Full Year Results 2024/25

July 2025

AUSTRALIAN FOUNDATION INVESTMENT COMPANY

Income, Capital Growth, Low Cost

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Agenda

AUSTRALIAN FOUNDATION INVESTMENT COMPANY

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International Portfolio	Mark Freeman
Outlook	David Grace

Overview and Investment Objectives

Our Company

AUSTRALIAN FOUNDATION INVESTMENT COMPANY

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

Management expense ratio of 0.16% with no performance fees

Long term investor with low turnover (tax effective). Portfolio and share price returns less volatile than the index

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.

Attractive Total Returns Over the Long-term

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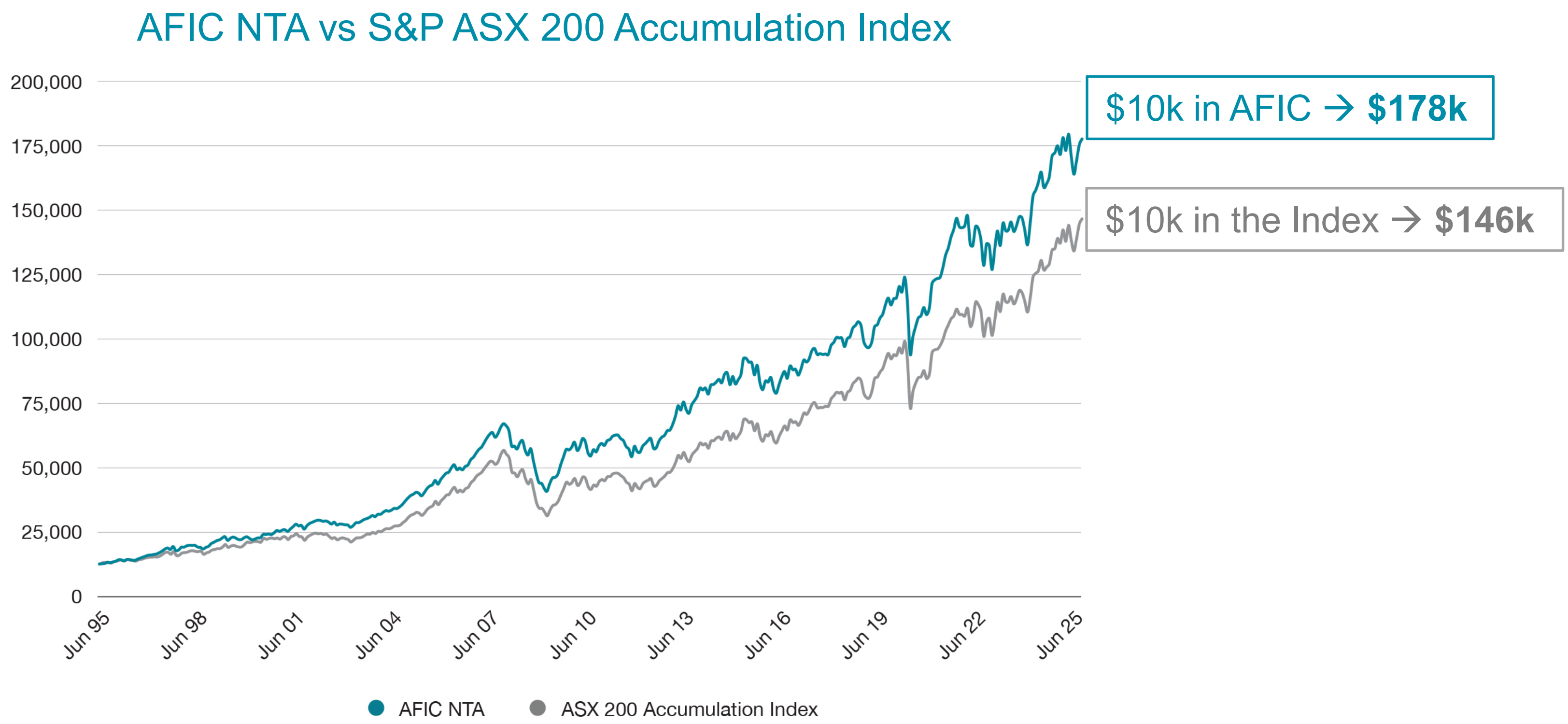
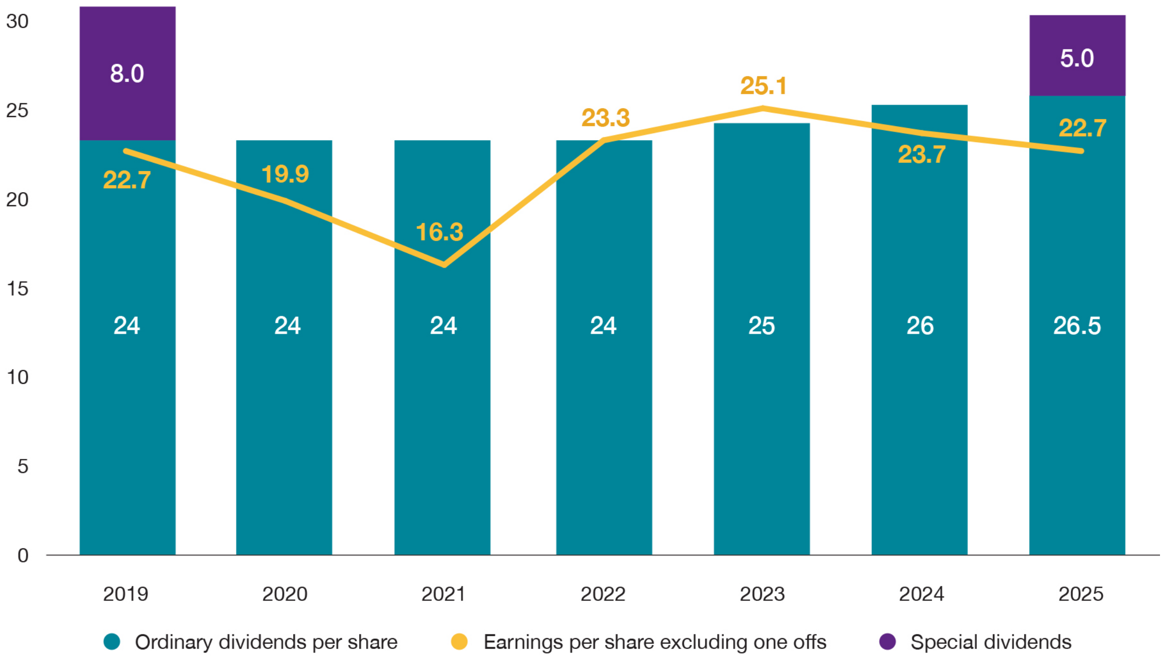


