

Future Generation

DO WELL. DO GOOD.

July 2025 Investment Update

Dear Fellow Shareholder,

July 2025 Investment Portfolio Update:

- The Future Generation Australia (ASX: FGX) investment portfolio increased 4.0%*, outperforming the S&P/ASX All Ordinaries Accumulation Index by 1.4% and taking the 12-month investment portfolio performance to 11.3%*.
- The Future Generation Global (ASX: FGG) investment portfolio rose 1.9%*, while the MSCI AC World Index (AUD) increased 3.6%. This takes the 12-month investment portfolio performance to 19.6%, outperforming the MSCI AC World Index (AUD) by 1.9% over the same period.

Increased fully franked interim dividend announced for both Future Generation Australia and Future Generation Global

Strong Future Generation Global investment portfolio performance, together with the Company's unique structure, has enabled the Board of Directors to [increase](#) the fully franked interim dividend to 4.0 cents per share, demonstrating our commitment to delivering a reliable stream of fully franked income to shareholders.

The increased dividend represents an annualised fully franked interim dividend yield of 5.1%^ and a grossed-up dividend yield of 7.3%^^, which is significantly higher than both the 1.6%# average global equity market yield and the 1.2%# average US equity market yield.

Jennifer Westacott AC, Chair of Future Generation Global, said: "Future Generation Global's carefully constructed portfolio has delivered strong, risk-adjusted investment returns, enabling the Board to increase the fully franked interim dividend. This sustainable business model continues to deliver shareholders consistent income and capital growth, while also making a real difference in the community."

Future Generation Australia's Board of Directors [increased](#) the interim dividend for the tenth consecutive year. The Board's decision to announce an increased fully franked interim dividend of 3.6 cents per share demonstrates our confidence in Future Generation Australia's investment portfolio and delivers

shareholders an annualised fully franked interim dividend yield of 5.7%** and a grossed-up dividend yield of 8.1%^^.

Dr Philip Lowe, Chair of Future Generation Australia, said: "Future Generation Australia's long-term investment performance and unique structure has given the Board the confidence to bring forward its decision to increase its fully franked dividend. Providing shareholders with early information about the upcoming increased dividend is particularly important in the current environment where sustainable and growing income streams are harder to find and macroeconomic uncertainty remains elevated."

Future Generation Australia HY2025 Q&A Webinar

We were pleased to see record attendance at our Future Generation Global Webinar in July and hope you can join our upcoming [Future Generation Australia HY2025 Results Q&A Webinar](#) on Tuesday 9 September.

Ben Griffiths from Eley Griffiths Group, one of our founding and top-performing fund managers, will share his market insights. I will discuss our half-year results and answer shareholder questions alongside our Chief Investment Officer, Lee Hopperton and Emily Fuller, our Social Impact Director, who will announce our new social impact partners and sharpened philanthropic focus.

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.



Caroline Gurney
CEO, Future Generation

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

^Based on the 31 July 2025 closing share price of \$1.565 per share and the annualised FY2025 fully franked interim dividend of 8.0 cents per share.

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

#Based on the MSCI World Index and S&P 500 Index dividend yields at 30 June 2025.

**Based on the 31 July 2025 closing share price of \$1.26 per share and the annualised FY25 fully franked interim dividend of 7.2 cents per share.



\$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

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

\$20.8m

\$152.1m

Investment portfolio performance

During the month, the Board declared a fully franked interim dividend of 3.6 cents per share, payable on 26 November 2025.

Net tangible assets before tax	Month-end share price (at 31 July 2025)	Grossed-up dividend yield [^]
144.08c	\$1.26	8.1% Fully franked dividend yield: 5.7% [^]
Net tangible assets after tax and before tax on unrealised gains	Assets	Dividends paid since inception (per share)
141.31c	\$597.5m	53.5c Including the value of franking credits: 76.4c
Net tangible assets after tax	Volatility*	Profits reserve (per share)
137.40c	11.6% S&P/ASX All Ordinaries Accumulation Index: 13.9%	41.8c

*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.

