.

5. Cash and cash equivalents

	2023 $'000	2022 $'000
Cash at bank	5,792	8,441

These accounts are earning a floating interest rate of between -0.35% and +0.60% at 30 June 2023 (2022: -1.35% and +0.15%).

6. Financial assets at fair value through profit or loss

	2023 $'000	2022 $'000
Financial assets at fair value through profit or loss:		
Equity securities	389,641	371,983
Unit trusts	33,399	40,258
Total	423,040	412,241

The following securities each represent over 5% of total investments:

	2023 %	2022 %
NextEra Energy Inc.	6.3	6.2

There were 4,603 investment transactions during the financial year (2022: 2,939).

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.

Risk exposures relating to financial assets at fair value through profit or loss are included in Note 15.

7. Derivative financial instruments

Foreign currency contracts are primarily used by the Company to economically hedge against foreign currency exchange rate risks on settlement of purchases and sales of its non-Australian dollar denominated trading securities. The Company agrees to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. The Company recognises a gain or loss equal to the change in fair value at the end of each reporting period.

The Company's derivative financial instruments at year end are detailed below:

		Fair values	
	Contract/ notional	Assets	Liabilities
30 June 2023	$'000	$'000	$'000
Foreign currency contracts	3,724	-	4
30 June 2022			
Foreign currency contracts	-	-	-

8. Contributed equity

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

	2023 No. of shares	2022 No. of shares	2023 $'000	2022 $'000
Opening balance	167,535,376	153,408,358	335,206	303,035
Dividend Reinvestment Plan[1]	604,971	543,132	1,481	1,274
Share purchase plan[2]	8,938,708	13,583,886	21,006	30,971
Cost of share issues			(65)	(74)
Closing balance	177,079,055	167,535,376	357,628	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 year ended 30 June 2022.

On 24 March 2023, 306,027 shares were allotted at $2.33 per share pursuant to the Dividend Reinvestment Plan in operation for the interim dividend paid for the year ended 30 June 2023.

(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.

The Company has an on-market share buy-back arrangement in place but it was not activated during the year.

9. Profit reserve

The profit reserve is made up of amounts allocated from retained earnings that are preserved for future dividend payments.

	2023 $'000	2022 $'000
Balance at the beginning of the year	60,147	37,979
Transferred from retained earnings	-	34,926
Dividends paid	(14,610)	(12,758)
Balance at the end of the year	45,537	60,147

10. Retained earnings

	2023 $'000	2022 $'000
Balance at the beginning of the year	5,091	10,150
Profit for the year	9,628	29,867
Transfer of profits during the year	-	(34,926)
Balance at the end of the year	14,719	5,091

11. Dividends

	2023 $'000	2022 $'000
(a) **Dividends paid during the year**		
Final dividend for the year ended 30 June 2022 of 4.5 cents fully franked at 30.0% tax rate, paid 30 September 2022 (2021: 4.5 cents fully franked at 30.0% tax rate)	7,539	6,903
Interim dividend for the year ended 30 June 2023 of 4.0 cents fully franked at 30.0% tax rate, paid 24 March 2023 (2022: 3.5 cents fully franked at 30.0% tax rate)	7,071	5,855
Total dividends paid	14,.610	12,758
(b) **Dividend declared after balance date**		
Since the end of the financial year, the Directors have declared the following dividend which has not been recognised as a liability at the end of the financial year:		
Final dividend for the year ended 30 June 2023 of 4.5 cents fully franked at 30% tax rate, payable 29 September 2023 (2022: 4.5 cents fully franked at 30.0% tax rate)	7,969	7,539

12. Capital management

The Company's objective in managing capital and investments is to maximise compound after-tax returns for shareholders over time by investing in an investment portfolio in accordance with the Company's investment strategy.

The Company recognises that its capital position and market price will fluctuate in accordance with market conditions and, in order to adjust the capital structure, it may vary the amount of dividends paid, issue new shares or buy back its own shares from time to time.

A breakdown of the Company's equity and changes in equity is provided in the Statement of Changes in Equity and Note 8.

