



Australian United Investment Company Limited

15 October 2026

ASX Announcement

2026 Annual General Meeting (AGM) 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 2026 AGM.

Authorised for release by James Pollard, Company Secretary.



Australian United Investment Company Limited

Chairman's Address

Delivered by Mr Charles Goode at the 72nd Annual General Meeting of the Company,
held at 171 Collins Street, Melbourne and by audio webcast
on Thursday 15th October 2026 at 11.00am

Your Company was listed in 1974, 52 years ago. The Company's investment objectives are to:

1. Maintain the Company's diversified investment portfolio with a view to providing long-term capital and income appreciation;
2. Appropriately manage risks and identify market opportunities as they arise; and
3. Focus on after-tax returns and provide sustainable dividend income to our shareholders.

Our investment preference remains towards quality companies: those with capable management, strong long-term prospects within their industry and a proven dividend paying record. Following the merger with DUI, our investment strategy has been extended to include a modest allocation to international equities, primarily through managed funds and exchange traded funds.

This investment strategy has proven itself over time, with the portfolio outperforming the index over the long term. We will continue with this strategy – to look through short-term market volatility and to remain invested in resilient quality companies.

For the financial year ended 30 June 2026, the Company reported profit after tax of \$220.4 million, compared with \$49.9 million in the previous year. The substantial increase was principally due to one-off merger-related accounting items and is therefore not representative of the Company's underlying earnings.

Following the merger with Diversified United Investment Limited on 30 April 2026, the Group recognised a gain on acquisition of \$159.9 million. This arose principally from the reset in the tax cost base of DUI's investment portfolio that occurred when AUI and DUI formed a tax consolidated group. This was a non-cash, non-recurring accounting gain and did not represent operating income earned from the investment portfolio. In addition, transaction costs of \$0.7 million after tax were expensed, resulting in net merger-related items of \$159.2 million.

Notably, the tax cost base uplift resulting from the formation of the tax consolidated group also reduced the deferred tax liability associated with the acquired DUI portfolio. While this

uplift was recognised through the gain on acquisition in the current year, it also provides an ongoing improvement in the post-tax value of the combined portfolio.

Excluding merger related items and special income, underlying profit after tax was \$59.3 million, an increase of 19.9% on the previous year's profit of \$49.5 million. This increase largely reflects the income earned from the larger combined investment portfolio following completion of the merger.

To provide an indication of the performance of the AUI portfolio, if the contribution and transaction effects of the merger are excluded, AUI's estimated standalone profit after tax would have been around \$51.7 million, an increase of 3.6% compared with the prior year, and earnings per share would have been around 41.7 cents, an increase of 3.7% compared with the prior year.

A fully franked final dividend of 28 cents per share was paid in September, comprising an ordinary dividend of 20 cents per share and a special dividend of 8 cents per share. Together with the interim dividend of 17 cents per share, total dividends declared for the year were 45 cents per share fully franked.

The special dividend is sourced from retained earnings accumulated over prior years, principally from special dividends received from investee companies. The Directors consider that, in the absence of unforeseen circumstances, the Company has sufficient franking credits and profit reserves to support an 8 cent fully franked special dividend for each of the next three years.

AUI has maintained or increased its dividends paid per share every year since 1994 and remains focused on providing shareholders with reliable fully franked income.

As announced today, the Board has resolved to move from a half-yearly dividend payment cycle to quarterly dividend payments. The change will apply from the 2027 financial year, with the first quarterly dividend expected to be paid in December 2026 in respect of the quarter ended 30 September 2026.

The Board considers that quarterly dividend payments would be of benefit to some shareholders by providing a more frequent income stream.

The change relates only to the timing and frequency of payments. It does not represent a change in AUI's dividend policy or the total dividends expected to be paid.

Quarterly dividends for the 2027 financial year are expected to be paid in line with the table set out in the slides. The Dividend Reinvestment Plan will continue to apply to each quarterly dividend.

The merger with Diversified United Investment Limited was successfully implemented on 30 April 2026 and has created a substantially larger listed investment company. At 30 September 2026, the combined portfolio had a market value of approximately \$3.1 billion, and the Company had a market capitalisation of approximately \$2.6 billion.

The merger has delivered a number of important benefits. It has increased the scale of the Company, which has improved liquidity in AUI shares on the ASX. It has also further diversified the portfolio through the introduction of exposure to international equities. It is also expected to reduce the combined ongoing administration costs through the removal of duplicated expenses.

The merger has also resulted in an uplift in the tax cost base of DUI's investment portfolio on entry into the AUI tax consolidated group. This reduced the unrealised tax liability associated with those investments and increased the post-tax asset backing of the combined company.

The Board subsequently reviewed the Company's investment strategy and adopted an international investment policy. At 30 September 2026, international equities represented 10.5% of the portfolio and were invested across a range of developed markets, specialist sectors and emerging market exposures.

Following the transfer of DUI shareholder records to the AUI share register, we have been made aware that certain shareholder details were unable to be transferred automatically to the new holdings, including Dividend Reinvestment Plan participation elections and in some cases bank account details. We request that all shareholders ensure that these details are accurate and up to date. We are working closely with our share registry to assist affected shareholders and will be contacting them directly to facilitate the update of their details.

Group expenses excluding finance and non-recurring costs remained low at 0.09% of the average market value of the investment portfolio. Including the management fees of the international funds in which the Company invests, the expense ratio was 0.10%. Borrowing facilities totalled \$225 million, of which \$70 million was drawn at year end.

The composition of the portfolio by sector at 30 September is as shown in the slides. The diversified portfolio comprises 37 Australian companies across a range of sectors, together with an international equities portfolio invested through six exchange traded funds and one unlisted managed fund.

A full list of the Company's investments at 30 June 2026 can be found at the end of the Annual Report.

Our largest acquisitions and disposals during the previous financial year were as shown in the slide.

Since 30 June 2026, we have increased our holdings in ResMed, Stockland and TPG Telecom, sold our holding in ASX and reduced our holding in Transurban.

The performance of an investment in AUI based on Net Tangible Asset backing per share, and separately on share price, assuming all dividends were reinvested, compared with the S&P/ASX 200 Accumulation Index over the one, three, five and ten year periods is shown on the slide.

