

22 January 2025



The Manager  
ASX Market Announcements  
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Exchange Centre  
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## Electronic Lodgement

### 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 22 January 2025 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](http://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 [www.afi.com.au](http://www.afi.com.au).

Your faithfully

Matthew Rowe  
Company Secretary

Release authorised by the Company Secretary.

**Half Year Results**  
January 2025



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ABN: 56 004 147 120

# Agenda

Overview and Investment Objectives      Mark Freeman

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Financial Results      Andrew Porter

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Markets and the Portfolio      David Grace

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Recent portfolio activity      Winston Chong

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Outlook      David Grace

A close-up photograph of a doctor in a white lab coat holding a tablet computer. The doctor's hands are visible, with a gold ring on the left hand. The background is blurred, showing a bookshelf. A white rectangular box is overlaid on the left side of the image, containing the text "Overview and Investment Objectives".

## Overview and Investment Objectives

## Our Company

Invests in Australian and New Zealand companies

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Largest listed investment company on the ASX, 160k shareholders, independent Board of Directors

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Shareholders own the 'management rights' to the portfolio

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Management expense ratio of 0.15% (annualised) with no performance fees

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

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Long history of growing/stable fully franked dividends

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Team manages three other funds – Djerriwarrh, Mirrabooka and AMCIL