13. Cash flow information

(a) Reconciliation of profit to net cash flow from operating activities

	2023 $'000	2022 $'000
Profit after income tax	9,628	29,867
Purchase of financial instruments at fair value through profit or loss	(419,518)	(278,071)
Proceeds from sale of financial instruments at fair value through profit or loss	414,872	259,354
Net gains on financial instruments at fair value through profit or loss(i)	(5,483)	(37,105)
Net change in receivables	(750)	1,603
Net change in payables	(3,592)	10,426
Net change in deferred tax liabilities	(5,618)	1,203
Effects of foreign currency exchange rate changes on cash and cash equivalents	(43)	38
Net cash outflow from operating activities	(10,504)	(12,685)

(i) Includes:		
Realised net gains on financial assets at fair value through profit and loss	31,114	33,641
Unrealised net changes in fair value of financial assets at fair value through profit and loss	(25,631)	3,464
Total	5,483	37,105

(b) Non-cash financing activities

Dividends paid totalling $1.5 million were reinvested in shares under the Company's Dividend Reinvestment Plan (2022: $1.3 million).

14. 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:

	2023 A$'000	2023 %	2022 A$'000	2022 %
US	246,763	58.5	232,620	56.4
Canada	36,177	8.5	49,298	12.0
Australia	31,835	7.5	26,875	6.5
Spain	14,596	3.5	14,543	3.5
Brazil	13,896	3.3	7,602	1.8
Other countries	79,773	18.7	81,303	19.8
Total	423,040	100.0	412,241	100.0

15. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Company's overall risk management program focuses on ensuring compliance with the Company's investment strategy and seeks to maximise the returns derived for the level of risk to which the Company is exposed. The Company may use derivative financial instruments to alter certain risk exposures.

Financial risk management is carried out by the Portfolio Manager under a management agreement approved by the Board of Directors.

The Company uses different methods to measure different types of risk to which it is exposed. These methods are explained below.

(a) **Market risk**

(i) **Price risk**

Price risk arises from investments held by the Company for which prices in the future are uncertain. The performance of these investments is influenced by many factors which are difficult to predict, including economic growth rates, inflation, interest rates and regulatory changes. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates.

The Company has an active approach to a concentrated portfolio across 50-70 securities, with the portfolio invested in global listed infrastructure securities. The portfolio is diversified across infrastructure subsectors and countries, both developed and emerging, based upon the combined top-down and bottom-up analysis undertaken by the Portfolio Manager. The Company manages price risk through ensuring that all investment activities are undertaken in accordance with this investment strategy.

The table at Note 15(b) summarises the sensitivity of the Company's assets and liabilities to price risk. The analysis is based on the assumption that the markets in which the Company invests increased/decreased by 10% (2022: 10%).

(ii) **Foreign exchange risk**

Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuates due to changes in exchange rates.

The tables below summarises the fair value of the Company's financial assets and liabilities, which are denominated in a currency other than Australian dollars. Other foreign currencies include the Brazilian real, British pound sterling, Hong Kong dollar and Japanese yen.

30 June 2023	US dollars A$'000	Euro A$'000	Canadian dollars A$'000	All other foreign currencies A$'000	Total A$'000
Assets					
Cash and cash equivalents	992	15	77	1,933	3,017
Receivables	356	123	168	851	1,498
Receivables - trade settlements	-	1,453	-	1,590	3,043
Financial assets at fair value through profit or loss	246,764	25,363	36,177	82,900	391,204
Liabilities					
Payables - trade settlements	-	(3,459)	-	(250)	(3,709)
Financial liabilities at fair value through profit or loss	-	(3)	-	(1)	(4)
Total	248,112	23,492	36,422	87,023	395,049

30 June 2022	US dollars	Euro	Canadian dollars	All other foreign currencies	Total
	A$'000	A$'000	A$'000	A$'000	A$'000
Assets					
Cash and cash equivalents	46	2	75	660	783
Receivables	279	77	70	404	830
Financial assets at fair value through profit or loss	232,622	31,372	49,296	72,076	385,366
Total	232,947	31,451	49,441	73,140	386,979

The table at Note 15(b) summarises the sensitivity of the Company's assets and liabilities to foreign exchange risk. The analysis is based on the assumption that the Australian dollar weakened/strengthened by 10% (2022: 10%) against the foreign currencies to which the Company is exposed.

(iii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The majority of the Company's financial assets and liabilities are non-interest bearing except for cash and cash equivalents. Hence the impact of interest rate risk on net profit/(loss) is not considered to be material to the Company.

The following tables summarise the Company's exposure to interest rate risk.