For the year ended 30 June 2026, the Company's Pre-tax NTA accumulation return was 9.5%, outperforming the S&P/ASX 200 Accumulation Index return of 6.1%. Relative performance was assisted by overweight positions in Rio Tinto, Newmont and Computershare, together with the contribution from international equities following the merger with DUI. Performance was held back by overweight holdings in ResMed, CAR Group and CSL.

The Company's on-market share buyback has continued. During the financial year, approximately 1.2 million shares were purchased and cancelled at a cost of \$12.9 million. Purchasing shares at a discount to NTA increases the NTA backing attributable to the remaining shares on issue. We have since recommenced the buyback after our results announcement and DRP pricing period, having bought approximately 896,000 shares at a cost of \$10.6 million this financial year.

The discount at which many listed investment companies trade relative to their underlying asset backing continues to be a challenge across the industry. We have observed a widening in the discount to NTA across many Listed Investment Companies since the early part of this year. This trend has been particularly evident in the UK, although less pronounced in North America, as illustrated in the charts in the slides. Recent trends suggest that discounts have narrowed over the last month or two in the UK and Australia.

We continue to promote the Company's long record of fully franked dividends, low management costs and investment performance. In addition, the Company remains committed to the special dividend program for the next three years and to undertaking buybacks when they are considered beneficial for shareholders.

The chart on the slide shows the variation in the discount the shares have traded to the Pre-tax Net Tangible Asset backing since 1997. Over time, AUI shares have tended to outperform the broader market during periods of market stress, reflecting the defensive qualities of the portfolio.

We have been very disappointed that AUI shares were in the early part of this calendar year trading on the ASX at an 18% to 20% discount to the Pre-tax net tangible asset backing per share.

We are taking action to seek to address this discount through:

1. More regular contact with shareholders, brokers and financial advisers to make them more aware of the advantages of investing in listed investment companies which include the convenience of having one investment which covers an investment in say 30 leading listed Australian companies; regular and reliable franked dividends; some capital gains tax advantages as against holding a portfolio of shares in a person's individual name; and in the case of AUI performance above the ASX 200 Index.
2. Continuation of the on-market buyback program under which the Company buys its own shares in the market during unrestricted periods.
3. Special franked dividends out of retained profits.
4. A move to the payment of quarterly dividends.
5. Seeking to employ an executive to undertake marketing and communications with shareholders, brokers, and financial advisers.
6. Adding the lowering of the share price discount to pre-tax net tangible backing per share to the criteria against which we assess the Board's performance.

The discount to Pre-tax NTA of the Company and its peers has improved recently, as shown by the chart in the slides.

As part of our ongoing investment management process, the Board regularly engages with companies in which we invest. During the financial year, we held 41 meetings with management or representatives of current or potential investee companies. We also believe that exercising our voting rights at investee company meetings is an important responsibility as stewards of shareholders' capital. During the year, we voted at 32 shareholder meetings and voted against Board recommendations at five of those meetings.

Outlook

There have been for centuries different views as to whether a society based on a private enterprise market economy is better for the social and economic life of citizens than an autocratic, centralised and government planned society.

For most of us, we feel the evidence favours the market economy. However, going forward this is not so clear from a purely economic perspective, as regulations are forcing the market economy to go into battle with one arm tied behind its back. Regulation is strangling the free-market economy championed by Adam Smith and giving us a sclerotic economy.

On the world scene, we are worried by the wars in Gaza and Ukraine, and tensions involving Iran, all of which seem to have reached a stalemate, with resolutions difficult to

foresee. Also to be considered are increased isolationism, self-sufficiency, tariffs, nationalism, the various impacts of Artificial Intelligence, high energy costs, and rising bond yields.

In Australia, there has been a change over time in the commercial environment to one that has a greater reliance on government, is more costly and that forces new developments to be acrobatic in going through regulatory loops rather than an environment that welcomes and encourages entrepreneurship. A possible exception is young people starting up in the technology area where growth is so fast that regulations have not been able to keep up with the developments in the industry. However, this is now at risk with the changes to capital gains tax.

Our economy is a mixture of the private sector and government, and our chef is putting too much government ingredient in the mix for it to deliver an improvement in productivity.

The overall result is a larger government sector, increased regulation, burgeoning welfare, government deficits and increased debt, inflation, higher interest rates, little productivity, and a stagnant standard of living. We have a large sector of our economy not subject to import competition and with union monopolistic power over the labour. This sector contains our most unproductive areas. Our standard of living may on average be satisfactory, but it is sad that we are not fulfilling the potential that this wonderful country of Australia offers. The book "Cry the Beloved Country" was written about South Africa but for very different reasons the title aptly applies to Australia.

The costs imposed on the economy are clearly illustrated by Snowy Hydro 2.0, the Suburban Rail Loop project in Victoria and the rising cost of transmission lines to bring renewable energy to market. Our economy is bending under the weight of government involvement.

We should be wary of elections in which government gives us more gifts when we know these gifts will need to be funded by increased taxation either directly or through inflation.

It is not so much the particular policies of the Government but the overall approach that inhibits the development of an imaginative and innovative environment. We need to move from a heavily regulated environment to an entrepreneurial environment. We need to move from a complacency to a can-do mentality.

Ronald Reagan said of government policy that if it saw something move then tax it, if it continued to move then regulate it, and if it stopped moving then subsidise it. Our government states that it is moving to renewable energy because it will be cheaper but if you are a refinery or smelter that uses a lot of energy then you will receive a subsidy.

Workers want wage increases but without productivity this just leads to inflation. We know what is needed to improve our productivity. It can be achieved through smaller government, less regulation, better and simpler industrial relations, and an environment which encourages new investment. Our economy needs radical reform, but it seems we need a crisis for us to embrace the needed reforms.

Ultimately, if Australia is to improve its standard of living, it must lift productivity through greater efficiency, investment, innovation and a stronger can-do culture. That task will be made easier if governments can reduce their appetite for spending. One is tempted to suggest that a course of Ozempic might be in order.

The above environment explains why we remain cautious about the Australian share market which is near historically high levels.

While our investment philosophy tends to focus more on value and dividend yield, we also seek growth, but we are finding it difficult to find growth sectors of the economy other than the government, aged care, retirement villages, health, mining and technology.

