



Australian United Investment Company Ltd AGM Report

ASX Code	AUI
Meeting Time/Date	11am, Wednesday 13 October 2021
Type of Meeting	Virtual
Monitor	Frank Thompson
Pre AGM-Meeting?	No

Profit Down Dividends Maintained

What the Company Does

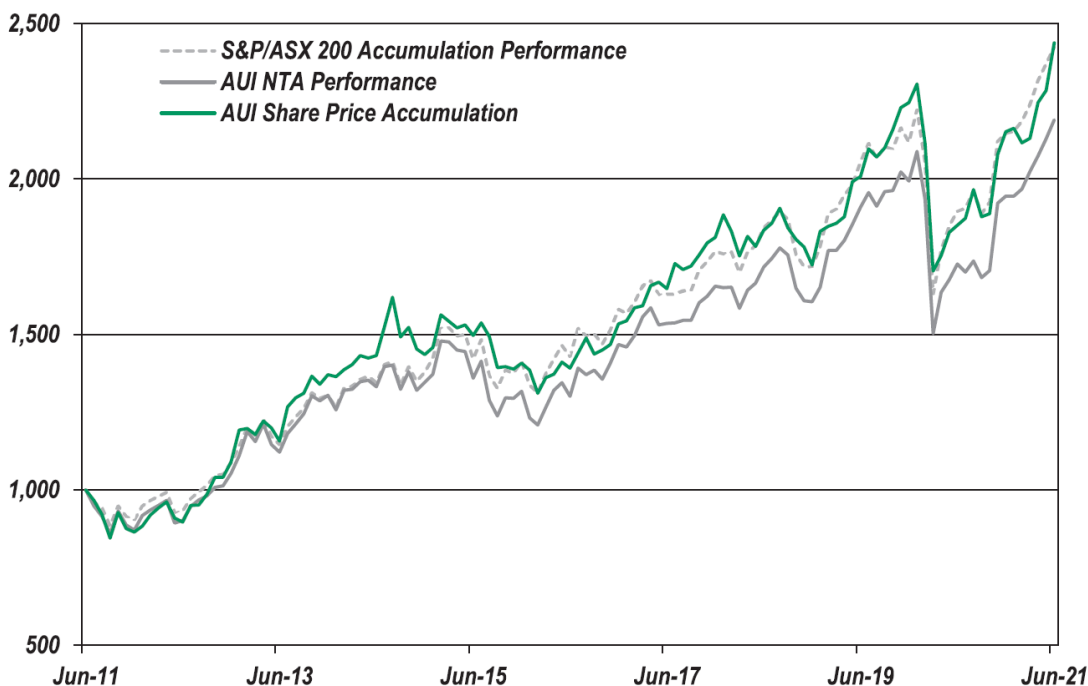
AUI is a mid-sized listed investment company investing in Australian listed equities to maintain dividends and capital growth in the long term.

Developments in the Financial Year

Excluding special dividends profit was down 17.5% and revenue was down 14.6% as covid reduced dividends received. Dividend was maintained at the 2020 level of 36c/share for the year by utilising retained earnings and franking credits. The net tangible asset backing continues to run above the share price, being \$10.46 on 30 June 2021 vs a share price of \$7.75.

The following graph shows AUI vs the S&P/ASX 200 Accumulation Index performance.

AUI Accumulated Investment Return vs S&P/ASX 200 Accumulation Index
 (Excluding the Benefit of Franking Credits)
 10 Years to 30 June 2021



Source: Evans & Partners

MER was a low 0.11% and the company operates with 3 directors, a company secretary and 3 support staff.

There are no female Directors or senior staff so the ASA minimum of 30% for females is not met. Directors carry out the stock selection and administration tasks are outsourced. Directors have a diverse range of investment knowledge and experience.

Directors' fees are fixed and competitive with similar companies. All directors hold shares in AUI.

Debate and Voting at the AGM

The meeting was audio only so lacked in appeal. It essentially became a soliloquy by the chair. There were 6 written questions, none by telephone. The ASA asked 2 questions. Firstly, regarding policy for investment in the coal oil and gas sector, particularly regarding responsible management of assets to retirement or transition - whilst maintaining reliable power supplies. A detailed response was given advising that they had no investment in the coal sector and in oil and gas they engaged with companies to seek positive outcomes and would only exit as a last resort. The second was regarding the current high price to earnings ratios. The outlook of expecting future earnings increases to support them was reinforced.

The ASA voted for all motions and all were passed with a strong majority.

Outlook Statements from the Company

The ongoing Covid pandemic has caused uncertainty in the market with high price to earnings ratios. On balance it is expected that these will be supported by rising earnings. It is expected that dividends will be able to be maintained without further use of reserves.

Meeting Statistics

Number of Holdings Represented by ASA	26
Number of Shares represented by ASA	336,506 (equivalent to 15th largest holder in Top 20 list)
Value of Shares represented by ASA	\$3.3 m
Number Attending Meeting	Unknown - Virtual
Market capitalisation	\$1.23B
Were proxies voted?	Yes, on a poll