

For personal use only



ANNUAL  
REPORT  
**2025**

**AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED**

ABN 37 004 268 679

# Directory

## Directors

Charles Goode AC (Chairman)  
Fred Grimwade  
Dion Hershman  
Wayne Kent

## Company Secretary

James Pollard

## Auditors

KPMG Chartered Accountants

## Registered Office

Level 20, 101 Collins Street  
MELBOURNE VIC 3000

T: (03) 9654 0499  
E: [info@aii.com.au](mailto:info@aii.com.au)  
W: [aii.com.au](http://aii.com.au)

## Share Registry

MUFG Corporate Markets Limited  
Liberty Place  
Level 41, 161 Castlereagh Street  
SYDNEY NSW 2000

T: 1300 554 474  
E: [support@cm.mpms.mufg.com](mailto:support@cm.mpms.mufg.com)  
W: [mpms.mufg.com](http://mpms.mufg.com)

## Securities Exchange

Australian Securities Exchange Ltd (ASX)  
ASX Code: AUI

For personal use only

# Contents

Chairman’s Report .....	1
Directors’ Report	
Board and Management.....	3
Operating and Financial Review.....	5
Remuneration Report .....	11
Lead Auditor’s Independence Declaration.....	13
Financial Statements	
Statement of Profit or Loss and Other Comprehensive Income .....	14
Balance Sheet .....	15
Statement of Changes in Equity .....	16
Statement of Cash Flows.....	17
Notes to the Financial Statements .....	18
Consolidated Entity Disclosure Statement.....	37
Directors’ Declaration.....	38
Independent Auditors’ Report .....	39
Additional Information .....	44
List of Investments.....	46

For personal use only

# Chairman's Report

## for the year ended 30 June 2025

I present the Annual Report of Australian United Investment Company Limited for the year ended 30 June 2025.

### Investment strategy

The Company's investment objectives are:

1. To create and maintain a diversified portfolio of quality Australian companies, primarily through shares listed on the ASX, with a medium to long term view of providing income and capital appreciation;
2. To manage the portfolio to monitor and reduce risks and identify market opportunities as they arise; and
3. To provide dividend income to shareholders which is sustainable over the long-term, while maintaining full franking when possible.

In deciding whether to add a stock to the watch list or to buy it, or to increase or decrease its size in the portfolio, the following criteria are considered:

1. Industry outlook;
2. Position of the company in its industry;
3. Earnings per share (EPS) growth potential;
4. Yield and franking;
5. Management strength and alignment with shareholder returns;
6. Balance Sheet strength; and
7. Environmental, Social & Governance (ESG) factors.

The Company's Responsible Investing policy can be found on its website.

### About the portfolio

The Australian equities portfolio is mainly in leading companies. At 30 June 2025, 67% of the Australian equities portfolio was invested in the ASX 20, 16% in the ASX 21 to 50, 8% in the ASX 51 to 100 and 9% outside the ASX 100.

The equity portfolio of the Company is invested in Australian equities and at 30 June 2025 was spread over 34 companies.

The Annual Report provides a list of the shareholdings at 30 June 2025 and 30 June 2024, and the market values as at 30 June 2025 of each investment together with its percentage of the portfolio.

The Company is a long-term investor, with the average age of holdings across the portfolio being 17 years. 66% of the portfolio has been held for longer than 10 years.

# Chairman's Report

## for the year ended 30 June 2025

### Investee company engagement

The Board of Directors regularly engage with investee companies, in particular through direct meetings with management or representatives of the company. This is a valuable way in which we can raise and discuss matters of concern and encourage improved management practices. During the year, 38 meetings were held with management or representatives of investee companies.

We also vote on resolutions raised at investee company meetings. Advice from proxy advisors is reviewed as part of our consideration as to how the Company will vote on various resolutions. Votes were placed at 31 shareholder meetings through the year.

### Results

Statutory profit after tax for the year ended 30 June 2025 was \$49.9 million (2024: \$49.1 million). Interest expense on borrowings was significantly lower for the year following repayment of debt.

Statutory profit after tax includes special dividends of \$0.4 million (2024: \$1.3 million). Excluding these items, net profit after tax rose 3.5%.

More information on the Company's activities, performance and financial results can be found in the Operating and Financial Review on page 5.

### Outlook

Until the last few years, this century has been characterised by declining and low interest rates, increasing government deficits and rising debt levels, and increasing globalisation largely based on the growth of the Chinese economy.

We are now experiencing interest rates similar to longer-term historical levels, a reduction in globalisation due to tariffs and considerations of self-sufficiency, and generally lower economic growth although with continuing government deficits and rising debt levels.

The share market continues to surprise us at being near historical highs with certain sectors such as banks, leading companies and certain growth companies seeming to be fully valued.

We see growth in earnings per share but at a lower level, a possible contraction of price earnings ratios and more focus likely to be placed on value stocks, defensive stocks, yield and gold.

We have over recent years had modest borrowings of around 10% of the market capitalisation of our portfolio and over the last year have repaid our borrowings.

Our current expectation is for the Company to declare a steady ordinary dividend in the year ahead which will involve around a one hundred percent payout ratio. We also expect to maintain our annual special dividend of eight cents per share.



Charles Goode  
Chairman

# Directors' Report

## for the year ended 30 June 2025

The Directors of Australian United Investment Company Limited present their Directors' Report together with the financial report for the financial year ended 30 June 2025 and the auditor's report thereon.

### Board and Management

#### Board of Directors

The Directors of the Company at any time during or since the end of the financial year are:

**Charles Goode** AC B.Com (Hons) (Melb), MBA (Columbia), Hon LLD (Melb), Hon LLD (Mon)  
Non-executive Chairman, appointed April 1990 (Chairman since October 1993)

Mr Goode is the Chairman of the Board of Diversified United Investment Limited (since 1991), Chairman Emeritus of The Ian Potter Foundation Limited (having been Governor 1987 – 2024, Chairman 1994 – 2024) and Chairman Emeritus of Flagstaff Partners (having been Chairman 2010 – 2019). Mr Goode was formerly Chairman of Australia and New Zealand Banking Group Limited (Director 1991 – 2010, Chairman 1996 – 2010) and Chairman of Woodside Petroleum Limited (Director 1988 – 2007, Chairman 1999 – 2007).

**Fred Grimwade** B.Com/LLB (Hons) (Melb), MBA (Columbia), FAICD  
Non-executive Director, appointed March 2014  
Lead Independent Director, appointed October 2022

Mr Grimwade is a Principal and Director of Fawkner Capital Management Pty Ltd. He is currently Chairman / Director of XRF Scientific Limited (Director since 2012, Chairman since 2018) and was previously Chairman of CPT Global Limited (2002 – 2023) and a Director of Select Harvests Limited (2010 – 2023). Formerly he held senior executive positions with Colonial First State Investments Group, Colonial Mutual Group, Western Mining Corporation and Goldman, Sachs & Co. He is the Chairman of the Company's Audit and Risk Management Committee.

**Dion Hershman** B.Com/B.A. (Mon), MBA (Columbia)  
Non-executive Director, appointed April 2018

Mr Hershman is Executive Chairman and Head of Australian Equities at Yarra Capital Management. He has more than 20 years' finance industry experience. Formerly he held senior executive positions with Goldman Sachs Asset Management, Citadel Investment Group (New York), Fidelity Investments (Boston) and Boston Consulting Group. He is Chairman of the Company's Nomination and Remuneration Committee.

**Wayne Kent** B.Com/LLB (Melb), SF FIN  
Non-executive Director, appointed November 2021

Mr Kent has a 40-year career spanning Law, Investment Banking and Private Equity, including extensive experience in the Australian and International markets. He is currently a Senior Adviser to Flagstaff Partners, an independent corporate finance advisory firm. He co-founded Macquarie's Equity Capital Markets business and has held senior executive positions at Macquarie and Credit Suisse, Australia. He is also a co-owner or investor in a number of privately owned businesses and industrial properties in Australia.

# Directors' Report

## for the year ended 30 June 2025

### Company Secretary

**James Pollard** B.BusCom (Mon), Grad Cert FP (Kaplan), FGIA, CA  
Company Secretary, appointed February 2020

Mr Pollard is also Company Secretary of Diversified United Investment Limited (since 2020), and has over 15 years' experience in accounting, taxation and private wealth advisory.

### Directors' meetings

The number of Directors' meetings held (including meetings of Committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year were:

	Directors' meetings		Audit and Risk Management Committee meetings		Nomination & Remuneration Committee meetings	
	Meetings attended	Meetings eligible	Meetings attended	Meetings eligible	Meetings attended	Meetings eligible
Charles Goode	11	11	2	2	1	1
Fred Grimwade	11	11	2	2	1	1
Dion Hershman	11	11	2	2	1	1
Wayne Kent	10	11	1	2	1	1

All Directors are members of the Audit and Risk Management Committee, which is chaired by Fred Grimwade. All Directors are members of the Nomination and Remuneration Committee, which is chaired by Dion Hershman.

### Directors' interests

As at the date of this report the relevant interest of each Director in the issued capital of the Company as notified by the Directors to the Australian Securities Exchange in accordance with s205G(1) of the Corporations Act 2001 is as follows:

	Ordinary shares		
	Note 1	Note 2	Note 3
Charles Goode	164,895	1,566,589	33,583
Fred Grimwade	-	25,116	-
Dion Hershman	-	12,000	-
Wayne Kent	-	10,000	-

Note 1 Beneficial in own name.

Note 2 Held by an entity / related party in which the Director has a relevant interest.

Note 3 Held for the Director in accordance with the terms of the Non-Executive Directors 2006 Accrued Entitlements Share Plan.