30 June 2023	Floating interest rate	Non-interest bearing	Total
	$'000	$'000	$'000
Assets			
Cash and cash equivalents	5,792	-	5,792
Receivables	-	1,929	1,929
Receivables - trade settlements	-	3,043	3,043
Financial assets at fair value through profit and loss	-	423,040	423,040
Liabilities			
Payables	-	(510)	(510)
Payables - trade settlements	-	(3,709)	(3,709)
Financial liabilities at fair value through profit and loss	-	(4)	(4)
Total	5,792	423,789	429,581

30 June 2022	Floating interest rate $'000	Non-interest bearing $'000	Total $'000
Assets			
Cash and cash equivalents	8,441	-	8,441
Receivables	-	1,179	1,179
Financial assets at fair value through profit and loss	-	412,241	412,241
Liabilities			
Payables	-	(497)	(497)
Total	8,441	412,923	421,364

The table at Note 15(b) summarises the sensitivity of the Company's assets and liabilities to interest rate risk. The analysis is based on the assumption that interest rates increased/decreased by 1.0% (2022: 1.0%).

(b) **Summarised sensitivity analysis**

The following tables summarise the sensitivity of the Company's net profit and net assets attributable to shareholders subjected to price risk, interest rate risk and foreign exchange risks.

The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in foreign exchange rates and the historical correlation of the Company's investments with relevant benchmarks and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market movements resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Company invests. As a result, historical variations in risk variables should not be used to predict future variances.

30 June 2023	+100bps $'000	-100bps $'000
Interest rate risk on fixed and floating rate interest securities	58	(58)

	+10% $'000	-10% $'000
Price risk on non-interest bearing securities	42,304	(42,304)

US dollar	24,811	(24,811)
Canadian dollar	3,642	(3,642)
Euro	2,349	(2,349)
Other currencies	8,702	(8,702)
Total foreign exchange risk	39,504	(39,504)

30 June 2022	+100bps $'000	-100bps $'000
Interest rate risk on fixed and floating rate interest securities	84	(84)

	+10% $'000	-10% $'000
Price risk on non-interest bearing securities	41,224	(41,224)

US dollar	23,295	(23,295)
Canadian dollar	4,944	(4,944)
Euro	3,145	(3,145)
Other currencies	7,314	(7,314)
Total foreign exchange risk	38,698	(38,698)

(c) **Credit risk**

Credit risk is the risk that a counterparty will be unable to pay its contractual obligations in full when they fall due, causing a financial loss to the Company.

The Company does not have a significant concentration of credit risk that arises from an exposure to a single counterparty or group of counterparties having similar characteristics. The main concentration of credit risk, to which the Company is exposed, arises from cash and cash equivalents and receivables - trade settlements. None of these assets are impaired nor past their due date. The maximum exposure to credit risk at the reporting date is the carrying amount disclosed in the Statement of Financial Position.

The Company does not consider counterparty risk to be significant, as the Company only trades with reputable, recognised and creditworthy third parties. Management considers the probability of default to be minimal as these instruments have a low risk of default and the counterparties have the capacity to meet their contractual obligations in the near term.

(d) **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Portfolio Manager monitors the Company's cash-flow requirements daily taking into account upcoming income, expenses and investment activities. The assets of the Company are largely in the form of listed securities which are considered readily convertible to cash.

(i) **Maturities of non-derivative financial liabilities**

The tables below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at reporting date to the contractual maturity date.

30 June 2023	Less than 1 month	1-6 months	6-12 months	Over 12 months	No stated maturity	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Payables	510	-	-	-	-	510
Payables - trade settlements	3,709	-	-	-	-	3,709
Total	4,219	-	-	-	-	4,219

30 June 2022	Less than 1 month	1-6 months	6-12 months	Over 12 months	No stated maturity	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Payables	497	-	-	-	-	497

(ii) **Maturities of derivative financial instruments**

The tables below analyses the Company's derivative financial instruments based on their contractual maturity. The Company may, at its discretion, settle financial instruments prior to their original contractual settlement date, in accordance with its investment strategy, where permitted by the terms and conditions of the relevant instruments.

