

21 January 2026



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Australian Foundation Investment Company Limited Half Yearly Results Webcast Presentation

Please find attached the presentation to be given at the Shareholder webcast being held today, **Wednesday 21 January 2026 at 3.30 p.m. (AEDT)**.

To join the webcast please use the link below (this will be made available on the afi.com.au website).

Webcast Link: Please register for the results webcast [here](#) (This link will open directly in your internet browser). Questions can be asked through the webcast link.

The shareholder presentation material will be made available through our website <https://www.afi.com.au/news>.

Your faithfully

Matthew Rowe
Company Secretary

Release authorised by the Company Secretary.

Half-Year Results

Financial Year 2025/26

Income, Capital Growth, Low Cost

Disclaimer

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ABN: 56 004 147 120

Agenda

Overview and Investment Objectives

Brett McNeill

Financial Results

Andrew Porter

Market and Portfolio Update

Brett McNeill and Winston Chong

Outlook

Brett McNeill

Overview and Investment Objectives



Our Company

Predominantly invests in Australian and New Zealand companies

Largest listed investment company on the ASX, 150k shareholders, independent Board of Directors

Shareholders own the 'management rights' to the portfolio

Low cost with no additional fees

Long term investor with low turnover (tax effective)

Long history of stable to growing fully franked dividends

Team manages three other funds – Djerriwarrh, Mirrabooka and AMCIL

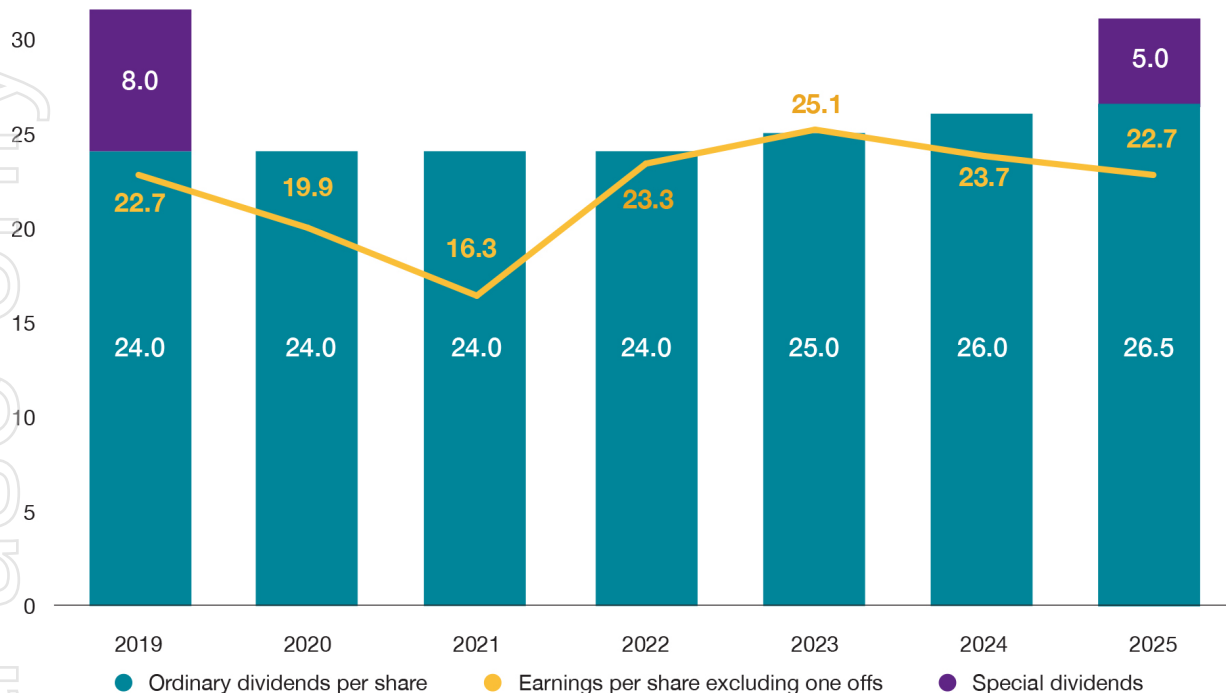
Investment Objectives

The Company's primary investment goals are:

- to pay stable to growing dividends over time; and
- to provide attractive total returns over the medium to long term.

