

**30 August 2023**

## Future Generation Global announces an increased interim fully franked dividend and its eighth social investment in youth mental health

**+14.0%<sup>^</sup>**

**investment portfolio performance for the six-months to 30 June 2023**

**6.1%<sup>\*</sup>**

**annualised FY2023 interim fully franked dividend yield**

**\$8.3m**

**annualised value of savings from management, performance and service provider fees forgone per annum**

**\$5.4m**

**2023 investment in our social impact partners with a focus on youth mental health**

The Future Generation Global Limited (ASX: FGG) Board of Directors has declared an increased interim fully franked dividend of 3.6 cents per share. This provides an annualised fully franked dividend yield of 6.1%<sup>\*</sup> and a grossed-up dividend yield of 8.7%<sup>#</sup>. When calculating the yield on the 30 June 2023 net assets, the annualised fully franked dividend yield of Future Generation Global is 5.0%<sup>™</sup>, with a grossed-up yield of 7.1%<sup>#</sup>.

Future Generation Global reported an operating profit before tax of \$69.2 million (HY2022: operating loss before tax of \$147.4 million) and an operating profit after tax of \$48.8 million (HY2022: operating loss after tax of \$103.1 million) for the six-month period to 30 June 2023.

The increased interim fully franked dividend was made possible by the listed investment company (LIC) structure of Future Generation Global and the profits reserve available. Since inception, Future Generation Global has paid 19.5 cents per share in fully franked dividends to shareholders. The Company held a profits reserve of 48.3 cents per share as at 31 July 2023, representing 6.7 years of annual dividend coverage for shareholders, after the payment of the interim fully franked dividend of 3.6 cents per share.

Future Generation Global Acting Chair Geoff Wilson AO said, "The Board is pleased to provide shareholders with an increased interim fully franked dividend driven by the solid performance of the investment portfolio. The dividend yield, coupled with the share price trading below the company's net assets, provides a compelling investment opportunity."

In the six-months to 30 June 2023, the Future Generation Global investment portfolio increased 14.0%<sup>^</sup>, while the MSCI AC World Index (AUD) rose 16.5%. The main contributors to the MSCI AC World Index (AUD) performance were the top seven stocks, dubbed the "Magnificent Seven" – Apple, Microsoft, Alphabet, Amazon.com, Nvidia, Tesla and Meta Platforms. The index weight for the Magnificent Seven has risen from 11.7% to 16.6% during the six-months to 30 June 2023, contributing more than 41% to the index's performance during the period.

**LIVE**

Register to join the  
Future Generation  
HY2023 Results  
Webinar  
**Thursday 5 October at  
3:30pm (Sydney time)**



The Future Generation Global Investment Committee has selected leading global fund managers who have a proven ability to outperform the market and their peers over the long term. This has resulted in the investment portfolio having an underweight exposure to mega-cap companies like the Magnificent Seven. The Future Generation Global investment portfolio's exposure to these seven stocks at 31 December 2022 was approximately 4.2%.

The Future Generation Global investment portfolio allocation to long equities (59.4% as at 30 June 2023) and quantitative strategies (7.0% as at 30 June 2023) provided a weighted average return in line with the MSCI AC World Index (AUD). This investment portfolio performance was complemented by the exposure to absolute bias strategies and cash and cash equivalents. The Investment Committee's allocation to absolute bias strategies provides the investment portfolio with downside protection and reduced volatility.

<sup>^</sup>Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

<sup>\*</sup>Based on the 29 August 2023 share price of \$1.18 per share.

<sup>#</sup>Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

<sup>™</sup>Based on the 30 June 2023 pre-tax NTA of \$1.44 per share.

**48.3 cps\***

Profits reserve  
as at 31 July 2023

**19.5 cps**

Fully franked dividends  
paid since inception

**6.7 years\***

Dividend coverage

The Investment Committee's allocation to absolute bias strategies supports our long-term objectives of providing shareholders with a diversified investment portfolio, outperformance through market cycles, reduced volatility and downside protection.