Excludes the benefit of franking.

Ensuring a 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



Full-Year Results

Summary Full Year Results

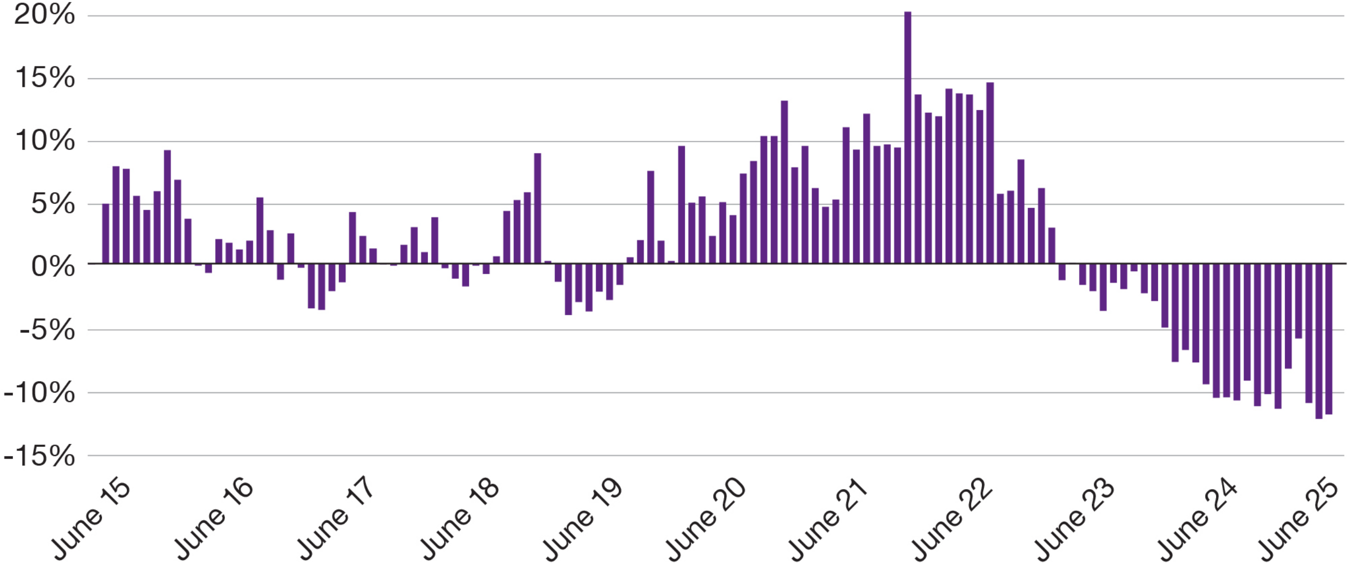
AUSTRALIAN FOUNDATION INVESTMENT COMPANY

2025	2025
Profit for the Year	**Fully Franked Dividend Per Share**
$285.0m	14.5¢ Final; 5.0¢ Special; 31.5¢ Total#
$296.4m in 2024	26 cents total in 2024

Total Portfolio Return	**Management Expense Ratio**
10.7% Including franking*	0.16%
S&P/ASX 200 Accumulation Index including franking* 15.1%	0.15% in 2024

#includes 12 cent interim dividend

Share Price Relative to Net Tangible Asset (NTA)