Stable to Growing Dividend for Shareholders

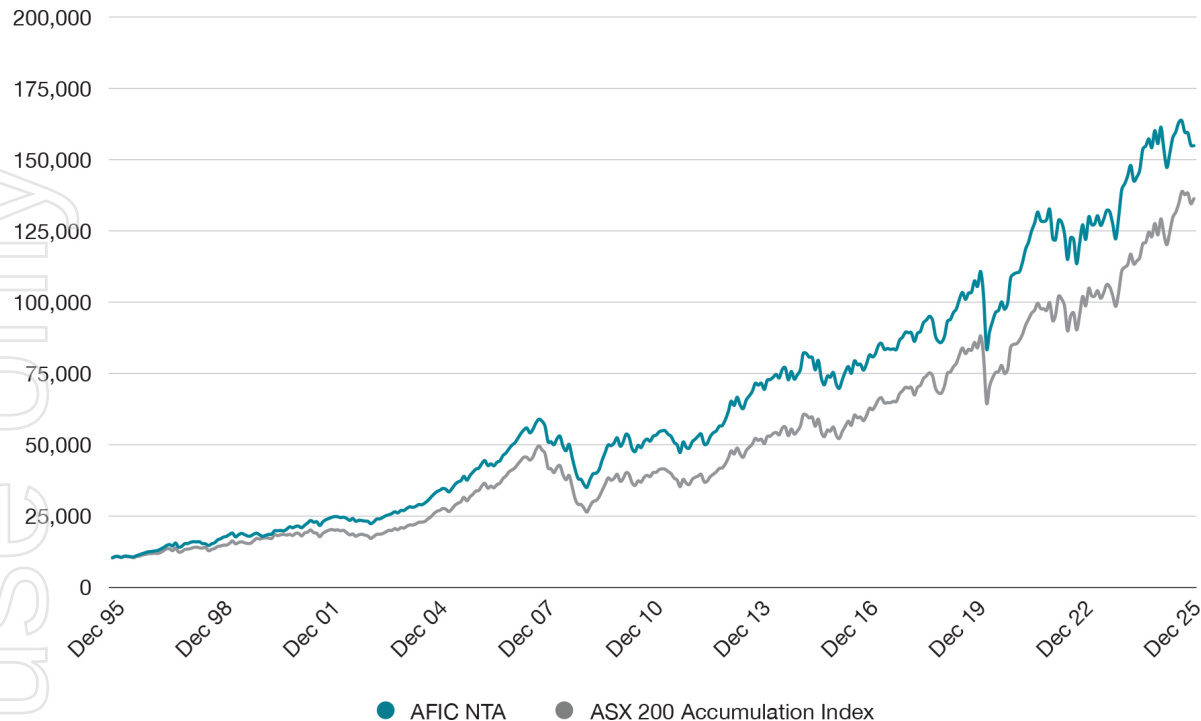
AFIC's franking reserve balance ensures we can pay a consistent dividend even through volatile times – full year dividends for the last 7 financial years.



Franking credit balance
 sufficient to pay
52c Dividend

Attractive Total Returns Over the Long-Term

AFIC NTA vs S&P ASX 200 Accumulation Index



\$10k in AFIC → \$155k

\$10k in the Index → \$136k

Excludes the benefit of franking.



