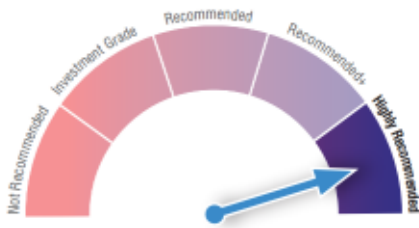


IIR Rating



Overview

ARG is one of the oldest and largest LICs on the ASX. ARG provides exposure to a highly diversified portfolio of ASX-listed securities. The Company has a buy-and-hold investment style and is considered a value investor. The investment team seeks to identify high quality companies and trusts and over time, buy or add to those stocks when they are trading at prices which represent good long-term value. The Company generates the majority of its dividend income from a core group of blue chip stocks with growth generated from a diversified investment across both large and smaller cap stocks.

Key Features

Investment Style	Long-term, fundamental, bottom-up.
Investment Universe	ASX-listed stocks and interest rate securities.
Investment Objective	The Company seeks to maximise long-term returns to shareholders through a balance of capital and dividend growth by investing in a diversified Australian equities portfolio which is managed in a tax-aware manner.
Max Exposure to Individual Sector	No limitations, however, the investment team seeks to ensure the portfolio is diversified to by sector.
Max Exposure to Individual Security	No limitations, however, the investment team is wary of the risk in the portfolio and ensures that the portfolio is adequately diversified to reduce portfolio risk.
Portfolio Turnover	Typically low.
Diversification	High (90-110)

Key Investment Information

As At: 31-Jul-23

Ticker	ARG
Classification	Australian Large Cap
Market Capitalisation	\$6,686,742,435
Share Price	\$8.85
Pre-Tax NTA*	\$9.25
Trailing 12mth Div Yield (net)	3.8%
Trailing 12mth Div Yield (grossed-up)**	5.4%
Prem/Disc	-4.3%
Structure	LIC
Listing Date	March 1963
Div Frequency	Semi-Annual
Benchmark	S&P/ASX 200 Acc Index
Management Fee %	0.16
Performance Fee %	n/a
Performance Fee Hurdle	n/a

*Includes tax paid on realised gains.

**Assumes a tax rate of 30%.

Board

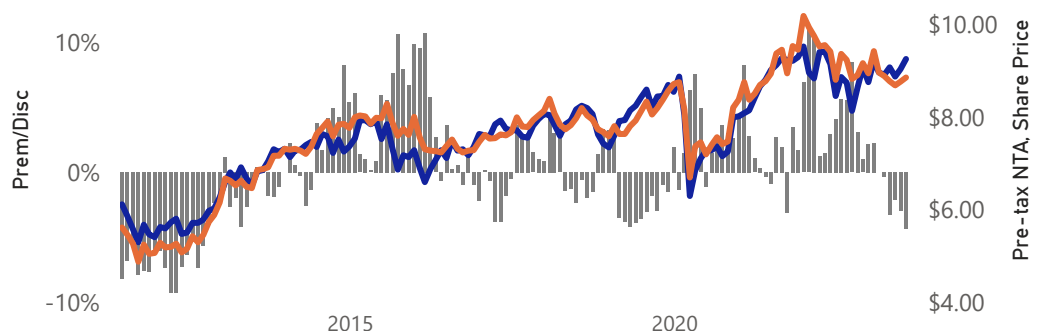
Name	Position
Russell Higgins AO	Chairman
Jason Beddow	Managing Director
Chris Cuffe AO	Director
Elizabeth Lewin	Director
Lianne Buck	Director
Peter Warne	Director
Roger Davis	Director

Independent Investment Research (IIR) Comments

ARG provides low-cost exposure to a diversified portfolio of ASX-listed securities and has a long track-record of achieving its investment objectives, delivering capital growth over the long-term and a regular fully franked dividend. The portfolio is highly diversified with the portfolio typically comprising 90-110 stocks, however the portfolio is typically concentrated to a core group of blue chip stocks, which generate the majority of the Company's dividend income. The team is well-qualified and stable and is supported by a strong Board. Over the longer-term, the pre-tax NTA has tended to deliver returns in line with the market as highlighted by the low tracking error, however will underperform and outperform the market over shorter-term periods. ARG reported its results on 14 August 2023. The Company reported Income from Operating Activities of \$303.3 million and Net Profit of \$271.7 million for the FY23 period, down 10.2% and 13.2%, respectively, on the prior year. However, the FY22 Net Profit was bolstered by a one-off non-cash income of \$61.7 million due to the BHP and Woodside merger and Tabcorp's demerger of The Lottery Group. Excluding this, Net Profit for FY23 increased 8.2%. The Company noted that market volatility during the year created buying opportunities, primarily to add to existing positions. The Company declared a final dividend of 18 cents per share, taking the full year dividend for the FY23 period to 34.5 cents per share, fully franked. This was largely in line with the EPS of 36.1 cents per share. The FY23 full year dividend represents a 4.5% increase on the prior year.