On technology, it is difficult to assess the prospects of the companies most of which do not pay dividends, and our exposure is through \$90 million in a US technology ETF. We have a modest investment in PEXA and the proposed changes to its regulated prices illustrate a lack of understanding by the public servants of this sector and the risk involved in developing new technology. In PEXA we have a company where the shareholders have invested for 15 years without a dividend while the technology was being developed. State Governments sold their shares several years ago and now propose to regulate the company in a way that more than halves the value of the regulated asset from the price the State Governments received for that asset. Robert Gottlieb in *The Australian* on Tuesday, 15 September exposes this lack of understanding of technology by governments and the proposed non-commercial regulation.

In summary, we are wary of world geopolitical tensions, the concentration on artificial intelligence in respect to new investment projects and the resulting concentration on particular companies in the share market. We see higher inflation arising from increased energy prices and larger government expenditure leading to higher interest rates.

While we are uncertain as to the duration of the current share market strength, we have reduced our debt, and we do not currently envisage any significant further changes in the composition of our portfolio. We see a broadly steady income year and the maintenance of our current ordinary franked dividend of 37 cents a share and an 8 cent franked special dividend.



Australian United Investment Company Limited

2026 Annual General Meeting

Disclaimer

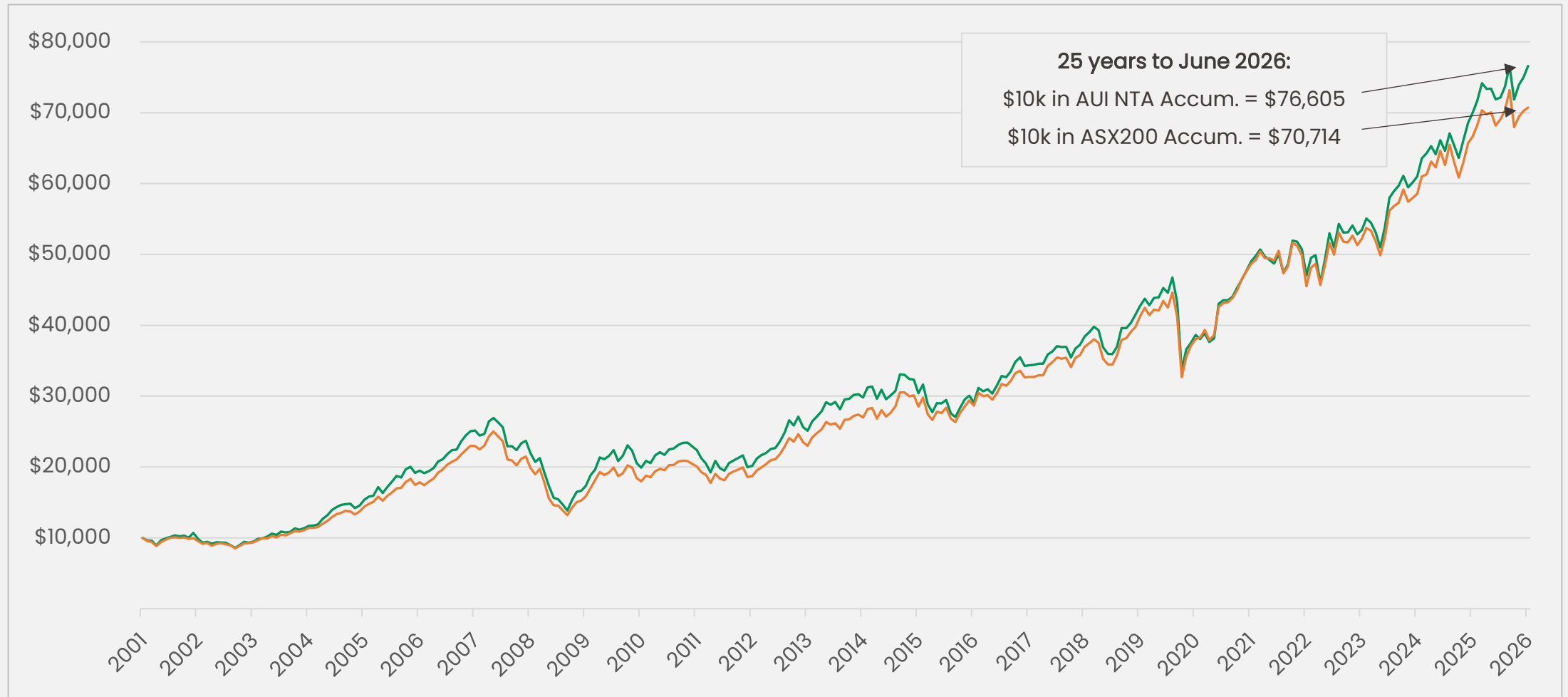
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Investment Objectives