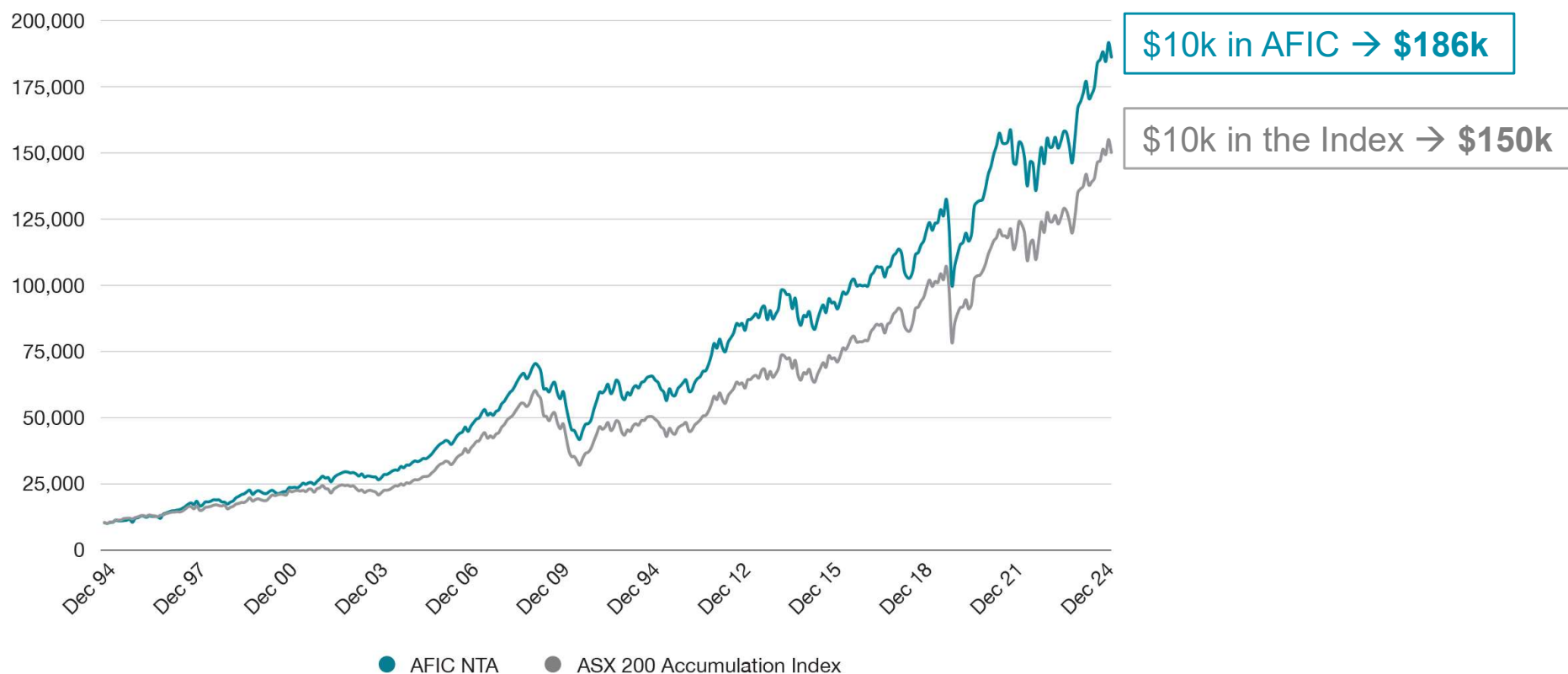
## Investment Objectives

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

## AFIC NTA vs S&P ASX 200 Accumulation Index



\$10k in AFIC → \$186k

\$10k in the Index → \$150k

Excludes the benefit of franking.



## Financial Results



# Financial Half Year in Summary

2024

Profit for  
the Half-Year

\$154.2m

\$150.1m in 2023

Fully Franked  
Interim Dividend

12.0¢

11.5 cents in 2023

2024

Management  
Expense Ratio  
(Annualised)

