



Half-Year Results

Financial Year 2025/26

A Focused Portfolio of Australian
and New Zealand Companies

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Mark Freeman

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Andrew Porter

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Mark Freeman

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Our Purpose and Approach

The Key Attributes of AMCIL



Focused portfolio invested in quality companies where holding size is not determined by the index weighting, but rather seeking structured compounders



Alignment of interests

- ✓ Comparatively low management cost
- ✓ No performance fees
- ✓ Equity ownership by directors and staff



Tax effectiveness from a low turnover, long term investment approach

A Closer Look at AMCIL's Investment Approach

Attributes of a high-quality company that we seek:

- Unique assets that are hard to replicate or have an Industry leadership position (or developing one)
- Sustainability of competitive advantage
- Not unduly burdened by external risk factors
- Conservative balance sheets (low debt)
- Consistency of earnings
- Run by effective, passionate management with ownership alignment

Why this matters:

- The presence of these factors drives a competitive advantage
- Which leads to a high return on capital
- And allows for reinvestment opportunities to drive growth
- Which allows for market share capture – and further enhancement of leadership position
- Which combines to deliver long term shareholder value creation through growing compounding profits

Ability to grow profits over the long-term

We seek to buy these companies when we identify long term value and reduce or exit when they no longer meet these characteristics.



Half Year in Summary

Half Year in Summary

2025

Profit for the Half-Year

\$4.1m

\$3.6m in 2024

2025

Management Expense Ratio (Annualised)

0.43%

0.53% in 2024

Fully Franked Interim Dividend Per Share

1.0¢

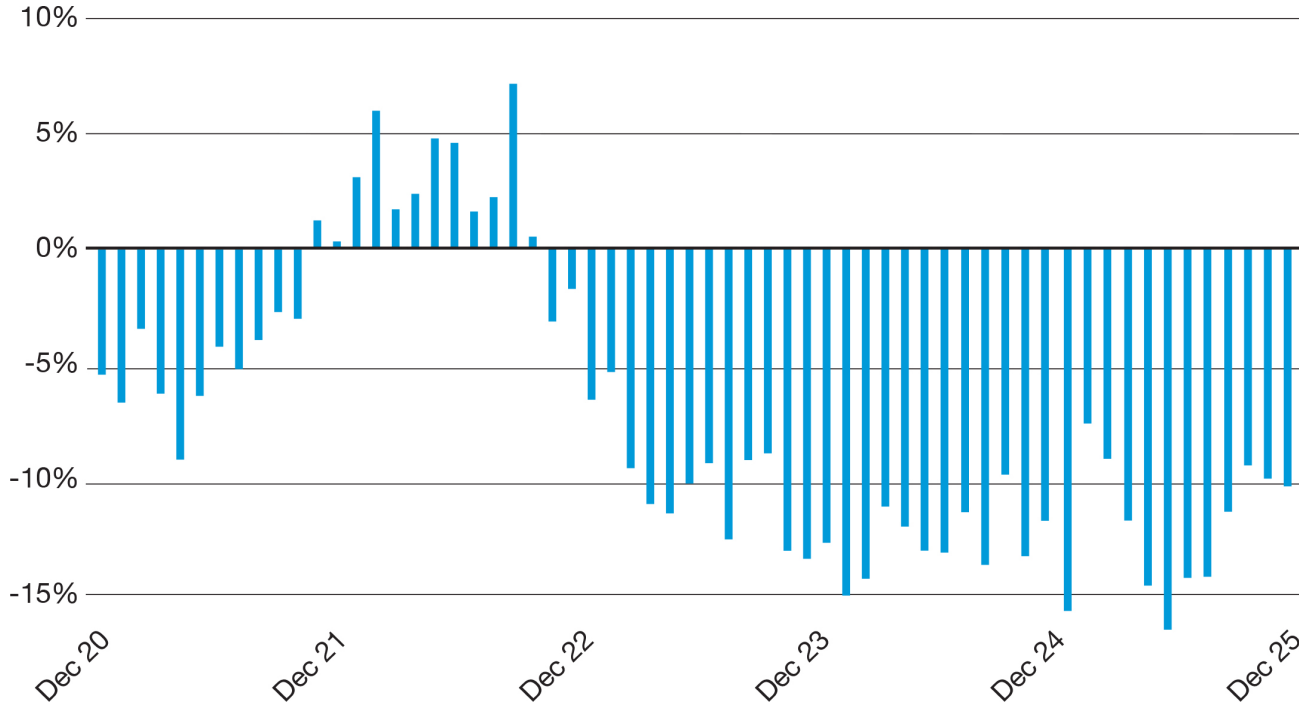
1.0 cent in 2024

Total Portfolio

\$357.8m

Including cash at 31 December. \$423.1 million in 2024

Share Price Relative to Net Tangible Assets (NTA)



31 December 2025

NTA: **\$1.12**

Share price: **\$1.01**

Equity Market Conditions



Market Conditions

Considerable geopolitical tension.

