AUSTRALIAN FOUNDATION INVESTMENT COMPANY

4 September 2026

Monthly net tangible asset (NTA) backing per share and top 25 investments as at 31 August 2026

	Before Tax*	After Tax*
31 August 2026 Ex Div	$8.06	$6.73
31 July 2026 Cum Div	$8.14	$6.82

The August 2026 figures are after the provision of the final dividend of 14.5 cents per share and the special dividend of 2.5 cents per share, and the July 2026 figures are before the provision for the dividends.

* The before and after tax numbers relate to the provision for deferred tax on the unrealised gains in the Company's investment portfolio. The Company is a long term investor and does not intend disposing of its total long term investment portfolio. Under current Accounting Standards, the Company is required to provide for tax on any gains that may arise on such a theoretical disposal, after the utilisation of brought forward losses.

Key facts

Investment objectives: AFIC aims to provide shareholders with attractive investment returns through access to a growing stream of fully franked dividends and enhancement of capital invested over the medium to long term.

Benchmark: S&P/ASX 200 Accumulation Index.

Size of portfolio: $9.9 billion at 31 August 2026.

Low Management cost: 0.14 per cent, no additional fees.

Investment style: Long-term, fundamental, bottom-up.

Suggested investment period: Five years to 10 years or longer.

Net asset backing (NTA): Estimated NTA released weekly and a monthly NTA with top 25 investments.

Listed on ASX and NZX: code AFI.

Key benefits

Diversified portfolio primarily of ASX-listed Australian equities.

Tax-effective income via fully franked dividends.

Consistent after tax paid investment returns achieved over the long term.

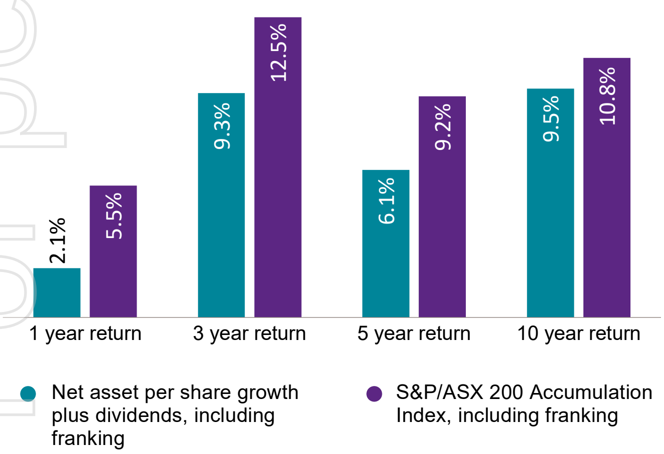
Professional management and an experienced Board, investment and management team.

Low-cost investing.

Ease of investing, transparent ASX pricing, good liquidity in shares.

Shareholder meetings on a regular basis.

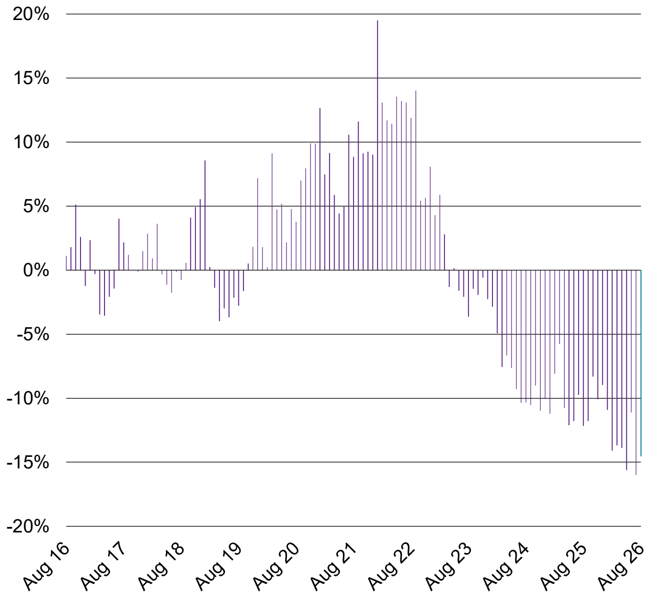
Portfolio performance percentage per annum-periods ending 31 August 2026*



* Assumes an investor can take full advantage of the franking credits. AFIC's portfolio return is also calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that Index returns for the market do not include management expenses or tax.