0.15%

0.14% in 2023

Total Portfolio

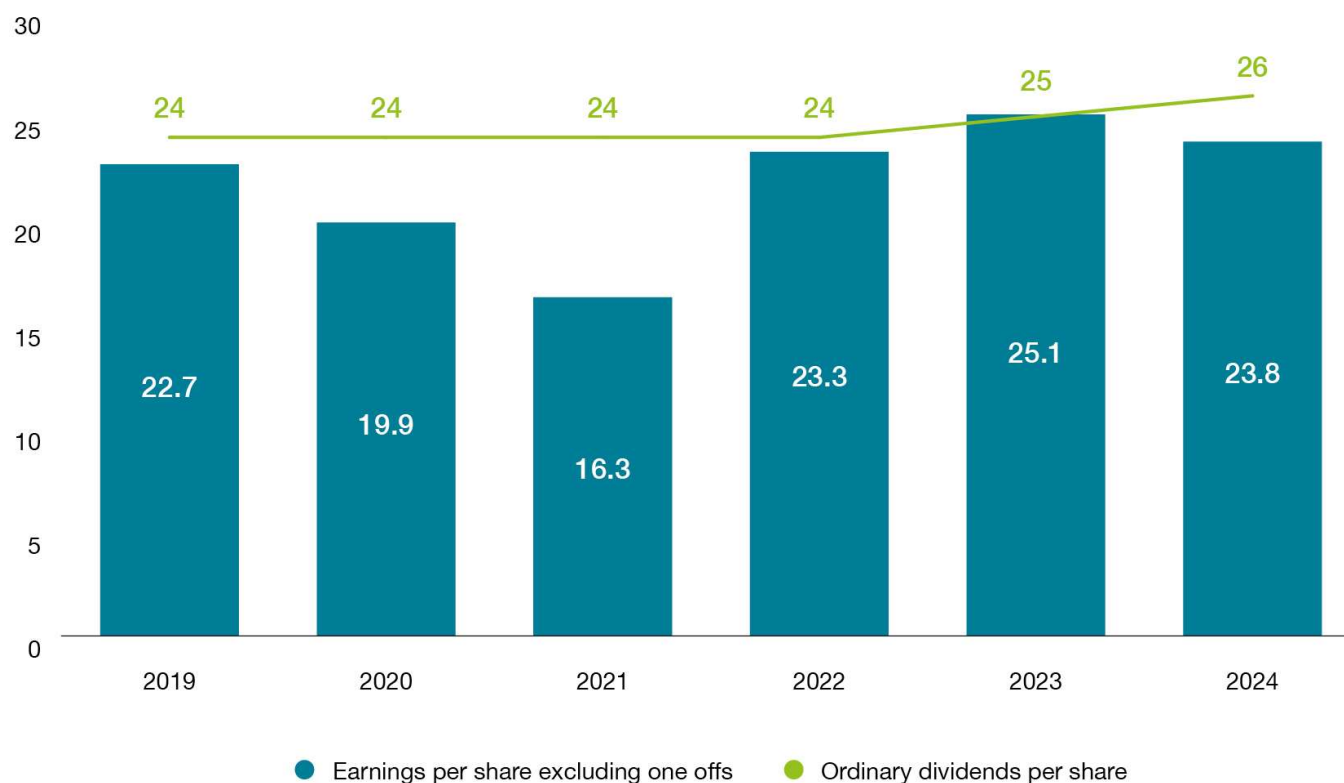
\$10.4b

Including cash at  
31 December  
\$9.5 billion in 2023

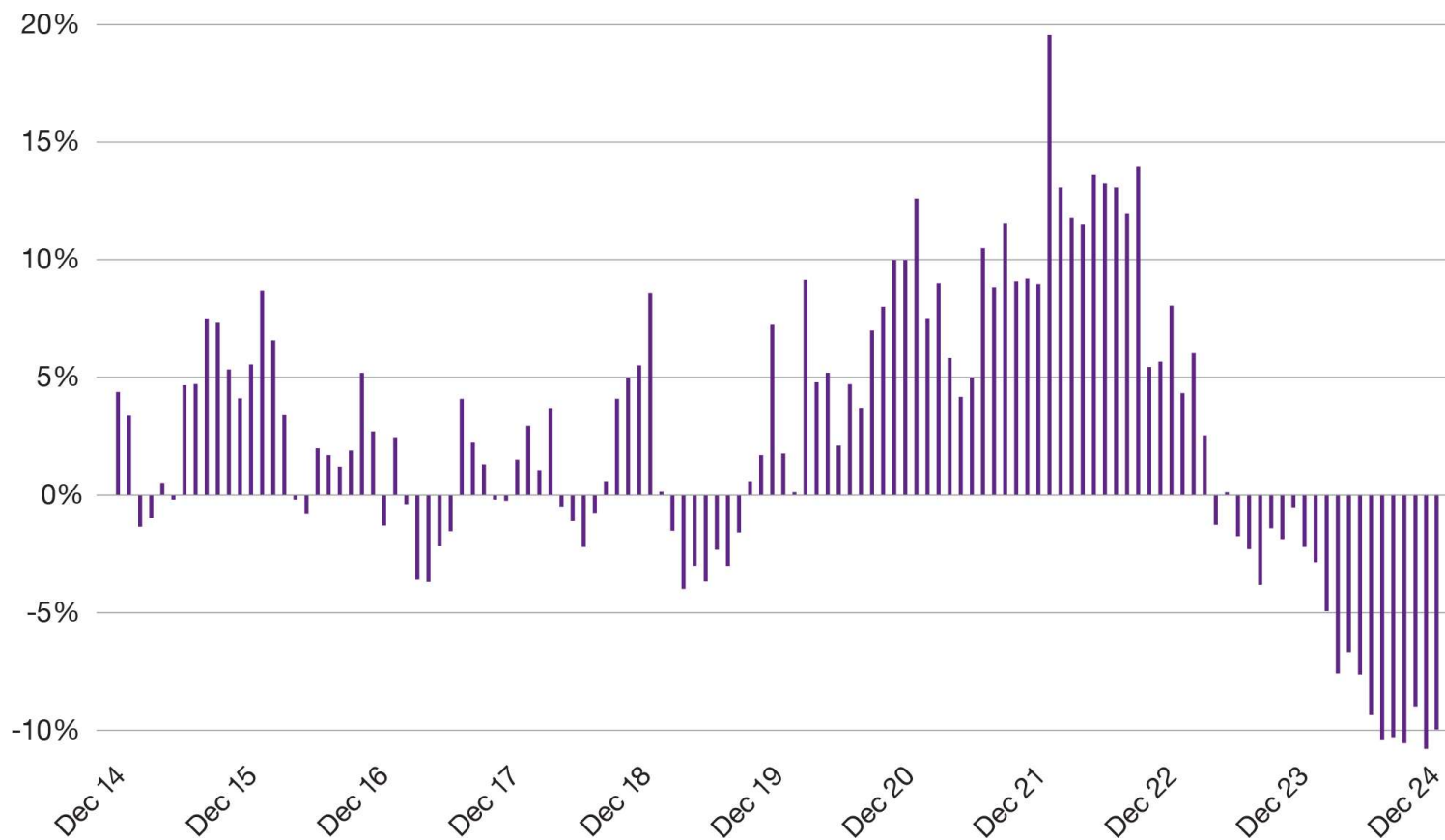
\* Assumes an investor can take full advantage of the franking credits.

