

# NZ Shareholder Information Meeting

Income, Capital Growth, Low Cost

AUSTRALIAN FOUNDATION INVESTMENT COMPANY

November 2026



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ABN: 56 004 147 120

# Agenda

| | |
|---|---|
| CEO Address and Dividend Update | Alison Gibson |
| Portfolio Update | Brett McNeill |
| Performance & Market Update | Brett McNeill |



# CEO Address

# Why did I rejoin AFIC?

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**Purpose**



**People**



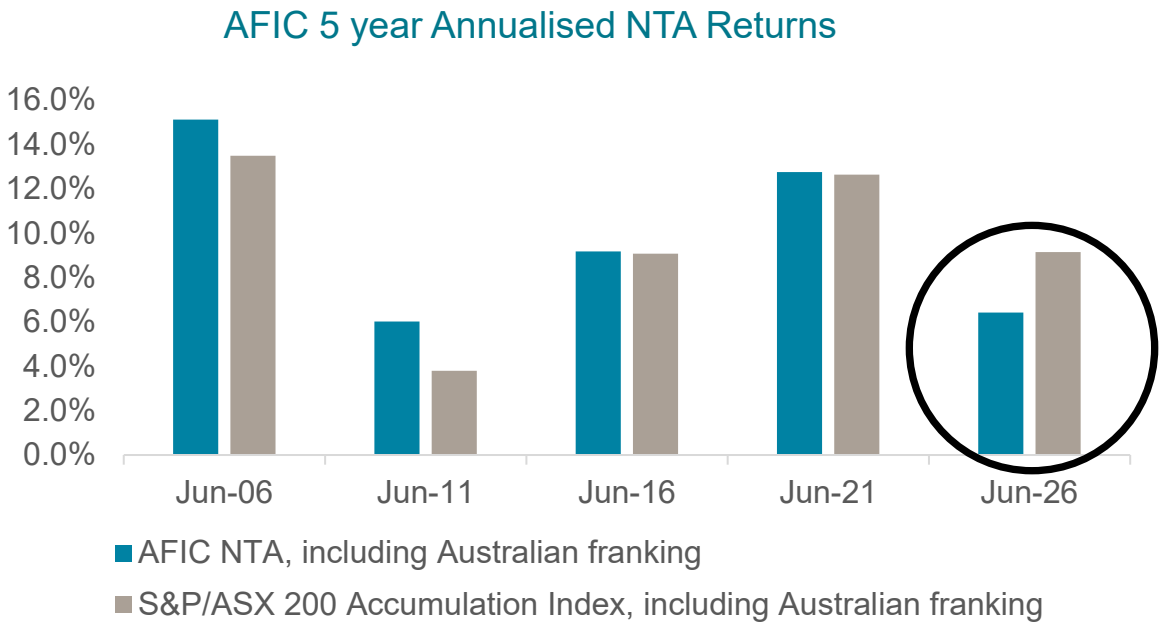
**Strong foundations**



**Ability to make a difference**

# What am I looking to improve?

## 1) Investment Performance

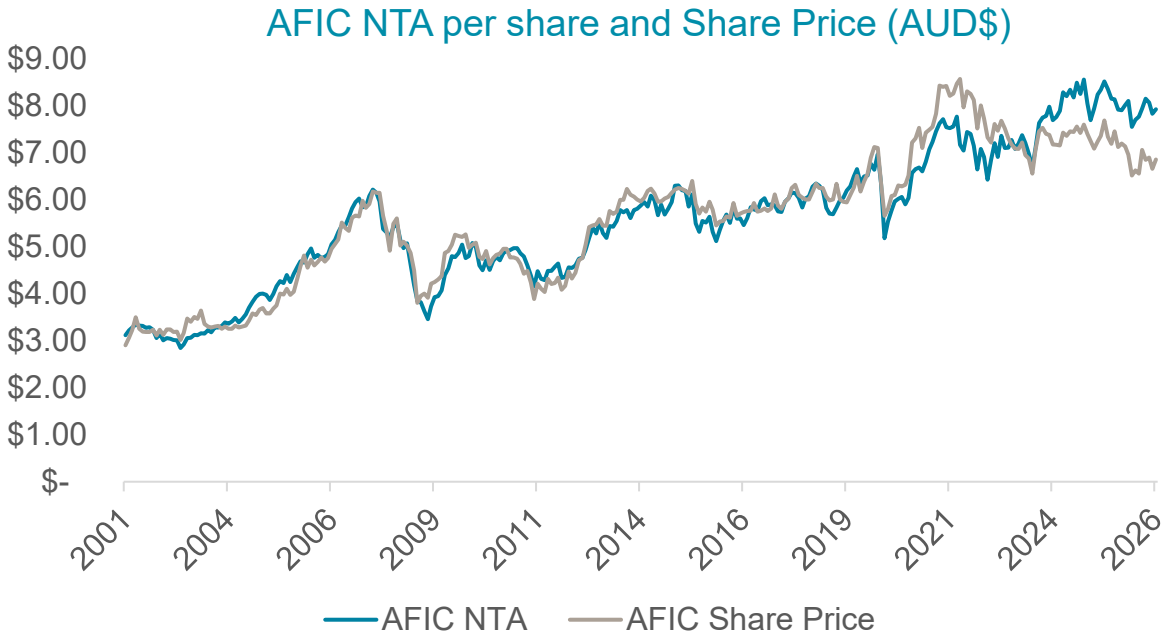



Assumes an investor can take full advantage of the Australian franking credits. AFIC's portfolio is calculated after expenses, income tax and tax on realised capital gains. It should be noted that the market returns do not include expenses or tax.

# What am I looking to improve?

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## 2) Communicating our value more effectively