Financial Results

Summary Half Year Results

2025

Profit for the Half-Year

\$147.0m

\$154.2 million in 2024

2025

Management Expense Ratio (Annualised)

0.11%

0.15% in 2024

Fully Franked Interim Dividend Per Share

12.0¢ Interim

2.5¢ Special

14.5¢

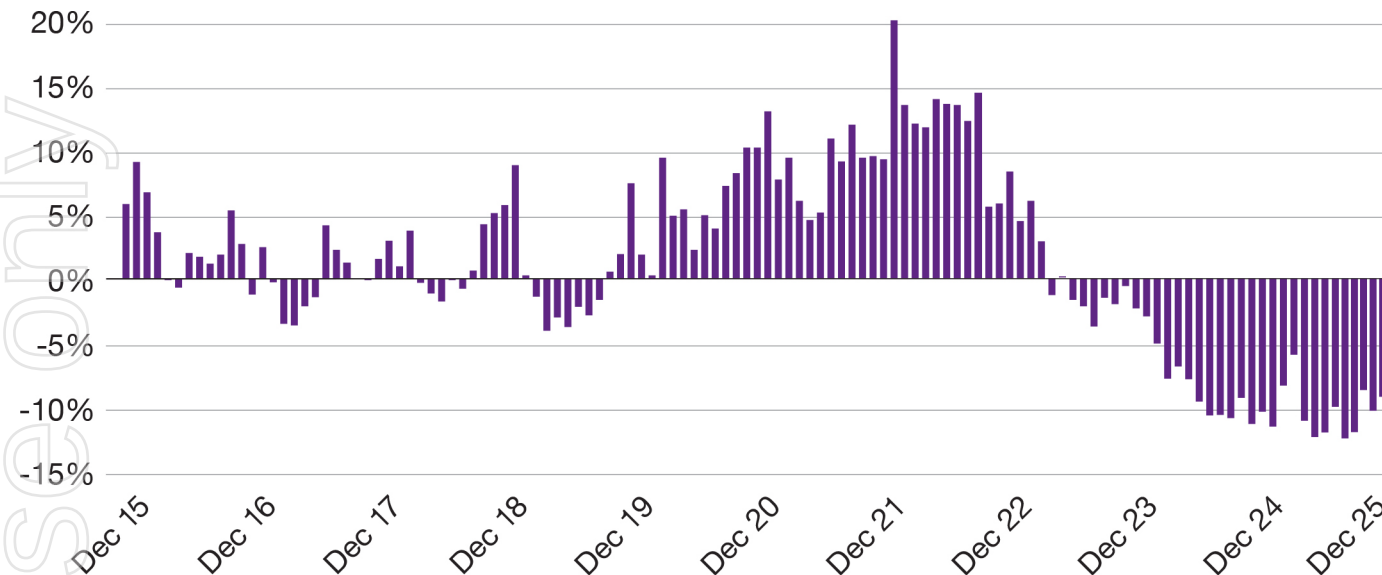
12 cents in 2024

Total Portfolio

\$9.9b

Includes cash at 31 December \$10.4 billion in 2024

Share Price Relative to Net Tangible Asset (NTA)