## 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 last six financial years.



## Share Price Relative to NTA



31 December 2024

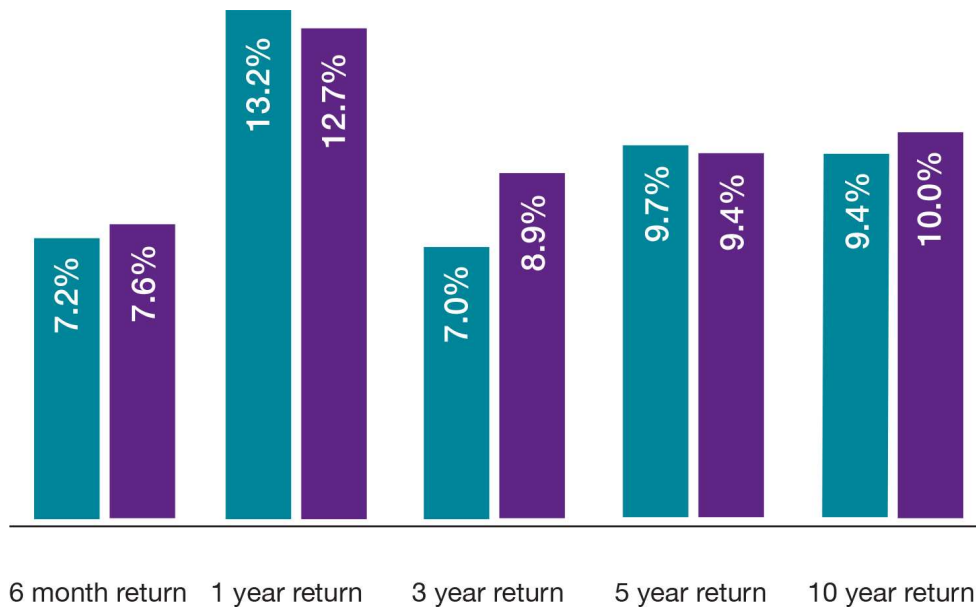
NTA: \$8.24

Share price: \$7.41

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are arranged in a way that creates strong diagonal lines leading towards the top of the frame. The sky is a pale, clear blue. A white rectangular box is overlaid on the left side of the image, containing the title text.