Past performance is not indicative of future performance.

Share price premium/discount to NTA



Release authorised by Matthew Rowe, Company Secretary
Australian Foundation Investment Company Limited (AFIC) – ABN 56 004 147 120

Level 21, 101 Collins Street, Melbourne Victoria 3000
(03) 9650 9911 | invest@afi.com.au | afi.com.au

Share Registrar
MUFG Corporate Markets (AU) Limited
au.investorcentre.mpms.mufg.com

1300 857 499 (in Australia)
+64 9375 5998 (outside Australia)
afi@cm.mpms.mufg.com

Market commentary

The S&P/ASX 200 Accumulation Index was up for the fifth month in a row, increasing 1.5% in August. During the month, the RBA kept rates on hold however flagged that inflation risks had not abated and that the fight against inflation wasn't over. This combined with stronger than expected CPI data for the month of July resulted in the market pricing in an increased chance of a near term interest rate hike.

While the headline market figure remained calm, dispersion in sector returns was pronounced. Health Care and Materials were the best performing sectors, up 18.8% and 12.2%, respectively. Health Care sector returns were driven by CSL, which was up 39% in August and is now up 77.6% over the three months to 31 August 2026.

The Materials sector was led by BHP, which increased 9.8% supported by a strong FY26 result and higher than expected dividend. Gold producers were also a key contributor with the gold price surging during the month on continuing concerns about US fiscal deficits and a weakening US dollar.

In contrast, Banks were down 6.7% for the month. Recent interest rate rises and changes to the capital gains tax settings in the Federal budget has weighed on mortgage applications. This has led to a more cautious view on the earnings trajectory for the major banks.

For more information visit our website: afi.com.au

Portfolio facts

Top 25 investments valued at closing prices at 31 August 2026

		Total Value $ Million	% of Portfolio
1	BHP *	1,261.3	12.7%
2	Commonwealth Bank of Australia	784.1	7.9%
3	Macquarie Group *	528.9	5.3%
4	CSL	466.3	4.7%
5	Westpac Banking Corporation	390.7	3.9%
6	National Australia Bank *	388.8	3.9%
7	Transurban Group *	377.4	3.8%
8	Wesfarmers	365.2	3.7%
9	Telstra Group *	347.6	3.5%
10	Rio Tinto	325.5	3.3%
11	Goodman Group *	319.6	3.2%
12	Woolworths Group *	289.6	2.9%
13	ANZ Group Holdings *	286.2	2.9%
14	Woodside Energy Group *	267.4	2.7%
15	Coles Group *	237.2	2.4%
16	ResMed	232.4	2.3%
17	CAR Group	188.6	1.9%
18	Computershare *	169.1	1.7%
19	Mainfreight	133.0	1.3%
20	Fisher & Paykel Healthcare Corporation	130.8	1.3%
21	REA Group	130.1	1.3%
22	ALS	123.2	1.2%
23	James Hardie Industries	114.9	1.2%
24	JB Hi-Fi	114.4	1.2%
25	Evolution Mining	111.0	1.1%
Total		**8,083.3**	
As percentage of total portfolio value (excludes cash)			81.5%

* Indicates that options were outstanding against part of the holding

Investment by sector at 31 August 2026

- Materials 20.6%
- Banks 18.6%
- Industrials 10.7%
- Healthcare 10.6%
- Other Financials 10.0%
- Communication Services 7.7%
- Consumer Discretionary 6.0%
- Consumer Staples 5.3%
- Real Estate 4.2%
- Energy 3.6%
- Information Technology 2.5%
- Cash 0.2%