

ANNUAL REVIEW

2025

Income, Capital Growth, Low Cost

AUSTRALIAN FOUNDATION INVESTMENT COMPANY

AUSTRALIAN FOUNDATION INVESTMENT COMPANY IS A LISTED INVESTMENT COMPANY INVESTING IN AUSTRALIAN AND NEW ZEALAND EQUITIES.

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Year in Summary

2025

Profit for the Year

$285.0m

$296.4m in 2024

Fully Franked Dividend Per Share

14.5¢ Final

5.0¢ Special

31.5¢ Total#

26 cents total in 2024

Total Portfolio Return

10.7% Including franking*

S&P/ASX 200 Accumulation Index including franking* 15.1%

Total Shareholder Return

8.2%

Share price plus dividend, including franking*

Management Expense Ratio

0.16%

0.15% in 2024

Total Portfolio

$10.5b

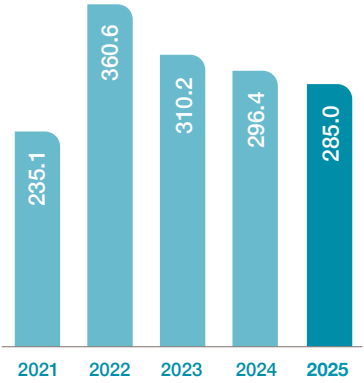
Including cash at 30 June.
$9.9 billion in 2024

* Assumes a shareholder can take full advantage of the franking credits.

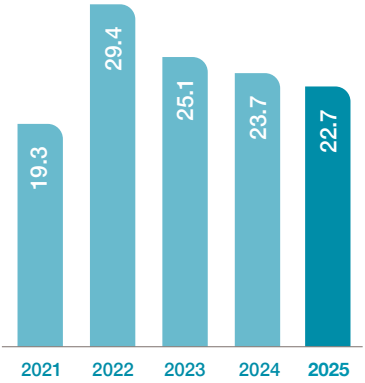
\# Includes 12.0 cent interim dividend.

5 Year Summary

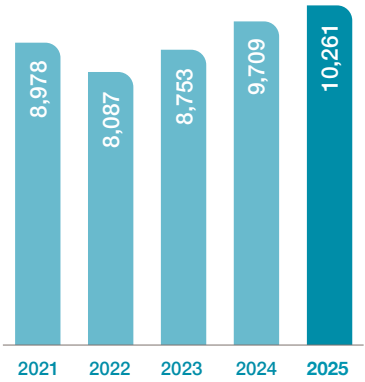
Net Profit After Tax ($ Million)



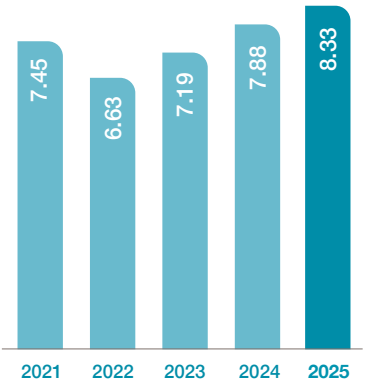
Net Profit Per Share (Cents)



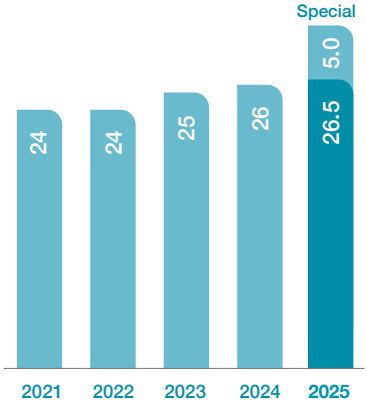
Investments at Market Value ($ Million)[b]



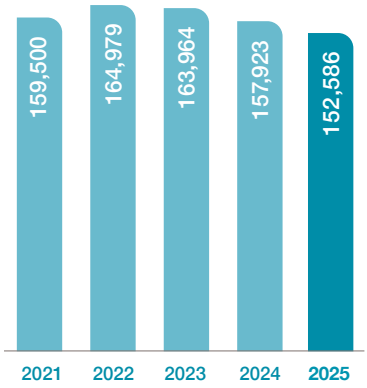
Net Asset Backing Per Share ($)[c]



Dividends Per Share (Cents)[(a)]



Number of Shareholders (30 June)





Notes:

(a) All dividends were fully franked. The LIC attributable gain per share attached to the dividend (including the special dividend) was 2025: 27.86 cents; 2024: 6.43 cents; 2023: 10.0 cents; 2022: 14.29 cents; 2021: 4.29 cents.

(b) Excludes cash.

(c) Net asset backing per share based on year-end data before the provision for the final dividend. The figures do not include a provision for capital gains tax that would apply if all securities held as non-current investments had been sold at balance date as Directors do not intend to dispose of the portfolio.

About the Company

AUSTRALIAN FOUNDATION INVESTMENT COMPANY

Australian Foundation Investment Company (AFIC) is a Listed Investment Company investing in Australian and New Zealand equities.

Investment Objectives

The Company's primary investment goals are:

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

How AFIC Invests – What We Look For in Companies

Quality First

Growth
Including dividends

Value

A portfolio that is managed to achieve long term capital and dividend growth



Approach to Investing

Investment Philosophy

Our investment philosophy is built on taking a medium to long term view on companies in a diversified portfolio; with an emphasis on identifying and investing in quality companies that are likely to sustainably grow their earnings and dividends over this timeframe.

Quality in this context is an outcome of our assessment of the following factors:

1. We prefer companies that have a leadership position or are developing one within the industry in which they operate. This will often mean we are investing in a unique set of assets with competitive advantages that produces attractive returns on invested capital.
2. As a long term, tax aware investor we seek to be in companies that have a long term sustainable business model, with low risk of disruption. This helps to ensure portfolio turnover remains low. The analysis may consider technological disruption, environmental issues, including the impact of climate change, and social risks as all of these factors can have a material impact on the assessment of a company's long term sustainability.
3. We consider how a company's business can be potentially impacted by influences outside the control of management such as change in government regulation and/or policy.
4. We are attracted to companies with outstanding management teams and boards with strong governance processes, whose interests are closely aligned with shareholders, and act in the best interest of all their stakeholders, including their employees, customers, suppliers and wider communities. We consider matters including safety, diversity, social impacts, environmental impact, and modern slavery where material or appropriate in the context of that company. We regularly review and meet with companies to ensure ongoing alignment with our investment frameworks. Our process may include an assessment of the board in terms of their past performance, history of capital allocation, level of accountability, mix of skills, relevant experience and succession planning. We also consider a company's degree of transparency and disclosure.