# Directors' Report

## for the year ended 30 June 2025

Except as stated above, no Director:

- (a) has any relevant interest in shares of the Company or a related body corporate;
- (b) has any relevant interests in debentures of, or interests in a registered scheme made available by, the Company or a related body corporate;
- (c) has any rights or options over shares in, debentures of, or interests in a registered scheme made available by, the Company or a related body corporate;
- (d) is a party to a contract, or is entitled to a benefit under a contract, that confers a right to call for or deliver shares in, or debenture of or interests in a registered scheme made available by the Company or a related body corporate.

### Operating and Financial Review

#### About the Company

The principal activity of the Company is that of an investment company which seeks, through a portfolio of securities predominantly comprising shares of companies listed on the ASX, to provide income and capital appreciation over the longer term.

The Directors have sought to invest in a diversified portfolio of investments with the objective of obtaining current income and longer-term capital gain within an acceptable level of risk.

#### Review of activities during the year

There has been no significant change in the nature of the Company's activities during the financial year.

Portfolio turnover for the year to 30 June 2025 was 8.0%. The largest acquisitions and disposals during the period were:

Acquisitions	\$ millions	Disposals	\$ millions
Santos <sup>(1)</sup>	16.0	Woodside <sup>(4, 5)</sup>	18.8
APA <sup>(1)</sup>	13.8	Commonwealth Bank <sup>(4)</sup>	16.3
Origin Energy <sup>(2)</sup>	10.7	Seek <sup>(6)</sup>	14.9
Newmont <sup>(2)</sup>	7.3	Ramsay Healthcare <sup>(6)</sup>	11.5
NextDC <sup>(3)</sup>	1.7	The Lottery Corporation <sup>(4)</sup>	7.8

(1) New position.

(2) Additions to existing positions.

(3) Includes participation in the September 2024 capital raising.

(4) Partially disposed of holding.

(5) Net of purchases and sales.

(6) Fully disposed of holding.

At 30 June 2025, the Company had total borrowing facilities available of \$145 million (2024: \$175 million).

# Directors' Report

## for the year ended 30 June 2025

### Performance

During the year the accumulation performance of the Company's Pre-tax Net Tangible Asset (NTA) backing (before provision for tax on net unrealised gains) was an increase of 14.7%, compared to the S&P/ASX 200 Accumulation Index increase of 13.8%.

Including the benefit of franking credits for shareholders who can fully utilise them, the Company's accumulation return for the year to 30 June 2025 was an increase of 16.5% compared to an increase of 15.1% in the S&P/ASX 200 franking credit adjusted return.

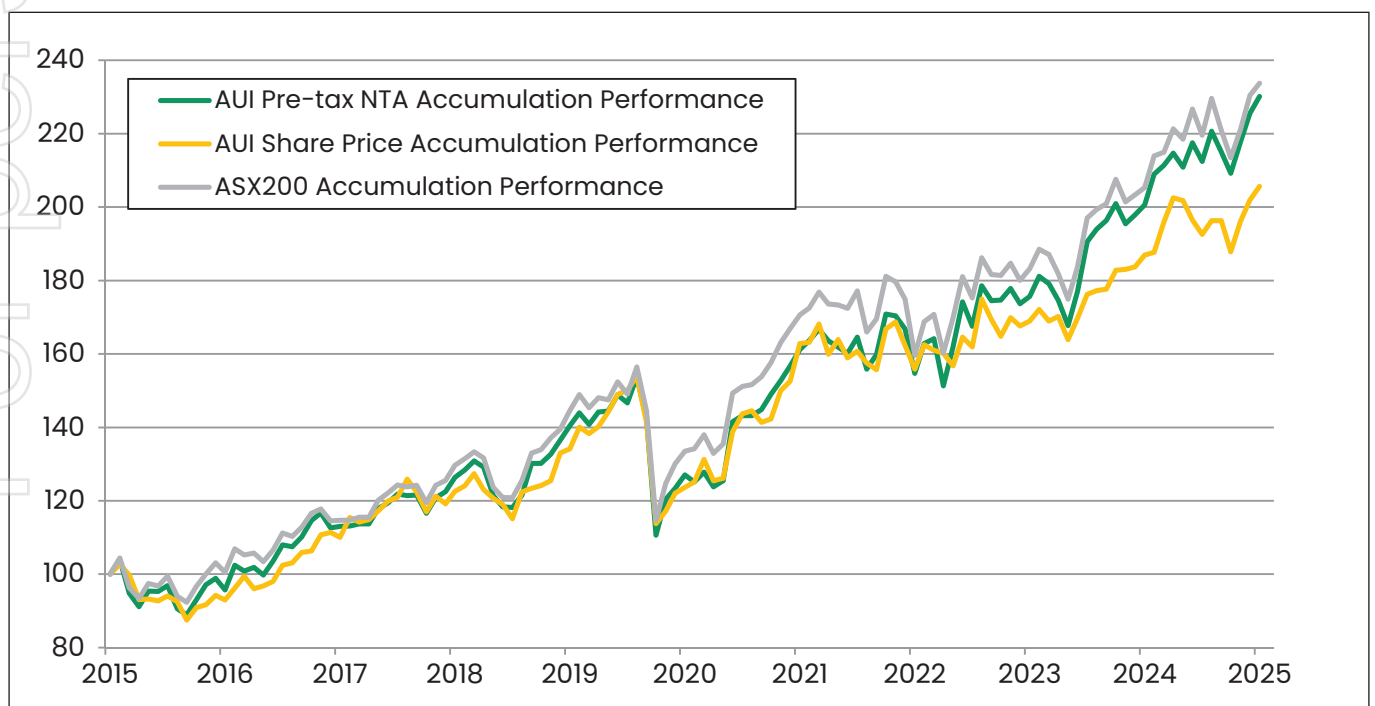
The Company's Pre-tax NTA backing accumulation performance is after all expenses, tax, and the impact of the Company's gearing. Such items are not included in the S&P/ASX indices.

The Company's relative performance for the year was assisted by overweight allocations to Resmed, Wesfarmers and Commonwealth Bank. Performance was held back by overweight holdings in Woodside, Rio Tinto and CSL.

The Company's Pre-tax NTA and share price performance in recent years (assuming all dividends paid by the Company were re-invested in its shares) is as follows:

	1 year	3 years	5 years	10 years
AUI Pre-tax NTA backing accumulation p.a.	14.7%	14.1%	12.6%	8.7%
AUI share price accumulation p.a.	10.0%	9.7%	10.7%	7.5%
S&P/ASX200 accumulation index p.a.	13.8%	13.6%	11.8%	8.9%

The following graph shows the accumulation performance of the Company's Pre-tax NTA backing (before provision for tax on net unrealised gains) and the Company's share price accumulation performance, assuming in both cases that all dividends were re-invested, and the S&P/ASX 200 Accumulation Index, over the last ten years.



Source: Evans & Partners

# Directors' Report

## for the year ended 30 June 2025

### Financial results

For the year ended 30 June 2025 profit after tax was \$49.9 million compared to \$49.1 million in the previous year – an increase of 1.5%.

Profit after tax includes certain items which are non-recurring or capital in nature, including special dividends declared by investee companies (referred to as “special income”). Special income received during the year totalled \$0.4 million after tax (2024: \$1.3 million). Excluding this, profit after tax increased 3.5%.

The weighted average number of ordinary shares for the year was 124.1 million compared to 126.1 million in the previous year, a decrease of 1.6%.

Earnings per share was 39.9 cents per share excluding special income (2024: 37.9 cents) or was 40.2 cents per share including special income (2024: 39.0 cents).

### Net Tangible Asset backing

The Pre-tax NTA backing of the Company's ordinary shares at 30 June 2025 was \$12.98 per share (2024: \$11.74). This is calculated based on investments at market value and is after tax on net realised gains, before any future tax benefit of net realised losses, before estimated tax on net unrealised gains and losses, and before the Company's final dividend.

The Company is a long-term investor and does not intend disposing of its portfolio. However, if estimated tax on net unrealised portfolio gains were to be deducted, the NTA backing would be \$10.59 per share (2024: \$9.74).

### Borrowings

Key information in relation to the Company's borrowings is provided below:

	2025	2024
Bank facilities available	\$145 million	\$175 million
Amount drawn	\$25 million	\$77 million
Cash on hand, net receivables and pending settlements	\$12.1 million	\$22.6 million
Net debt as a proportion of the portfolio excluding cash	0.8%	3.6%
Interest expense coverage by profit before interest and tax	22.8 times	11.1 times

### Management expense ratio

Expenses (excluding finance costs) were 0.10% of the average market value of the investment portfolio (2024: 0.10%).