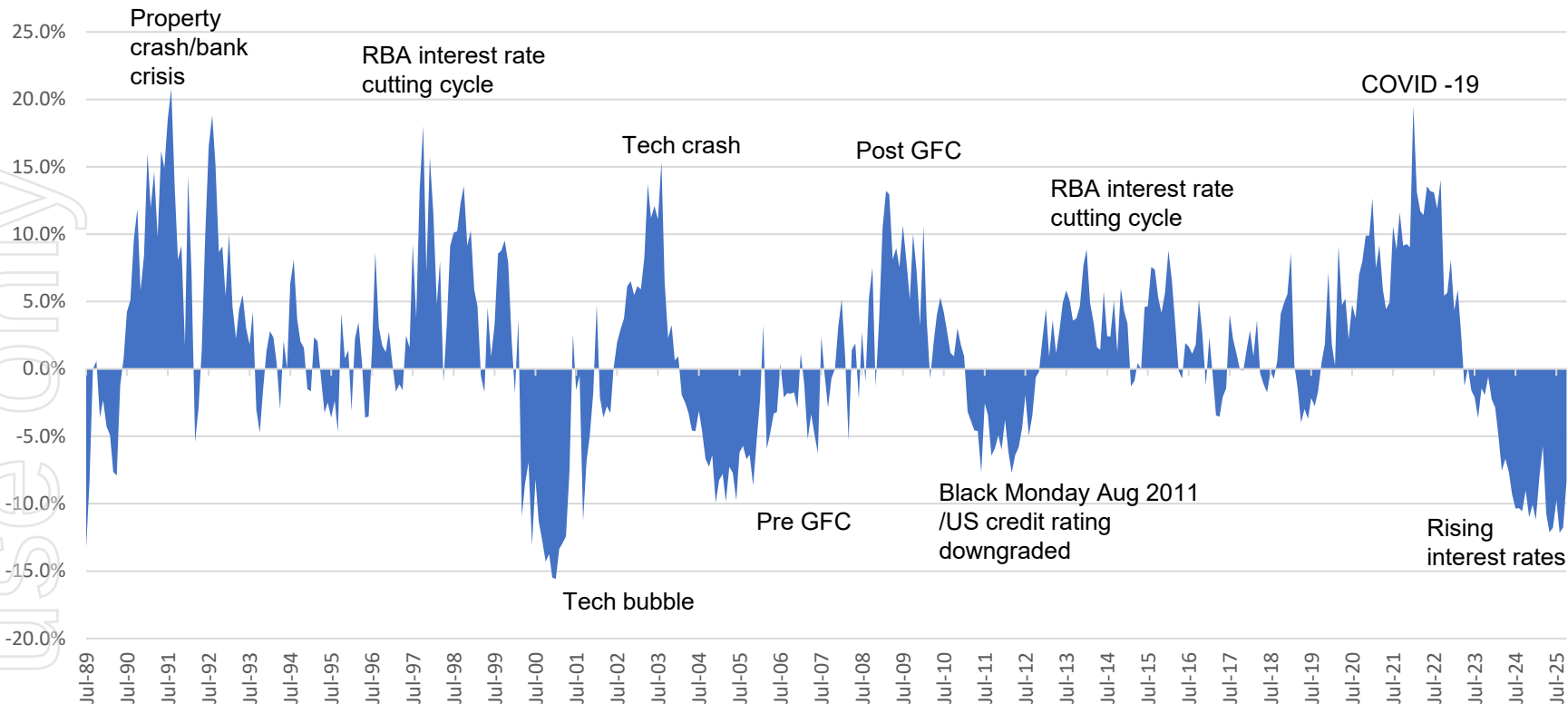


31 December 2025

NTA: \$7.90

Share price: \$7.19

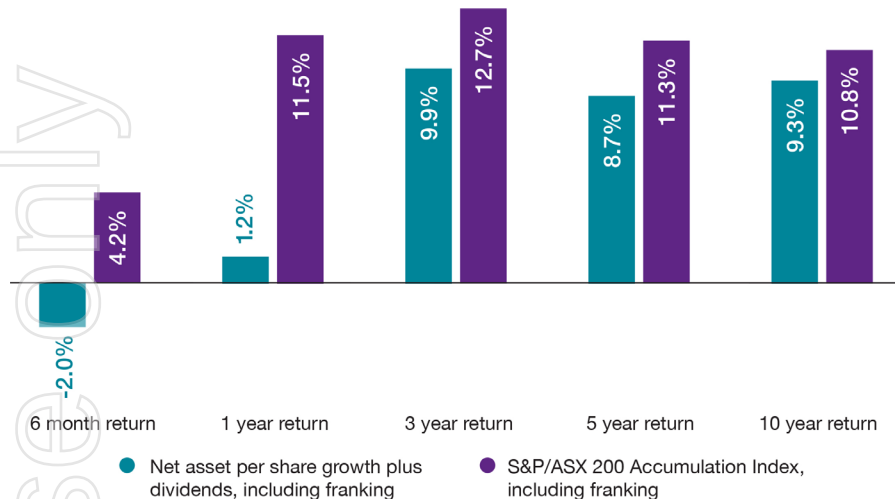
Long term history of share price relative to NTA