Market valuations appear full.

To date economic conditions have been resilient.

Tariffs continue to create uncertainty in the near-term outlook.

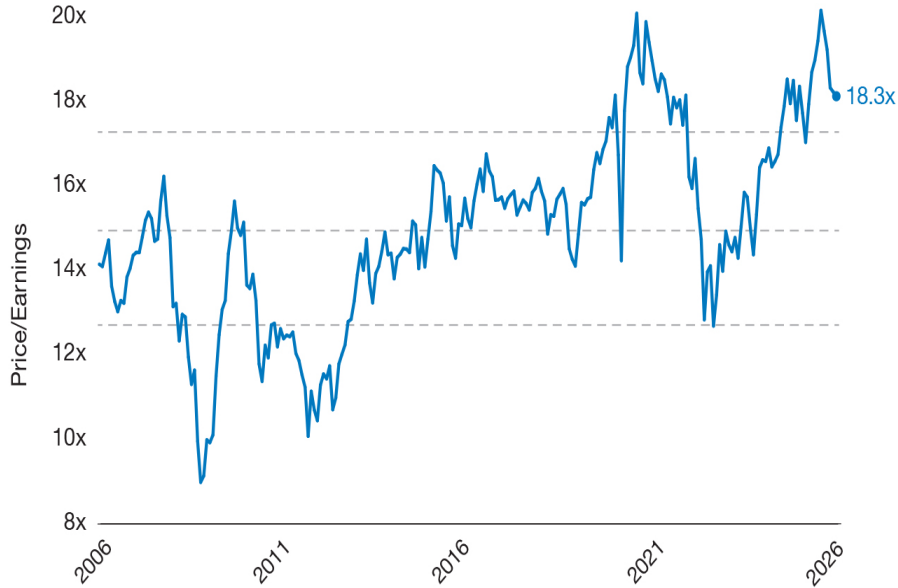
US Political environment.

Resources boom – Gold/Silver Price particularly strong.

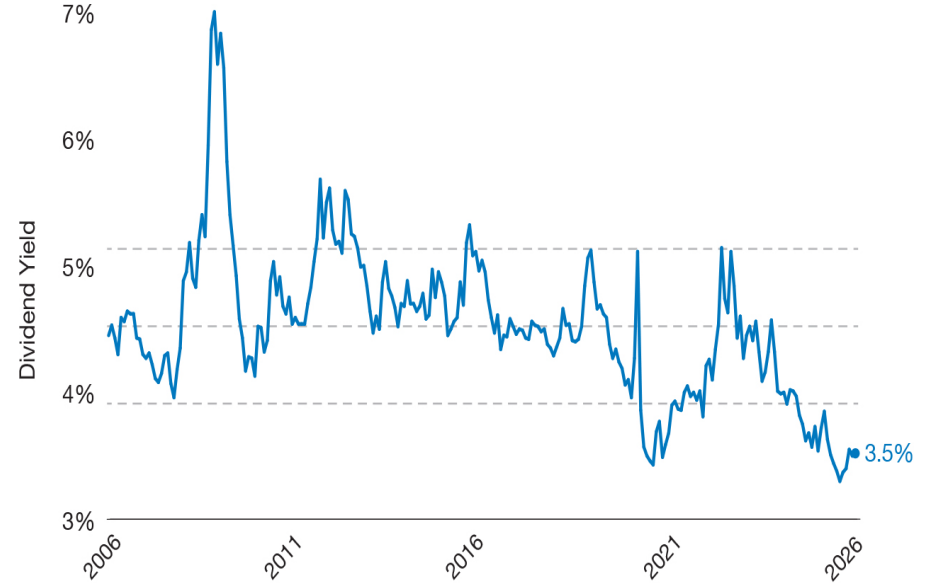
AI concerns across mainly technology stocks.