# Directors' Report

## for the year ended 30 June 2025

### Dividends

Dividends paid or declared by the Company since the end of the previous financial year were:

	Cents per share	Total \$'000	Franking	Payment date
<b>Declared during the year 2025</b>				
Final 2024 dividend - ordinary	20.0	24,779	100%	17 September 2024
Final 2024 dividend - special	8.0	9,911	100%	17 September 2024
Interim 2025 dividend	17.0	21,096	100%	21 March 2025
<b>Declared after end of year</b>				
Final 2025 dividend - ordinary	20.0	24,817	100%	19 September 2025
Final 2025 dividend - special	8.0	9,927	100%	19 September 2025
	<b>28.0</b>	<b>34,744</b>	<b>100%</b>	

### Financial results history

The Company's financial results in respect of the current financial year and the previous four financial years was:

	2025	2024	2023	2022	2021
Profit after tax (\$ Millions)	49.9	49.1	56.4	72.0	40.5
Special income after tax (\$ Millions)	0.4	1.3	1.2	20.9	7.5
Underlying profit (profit after tax less special income after tax) (\$ Millions) <sup>(1)</sup>	49.5	47.8	55.2	51.1	33.0
Earnings per share (cents)	40.2	39.0	44.7	57.5	32.5
Earnings per share (excluding special income after tax) (cents)	39.9	37.9	43.8	40.8	26.5
Ordinary dividends per share (cents)	37.0	37.0	37.0	37.0	36.0
Special dividends per share (cents)	8.0	8.0	-	-	-
Pre-tax NTA backing per share (before tax on net unrealised gains), 30 June	\$12.98	\$11.74	\$10.63	\$9.70	\$10.46
Share Price, 30 June	\$11.00	\$10.43	\$9.79	\$9.38	\$10.16
Management expense ratio	0.10%	0.10%	0.10%	0.10%	0.11%

(1) Underlying profit represents the ordinary and recurring income of the Company's investment portfolio, and is determined by deducting non-recurring items, non-cash items or income which is capital in nature from statutory net profit after tax.

### Share buyback

The Company has an on-market share buyback capability in place which provides the Company the option to purchase its own shares on-market, with any shares bought back being cancelled. Cancelling these shares when they have been bought at a discount to NTA increases the value of the remaining shares on issue.

During the financial year, 132,766 shares were purchased and subsequently cancelled by the Company through its on-market share buyback at an average price of \$10.44 per share, or a total cost of \$1.4 million.

# Directors' Report

## for the year ended 30 June 2025

### Material business risks

The Company is exposed to material financial risks from its equity investments, cash on hand and borrowing facilities held. These risks include:

- Credit, liquidity and market risk, each of which are detailed in Note 19 to the Financial Statements, and
- Interest rate risk, detailed in Note 20 to the Financial Statements.

The Company incorporates environmental, social and governance (ESG) risk and opportunity assessment as part of its investment decision making practices. The Company's approach to ESG in relation to its investment process is detailed in its Responsible Investment Policy, available on the Company's website.

Other material business risks faced by the Company and the key risk mitigation strategies in place include:

Risk description	Key risk mitigation strategies
<b>Operational risk</b> – the risk of failure of internal operations or of key third party providers, resulting in the Company being unable to perform essential functions.	<ul style="list-style-type: none"> <li>• Backup, business continuity and disaster recovery procedures are in place internally and with key third party providers.</li> <li>• Duplication of knowledge between the Company and key third party providers.</li> </ul>
<b>Information technology (IT) and cybersecurity</b> – the risk of the loss or theft of data resulting from the failure of IT systems or inadequate security controls.	<ul style="list-style-type: none"> <li>• IT systems are continually monitored to detect and respond to failures.</li> <li>• Cybersecurity reviews are performed regularly to ensure best practice strategies are implemented.</li> <li>• Information security practices of key third party providers are reviewed and monitored to confirm they are appropriate.</li> </ul>
<b>Fraud and theft</b> – the risk of loss or theft of the Company's financial assets due to internal or external events.	<ul style="list-style-type: none"> <li>• Majority of assets are held in external custody, covered by appropriate protocols and insurances.</li> <li>• Callback and confirmation procedures ensure instructions on material transactions are validly authorised.</li> </ul>
<b>Compliance risk</b> – the risk of failure to meet regulatory or other obligations, and the resulting financial and non-financial impact to the Company	<ul style="list-style-type: none"> <li>• Compliance obligations are documented and monitored.</li> <li>• Independent external advice supports internal procedures.</li> <li>• The Company holds Directors and Officers insurance.</li> </ul>

### Indemnification and insurance of Directors and Officers

The names of each person holding the position of Director of Australian United Investment Company Limited during the financial year are Charles Goode (Chairman), Fred Grimwade, Dion Hershman and Wayne Kent.

The Company has indemnified each current Director and the Company Secretary against all liabilities to another person (other than the Company or a related body corporate) that may arise from his position with the Company except where the liability arises out of conduct involving a lack of good faith. The agreements stipulate that the Company will meet the full amount of any such liabilities, including costs and expenses.

# Directors' Report

## for the year ended 30 June 2025

The Company has paid insurance premiums in respect of Directors' and Officers' liability and legal expenses insurance, for current and former Directors and Officers, insuring them against liabilities, costs and expenses arising out of conduct which does not involve a wilful breach of duty. This insurance premium covers the period from 1 July 2025 to 30 June 2026.

### Events subsequent to balance date

Other than as disclosed in the Financial Statements, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature, likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial periods.

### Likely developments

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 that the value of the investment portfolio is expected to fluctuate broadly in line with market movements.

It is the Directors' intention to continue to invest in a portfolio of listed securities for long term capital gain and dividend income.

### State of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

### Non-audit services

There were no non-audit services provided by the auditor during the financial year (2024: nil).

### Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2025 will be published together with the 2025 Annual Report.

The Company's most recent Corporate Governance Statement can be found on the Company's website at <https://www.aui.com.au/corporate-governance>.

### Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

### Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 13 and forms part of the Directors' Report for the year ended 30 June 2025.

### Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, and in accordance with that instrument, amounts in the financial report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

# Directors' Report

## for the year ended 30 June 2025

### Remuneration Report

This Remuneration Report has been audited.

#### Directors

Non-executive Directors fees paid were as follows:

	2025			2024		
	Fee \$	Superannuation \$	Total \$	Fee \$	Superannuation \$	Total \$
Charles Goode	186,547	21,453	208,000	180,180	19,820	200,000
Fred Grimwade	93,274	10,726	104,000	90,090	9,910	100,000
Dion Hershman	93,274	10,726	104,000	90,090	9,910	100,000
Wayne Kent	93,274	10,726	104,000	90,090	9,910	100,000
<b>Total</b>	<b>466,369</b>	<b>53,631</b>	<b>520,000</b>	<b>450,450</b>	<b>49,550</b>	<b>500,000</b>

No additional fees are paid to members of the Board Committees.

#### Company Secretary

The services of the Company Secretary, James Pollard, are provided to Diversified United Investment Limited through an administrative services agreement with the Company.

After cost recovery for those services, remuneration paid (including superannuation) by the Company was \$125,000 (2024: \$120,000).

#### Remuneration process

The Nomination and Remuneration Committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to employees and Directors of the Company including superannuation entitlements, retirement and termination entitlements, fringe benefits policies and professional indemnity policies. The Company's key management personnel are the Directors and the Company Secretary.

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors. The Nomination and Remuneration Committee may seek independent advice on the appropriateness of remuneration packages, given trends in comparative companies and considering Company activity and changing responsibilities. The remuneration structures are designed to attract suitably qualified candidates, and to facilitate the broader outcome of supporting the Company's objectives of obtaining current income and longer-term capital gains within an acceptable level of risk.

Directors' fees are fixed and reviewed annually, and the maximum total of Directors' fees is set by the shareholders in general meeting, considering the Company's performance and market conditions. The current maximum is \$800,000.

Non-executive directors do not receive performance-related compensation and are not provided with retirement benefits apart from statutory superannuation and any shares issued as a result of accumulated benefits from the Non-Executive Directors' 2006 Accrued Entitlements Share Plan.

# Directors' Report

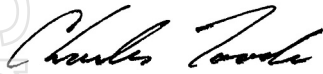
## for the year ended 30 June 2025

### Dealings with Directors and the Company Secretary

Each Director and the Company Secretary has signed a Deed of Access, Indemnity and Insurance with the Company and is covered by the Company's Directors and Officers Liability Insurance.

No Director has entered a material contract with the Company since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year end, other than the Deeds of Access, Indemnity and Insurance held.

Signed in accordance with a resolution of the Directors, for and on behalf of the Board.



Charles Goode  
Chairman  
21 August 2025

# Lead Auditor's Independence Declaration



Lead Auditor's Independence Declaration under

Section 307C of the Corporations Act 2001

To the Directors of Australian United Investment Company Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Australian United Investment Company Limited for the financial year ended 30 June 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

A handwritten signature in black ink that reads 'Luke Sullivan'.

Luke Sullivan  
Partner

Melbourne  
21 August 2025

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

# Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Revenue from investment portfolio	2(a)	57,004	57,761
Administration and other expenses		(1,847)	(1,795)
Administration costs recovered		278	284
Finance expenses	2(b)	(2,431)	(5,086)
Profit before tax		53,004	51,164
Income tax expense	4(a)	(3,136)	(2,046)
<b>Profit after tax</b>		<b>49,868</b>	<b>49,118</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss:			
Revaluation of the investment portfolio for the year		159,338	134,131
Provision for tax expense on revaluation of the investment portfolio for the year		(47,754)	(40,220)
<b>Other comprehensive profit after tax</b>		<b>111,584</b>	<b>93,911</b>
<b>Total comprehensive profit</b>		<b>161,452</b>	<b>143,029</b>
Basic and diluted earnings per share (cents)	5	40.2	39.0

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements set out on pages 18 to 36.