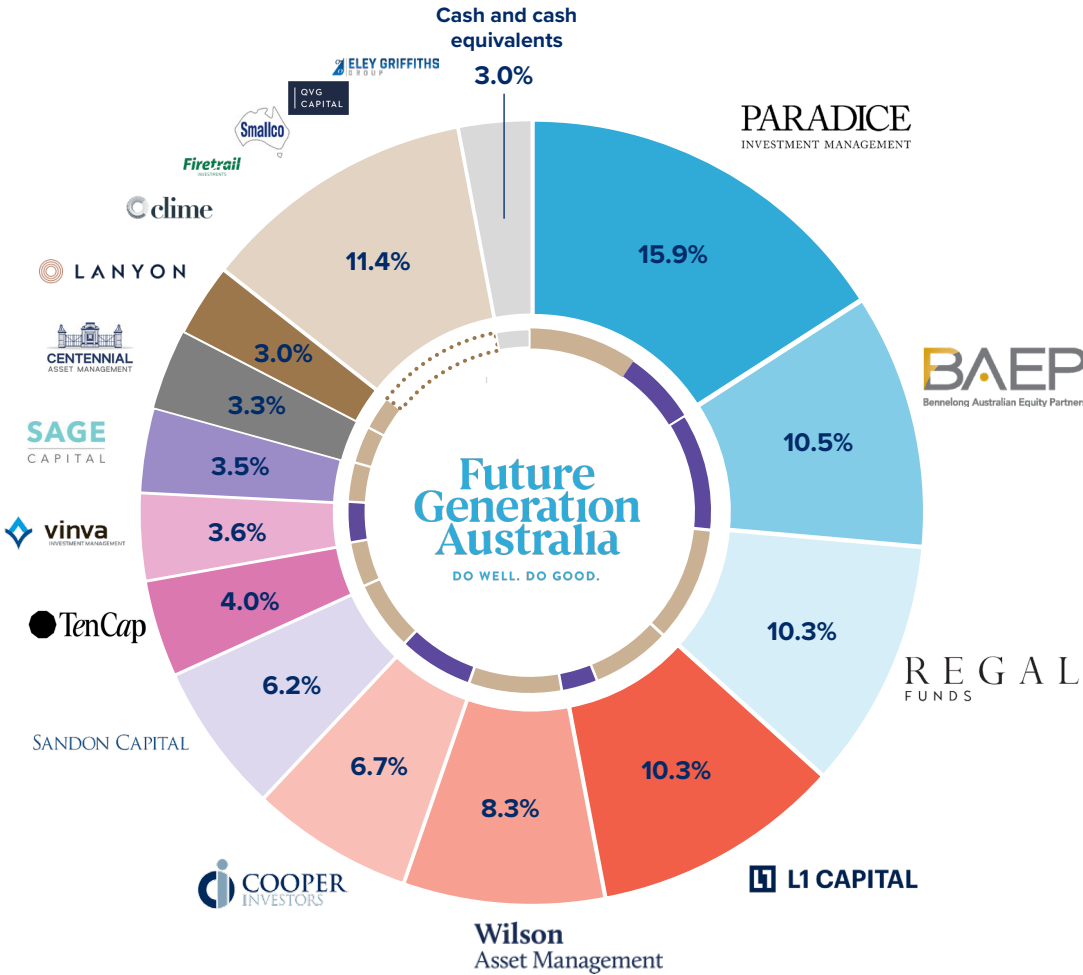
[^]Based on the 31 July 2025 share price and the annualised FY2025 fully franked interim dividend of 7.2 cents per share. Grossed-up dividend yield includes the value of franking credits and is based on a tax rate of 30.0%.

Investment portfolio performance at 31 July 2025	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-14)
Future Generation Australia	8.1%	11.3%	11.9%	11.8%	8.8%	9.6%

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

Fund manager allocations

0% management fees
0% performance fees



11.4% fund manager breakdown

Clime Investment Management	2.9%
Firetrail Investments	2.5%
Smallco Investment Manager	2.5%

QVG Capital	2.1%
Eley Griffiths Group	1.4%

Absolute bias	55.0%
Long equities	42.0%
Cash	3.0%

Investment portfolio performance

During the month, the Board declared a fully franked interim dividend of 4.0 cents per share, payable on 28 November 2025.