Equity Market Valuations – A Long-Term Perspective

S&P/ASX 200 Price / Earnings



S&P/ASX 200 Dividend Yield

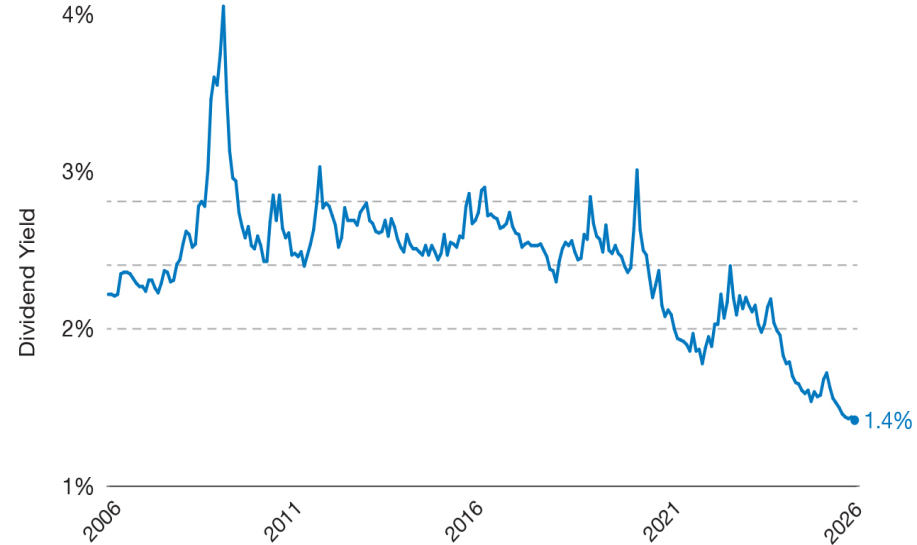


Equity Market Valuations – A Long-Term Perspective

S&P 500 Price / Earnings



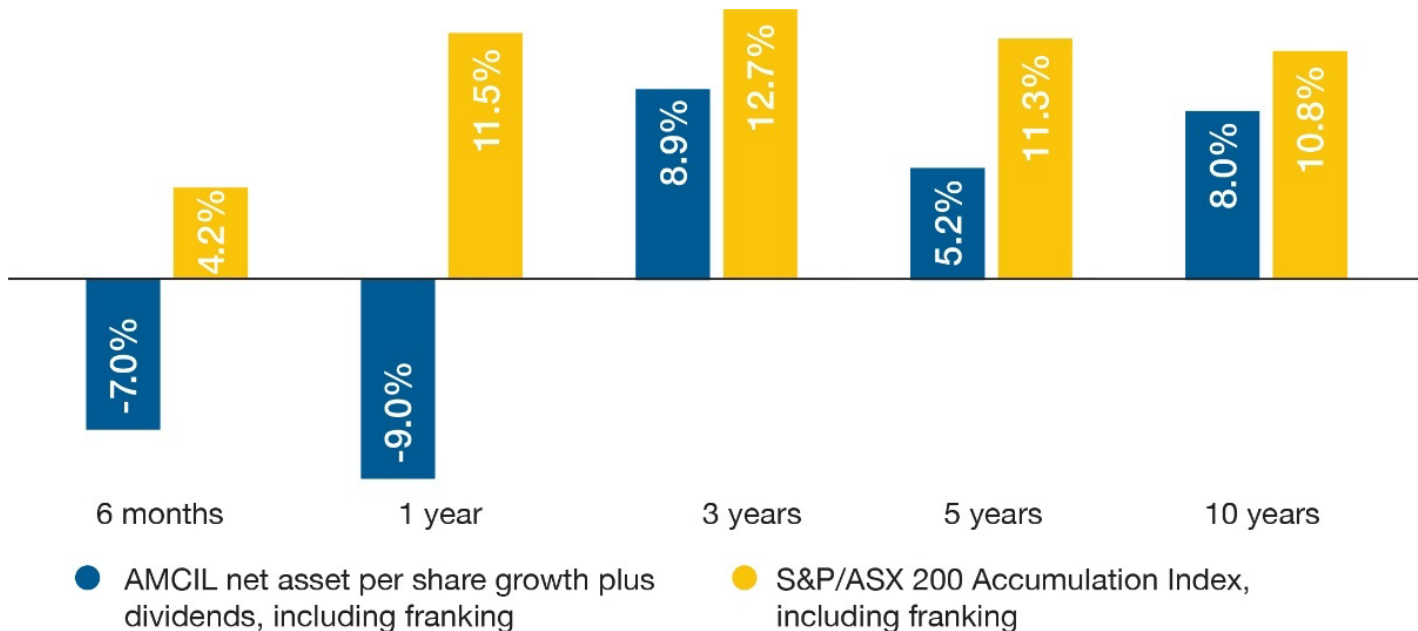
S&P 500 Dividend Yield