# **Markets and the Portfolio**

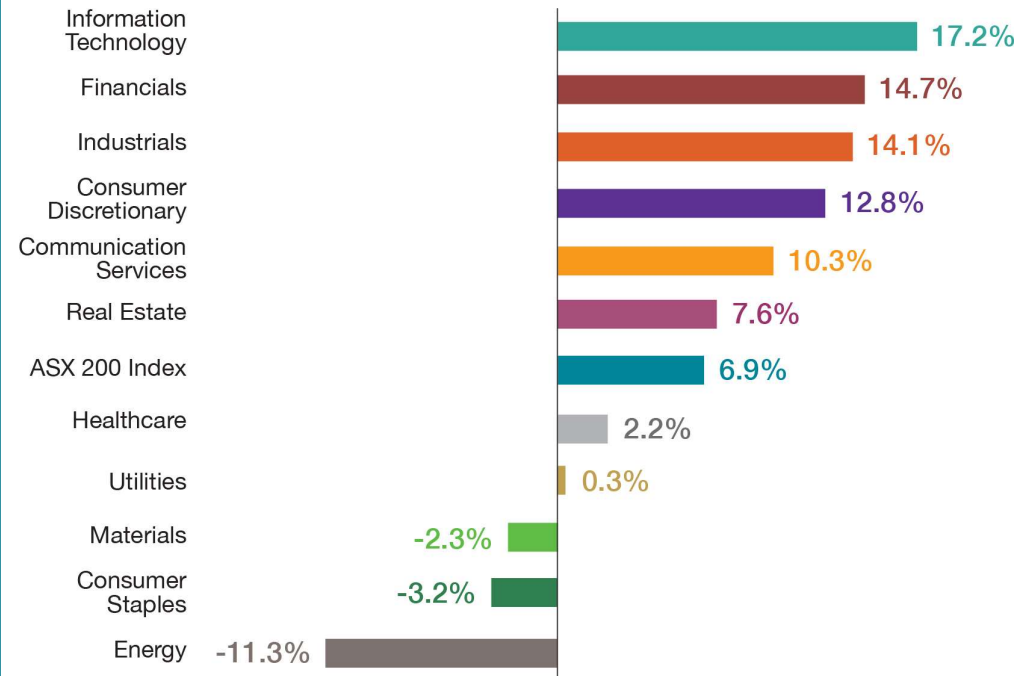
# Portfolio\* and Sector Performance to 31 December 2024



● Net asset per share growth plus dividends, including franking  
● S&P/ASX 200 Accumulation Index, including franking

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

## 6 Month Sector Performance



Includes dividends but not franking.

