

Appendix 4D

Half Year Report

for the half year ended 30 June 2024

Results for announcement to the market

All comparisons for the half year ended 30 June 2023
(unless specified for 31 December 2023)

Future Generation Global Limited
ABN 52 606 110 838

	UP/DOWN	% MVMT	\$'000
Revenue from operating activities	down	8.6%	66,062
Profit from ordinary activities before tax	down	9.5%	62,609
Net profit from ordinary activities after tax	down	8.0%	44,881

Dividend information	Cents per share	Franking %	Tax rate for franking
2024 interim dividend cents per share	3.7	100%	30%
2023 final dividend cents per share	3.6	100%	30%

Dividend dates

Ex-dividend date	17 October 2024
Record date	18 October 2024
Last election date for DRP	22 October 2024
Payment date	30 October 2024

Dividend Reinvestment Plan

The Dividend Reinvestment Plan (DRP) is in operation and the fully franked interim dividend of 3.7 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the volume weighted average market price (VWAP) of shares sold on the ASX (on an ex-dividend basis) four trading days from the ex-dividend date, inclusive of the ex-dividend date. The DRP will operate without a discount for the fully franked interim dividend.

Net Tangible Assets (NTA)*	30 JUN 2024	31 DEC 2023
NTA (before tax) per share	\$1.52	\$1.43
NTA (after tax) per share	\$1.45	\$1.38

*After the FY2023 fully franked final dividend of 3.6 cents per share paid to shareholders during the six-month period to 30 June 2024.

Future Generation Global Limited

Financial Report

For the half year
ended 30 June 2024

ABN: 52 606 110 838

**Future
Generation
Global**

INVESTMENT & SOCIAL RETURNS

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Future Generation Global Limited

The Company’s primary investment objective is to provide shareholders with long-term capital growth, through diversified exposure to global equities.

Chair

Jennifer Westacott AO

Directors

Kiera Grant
Sarah Morgan
Jonathan Nicholas
Geoff R Wilson
Kate Thorley
Geoff Wilson AO
Frank Casarotti (resigned 8 March 2024)

Joint Company Secretaries

Jesse Hamilton
Mark Licciardo

Investment Committee

Kiera Grant (Chair)
Veronica Klaus
Gary Brader
John Coombe
Aman Ramrakha
Sean Webster
Geoff Wilson AO
Martyn McCathie

Chief Executive Officer

Caroline Gurney

Auditor

Pitcher Partners

Country of Incorporation

Australia

Registered Office

Level 26, Governor Phillip Tower
1 Farrer Place, Sydney NSW 2000

Contact Details

Postal Address: GPO Box 4658
Sydney NSW 2001

T: (02) 9247 9202
E: info@futuregeninvest.com.au
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Share Registry

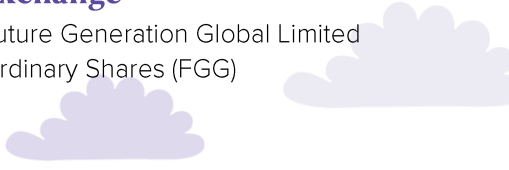
Boardroom Pty Limited
Level 8, 210 George Street
Sydney NSW 2000

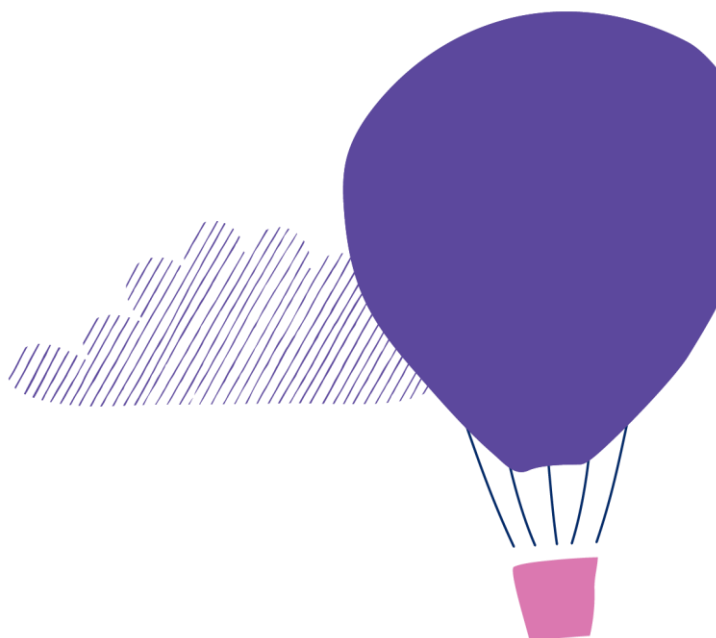
T: 1300 737 760 (in Australia)
+61 2 9290 9600 (International)