Market and Portfolio Update

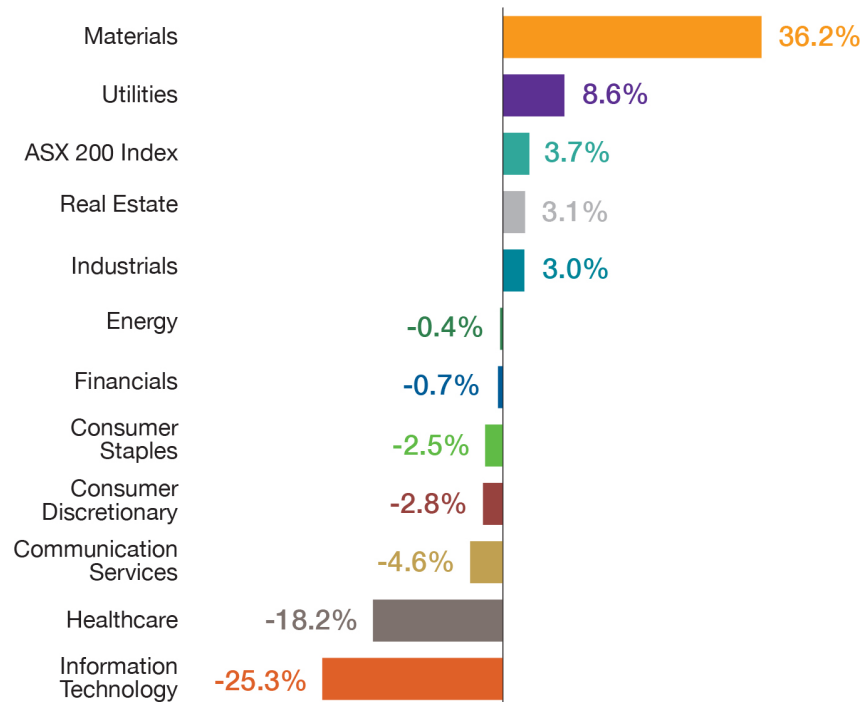
Portfolio* and Sector Performance – to 31 December 2025



* Assumes the full benefit of franking credits. Per annum returns other than for six months. Past performance is not indicative of future performance.

Source: Factset

6 Month Sector Performance



Includes dividends but not franking.

Key drivers of our portfolio underperformance

In the last 12 months our portfolio underperformed the S&P/ASX200 index by 10%. The key contributors include:

Large Companies Owned:


 ↓ 37%


JamesHardie
 ↓ 38%


 ↓ 13%

Small Companies Owned:


 ↓ 39%


 ↓ 20%


 ↓ 53%

Gold Companies Not Owned:


 ↑ 170%


 ↑ 78%


 ↑ 156%

Source: FactSet, Stock Total Returns for 2025 shown.

Active Portfolio Management – Recent Transactions

Additions to Existing Holdings



Trimmed Holdings



New Purchases



Complete Disposals



Portfolio Changes - Buying



Woolworths

Market Capitalisation (\$bn)