# Portfolio Set to Perform in Most Economic Settings

## Growth Companies



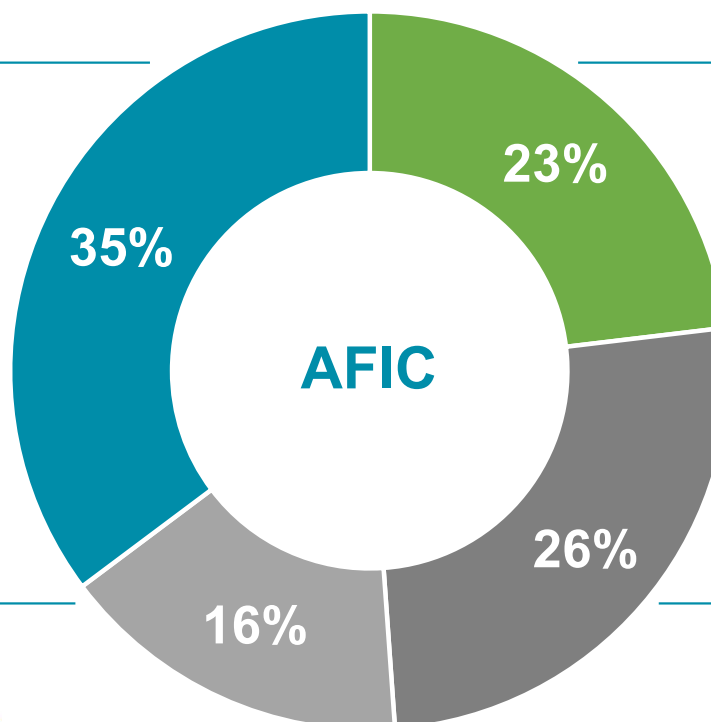
## Cyclicals



## Stalwarts



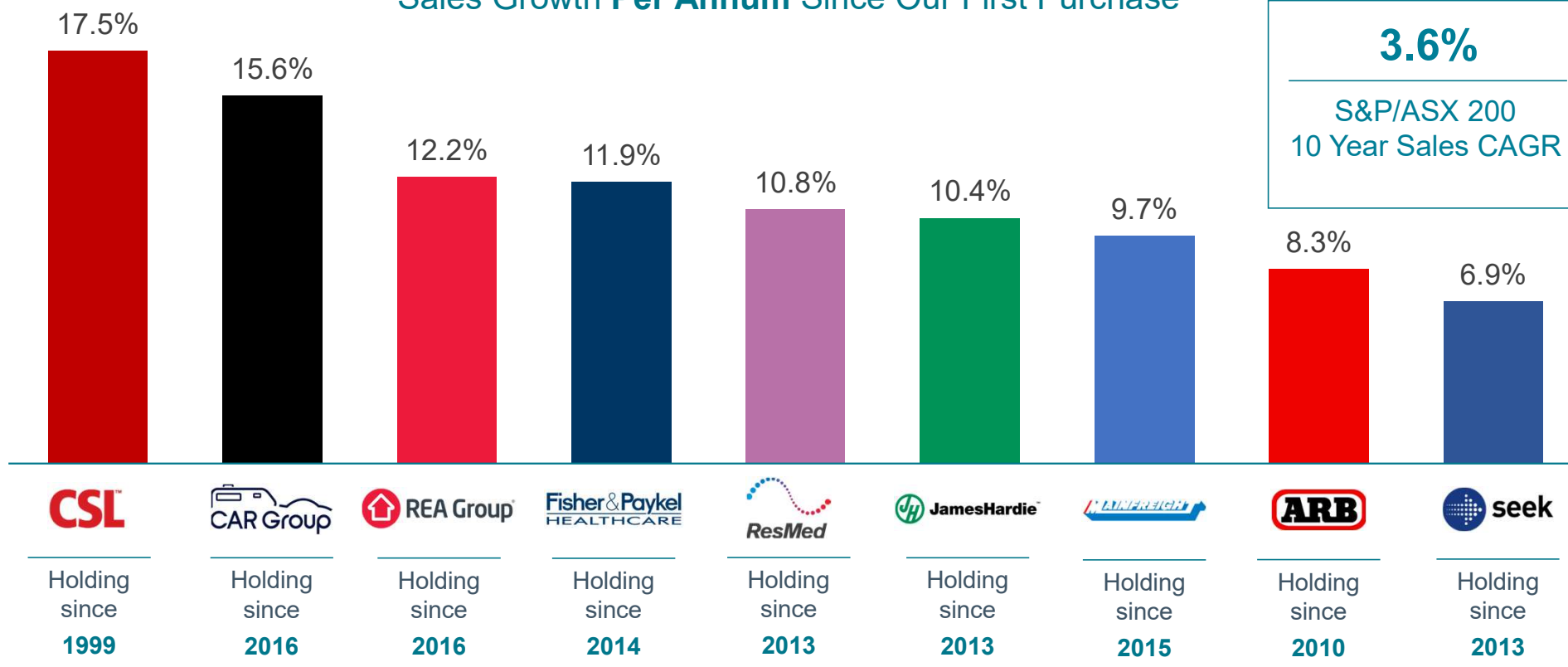
## Income



Portfolio at 31 December 2024, excludes cash.