30 June 2025

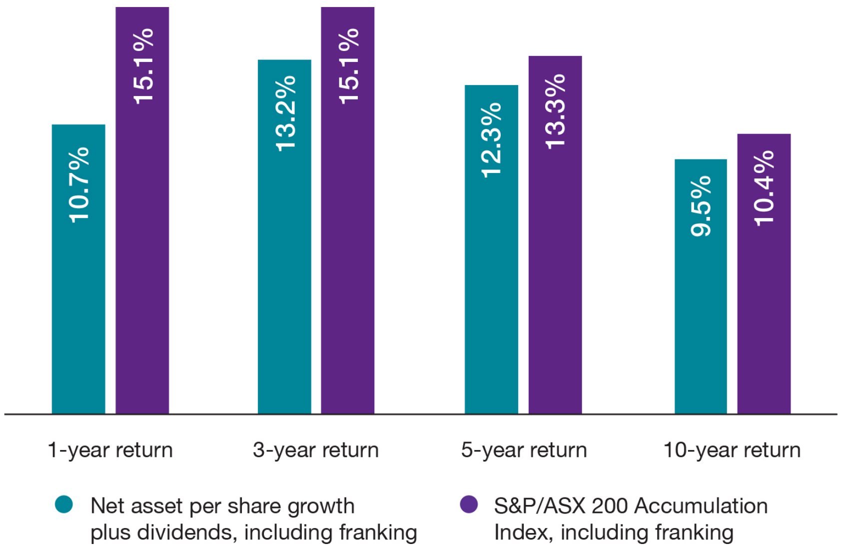
NTA: **$8.33**

Share price: **$7.35**

Markets and the Portfolio

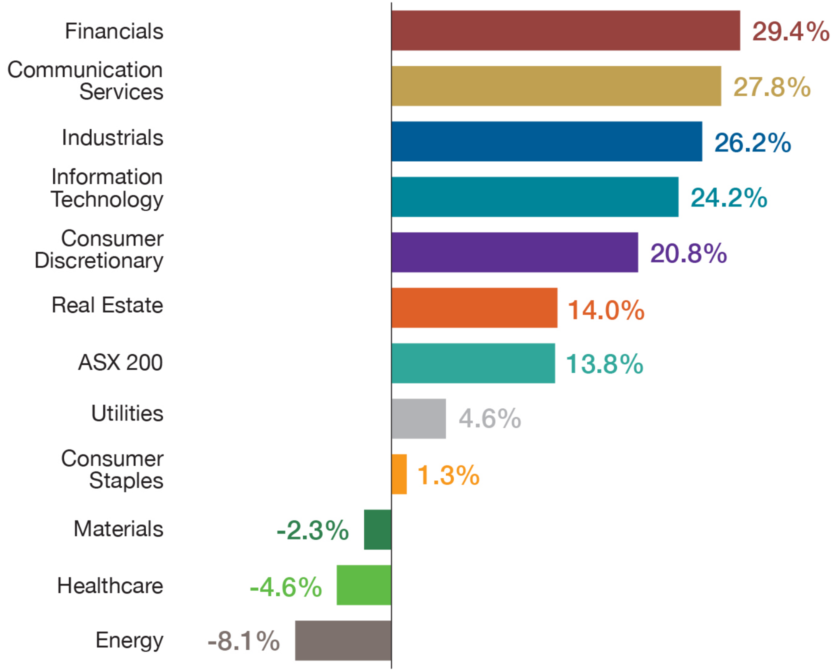
Portfolio and Sector Performance – to 30 June 2025

Portfolio Return (Including the Full Benefit of Franking) – Per Annum to 30 June 2025



Only includes franking that has been paid out.
Past performance may not be indicative of future performance.

Sector Performance to 30 June 2025



Sector returns do not include franking

Key drivers of FY25 investment performance

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Temporary cyclical headwinds:

reece group™ ARB CSL™ JamesHardie™

Underestimated duration of challenges:

idp

Minimal to no exposure to gold and insurance sectors which performed strongly.

Share prices diverged from earnings growth

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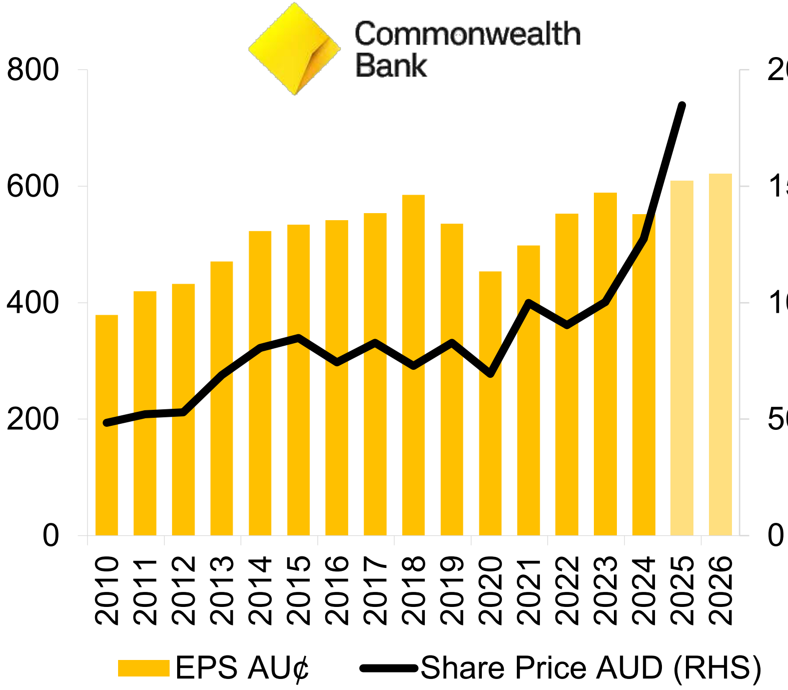