Net tangible assets before tax	Month-end share price (at 31 July 2025)	Grossed-up dividend yield [^]
174.41c	\$1.565	7.3% Annualised fully franked interim dividend yield: 5.1% [^]
Net tangible assets after tax and before tax on unrealised gains	Assets	Dividends paid since inception (per share)
171.19c	\$705.7m	34.1c Including the value of franking credits: 48.7c
Net tangible assets after tax	Volatility [*]	Profits reserve (per share)
160.01c	9.8% MSCI AC World Index (AUD): 10.6%	71.1c

^{*}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.

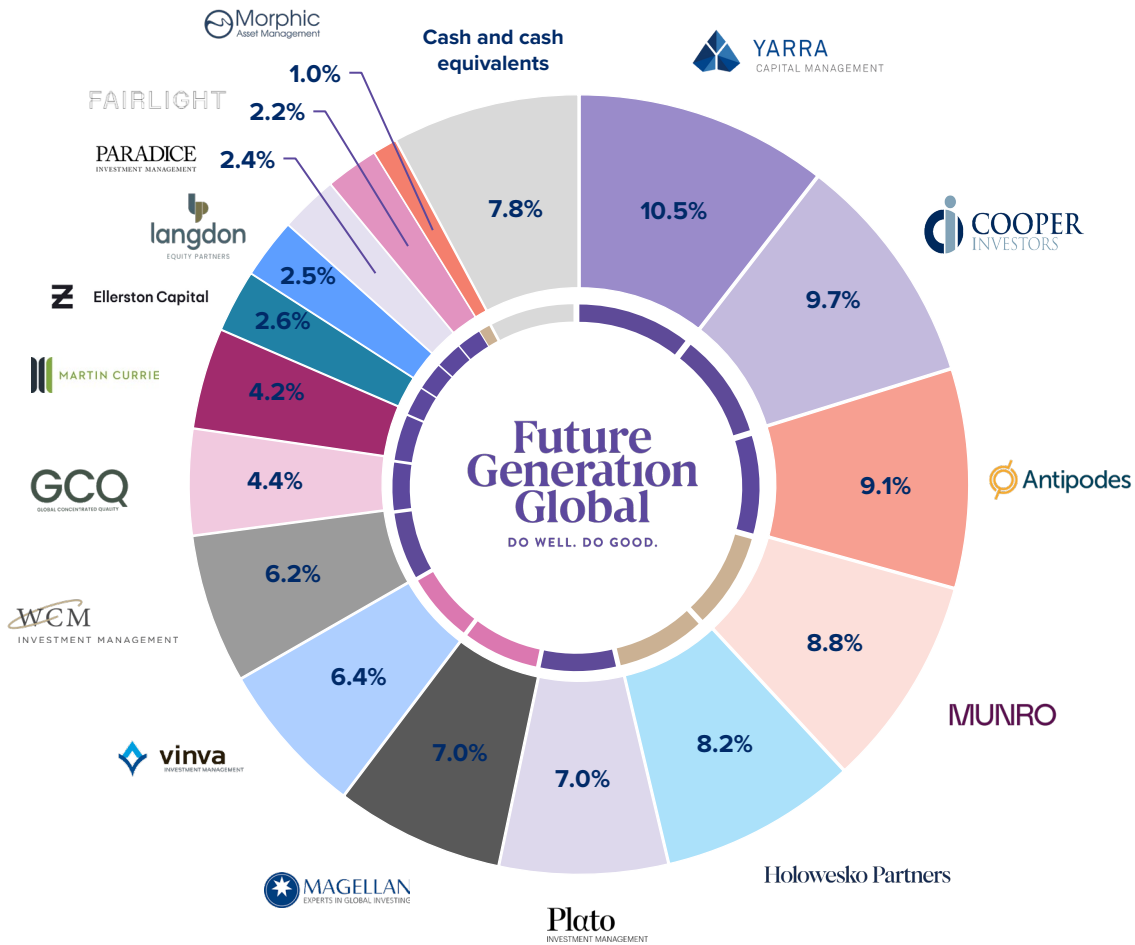
[^]Based on the 31 July 2025 share price and the annualised FY2025 fully franked interim dividend of 8.0 cents per share. Grossed-up dividend yield includes the value of franking credits and is based on a tax rate of 30.0%.