# Balance Sheet

as at 30 June 2025

	Note	2025 \$'000	2024 \$'000
<b>Assets</b>			
Cash and cash equivalents	17(a)	5,464	16,387
Receivables	7	6,628	6,259
Other assets	8	27	111
<b>Current assets</b>		<b>12,119</b>	<b>22,757</b>
Investment portfolio	9	1,626,496	1,511,122
Plant and equipment	10	8	14
Other assets	8	216	284
<b>Non-current assets</b>		<b>1,626,720</b>	<b>1,511,420</b>
<b>Total assets</b>		<b>1,638,839</b>	<b>1,534,177</b>
<b>Liabilities</b>			
Payables	11	507	1,603
Employee benefits		14	28
Current tax payable	4(c)	1,770	421
Borrowings – interest bearing	12	25,000	-
<b>Current liabilities</b>		<b>27,291</b>	<b>2,052</b>
Payables	11	168	235
Employee benefits		26	21
Borrowings – interest bearing	12	-	77,000
Net deferred tax liability	4(b)	296,912	248,142
<b>Non-current liabilities</b>		<b>297,106</b>	<b>325,398</b>
<b>Total liabilities</b>		<b>324,397</b>	<b>327,450</b>
<b>Net assets</b>		<b>1,314,442</b>	<b>1,206,727</b>
<b>Equity</b>			
Issued capital	14(a)	441,140	439,092
Reserves	14(b)	873,302	767,635
<b>Total equity</b>		<b>1,314,442</b>	<b>1,206,727</b>

The Balance Sheet is to be read in conjunction with the Notes to the Financial Statements set out on pages 18 to 36.

# Statement of Changes in Equity

## for the year ended 30 June 2025

	Issued capital \$'000	Revaluation Reserve \$'000	Realisation Reserve \$'000	Retained earnings \$'000	Total equity \$'000
As at 1 July 2023	464,318	489,655	7,898	173,820	1,135,691
Total comprehensive income					
Revaluation of investment portfolio	-	134,131	-	-	134,131
Tax expense	-	(40,220)	-	-	(40,220)
Net realised gains on disposals	-	(11,996)	11,996	-	-
Tax expense	-	3,652	(3,652)	-	-
Profit after tax	-	-	-	49,118	49,118
	-	85,567	8,344	49,118	143,029
Transactions with shareholders					
Dividend Reinvestment Plan	2,887	-	-	-	2,887
On-market buyback	(28,113)	-	-	-	(28,113)
Dividends paid	-	-	-	(46,767)	(46,767)
	(25,226)	-	-	(46,767)	(71,993)
<b>As at 30 June 2024</b>	<b>439,092</b>	<b>575,222</b>	<b>16,242</b>	<b>176,171</b>	<b>1,206,727</b>
As at 1 July 2024	439,092	575,222	16,242	176,171	1,206,727
Total comprehensive income					
Revaluation of investment portfolio	-	159,338	-	-	159,338
Tax expense	-	(47,754)	-	-	(47,754)
Net realised gains on disposals	-	(1,218)	1,218	-	-
Tax expense	-	648	(648)	-	-
Profit after tax	-	-	-	49,868	49,868
	-	111,014	570	49,868	161,452
Transactions with shareholders					
Dividend Reinvestment Plan	3,439	-	-	-	3,439
On-market buyback	(1,391)	-	-	-	(1,391)
Dividends paid	-	-	-	(55,785)	(55,785)
	2,048	-	-	(55,785)	(53,737)
<b>As at 30 June 2025</b>	<b>441,140</b>	<b>686,236</b>	<b>16,812</b>	<b>170,254</b>	<b>1,314,442</b>

The Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements set out on pages 18 to 36.

# Statement of Cash Flows

for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>			
Interest received		441	763
Dividends and trust distributions received		55,991	56,733
Other revenue received		334	332
Administration and other expenses paid		(1,703)	(1,805)
Finance costs paid		(3,588)	(4,887)
Income taxes paid / (received)		(481)	55
<b>Net cash from operating activities</b>	<b>17(b)</b>	<b>50,994</b>	<b>51,191</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments		126,779	131,896
Purchases of investments		(82,959)	(90,832)
Purchases of fixed assets		-	(8)
<b>Net cash from investing activities</b>		<b>43,820</b>	<b>41,056</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		91,000	75,000
Repayment of borrowings		(143,000)	(84,000)
Dividends paid net of Dividend Reinvestment Plan		(52,346)	(43,880)
Payments for shares bought back		(1,391)	(28,113)
<b>Net cash used in financing activities</b>	<b>12</b>	<b>(105,737)</b>	<b>(80,993)</b>
Net increase / (decrease) in cash held		(10,923)	11,254
Cash and cash equivalents at 1 July		16,387	5,133
<b>Cash and cash equivalents at 30 June</b>	<b>17(a)</b>	<b>5,464</b>	<b>16,387</b>

The Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements set out on pages 18 to 36.

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 1. Statement of material accounting policies

Australian United Investment Company Limited (“the Company”) is a for-profit company domiciled in Australia. The financial report was authorised for issue by the Directors on 21 August 2025.

#### (a) Statement of compliance

This financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (‘AASBs’) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (‘AASB’) and the Corporations Act 2001. The financial report of the Company also complies with International Financial Reporting Standards (‘IFRSs’) and interpretations adopted by the International Accounting Standards Board.

#### (b) Basis of preparation

The financial report is presented in Australian dollars. The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

The Company has prepared an assessment of its ability to continue as a going concern, taking into account all available information for a period of 12 months from the date of these Financial Statements. It is the view of the Directors that the Company will be able to pay its debts as and when they become due and payable and as such these Financial Statements are prepared on a going concern basis.

As at 30 June 2025, current liabilities exceed current assets by \$15.2 million due to \$25.0 million of borrowing facilities being due within 12 months. These facilities are expected to be renewed or otherwise repaid using available liquidity before their expiry. In addition, the Company has access to assets quickly convertible to cash from its equity portfolio should funds be required. It should be noted that while the equity portfolio is classified as non-current based on the Company’s intention to retain its investments for the long term, it is highly liquid with all investments being ASX-listed.

The Company has adopted all required accounting standards and their amendments from 1 July 2024. Most are expected to have no impact, with the exception of the changes to IAS 1 as set out below:

The Company has adopted *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)* and *Non-current Liabilities with Covenants (Amendments to IAS 1)* from 1 July 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period. At 30 June 2025, the Company has no non-current liabilities that are subject to covenants within 12 months after the reporting period. There is no retrospective impact from the change in policy.

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 1. Statement of material accounting policies (continued)

The Company has not applied any Australian Accounting Standards that have been issued as at balance date but are not yet operative for the year ended 30 June 2025 (“the inoperative standards”). The inoperative standards have been assessed as having no material impact. The Company only intends to adopt inoperative standards at the date at which their adoption becomes mandatory.

The financial report is prepared on a historical cost basis except that the investment portfolio is stated at its fair value.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

#### (c) Investments

The Company is a long-term investor. Under Australian Accounting Standards, the Company has elected to classify equity investments at fair value through other comprehensive income, as they are not held for trading. After initial recognition at fair value (being cost), all investments are measured at fair value.

Unrealised gains or losses on equity are recognised in the Revaluation Reserve until the investment is sold or otherwise disposed of, at which time the cumulative gain or loss is transferred to the Realisation Reserve.

The Company derecognises an investment when it is sold, or it transfers the investment, and the transfer qualifies for derecognition in accordance with AASB 9.

Interest bearing investments are recognised at fair value and then measured at amortised cost. Amortised cost is calculated with any difference between cost and redemption value being recognised in the income statement over the period of the investment on an effective interest basis.

#### (d) Revenue from investment portfolio

The activity of the Company is that of an investment company, returns being in the form of dividends, interest income, trust income and option premiums. Dividend income is recognised in the income statement at ex-dividend date and all other income is recognised on an accrual basis. Special Dividends are those dividends received which have been designated as special by the declaring company.

The managed funds in which the Company invests distribute realised capital gains from time to time and these are included in operating revenue, as required under accounting standards.

The Company may enter into put, call or other derivative trading strategies that are consistent with the Company’s broader investment strategy. Open option contracts are marked to market through the profit and loss account.

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 1. Statement of material accounting policies (continued)

#### (e) Taxation

The income tax expense or benefit for the period is the tax payable or receivable on the current period's taxable income based on the applicable company tax rate of 30% adjusted by changes in deferred tax assets and liabilities which arise from items being brought to account in different periods for income tax and accounting purposes.

The expected tax on disposal of equity securities in the investment portfolio is recognised directly in the Revaluation Reserve and as a deferred tax asset or liability. When the Company disposes of such securities, tax is calculated on gains or losses made according to the particular parcels allocated to the sale for tax purposes and offset against any capital losses carried forward.

At this time, the tax recognised directly in the Revaluation Reserve is transferred to the Realisation Reserve. The associated deferred tax is similarly adjusted and transferred to current tax payable.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (f) Employee benefits

Provision is made for benefits accruing to employees in respect of wages, salaries, annual leave and long service leave (based on wage rates expected at the time of settling the liability) when it is probable that settlement will be required, and they are capable of being reliably measured. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

#### (g) Interest bearing borrowings

Interest bearing borrowings are recognised initially at fair value less attributable transaction costs. After initial recognition, interest bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowing on an effective interest basis.