Voting on resolutions is one of the key functions that a shareholder has in ensuring better long term returns and management of investment risk. We take input from proxy advisers but conduct our own evaluation of the merits of any resolution. We vote on all company resolutions as part of our regular engagement with the companies in the portfolio and our voting record is on the company's website. We actively engage with companies when we are concerned about resolutions that are not aligned with shareholders' interests. We seek to stay engaged with the companies and satisfy ourselves that any issues are taken seriously and worked through constructively. Ideally we seek to remain invested to influence a satisfactory outcome for stakeholders.

About the Company continued

5. We prefer companies with more stable income flows. We are wary of companies that have large, inconsistent profit streams.
6. We like our companies to be financially strong and the assessment of the balance sheet and the degree to which the company is self-funding is critical in our analysis. Cash generation is also an important consideration.

Analysis of the above factors helps to inform us of the structure of the industry and a company's sustainable competitive position as well as the quality of the people running the business, strength of the balance sheet and consistency of earnings. Within this analysis some key financial metrics are considered. These include return on capital employed, return on equity, the level of gearing in the balance sheet, margins and free cash flow generation.

Alongside the assessment of quality is an analysis of the ability of companies to grow earnings over time, which ultimately should drive dividend growth.

Recognising value is also an important aspect of sound long term investing. Short term measures such as the price earnings ratio, price to book or price to sales may be of some value but aren't necessarily strong predictors of future performance. Our assessment of value tries to capture the opportunity a business has to prosper and thrive over the medium to long term.

Reporting of social and environmental issues is being influenced by the development of climate related disclosures as required by Australian Corporate Legislation. Their introduction in Australia should enable investors over time to better make informed decisions on these issues based on company disclosures arising from these standards. Assessment of commitments and plans by companies to reach net zero by 2050 may also be considered having regard to several factors. These include the industry in which they operate, progress against their plans, their broader contribution to social good in addressing the challenge of reducing global carbon emissions, and the impact on their value if they fail to achieve their stated goals. In applying external data for benchmarking*, the current carbon intensity of AFIC's portfolio is less than the S&P/ASX 200 Index.

In building the investment portfolio with the principles outlined, we believe we can offer investors a well-diversified portfolio of quality companies, structured to deliver total returns ahead of the Australian equity market over the long term with less volatility and with more consistent dividends.

From time to time, some borrowings may be used where potential investment returns justify the use of debt.

AFIC is managed for the benefit of its shareholders with fees based on the recovery of costs rather than as a fixed percentage of the portfolio. There are no additional fees. As a result, the benefit of scale over time results in a very low expense ratio for investors. For the 12 months to 30 June 2025 this was 0.16 per cent, or 16 cents for each $100 invested.

* Data provided by ISS ESG. Portfolio at 30 June 2025.



Review of Operations and Activities

Profit and Dividend

The full year profit was $285.0 million, down from $296.4 million in the previous corresponding period. The decrease in the profit from last year was primarily due to lower dividends as bank holdings were trimmed. The management expense ratio remains low at 0.16 per cent with no additional fees. This is up marginally from 0.15 per cent last financial year.

Earnings per share for the financial year were 22.71 cents per share. The final dividend was maintained at 14.5 cents per share fully franked. A special dividend of 5.0 cents per share has also been declared. This reflects the significant amount of realised capital gains and franking credits generated from trimming our shareholding in Commonwealth Bank of Australia during the financial year.

Total fully franked dividends applicable for the year including the special dividend are 31.5 cents per share, an increase of 21.2 per cent from the previous financial year's total fully franked dividend of 26.0 cents per share.

The Board has elected to pay the entire final and special dividends from capital gains, on which the Group has paid or will pay tax. The amount of this pre-tax attributable gain, known as an 'LIC capital gain', equals 27.86 cents per share. This enables some shareholders to claim a tax deduction in their tax return. Further details are on the dividend statements.

Figure 1: Key Sector Performance for the 12 Months to 30 June 2025

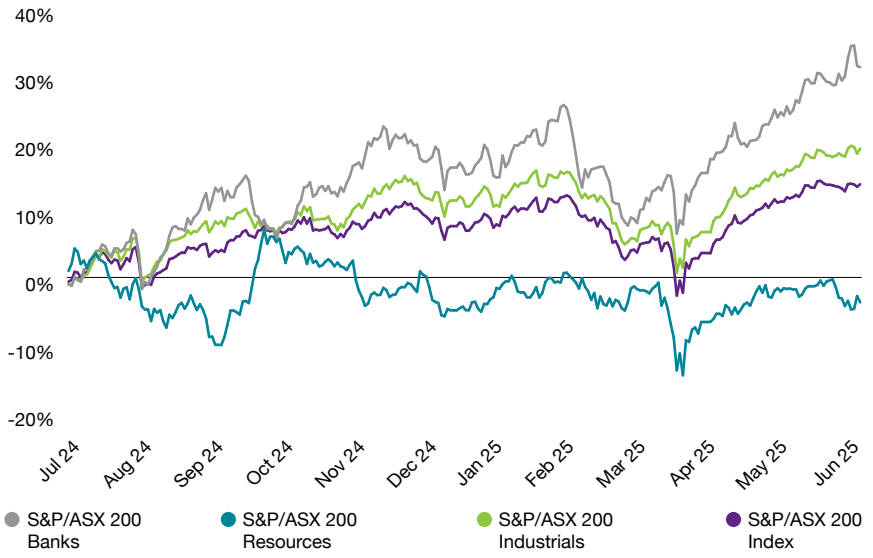
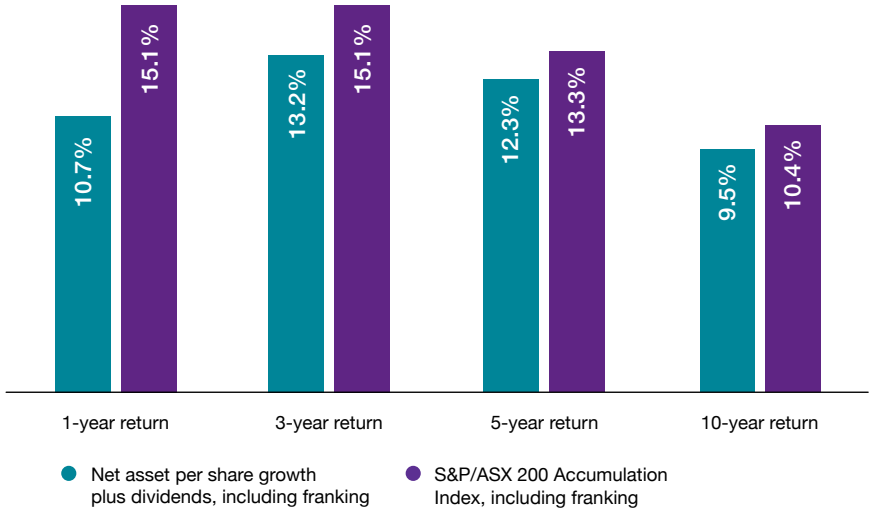


Figure 2: Portfolio Performance – Per Annum Returns to 30 June 2025



Includes the full benefit of franking credits.