# Quality Companies Find a Way to Grow

Sales Growth Per Annum Since Our First Purchase

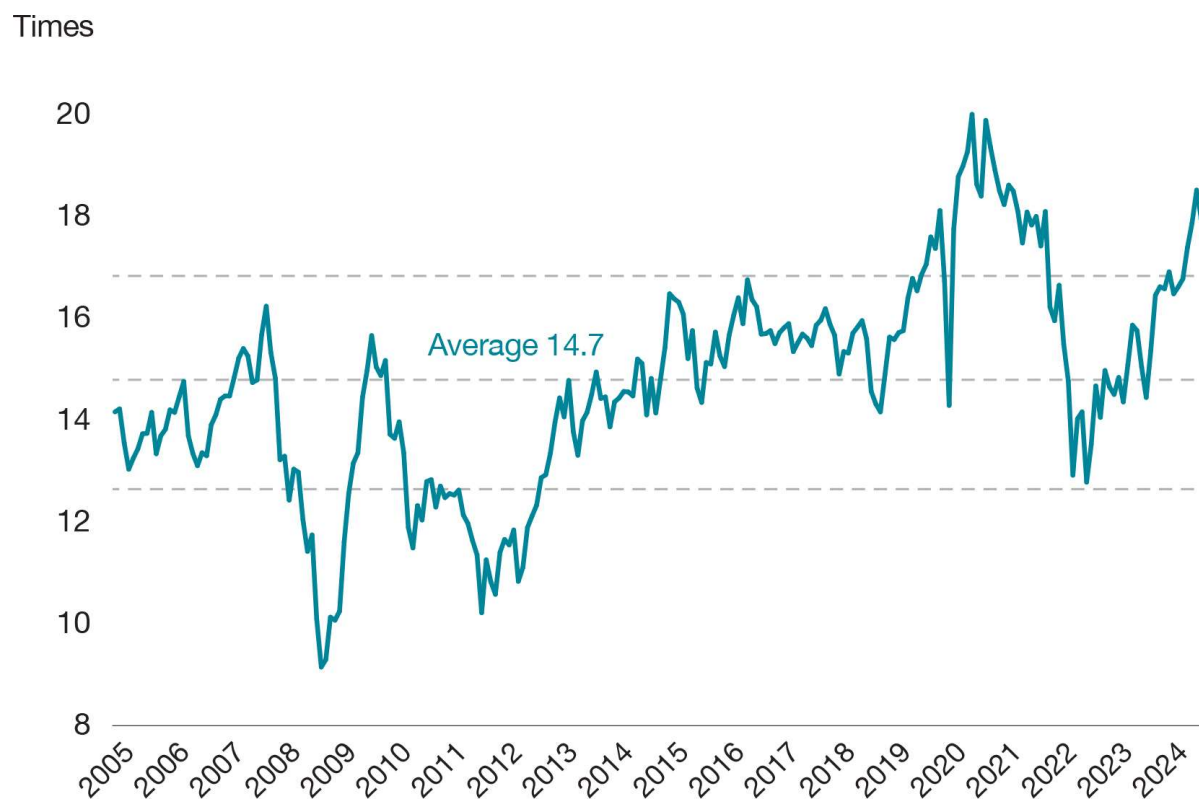


Source: Goldman Sachs



# Market Valuation in a Long Term Context

ASX 200 Firms Trade at an Average Forward PE of 17.6x, which is 20% Above the 20-yr Average



Source: FactSet

A photograph of the Chicago skyline at night, featuring several illuminated skyscrapers and a prominent white arch bridge over a body of water. The lights from the buildings and bridge are reflected in the water. A white rectangular text box is overlaid on the left side of the image.