#### (h) Ordinary shares

Ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 2. Revenue and expenses

	2025 \$'000	2024 \$'000
<b>(a) Revenue</b>		
Ordinary dividends received or due and receivable	50,973	50,820
Special dividends received or due and receivable	400	1,635
	51,373	52,455
Trust distributions received or due and receivable	5,186	4,418
Interest received or due and receivable	441	763
Other revenue received or due and receivable	4	125
	57,004	57,761
<b>(b) Expenses</b>		
Finance expenses:		
Interest and borrowing expenses	2,431	5,086

### 3. Auditor's remuneration

During the year, KPMG, the Company's auditor, received the following remuneration inclusive of goods and services tax (GST):

	2025 \$	2024 \$
Audit and review of financial reports (including GST)	61,222	58,988

### 4. Taxation

	2025 \$'000	2024 \$'000
<b>(a) Income tax expense</b>		
<b>Income tax recognised in the income statement</b>		
Current year tax payable	(2,001)	(989)
Withholding tax on foreign dividends	(146)	(129)
Temporary differences	(1,016)	(935)
Over provision of prior year income tax expense	27	7
<b>Income tax expense</b>	<b>(3,136)</b>	<b>(2,046)</b>
<b>Reconciliation between profit and income tax expense</b>		
Profit before tax	53,004	51,164
Prima facie income tax expense at 30%	(15,901)	(15,349)
Adjustments:		
Franking credits gross up on dividends received	(5,602)	(5,825)
Franking credits on dividends received	18,674	19,418
Other	(334)	(297)
Over provision of prior year income tax expense	27	7
<b>Income tax expense</b>	<b>(3,136)</b>	<b>(2,046)</b>

# Notes to the Financial Statements

for the year ended 30 June 2025

## 4. Taxation (continued)

	2025 \$'000	2024 \$'000
<b>Deferred tax recognised directly in equity</b>		
Increase in provision for tax on net unrealised gains on investments	47,754	40,220
<b>(b) Net deferred tax assets and liabilities</b>		
Provision for tax on net unrealised gains on investments	296,589	248,718
Tax benefit of capital losses carried forward	(30)	(889)
Other	353	313
<b>Net deferred tax liabilities</b>	<b>296,912</b>	<b>248,142</b>
<b>(c) Current tax payable</b>		
Current year tax payable	2,001	989
Tax instalments paid	(231)	(568)
<b>Current tax payable</b>	<b>1,770</b>	<b>421</b>

## 5. Earnings per share

	2025 '000	2024 '000
Weighted average number of ordinary shares	124,064	126,089
	\$'000	\$'000
Profit after tax	49,868	49,118
	Cents	Cents
Basic and diluted earnings per share	40.2	39.0
Earnings per share excluding special income received (refer Note 1(d))	39.9	37.9

There are no factors which cause diluted earnings per share to be different from basic earnings per share.

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 6. Dividends

Dividends recognised in the current year by the Company are:

	2025 \$'000	2024 \$'000
2024 final dividend (ordinary) of 20.0 cents per share (2023: 20.0 cents) fully franked paid 17 September 2024	24,778	25,265
2024 final dividend (special) of 8.0 cents per share (2023: nil) fully franked paid 17 September 2024	9,911	-
2025 interim dividend of 17.0 cents per share (2024: 17.0 cents) fully franked paid 21 March 2025	21,096	21,502
	<b>55,785</b>	<b>46,767</b>

Since 30 June 2025, the Directors have declared the following dividend:

	2025 \$'000	2024 \$'000
2025 final dividend (ordinary) of 20.0 cents per share (2024: 20.0 cents) fully franked payable on 19 September 2025	24,817	24,778
2025 final dividend (special) of 8.0 cents per share (2024: 8.0 cents) fully franked payable on 19 September 2025	9,927	9,911
	<b>34,744</b>	<b>34,689</b>

The financial effect of this dividend has not been brought to account in the Financial Statements for the year ended 30 June 2025.

The final dividend will not contain a Listed Investment Company (LIC) capital gain dividend (2024: no LIC capital gain dividend).

#### Franking account

The balance of the Franking Account at 30 June 2025 is \$47,198,522 (2024: \$50,812,290) after adjusting for:

- franking credits that will arise from any current income tax payable, and
- franking credits that will arise from the receipt of dividends recognised as receivables at year end.

After allowing for the 2025 final dividend, which is not provided for in these Financial Statements, the balance of the franking account would be \$32,308,163. The ability to utilise the franking credits is dependent upon the ability of the Company to declare dividends.

#### Listed Investment Company (LIC) capital gain account

The balance of the LIC Capital Gain Account at 30 June 2025 was \$372,101 (2024: \$372,101). When distributed, LIC capital gains may entitle certain shareholders to a special deduction in their taxation return, as set out in the relevant dividend statement.

# Notes to the Financial Statements

for the year ended 30 June 2025

## 7. Receivables

	2025 \$'000	2024 \$'000
<b>Current</b>		
Dividends receivable	3,628	3,874
Trust distributions receivable	2,975	2,308
Sundry receivable	25	77
	<b>6,628</b>	<b>6,259</b>

## 8. Other assets

	2025 \$'000	2024 \$'000
<b>Current</b>		
Prepayments	24	104
Input Tax Credits	3	7
	<b>27</b>	<b>111</b>
<b>Non-current</b>		
Right of use asset	216	284

## 9. Investments

	2025 \$'000	2024 \$'000
<b>Non-current</b>		
Investments in equities quoted on prescribed stock exchanges (at fair value)	1,626,496	1,511,122

## 10. Plant and equipment

	2025 \$'000	2024 \$'000
Plant and equipment at cost	41	41
Accumulated depreciation	(33)	(27)
	<b>8</b>	<b>14</b>
<b>Movements</b>		
Carrying amount at beginning of year	14	11
Additions	-	8
Depreciation	(6)	(5)
	<b>8</b>	<b>14</b>

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 11. Payables

	2025 \$'000	2024 \$'000
<b>Current</b>		
Trade creditors	179	125
Accrued interest	261	1,418
Lease liability	67	60
	507	1,603
<b>Non-current</b>		
Lease liability	168	235
	168	235
	675	1,838

### 12. Borrowings

	2025 \$'000	2024 \$'000
<b>Current</b>		
Bank borrowings - secured	25,000	-
<b>Non-current</b>		
Bank borrowings - secured	-	77,000

At 30 June 2025 the Company had facilities totalling \$145 million (2024: \$175 million) with NAB as follows:

Maturity	Interest rate <sup>(1)</sup>	Facility limit \$'000
31 May 2026	Floating 4.94%	125,000
31 July 2025	Fixed 2.27%	20,000
		145,000

(1) Interest rate includes bank margins and fees.

#### Secured bank loans

##### Fixed rate facility expiring 31 July 2025

At 30 June 2025, the Company has a secured loan from NAB with a facility limit of \$20 million drawn as to \$20 million (2024: limit \$20 million drawn as to \$20 million). This loan is repayable on 31 July 2025 and has been repaid as at the date of signing of this report.

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 12. Borrowings (continued)

The agreement relating to this loan contains the following covenants, which must be met continuously:

Covenant	2025	2024
The interest cover ratio, determined as the ratio of net cash after operations before interest and tax to interest expense, must not be less than 2.5.	22.8	11.1
The net worth of the Company, determined as total tangible assets less all liabilities, must not be less than \$500 million.	\$1,314.4 million	\$1,206.7 million
The market value of shares provided as security to NAB is to be maintained at a minimum of \$100 million.	\$219.1 million	\$548.8 million
Shares provided as security must be companies listed in the S&P/ASX 100, and no one company may make up more than 40% of the total value of shares held as security.	Met	Met

The loan will become repayable if these covenants are not met.

The Company complied with these covenants throughout the period ended 30 June 2025 and has continued to comply with the covenants up until its repayment and expiry on 31 July 2025.

#### Floating rate facility expiring 31 May 2026

At 30 June 2025, the Company has a secured loan from NAB with a facility limit of \$125 million drawn as to \$5 million (2024: limit of \$125 million drawn as to \$27 million). This loan is repayable on 31 May 2026 unless renewed earlier.

The agreement relating to this loan contains the following covenant, which is tested daily:

Covenant	2025	2024
The market value of shares provided as security to NAB is to be maintained at a minimum of 110% of the drawn amount.	\$100.5 million (minimum \$5.5 million)	\$70.7 million (minimum \$29.7 million)

The loan will become repayable if these covenants are not met and where any shortfall is not rectified by the next business day.

The Company complied with these covenants throughout the period ended 30 June 2025, and it expects to comply with the covenants during the period of the facility.

# Notes to the Financial Statements

for the year ended 30 June 2025

## 12. Borrowings (continued)

### Reconciliation of movements in borrowings to cash flows from financing activities

	Liabilities	Equity		Total 2024 \$'000
	Borrowings 2024 \$'000	Retained Earnings 2024 \$'000	Issued Capital 2024 \$'000	
Balance at 1 July 2023	86,000	173,820	464,318	724,138
<b>Changes from financing cash flows</b>				
Proceeds from borrowings	75,000	-	-	75,000
Repayment of borrowings	(84,000)	-	-	(84,000)
Cash dividends paid	-	(43,880)	-	(43,880)
Share Buy-Back	-	-	(28,113)	(28,113)
<b>Total changes from financing cash flows</b>	<b>(9,000)</b>	<b>(43,880)</b>	<b>(28,113)</b>	<b>(80,993)</b>
Equity-related other changes	-	46,231	2,887	49,118
<b>Balance at 30 June 2024</b>	<b>77,000</b>	<b>176,171</b>	<b>439,092</b>	<b>692,263</b>

	Liabilities	Equity		Total 2025 \$'000
	Borrowings 2025 \$'000	Retained Earnings 2025 \$'000	Issued Capital 2025 \$'000	
Balance at 1 July 2024	77,000	176,171	439,092	692,263
<b>Changes from financing cash flows</b>				
Proceeds from borrowings	91,000	-	-	91,000
Repayment of borrowings	(143,000)	-	-	(143,000)
Dividends paid net of DRP	-	(52,346)	-	(52,346)
Payments for shares bought back	-	-	(1,391)	(1,391)
<b>Total changes from financing cash flows</b>	<b>(52,000)</b>	<b>(52,346)</b>	<b>(1,391)</b>	<b>(105,737)</b>
Equity-related other changes	-	46,429	3,439	49,868
<b>Balance at 30 June 2025</b>	<b>25,000</b>	<b>170,254</b>	<b>441,140</b>	<b>636,394</b>

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 13. Financing arrangements

The Company has access to the following lines of credit:

	2025 \$'000	2024 \$'000
Total facility available		
Loan facility – secured	145,000	175,000
Facilities utilised at balance date		
Loan facility – secured	25,000	77,000

### 14. Capital and reserves

#### (a) Issued capital

	2025 \$'000	2024 \$'000
Issued and paid-up share capital		
124,086,328 ordinary fully paid shares (2024: 123,891,889)	441,140	439,092
<b>Movements in issued capital</b>		
Balance at beginning of the year	439,092	464,318
Shares issued:		
Dividend Reinvestment Plan <sup>(1)</sup>	3,439	2,887
On-market buyback <sup>(2)</sup>	(1,391)	(28,113)
	<b>441,140</b>	<b>439,092</b>

(1) In respect of the final dividend paid in September 2024, 200,848 ordinary shares were issued at \$10.65 each and in respect of the interim dividend paid in March 2025, 126,357 ordinary shares were issued at \$10.41 each.

