Future Generation Global
INVESTMENT & SOCIAL RETURNS

ASX announcement & media release

31 August 2022

Increased fully franked interim dividend and seventh social investment in youth mental health

+16.7%
increase in fully franked interim dividend, to 3.5 cents per share

5.9%
FY2022 annualised fully franked interim dividend yield*

$9.0m
annualised value of savings from management, performance and service provider fees forgone per annum

$6.4m
2022 social investment in our social impact partners with a focus on youth mental health

Increased fully franked interim dividend of 3.5 cents per share

The Future Generation Global Board of Directors declared a fully franked interim dividend of 3.5 cents per share, representing a 16.7% increase on the FY2021 fully franked interim dividend.

Significant social investment in youth mental health organisations

This year, Future Generation Global will deliver $6.4 million to our new social impact partners and other not-for-profit organisations.

The Future Generation Global (ASX: FGG) Board of Directors have declared a fully franked interim dividend of 3.5 cents per share, representing a 16.7% increase on the FY2021 fully franked interim dividend. The Board is pleased to continue to provide shareholders with both an interim and final dividend.

The increased fully franked interim dividend of 3.5 cents per share represents an annualised fully franked dividend yield of 5.9%* and a grossed-up dividend yield of 8.4%^. The Board is pleased to provide shareholders with an increased fully franked dividend yield greater than the average global equity market yield of 2.1%** and the average US equity market yield of 1.6%^^.

The increase in the fully franked interim dividend was made possible by the listed investment company (LIC) structure of Future Generation Global and the profits reserve that has accumulated over time. This is consistent with the Company's objective of paying a stream of fully franked dividends to shareholders. Since inception, Future Generation Global has paid 12.5 cents per share in fully franked dividends to shareholders. As at 30 June 2022, the Company's profits reserve was 45.2 cents per share and forms part of the net tangible assets (NTA), representing 6.5 years of dividend coverage for shareholders, before the payment of the fully franked interim dividend of 3.5 cents per share.

Future Generation Global Acting Chair Geoff Wilson AO said, "It has been a volatile period for global fund managers. Our fund managers have performed well over the long-term and we are confident in their ability to continue to do so. The increased fully franked interim dividend reflects the benefits of the LIC structure to continue to pay and grow dividends over time, providing shareholders with a steady income in all market cycles.

"I would like to thank our shareholders and fund managers for their continued support of Future Generation Global. With your help, we are able to support young Australians who experience mental ill-health."

*Based on the 30 August 2022 share price of $1.18 per share.
^Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.
**Based on the MSCI World Index dividend yield as at 30 June 2022.
^^Based on the S&P 500 Index dividend yield as at 30 June 2022.

Stream of fully franked dividends

45.2 cps
Profits reserve as at 30 June 2022

12.5 cps
Dividends paid since inception

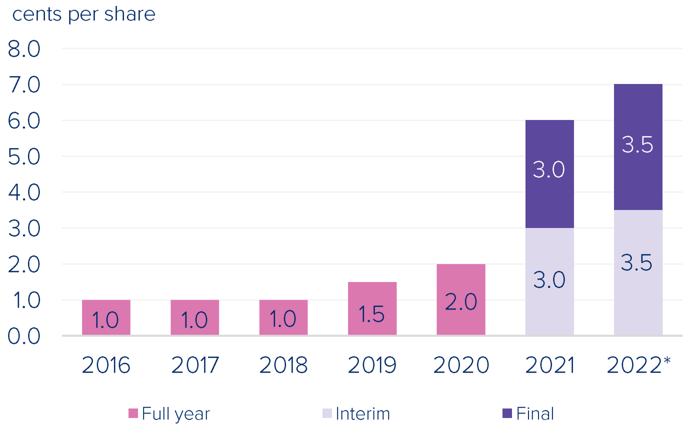
6.5 years
Dividend coverage

This year, Future Generation Global will deliver its seventh annual social investment of $6.4 million, taking its total social investment since inception to $32.6 million. This investment will be made to Future Generation Global's new social impact partners and other not-for-profit organisations, making the Company one of the biggest private funders in youth mental health.

The six-month period to 30 June 2022 was a turbulent period for global equity markets. The investment portfolio decreased 21.0%[*] while the MSCI AC World Index (AUD) fell 16.0%, in the six months to June 2022. Future Generation Global reported an operating loss before tax of $147.4 million (2021: operating profit before tax of $58.4 million) and an operating loss after tax of $103.1 million (2021: operating profit after tax of $41.0 million) for the six-month period to 30 June 2022. The operating loss for the period is a result of the movement in the investment portfolio in what was a highly volatile period for global equity markets.

Future Generation Global's Investment Committee is responsible for selecting and monitoring the mix of fund managers and investment styles, with the objective of providing shareholders with a diversified investment portfolio, outperformance through market cycles, reduced volatility and downside protection. The investment portfolio remains exposed to absolute bias managers and traditional long equities managers which weighed on the investment portfolio performance during the period. The Investment Committee continues to review individual fund managers within the portfolio during this volatile time and was pleased to announce changes to the investment portfolio in July 2022 and welcome new fund managers, Lanyon Asset Management, Plato Investment Management and Vinva Investment Management to the investment portfolio.

Fully franked dividends since inception



*Annualised interim dividend.

Dividend dates

Ex-dividend date	12 October 2022
Record date	13 October 2022
Last election date for DRP	17 October 2022
Payment date	25 October 2022

Investment portfolio performance

Performance at 30 June 2022	Fin YTD	1 yr	3 yrs % pa	5 yrs % pa	Since inception % pa (Sept-15)	Volatility[^]
Future Generation Global	-21.0%	-19.5%	2.6%	6.9%	6.5%	9.5%
MSCI AC World Index (AUD)	-16.0%	-8.6%	6.7%	9.3%	8.7%	10.6%
Outperformance	-5.0%	-10.9%	-4.1%	-2.4%	-2.2%	

[*]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.

Future Generation CEO Caroline Gurney said, “Future Generation Global’s unique model allows us to leverage the power of the financial markets for social good through the generosity of our leading pro-bono fund managers and service providers.”

This year, new Future Generation Global partners were selected following an extensive Expressions of Interest process that attracted more than 175 applicants. They are: BackTrack, Big hART, Happy Paws Happy Hearts, Human Nature, I CAN Network, Mind Blank, Prevention United, Project ROCKIT, ReachOut, Smiling Mind, WANTA, The Westerman Jilya Institute for Indigenous Mental Health, Youth Live4Life and Youth Opportunities.

Future Generation Global estimates the value of the management and performance fees generously forgone by its leading pro bono fund managers, service providers, the Board and Investment Committee to be approximately $9.0 million per annum, or around 1.7% of the net assets of the Company. These savings to shareholders exceed the annual investment to our social impact partners.

We are proud to support

Future Generation Global
INVESTMENT & SOCIAL RETURNS

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

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

Future Generation Global 7 Years Listed

ASX

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.

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 or contact:

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