Share Price, Pre-tax NTA & Prem/Disc

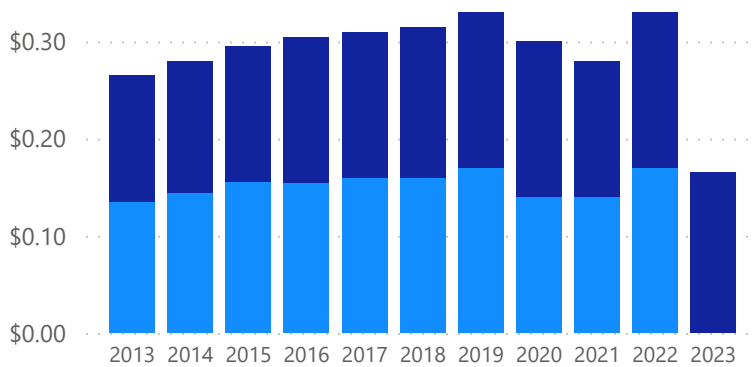
● Prem/Disc ● Pre-tax NTA ● Share Price



DIVIDENDS*

Dividend Amount by FY**

Div Type ● Final ● Interim

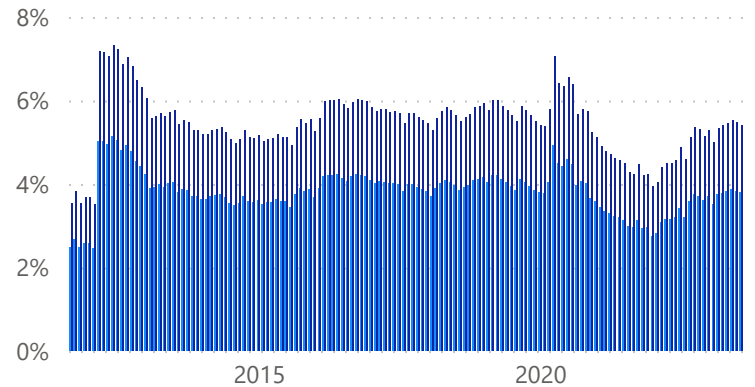


*Dividends are adjusted for corporate actions.

**Represents dividends declared for a FY.

Trailing 12-month Dividend Yield

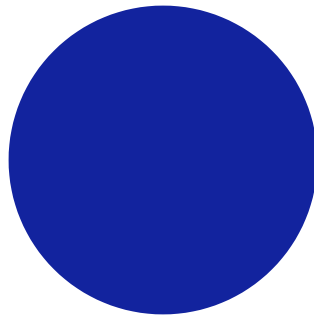
● Net Yield ● Grossed-up Yield*



*Assumes a tax rate of 30%

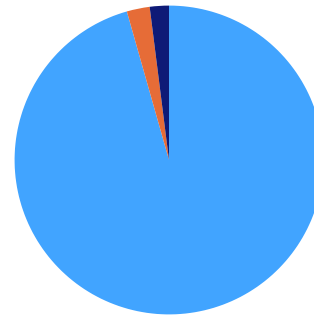
PORTFOLIO POSITION (As at: 31-Jul-23)

Country/Region Allocation



● Australia

Asset Allocation



● Australian Equities
● LICs
● Cash

Sector Allocation

Sector	Weighting
Materials	15.9%
Other Financials	12.6%
Banks	12.5%
Health Care	10.5%
Energy	8.4%
Telcos & I.T.	8.4%
Consumer Staples	8.0%
Industrials	7.5%
Consumer Discretionary	7.0%
Property	3.0%
LICs	2.4%
Cash	2.0%
Utilities	1.8%
Total	100.0%

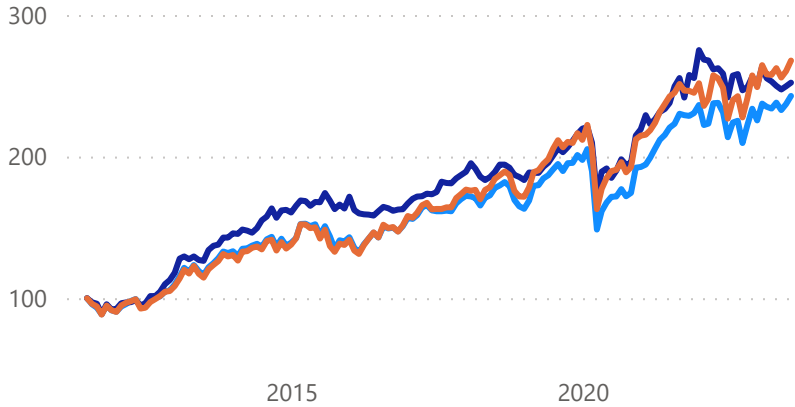
Top Holdings

Code	Company Name	Holding
MQG	Macquarie Group Ltd	6.5%
BHP	BHP Group Limited	6.0%
CSL	CSL Limited	5.0%
CBA	Commonwealth Bank	4.1%
RIO	Rio Tinto Limited	3.7%
WES	Wesfarmers Limited	3.6%
ANZ	ANZ Banking Grp Ltd	3.0%
STO	Santos Ltd	2.9%
TLS	Telstra Corporation.	2.9%
WBC	Westpac Banking Corp	2.7%
Total		40.4%