(2) In respect of the on-market buyback, 132,766 shares were purchased at an average price of \$10.44. Transaction costs associated with the on-market buyback were \$5,600.

#### (b) Reserves

	2025 \$'000	2024 \$'000
Retained earnings	170,254	176,171
Revaluation Reserve	686,236	575,222
Realisation Reserve	16,812	16,242
	<b>873,302</b>	<b>767,635</b>

#### Revaluation Reserve

Increments or decrements arising from the revaluation of long-term equity investments after provision for deferred tax are recorded in this reserve.

When an investment has been sold or de-recognised, realised gains or losses (after tax) are transferred from the Revaluation Reserve to the Realisation Reserve.

# Notes to the Financial Statements

for the year ended 30 June 2025

## 14. Capital and reserves (continued)

### Realisation Reserve

The Realisation Reserve records realised gains and losses (after tax) from the sale of investments in equities which are transferred from the Revaluation Reserve.

## 15. Contingent liabilities and capital commitments

There were no contingent liabilities or capital commitments as at 30 June 2025.

## 16. Related parties

Per the definition in AASBI24 – *Related Party Disclosures*, the Company has been identified as a related party of Diversified United Investment Limited (DUI) due to the provision of services of key management personnel (being the Company Secretary, James Pollard) from the Company to DUI.

The Company has entered into an agreement with DUI for the provision of administrative services. The total fees received for services provided in the current year are \$305,840 including GST (2024: \$311,938).

The Company leases its office premises from Flagstaff Partners Pty Ltd (Flagstaff) on commercial, arms-length terms. The Company advises that Charles Goode, Chairman of the Company, is also Chairman Emeritus of Flagstaff Partners and that Wayne Kent, Director of the Company, is a Special Adviser to Flagstaff.

### Key management personnel compensation

The Company's key management personnel include its Directors and the Company Secretary.

The total Directors' remuneration for the year was \$520,000 (2024: \$500,000). Details of the Directors' remuneration are set out in the Remuneration Report that forms part of the Directors' Report.

Key management personnel compensation during the year comprised the following:

	2025 \$	2024 \$
Amounts paid or payable to Directors	520,000	500,000
Short-term employee benefits	112,108	108,108
Post-employment benefits (superannuation)	12,892	11,892
	<b>645,000</b>	<b>620,000</b>

## 17. Notes to the Statement of Cash Flows

### (a) Reconciliation of cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short-term deposits at call. Cash as at the end of the financial year is shown in the Statement of Cash Flows and in the Balance Sheet as \$5,464,000 (2024: \$16,387,000).

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 17. Notes to the Statement of Cash Flows (continued)

#### (b) Reconciliation of profit after tax to net cash flows from operating activities

	2025 \$'000	2024 \$'000
Profit after tax	49,868	49,118
Adjustments for:		
Decrease in dividends receivable	247	31
Increase in trust distributions receivable	(667)	(42)
Decrease / (Increase) in other assets	206	(340)
Decrease in deferred tax assets	1,124	830
Increase in deferred tax liability	34	302
Increase in other taxes	1,349	840
(Decrease) / Increase in payables and provisions	(1,167)	452
<b>Net cash flows from operating activities</b>	<b>50,994</b>	<b>51,191</b>

### 18. Capital management

The Company's objective in managing capital is to continue to provide shareholders with dividends and capital appreciation over the longer term within acceptable levels of risk.

The Company may adjust the quantum of dividends paid, issue new shares or buy back shares, or increase or reduce debt in order to manage its capital structure.

The Company is not subject to any externally imposed capital requirements.

### 19. Financial risk management

*AASB 7 – Financial Instruments: Disclosures* identifies three types of risk associated with financial instruments (i.e. investments, receivables, payable and borrowings).

The Company has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework and receives advice from the Audit and Risk Management Committee.

#### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The credit risk exposure of the Company lies principally in its cash and receivables to the extent of their carrying values and any accrued unpaid interest.

# Notes to the Financial Statements

for the year ended 30 June 2025

## 19. Financial risk management (continued)

### Cash

The Company invests in cash management units with the Mutual Trust Cash Fund. Investments are restricted to at-call deposits and term deposits with APRA-regulated banks. Banks are limited to a minimum counterparty credit risk rating of Standard & Poor's A-2 short term and BBB-long term.

All other cash deposits are held with Australian banks with a direct or underlying AA- credit rating assigned by Standard & Poor's.

### Receivables

Receivables are non-interest bearing and represent dividends, proceeds of sales and distributions yet to be received. The credit risk exposure of the Company in relation to receivables is the carrying amount.

Given the nature of the counterparties with which the Company deals, management does not expect any counterparty to fail to meet its obligations. Additionally, none of these assets are overdue or considered to be impaired.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities as they fall due. The Company monitors its cash flow requirements and ensures that it has cash or access to sufficient borrowing facilities or liquid securities to meet all its financial obligations as they fall due.

Bank borrowings were \$25.0 million at the end of the financial year (2024: \$77.0 million), and net debt as a proportion of the portfolio excluding cash was 0.8% (2024: 3.6%). The Company has interest bearing loan facilities in place with the National Australia Bank which include both fixed and floating rate components. These facilities expire at various intervals through to 31 May 2026, unless renewed. Annual interest expense during the year was covered 22.8 times by profit before interest and tax (2024: 11.1 times).

The Company's significant cash inflows are derived from dividends, distributions, and the sale proceeds received from its investment portfolio and proceeds from borrowings. Its major cash outflows include the purchase of securities, finance expenses, borrowing repayments and dividends paid to shareholders, which are managed by the Company.

The Company's investments are quoted on a prescribed stock exchange or are in managed investment funds and can be realised if required.

# Notes to the Financial Statements

for the year ended 30 June 2025

## 19. Financial risk management (continued)

### Exposure to liquidity risk

The following are the contractual maturities of financial liabilities at the reporting date. The carrying amount represents the account balance of the liability in the financial statements and the contractual cash flows are the undiscounted future cash payments as required by the relevant arrangement.

Financial liabilities 2024	Carrying amount \$'000	Contractual cash flows					
		Total \$'000	12 months or less \$'000	1 to 2 years \$'000	2 to 3 years \$'000	3 to 4 years \$'000	4 to 5 years \$'000
Trade creditors	125	(125)	(125)	-	-	-	-
Accrued interest	1,418	(1,418)	(1,418)	-	-	-	-
Lease liability	295	(295)	(60)	(67)	(73)	(81)	(14)
Borrowings	77,000	(77,000)	-	(47,000)	(20,000)	(10,000)	-
	78,838	(78,838)	(1,603)	(47,067)	(20,073)	(10,081)	(14)

Financial liabilities 2025	Carrying amount \$'000	Contractual cash flows					
		Total \$'000	12 months or less \$'000	1 to 2 years \$'000	2 to 3 years \$'000	3 to 4 years \$'000	4 to 5 years \$'000
Trade creditors	179	(179)	(179)	-	-	-	-
Accrued interest	261	(261)	(261)	-	-	-	-
Lease liability	235	(235)	(67)	(73)	(81)	(14)	-
Borrowings	25,000	(25,000)	(25,000)	-	-	-	-
	25,675	(25,675)	(25,507)	(73)	(81)	(14)	-

### Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

Inherently, the Company is not free of market risk as it invests its capital in securities whose market prices can fluctuate.

Market risk is managed by ensuring that the Company's investment portfolio is not overly exposed to one Company or one particular sector relative to the S&P/ASX 200 index after taking into account unrealised capital gains. The relative weightings of the individual securities and the relative market sector weightings are reviewed by the Board at each Director's meeting.

# Notes to the Financial Statements

for the year ended 30 June 2025

## 19. Financial risk management (continued)

### Price risk

The Company is exposed to price risk to the extent that the value of investments held may fluctuate with movements in market prices.

### Price risk sensitivity

Based on a tax rate of 30% (2024: 30%), a general movement in market prices of 5% and 10% would lead to a change in the Company's equity as follows:

	2025		2024	
	\$'000	%	\$'000	%
Market prices increase by 5%	56,927	4.3	52,889	4.4
Market prices increase by 10%	113,855	8.7	105,779	8.8
Market prices fall by 5%	(56,927)	(4.3)	(52,889)	(4.4)
Market prices fall by 10%	(113,855)	(8.7)	(105,779)	(8.8)

### Currency risk

All of the Company's investments are quoted in Australian dollars therefore avoiding any direct exposure to currency risk. Nevertheless, several of the underlying investee companies' businesses may have currency risk exposures.

The Company also has exposure to interest rate risk on its borrowings as detailed in Note 20.

## 20. Financial instruments disclosure

### Interest rate risk

The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets which bear interest is set out below.

