

# Future Generation

DO WELL. DO GOOD.

## May 2025 Investment Update

Dear Fellow Shareholder,

### Investment portfolio performance in May

- The Future Generation Global (ASX: FGG) investment portfolio increased 5.1%\* in May, bringing the 12-month investment portfolio performance to 19.5%, outperforming the MSCI AC World Index (AUD) by 2.0% over the same period.
- The Future Generation Australia (ASX: FGX) investment portfolio increased 4.2%\* in May, which is in line with the S&P/ASX All Ordinaries Accumulation Index and takes the 12-month investment portfolio performance to 9.0%.

### Future Generation Global solid investment portfolio performance

Future Generation Global's investment portfolio has gained strong momentum in recent months, following strategic adjustments made earlier this year. The addition of GCQ Funds Management, Langdon Equity Partners, and Fairlight Asset Management has enhanced the balance of our investment portfolio, which is a carefully constructed blend of complementary investment strategies and styles.

Over the past 12-months, Future Generation Global's investment portfolio has returned 19.5%\*, outperforming the MSCI AC World Index (AUD) by 2.0%. Importantly, this has been achieved with lower risk\*\* than the broader market - highlighting the strength of our active approach and focus on long-term, risk-adjusted returns.

Looking ahead, Future Generation Global is well positioned for ongoing market volatility. Our portfolio of leading pro bono fund managers offers a diversified and highly adaptive approach – critical advantages in today's shifting global landscape.

Alongside recent strong investment performance, Future Generation Global continues to deliver shareholders with a stream of fully franked dividends, which have increased each year since 2019, supported by a solid profits reserve.

### Future Generation Australia investment update

We are seeing signs of a resurgence in small and mid-cap stocks – an area where the Future Generation Australia investment portfolio is focused on, with S&P/ASX Small Ordinaries Accumulation Index outperforming the S&P/ASX All Ordinaries Accumulation Index over the month of May. Through Future Generation Australia, shareholders gain access to a curated group of experienced, high-performing fund managers who are well positioned to take advantage of this evolving dynamic.

QVG Capital - one of our top tier pro bono fund managers - was featured in [The Australian Financial Review](#) earlier this month for the impressive performance in its QVG Opportunities Fund, delivering a 12.4% return in May. Key contributors included Life360, Generation Development Group, Lovisa Holdings, and Ridley Corporation.

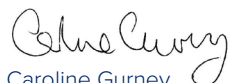
### Future Generation Global HY2025 Results Q&A Webinar

As we near the announcement of our half-year results, please register for the [Future Generation Global Half-Year Results Q&A Webinar](#) at 2:00pm (Sydney time) on Thursday, 17 July 2025. The webinar will feature Geoff Wilson AO, Founder and Director of Future Generation, Caroline Gurney, CEO of Future Generation, and Lee Hopperton, CIO of Future Generation.

### Future Generation Global Chair appointed Companion of the Order of Australia

A warm congratulation to Jennifer Westacott AO, Chair of Future Generation Global, on her appointment as a Companion of the Order of Australia (AC), Australia's highest honour, in the 2025 King's Birthday Honours List. Jennifer was featured in [The Australian Financial Review](#), acknowledging this wonderful achievement.

If you would like to speak to myself or the Future Generation team, please call us on (02) 9247 9202 or email [info@futuregeninvest.com.au](mailto:info@futuregeninvest.com.au).

  
Caroline Gurney  
CEO, Future Generation



**\$87.2m**

SOCIAL  
INVESTMENT  
TO 2024



**\$5.4m**

Future  
Generation  
Australia  
2024

**\$5.9m**

Future  
Generation  
Global  
2024

2024 total social  
investment

**\$11.3m**

2024 savings on  
management fees,  
performance fees and  
service provider fees  
forgone

**\$20.8m**

Total savings on  
management fees,  
performance fees  
and service provider  
fees forgone since  
inception to 2024

**\$152.1m**

\*Investment portfolio performance is before expenses, fees and taxes to compare to the relevant index which is also before expenses, fees and taxes.  
\*\*Risk is measured by volatility. Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility is measured by standard deviation and can be thought of as an assessment of the risk in the investment portfolio. In most cases, the higher the volatility, the riskier the investment.