Note: AFIC's performance returns are after costs. AFIC on occasions incurs realised capital gains tax on the sale of shares. Not all the of the franking generated from these realised capital gains is paid out immediately as dividends and is therefore not included in these performance figures. Past performance may not be indicative of future performance.

The amount of dividends in the future, including any special dividends, remains at the discretion of the Board and depends on the level of earnings, the amount of realised capital gains generated and the reserve of franking credits.

Market and Portfolio Performance

The S&P/ASX 200 Accumulation Index (not including the benefit of franking) rose 13.8 per cent in the financial year with sector returns widely dispersed.

The best performing sectors were Banks, up 31.1 per cent, Communication Services, up 27.8 per cent, and Information Technology, up 24.2 per cent. Industrials, up 19.1 per cent, outperformed the broader Index and was significantly ahead of the Resources sector, which was down 3.7 per cent. Domestic economic conditions proved more resilient than originally expected, providing a supportive backdrop for Australian banks. A significant portion of the Bank sector's performance has come from a re-rating higher of valuation multiples and less from earnings growth.

Review of Operations and Activities continued

In the case of Commonwealth Bank of Australia, we now view the current valuation as extreme (Figure 3) and accordingly have been reducing our holding in recent months. Slowing growth of fixed asset investment in China weighed on the performance of the Resources sector. In addition to the Resources sector, other sectors to underperform the broader market return of 13.8 per cent included Energy (down 8.1 per cent) and Healthcare (down 4.6 per cent).

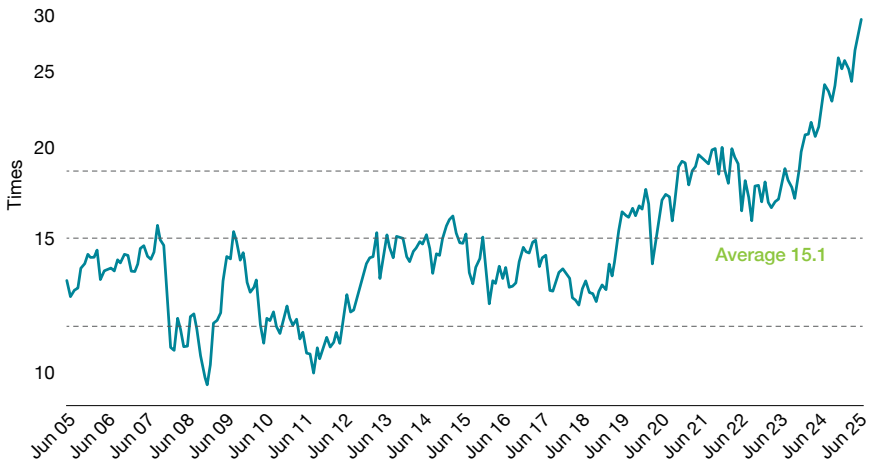
The portfolio, including the benefit of franking, returned 10.7 per cent, underperforming the S&P/ASX 200 Accumulation Index return of 15.1 per cent when franking is included. Strong returns came from our holdings in JB Hi-Fi, Wesfarmers, Coles Group, Computershare and Netwealth Group, which all materially outperformed the market. A drag on performance came from several quality companies that underperformed the market during the year. These included ARB Corporation, James Hardie Industries, CSL and Reece Limited. We still consider the long term prospects for these companies to remain strong. IDP Education, which has been a disappointing investment for us, also had a material negative impact on performance. Additionally, having no exposure to gold producers dragged on performance. The All-Ordinaries Gold Index was up 59.6 per cent during the year. Widespread uncertainty regarding the direction of global economic growth resulted in the perceived safe haven asset of gold performing well. Gold producers have historically shown a variable track record in maintaining production and increasing profitability over the medium to long term. On this basis, AFIC has not traditionally invested in this sector.

Positioning the Portfolio

In managing the portfolio, we endeavour to hold a diversified portfolio of quality companies with an appropriate mix of income and growth attributes to achieve our long term investment objectives. Portfolio adjustments through the year are consistent with our focus of buying quality companies during times of bad news and trimming holdings when valuations reach extreme levels.

While we endeavour to hold companies for the long term, selling companies when we identify a significant deterioration in future growth prospects remains fundamental to meeting our long term investment objectives. We exited Mineral Resources, Ramsay Health Care and Domino's Pizza Enterprises. We are observing structural industry challenges for Domino's Pizza Enterprises and Ramsay Health Care, which are likely to weigh on the rate of earnings growth for both these companies in the foreseeable future. Competitive intensity has materially increased for both Mineral Resources and Domino's Pizza Enterprises, with the balance sheet for both companies fully geared in a tougher operating environment.

Figure 3: Commonwealth Bank of Australia Valuation – Price to Earnings Ratio



Source: FactSet

While the trimming of our shareholding in the Commonwealth Bank of Australia has weighed on returns given its ongoing strength in the market, we still consider our average sale price reflects a position where the shares were sold at a time when they were trading at extreme valuations (Figure 3).

The majority of purchases during the year were undertaken to increase weightings in existing holdings BHP, Goodman Group, ResMed, NEXTDC, WiseTech Global and Cochlear.

