



Australian United Investment Company Limited

13 April 2026

ASX Announcement

2026 Extraordinary General Meeting (EGM) Chairman's Address and Presentation

In accordance with the ASX Listing Rules, attached for release to the market is the Chairman's Address and presentation slides which will be delivered to shareholders today at the Company's EGM.

Authorised for release by James Pollard, Company Secretary.



Australian United Investment Company Limited

Chairman's Address

Delivered by Mr Charles Goode at the Extraordinary General Meeting of the Company, held at 80 Collins Street, Melbourne and by audio webcast on Monday 13 April 2026 at 12.00pm.

As announced on 30 January this year, AUI and DUI have entered into an implementation deed for a proposed merger to be effected by way of a scheme of arrangement. Under the scheme of arrangement, AUI would acquire all of the shares of DUI it does not own in exchange for the issue of new AUI shares to the shareholders of DUI.

The merger would create a combined entity with approximately \$3 billion pre-tax net tangible assets based on a diversified portfolio of Australian equities and internationally managed funds.

Based on the exchange ratio announced to the ASX on 10th April, if the scheme of arrangement is approved by DUI shareholders and the other conditions precedent are satisfied or waived, eligible DUI shareholders would receive approximately 0.4724 AUI shares for each DUI share held.

This merger represents a natural combination of two long-standing LICs with similar portfolios, objectives and investment philosophies. We see the benefits from the companies coming together as including:

- The increased size of the combined entity, with a market capitalisation of approximately \$2.4B, is expected to lead to increased liquidity and may lead to a reduction in the trading discount of the share price to Pre-tax NTA,
- Increased flexibility in managing a larger combined investment portfolio
- Cost savings, estimated at \$700,000 or 21% of the pre-merger combined annual cost base, and
- In the absence of unforeseen circumstances, AUI is expected to maintain its current fully franked annual dividend of 37 cents per share, and for each of the next four years its special dividend of 8 cents per share.

The AUI Board have also considered potential disadvantages and risks to AUI shareholders of the merger, which are set out in the slide presented and also in the Notice of Meeting. On balance, the Directors of AUI consider that the benefits to AUI shareholders outweigh the potential disadvantages and risks.

The proposed merger has the strong support of AUI's largest shareholder, The Ian Potter Foundation (or IPF), which is also the largest shareholder in DUI. To ensure that AUI is in a strong position in relation to the merger, IPF has granted an option by which AUI may acquire additional DUI shares from IPF if a competing proposal for DUI is made by a third party, subject to the terms of the option. If the option is exercised, AUI will issue shares to DUI as consideration, which is the same consideration issued under the scheme.

Because of IPF's ownership position in AUI, shareholder approval is required under the ASX Listing Rules and Corporations Act in relation to the proposed merger and the potential exercise of the option agreement. Three resolutions will be presented at today's meeting seeking these approvals.

The Board unanimously recommends shareholders vote in favour of each resolution, the reasons for which are set out in the Notice of Meeting.

Lonergan Edwards & Associates Limited were appointed as independent expert to provide an opinion on the three resolutions being presented today. The independent expert has determined that:

- AUI's acquisition of shares in DUI held by IPF pursuant to the merger is fair and reasonable;
- AUI's acquisition of certain shares in DUI held by, and issue of shares to, IPF under the option agreement is fair and reasonable; and
- IPF's acquisition of shares in AUI in excess of its 3% creep capacity under the option agreement is not fair, but reasonable.

While the assessment of the share issue under Resolution 3 results in a "not fair" conclusion as a consequence of the assessment method required by ASIC policy, the independent expert acknowledges that the exercise of the option, and the consequent issue of AUI shares to IPF, is not expected to result in any meaningful change in IPF's practical control of AUI. Noting this, and other advantages to AUI of the option, the independent expert considers the issue of shares to be reasonable in these circumstances.

Should the conditions precedent to the merger be met, the indicative timetable for implementation of the Scheme is as presented in the slides. The indicative effective date of the Scheme is 21st April 2026, with newly issued AUI shares to commence normal trading on the ASX on 1st May 2026.

This is an exciting new chapter for AUI, and we thank you for your continued support.



Australian United Investment Company Limited

Extraordinary General Meeting

Monday, 13 April 2026

Disclaimer

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This document is not an offer for issue or sale, or a recommendation of any financial product and is not intended to be relied on by investors in making an investment decision. Past performance is not a reliable indicator of future performance. Before acting on anything that any investor may interpret as advice, they should consider the appropriateness of that interpretation and advice having regard to their objectives, financial situation, and needs.

Proposed merger - Overview

As announced on 30 January 2026, AUI and DUI have entered into an implementation deed for a proposed merger to be effected by way of a scheme of arrangement.

