

30 August 2021

Increased fully franked dividend, record profit and significant social investment in youth mental health

+50.0%

increase in fully franked 30 June 2021 dividend, to 3.0 cents per share

\$58.4m

record operating profit before tax

\$9.1m

estimated value of savings from management and performance fees forgone per annum

\$6.4m

social investment in charity partners with a focus on youth mental health

Increased fully franked 30 June 2021 dividend of 3.0 cents per share

The Future Generation Global Board of Directors declared a fully franked dividend of 3.0 cents per share, representing a 50.0% increase on the 30 June 2020 fully franked dividend.

Significant social investment in youth mental health charities

In October 2021, Future Generation Global will deliver a record \$6.4 million to our charity partners working with young Australians experiencing mental ill-health.

Future Generation Global (ASX: FGG) reported a record operating profit before tax of \$58.4 million (2020: \$1.3 million loss before tax[#]) and a record operating profit after tax of \$41.0 million (2020: \$0.9 million loss after tax[#]) for the six-month period to 30 June 2021.

The Future Generation Global investment portfolio increased 9.8%^{*} in the six-month period to 30 June 2021 and 25.0%^{*} in the 12-month period to 30 June 2021. Consistent with the Company's investment objective to preserve capital, the investment portfolio outperformed its benchmark during 100% of market drawdowns in the 12 months to 30 June 2021. The Investment Committee has selected global fund managers to structure the investment portfolio with allocations to absolute bias and traditional long equities investment strategies, providing shareholders with diversified exposure to global equities and the investment portfolio with downside protection and reduced volatility.

The performance of the investment portfolio drove a growth in assets that, combined with the increased fully franked dividend paid and the narrowing of the share price discount to net tangible assets, resulted in a total shareholder return of 36.5% for the 12-month period to 30 June 2021. The Company has a profits reserve of 45.4 cents per share as at 30 June 2021[^].

Acting Chairman Geoff Wilson AO said "I'd like to thank our shareholders for their continued support of Future Generation Global and its charity partners who have continued to support young Australians experiencing mental ill-health during an extremely challenging year. Pleasingly, we have declared a fully franked dividend of 3.0 cents per share, a fifty percent increase on the prior year, which has been achieved through the growth in profits reserve and the sound risk-adjusted returns of the investment portfolio."

^{*}The comparative figures for the half year ended 30 June 2020 have been restated as a result of a change in accounting policy. Please refer to Note 1 in the Financial Report for further information on the change in accounting policy and restatement of the prior period.

^{*}Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

[^]Before the payment of the 30 June 2021 fully franked dividend of 3.0 cents per share.

In October 2021, Future Generation Global will deliver \$6.4 million to our charity partners who work to support young Australians. This marks our sixth social investment, and will bring the social investment since inception in 2015 to \$26.2 million.

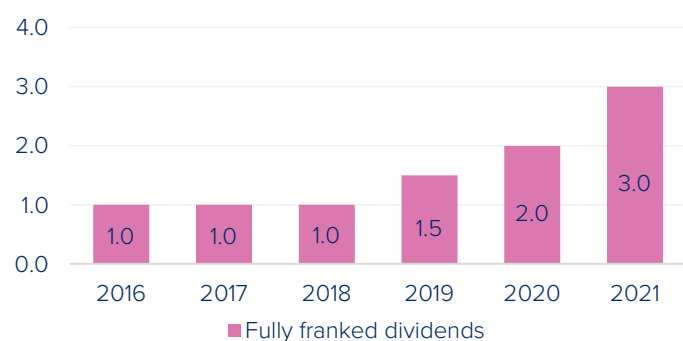
Currently we estimate the value of the management and performance fees generously forgone by our pro bono fund managers, service providers, the Board and Investment Committee to be approximately \$9.1 million per annum, and at 1.4% of the net assets of the Company, these savings significantly exceed the annual donation to our charity partners.

Change in accounting policy

During the period, the Board reassessed the accounting classification of the investments held in managed funds with its pro bono fund managers. Importantly, there has been no change to the Company's net asset position as a result of this change in accounting policy. The Company had previously recorded and measured all investments at fair value through other comprehensive income. As a result, the change in the underlying value of these investments was recorded through other comprehensive income rather than the Company's operating profit (or loss) in each reporting period. After careful consideration, the Company has determined that it would be more appropriate for these investments to be recorded and measured through the Company's operating profit (or loss), or at fair value through profit or loss. The movement in the underlying value of the Company's investments will now be recognised as a component of operating profit (or loss) of the Company, instead of through other comprehensive income, in each period. As a result of the change, the Company's distributable profits reserve to shareholders have increased, providing the Company with additional flexibility and capacity surrounding dividend and capital management decisions.

The revised accounting policy did not impact the reported amount of total comprehensive income or the carrying amount of investments held in managed funds. The change has only resulted in a reclassification of movements in the fair value of the investments held by the Company within the statement of comprehensive income itself, between other comprehensive income and the reported operating profit of the Company. The comparative information has been restated to align with the revised accounting policy, so that both the current year and prior year information is presented on a consistent and comparable basis.

Fully franked dividends since inception (cents per share)



Dividend dates

Ex-dividend date	11 October 2021
Record date	12 October 2021
Last election date for DRP	14 October 2021
Payment date	22 October 2021

Investment portfolio performance

Performance at 30 June 2021	6 mths	1 yr	3 yrs % pa	5 yrs % pa	Since inception % pa (Sept-15)	Volatility [^]
Future Generation Global	9.8%	25.0%	13.4%	14.5%	11.7%	8.9%
MSCI AC World Index (AUD)	15.3%	28.0%	14.0%	14.5%	12.0%	10.5%
Outperformance	-5.5%	-3.0%	-0.6%	+0.0%	-0.3%	

Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

[^]Volatility is measured by standard deviation.

All major platforms provide access to Future Generation Global, including AMP North, BT Panorama, Colonial First State Wrap, Netwealth, Macquarie Wrap and Hub 24. Future Generation Global receives coverage from the following independent research providers:

Lonsec

Zenith
INVESTMENT PARTNERS

INDEPENDENT
INVESTMENT RESEARCH

**Future
Generation
Global
6 Years Listed**



This announcement has been authorised by the Board of Future Generation Global Investment Company Limited.

About Future Generation Global

Listed in 2015, Future Generation Global Investment Company Limited (ASX: FGG) provides:



Shareholders with exposure to leading global fund managers without paying management or performance fees.



Charities primarily focused on youth mental health with a stream of annual investments.



Fund Managers with a unique opportunity to make a positive difference to Australia's future generations.

For more information visit www.futuregeninvest.com.au or contact:

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