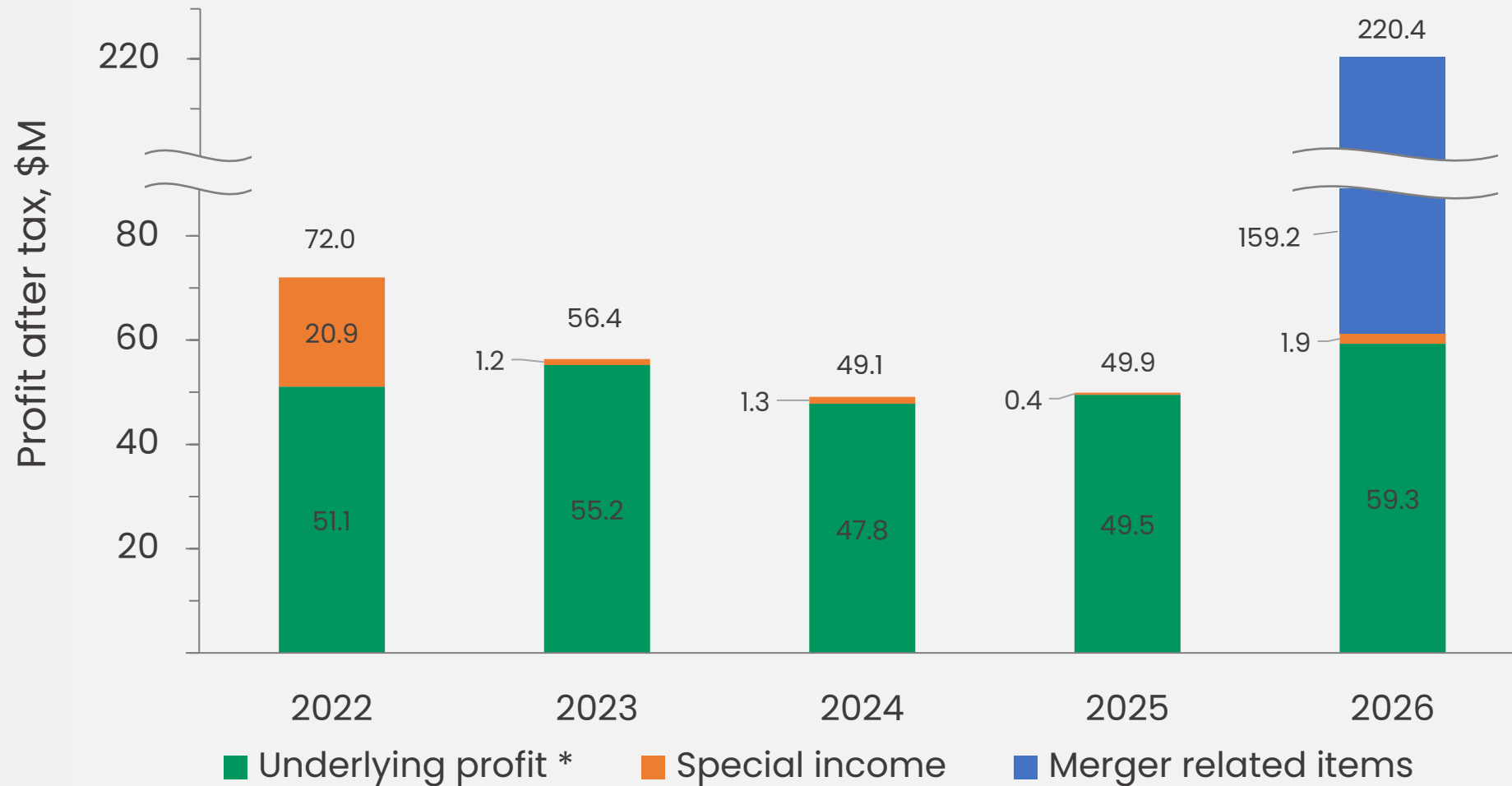
- To create and maintain a diversified portfolio of quality Australian companies, primarily through shares listed on the ASX, as well as an international investment portfolio, held mainly through international managed funds, to an agreed minority percentage of the portfolio, with the overall investment portfolio being held with a medium to long term view of providing income and capital appreciation;
- To manage the portfolio to monitor and reduce risks and identify market opportunities as they arise; and
- To provide dividend income to shareholders which is sustainable over the long-term, maintaining full franking when possible.

Strong Long-term Performance



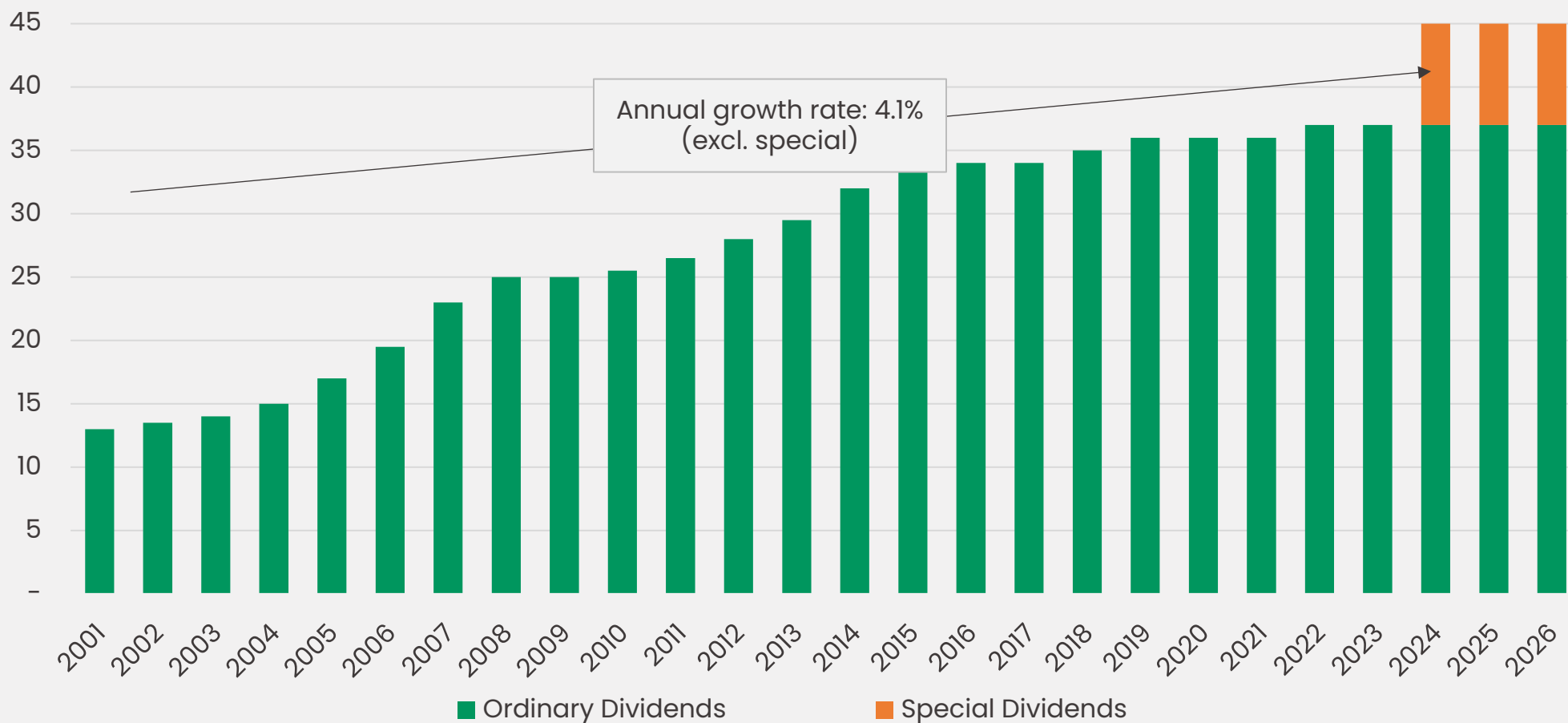
Source: Company data, IRESS

Profit after tax



* Statutory profit less special income and merger related items.