Investment portfolio performance at 31 July 2025	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	7 yrs %pa	Since inception %pa (Sept-15)
Future Generation Global	8.5%	19.6%	16.8%	10.4%	9.9%	10.0%

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

Fund manager allocations

0% management fees
0% performance fees



Long equities	60.8%
Absolute bias	18.0%
Quantitative	13.4%
Cash	7.8%

Meet the Manager

Tony Waters



QVG Opportunities Fund has delivered a gross return of 34.2 % (or 28.7% net of fees) in the 12 months to 31 July 2025 - a standout performance in a small-cap market that has lagged.

We spoke with Portfolio Manager Tony Waters about the key drivers, his approach to managing risk in a concentrated portfolio and what is on his radar for the year ahead. Read the full article [here](#).

QVG Opportunities Fund has had an exceptional 12 months. What's driven that performance?

We run a relatively concentrated portfolio - currently around 30 stocks, with about half the portfolio in the top 10 positions. Our process doesn't change through the investment cycle, which means we've stuck with high-quality, long-duration growth names, even when rising rates in 2022 and 2023 worked against them.

The current environment - where rates have peaked and are likely to fall - is better suited to the type of structural growth stories we own. It's been a sweet spot for us. But I always say, you need to assess our performance over a full economic cycle to really understand the value of our approach.

How do you manage risk in such a concentrated portfolio?

While we are concentrated, our industry exposure is quite diverse. Our top holdings include names in financial services, consumer tech (like Life360 Inc), telco (Aussie Broadband) and industrial services (such as Maas Group Holdings). We're looking for businesses that can consistently generate strong returns on capital and grow free cash flow through the cycle. That growth can come from many different sectors.

Who were the standout contributors over the past year?

There were really 6 standouts that delivered more than 200 basis points to performance: Life360 Inc. (ASX: 360), our largest position over the past 12 months; HUB24 (ASX: HUB), Catapult Sports (ASX: CAT), MA Financial Group (ASX: MAF), Zip Co (ASX: ZIP), and Generation Development Group (ASX: GDG) in that order. These holdings have continued to add value in July.

We also had a couple of other wins. Johns Lyng Group (ASX: JLG), which had been under pressure, received a takeover offer from Pacific Equity Partners and Hansen Technologies (ASX: HSN) had a strong earnings upgrade.

What do you look for in a 'quality' business - and do you see further upside in your key holdings?

Our definition of quality includes strong balance sheets, high returns on capital, and a belief that the business still has a significant addressable market to grow into.

HUB24 is a great example. We've held it since QVG's inception. It's moved past mid-stage growth, but we still see a solid runway ahead. Generation Development Group and Life360 Inc. are earlier in their cycles, and we see multiple years of earnings compounding still to come. As long as they continue to do what we expect, we'll keep holding them.

Anything keeping you up at night heading into the second half of the year?

Only if the expected rate cuts don't materialise. That would shake markets. But otherwise, we're focused on staying disciplined and long-term.

Why do you support Future Generation Australia?

It's such a brilliant concept. We were very happy to join and are proud to be part of it. As long as Future Generation will have us, we'll keep supporting the fund.



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

Future Generation Australia fund managers

PARADICE
INVESTMENT MANAGEMENT

BAEP
Bennelong Australian Equity Partners

REGAL
FUNDS

L1 CAPITAL

Wilson
Asset Management

COOPER
INVESTORS

SANDON CAPITAL

TenCap

SAGE
CAPITAL

vinva
INVESTMENT MANAGEMENT

CENTENNIAL
ASSET MANAGEMENT

LANYON

clime

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 his way: How a love of animals helped Hayden step into the world



"I've always loved animals. They're calm and don't expect too much. You can just be yourself around them. That's not something I often felt growing up.