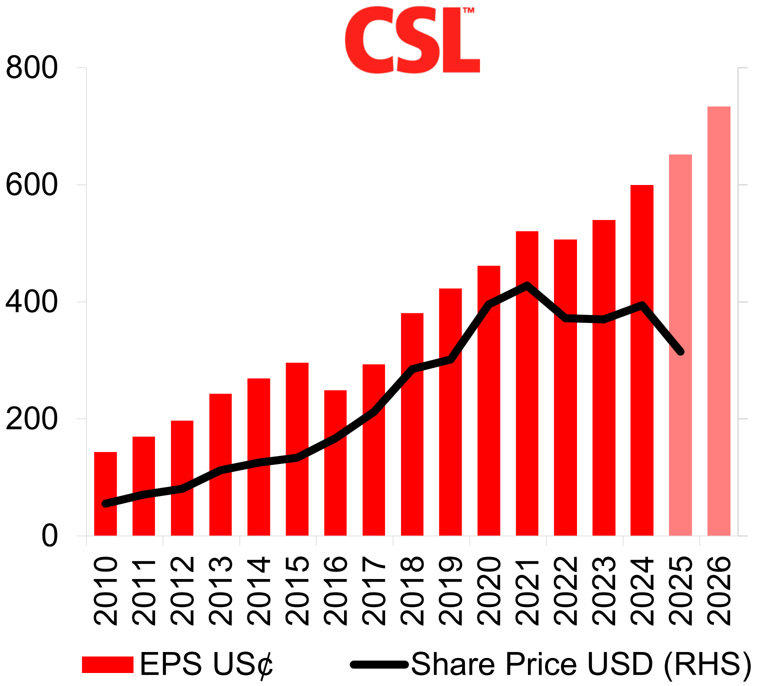

Source: Diogenes Research

Valuation metrics – CBA v CSL

Valuation: Price to Earnings ratio

Commonwealth Bank

CSL

Source: FactSet

Market Valuation in a Long Term Context

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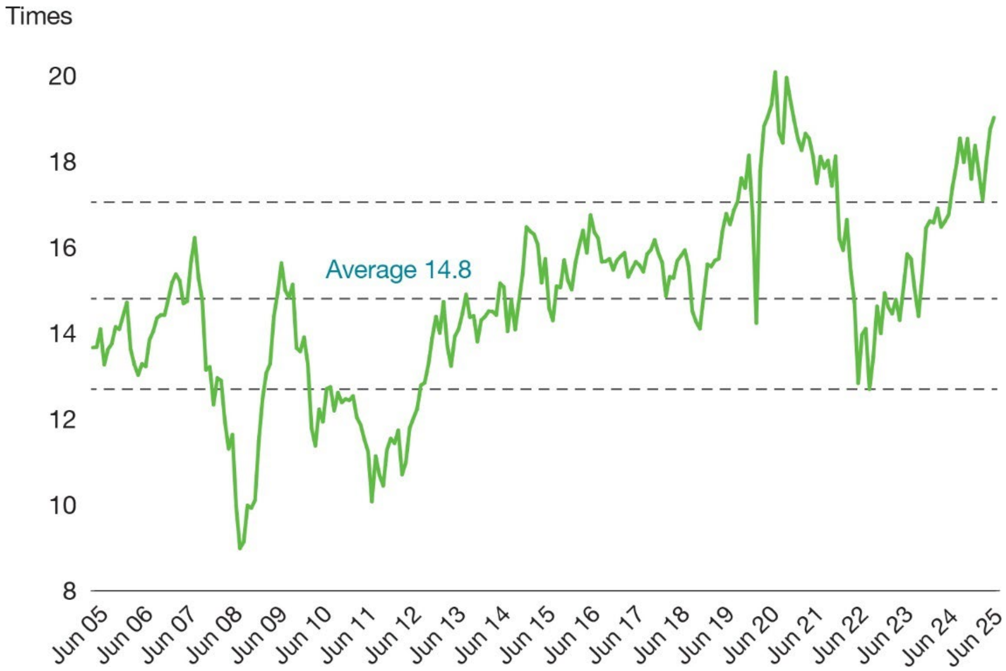
ASX 200 Firms Trade at an Average Forward PE of 18.7x, which is 28% Above the 20-yr Average



Source: FactSet

Recent Portfolio Activity

Active Portfolio Management – Recent Transactions

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Additions to Existing Holdings

Goodman
NEXTDC
ResMed
JamesHardie
CSL
idp
ARB
MIRRABOOKA Investments Limited

Trimmed Holdings

CommonwealthBank
Wesfarmers
JB HI-FI
Transurban
coles

New Purchases

Telix

Complete Disposals

Nil.