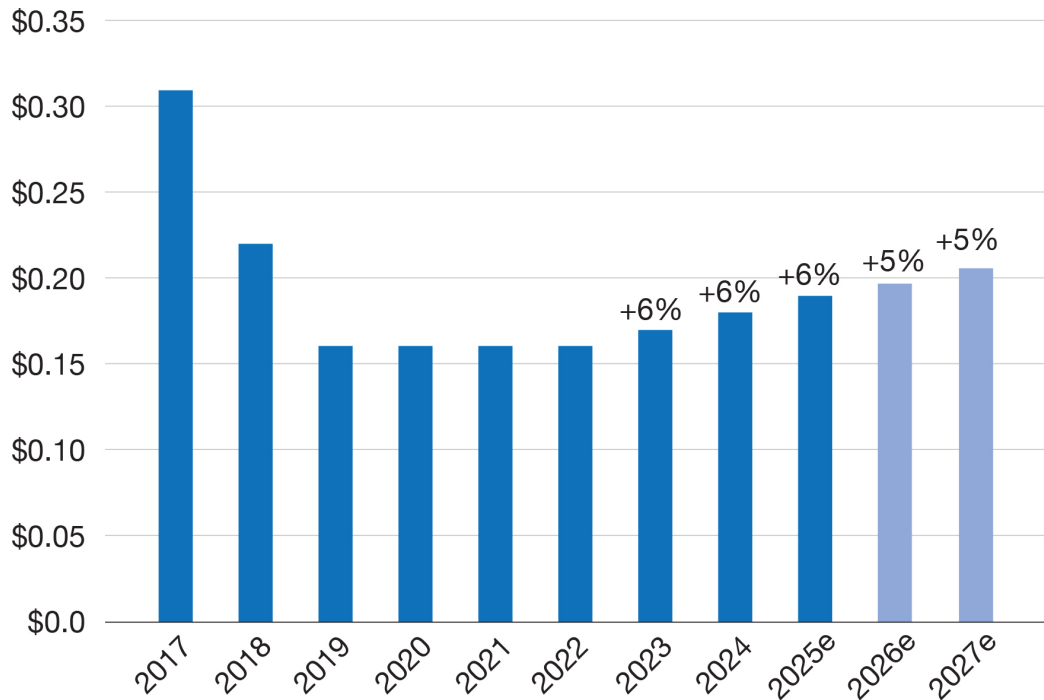


Source: FactSet

Portfolio Changes - Buying



Dividend (cents per share)