30 June 2023	Less than 1 month $'000	1-6 months $'000	6-12 months $'000	Over 12 months $'000	No stated maturity $'000	Total $'000
Foreign currency contracts	(4)	-	-	-	-	(4)

30 June 2022	Less than 1 month $'000	1-6 months $'000	6-12 months $'000	Over 12 months $'000	No stated maturity $'000	Total $'000
Foreign currency contracts	-	-	-	-	-	-

16. 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 financial year 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.

(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 financial year applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the financial year.

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 financial year 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.

30 June 2023	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
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
Financial liabilities				
Financial liabilities at fair value through profit or loss:				
Derivatives	-	4	-	4
Total	-	4	-	4

30 June 2022	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'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

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

(i) **Transfers between levels**

There were no transfers between the levels of the fair value hierarchy for the year ended 30 June 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 year ended 30 June 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.

17. Management fees

Under the Management Agreement with the Manager, Argo Service Company Pty Ltd, the Company must pay a management fee based on funds under management at the following annual rates:

— 1.2% (plus GST) of the portfolio value up to and including $500 million;

— 1.1% (plus GST) of the portfolio value above $500 million and up to and including $1 billion; and

— 1.0% (plus GST) of the portfolio value above $1 billion.

The management fee is calculated at month end and paid monthly in arrears. There is no additional performance fee charged. The Manager is responsible for paying 50% of its management fee to the Portfolio Manager pursuant to the Portfolio Management Agreement with Cohen & Steers.

Payments made to the Manager are provided in Note 19.

18. Auditor's remuneration

During the year the following fees were paid or payable for services provided.

	2023 $	2022 $
(i) Audit services		
Fees for reviewing and auditing statutory financial reports	76,505	71,500
(ii) Fees for other services		
Tax compliance	17,325	20,900
Total	93,830	92,400

19. Related party transactions

Argo Service Company Pty Ltd (ASCO)

The Company has engaged ASCO (a wholly owned subsidiary of Argo Investments Limited) to manage the affairs of the Company including investment management of the portfolio and providing the services of the Managing Director, Company Secretary, Chief Financial Officer and any other administrative support services required by the Company. ASCO earns a management fee for managing the Company. Fees of $4,925,717 were paid or payable to ASCO for the year ended 30 June 2023 (2022: $4,834,787). Management fees of $410,000 were payable at balance date (2022: $400,000).

Argo Investments Limited (Argo)

Argo holds 13,040,389 shares in the Company (2022: 13,040,389 shares).

Key management personnel

The Key Management Personnel (KMP) of the Company comprise the Non-executive Directors, Mr. J. Beddow (Managing Director), Mr. T.C.A. Binks (Company Secretary) and Mr. A.B. Hill (Chief Financial Officer). Mr. Beddow, Mr. Binks and Mr. Hill are remunerated under service agreements with the Manager, ASCO.

The following remuneration was paid or payable by the Company to the Non-executive Directors:

	2023 $	2022 $
Short-term employment benefits (Directors' fees)	176,426	165,764
Post-employment (superannuation)	15,624	13,336
Total	192,050	179,100

At balance date, two of the five Directors of the Company were also Directors of Argo Investments.

20. Contingent assets, liabilities and commitments

The Company has no material commitments, contingent assets or liabilities as at 30 June 2023.

21. Events occurring after the reporting period

No matters or circumstances have occurred subsequent to the financial year end 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 financial years.

Directors' Declaration

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

(a) The financial statements and notes set out on pages 24 to 52 are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Accounting Standards (including the Australian Accounting Interpretations), the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

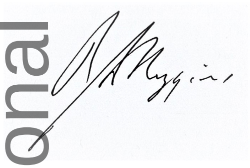
   (ii) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Managing Director and the Chief Financial Officer for the financial year ended 30 June 2023.

Signed in accordance with a resolution of the Directors



R.A. Higgins AO

Chairman

28 August 2023

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Independent Auditor's Report to the Members of Argo Global Listed Infrastructure Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Argo Global Listed Infrastructure Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Argo Global Listed Infrastructure Limited is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