Portfolio Performance and Activity



Performance* – Per Annum Returns to 31 December 2025

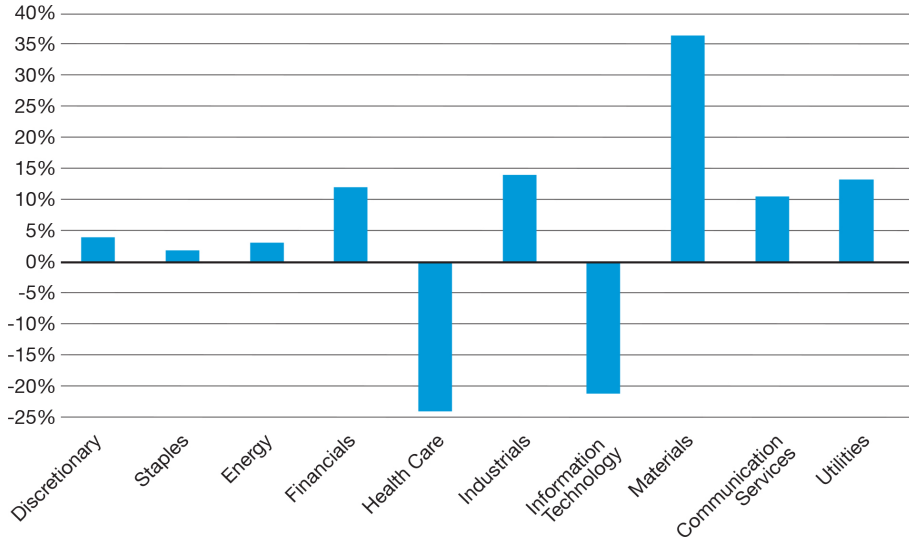


* Excludes management fees, income tax and capital gains tax on realised sale of investments.
Past performance is not indicative of future performance.