PERFORMANCE ANALYTICS# (As at: 31-Jul-23)

Cumulative Total Returns

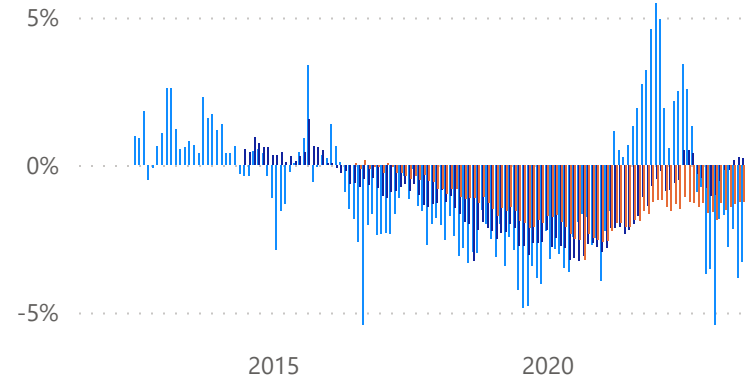
● Pre-tax NTA* ● Share Price ● Benchmark



*Includes tax paid on realised gains.

Rolling Excess NTA** Returns vs Benchmark

● 1 Year ● 3 Year p.a. ● 5 Year p.a.



Cumulative Total Returns

	NTA**	Share Price	Benchmark
1 Year	8.4%	-1.9%	11.7%
3 Year p.a.	12.2%	9.9%	12.0%
5 Year p.a.	6.2%	5.4%	7.5%
10 Year p.a.	7.1%	6.5%	8.3%

Standard Deviation

	NTA**	Share Price	Benchmark
1 Year	13.4%	9.3%	14.2%
3 Year p.a.	12.8%	12.7%	13.7%
5 Year p.a.	16.1%	14.3%	16.4%
10 Year p.a.	13.3%	11.4%	13.8%

Tracking Error

	NTA**	Share Price
1 Year	2.6%	7.1%
3 Year p.a.	2.8%	10.5%
5 Year p.a.	2.6%	10.0%
10 Year p.a.	2.6%	9.5%

Sharpe Ratio

	NTA**	Share Price	Benchmark
1 Year	0.32	-0.65	0.54
3 Year	0.64	0.46	0.58
5 Year	0.13	0.09	0.21
10 Year	0.23	0.22	0.31

Up Market Capture

	NTA**	Share Price
1 Year	0.87	0.39
3 Year	0.92	0.71
5 Year	0.91	0.64
10 Year	0.91	0.57

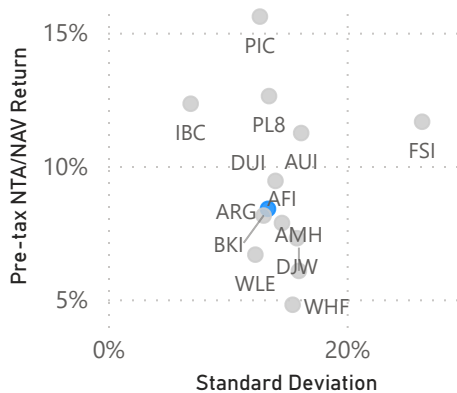
Down Market Capture

	NTA**	Share Price
1 Year	0.98	0.82
3 Year	0.85	0.61
5 Year	0.95	0.61
10 Year	0.93	0.45

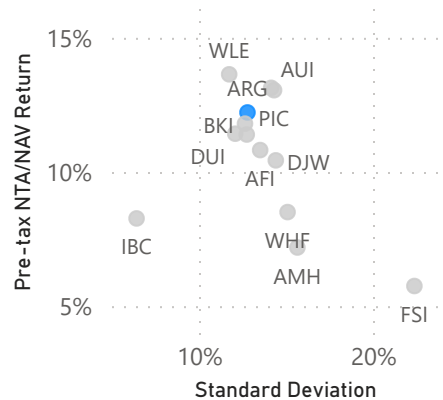
#Performance figures are adjusted for corporate actions. **Pre-tax NTA.

