Shareholder Update

Year-ended 30 June 2026

Jason Beddow
Managing Director
BEng, GdipAppFin(SecInst)

Dear valued shareholder,

On behalf of the Board of Argo Investments Limited (Argo), I am delighted to report an increased full-year profit and record high fully franked dividends for the 2026 financial year.

Pleasingly, our portfolio of Australian shares returned +8.7%*, outperforming the S&P/ASX 200 Accumulation Index (Index) (+6.1%) and generating approximately $200 million of additional value.

In August, the Board declared a fully franked final dividend of 20.0 cents per share. Together with the interim dividend of 18.5 cents per share, the full-year dividend increased to a record high of 38.5 cents per share, fully franked.

Next year, we will move to paying dividends quarterly and the Board intends to declare dividends of 10 cents per share, fully franked, for the first four quarterly dividends. For more detail, see below.

Argo moves to quarterly dividends

Commencing in January 2027, Argo will move from paying semi-annual to quarterly dividends. This will provide our shareholders with more regular income to help meet the evolving cash flow needs of many households, while also making Argo more attractive to prospective shareholders.

Record high annual dividends forecast

Importantly, the Board has announced its intention to declare four quarterly dividends of 10 cents per share, fully franked, next year. The proposed 40 cents per share will represent another record-high annual dividend for Argo.

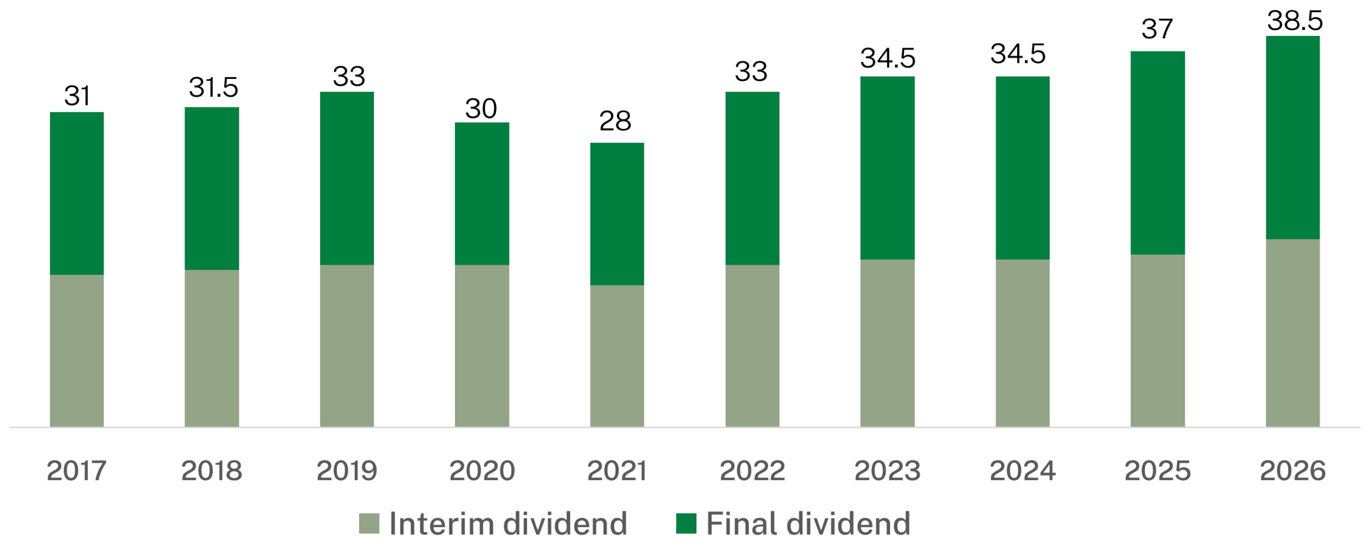
The Board has stated that it remains committed to sustainably growing fully franked dividends over time and accelerating the distribution of accumulated franking credits.

For more information, including FAQs, see argoinvestments.com.au.