## Recent Portfolio Activity

# Active Portfolio Management – Recent Transactions

## Additions to Existing Holdings



## Trimmed Holdings



## New Purchases

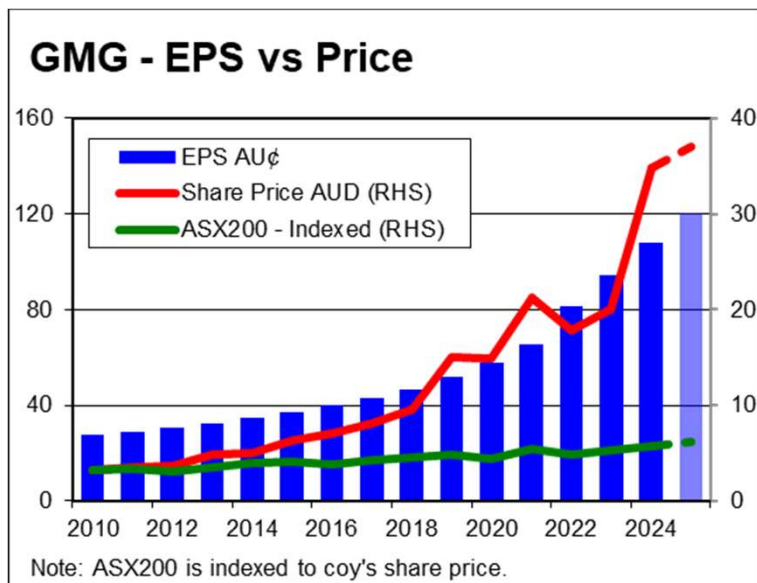


## Complete Disposals



# Goodman Group

## EPS vs Share Price



Source: Diogenes Research

## Global Power Bank: 5.0 GW

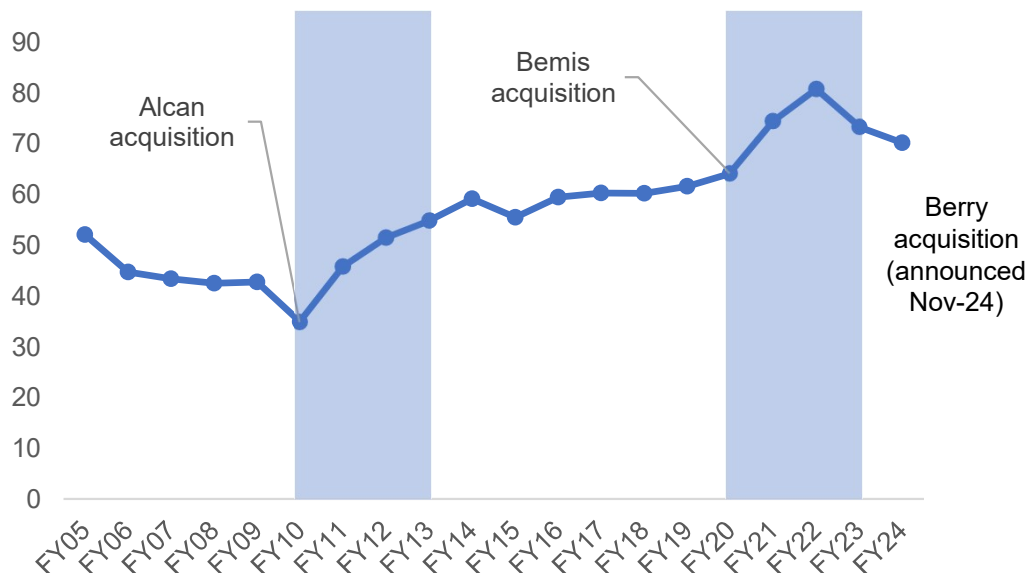


Source: Goodman Group FY24 Presentation

- Global property company specialising in industrial property and digital infrastructure.
- Founder led business with strong focus on highest and best use of sites.
- Strategically located sites with access to power are well placed to meet growing demand for data centres.

# Ancor

## AMC US¢ EPS



Source: Diogenes Research

- Global packaging company with market leading positions exposed to consumer staples.
- Capable management team with track record of delivering margin improvement.
- Merger with Berry accelerates earnings growth, largely underwritten by synergies.



**Outlook**

# Outlook

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The valuation of the market is high at a time when earnings growth appears likely to slow.

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Heightened geopolitical tensions coupled with an election cycle in many developed markets may lead to a wide dispersion of potential investment outcomes in the near term.

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Maintaining a balanced portfolio remains appropriate.

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

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The portfolio is invested in well managed companies with proven track records of financial discipline capturing value-accretive opportunities as they arise.

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**AUSTRALIAN  
FOUNDATION  
INVESTMENT  
COMPANY**