Source: Company Reports, FactSet Consensus Estimates for FY26 and FY27

Portfolio Changes - Selling



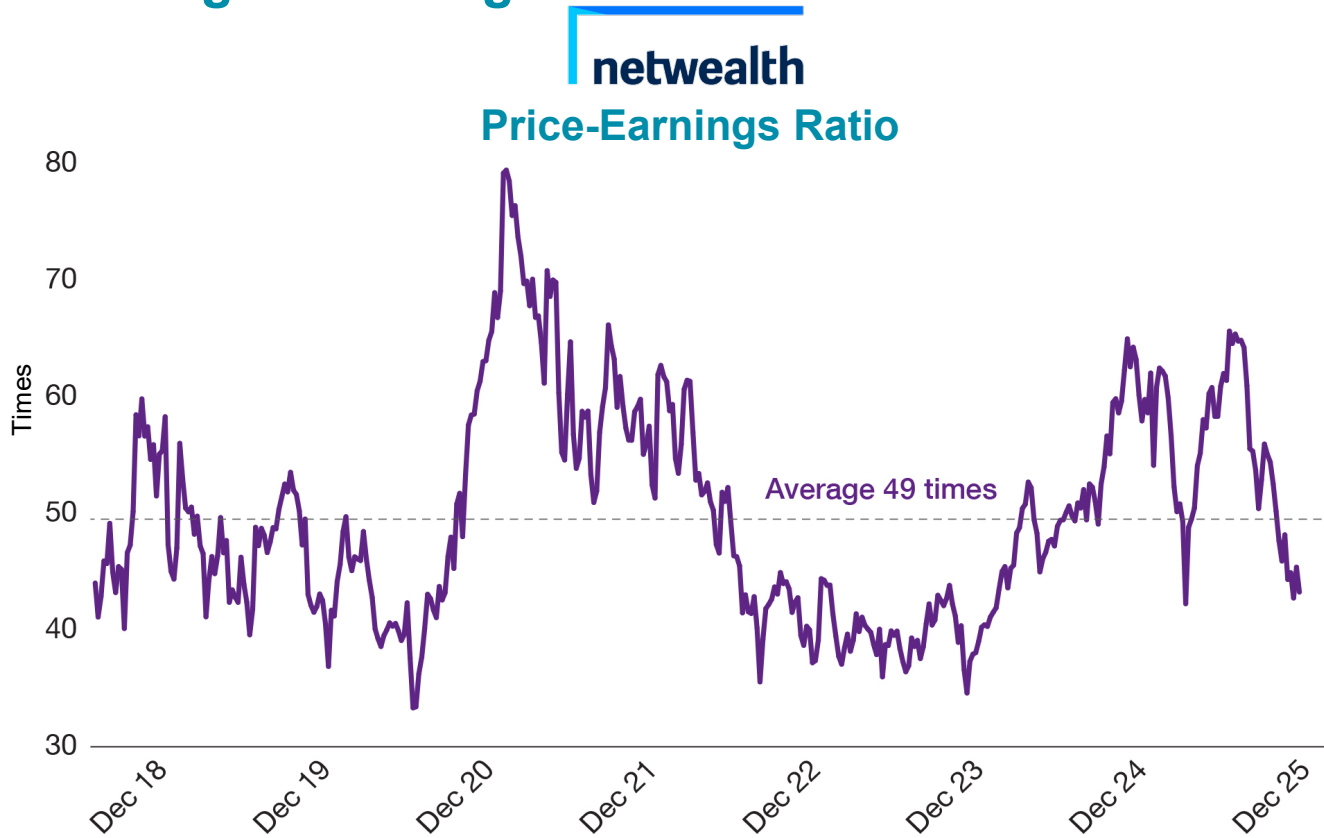
Wesfarmers Dividend yield



Source: FactSet, Consensus Next 12 Months Forecast Dividend Yield

Half Year Results / January 2026

Portfolio Changes - Selling



Source: FactSet, Consensus Next 12 Months Forecast Price-Earnings Ratio

Half Year Results / January 2026

Portfolio Update: Summary

Constructing a diversified portfolio of **high-quality** companies across different sectors and with the appropriate balance of **Income and Growth** is the key for AFIC to deliver on its Investment Objectives in a variety of market conditions.

Key Portfolio Statistics

\$9.9b

Total Portfolio Value*

59

Stocks in the Portfolio

\$7.90

Net Tangible Asset (NTA) Backing Per Share

Based on 31 December 2025 Portfolio – Australia and New Zealand Portfolio.

* Portfolio Value is based on the Investment Portfolio plus the Trading portfolio, including Cash.

Top 25 Holdings

BHP



nab

Westpac

CSL

MACQUARIE



Transurban



TELSTRA

RioTinto



Resmed

coles



Computershare

Brambles



JamesHardie



**Fisher & Paykel
HEALTHCARE**

International Portfolio Update

- The international portfolio within AFIC has continued to generate value for shareholders. However, at this stage we are not considering the listing of a separate fund.
- In this context we have decided to adjust the approach by continuing to invest in international equities focusing on a smaller number of holdings.
- This will still provide AFIC with the opportunity to find the best ideas in international markets through a more concentrated and complementary portfolio consistent with AFIC's investment style. We believe this approach also provides for greater strategic flexibility in the future.

Key Portfolio Statistics

\$170m
Total Portfolio Value
1.7%
Total % of AFIC Portfolio Value
27
Stocks in the Portfolio

Based on 31 December 2025 Portfolio.

Top 10 Holdings





Outlook

Despite extreme geopolitical uncertainty and a more indeterminate outlook for economic growth and inflation in Australia and elsewhere, the market delivered another strong year of performance in 2025.

In our view this leaves the market looking moderately expensive, especially against long-term averages for the market's price to earnings ratio and dividend yield.

We have recently been able to take advantage of buying opportunities in selected companies that we judge to be high quality and have attractive long term growth prospects.

We continue to believe that AFIC's diversified portfolio of high-quality companies can produce an attractive level of income and capital growth over the long term, thereby enabling us to meet our dividend and long term total return objectives.

Recognising the substantial balance of franking credits that has been built up in recent years, the Board is intending to pay an additional 2.5 cents per share special dividend fully franked with the final dividend, expected to be declared with the financial year result to be announced on 27 July 2026.

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