AUSTRALIAN FOUNDATION INVESTMENT COMPANY

7 January 2026

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 December 2025

	Before Tax*	After Tax*
31 December 2025	$7.90	$6.66
30 November 2025	$7.91	$6.66

* The before and after tax numbers relate to the provision for deferred tax on the unrealised gains in the Company's investment portfolio. The Company is a long term investor and does not intend disposing of its total long term investment portfolio. Under current Accounting Standards, the Company is required to provide for tax on any gains that may arise on such a theoretical disposal, after the utilisation of brought forward losses.

These figures are subject to external review by the auditors.

Key facts

Investment objectives: AFIC aims to provide shareholders with attractive investment returns through access to a growing stream of fully franked dividends and enhancement of capital invested over the medium to long term.

Benchmark: S&P/ASX 200 Accumulation Index.

Size of portfolio: $9.9 billion at 31 December 2025.

Low Management cost: 0.16 per cent, no additional fees.

Investment style: Long-term, fundamental, bottom-up.

Suggested investment period: Five years to 10 years or longer.

Net asset backing (NTA): Estimated NTA released weekly and a monthly NTA with top 25 investments.

Listed on ASX and NZX: code AFI.

Key benefits

Diversified portfolio primarily of ASX-listed Australian equities.

Tax-effective income via fully franked dividends.

Consistent after tax paid investment returns achieved over the long term.

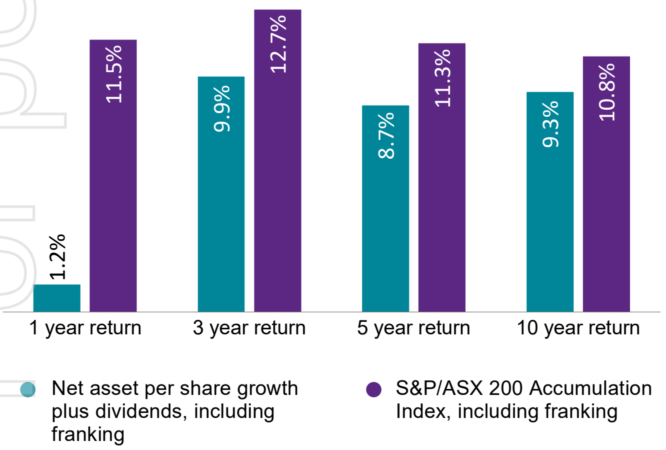
Professional management and an experienced Board, investment and management team.

Low-cost investing.

Ease of investing, transparent ASX pricing, good liquidity in shares.

Shareholder meetings on a regular basis.

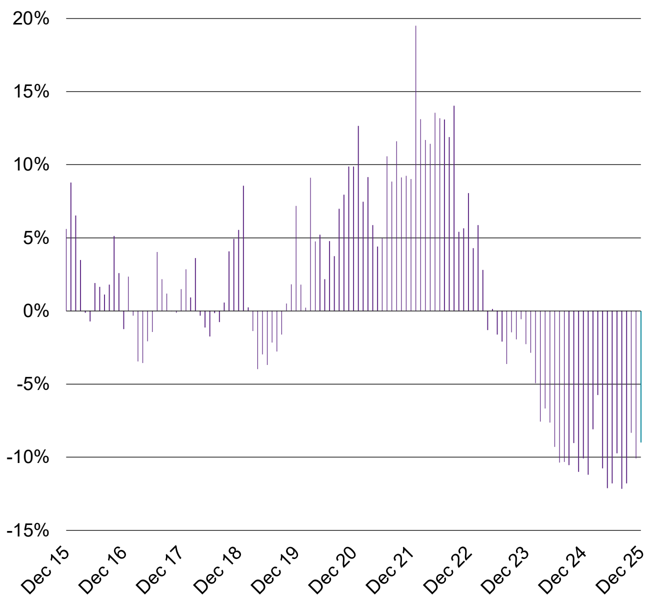
Portfolio performance percentage per annum-periods ending 31 December 2025*



* Assumes an investor can take full advantage of the franking credits. AFIC's portfolio return is also calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that Index returns for the market do not include management expenses or tax.

Past performance is not indicative of future performance.

Share price premium/discount to NTA



Release authorised by Matthew Rowe, Company Secretary
Australian Foundation Investment Company Limited (AFIC) – ABN 56 004 147 120

Level 21, 101 Collins Street, Melbourne Victoria 3000
(03) 9650 9911 | invest@afi.com.au | afi.com.au

Share Registrar
MUFG Corporate Markets (AU) Limited
au.investorcentre.mpms.mufg.com

1300 857 499 (in Australia)
+64 9375 5998 (outside Australia)
afi@cm.mpms.mufg.com

Market commentary

For December the S&P/ASX 200 Accumulation Index produced a positive return of 1.3% driven by strong gains in Materials and Financials. For the 12 months to 31 December the S&P/ASX 200 Accumulation Index produced a return of 10.3%, although there was a wide dispersion in sector returns within this performance.

The Materials sector was up 6.7% in December and up 36.2% for the calendar year. There was continued strength in small and mid-cap resources driven by strong gains in rare earth and critical minerals stocks. Gold was up 6.9% in December and this sector has produced a 12-month return of 127.0% to the end of the calendar year. Financials were up 3.4% in December with this sector producing a 12-month return of 12.1%.

All other sectors other than Real Estate produced negative returns for the month. The largest falls were in Information Technology, down 8.7% (down 20.8% for the calendar year as valuations for many stocks fell from heightened levels), and Healthcare down 7.1% (with a 12-month return of negative 23.7%, with CSL being a large contributor to this outcome).

For more information visit our website: afi.com.au

Portfolio facts

Top 25 investments valued at closing prices at 31 December 2025

		Total Value $ Million	% of Portfolio
1	BHP *	942.1	9.6%
2	Commonwealth Bank of Australia	823.5	8.4%
3	National Australia Bank *	502.2	5.1%
4	Westpac Banking Corporation	492.9	5.0%
5	CSL	469.3	4.8%
6	Macquarie Group	436.4	4.5%
7	Wesfarmers	391.2	4.0%
8	Transurban Group *	375.0	3.8%
9	Goodman Group *	357.0	3.6%
10	Telstra Group *	338.0	3.5%
11	Rio Tinto	273.4	2.8%
12	ANZ Group Holdings	269.5	2.8%
13	Woolworths Group	243.7	2.5%
14	ResMed	240.4	2.5%
15	Coles Group *	197.9	2.0%
16	Woodside Energy Group	192.6	2.0%
17	CAR Group	175.0	1.8%
18	ALS	154.5	1.6%
19	Mainfreight	142.4	1.5%
20	Computershare	134.2	1.4%
21	Brambles	134.1	1.4%
22	ARB Corporation	132.9	1.4%
23	James Hardie Industries	129.8	1.3%
24	Amcor	120.7	1.2%
25	Fisher & Paykel Healthcare Corporation	117.5	1.2%
Total		**7,786.1**	
As percentage of total portfolio value (excludes cash)			79.5%

* Indicates that options were outstanding against part of the holding

Investment by sector at 31 December 2025

- Banks 21.1%
- Materials 15.2%
- Industrials 12.3%
- Healthcare 11.3%
- Other Financials 8.8%
- Communication Services 7.4%
- Consumer Discretionary 7.2%
- Real Estate 5.0%
- Consumer Staples 4.5%
- Energy 3.4%
- Information Technology 2.5%
- Cash 1.3%