For enquiries relating to shareholdings, dividends (including participation in the Dividend Reinvestment Plan and Dividend Donation Plan) and related matters, please contact the share registry.

Australian Securities Exchange

Future Generation Global Limited
Ordinary Shares (FGG)





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Directors' Report to Shareholders

For the half year ended 30 June 2024

The Directors present their report together with the financial report of Future Generation Global Limited (Future Generation Global or the Company) for the half year ended 30 June 2024.

Directors

The following persons were Directors of the Company during the financial period and up to the date of this report:

- Jennifer Westacott AO, Chair and Non-Executive Director
- Kiera Grant, Non-Executive Director
- Sarah Morgan, Non-Executive Director
- Jonathan Nicholas, Non-Executive Director
- Geoff R Wilson, Non-Executive Director
- Kate Thorley, Non-Executive Director
- Geoff Wilson AO, Non-Executive Director
- Frank Casarotti, Non-Executive Director (resigned 8 March 2024)

Principal activity

The principal activity of the Company is investing in global equity fund managers while also investing in organisations promoting wellbeing and preventing mental ill-health in young Australians.

The Company invests its capital with fund managers who have agreed to provide their services for 0.0% management fees and 0.0% performance fees. The pro bono support of these fund managers, as well as the pro bono support of various service providers, allows the Company to invest 1.0% of its average monthly net assets each year in our social impact partners and other not-for-profit organisations with a focus on mental health and wellbeing in young Australians.

There was no change in the nature of the activity of the Company during the period or is likely in the future.

Operating and financial review

For the six-month period ended 30 June 2024, the Company reported an operating profit before tax of \$62.6 million (HY2023: \$69.2 million) and an operating profit after tax of \$44.9 million (HY2023: \$48.8 million). The operating profit is reflective of the investment portfolio performance over the period. In the six months to 30 June 2024, the investment portfolio increased 11.6%* while the MSCI AC World Index (AUD) rose 14.0%.

Global equity markets continued to be led by the strong performance of mega-cap US technology stocks. During the six-month period to 30 June 2024, the performance of the top seven mega-cap stocks collectively rose 40.1% (in AUD terms), which contributed to the MSCI AC World Index (AUD) increasing 14.0%, while the MSCI World SMID Cap Index (in AUD terms) rose 4.8%.

The Future Generation Global Investment Committee and our 15 leading global fund managers continue to believe that a disciplined investment process focused on fundamentals, earnings growth and valuation will derive outsized returns for shareholders over the long term and enable the Company to meet its investment objectives. This has resulted in the investment portfolio having a small to mid-cap bias and underweight exposure to mega-cap companies. During the six months to 30 June 2024, Future Generation Global partially redeemed its holding in Ellerston Global Small Mid Cap Fund (\$12.5 million), Lanyon Investment Fund (\$10.0 million) and Morphic Ethical Equities Fund (\$1.2 million).

The Future Generation Global investment portfolio has been structured to provide diversification between three broad equity strategies: long equities, absolute bias and quantitative, with the remainder held in cash. As at 30 June 2024, the portfolio was 60.0% long equities, 27.7% absolute bias, 10.0% quantitative and 2.3% cash.