Dividends Paid



As announced on 20 August 2026, AUI intends (subject to unforeseen circumstances) to declare an annual special dividend of eight cents per share in each of the next three years.

Quarterly Dividend Payments

- AUI will move from half-yearly to quarterly dividend payments from FY2027.
- The first quarterly dividend is expected to be paid in December 2026, in respect of the quarter ended 30 September 2026.
- No change to AUI's dividend policy or the total dividends expected to be paid.
- The Dividend Reinvestment Plan will continue to apply to each quarterly dividend.

Proposed FY2027 dividend timetable:

Dividend for the quarter ending	Expected amount, cents per share fully franked *	Expected payment timing
30 September 2026	9 cents ordinary	December 2026
31 December 2026	9 cents ordinary	March 2027
31 March 2027	9 cents ordinary	June 2027
30 June 2027	10 cents ordinary plus 8 cents special	September 2027

* Amounts are indicative only and based on the FY2027 dividend outlook announced on 20 August 2026. The declaration and amount of each dividend remain subject to Board approval.

Merger with DUI

Successfully implemented 30 April 2026

At 30 September 2026

Portfolio value	Market capitalisation	International portfolio
\$3.1 billion	\$2.6 billion	10.5%

Benefits of the merger

Increased scale

Portfolio diversification

Reduction in operating costs

Improved liquidity

Increase in post-tax NTA

Merger with DUI

Shareholder details

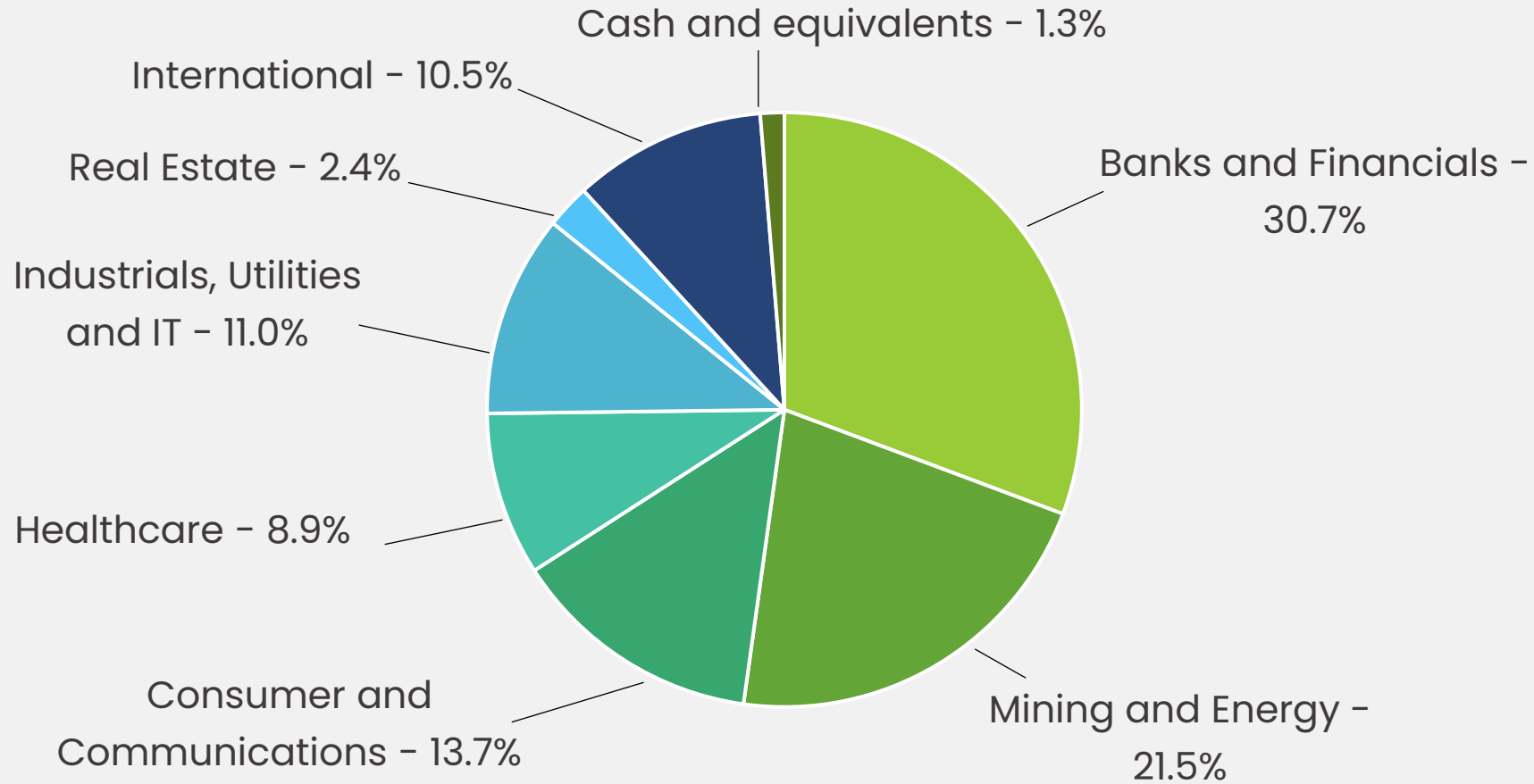
- Details of a number of former DUI shareholders were not able to be transferred to their new AUI shareholdings, including:
 - Bank account details, and
 - DRP participation elections.
- AUI recognises the importance of accurate shareholder records and is working with its Share Registry, MUFG, and those affected to ensure their details are updated.
- Affected shareholders will be contacted directly.

