

**31 August 2022**

## Increased fully franked interim dividend and eighth social investment in young Australians at risk

**+8.3%**

increase in fully franked interim dividend, to 3.25 cents per share

**5.6%**

FY2022 annualised fully franked interim dividend yield\*

**\$7.6m**

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

**\$5.9m**

2022 investment in our social impact partners with a focus on Australian youth at risk

### Increased fully franked interim dividend of 3.25 cents per share

The Future Generation Australia Board of Directors has declared a fully franked interim dividend of 3.25 cents per share, representing an 8.3% increase on the FY2021 fully franked interim dividend.

The Future Generation Australia (ASX: FGX) Board of Directors have declared a fully franked interim dividend of 3.25 cents per share, representing an 8.3% increase on the FY2021 fully franked interim dividend. The increased fully franked interim dividend of 3.25 cents per share represents an annualised fully franked dividend yield of 5.6%\* and a grossed-up dividend yield of 7.9%\*\*.

The increase in the fully franked interim dividend was made possible during this volatile period by the listed investment company (LIC) structure of Future Generation Australia and the profits reserves 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 Australia has paid 33.3 cents per share in fully franked dividends to shareholders. As at 30 June 2022, the Company's profits reserve was 29.0 cents per share and forms part of the net tangible assets (NTA), before the payment of the fully franked interim dividend of 3.25 cents per share.

Future Generation Australia Chair Mike Baird AO said, "Future Generation Australia has an innovative model that provides shareholders with a diversified exposure to Australian equities while also providing a clear pathway to support children and youth at risk. I would like to thank all shareholders for their continued investment and support. I am excited to continue the Company's incredible work, and thank the fund managers and pro-bono service providers for their generosity. It is pleasing to be able to continue delivering an increasing stream of fully franked dividends for our shareholders."

### Significant social investment in Australian youth at risk

This year, Future Generation Australia will deliver \$5.9 million to its social impact partners and other not-for-profit organisations.

This year Future Generation Australia will deliver its eighth annual social investment of \$5.9 million to its social impact partners and other not-for-profit organisations with a focus on Australian youth at risk, taking the total social investment since inception to \$32.6 million.

The six-month period to 30 June 2022 was a challenging period for equity markets. The investment portfolio decreased 16.1%^ in the six months to 30 June 2022, while the S&P/ASX All Ordinaries Accumulation Index fell 11.5% and the S&P/ASX Small Ordinaries Accumulation Index decreased 23.7%. The movement in the investment portfolio over the period resulted in an operating loss before tax of \$100.9 million (2021: operating profit before tax of \$64.8 million) and an operating loss after tax of \$67.9 million (2021: operating profit after tax of \$47.3 million).

\*Based on the 30 August 2022 share price of \$1.17 per share.

\*\*Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

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

## Stream of fully franked dividends

**33.3 cps**

Dividends paid since  
inception

**29.0cps**

Profits reserve  
as at 30 June 2022

**4.5 years**

Dividend coverage

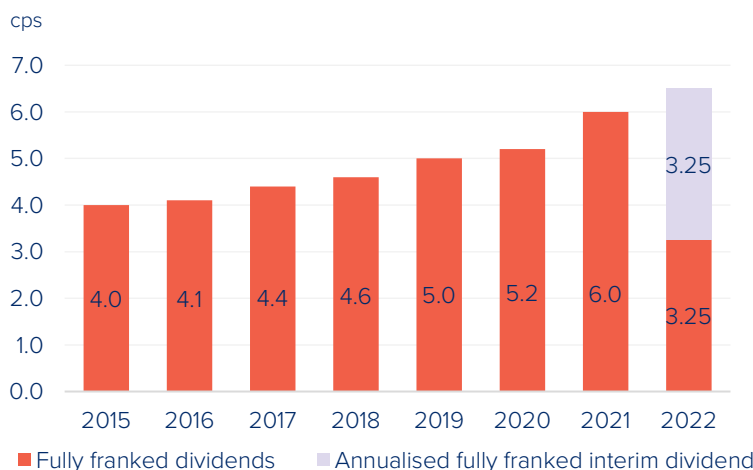
Since inception, the investment portfolio has increased 8.0%\* per annum, outperforming the S&P/ASX All Ordinaries Accumulation Index by 1.5% per annum. The investment portfolio's outperformance has been achieved with less volatility, 11.9%<sup>^</sup> versus the Index's 14.5%<sup>^</sup>, as measured by standard deviation.

Future Generation Australia'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 continues to provide shareholders with diversity through exposure to traditional long equities strategies, complimented with exposure to absolute bias and market neutral strategies. On a look-through basis the investment portfolio has a skew towards small and mid-cap companies 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 period.

Future Generation CEO Caroline Gurney said, "Future Generation Australia's unique model allows us to leverage the power of the financial markets for social good. Through the generosity of our pro-bono fund managers and service providers, we can make a significant contribution towards improving the lives of Australian children and youth at risk."

Future Generation Australia estimates the value of the management and performance fees generously forgone by its pro bono fund managers, service providers, the Board and Investment Committee to be approximately \$7.6 million per annum, or around 1.6% of the net assets of the Company. These savings to shareholders exceed the annual investment to our social impact partners.

## Fully franked dividends since inception



### Dividend dates

Ex-dividend date	17 October 2022
Record date	18 October 2022
Last election date for DRP	20 October 2022
Payment date	28 October 2022

## Investment portfolio performance

Performance at 30 June 2022	Fin YTD	1 yr	3 yrs % pa	5 yrs % pa	7 yrs % pa	Since inception % pa (Sept-14)	Volatility <sup>^</sup>
Future Generation Australia	-16.1%	-9.2%	6.2%	7.7%	8.5%	8.0%	11.9%
S&P/ASX All Ordinaries Accumulation Index	-11.5%	-7.4%	3.8%	7.2%	7.2%	6.5%	14.5%
Outperformance	-4.6%	-1.8%	+2.4%	+0.5%	+1.3%	+1.5%	

\*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 Australia, including AMP North, BT Panorama, Colonial First State Wrap, Netwealth, Macquarie Wrap and Hub 24. Future Generation Australia receives coverage from the following independent research providers:



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

**Future  
Generation  
Australia  
8 Years Listed**



## About Future Generation Australia

Listed in 2014, Future Generation Investment Company Limited (ASX: FGX) provides:



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



Social impact partners primarily focused on young Australians at risk 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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