**As at 31 October 2026**

| | |
|---|---|
| NTA per share | **AUD$7.92** |
| Share price | **AUD$6.85** |
| Discount to NTA | **-13.5%** |

**Why it matters**

- Quality portfolio at ~87 cents in the dollar
- NTA excludes franking credits
- AFIC's biggest FY26 purchase was AFI shares

All data is in Australian dollars.

# Opportunity in AFIC

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## Permanent capital

Provides a distinct competitive advantage – the ability to take a long-term view and step into the volatility that has become a feature of the market.

## Low cost active management

One of the lowest cost actively managed portfolios available in the market, with an MER of **0.14%***

## Consistent fully franked dividends

A consistent and sustainable fully franked dividend, with excess franking reserves paid out through special dividends

## Discount to NTA

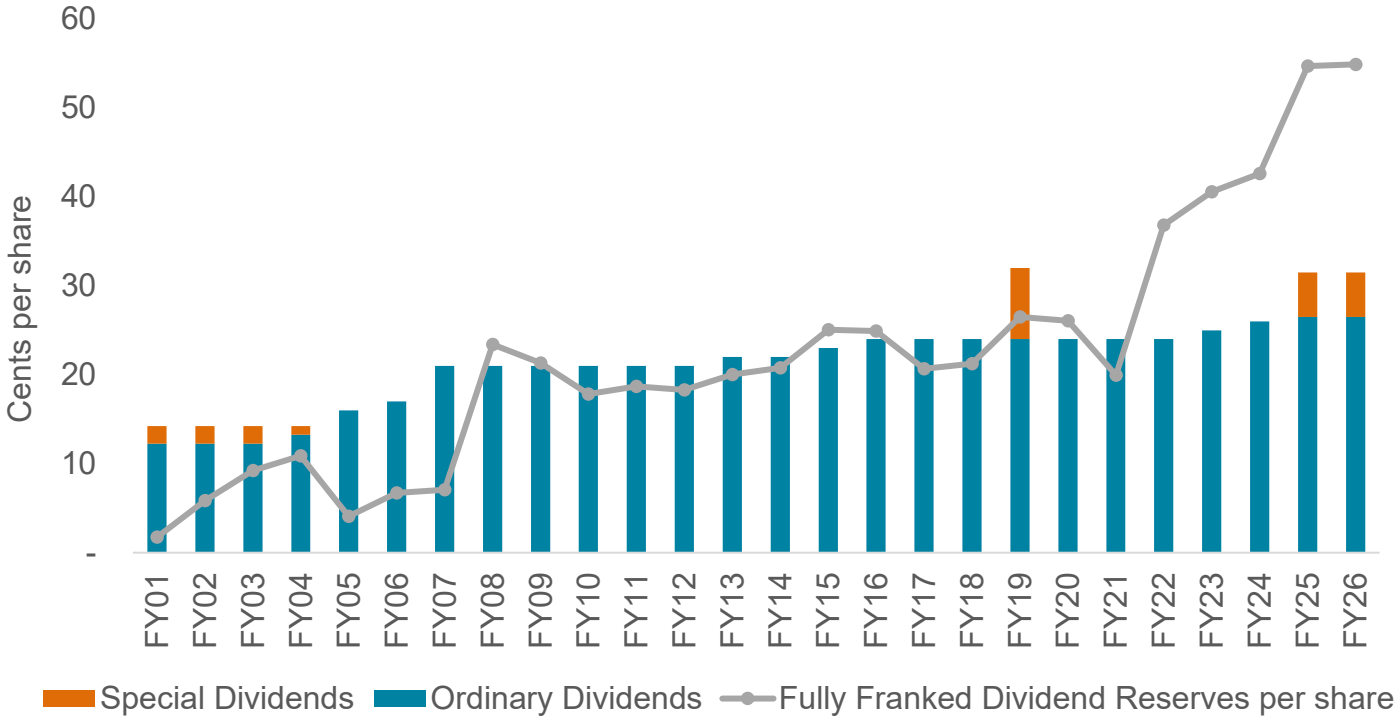
The discount provides an opportunity to gain exposure to a portfolio of quality companies for **~87 cents in the dollar****