Investment portfolio performance

The below NTA figures are after the fully franked final dividend of 3.5 cents per share paid on 21 May 2025. The shares traded ex-dividend on 8 May 2025.

The NTA before tax is after the payment of \$10.5m (2.56 cents per share) in tax during the month.

Net tangible assets before tax cum-dividend	Net tangible assets before tax ex-dividend	Dividends paid since inception (per share)
139.99c	136.49c	53.5c
		Including the value of franking credits: 76.4c
Net tangible assets after tax and before tax on unrealised gains	Assets	Profits reserve (per share)
135.96c	\$565.2m	37.9c
Net tangible assets after tax	Month-end share price (at 30 May 2025)	Grossed-up dividend yield^
132.09c	\$1.21	8.3%
		Fully franked dividend yield: 5.8%^

<sup>\*</sup>Based on the 30 May 2025 share price and the FY24 fully franked full year dividend of 7.0 cents per share. Grossed-up dividend yield includes the value of franking credits and is based on a tax rate of 30.0%.

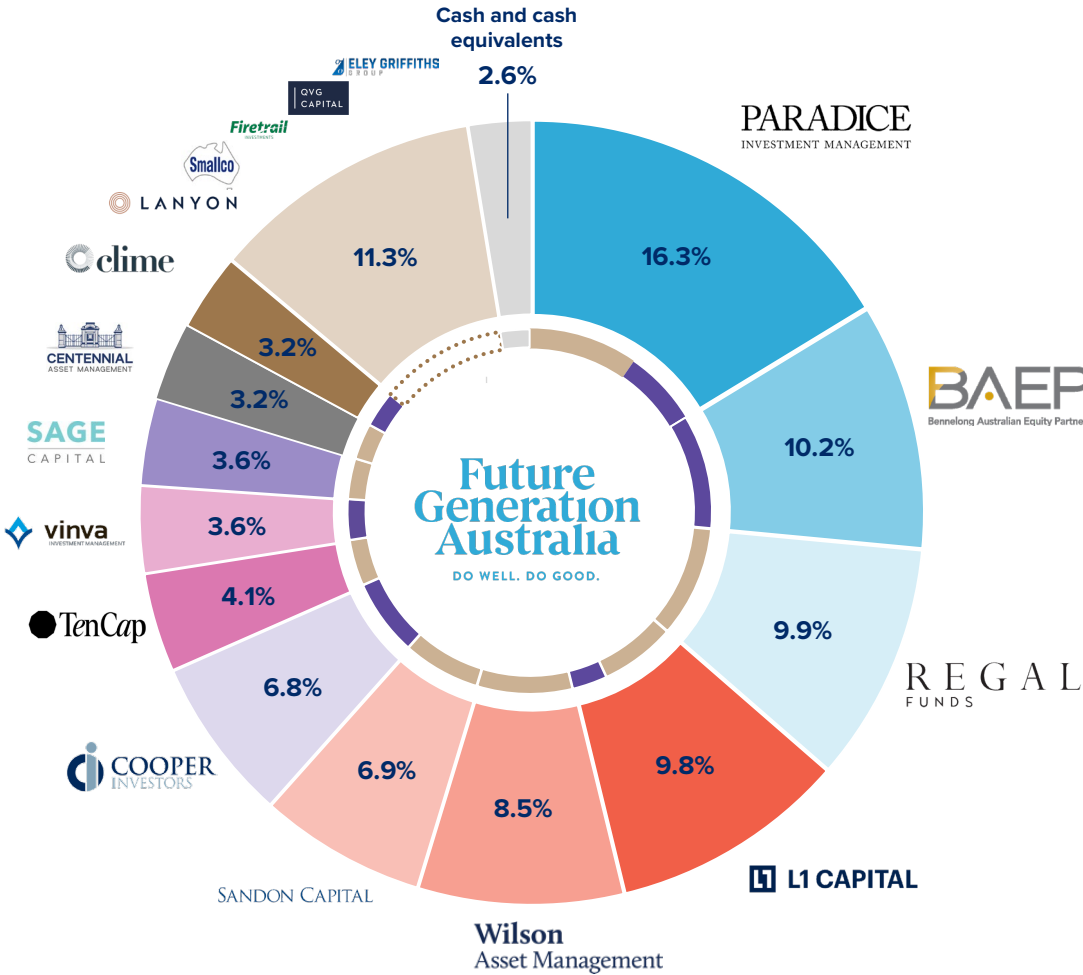
Investment portfolio performance at 31 May 2025	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-14)	Volatility*
Future Generation Australia	2.3%	9.0%	8.3%	11.5%	8.4%	9.1%	11.6%