Summary of financial results	2026	2025
Profit	$260.2 million	$259.8 million
Earnings per share	34.3 cents	34.1 cents
Final dividend per share (fully franked)	20.0 cents	20.0 cents
LIC capital gain component per share	5.0 cents	7.0 cents
Full-year dividends per share (fully franked)	38.5 cents	37.0 cents
Management expense ratio	0.14%	0.15%

*Measured by net tangible assets (NTA) return after all costs and adjusted for company tax paid.

Annual fully franked dividends (cents per share)



LIC capital gain tax benefit

The final dividend includes a listed investment company (LIC) capital gain component of 5.0 cents per share, reflecting crystallised gains in the portfolio. When Argo realises a capital gain on the sale of a long-term holding in our portfolio, a capital gains tax discount can be passed on to shareholders as though they made the gain themselves. This allows most individuals and self-managed superannuation funds to claim a tax deduction, in addition to the benefit of franking credits.

Please note, the LIC capital gain component of this dividend is unaffected by the recent changes to Australia's capital gains tax (CGT) regime. Argo is engaging with government through our industry association to ensure we maintain our special status as a genuine long-term investor, rather than a trader, so we can continue to provide this benefit to our shareholders.

Further details can be found on your dividend statement or you can refer to the 'Dividends' section of the Shareholder Centre on our website.

Portfolio movements

During the financial year, Argo purchased $267.1 million of investments, including new holdings and additions to existing positions. Over the same period, Argo received $368.2 million from sales of investments, including trimming positions in holdings where the investment team assessed they had reached full valuations. The number of holdings in the investment portfolio went from 85 to 86 during the period.

The larger movements during the financial year were:

Purchases	Sales
CSL	Reece
Amcor	Rio Tinto
Firmus Grid *	Macquarie Group
Generation Development Group *	Wesfarmers
Megaport	QBE Insurance Group
Worley	Aurizon Holdings
South32 *	Woolworths Group
	Lynas Rare Earths

*New portfolio position

Strong investment outperformance

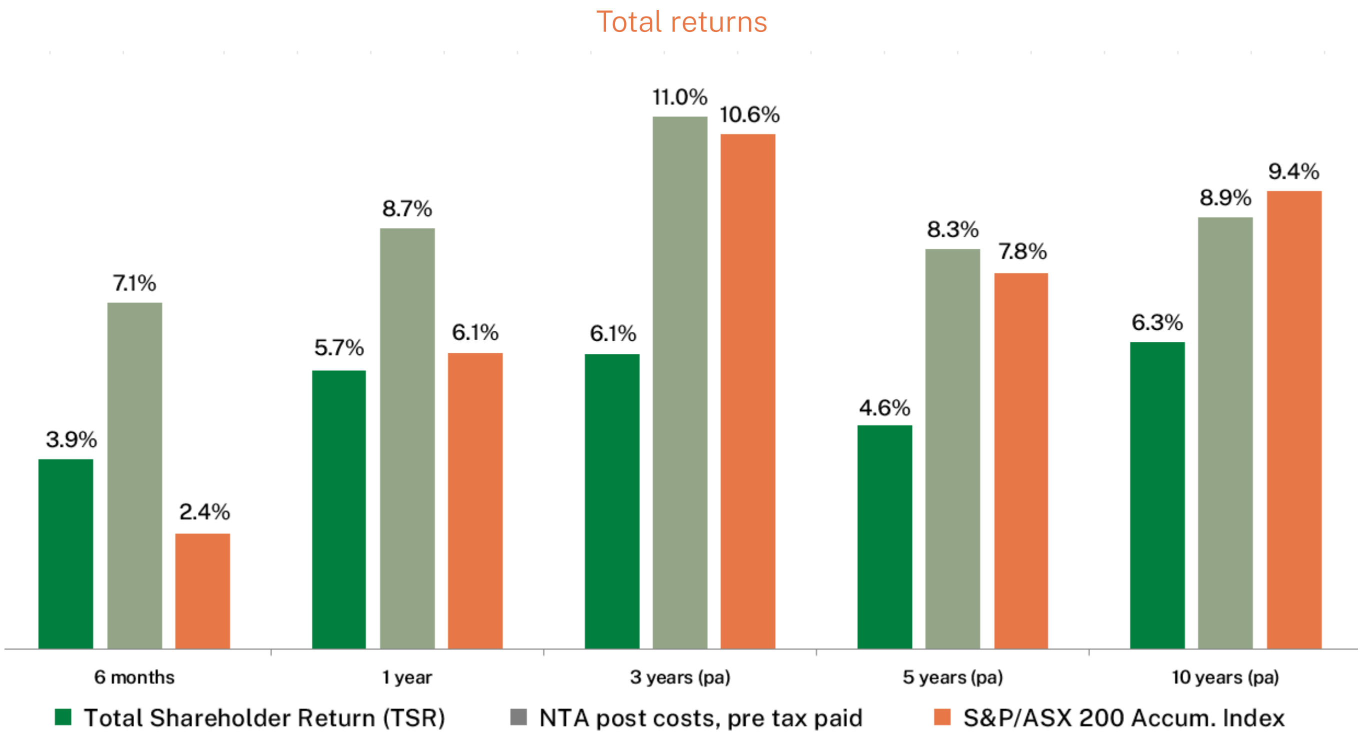
Argo delivered a full-year return of +8.7% based on net tangible assets (NTA) return after all costs and adjusted for company tax paid, outperforming the Index, which rose +6.1%, without allowing for any costs. The outperformance generated approximately $200 million in additional value for the portfolio.