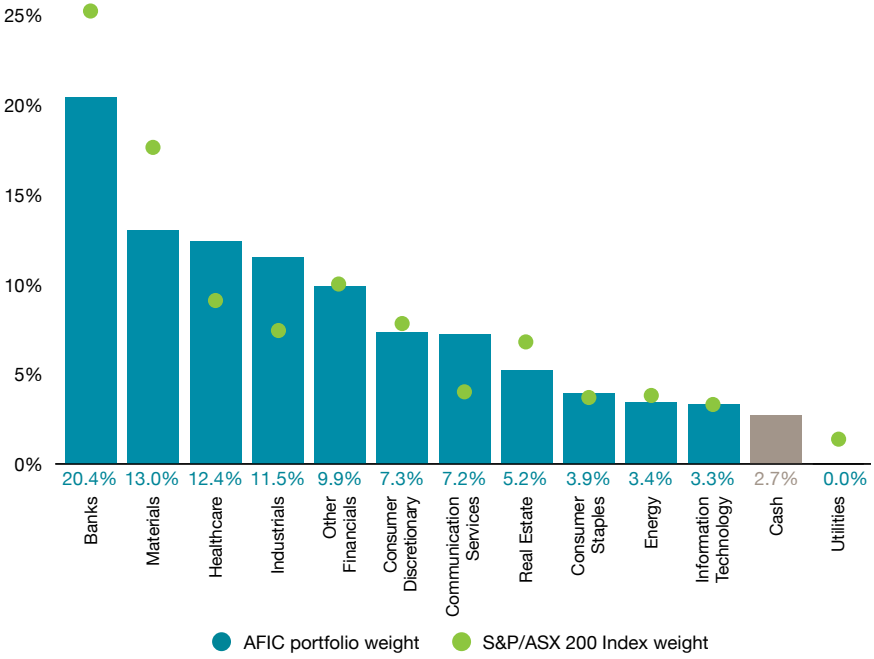
We initiated positions in BlueScope Steel, Sigma Healthcare, Telix Pharmaceuticals and Worley. BlueScope Steel is a cyclical company with operations predominantly in Australia and the United States.

The company has a number of 'self-help' drivers beyond the cycle likely to deliver significant earnings growth over the medium term. These predominantly relate to capital investment into growth projects. Sigma Healthcare merged with Chemist Warehouse during the year. We took a small position pre-ACCC approval of the merger. We are wishing to make our holding significantly larger over time (at an appropriate valuation) given the strong market position and large market opportunity for Chemist Warehouse.

Telix Pharmaceuticals is predominantly focused on the diagnosis and treatment of prostate cancer. Telix Pharmaceuticals uses a targeting agent with a radioactive isotype concentrating radiation at the tumour site for either imaging or therapy.

Review of Operations and Activities continued

Figure 4: AFIC Investment by Sector Versus the S&P/ASX 200 Index as at 30 June 2025 – Excludes International Holdings



The technology is being widely adopted by industry practitioners resulting in strong earnings growth. The range of potential outcomes is widely dispersed; accordingly we elected to establish a small holding looking to increase our weighting should our conviction grow.

Worley is an engineering and professional services company operating in the energy, chemicals and resources end markets. Historically, Worley contracted on a fixed price lump sum basis, meaning earnings were highly cyclical dependent on the successful delivery of projects within budget. Demand for engineering services, particularly in the energy market, is growing strongly at a time when professional service firms have substantially consolidated. The result is more favourable contracting terms on a cost plus model materially reducing earnings risk.

International Portfolio

We have continued to manage the global portfolio (within the AFIC portfolio) over the period. This portfolio was first initiated in May 2021. Whilst significant preparatory work has been done for establishing a separate low-cost global investment company in the future, we are still considering the most appropriate next steps for this initiative. AFIC has invested a total of $103.5 million of shareholder capital in the global portfolio, which is valued at $168.1 million as at 30 June 2025. At current value, the global portfolio represents about 1.6 per cent of the overall AFIC portfolio.

AFIC's global portfolio returned 14.0 per cent for the financial year, an attractive return for shareholders although below our benchmark.

Gross returns in Australian dollars to 30 June 2025

	1 Year % pa	3 Year % pa	Since Inception % pa
AFIC global portfolio	14.0	21.0	14.0
Benchmark	18.5	20.3	14.0
Differential	(4.5)	0.7	0.0

Source: Northern Trust.

Volatility stemming in part from changes to United States domestic and foreign policy resulted in a negative shift in sentiment towards a number of our holdings, although we continue to believe their characteristics and prospects will produce attractive risk adjusted returns for our shareholders over the long term.

During the year we established new positions in Expand Energy, Spotify, Haleon, Builders FirstSource and Zoetis. These investments were funded via trimming our Costco position and the complete exits of Cintas, UnitedHealth Group, Louis Vuitton, Estée Lauder and Nike. In addition, we switched our GLP1 exposure from Novo Nordisk into Eli Lilly. During the tariff induced sell-off in April, we added to existing holdings at attractive prices including Nvidia, Freeport McMoran, Halma and Marriott.

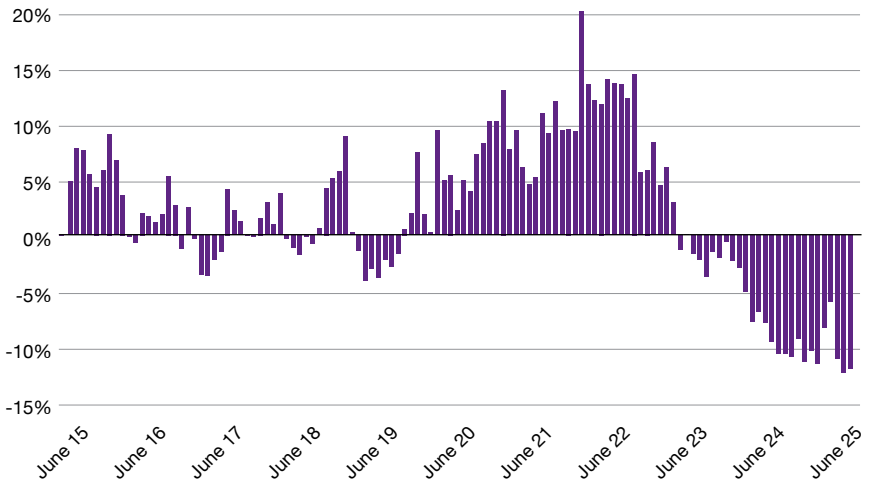
Share Price Return

Over the 12-month period the share price has moved from a discount of 9.3 per cent to the net asset backing of $7.88 per share at 30 June 2024 to a discount of 11.8 per cent to net asset backing of $8.33 per share at 30 June 2025 (Figure 5). Total share price return including franking was 8.2 per cent over the 12-month period.