Investment portfolio performance is before expenses, fees and taxes. Future Generation Australia’s financial year is from 1 January to 31 December.

\*Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility is measured by standard deviation, and can be thought of as an assessment of the risk in the investment portfolio. In most cases, the higher the volatility, the riskier the investment.

Fund manager allocations

0% management fees  
0% performance fees



11.3% fund manager breakdown

Lanyon Asset Management	2.9%
Smallco Investment Manager	2.5%
Firetrail Investments	2.5%

QVG Capital	2.0%
Eley Griffiths Group	1.4%

Absolute bias	55.4%
Long equities	42.0%
Cash	2.6%

Investment portfolio performance

The below NTA figures are after the fully franked final dividend of 3.7 cents per share paid on 23 May 2025. The shares traded ex-dividend on 12 May 2025. The NTA before tax is after the payment of \$10.5m (2.62 cents per share) in tax during the month.

Net tangible assets before tax cum-dividend	Net tangible assets before tax ex-dividend	Dividends paid since inception (per share)
171.20c	167.50c	34.1c
		Including the value of franking credits: 48.7c
Net tangible assets after tax and before tax on unrealised gains	Assets	Profits reserve (per share)
167.29c	\$676.7m	66.2c
Net tangible assets after tax	Month-end share price (at 30 May 2025)	Grossed-up dividend yield^
155.17c	\$1.40	7.6%
		Fully franked dividend yield: 5.3%^

<sup>\*</sup>Based on the 30 May 2025 share price and the FY24 fully franked full year dividend of 7.4 cents per share. Grossed-up dividend yield includes the value of franking credits and is based on a tax rate of 30.0%.

