

REPORT TO SHAREHOLDERS ON HALF YEAR RESULTS TO 31 DECEMBER 2025

The Company's Appendix 4D and financial report for the half-year ended 31 December 2025 were lodged with the Australian Securities Exchange (ASX) on 17 February 2026 and are available to be downloaded from the Company's website or the ASX website.

KEY POINTS

- Profit for the half year was \$20,957,000, a 3.2% increase on the result for the previous corresponding half-year period.
- An interim fully franked dividend of 47.0 cents per ordinary share, will be paid on 23 March 2026.

CONSOLIDATED OPERATING PROFIT

The consolidated net profit for the half year to 31 December 2025 attributable to the members of Carlton Investments Limited was:

	31 December 2025 \$000	31 December 2024 \$000
Profit before income tax	21,944	21,386
Income tax expense	(987)	(1,083)
Net profit for the half year	20,957	20,303

REVIEW OF OPERATIONS

Net profit for the half year to 31 December 2025 was \$20,957,000, representing an increase of \$654,000 or 3.2% on the previous corresponding half year period.

Dividends, and distributions received and receivable, totalling \$22,137,000, increased by \$918,000 or 4.33%. There were significant increases in the level of dividends received from EVT, Bank of Queensland, Wesfarmers and recent investment additions, together with numerous smaller increases in the dividends received from other existing holdings. These increases were partially offset by reductions in the dividends received from AGL Energy, BHP Group, Fortescue, Rio Tinto, Woodside Energy and Woolworths.

Interest income for the half-year period was \$351,000 compared to \$669,000 in the previous corresponding half year period. This decrease is attributable to lower interest rates and a lower level of funds held in term deposits.

The decrease in tax expense for the half year was \$96,000. This is attributable to an increase the proportion of franked income being received and a reduction in timing difference.

NET TANGIBLE ASSET BACKING

The net tangible asset backing for each issued ordinary share at 31 December 2025 prior to payment of the interim dividends detailed in note 4-2 and before provision for tax on unrealised capital gains was \$44.40 (30 June 2025: \$48.39). The net tangible asset backing per share after provision for tax on unrealised capital gains was \$36.92 at 31 December 2025 (30 June 2025: \$39.52). The relevant figures at 31 January 2026 were \$44.89 before provision for capital gains tax and \$37.32 after providing for capital gains tax.

INTERIM DIVIDENDS

The Directors have today declared an interim fully franked dividend of 47.0 cents per ordinary share, payable on 23 March 2026. An interim dividend of 7.0 cents per preference share, fully franked, will be paid on the same date. The record date for the interim dividends is 2 March 2026.

INVESTMENTS

Investment additions to the portfolio, during the half year to 31 December 2025, included increases in the existing investments in AGL Energy, Bendigo and Adelaide Bank, Rio Tinto, Santos, Sonic Healthcare, Super Retail, Telstra and Westpac. The cost of these additional investments totalled \$8,876,000. The Group also received shares as takeover consideration in Southern Cross Media with a fair value at the time of \$126,000 in respect of the merger with Seven West Media

During the half year, the Group disposed of its investment in Domain Holdings Australia for consideration of \$87,000 as the result of its takeover. The Group also received capital returns of capital from Wesfarmers and Dalrymple Bay Infrastructure totalling \$691,000.

The thirty largest investments, at quoted market values, as at 31 December 2025 were:

	\$000's		\$000's
EVT	386,681	Coles Group	13,066
National Australia Bank	93,127	Bendigo and Adelaide Bank	12,765
Commonwealth Bank	92,036	Santos	11,663
Westpac Banking Corporation	71,140	Woodside Energy Group	11,639
Wesfarmers	49,417	Bluescope Steel	11,354
BHP Group	44,221	Amcor	11,127
ANZ Group Holdings	43,112	Gowing Brothers	10,813
Telstra Group	27,114	SGH	10,678
Rio Tinto	24,685	APA Group	8,675
Fortescue	20,645	South32	8,222
James Hardie Industries	19,311	Perpetual	8,128
Origin Energy	18,935	Ansell	7,849
AGL Energy	17,158	Macquarie Group	6,108
Bank of Queensland	13,905	Ampol	5,546
Orica	13,200	Woolworths Group	5,083
			<u>1,077,403</u>

Total market value of shares and units in listed entities as at 31 December 2025	<u>1,154,918</u>
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The market value of the Group's investment portfolio decreased by 8.6% during the six months ended 31 December 2025, after adjusting for acquisitions, disposals and capital returns. This compares to an increase of 2.01% in the S&P/ASX 200 Index over the same period. The performance of the Group's portfolio was adversely impacted by a fall of 24.6% in the fair value of the Group's largest holding, EVT. Excluding the EVT holding, the increase in the value of the Group's portfolio during the period was 2.31%.

Investments (continued)

During the period, there was a strong performance from the Group's holdings in the ANZ Group, BHP Group, Fortescue, National Australia Bank, Rio Tinto and Westpac, whilst the holdings in Commonwealth Bank, EVT and James Hardie trailed the overall market. We still consider that these companies have sound long term prospects.

On a total portfolio return basis (measured by the movement in NTA per share assuming dividends are reinvested), the return for the six months was a decrease of 6.4% compared to an increase in the S&P/ASX 200 Accumulation Index over the same period of 3.65%.

The ASX performance varied during the period, both in terms of the market overall and sector to sector. The markets built to record highs in August and October, only to fall away in November and then partially recover during December. During the period, the Materials Sector performed strongly, whilst the Information Technology and Healthcare Sectors were substantially weaker. The outlook for the ASX appears to be positive, whilst there are several potential headwinds that could result in significant market volatility.

CAPITAL MANAGEMENT

On 14 November 2001 the Company announced an On-Market Buy Back of up to 2,500,000 of the Company's ordinary shares. This Buy Back was varied on 9 April 2024 and had been extended until 28 November 2025. This Buy Back was completed on 10 October 2025. During the half year to 31 December 2025, 13,023 shares were bought-back at a total cost of \$473,000. During the year to 30 June 2025, 55,252 shares were bought-back for a total cost of \$1,727,000.

On 18 December 2025, the Company announced the commencement of a new On-Market Buy Back of up to 115,000 of the Company's ordinary shares. No shares were bought back under the new Buy Back during the period ended 31 December 2025.

The Company's interim dividend declared today has been increased by 4.4% to 47 cents per share. The balance of the Company's profits for the period will be utilised to fund the buying-back of the Company's shares and to make new investments to grow the Company's portfolio as and when considered appropriate.

The Board regularly reviews its Capital Management strategies for the benefit of all the Company's shareholders.

A handwritten signature in black ink, appearing to read 'A G Rydge', is positioned above the printed name and title.

A G RYDGE AM
CHAIRMAN

17 February 2026