ASX Accumulation Index - Sector Returns

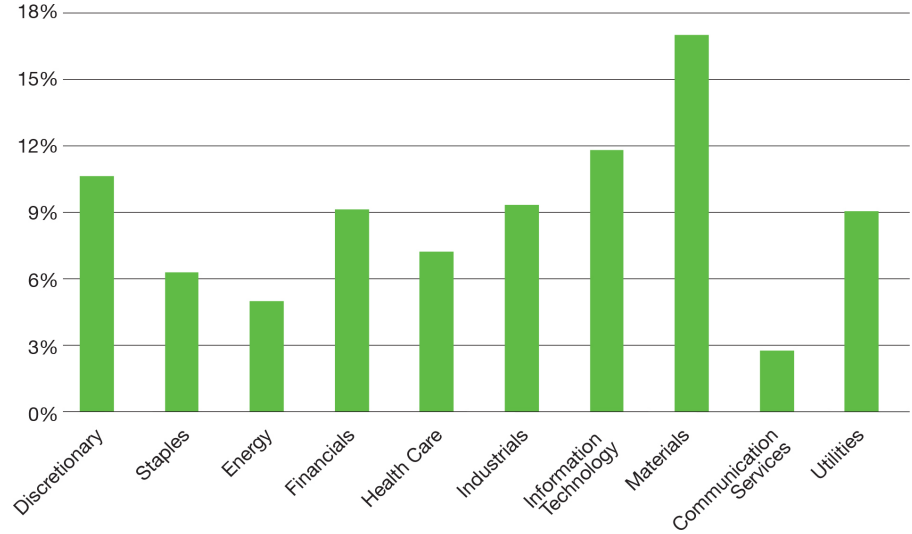


12 months to 31 December 2025

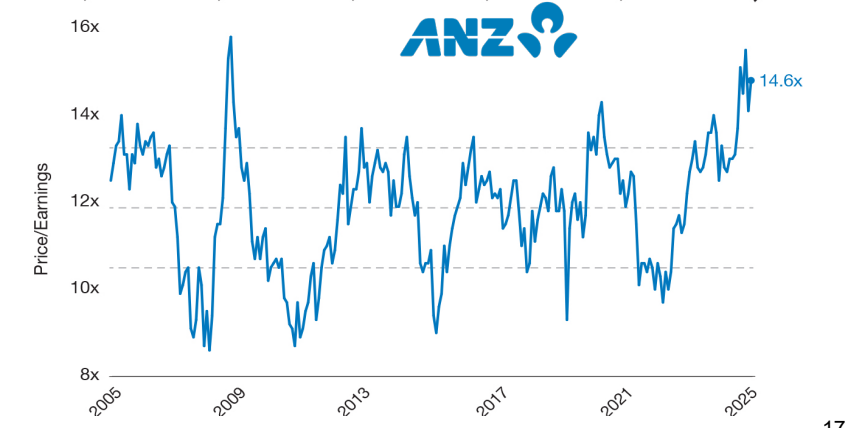
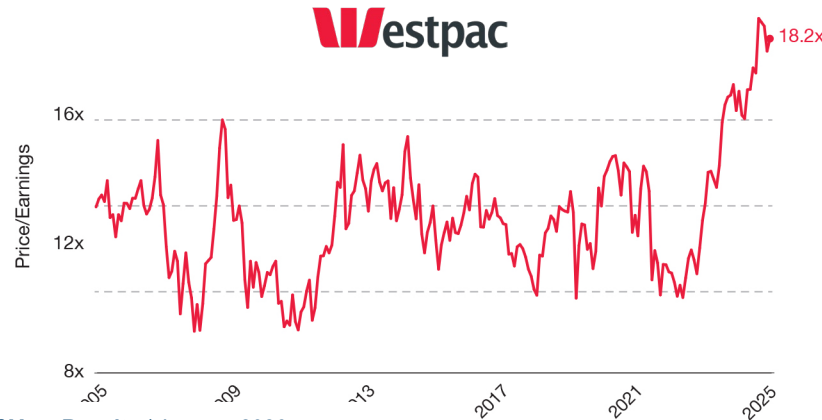
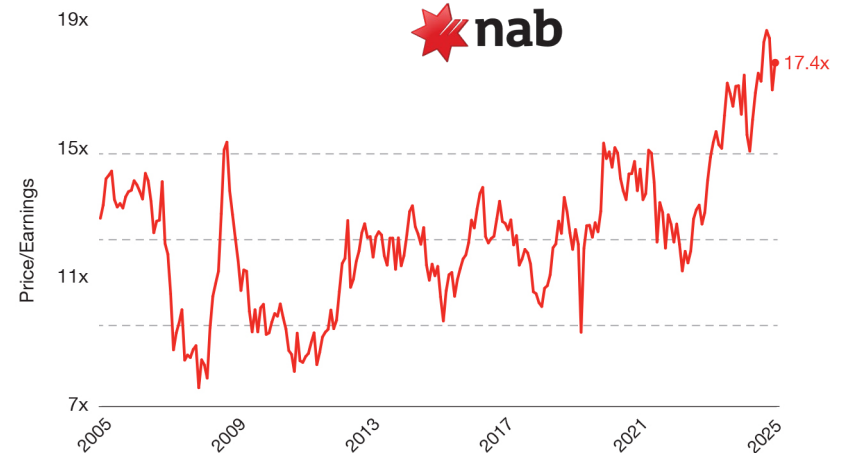
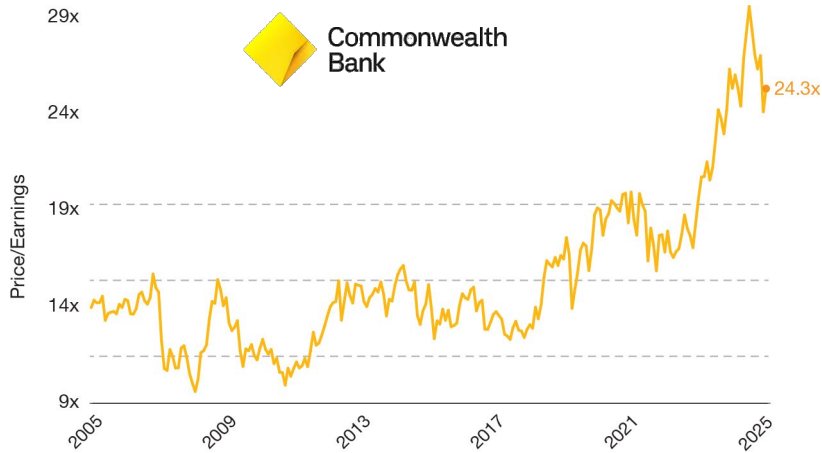