As illustrated in Figure 5, the extent of this discount is unusual in the context of the historical trend. There appears to have been less demand for Listed Investment Companies across the industry as interest rate products have become more attractive. In an environment where the Index increases strongly, the share price of listed investment companies can also sometimes lag the market performance, with AFIC not immune from this trend.

Review of Operations and Activities continued

Figure 5: Share Price Premium/Discount to Net Asset Backing



The discount is not something that we can control in the short term, but we are very conscious of this issue. As a result, we have lifted our communication with brokers and financial planners, moved to weekly disclosure of the portfolio NTA and begun to buy back shares in an orderly fashion as and when opportunities arise. In total, approximately 9.0 million shares were bought back at a cost of approximately $66.3 million.

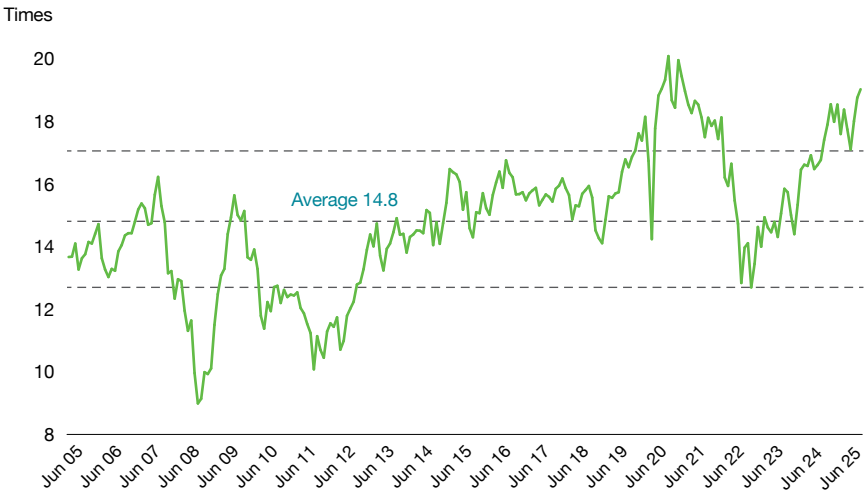
The way that AFIC shares are priced relative to the NTA will likely move from modest premiums to discounts over time, which is impacted by a range of factors such as the level of interest rates and the broader stock market, but we remain very focused on investing in quality companies that outperform the market over an extended period. This will ultimately drive our share price more than the shorter term vagaries of the market.

Outlook

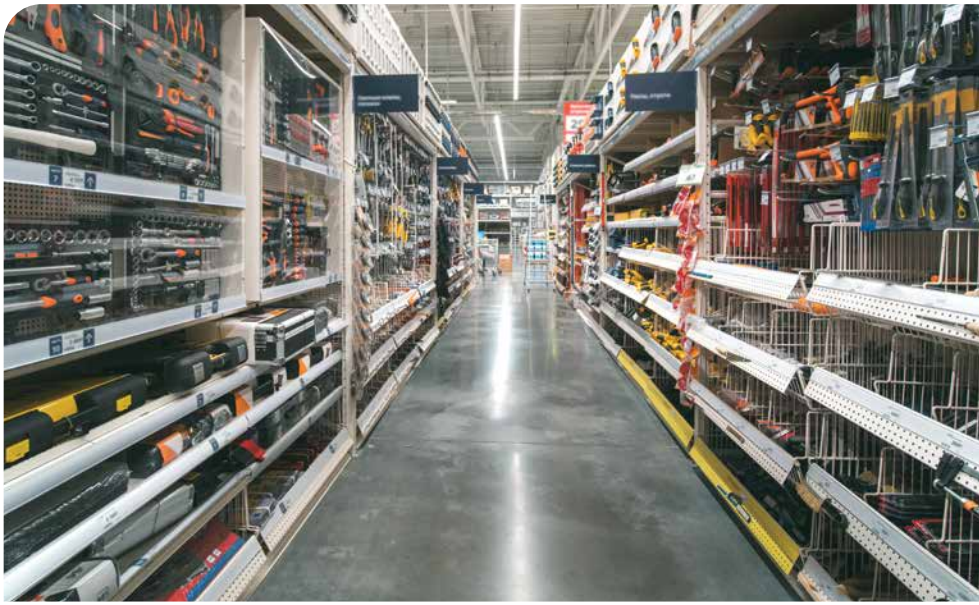
Market conditions remain unpredictable with the outlook for economic growth uncertain, consumer confidence softening and the prospect for the employment market remaining highly uncertain.

In this environment corporate earnings appear set to slow as revenue growth appears harder to achieve with many corporates now talking about cost out initiatives.

Figure 6: Valuation of the Market – Price to Earnings Ratio of the S&P/ASX 200 Index