Transurban

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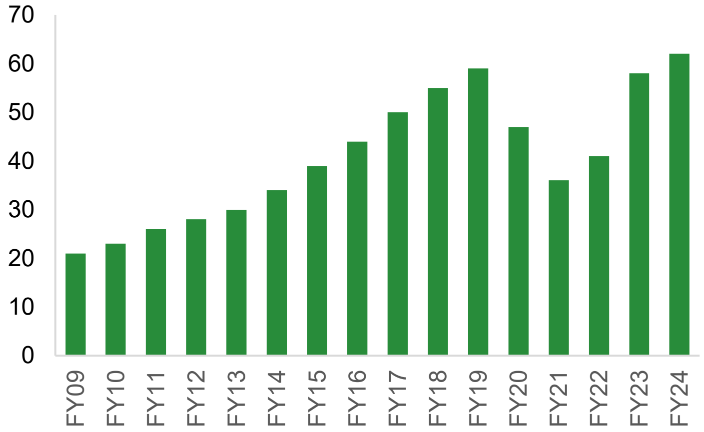
Dividend Per Share (A¢)



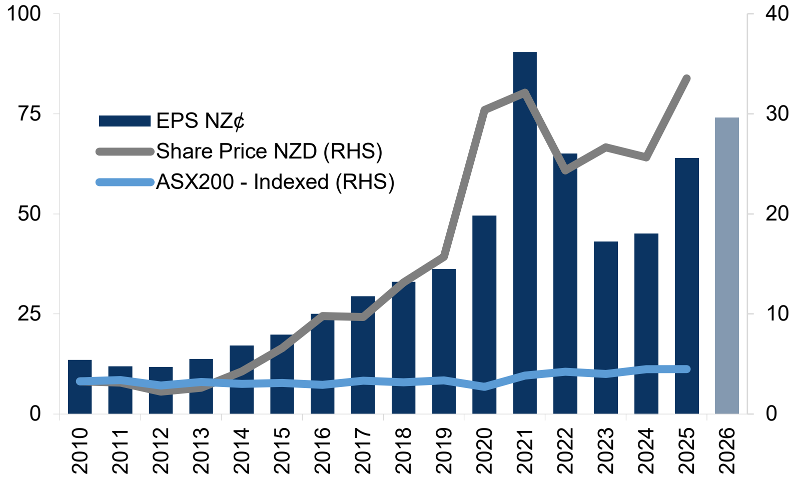
Source: Diogenes Research

Source: Transurban Website

- Owner and operator of toll road concessions in Australia and the US.
- Unique, strategic assets benefitting from inflation linked tolls and population growth.
- Sustainable and growing dividend over time post COVID recovery and major project disruptions.

Fisher and Paykel Healthcare

EPS vs Share Price



Source: Diogenes Research

Source: Fisher & Paykel Healthcare Website

- Global leader in devices used for respiratory care, surgery and sleep apnoea.
- Long growth runway underpinned by product development and growing penetration.
- Strong management team with proven track record of earnings growth and capital allocation.