*MER is for the FY26 period.
**Based on the ASX share price of $6.85 and NTA of AUD$7.92 at 31 October 2026.



# Dividend Update

# Stable to growing dividends with growing franking credit reserves




Franking credit reserve ~2 x ordinary dividend

All data is in Australian dollars.

# FY27 dividend guidance & move to quarterly dividends

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## Proposed FY27 Dividend (AUD$)*

Ordinary Dividend **27 cents per share**, fully franked

Special Dividend **10 cents per share**, fully franked

**Total FY27 Dividend**
**37 cents per share, fully franked**

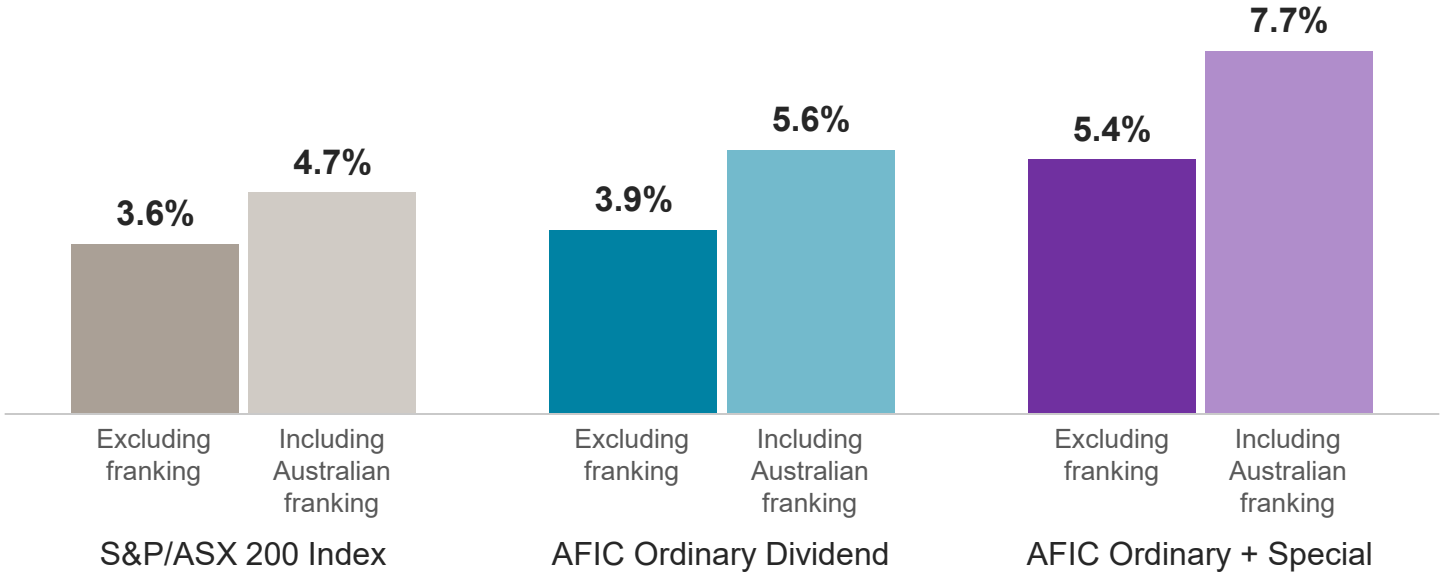
## Move to Quarterly Dividends

**Proposed Dividend Schedule (cents per share, AUD$)**

| Payment Date | Ordinary Dividend | Special Dividend | Total Dividend |
|---|---|---|---|
| November 2026 | 6.75 | 2.50 | 9.25 |
| February 2027 | 6.75 | 2.50 | 9.25 |
| May 2027 | 6.75 | 2.50 | 9.25 |
| August 2027 | 6.75 | 2.50 | 9.25 |
| **Total** | **27.00** | **10.00** | **37.00** |