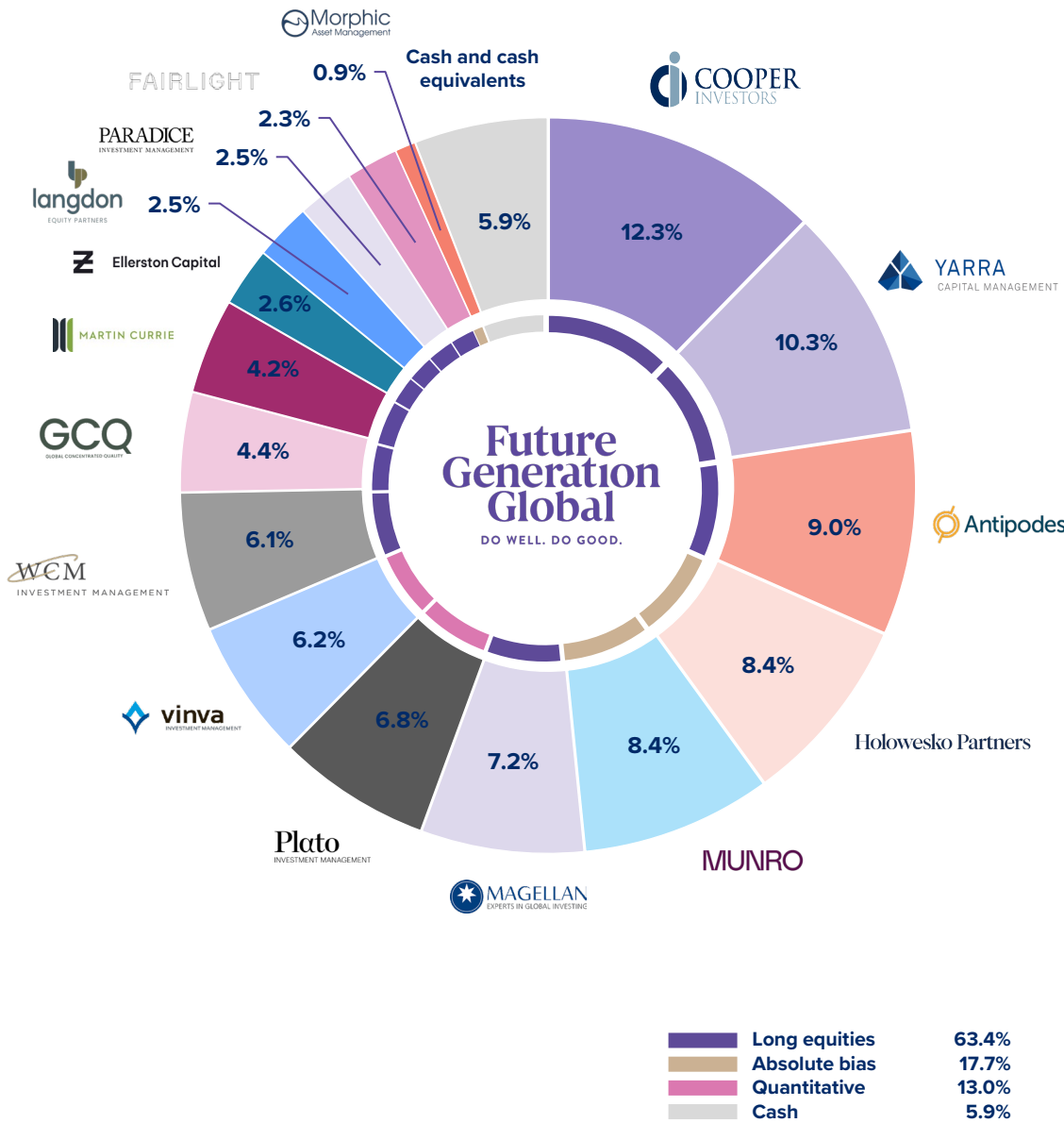
Investment portfolio performance at 31 May 2025	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-15)	Volatility*
Future Generation Global	4.0%	19.5%	15.5%	9.9%	9.7%	9.7%	9.9%

Investment portfolio performance is before expenses, fees and taxes. Future Generation Global's financial year is from 1 January to 31 December.

<sup>\*</sup>Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility is measured by standard deviation, and can be thought of as an assessment of the risk in the investment portfolio. In most cases, the higher the volatility, the riskier the investment.

Fund manager allocations

0% management fees  
0% performance fees



## Qiao Ma

**Lead Portfolio Manager at Munro Partners, one of Future Generation Global's (ASX: FGG) and Future Generation Women's leading pro bono fund managers. Read the full interview [here](#).**

## MUNRO

**It has been another unpredictable period for markets. How has that shaped your recent performance – and what has been driving returns?**

Despite all the market volatility caused by trade policy headlines, May ended up being a strong month for global equities – and our portfolio benefited from that. Resilient consumer data, solid corporate earnings, and a big uptick in M&A and IPO activity helped lift sentiment. A temporary pause in trade tensions didn't hurt either.

