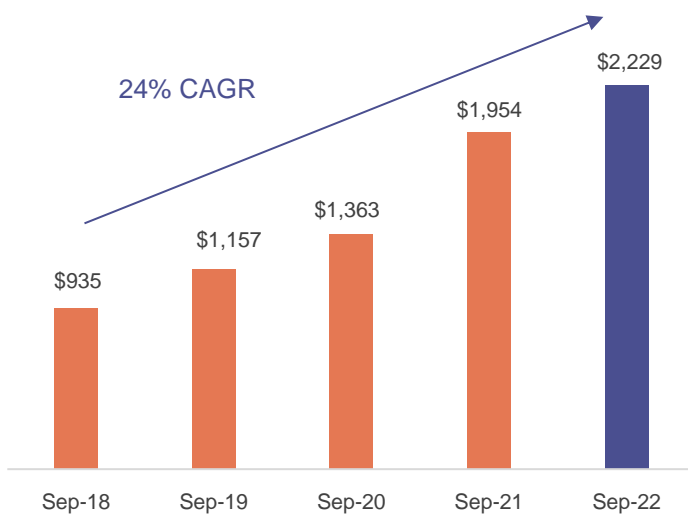


ASX Announcement

17 October 2022

Generation Development Group September Quarter Update

Closing Funds Under Management in \$m (Sept)



Funds Under Management

14% ↑

Up on previous corresponding period

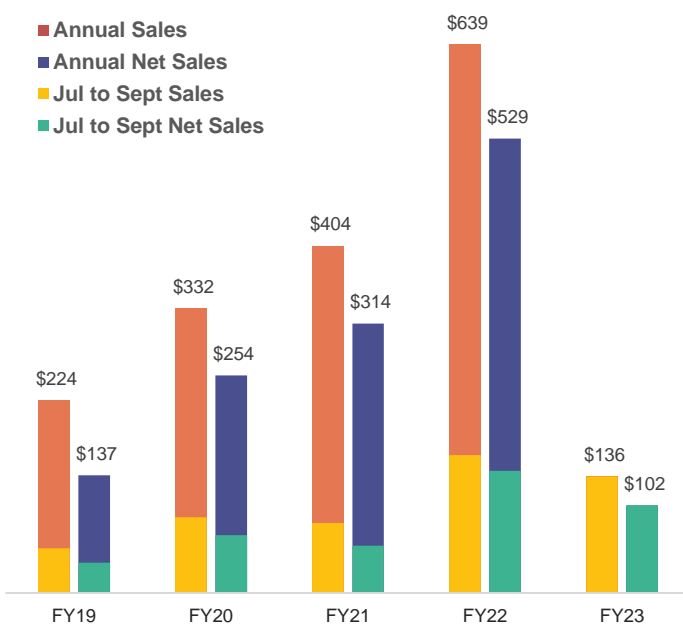
\$2,229m

Total FUM as at September 2022

\$71m

FUM growth June 2022 to September 2022

Annual Sales & Net Inflows in \$m



Gross inflows

15% ↓

Down on previous corresponding period

\$102m

Net inflows June 2022 to September 2022

\$136m

Sales inflows June 2022 to September 2022

\$615m

Sales inflows September 2021 to September 2022

A message from Grant Hackett OAM CEO of Generation Life



A strong start to the year

Generation Life has had a strong start to the 2023 Financial Year with \$136m in Investment Bond sales and \$3m in LifeIncome. Whilst this was not as strong as Q1 FY22, it is still our second strongest September quarter since inception under challenging macroeconomic conditions. Given all the volatility and weaker global equity markets, this is a pleasing result. Since we exceeded \$100m in Q1 2021, we have managed to achieve quarterly sales of at least \$130m. On a relative basis, we did not see a material increase in redemptions over the period and our new investment-linked lifetime annuity, LifeIncome continues to build momentum. Our overall funds under management grew by 14.1% on the prior corresponding period.

While that we have limited control on the macroeconomic factors impacting markets, we have shifted our focus to increasing our distribution activity and communications to financial advisers to further support and assist them with helping their clients construct investment portfolios and strategies using investment bonds. The distribution activity has been at all time highs with a total of 24 live masterclasses during the quarter, presenting to almost 1000 financial advisers, compared to 4 masterclasses in the previous corresponding period. We also participated in numerous professional development days and industry events where Generation Life was a keynote speaker (including both the Association of Financial Advisers and Financial Planners Association events). This increased activity has built a considerable pipeline and we feel confident that our sales result will improve over the year, subject to market conditions.

We have also shifted two more of our investment strategies over to the Tax Optimised series, which provides investors with increased after tax performance of up to 200 basis points per annum. In a low return environment the 'tax alpha' we generate becomes an even stronger value proposition for investors. This takes our total Tax Optimised range to 15 investment strategies across multiple asset classes.