### Interest income

The Company is exposed to interest rate risk through its cash accounts and short-term deposits. Interest bearing investments are not core to the Company's investment strategy, therefore the exposure to interest rate risk on interest income is not material.

The weighted average interest rate on cash accounts is as follows:

	Note	Floating Interest Rate \$'000
<b>2025</b>		
Cash	17	5,464
Weighted Average Interest Rate		4.4%
<b>2024</b>		
Cash	17	16,387
Weighted Average Interest Rate		4.4%

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 20. Financial instruments disclosure (continued)

#### Interest paid

The Company is also exposed to interest rate risk through its floating rate loan facilities, which is mitigated through conservative levels of gearing, ensuring that appropriate interest cover exists and establishing fixed interest rate facilities when appropriate.

At 30 June 2025, the Company had drawn floating rate borrowings of \$5.0 million (2024: \$57.0 million). The interest paid on these loans can fluctuate with changes in the floating interest rate, which is affected by external factors such as movements in the Bank Bill Swap Rate (BBSW).

#### Interest paid sensitivity

A movement in the floating rates on these facilities of 50 basis points and 100 basis points would lead to a change in profit after tax of \$17,500 or 0.04% (2024: \$199,500 or 0.41%), and \$35,000 or 0.07% (2024: \$399,000 or 0.81%) respectively.

#### Net fair values of financial assets and liabilities

##### Valuation approach

Net fair values of financial assets and liabilities are determined by the Company on the following basis:

##### Recognised financial instruments

Listed securities included in "Investments" are readily traded on organised markets in a standardised form.

The net fair value of listed securities is determined by valuing them at the last quoted market price as at balance date. In accordance with Australian Accounting Standards, this is considered "Level 1" under the fair value measurement hierarchy, which is defined as quoted prices (unadjusted) in active markets for identical assets or liabilities.

The net fair value of unlisted managed funds is determined by valuing them at the net asset value provided by the fund manager as at balance date. Unlisted managed funds included in "Investments" are considered "Level 2" under the fair value measurement hierarchy, which is defined as inputs other than quoted prices, which can be observed either directly (as prices) or indirectly (derived from prices).

As at 30 June 2025, the Company's Level 1 investments totalled \$1,626,496,000 (2024: \$1,511,122,000) and it did not hold any Level 2 investments (2024: nil). The net fair value of investments is set out in Note 9.

##### Fixed interest borrowings

At 30 June 2025, the fair value of the Company's fixed interest rate borrowings was \$19,933,000 (2024: \$19,401,000) while the face value was \$20,000,000 (2024: \$20,000,000).

For all other financial assets and liabilities, the carrying amount closely approximates its fair value.

# Notes to the Financial Statements

## for the year ended 30 June 2025

### 21. Segment reporting

The Company operates as an investment company in Australia. The Board had been identified as the chief operating decision maker (CODM). The CODM reviews the Company as a single cash-generating unit with balance sheet and profit and loss reporting in the same format as the Statement of Profit or Loss and Balance Sheet as set out above. The key measure of performance for the Company is profit after tax.

At 30 June 2025, all of the Company's investments were domiciled within Australia (2024: all investments domiciled within Australia).

#### Significant investments

For the years ended 30 June 2025 and 30 June 2024, investments from which dividends received comprised a significant proportion of revenue (greater than 10%) were as follows:

	2025	2024
BHP	9.1%	11.0%
Commonwealth Bank	10.2%	10.2%

As at 30 June 2025, Commonwealth Bank comprised 13.0% of the total value of the investment portfolio including cash (2024: 10.5%).

### 22. Events subsequent to balance date

Other than as disclosed in this report, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature, likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial periods.

# Notes to the Financial Statements

for the year ended 30 June 2025

## 23. Holdings of securities as at 30 June 2025

The following is a list of the Company's top 25 Investments as at 30 June 2025, which represent 91.5% of the total investment portfolio (2024: 91.6%). All Investments are valued at fair value through Other Comprehensive Income.

2025		2024	
Security	Market Value \$'000	Security	Market Value \$'000
Commonwealth Bank of Australia Ltd	212,463	Commonwealth Bank of Australia Ltd	161,773
Wesfarmers Ltd	110,175	CSL Ltd	118,084
BHP Group Ltd	99,225	BHP Group Ltd	115,236
CSL Ltd	95,792	Rio Tinto Ltd	89,250
Rio Tinto Ltd	80,347	Wesfarmers Ltd	84,734
Diversified United Investment Ltd	77,184	ANZ Group Holdings Ltd	74,836
Transurban Group	76,890	Diversified United Investment Ltd	73,872
ANZ Group Holdings Ltd	69,984	Woodside Energy Group Ltd	70,525
Westpac Banking Corporation	67,720	Transurban Group	68,200
Resmed Inc	66,895	Westpac Banking Corporation	59,906
Aristocrat Leisure Ltd	58,653	CAR Group Ltd	52,875
CAR Group Ltd	56,130	Resmed Inc	49,470
Origin Energy Ltd	43,160	Aristocrat Leisure Ltd	44,784
Washington H Soul Pattinson & Co Ltd	42,010	National Australia Bank Ltd	41,665
National Australia Bank Ltd	39,360	Worley Ltd	37,450
Brambles Ltd	38,057	Woolworths Group Ltd	33,790
Woodside Energy Group Ltd	35,445	NEXTDC Limited	33,497
Worley Ltd	32,700	Washington H Soul Pattinson & Co Ltd	32,820
Woolworths Group Ltd	31,110	Origin Energy Ltd	32,580
Challenger Ltd	30,381	Coles Group Ltd	23,842
NEXTDC Ltd	29,000	Brambles Ltd	23,611
Northern Star Resources Ltd	27,825	Challenger Ltd	21,030
Coles Group Ltd	27,092	PEXA Group Ltd	20,685
Newmont Corporation Ltd	26,193	Macquarie Group	20,469
EVT Ltd	24,975	Northern Star Resources Ltd	19,500
<b>Total top 25 investments</b>	<b>1,498,766</b>	<b>Total top 25 investments</b>	<b>1,404,484</b>

# Consolidated Entity Disclosure Statement

## for the year ended 30 June 2025

Australian United Investment Company Limited (“the Company”) is not required by Australian Accounting Standards (AAS) to prepare consolidated financial statements. As a result, the requirement of subsection 295(3A)(a) of the Corporations Act 2001 to prepare a *Consolidated Entity Disclosure Statement* does not apply to the Company.

For personal use only

# Directors' Declaration

## for the year ended 30 June 2025

1. In the opinion of the Directors of Australian United Investment Company Limited ("the Company"):
  - (a) The Financial Statements and Notes set out on pages 14 to 36, and the remuneration disclosures that are contained in the Remuneration Report on pages 11 and 12, are in accordance with the Corporations Act 2001, including:
    - (i) giving a true and fair view of the financial position of the Company as at 30 June 2025 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
    - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
  - (b) The Consolidated Entity Disclosure Statement as at 30 June 2025 set out on page 37 is true and correct;
  - (c) The financial report also complies with International Financial Reporting Standards;
  - (d) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2025.

Signed in accordance with a resolution of the Directors.



Charles Goode  
Chairman  
21 August 2025

# Independent Auditor's Report



## Independent Auditor's Report

To the shareholders of Australian United Investment Company Limited

### Report on the audit of the Financial Report

#### Opinion

We have audited the **Financial Report** of Australian United Investment Company Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Balance Sheet as at 30 June 2025
- Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended
- Consolidated Entity Disclosure Statement and accompanying basis of preparation as at 30 June 2025
- Notes, including material accounting policies
- Directors' Declaration.

#### Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 *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 fulfilled our other ethical responsibilities in accordance with these requirements.

#### Key Audit Matters

The **Key Audit Matters** we identified are:

- Valuation and existence of financial assets
- Completeness of the deferred tax liability

**Key Audit Matters** are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

For personal use only

# Independent Auditor's Report

## Valuation and existence of Investment portfolio (\$1,626.5m)

Refer to Note 1(c) and Note 9 to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>The Company's investment portfolio consists of investments in listed securities.</p> <p>The Company outsources certain processes and controls relevant to (a) the recording and valuation of the investments and (b) maintaining custody and underlying records relevant to the investments to the custodian and investment administrator.</p> <p>Valuation and existence of the investment portfolio is a key audit matter due to the:</p> <ul style="list-style-type: none"> <li>• Size of the Company's investment portfolio. These financial assets represent 99% of the Company's total assets as at 30 June 2025; and</li> <li>• Importance of the performance of these investments in driving the Company's income and capital performance, as reported in the Financial Report.</li> </ul> <p>As a result, this was an area which had the greatest effect on our overall audit strategy and allocation of time and resources in planning and performing our audit.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the Company's accounting policies, including those relevant to the fair value of investments, against the requirements of the accounting standards;</li> <li>• We obtained an understanding of the Company's processes in place to buy and sell securities in the investment portfolio, including assessing the key controls over transactions, specifically Board approval of investment purchases and sales;</li> <li>• We obtained and read the GS007 (<i>Guidance Statement 007 Audit Implications of the Use of Service Organisations for Investment Management Services</i>) assurance report for the period from 1 July 2024 to 30 June 2025 of the Company's custodian to understand the processes and assess the controls relevant to the: <ul style="list-style-type: none"> <li>- recording and valuation of the investments;</li> <li>- maintaining custody and underlying records of the Company's investments;</li> </ul> </li> <li>• We assessed the reputation, professional competence and independence of the auditors of the GS007 assurance report;</li> <li>• We checked the existence, being ownership and number of shares or units held in individual investments, through reconciliation to custodian records and obtaining independent confirmations from the custodian as at 30 June 2025;</li> <li>• We checked the valuation of the investment portfolio, as recorded in the general ledger, based on the number of shares or units held and the externally quoted market price from relevant stock exchanges on 30 June 2025; and</li> <li>• We assessed the Company's disclosures of investments in the financial statements, using our understanding obtained from our testing, against the requirements of the accounting standards.</li> </ul>