Curtiss-Wright (part of our Security Area of Interest) was our top contributor to performance for the month. They had a strong Q1 result, lifted guidance, and benefited from several nuclear-related announcements – including Trump's executive order and an extension of the Nuclear IRA tax credit to 2031.

As a service provider to nuclear plant builds and restarts, they're well-positioned. Another standout was CoreWeave (High Performance Computing), which soared after posting a stellar Q1 result, landing a USD4 billion deal with OpenAI, and securing a strategic investment from Nvidia. Interactive Brokers (Big Data) also helped performance, with trading volumes holding up well in the post-Liberation Day volatility.

**With all the uncertainty out there, what is your outlook for global markets?**

We are not in the business of trying to predict macro moves. Instead, we focus on structurally-growing companies that we believe can keep delivering earnings growth regardless of the broader backdrop.

Many companies are still trading below pre-Liberation Day levels, which creates rare opportunities to buy quality growth businesses at a discount.

**Talk us through your investment process. What gives you an edge right now?**

At Munro, we have been refining our process for nearly two decades<sup>1</sup>. We think of the equity market as a world of few winners and many losers – and our goal is to consistently find those exceptional few. That is where we believe our edge lies.

We aim to find businesses at the early stage of the "S-curve" – when earnings are just beginning to accelerate – and get in early on those with long growth runways. And if we get one wrong, our proprietary stop-loss process helps us exit quickly.

**Can you share a stock you are excited about right now?**

Axon Enterprise is one we are very excited about. It is a founder-led company based in Scottsdale, Arizona, best known for its mission to make communities safer – starting

with the development of the taser, which they credit with saving more than 300,000 lives from death or serious injury.

Since then, Axon has expanded into body cameras, dashcams, and now a high-margin, recurring software business that is starting to take off. Their newest product, Draft One, uses body cam footage to automatically generate police reports – a task that previously took hours. Just three months post-launch, Draft One had built a \$100 million revenue pipeline, the fastest in Axon's history.

Today, Axon captures just 1% of US city budgets. But they're tackling a USD129 billion addressable market, with only USD2 billion in current revenue. We believe there's a multi-decade growth story here – and that the company's innovation is only just beginning.



<sup>1</sup> Investment Process and track record pre-date Munro Partners' inception

The Future Generation companies provide exposure to leading Australian and global fund managers

## Future Generation Australia fund managers

PARADICE  
INVESTMENT MANAGEMENT

REGAL  
FUNDS

BAEP  
Bennelong Australian Equity Partners

L1 CAPITAL

Wilson  
Asset Management

COOPER  
INVESTORS

SANDON CAPITAL

TenCap

SAGE  
CAPITAL

vinva  
INVESTMENT MANAGEMENT

CENTENNIAL  
ASSET MANAGEMENT

clime

LANYON

Smallco

Firetrail  
INVESTMENTS

QVG  
CAPITAL

ELEY GRIFFITHS  
GROUP

## Future Generation Global fund managers

COOPER  
INVESTORS

YARRA  
CAPITAL MANAGEMENT

Antipodes

Holowesko Partners

MUNRO

MAGELLAN  
EXPERTS IN GLOBAL INVESTING

Plato  
INVESTMENT MANAGEMENT

vinva  
INVESTMENT MANAGEMENT

WCM  
INVESTMENT MANAGEMENT

GCCQ  
GLOBAL CONCENTRATED QUALITY

MARTIN CURRIE

Ellerston Capital

PARADICE  
INVESTMENT MANAGEMENT

langdon  
EQUITY PARTNERS

FAIRLIGHT

Morphic  
Asset Management



## Finding a Place to Belong: A mother's journey to ICAN

After years of rejection and heartbreak, Lily\* finally found a community where her son could be himself.



"For years, I searched for an activity where my autistic son could belong. He's bright, funny, and has an encyclopedic knowledge of dinosaurs - but traditional activities never worked.