Grant Hackett OAM

Chief Executive Officer and Managing Director of Generation Life

1. Plan for Life, Investment Bonds Market Report for period ended 30 June 2022.

Key highlights



The September quarter delivered the **second highest September quarterly inflows** in the history of Generation Life



54% market share of quarterly inflows into investment bonds for the June 2022 quarter¹



Investment bond net inflows of \$102m for the quarter with continued low redemption rates



Solid FUM growth for the quarter notwithstanding volatile equity markets

Movements for the quarter and year



Funds Under Management (\$m)

Generation Life Investment Bonds

	Quarter ended Sept 2022 (\$m)	Quarter ended Sept 2021 (\$m)	Change (\$m)	Change (%)
Opening	2,158.0	1,792.1	365.9	20.4
Sales inflows	135.9	160.5	-24.6	-15.3
Investment growth	-31.1	19.5	-50.5	N/A
Withdrawals & maturities	-33.9	-18.1	-15.8	-87.2
Closing	2,229.1	1,954.0	275.0	14.1

Lonsec Investment Solutions

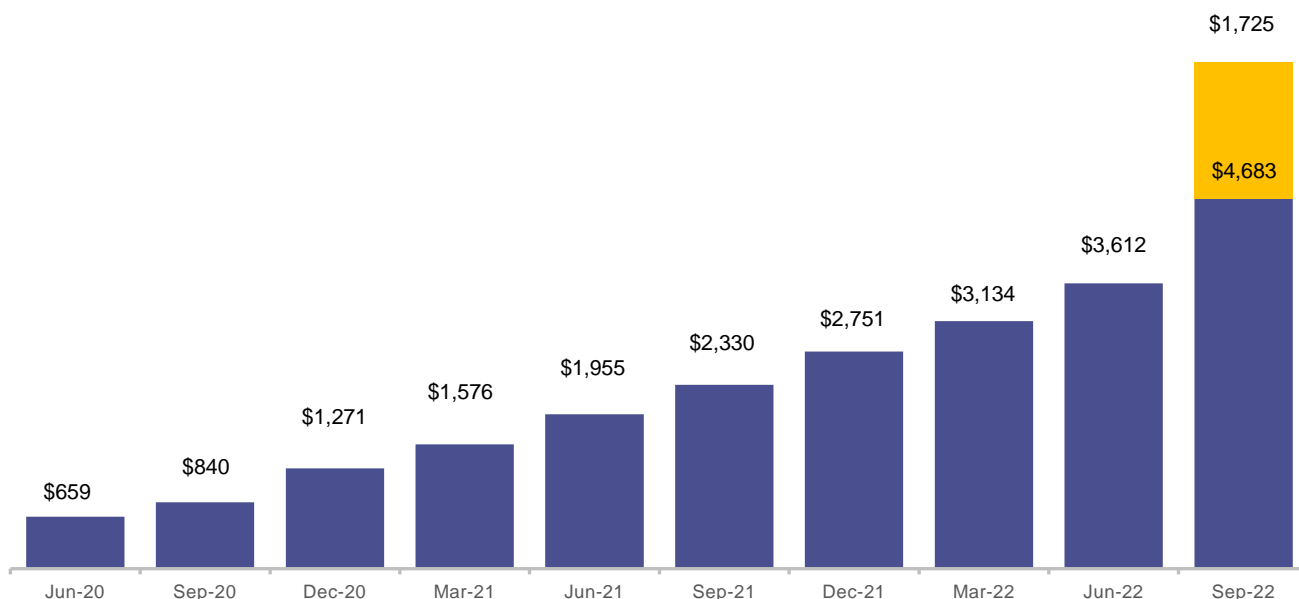
Lonsec Investment Solutions continues to exceed growth forecasts, and has achieved a step change in Funds Under Management with \$6,408m, following the recent acquisition of Implemented Portfolios Limited (IPL). Funds Under Management increased by 77% for the September 2022 quarter, or 175%

Generation Development Group (GDG) holds a 41% interest in Lonsec Holdings Pty Ltd (Lonsec), which includes Lonsec Investment Solutions that helps dealer groups and independent financial advisers establish diversified managed portfolios and separately managed account (SMA) solutions.

Lonsec Funds Under Management increased by \$2,796m for the quarter, with \$1,725m driven by the acquisition of IPL during the quarter. Pleasingly, funds under management increased by over \$350m on an average monthly basis, from 30 June 2022 to 30 September 2022, excluding IPL funds under management, notwithstanding challenging equity market conditions.

There has been a significant, 175%, or \$4,078m, increase in FUM in the last 12 months since 30 September 2021.

Lonsec Closing Funds Under Management in \$m





Outthinking today.

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