*Final determination of the dividends remains subject to no material unforeseen adverse market conditions and final Board approval.
All data is in Australian dollars.

# Dividend yield based on proposed FY27 dividend




AFIC dividend yields are based on the dividends the Board has announced that it intends to determine for the FY27 period and the ASX share price at 31 October 2026. S&P/ASX 200 Index yield is based on Consensus estimates for the next 12 months and the Market Value at 31 October 2026 and assumes a 70% franking rate for the dividend yield including franking. The final determination of the dividends remains subject to no material unforeseen adverse market conditions and final Board approval.

# Portfolio Update



# AFIC's investment approach

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Focus on quality companies



Build a well diversified portfolio with the right mix of income and growth



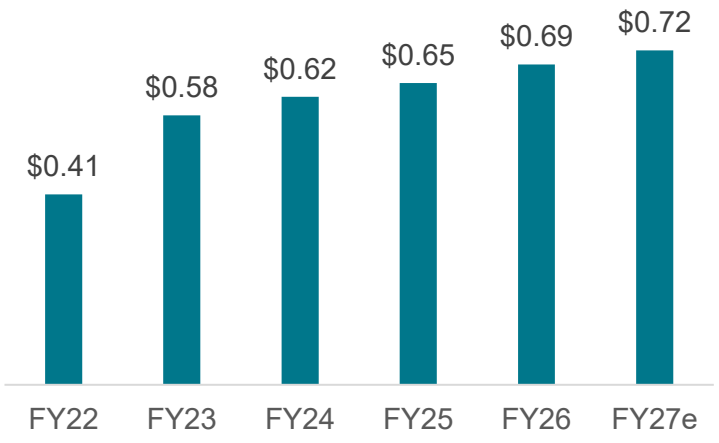
Benefit from compounding returns over the long term

# Recent Buying: Transurban and Telstra

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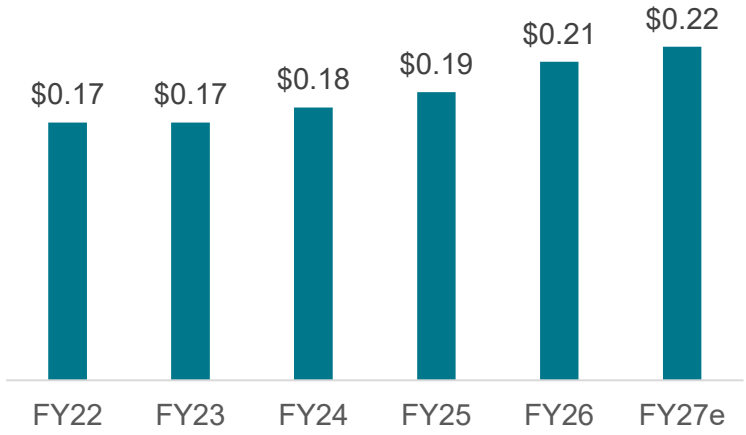
Transurban

## Dividend Per Share (AUD$)




Telstra

## Dividend Per Share (AUD$)



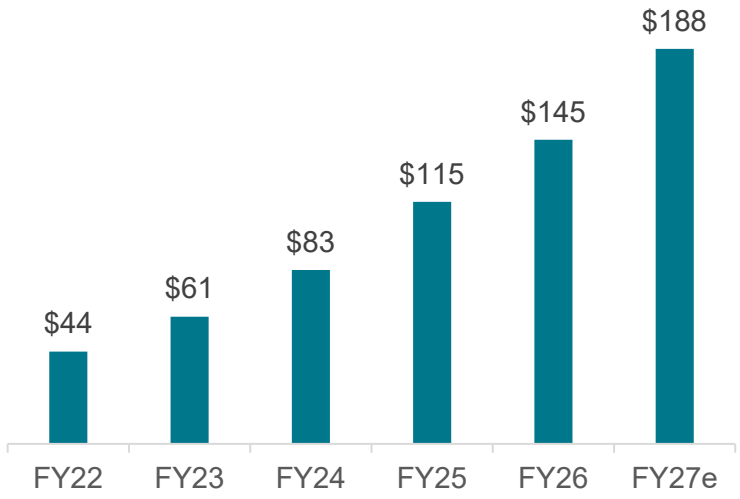

Source: FactSet, Company Reports; FY27e Dividends are Consensus FY27 estimates.