At 30 June 2026

	FY26	FY25
Operating expenses	0.09%	0.10%
– including managed fund fees	0.10%	0.10%
Bank borrowing facilities	\$225M	\$145M
Bank borrowings drawn	\$70M	\$25M
Net debt / portfolio ex-cash	0.7%	0.8%

Sector Allocations

As at 30 September 2026



Portfolio Transactions

During the year to 30 June 2026

Largest acquisitions:

New investments in Dexus, TPG
Telecom

Addition to holdings in Macquarie,
Northern Star and Origin Energy

Largest disposals:

Sale of holding VanEck Gold Miners ETF

Reduction of holdings in
Commonwealth Bank, Santos, Worley
and Northcape Capital Global
Emerging Markets Fund

Transactions since 30 June 2026

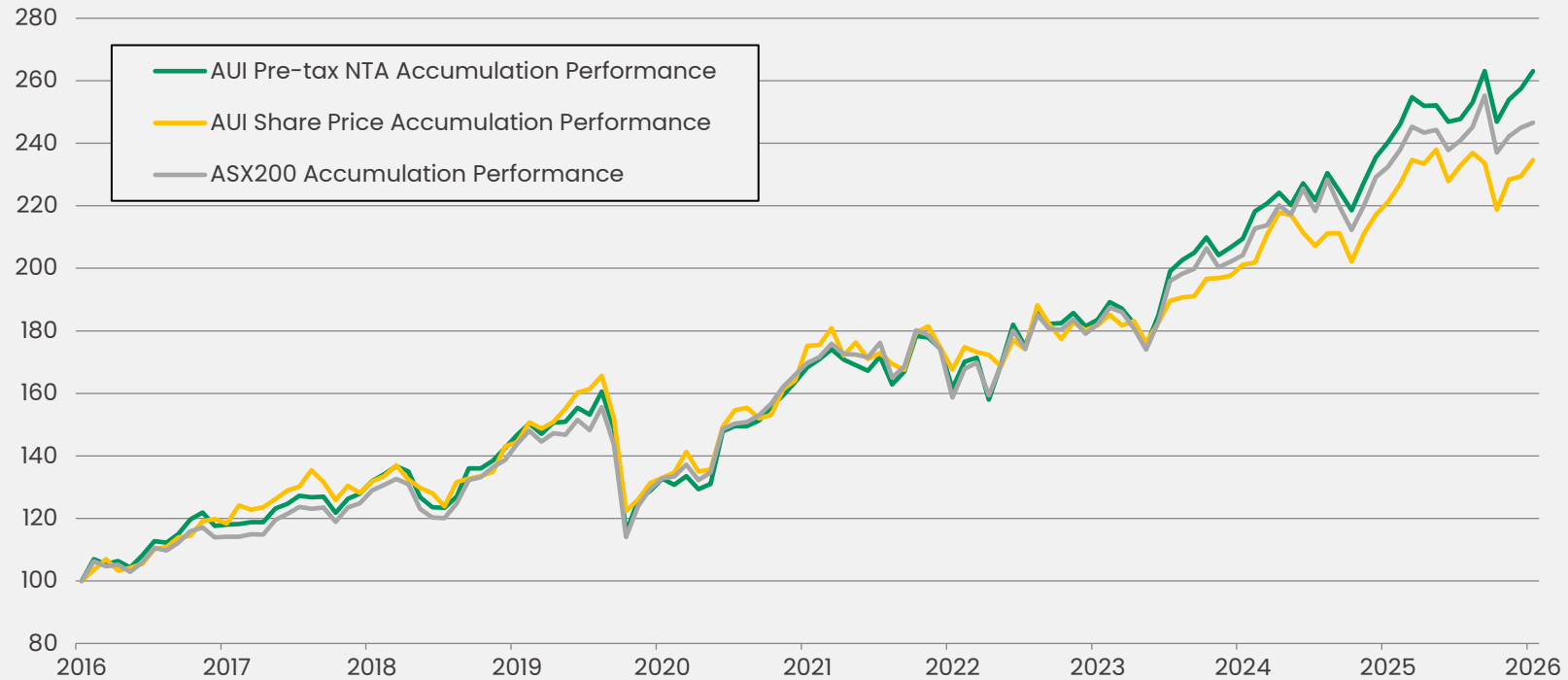
Addition to holdings in ResMed, Stockland and TPG Telecom

Sale of holding in ASX

Reduction of holding in Transurban

NTA Accumulation Performance

10 years to 30 June 2026



Source: Evans and Partners

	1 year	3 years	5 years	10 years
AUI Pre-tax NTA Accum. % p.a.	9.5	12.8	9.3	10.2
AUI Share price Accum. % p.a.	6.1	8.9	6.0	8.9
S&P/ASX200 Accum. Index % p.a.	6.1	10.6	7.8	9.4

On-market Share Buyback

During the year to 30 June 2026

Shares bought back

1,166,405

Total spent

\$12.9 million

Since 30 June 2026 *

Shares bought back

895,513

Total spent

\$10.6 million

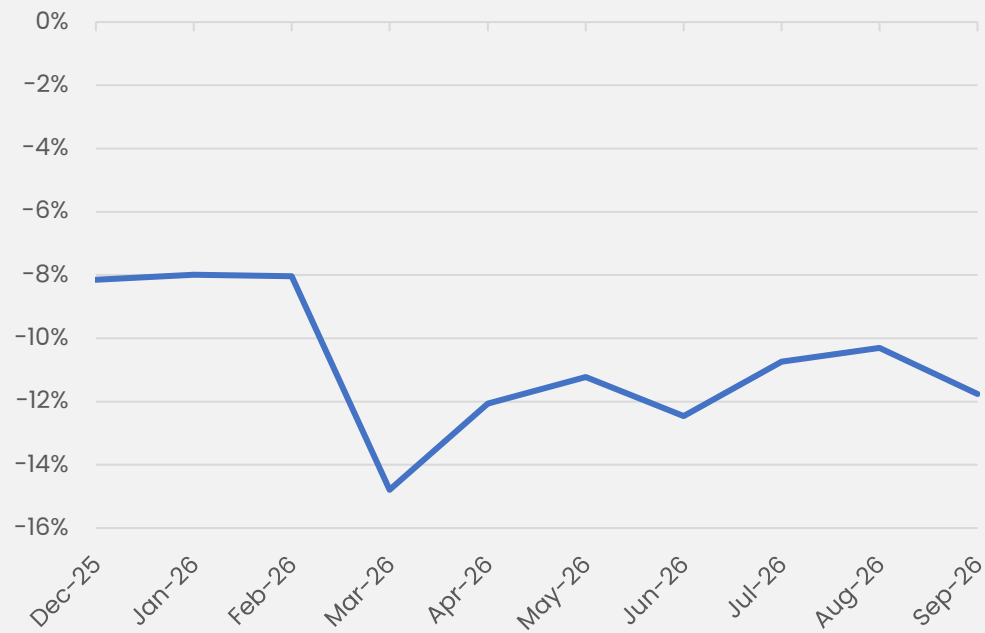
* To 9 October 2026.