For personal use only

# Independent Auditor's Report

For personal use only

Completeness of the deferred tax liability (\$296.9m)	
Refer to Note 1(e) and Note 4 to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>The completeness of the deferred tax liability is a Key Audit Matter given:</p> <ul style="list-style-type: none"> <li>• The complexity of the application of accounting standards and Australian tax laws to the Company's recognition of deferred tax liabilities, predominantly in relation to the buying and selling of investments; and</li> <li>• It represents a significant portion (92%) of the total liabilities of the Company.</li> </ul> <p>Additional audit effort was required to evaluate the deferred tax liability recognised by the Company.</p> <p>We involved our senior audit team members in addressing this Key Audit Matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• We assessed the appropriateness of the Company's accounting policies related to deferred tax liabilities against the requirements of the accounting standards and our understanding of business and industry practice;</li> <li>• We assessed the scope, competency and objectivity of the external expert engaged by the Company to assist them in determining the Company's deferred tax liability;</li> <li>• We independently assessed the company's deferred tax liability recognised using our understanding of Australian tax laws and against the Company's accounting policies, and how these apply to the company's investment portfolio;</li> <li>• We independently evaluated the closing tax base of the Company's investment portfolio;</li> <li>• We tested the accounting value of the Company's investment portfolio, as described in our "Valuation and existence of investment portfolio" key audit matter above;</li> <li>• We then recalculated the deferred tax liability by multiplying the difference between the Company's closing accounting value of the investment portfolio and the closing tax cost base by the Company's tax rate and compared this to the deferred tax liability recorded by the Company; and</li> <li>• We assessed the disclosures in the financial report, using our understanding obtained from our testing, and against the requirements of the accounting standards.</li> </ul>

# Independent Auditor's Report

## Other Information

Other Information is financial and non-financial information in Australian United Investment Company Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report, including Remuneration Report. The Chairman's Report, Additional Information and List of Investments are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or 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. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and that is free from material misstatement, whether due to fraud or error
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they 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 objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf). This description forms part of our Auditor's Report.

# Independent Auditor's Report

## Report on the Remuneration Report

### Opinion

In our opinion, the Remuneration Report of Australian United Investment Company Limited for the year ended 30 June 2025, complies with *Section 300A* of the *Corporations Act 2001*.

### Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 9 to 10 of the Directors' report for the year ended 30 June 2025.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG



Luke Sullivan  
Partner

Melbourne  
21 August 2025

# Additional Information

## Distribution of shareholders as at 21 August 2025

Category Holders	Ordinary Shares	%	No of Holders	%
1 – 1,000	483,460	0.4	1,341	26.7
1,001 – 5,000	4,818,513	3.9	1,790	35.6
5,001 – 10,000	6,169,753	5.0	829	16.5
10,001 – 100,000	24,151,480	19.4	1,019	20.2
100,001 and over	88,463,122	71.3	53	1.0
	<b>124,086,328</b>	<b>100.0</b>	<b>5,032</b>	<b>100.0</b>

There were 152 ordinary shareholders holding less than a marketable parcel (44 shares) at 21 August 2025.

## Substantial Shareholders

The number of shares disclosed by the substantial shareholders and their associates in substantial shareholder notices received up to 21 August 2025 are set out below:

Shareholder	Ordinary Shares
The Ian Potter Foundation Limited	44,446,603
Argo Investments Limited	9,290,588
Lady Primrose Catherine Potter, Primrose Properties Pty Ltd and Decerna Pty Ltd	7,732,224

## Voting Rights

All ordinary shares carry equal voting rights.

# Additional Information

## Top Twenty Shareholders

The number of shares held by the top twenty shareholders listed in the Company's register as at 21 August 2025 were:

Shareholder	Ordinary Shares	% Held
The Ian Potter Foundation Limited	51,824,774	41.8
Argo Investments Limited	8,710,483	7.0
Primrose Properties Pty Ltd	7,178,000	5.8
HSBC Custody Nominees (Australia) Limited	5,202,433	4.2
BNP Paribas Nominees Pty Ltd, HUB 24 Custodial Serv Ltd	3,497,637	2.8
Beta Gamma Pty Ltd	1,264,753	1.0
Lady Primrose Catherine Potter	850,289	0.7
Brownell Superannuation Pty Ltd	745,000	0.6
Decerna Pty Ltd	635,974	0.5
Invia Custodian Pty Limited	605,058	0.5
Citicorp Nominees Pty Limited	553,899	0.4
Mythia Pty Ltd	358,151	0.3
Alan Farrell Pty Limited	335,132	0.3
HMS Nominees Ltd	330,979	0.3
VJ Bofinger Pty Ltd	316,258	0.3
Chabar Pty Ltd	301,836	0.2
Willpower Investments Pty Ltd	281,000	0.2
Bitawarmmilk Pty Ltd	278,542	0.2
Mrs Carolyn Anne Parker Bowles	248,973	0.2
Ms Anne Marie Gasbarro & Mr Kenneth Francis Wallace	241,136	0.2
	<b>83,760,307</b>	<b>67.5</b>

## Investment Transactions and Brokerage Paid

During the financial year ended 30 June 2025, there were 54 investment transactions. The amount of brokerage paid or charged to the Company on these transactions totalled \$314,218 (2024: \$341,297). No brokerage was paid to any stock or sharebroker, or any employee or nominee of any stock or sharebroker, who is an officer of the Company.

# List of Investments

as at 30 June 2025

	2025			2024
	Market Value \$	Units Held	% of Portfolio	Units Held
<b>Australian Equities</b>				
<b>Banks</b>				
ANZ Group Holdings Ltd	69,984,000	2,400,000	4.3	2,650,000
Commonwealth Bank of Australia Ltd	212,462,500	1,150,000	13.0	1,270,000
National Australia Bank Ltd	39,360,000	1,000,000	2.4	1,150,000
Westpac Banking Corporation	67,720,000	2,000,000	4.1	2,200,000
<b>Consumer</b>				
Aristocrat Leisure Ltd	58,653,000	900,000	3.6	900,000
CAR Group Ltd	56,130,000	1,500,000	3.4	1,500,000
Coles Group Ltd	27,092,000	1,300,000	1.7	1,400,000
EVT Ltd	24,975,000	1,500,000	1.5	1,500,000
Seek Ltd	-	-	-	600,000
The Lottery Corporation Ltd	7,995,000	1,500,000	0.5	3,000,000
Wesfarmers Ltd	110,175,000	1,300,000	6.7	1,300,000
Woolworths Group Ltd	31,110,000	1,000,000	1.9	1,000,000
<b>Energy</b>				
Origin Energy Ltd	43,160,000	4,000,000	2.6	3,000,000
Santos	19,150,000	2,500,000	1.2	-
Woodside Energy Group Ltd	35,445,000	1,500,000	2.2	2,500,000
<b>Health Care</b>				
CSL Ltd	95,792,000	400,000	5.8	400,000
Ramsay Health Care Ltd	-	-	-	258,799
Resmed Inc	66,895,000	1,700,000	4.1	1,700,000
<b>Infrastructure and Utilities</b>				
APA Group	16,340,000	2,000,000	1.0	-
Transurban Group	76,890,000	5,500,000	4.7	5,500,000
<b>Industrials</b>				
Brickworks	15,480,000	450,000	0.9	450,000
Brambles	38,057,500	1,625,000	2.3	1,625,000
Monadelphous Group	8,780,000	500,000	0.5	500,000
Worley Ltd	32,700,000	2,500,000	2.0	2,500,000

Unless otherwise stated, the securities in this list are fully paid ordinary shares or stock units.

# List of Investments

as at 30 June 2025

	2025			2024
	Market Value \$	Units Held	% of Portfolio	Units Held
<b>Australian Equities (continued)</b>				
<b>Mining</b>				
BHP Group Ltd	99,225,000	2,700,000	6.1	2,700,000
Newmont Corporation	26,193,000	300,000	1.6	200,000
Northern Star Resources Ltd	27,825,000	1,500,000	1.7	1,500,000
Pilbara Minerals	-	-	-	800,000
Rio Tinto Ltd	80,347,500	750,000	4.9	750,000
<b>Other Financials</b>				
Challenger Ltd	30,380,800	3,760,000	1.8	3,000,000
Diversified United Investment Ltd	77,184,000	14,400,000	4.7	14,400,000
Macquarie Group Ltd	22,873,000	100,000	1.4	100,000
NextDC Ltd	29,000,000	2,000,000	1.8	1,900,000
PEXA Group Ltd	17,680,000	1,300,000	1.1	1,500,000
Washington H Soul Pattinson & Company Ltd	42,010,000	1,000,000	2.6	1,000,000
<b>Property</b>				
GPT Group	8,712,000	1,800,000	0.5	1,800,000
Stockland Group	10,720,000	2,000,000	0.7	2,000,000
<b>Total Australian Equities</b>	<b>1,626,496,300</b>		<b>99.3</b>	
Cash and net short-term receivables	12,066,957		0.7	
<b>Total</b>	<b>1,638,563,257</b>		<b>100.0</b>	

Unless otherwise stated, the securities in this list are fully paid ordinary shares or stock units.

For personal use only

This page left intentionally blank

For personal use only



**AUSTRALIAN UNITED INVESTMENT  
COMPANY LIMITED**

ABN 37 004 268 679