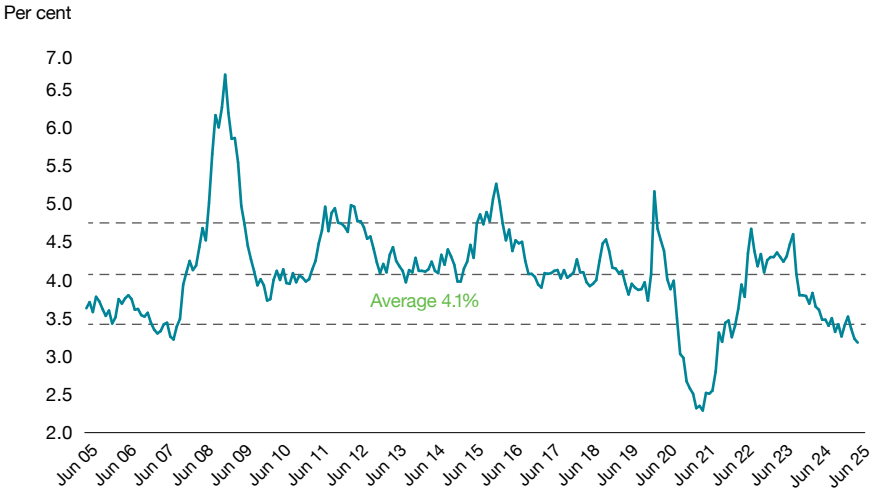


Source: FactSet



Review of Operations and Activities continued

Figure 7: Valuation of the Market – Dividend Yield of the S&P ASX 200 Index



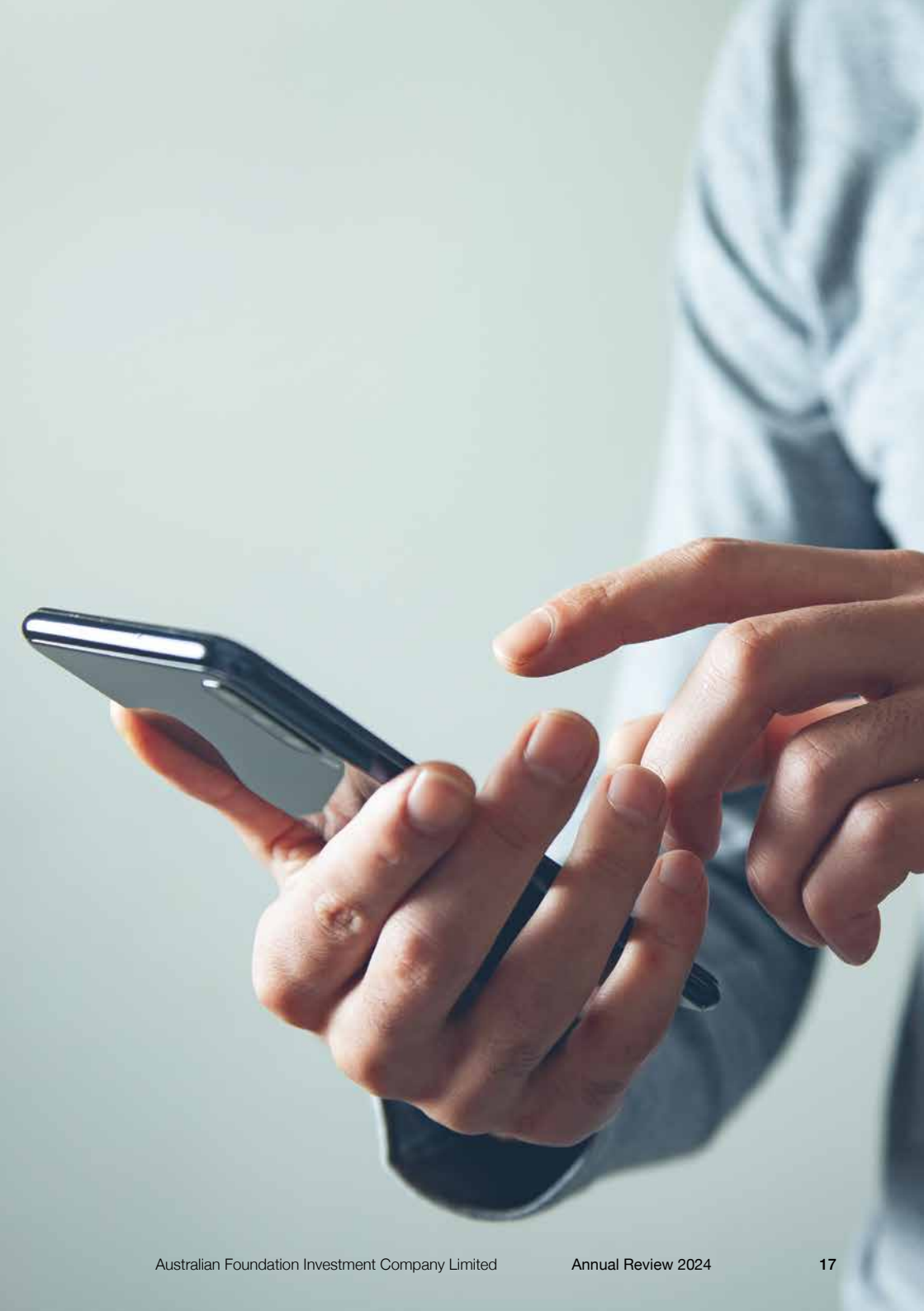
Source: FactSet

Valuations are trading above long term averages and at extreme levels for a number of companies (Figure 6). In this context the dividend yield for the market is also trading below the long term average as share prices have run strongly across the market (Figure 7).

The dispersion in market valuations between the winners and losers is also extremely wide and is likely to exacerbate volatility as we anticipate that the market's tolerance for earnings disappointment won't be high. Patient deployment of capital is required in times like these.

Finally, geopolitical factors remain highly relevant with the occurrence of ongoing conflicts and with politics, particularly out of the United States, driving sharp changes in market sentiment.

While we are aware of the volatile geopolitical environment, our focus continues to remain on the fundamentals of the companies we seek to invest in. We consider the portfolio remains invested in quality companies forecast to deliver an appropriate mix of income and growth returns positioning us well to deliver our long term investment objectives.



Top 25 Investments

As at 30 June 2025

Includes investments held in both the investment and trading portfolios.

Value at Closing Prices at 30 June 2025

		Total Value $ Million	% of the Portfolio
1	Commonwealth Bank of Australia	968.5	9.4
2	BHP	762.7	7.4
3	CSL	632.9	6.2
4	Macquarie Group	491.2	4.8
5	National Australia Bank	485.5	4.7
6	Wesfarmers	473.8	4.6
7	Westpac Banking Corporation	449.7	4.4
8	Goodman Group	394.6	3.8
9	Transurban Group	369.0	3.6
10	Telstra Group	305.7	3.0
11	ResMed	252.9	2.5
12	ANZ Group Holdings	216.2	2.1
13	CAR Group	212.9	2.1
14	James Hardie Industries*	211.4	2.1
15	Woolworths Group	207.4	2.0
16	Rio Tinto	199.5	1.9
17	Woodside Energy Group	192.9	1.9
18	Coles Group*	192.4	1.9
19	Xero	150.1	1.5
20	Mainfreight	149.6	1.5
21	Computershare	144.8	1.4
22	REA Group	138.8	1.4
23	ARB Corporation	138.2	1.3
24	Brambles	136.8	1.3
25	Amcor	136.6	1.3
Total		**8,014.0**	

As percentage of total portfolio value (excludes cash) **78.1%**

* Indicates that options were outstanding against part of the holding.