1. Investment Existence and Valuation

Why significant	How our audit addressed the key audit matter
The Company has a significant investment portfolio consisting primarily of listed equity securities. As at 30 June 2023, the value of these financial assets were $423,040,000, which represented 98% of the total assets of the Company. As disclosed in the Company's accounting policy, Note 2(b) of the financial report, these financial assets are recognised at fair value through profit or loss in accordance with Australian Accounting Standards. Pricing, exchange rates and other market drivers can have a significant impact on the value of these financial assets and the financial report. Accordingly, existence and valuation of the investment portfolio was considered a key audit matter.	We assessed the effectiveness of the controls relating to the existence and valuation of investments. We obtained and assessed the assurance report on the controls of the Company's administrator, in relation to the fund administration services for the year ended 30 June 2023. In addition, we assessed the auditor's competence, their objectivity and the results of their procedures. We agreed all investment holdings, including cash accounts, to third party confirmations at 30 June 2023. We assessed the fair value of all investments in the portfolio held at 30 June 2023. For listed securities, the values were verified against independently sourced market prices. We assessed the adequacy of the disclosures included in Note 16 of the financial report.

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2. Management Fees

Why significant	How our audit addressed the key audit matter
For the year ended 30 June 2023, management fees totalled $4,926,000, which represented 73% of total expenses. The Company's accounting policy for management fees is disclosed in Note 17 of the financial report. All expenses are recognised on an accruals basis. Management fees, paid to the Manager, Argo Service Company Pty Ltd, is the most significant expense of the Company. Accordingly, this was considered a key audit matter.	We recalculated management fees, in accordance with the relevant service arrangements, including agreeing the fee rate to the calculations. We assessed the adequacy of the disclosures included in Notes 17 and 19 to the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2023 Annual Report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on the Audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 20 to 22 of the directors' report for the year ended 30 June 2023

In our opinion, the Remuneration Report of Argo Global Listed Infrastructure Limited for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Jonathan Hall

Jonathan Hall
Partner
Sydney
28 August 2023

Global Listed Infrastructure Portfolio
at 30 June 2023

Security	Country	Market value A$'000
Electric		
Alliant Energy Corporation	United States	10,410
CenterPoint Energy Inc.	United States	13,217
Constellation Energy Corp	United States	5,144
Dominion Resources Inc.	United States	9,956
DTE Energy Company	United States	9,698
Duke Energy Corporation	United States	3,993
Equatorial Energia	Brazil	2,435
Evergy Inc	United States	7,931
Exelon Corporation	United States	12,125
Hydro One Limited	Canada	3,284
National Grid PLC	United Kingdom	10,462
NextEra Energy Inc.	United States	26,755
Orsted A/S	Denmark	3,761
PG&E Corporation	United States	8,308
Power Assets Holdings Ltd.	Hong Kong	3,931
PPL Corporation	United States	13,185
Public Service Enterprise Group Incorporated	United States	10,310
Terna SPA	Italy	2,142
Total – Electric		157,047
Midstream Energy		
Cheniere Energy Inc.	United States	13,329
Enbridge Inc.	Canada	4,439
Keyera Corp	Canada	4,160
Kinder Morgan Inc.	United States	8,828
Targa Resources Corp.	United States	10,395
TC Energy Corp	Canada	9,902
Total – Midstream Energy		51,053

Security	Country	Market value A$'000
Freight Rails		
Canadian Pacific Kansas City	Canada	14,392
CSX Corporation	United States	13,689
Norfolk Southern Corporation	United States	5,487
Union Pacific Corporation	United States	5,794
		39,362
Passenger Rails		
West Japan Railway	Japan	4,155
		4,155
Total – Railways		43,517
Tower		
American Tower Corporation	United States	19,892
Cellnex Telecom SAU	Spain	5,834
SBA Communications Corporation	United States	13,507
Total – Communications		39,233
Airports		
AENA SA	Spain	8,762
Airports of Thailand PCL - For	Thailand	10,820
Grupo Aeroportuario De Sur-B	Mexico	13,079
Total – Airports		32,661
Toll Roads		
Atlas Arteria Ltd	Australia	7,217
Cia De Concessoes Rodoviaria	Brazil	4,213
Transurban Group	Australia	14,988
Vinci SA	France	2,144
Zhejiang Expressway Co. Ltd.	China	2,571
Total – Toll Roads		31,133
Gas Distribution		
ENN Energy Holdings Ltd	China	7,340
NiSource Inc.	United States	4,080
Sempra Energy	United States	15,457
Tokyo Gas Co. Ltd.	Japan	3,474
Total – Gas Distribution		30,351