Argo's NTA performance in the second half was particularly strong, gaining +7.1%, decisively outperforming the Index, which rose only +2.4%.

Argo's NTA at 30 June 2026, marked a record high of $10.84 per share.

The biggest positive contributors to performance during the financial year were our positions in Rio Tinto, Macquarie Group and Lynas Rare Earths. Our underweight exposure to Commonwealth Bank relative to the Index also boosted returns as the bank's share price retreated from its lofty valuations, following a sharp sell-off after the May Federal Budget.

In contrast, Technology One detracted as the software company was subject to downward revaluations that occurred across its industry in response to AI advances.



Figures to 30 June 2026. See the 'Shareholder Returns' section of our website for latest performance figures.

Robust returns and growing dividends throughout volatility

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

Throughout, we have consistently grown Argo's capital base while also steadily increasing fully franked dividends to shareholders. Over this five-year period, Argo's dividend has increased by +37.5%, generating some of the highest dividend growth in the market.

This performance reflects the tax-effective management of the portfolio and the low operating costs of our business. Argo is internally managed and does not pay fees to an external manager, which erodes returns for investors in many other managed investments.

Share price relative to NTA

We recognise that Argo's share price does not currently reflect the portfolio's value, its above-Index performance or our growing fully franked dividends. Reducing the share price discount to NTA is a key focus for our team.

Our proactive measures over the past 18 months have included on-market buying of over $175 million of Argo shares for the Company's share buyback and neutralisation of Dividend Reinvestment Plan (DRP) and Dividend Substitution Share Plan (DSSP) issues. We intend to continue this on-market activity if the share price discount persists, as it is accretive to earnings per share, which benefits all shareholders.

Annual General Meeting

This year's Annual General Meeting (AGM) will be held on Wednesday 21 October 2026 at 10 am at the Adelaide Town Hall. The AGM will be held in-person or can be viewed via a live stream on Argo's website. A recording will be available on our website in the week after the AGM. You may submit questions in advance or in person if you attend the meeting.

Full details of the AGM will follow in your Notice of Meeting.

80 years of investing for our shareholders

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

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

Were it not for the loyalty of our many shareholders, Argo would not have prospered for more than 80 years. On behalf of the Board and our entire team, I sincerely thank you for your support. We look forward to serving you for many more decades to come.

If you have any questions or comments about Argo, please contact us by telephone on (08) 8210 9500 or by email to invest@argoinvestments.com.au.

Yours faithfully,

Jason Beddow
Managing Director