Income Statement

For the Year Ended 30 June 2025

	2025 $'000	2024 $'000
Dividends and distributions	312,620	321,836
Revenue from deposits and bank bills	9,195	6,963
Net gains on trading portfolio (including unrealised gains or losses)	2,294	4,901
Total income	**324,109**	**333,700**
Finance costs	(1,208)	(1,405)
Administration expenses (net of recoveries)	(16,680)	(13,360)
Profit before income tax	**306,221**	**318,935**
Income tax	(21,250)	(22,522)
Net profit	**284,971**	**296,413**
	Cents	**Cents**
Net profit per share	22.71	23.75

Balance Sheet

As at 30 June 2025

	2025 $'000	2024 $'000
Current assets		
Cash	280,769	166,499
Receivables	39,534	42,425
Trading portfolio	5,773	5,387
Total current assets	**326,076**	**214,311**
Non-current assets		
Investment portfolio	10,254,757	9,703,558
Fixtures and fittings	155	–
Total non-current assets	**10,254,912**	**9,703,558**
Total assets	**10,580,988**	**9,917,869**
Current liabilities		
Payables	1,335	1,256
Borrowings – bank debt	10,000	10,000
Tax payable	113,483	34,105
Provisions	7,084	6,014
Total current liabilities	**131,902**	**51,375**
Non-current liabilities		
Provisions	169	154
Deferred tax liabilities – other	233	1,237
Deferred tax liabilities – investment portfolio	1,707,918	1,603,716
Total non-current liabilities	**1,708,320**	**1,605,107**
Total liabilities	**1,840,222**	**1,656,482**
Net assets	**8,740,766**	**8,261,387**
Shareholders' equity		
Share capital	3,210,246	3,205,000
Revaluation reserve	3,651,333	3,449,280
Realised capital gains reserve	799,329	546,953
General reserve	23,637	23,637
Retained profits	1,056,221	1,036,517
Total shareholders' equity (including minority interests)	**8,740,766**	**8,261,387**

Summarised Statement of Changes in Equity and Comprehensive Income Statement

For the Year Ended 30 June 2025

	2025 $'000	2024 $'000
Total equity at the beginning of the year	**8,261,387**	**7,557,556**
Dividends paid	(319,515)	(305,139)
Shares issued – Dividend Reinvestment Plan	71,842	68,840
Share buy-backs	(66,274)	–
Other share capital adjustments	(322)	(172)
Total transactions with shareholders	**(314,269)**	**(236,471)**
Profit for the year	284,971	296,413
Revaluation of investment portfolio	731,229	923,692
Provision for tax on revaluation	(222,552)	(279,803)
Revaluation of investment portfolio (after tax)	508,677	643,889
Total comprehensive income for the year	**793,648**	**940,302**
Realised gains on securities sold	424,974	152,087
Tax expense on realised gains on securities sold	(118,350)	(31,287)
Net realised gains on securities sold	306,624	120,800
Transfer from revaluation reserve to realised gains reserve	(306,624)	(120,800)
Total equity at the end of the year	**8,740,766**	**8,261,387**

A full set of AFIC's final accounts are available on the Company's website.

Holdings of Securities

At 30 June 2025

Individual investments for the combined Investment and trading portfolios as at 30 June 2025 are listed below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share at other dates. Net asset backing is advised to the Australian Securities Exchange each month and is recorded on the toll free telephone service at 1800 780 784 and posted to AFIC's website afi.com.au.

Individual holdings in the portfolios may change during the course of the year. In addition, holdings which are part of the trading portfolio may be subject to call options or sale commitments by which they may be sold at a price significantly different from the market price prevailing at the time of the exercise or sale.

Ordinary Shares, Trust Units or Stapled Securities		Number Held 2024 '000	Number Held 2025 '000	Market Value 2025 $'000
AIA	Auckland International Airport	10,300	11,501	81,659
ALD	Ampol	1,105	1,855	47,748
ALQ	ALS	7,622	7,622	130,339
AMC	Amcor	9,617	9,617	136,556
ANZ	ANZ Group Holdings	8,098	7,415	216,221
ARB	ARB Corporation	3,640	4,226	138,190
ASX	ASX	1,757	1,757	122,568
AUB	AUB Group	1,432	1,432	50,814
BHP	BHP	18,451	20,753	762,679
BRG	Breville Group	702	702	20,717
BSL	BlueScope Steel	0	1,431	33,074
BXB	Brambles	5,840	5,840	136,773
CAR	CAR Group	5,690	5,690	212,932
CBA	Commonwealth Bank of Australia	7,698	5,242	968,460
COH	Cochlear	334	443	133,138
COL*	Coles Group	9,722	9,232	192,369
CPU	Computershare	3,630	3,630	144,801
CSL	CSL	2,564	2,643	632,946
CWY	Cleanaway Waste Management	18,185	18,185	49,463

	Ordinary Shares, Trust Units or Stapled Securities	Number Held 2024 '000	Number Held 2025 '000	Market Value 2025 $'000
DJW	Djerriwarrh Investments	7,505	7,505	22,741
DUI	Diversified United Investment	12,030	12,030	64,482
EQT	EQT Holdings	1,647	1,647	56,013
FPH	Fisher & Paykel Healthcare Corporation	3,600	3,600	121,068
GMG	Goodman Group	10,155	11,525	394,616
IAG	Insurance Australia Group	6,280	4,740	42,799
IEL	IDP Education	3,800	6,688	24,544
JBH	JB Hi-Fi	1,131	915	100,970
JHX*	James Hardie Industries	4,577	5,092	211,362
MAQ	Macquarie Technology Group	272	501	33,332
MFT	Mainfreight (NZX listed)	2,406	2,406	149,645
MGR	Mirvac Group	29,350	29,350	64,570
MIR	Mirrabooka Investments	8,728	15,264	49,913
MQG	Macquarie Group	2,240	2,148	491,206
NAB	National Australia Bank	12,335	12,335	485,506
NAN	Nanosonics	5,716	5,716	23,148
NWL	Netwealth Group	3,489	3,608	121,194
NXT	NEXTDC	2,034	4,600	66,700
PXA	PEXA Group	3,750	3,102	42,191
REA	REA Group	577	577	138,763
REH	Reece Limited	5,940	5,628	80,762
RGN	Region Group	16,000	16,000	35,200
RIO	Rio Tinto	1,862	1,862	199,478
RMD	ResMed	5,327	6,427	252,902
SEK	Seek	3,795	3,795	91,266
SHL	Sonic Healthcare	3,320	3,320	88,934
SIG	Sigma Healthcare	0	2,713	8,112

Holdings of Securities

At 30 June 2025 continued

Ordinary Shares, Trust Units or Stapled Securities		Number Held 2024 '000	Number Held 2025 '000	Market Value 2025 $'000
STO	Santos	13,921	13,921	106,632
TCL	Transurban Group	27,233	26,394	368,983
TLS	Telstra Group	62,805	63,155	305,671
TLX	Telix Pharmaceuticals	0	1,025	25,025
WBC	Westpac Banking Corporation	14,540	13,283	449,745
WDS	Woodside Energy Group	8,165	8,165	192,939
WES	Wesfarmers	6,783	5,590	473,753
WOR	Worley	0	3,903	51,049
WOW	Woolworths Group	6,667	6,667	207,410
WTC	WiseTech Global	623	810	88,314
XRO	Xero	835	835	150,133
Total				**10,092,518**

* Part of the security was subject to call options written by the Company.