We tried everything. Dance group? He couldn't handle the echoes of the screams or the tapping on the floor. Swimming? The smell of chlorine and the splashing water overwhelmed him. Even in a specialised disability class, we were asked to leave as he was simply "too much" for the group. We were always gently nudged out, told one-on-one might be better - as though being alone was the solution to being different.

Then we found the I CAN Online Mentoring Program. He joined at eight, the minimum age, and for the first time in his life, he belonged somewhere. He was never asked to leave, never expected to change for the comfort of others. If he didn't feel up to speaking, he could type, use text-to-speech, or just listen. He could even bring our dog along to sessions.

He's been with the program for five years now. Every session, he laughs.

I CAN didn't just give my child a social group - it gave him a place to be himself, unapologetically. And for me, it's been like exhaling after years of holding my breath. We've finally found somewhere he's not just included; he's understood."

Read more [here](#).

\*Names have been changed for confidentiality.

## Our social impact partners



## Our pro bono service providers



**Fund manager  
allocation and  
investments at  
market value as at  
31 May 2025**

Fund Manager	Investment	Strategy	% of Gross Assets
	<b>Equity Alpha Plus/Mid Cap Funds (split out below)</b>		<b>16.3%</b>
Paradice Investment Management	Paradice Equity Alpha Plus Fund	Absolute bias	9.6%
	Paradice Australian Mid Cap Fund	Long equities	6.7%
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	10.2%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	9.9%
	<b>Long Short/Catalyst Funds (split out below)</b>		<b>9.8%</b>
L1 Capital	L1 Capital Long Short Fund	Absolute bias	6.7%
	L1 Capital Catalyst Fund	Long equities	3.1%
	<b>Equity/Leaders Funds (split out below)</b>		<b>8.5%</b>
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	4.7%
	Wilson Asset Management Leaders Fund	Absolute bias	3.8%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	6.9%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	6.8%
Ten Cap Investment Management	Ten Cap Alpha Plus Fund	Absolute bias	4.1%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	3.6%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	3.6%
Centennial Asset Management	The Level 18 Fund	Absolute bias	3.2%
Clime Investment Management	Clime All Cap Australian Equities Fund	Long equities	3.2%
Lanyon Asset Management	Lanyon Investment Fund	Absolute bias	2.9%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	2.5%
Firetrail Investments	Firetrail High Conviction Fund	Long equities	2.5%
QVG Capital	QVG Opportunities Fund	Long equities	2.0%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	1.4%
	Cash and cash equivalents		2.6%

**Fund manager  
allocation and  
investments at  
market value as at  
31 May 2025**

Fund Manager	Investment	Strategy	% of Gross Assets
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	12.3%
Yarra Capital Management	Yarra Global Share Fund	Long equities	10.3%
Antipodes Partners	Antipodes Global Value Fund	Long equities	9.0%
Holowesko Partners	Holowesko Global Fund Limited	Absolute bias	8.4%
Munro Partners	Munro Global Growth Fund	Absolute bias	8.4%
Magellan Asset Management	Magellan Global Fund	Long equities	7.2%
Plato Investment Management	Plato Global Alpha Fund	Quantitative	6.8%
Vinva Investment Management	Vinva International Equity Fund	Quantitative	6.2%
WCM Investment Management	WCM Quality Global Growth Managed Fund	Long equities	6.1%
GCQ Funds Management	GCQ Flagship Fund	Long equities	4.4%
Martin Currie Investment Management	Martin Currie Global Long-term Unconstrained Fund	Long equities	4.2%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	2.6%
Langdon Equity Partners	Langdon Global Smaller Companies Fund	Long equities	2.5%
Paradice Investment Management	Paradice Global Small Cap Fund	Long equities	2.5%
Fairlight Asset Management	Fairlight Global Small & Mid Cap (SMID) Fund	Long equities	2.3%
Morphic Asset Management	Morphic Ethical Equities Fund Limited	Absolute bias	0.9%
	Cash and cash equivalents		5.9%