Discount to NTA

UK

Association of Investment Companies (AIC)

Industry average discount, monthly

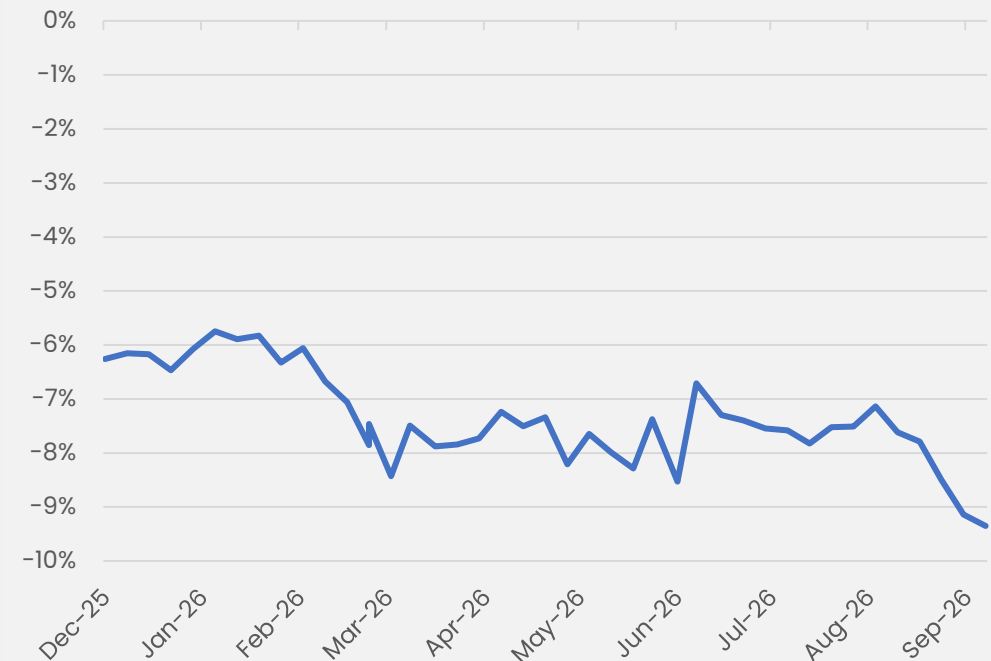


Source: www.theaic.co.uk

North America

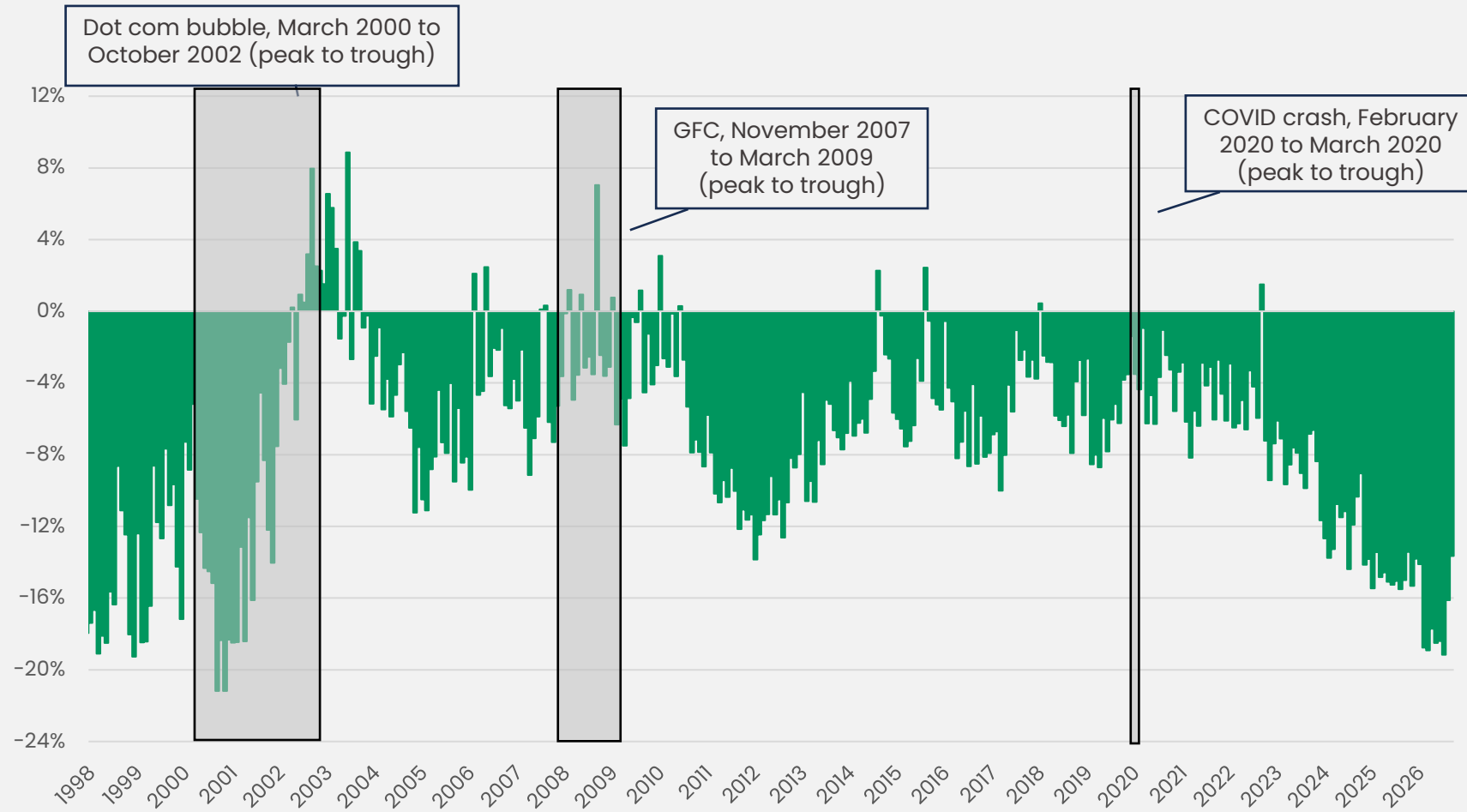
Closed-End Fund Association (CEFA)