International portfolio

International Portfolio

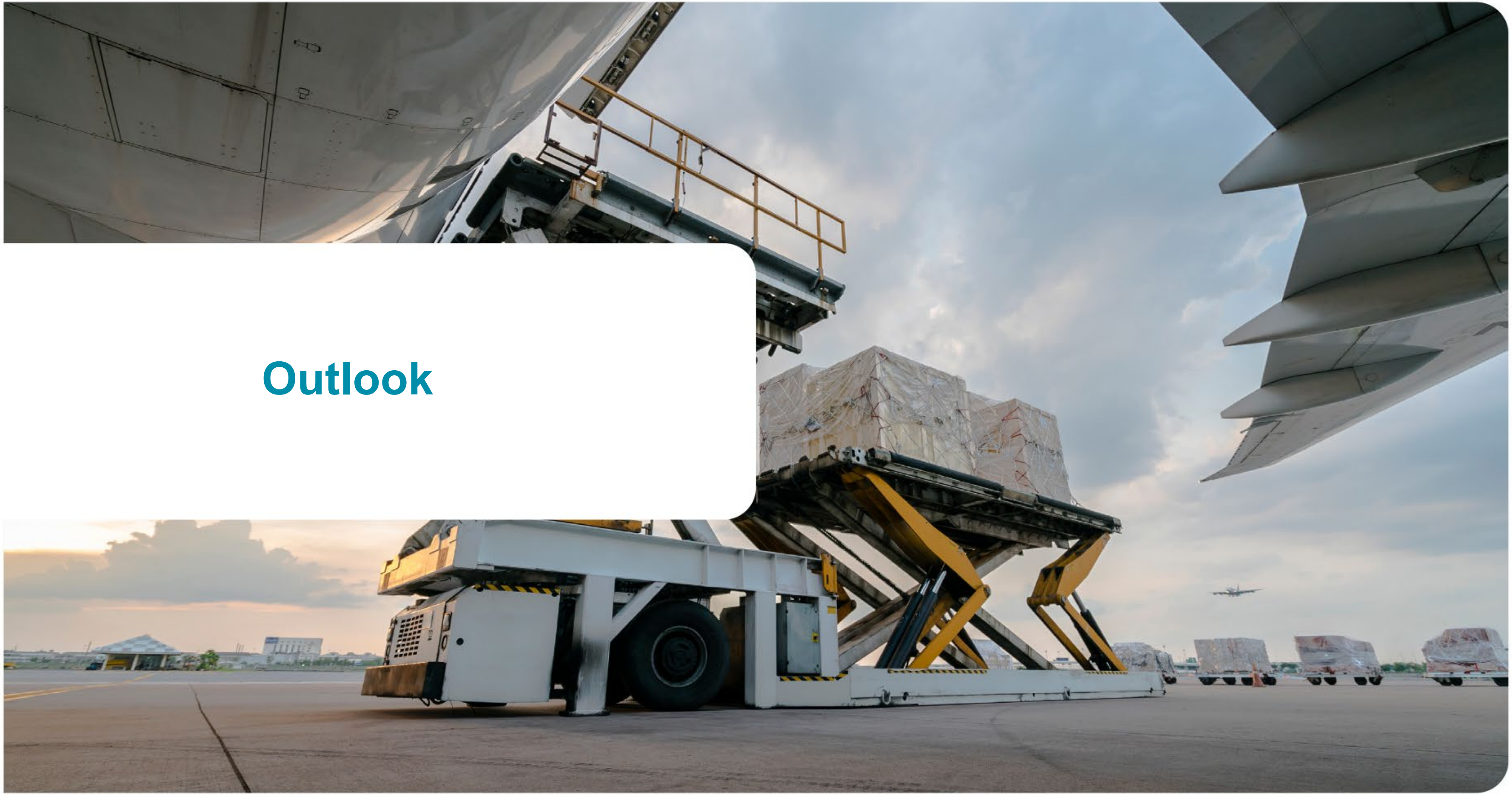
- Portfolio was first initiated in May 2021. At 30 June 2025 valued at $168.1 million (1.6% of the AFIC total portfolio).
- Significant preparatory work has been done for establishing a separate global investment company in the future.
- We are still considering the most appropriate next steps for this initiative.
- AFIC's global portfolio returned 14.0% for the financial year, an attractive return for shareholders although below our benchmark.
- Medium term performance since inception:

Gross Returns in $A 30 June 2025

	3 Years %pa	Since Inception %pa
AFIC Global Portfolio	21.0	14.0
Benchmark	20.3	14.0

Source: Northern Trust

Outlook



Outlook

The performance of the market remains resilient despite tariff uncertainty and heightened geopolitical tensions.

Outlook for company earnings is less certain, resulting in a disciplined focus on costs.

Market valuation polarised between expensive stocks with good earnings growth and cheap stocks lacking a catalyst to grow earnings.

Maintaining a balanced portfolio remains appropriate.

We remain focused on companies well positioned to create long term shareholder value.

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