Does not include franking

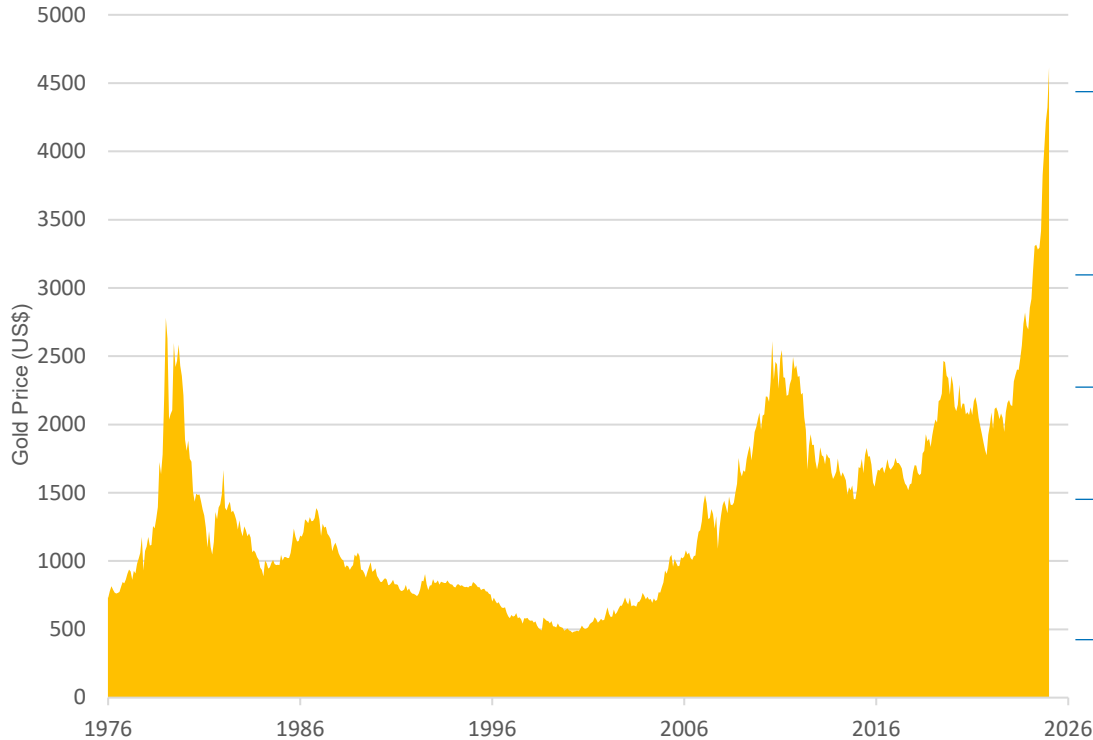
10 years per annum to 31 December 2025



Banks Are Still Trading At Record High Valuations



The Inflation Adjusted Gold Price Has Run To Extremes



The gold price has reached record highs, driven by geopolitical uncertainty, Central Bank Buying, rising Government debt, and easing monetary conditions (rate cuts)

History shows these moves are often extreme in both directions

Gold mining stocks have outperformed substantially

These companies can have complex operations and limited lifespans, meaning it can be difficult to have long-term conviction

Returns across Investing styles

Quality compounding companies outperform in the long-run but have struggled recently.

In contrast loss makers have outperformed in the short term.

Total Relative Return December 2025	Recent Returns			Calendar Years & 2025 YTD						Internet Boom		Long Term
	1 Mth	3 Mth	6 Mth	2020	2021	2022	2023	2024	YTD	1999	2000	Since 98 % CAGR
Value												
Sentiment Value	1.5	1.9	2.6	(0)	(5)	12	(0)	2	5	(1)	19	6.2
Low Risk Value	0.4	2.4	3.4	(6)	(1)	19	(0)	(3)	2	(2)	20	4.0
Value	0.4	3.0	5.2	(1)	(2)	18	1	(2)	4	(2)	14	3.2
Deep Value	(0.0)	4.9	7.2	2	(3)	19	3	3	7	(3)	8	2.9
Low Risk Yield	(0.6)	2.3	2.2	(10)	(2)	17	1	(1)	3	(9)	20	2.2
High Yield	(1.4)	(0.1)	0.4	0	0	26	2	0	(0)	(8)	14	1.2
High Risk Value	(0.1)	5.9	10.9	9	(7)	13	(1)	0	12	(3)	4	1.2
Value Traps	1.7	11.2	17.8	4	(8)	2	7	(5)	12	(1)	(4)	(8.9)
Growth												
Sentiment Growth	(1.4)	(1.2)	(2.3)	(4)	4	(6)	1	22	2	10	22	5.7
Secular Growth	(2.0)	(3.8)	(11.5)	0	(1)	4	(2)	2	(10)	4	5	0.7
Short Term Growth	0.2	0.4	(0.8)	(4)	(2)	2	(2)	1	(1)	13	12	0.2
Expensive Growth	(2.3)	(8.2)	(10.8)	4	6	(12)	2	1	(8)	34	5	(0.3)
GARP	1.8	9.5	11.1	(16)	(12)	18	(6)	0	6	(5)	15	0.1
High Risk Growth	(4.2)	0.1	1.5	(7)	(2)	5	(1)	(16)	(7)	(5)	15	(8.7)
Growth Traps	(5.1)	(6.9)	(4.7)	(6)	3	(8)	1	(32)	(8)	(1)	(1)	(11.2)
Quality												
Quality Compounders	(6.0)	(11.6)	(13.6)	(6)	6	(5)	5	18	(15)	(4)	24	5.8
Growth Compounders	(7.3)	(13.2)	(16.8)	3	3	(12)	9	34	(14)	2	14	5.5
Quasi Compounders	(2.5)	(2.7)	(8.5)	11	(3)	(13)	7	5	(12)	0	20	4.2
Cheap Compounders	(2.9)	(6.6)	(6.4)	(11)	0	(7)	3	21	(11)	(5)	14	2.6
Lossmakers												
Winner Lossmakers	(1.4)	(2.0)	5.2	(4)	(1)	11	6	(4)	6	2	6	1.9
NPAT lossmakers	2.5	4.7	16.8	19	(4)	(8)	(6)	0	17	10	(16)	(2.2)
NPAT & CFO Loss	10.6	11.6	32.3	72	(7)	(28)	(25)	(16)	35	38	(40)	(10.7)
Loser Lossmakers	8.5	20.5	47.1	72	(25)	(31)	(32)	(17)	46	6	(35)	(17.7)