- Under the scheme of arrangement, AUI would acquire all of the shares of DUI it does not already own in exchange for the issue of new AUI shares to the shareholders of DUI.
- The merger would create a combined entity with **approximately \$3 billion net tangible assets** based on a diversified portfolio of Australian equities and internationally managed funds.
- If the scheme of arrangement is approved by DUI shareholders and the other conditions precedent are satisfied or waived, eligible DUI shareholders will receive approximately 0.4724 AUI shares for each DUI share held.

Benefits and Disadvantages

Expected benefits for AUI shareholders:

- ✓ Increased size of the combined entity (market cap approx. \$2.4B) expected to lead to increased liquidity and may lead to a reduction in the trading discount;
- ✓ Increased flexibility in managing a larger combined investment portfolio;
- ✓ Costs savings, estimated at 21% of the pre-merger combined annual cost base; and
- ✓ AUI's current fully franked dividend of 37 cents per share, and a special fully franked dividend of 8 cents per share for the next four years, are expected to be maintained in the absence of unforeseen circumstances.

Potential disadvantages and risks:

- × Existing holdings in AUI will be diluted;
- × Integration of the two companies may be more difficult than anticipated and estimated cost savings may not be realised;
- × Some AUI shareholders may not wish to be exposed to DUI's international investments; and
- × Transaction costs of \$3.1M are expected to be incurred by AUI and DUI if the merger is implemented.

IPF and Resolutions

Merger of AUI and DUI is supported by The Ian Potter Foundation (IPF)

- IPF is the largest shareholder in both AUI and DUI
- To ensure that AUI is in a strong position in relation to the merger, IPF has granted an option by which AUI may acquire additional DUI shares from IPF if a competing proposal for DUI is made by a third party, subject to the terms of the option.

Due to IPF's ownership position in AUI, shareholder approval is required in relation to AUI's acquisition of DUI shares held by IPF and the issue of new AUI shares to IPF under the merger and the option agreement. Three shareholder resolutions are presented today seeking this approval.

The Board of AUI unanimously recommends shareholders vote in favour of each resolution, the reasons for which are set out in the Notice of Meeting.

Independent Expert

In relation to each Resolution, the Independent Expert has determined as follows:

Item of Business	Opinion
Resolution 1: acquisition of shares in DUI held by IPF pursuant to merger	Fair and reasonable
Resolution 2: acquisition of certain shares in DUI held by, and issue of shares to, IPF under option agreement	Fair and reasonable
Resolution 3: acquisition of shares in AUI in excess of 3% creep capacity under option agreement	Not fair, but reasonable

Timeline

If approved by the required majorities of DUI shareholders at the DUI scheme meeting scheduled on 16 April 2026, and the other conditions precedent are satisfied or waived, the indicative timetable for implementing the scheme is as follows:

Events	Time and date
Second Court Date	Monday, 20 April 2026
Effective Date, last day of trading in DUI shares	Tuesday, 21 April 2026
New AUI Shares commence trading – deferred settlement	Wednesday, 22 April 2026
Scheme Record Date	7.00pm, Thursday, 23 April 2026
Implementation Date for proposed merger	Thursday, 30 April 2026
New AUI Shares commence trading – normal trading	Friday, 1 May 2026

Resolution 1

Acquisition of shares in DUI held by IPF pursuant to merger

For the purposes of ASX Listing Rule 10.1 and for all other purposes, the Company's acquisition of shares in Diversified United Investment Limited held by The Ian Potter Foundation Limited pursuant to the proposed merger with Diversified United Investment Limited as described in the notice convening this meeting is approved.

Proxy and direct votes received prior to the meeting are as follows:

For	Open	Against	Abstain
25,864,670	738,938	361,683	20,445
95.92%	2.74%	1.34%	

Resolution 2

Acquisition of certain shares in DUI held by, and issue of shares to, IPF under option agreement

For the purposes of ASX Listing Rules 10.1 and 10.11 and for all other purposes, the Company's acquisition of certain shares in Diversified United Investment Limited held by, and issue of shares to, The Ian Potter Foundation Limited under the option agreement between the Company and The Ian Potter Foundation Limited as described in the notice convening this meeting is approved.

Proxy and direct votes received prior to the meeting are as follows:

For	Open	Against	Abstain
25,240,193	859,154	855,329	24,589
93.64%	3.19%	3.17%	

Resolution 3

Acquisition of shares in AUI in excess of 3% creep capacity under option agreement

For the purposes of section 611, item 7 of the Corporations Act and for all other purposes, The Ian Potter Foundation Limited's acquisition of shares in the Company in excess of its 3% creep capacity under the option agreement between the Company and The Ian Potter Foundation Limited as described in the notice convening this meeting is approved.

Proxy and direct votes received prior to the meeting are as follows:

For	Open	Against	Abstain
25,236,051	856,013	861,366	25,835
93.62%	3.18%	3.20%	



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Extraordinary General Meeting

Monday, 13 April 2026