PEER COMPARISON - AUSTRALIAN LARGE CAP

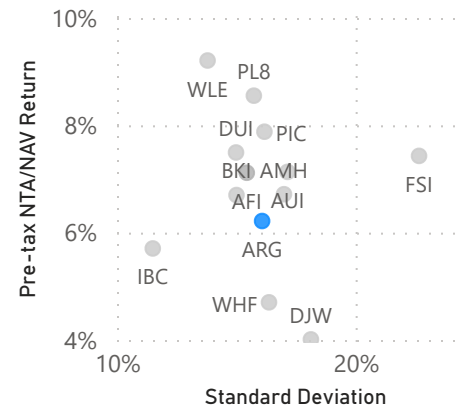
Risk/Return 1 Year



Risk/Return 3 Year (p.a.)



Risk/Return 5 Year (p.a.)



Note: PL8's returns include grossed-up dividends.

Source: Company/Trust Websites, ASX, IIR

For more information: www.independentresearch.com.au

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The research process includes the following protocols to ensure independence is maintained at all times:

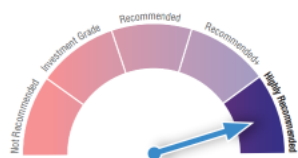
- 1) The research process has complete editorial independence from the company and this is included in the contract with the company;
- 2) Our analyst has independence from the firm's management, as in, management/ sales team cannot influence the research in any way;
- 3) Our research does not provide a recommendation, in that, we do not provide a "Buy, Sell or Hold" on any stocks. This is left to the Adviser who knows their client and the individual portfolio of the client.
- 4) Our research process for valuation is usually more conservative than what is adopted in Broking firms in general sense. Our firm has a conservative bias on assumptions provided by management as compared to Broking firms.
- 5) All research mandates are settled upfront so as to remove any influence on ultimate report conclusion;
- 6) All staff are not allowed to trade in any stock or accept stock options before, during and after (for a period of 6 weeks) the research process.

IIR RATINGS PROCESS

IIR has developed a framework for rating investment product offerings in Australia. Our review process gives consideration to a broad number of qualitative and quantitative factors. Essentially, the evaluation process includes the following key factors: product management and underlying portfolio construction; investment management, product structure, risk management, experience and performance; fees, risks and likely outcomes.

LMI Ratings

SCORE



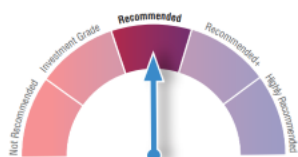
Highly Recommended: 83 and above

This is the highest rating provided by IIR, indicating this is a best of breed product that has exceeded the requirements of our review process across a number of key evaluation parameters and achieved exceptionally high scores in a number of categories. The product provides a highly attractive risk/return trade-off. The Fund is likely effectively to apply industry best practice to manage endogenous risk factors, and, to the extent that it can, exogenous risk factors.



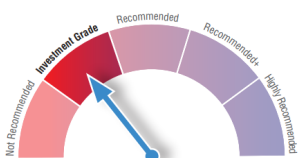
Recommended + : 79 -83

This rating indicates that IIR believes this is a superior grade product that has exceeded the requirements of our review process across a number of key evaluation parameters and achieved high scores in a number of categories. In addition, the product rates highly on one or two attributes in our key criteria. It has an above-average risk/return trade-off and should be able consistently to generate above average risk-adjusted returns in line with stated investment objectives. The Fund should be in a position effectively to manage endogenous risk factors, and, to the extent that it can, exogenous risk factors. This should result in returns that reflect the expected level of risk.



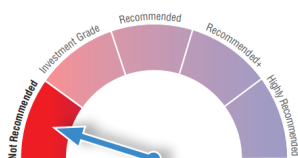
Recommended : 70 -79

This rating indicates that IIR believes this is an above-average grade product that has exceeded the minimum requirements of our review process across a number of key evaluation parameters. It has an above-average risk/return trade-off and should be able to consistently generate above-average risk adjusted returns in line with stated investment objectives.



Investment Grade : 60 -70

This rating indicates that IIR believes this is an average grade product that has exceeded the minimum requirements of our review process across a number of key evaluation parameters. It has an average risk/return trade-off and should be able to consistently generate average risk adjusted returns in line with stated investment objectives.



Not Recommended : 60 or less

This rating indicates that IIR believes that despite the product's merits and attributes, it has failed to meet the minimum aggregate requirements of our review process across a number of key evaluation parameters. While this is a product below the minimum rating to be considered Investment Grade, this does not mean the product is without merit. Funds in this category are considered to be susceptible to high risks that are not reflected by the projected return. Performance volatility, particularly on the down-side, is likely.

MANAGED INVESTMENTS COVERAGE

The side graphic details the spread of ratings for managed investments rated by Independent Investment Research (IIR). The managed investments represented below include listed and unlisted managed funds, fund of funds, exchange traded funds and model portfolios.

