ARGO INVESTMENTS LIMITED

TAX TRANSPARENCY REPORT

2024-2025

Introduction

Argo Investments Limited (Argo or Company) is a Listed Investment Company (LIC) that actively manages a diversified portfolio of Australian listed securities with the objective of providing both long-term capital growth and dividend income for its shareholders.

The Board of Argo is committed to responsible financial and business practices and the highest standards of corporate governance to protect and advance shareholders' interests. As part of this commitment, the Board has determined that the Company publish a Tax Transparency Report in accordance with the 2016 Voluntary Tax Transparency Code as developed by the Board of Taxation.

As the Company operates solely within Australia, it is not subject to the Public Country-by-Country reporting requirements.

Risk management framework

Argo's Risk Management Policy addresses the elements of the Company's risk management framework including how risks are identified and managed and who is responsible for risk.

The Risk Management Policy is available at:
https://www.argoinvestments.com.au/corporate-governance/

Responsibilities

Board
The Board oversees the operational and financial risks of the Company, including taxation risk with the assistance and recommendations of the Audit & Risk Committee.

Audit & Risk Committee
The Board has delegated responsibilities to the Audit & Risk Committee in relation to financial reporting, internal financial controls and facilitating the external audit.

Management
Management has developed the Company's taxation compliance strategy and designed its taxation risk management system. Management regularly reports to the Audit & Risk Committee on taxation matters and discusses any relevant issues.

The Managing Director and the Chief Financial Officer provide management representation assurance letters twice a year to the Board confirming the Company's financial statements are founded on a sound system of risk management and internal control.

Taxation compliance strategy

Argo's taxation compliance strategy is to provide conservative tax effective accounting under current taxation legislation and ATO guidance to ensure tax obligations are met. The Company looks for certainty in tax outcomes and therefore does not pursue risky or uncertain positions.

Taxation risk management

In accordance with the Company's risk management framework, the Company's business environment is regularly reviewed for new taxation risks and its current taxation risks are continually monitored.

Argo's risk management and internal control systems ensure compliance by the Company with its taxation obligations.

Management consults the Company's external auditor and tax advisers, PricewaterhouseCoopers (PwC) on all significant transactions and medium/high taxation risk matters to ensure correct application to enable the Company to meet its taxation obligations.

Taxation risk controls

To reduce the risk of misstatement in the calculation and provision for taxation, the Company has the following controls in place:

- As part of the half-year review and full-year audit, PwC review the Company's provision for tax payable and confirm the franking account and LIC capital gain account balances;
- PwC annually review and confirm accounting and tax treatment of investment transactions to ensure treatment is consistent with ATO legislation, guidance and class rulings; and
- Management prepares the Company's annual tax return and engages PwC to review and lodge it.

Income tax reconciliations

A reconciliation of Argo's accounting profit to its income tax expense is included in Note 4 of the Company's 2025 Annual Report in accordance with International Financial Reporting Standards (IFRS).

The Company provides the following information to enhance transparency of Argo's tax outcomes in accordance with the Voluntary Tax Transparency Code:

1) Reconciliation of accounting profit for the year ended 30 June 2025 to income tax to be paid;

2) Effective company tax rates;

3) Reconciliation of tax liability payable at 30 June 2025 to tax paid for the 2024-25 year; and

4) Total taxes paid summary for the year ended 30 June 2025

1) Reconciliation of accounting profit for the year ended 30 June 2025 to income tax to be paid

	2025 $ 000
Profit for the year before tax	278,266
Nominal tax at 30%	83,480
Less: franking credits on dividends received	(62,399)
Less: other non-taxable items	(1,476)
Less: over provision in previous year	(1,171)
Income tax expense as per Statement of Profit or Loss	**18,434**
Plus: tax on realised net gains	44,732
Plus: deferred tax temporary differences	331
Less: PAYG tax instalments paid	(23,684)
Tax payable as per Statement of Financial Position at 30 June 2025	**39,813**

2) Effective company tax rates

Franked dividends received by the Company include tax credits which represent the tax already paid and distributed by the source companies.

Including franking credits, the effective tax rate would be as follows:

	2025 $ 000
Profit for the year before tax	278,266
Income tax expense as per Statement of Profit or Loss	18,434
Franking credits received	62,399
Tax expense including franking credits	**80,833**
Effective tax rate including franking credits	**29.0**%

The effective tax rate including franking credits is less than the company tax rate of 30% due to non-assessable trust income received, dividends accrued at balance date and the over provision of tax from the previous year.

The effective tax rate excluding franking credits would be 6.6%.

3) Reconciliation of tax liability payable at 30 June 2025 to tax paid for the 2024-25 year

	2025 $ 000
Gross tax liability	63,497
PAYG tax instalments paid	(23,684)
Tax payable as per Statement of Financial Position at 30 June 2025	**39,813**
Less: Tax paid post 30 June 2025	**(39,218)**
Over provision of tax for 2024-25 year	595

The over provision amount above arises from non-assessable amounts and adjustments as per annual tax statements received after 30 June 2025 from trusts. The over provision amount has been accounted for in the Company's financial statements for the year ended 30 June 2026.

4) Total taxes paid summary for the year ended 30 June 2025

In addition to corporate income tax, Argo pays a number of other taxes including payroll tax, PAYG withholding tax on Director fees and employee remuneration, fringe benefits tax where applicable, and GST. Argo meets all obligations in respect of these contributions in accordance with applicable legislation.