Future Generation Global will deliver its eighth annual social investment of \$5.4 million this year, bringing its total social investment since inception to \$38.0 million. This investment will be made to Future Generation Global's social impact partners and other not-for-profit organisations, making the Company one of the biggest private funders of youth mental health in Australia.

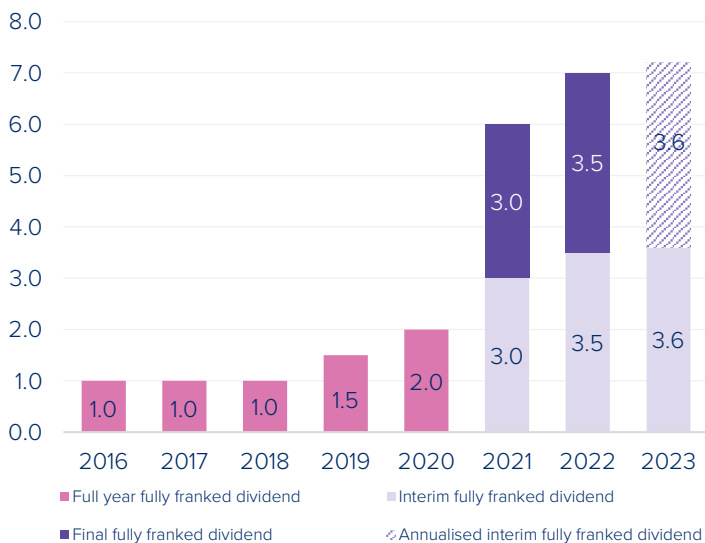
Caroline Gurney, CEO of Future Generation, said: "I would like to thank our shareholders for their continued support of our social impact partners who are facing the same inflation and cost of living pressures that we have seen impacting equity markets. Thanks to the support of our shareholders and the generosity of our pro bono fund managers, these not-for-profit organisations can remain focused on promoting wellbeing and preventing the onset of mental-ill health in young Australians."

Future Generation Global estimates the value of the management and performance fees forgone by its pro bono fund managers, service providers, the Board and Investment Committee to be approximately \$8.3 million per annum, or around 1.5% of the net assets of the Company. These savings to shareholders exceed the annual investment to our social impact partners of 1.0% of the Company's average net assets per annum.

The Investment Committee welcomes Veronica Klaus, Head of Lonsec's Investment Consulting team, and would like to thank Lukasz de Pourbaix for his service and contribution to the Company.

## Fully franked dividends since inception

Cents per share



## Interim fully franked dividend dates

Ex-dividend date	5 October 2023
Record date (7:00pm Sydney time)	6 October 2023
Last election date for DRP	10 October 2023
Payment date	20 October 2023

The Dividend Reinvestment Plan ("DRP") is in operation and the recommended interim fully franked dividend of 3.6 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the volume weighted average market price (VWAP) of shares sold on the ASX (on an ex-dividend basis) four trading days from the ex-dividend date, inclusive of the ex-dividend date. The DRP will operate without a discount for the 2023 interim fully franked dividend.

## Investment portfolio performance

Performance as at 30 June 2023	Fin YTD	1 yr	3 yrs % pa	5 yrs % pa	7 yrs % pa	Since inception % pa (Sept-15)	Volatility <sup>#</sup>
Future Generation Global <sup>^</sup>	14.0%	18.7%	6.1%	6.9%	9.4%	8.0%	9.8%
MSCI AC World Index (AUD)	16.5%	20.8%	12.2%	10.4%	11.7%	10.2%	10.8%
<b>Outperformance</b>	<b>-2.5%</b>	<b>-2.1%</b>	<b>-6.1%</b>	<b>-3.5%</b>	<b>-2.3%</b>	<b>-2.2%</b>	

<sup>\*</sup>Profits reserve and dividend coverage are after the payment of the FY2023 interim fully franked dividend of 3.6 cents per share.

<sup>^</sup>Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.

<sup>#</sup>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:

**Recommended+**



**Recommended**



**Investment Grade**



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

**Future  
Generation  
Global  
8 Years Listed**



## About Future Generation Global

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



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



Social impact partners 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](http://www.futuregeninvest.com.au) or contact:

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