Holdings of International Securities

At 30 June 2025

Ordinary Shares, Trust Units or Stapled Securities		Number Held 2024	Number Held 2025	Market Value 2025 A$
AAPL-US	Apple	20,058	18,322	5,736,069
ACN-US	Accenture	5,506	5,504	2,510,264
AENA-ES	Aena	8,638	96,180	3,903,946
AMZN-US	Amazon	23,915	25,550	8,553,374
BLDR-US	Builders Firstsource	0	11,340	2,019,200
CMG-US	Chipotle Mexican	55,750	54,090	4,634,431
COST-US	Costco	2,976	1,661	2,509,024
CP-US	Canadian Pacific	17,432	26,317	3,183,304
CRH-US	CRH	0	18,030	2,525,642
EXE-US	Expand Energy	0	19,744	3,523,119
FCX-US	Freeport	40,571	56,621	3,745,479
FERG-GB	Ferguson Enterprises	9,321	10,411	3,465,718
FTNT-US	Fortinet	27,780	29,125	4,698,445
GOOGL-US	Alphabet	31,314	28,754	7,732,238
HCA-US	HCA Healthcare	9,164	6,974	4,076,791
HD-US	Home Depot	6,034	6,564	3,672,295
HEI-DE	Heidelberg Materials	0	1,500	535,875
HLMA-GB	Halma	13,780	33,600	2,248,176
HLN-GB	Haleon	0	307,175	2,405,180
ICE-US	Intercontinental	16,678	17,348	4,856,746
JPM-US	JP Morgan	14,176	14,736	6,518,764
LLY-US	Eli Lilly	0	3,083	3,667,198
MA-US	Mastercard	2,876	3,251	2,787,635
MAR-US	Marriott	8,715	5,820	2,426,300
MCD-US	McDonalds	7,156	8,066	3,595,984
META-US	Meta Platforms	7,983	6,648	7,487,310
MSFT-US	Microsoft	16,463	15,503	11,766,777

Holdings of International Securities

At 30 June 2025 continued

Ordinary Shares, Trust Units or Stapled Securities		Number Held 2024	Number Held 2025	Market Value 2025 A$
NEE-US	Nextera	25,729	30,909	3,274,190
NESN-CH	Nestlé	20,806	18,476	2,791,908
NFLX-US	Netflix	3,982	3,722	7,605,460
NOVOB-DK	Novo Nordisk	23,536	1,316	138,891
NVDA-US	NVIDIA	44,440	46,760	11,272,901
PEP-US	PepsiCo	8,800	4,240	854,275
RHM-DE	Rheinmetall	0	100	321,875
SBUX-US	Starbucks	6,085	3,195	446,725
SCHW-US	Charles Schwab	32,976	31,676	4,409,933
SPGI-US	S&P Global	3,927	4,342	3,493,530
SPOT-US	Spotify	0	2,059	2,410,863
SU-FR	Schneider	10,851	10,851	4,388,687
TFLO-US	iShares Treasury	34,648	51,152	3,953,538
TMO-US	Thermo Fisher	2,943	2,243	1,387,722
UMG-NL	Universal Music	50,498	63,928	3,146,536
V-US	Visa	4,332	4,332	2,346,948
ZTS-US	Zoetis	0	4,130	982,775
Total				**168,012,041**

Major Transactions in the Investment Portfolio

Acquisitions	Cost ($m)
BHP	95.4
Worley	55.2
Goodman Group	41.3
ResMed	38.6
NEXTDC	35.6

Disposals	Proceeds ($m)
Commonwealth Bank of Australia	375.4
Wesfarmers	90.7
Ramsay Health Care*	51.0
Mineral Resources*	35.3
Westpac Banking Corporation	35.1

* Complete disposal from the portfolio.

New Companies Added to the Portfolio

Worley

BlueScope Steel

Telix Pharmaceuticals

Sigma Healthcare

Company Particulars

Australian Foundation Investment Company Limited (AFIC)

ABN 56 004 147 120

Directors

Craig M Drummond, Chairman
Robert M Freeman, Managing Director
Rebecca P Dee-Bradbury
Julie A Fahey
Katie M Hudson
Graeme R Liebelt
Richard Murray
David A Peever

Company Secretaries

Matthew J Rowe
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office and Mailing Address

Level 21, 101 Collins Street
Melbourne, Victoria, 3000

Contact Details

Telephone (03) 9650 9911
Facsimile (03) 9650 9100
Email invest@afi.com.au
Website afi.com.au

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):

Telephone 1800 780 784 (toll free)

Shareholder Information

Share Registrar

MUFG Corporate Markets (AU) Limited
Liberty Place
Level 41, 161 Castlereagh Street
Sydney, New South Wales, 2000

New Zealand Address
MUFG Corporate Markets
Level 30, PwC Tower
15 Customs Street West
Auckland, New Zealand

AFI Shareholders (ASX)
Enquiry Line 1300 857 449
Facsimile (02) 9287 0309
Email afi@cm.mpms.mufg.com
Website au.investorcentre.mpms.mufg.com

AFI Shareholders (NZX)
Enquiry Line 09 375 5998
Email enquiries.nz@cm.mpms.mufg.com
Website nz.investorcentre.mpms.mufg.com

For all enquiries relating to shareholdings, dividends and related matters, please contact the share registrar as above.

Securities Exchange Codes

AFI	Ordinary shares (ASX and NZX)

Annual General Meeting

Time	10am
Date	Tuesday 30 September 2025
Venue	RACV
Location	Level 2, Club Pavilion 501 Bourke Street Melbourne, 3000

The AGM will be a hybrid meeting with a physical meeting and access via an online platform. Further details are provided in the Notice of Annual General Meeting.

AUSTRALIAN FOUNDATION INVESTMENT COMPANY

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