# Recent Buying: ProMedicus and TechnologyOne

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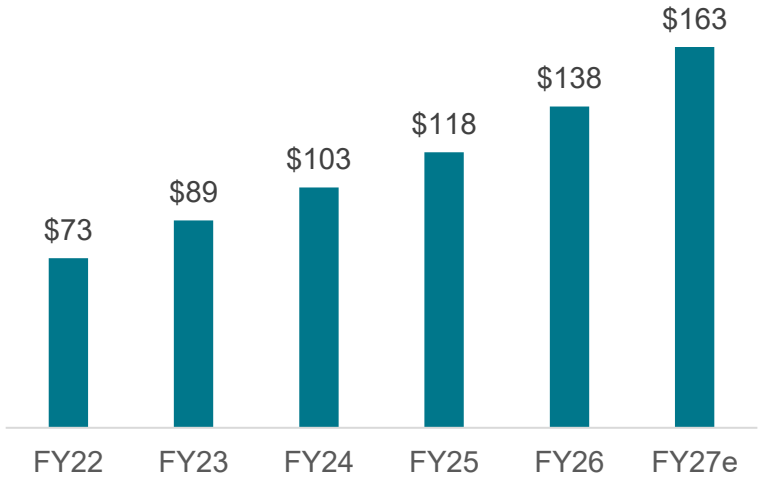
promedicus
OUR SUPPORT. YOUR SUCCESS.

## Net Profit After Tax (AUD$m)




technology1

## Net Profit After Tax (AUD$m)



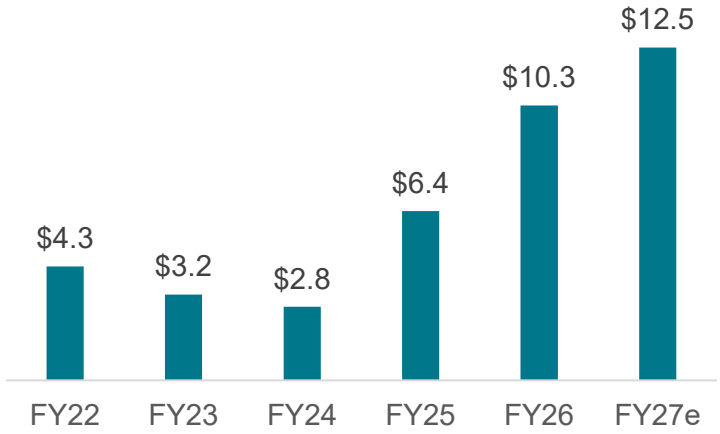

Source: FactSet, Company Reports; FY27e NPAT are Consensus estimates.

# Recent Buying: Newmont and Evolution Mining

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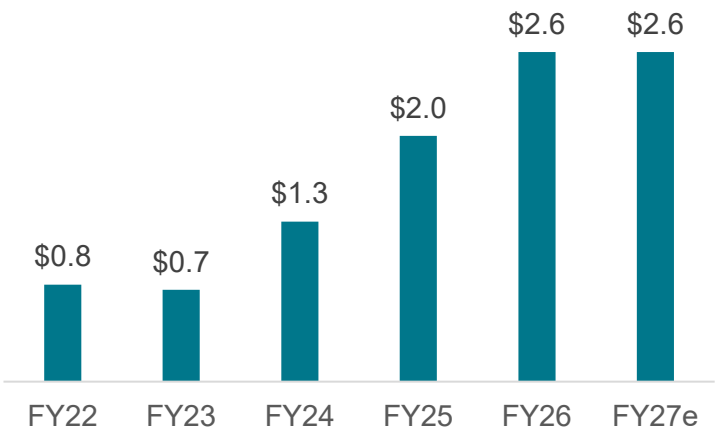
Newmont

## Operating Cash Flow (USD$b)




Evolution MINING

## Operating Cash Flow (AUD$b)




Source: FactSet, Company Reports; FY27e Operating Cash Flow are Consensus estimates.