I've had anxiety, OCD, and autism for as long as I can remember. Things like school, meeting new people, or even leaving the house were incredibly hard for me. I used to think maybe I just didn't fit anywhere. Then we found Happy Paws Happy Hearts.

At first, I joined their In-Shelter Program. Right away, it felt different. Small groups, a calm routine, and animals to care for. It helped me feel safe. I wasn't being pushed to be someone I wasn't or to do stuff I wasn't ready for. Slowly, I started to talk more, join in more.

After a while, I was invited to join the Explore Program – and that's where things really started to change. We learned real-life skills like goal-setting, communicating at work, and what to expect in the workplace. I had a Case Manager who supported me every step of the way. It didn't feel scary anymore. It felt doable.

Then came my work placement at a local aquarium. I was nervous – really nervous – but I remembered what I'd learned. I showed up, did my best and slowly settled in. At the end of my ten-week placement, they offered me a permanent position which I undertook for a while and now enjoy a casual position while I take on new challenges.

I love doing something that means something to me. Every shift, I get to care for the fish, help visitors that come into the store and, be part of a team that are so understanding, welcoming, and supporting. I never thought that this would be my reality and now it is."

Happy Paws Happy Hearts creates positive connections between young people experiencing social isolation – including these living with disability, mental health challenges, or processing trauma - with rescue animals in safe, supportive environments.

Our social impact partners



Our pro bono service providers



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

Fund Manager	Investment	Strategy	% of Gross Assets
	Equity Alpha Plus/Mid Cap Funds (split out below)		15.9%
Paradice Investment Management	Paradice Equity Alpha Plus Fund	Absolute bias	9.3%
	Paradice Australian Mid Cap Fund	Long equities	6.6%
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	10.5%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	10.3%
	Long Short/Catalyst Funds (split out below)		10.3%
L1 Capital	L1 Capital Long Short Fund	Absolute bias	7.1%
	L1 Capital Catalyst Fund	Long equities	3.2%
	Equity/Leaders Funds (split out below)		8.3%
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	4.5%
	Wilson Asset Management Leaders Fund	Absolute bias	3.8%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	6.7%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	6.2%
Ten Cap Investment Management	Ten Cap Alpha Plus Fund	Absolute bias	4.0%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	3.6%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	3.5%
Centennial Asset Management	The Level 18 Fund	Absolute bias	3.3%
Lanyon Asset Management	Lanyon Investment Fund	Absolute bias	3.0%
Clime Investment Management	Clime All Cap Australian Equities Fund	Long equities	2.9%
Firetrail Investments	Firetrail High Conviction Fund	Long equities	2.5%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	2.5%
QVG Capital	QVG Opportunities Fund	Long equities	2.1%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	1.4%
	Cash and cash equivalents		3.0%

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

Fund Manager	Investment	Strategy	% of Gross Assets
Yarra Capital Management	Yarra Global Share Fund	Long equities	10.5%
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	9.7%
Antipodes Partners	Antipodes Global Value Fund	Long equities	9.1%
Munro Partners	Munro Global Growth Fund	Absolute bias	8.8%
Holowesko Partners	Holowesko Global Fund Limited	Absolute bias	8.2%
Plato Investment Management	Plato Global Alpha Fund	Quantitative	7.0%
Magellan Asset Management	Magellan Global Fund	Long equities	7.0%
Vinva Investment Management	Vinva International Equity Fund	Quantitative	6.4%
WCM Investment Management	WCM Quality Global Growth Managed Fund	Long equities	6.2%
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	2.4%
Fairlight Asset Management	Fairlight Global Small & Mid Cap (SMID) Fund	Long equities	2.2%
Morphic Asset Management	Morphic Ethical Equities Fund Limited	Absolute bias	1.0%
	Cash and cash equivalents		7.8%