Key Drivers Of Recent Underperformance

Recent Underperformance of Key Holdings



Share Price Weakness in Quality/Growth

- Pull back in many larger holdings – Healthcare & Technology weak
- These moves are based largely off moving back to fair value
- The long-term thesis for these companies is generally unchanged



Cyclical Headwinds

- Softness in the US housing market impacted James Hardie and Reece
- These business have dominant market positions
- Long term market opportunity unchanged

Index Winners



Banks

- Significant underweight across all four banks has impacted relative performance
- Sector is trading at record valuation multiples and the earnings growth outlook remains limited



Gold/Resources

- The gold price has reached all-time highs. Other commodities strong.
- History shows these cycles tend to be extreme in both directions
- Gold mining companies are complex operations

Short term returns have also been weighed down by lagging share prices in key holdings

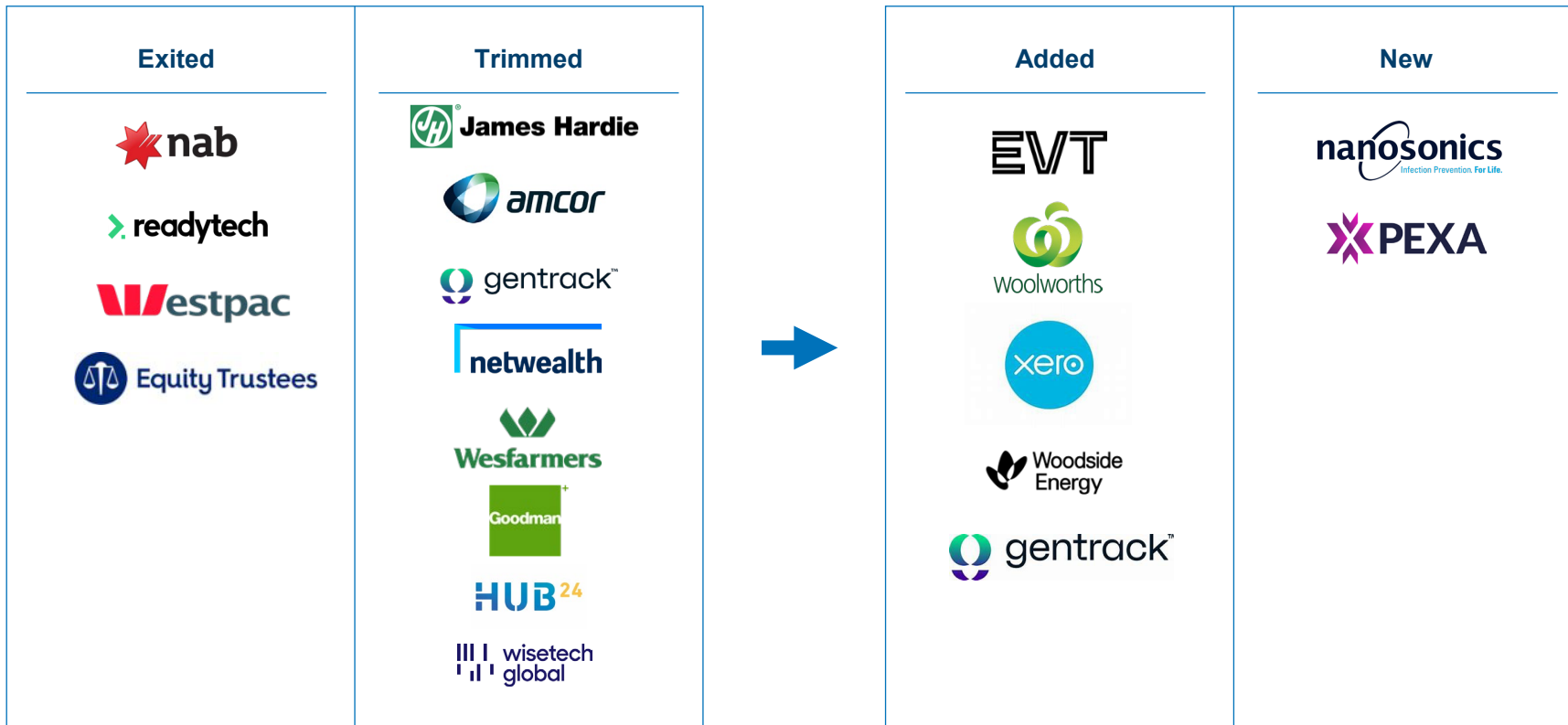


Stock	1 Year return	Reason for share price weakness	Our long-term confidence is due to
 wisetech global	-43%	Product delays, governance deterioration, large earnings dilutive acquisition	Dominant product in its sector with high barriers to entry and a strong rate of product innovation
 xero	-32%	Large short-term earnings downgrades driven by USA payments acquisition, product reinvestment and one-off executive compensation expense	Executing on stated plan, reinvesting taking a long-term view
 reece group™	-39%	Cycle turned down which impacted USA business, but company have now been buying back stock	Still have a dominant position in and USA is a valuable footprint at low point in cycle
 James Hardie	-38%	Paid very high price using mainly debt for acquisition, and cycle turned down	Business still has very strong market position and growth prospects
 CSL™	-37%	Lowering of growth rates for the long term has caused a large PE derate which has resulted in very large fall.	Business should grow but not at rates it used to. Stock looking like value now
 idp	-53%	Sector move from peak to trough because of government policy	Still has market leading position

De-rating from elevated valuations but long term confidence remains

Company	1 Year return	Company	1 Year return
macquarie TECHNOLOGY GROUP	-25%	Auckland Airport	-10%
ARB	-20%	REA Group	-21%
CAR Group	-13%	Goodman	-12%
Breville	-16%	Fisher & Paykel HEALTHCARE	-5%
LANFREIGHT	-8%	Cochlear Hear now. And always.	-7%
gentrack™	-36%	technologyone	-10%