Security	Country	Market value A$'000
Marine Ports		
International Container Term Svcs Inc.	Philippines	6,380
Koninklijke Vopak NV	Netherlands	6,482
Santos Brasil Participacoes S.A	Brazil	7,248
Total – Marine Ports		20,110
Water		
Essential Utilities	United States	5,273
Guangdong Investment Ltd.	China	3,032
Total – Water		8,305
Transport Logistics		
Qube Logistics Holdings	Australia	6,008
Total – Transport Logistics		6,008
Environmental Services		
Cleanaway Waste Management Ltd.	Australia	3,622
Total – Environmental Services		3,622
Total Global Listed Infrastructure securities		423,040

Shareholder information

at 31 July 2023

	Ordinary shareholders
Number of shareholders holding:	
1 – 1,000 shares	830
1,001 – 5,000 shares	2,764
5,001 – 10,000 shares	1,755
10,001 – 100,000 shares	3,805
100,001 or more shares	161
Total number of shareholders (entitled to one vote per share)	9,315

There were 179 shareholders holding less than a marketable parcel of shares.

20 largest shareholders	No. of shares	%
Argo Investments Limited	13,040,389	7.36
HSBC Custody Nominees (Australia) Limited	2,330,616	1.32
Netwealth Investments Limited (Wrap Services a/c)	1,672,095	0.94
JIN Pty. Limited	1,154,065	0.65
RTR Pty. Limited	1,121,397	0.63
BNP Paribas Nominees Pty. Ltd. HUB24 Custodial Serv Ltd. (DRP a/c)	1,050,279	0.59
Netwealth Investments Limited (Super Services a/c)	980,793	0.55
Navigator Australia Ltd. (MLC Investment Sett a/c)	671,440	0.38
Penson Holdings Pty. Ltd.	602,259	0.34
Pont Pty	602,259	0.34
Rosenwood Pty Ltd (Rosenwood a/c)	564,081	0.32
Vaucluse Skyline Pty Limited	477,259	0.27
National Nominees Limited	440,910	0.25
Ms. Rosalind Price & Mr. Paul Connor (Pixel Staff Super Fund a/c)	414,094	0.23
Gumala Investments Pty. Ltd. (General Gumala Foundation a/c)	412,766	0.23
Vinula Pty. Ltd.	412,766	0.23
Fimar Investments Pty. Ltd.	389,493	0.22
Dr. Roslyn Ann Glow	351,417	0.20
Caprest Pty. Limited	325,000	0.18
Arn Estate Pty. Ltd. (Arn Family a/c)	295,718	0.17
	27,309,096	15.42

The Company has an on-market buy-back arrangement in place but it was not activated during the year.

Company directory

Argo Global Listed Infrastructure Limited
ABN 23 604 986 914 I ASX code: ALI

Non-executive Directors

Russell Higgins AO, Chairman
Mark Hall
Fiona Hele
Joycelyn Morton

Managing Director

Jason Beddow

Company Secretary

Tim Binks

Chief Financial Officer

Andrew Hill

Auditor

Ernst & Young

Share Registry

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000
Telephone: 1300 389 922
argo@boardroomlimited.com.au
investorserve.com.au

Registered Head Office

Level 25, 91 King William Street
Adelaide SA 5000
Telephone: (08) 8210 9555
Fax: (08) 8212 1658
invest@argoinfrastructure.com.au
argoinfrastructure.com.au

Sydney Office

Level 37, 259 George Street
Sydney NSW 2000
Telephone: (02) 8274 4700
Fax: (02) 8274 4777

Manager

Argo Service Company Pty Ltd
(AFSL 470477)
Level 25, 91 King William Street
Adelaide SA 5000

Portfolio Manager

Cohen & Steers Capital Management, Inc.
280 Park Avenue
New York NY USA 10017
cohenandsteers.com

Annual General Meeting

Argo Infrastructure's Annual General Meeting (AGM) will be held on **Monday 23 October 2023** in **Adelaide**. This year's meeting will be held in-person with a simultaneous livestream available via our website.

Additional details about the AGM will be provided with the Notice of Annual General Meeting which will be released in September.

Information meetings

Information meetings will be held in various capital cities in May of next year to provide an update and overview of the Company, its investment approach, portfolio and our view of the outlook. These meetings will also give shareholders and other interested parties the opportunity to meet with our team face-to-face and ask us questions.

ARGO
INFRASTRUCTURE