# Recent Selling

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## Trimmed Holdings

JamesHardie™

Brambles

amcor

Woolworths Group

Santos

reece

## Complete Disposals

PEXA

NEXTDC

AMPOL

TEMPLE & WEBSTER

Major transactions for Financial Year 2027 to date.

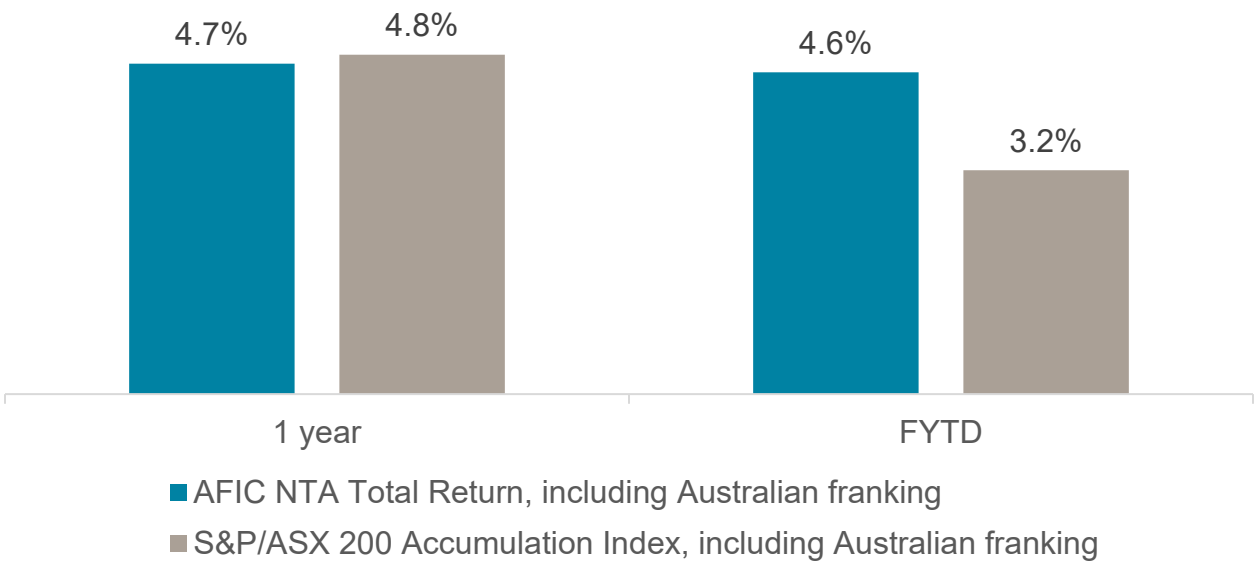


# Performance & Market Update

# Performance Update

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## AFIC Portfolio Performance to 31 October 2026




Assumes an investor can take full advantage of the Australian franking credits. AFIC's portfolio is calculated after expenses, income tax and tax on realised capital gains. It should be noted that the market returns do not include expenses or tax.

# Good dividend growth from our largest holdings

## August Reporting Season – Dividend Growth from some of AFIC's largest holdings




Source: Factset, Company Reports; Dividend growth measured as ordinary dividends declared for the six months to June 2026 versus the prior corresponding period.

# Portfolio update: summary

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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

| | |
|---|---|
| **AUD$9.8b** | Total Portfolio Value* |
| **59** | Stocks in the Portfolio** |
| **AUD$7.92** | Net Tangible Asset (NTA) Backing Per Share |

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

**Australia and New Zealand Portfolio.

All figures at 31 October 2026.

## Top 25 Holdings

BHP, Commonwealth Bank, CSL, Macquarie, nab, Westpac, Transurban, Telstra, Wesfarmers, ANZ, Goodman, Woolworths Group, Woodside Energy, Rio Tinto, Resmed, coles, CAR Group, Computershare, Fisher & Paykel Healthcare, Mineral 1, Evolution Mining, JB Hi-Fi, ASX, REA Group, ALS

# Appendix: International Portfolio

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## Key Portfolio Statistics

| | |
|---|---|
| **AUD$154.5m** | Total Portfolio Value |
| **1.6%** | Total % of AFIC Portfolio Value |
| **16** | Stocks in the Portfolio |

As at 31 October 2026. Excludes Cash.

## International Portfolio Holdings



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