Closed-End Equity Funds - Average discount, weekly



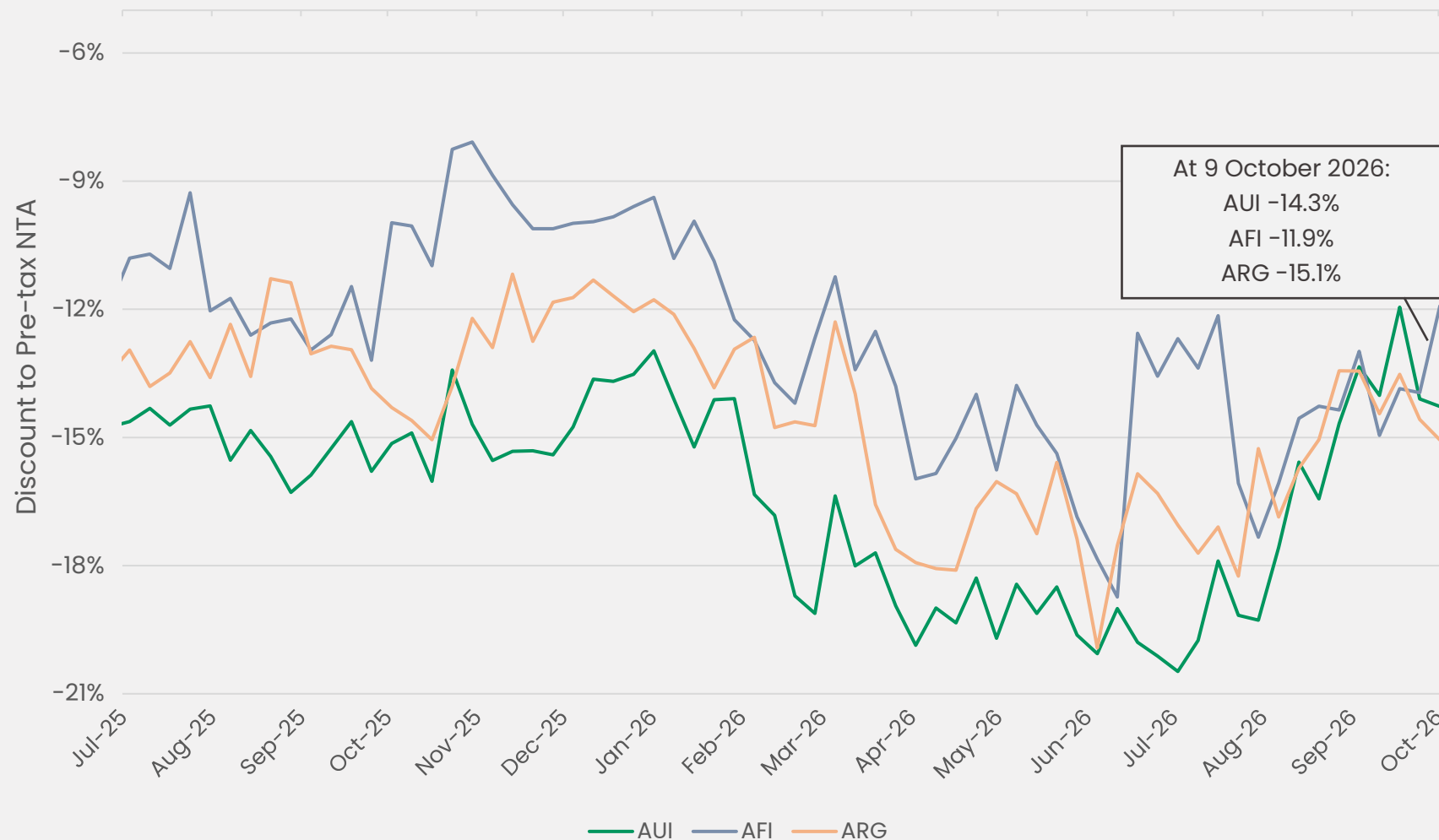
Source: www.CEFA.com

Discount to NTA



Source: Company data, IRESS

Discount to NTA



Source: Company data,
Weekly NTA ASX announcements, IRESS



Australian United Investment Company Limited

2026 Annual General Meeting

Resolution 2

Remuneration Report

That the Remuneration Report that forms part of the Directors' Report for the Company for the financial year ended 30 June 2026 be adopted.

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

For	Open	Against	Abstain
99,169,544	1,255,241	4,718,140	355,307
94.32%	1.19%	4.49%	

Resolution 3

Election of Mr Mark Freeman

That Mr Robert Mark Freeman, having been appointed as a Director of the Company since the last Annual General Meeting and, being eligible, offering himself for election, be elected as a Director of the Company.

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

For	Open	Against	Abstain
101,618,869	1,252,432	4,280,320	198,518
94.84%	1.17%	3.99%	

Resolution 4

Re-election of Mr Fred Grimwade

That Mr Frederick Sheppard Grimwade, a Director retiring by rotation in accordance with clause 65 of the Constitution and, being eligible, offering himself for re-election, be re-elected as a Director of the Company.

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

For	Open	Against	Abstain
102,032,415	1,247,112	3,859,751	198,518
95.23%	1.16%	3.60%	

Resolution 5

Increase in Non-Executive Directors' Fee Limit

That, for the purposes of Clause 68.1 of the Constitution and Listing Rule 10.17, the maximum amount that may be paid to Directors as a whole in respect of their services in any year is increased from \$800,000 to \$1,000,000.

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

For	Open	Against	Abstain
97,924,425	1,244,612	5,985,635	350,207
93.12%	1.18%	5.69%	



Australian United Investment Company Limited

2026 Annual General Meeting