REDOX	-30%	MACQUARIE BANK	-5%
BLOCK	-30%	netwealth	-10%

Recent Portfolio Activity*



* Financial year to date. Transactions greater than \$1 million.

A close-up photograph of a scientist in a white lab coat looking through a microscope. The microscope is the central focus, with its eyepiece, objective lenses, and stage clearly visible. The scientist's hands are adjusting the microscope's controls. The background is a soft, out-of-focus blue.

Features of the AMCIL Portfolio

AMCIL Top 20 Holdings at 31 December 2025

Company	% of Portfolio ¹	Ownership Period
1 CSL	6.6%	14 yrs
2 MACQUARIE BANK	6.3%	8 yrs
3* BHP	6.0%	22 yrs
4* Transurban	5.2%	16 yrs
5 LINFO FREIGHT	4.4%	10 yrs
6 Goodman	4.2%	6 yrs
7 macquarie TECHNOLOGY GROUP	4.1%	6 yrs
8 Woolworths	3.9%	8 yrs
9 ARB	3.8%	15 yrs
10 Resmed	3.7%	6 yrs

Company	% of Portfolio ¹	Ownership Period
11* CAR Group	3.5%	8 yrs
12 ALS	3.1%	3 yrs
13 Telstra	2.5%	2 yrs
14 Region One	2.3%	1 yr
15 Woodside Energy	2.3%	4 yrs
16 Fisher & Paykel HEALTHCARE	2.3%	5 yrs
17 REA Group ¹	2.3%	6 yrs
18* Wesfarmers	2.2%	6 yrs
19 Sigma Healthcare	1.9%	2 yrs
20 Objective	1.9%	2 yrs

* Note: Indicates options were outstanding against part of the holding. ¹Portfolio excludes cash. Ownership period rounded to closest year.

Portfolio Well Positioned For The Future

AMCIL's portfolio is well placed to navigate a wide range of economic outcomes

Growth					Stalwart	Income
						Cyclical / Asset Play

An aerial photograph of a large container ship sailing on a deep blue ocean. The ship is heavily loaded with colorful shipping containers in shades of red, blue, and orange. The ship's superstructure, including the bridge and various decks, is visible on the right side of the frame. A white callout box with rounded corners is positioned on the left side of the image, containing the word "Outlook" in a bold, dark blue font.

Outlook

The ASX200 index is trading at a level where valuations are full, especially against long term valuation metrics.

Speculative market behaviour warrants caution. Market preferring resources to quality/growth.

Reinforce value considerations in our process. Sticking with quality companies with long term growth

With elevated cash holdings AMCIL is well positioned to take advantage of opportunities that will ultimately emerge.

The portfolio is well positioned to weather portfolio volatility with a focus on quality companies:



Aligned management teams



Earnings growth drives share prices in the long term



Strong balance sheets creates resilience

AMCIL