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

Directors' Report to Shareholders

For the half year ended 30 June 2024

The operating profit for the period includes the distribution income received from underlying fund managers, in addition to the unrealised gains and losses arising as a result of the changes in the market value of the investments held with the underlying fund managers. The level of distribution income received and the movement in the market value of the investments can add to or reduce operating profit in each period respectively. This treatment under the Accounting Standards can cause large variations in reported operating profits between periods.

The operating profit or loss for each financial period is reflective of the underlying investment portfolio performance and is important to understand within the context of the overall performance of equity markets in any given period. Given the potential variability, we believe the more appropriate measures of the financial results for the period are the investment portfolio performance, the change in net tangible assets (NTA) and fully franked dividends, together with total shareholder return (TSR).

Investment portfolio performance

Investment portfolio performance measures the growth of the underlying portfolio of equities and cash before expenses, fees and taxes. The MSCI AC World Index (AUD) is also measured before expenses, fees and taxes.

In the six months to 30 June 2024, the investment portfolio increased 11.6%*. Global equity markets continued to be led by the strong performance of mega-cap US technology stocks. During the six-month period to 30 June 2024, the performance of the top seven mega-cap stocks collectively rose 40.1% (in AUD terms), which contributed to the MSCI AC World Index (AUD) increasing 14.0%, while the MSCI World SMID Cap Index (in AUD terms) rose 4.8%. Since inception, the investment portfolio has increased 8.7%* per annum, while the Index rose 11.2% per annum. This investment portfolio performance has been achieved with less volatility#, 9.9% versus the Index's 10.7%.

Net tangible asset growth

NTA growth is the change in value of the Company's assets, less liabilities and costs (including tax, social investment and other company related expenses). The NTA represents the realisable value of the Company and is provided to shareholders and announced to the ASX each month.

Future Generation Global's pre-tax NTA increased 11.1% in the six months to 30 June 2024, including the 3.6 cents per share FY2023 fully franked final dividend paid to shareholders during the period and corporate tax paid of 2.8 cents per share or 2.1%. The franking credits attached to corporate tax payments are available for distribution to shareholders through fully franked dividends. Items contributing to the difference between the investment portfolio performance of 11.6%* and the NTA performance of 11.1% was the social investment accrual of 0.5% (1.0% per annum).

The NTA before tax as at 30 June 2024 was \$1.52 per share (December 2023: \$1.43). The NTA after tax was \$1.45 per share (December 2023: \$1.38). These figures are after the 3.6 cents per share FY2023 fully franked final dividend paid to shareholders during the period.

Total shareholder return

TSR measures the tangible value shareholders gain from share price growth and dividends paid over the period, before and after the value of any franking credits distributed to shareholders through fully franked dividends.

The TSR for the six-month period was 12.7%, or 14.0% when including the value of franking credits. This was driven by the share price increasing from \$1.19 to \$1.305, together with the payment of the 3.6 cents per share in fully franked dividends during the period. Future Generation Global's share price discount to NTA narrowed and the Company ended the period trading at a share price discount to NTA of 14.2%, from 16.7% at the start of the period.

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

#Volatility shows the degree to which the returns of the portfolio move around from their long-run average. It can be thought of as a measure of the risk in the investment portfolio. Volatility is measured by standard deviation, a statistical measurement.

Directors' Report to Shareholders

For the half year ended 30 June 2024

Dividends

The Board declared an increased fully franked interim dividend of 3.7 cents per share to be paid on 30 October 2024. The FY2024 fully franked interim dividend provides an annualised fully franked dividend yield of 5.7% and a grossed-up dividend yield of 8.1%[^], on the 28 June 2024 share price of \$1.305 per share. The current dividend yield is significantly greater than both the average global equity market yield of 2.0%, based on the MSCI World Index dividend yield, and the average US equity market yield of 1.5%, based on the S&P 500 Index dividend yield, as at 31 July 2024.

The Board's decision to increase the fully franked interim dividend was informed by the annualised grossed-up dividend yield of 7.0%[^] on pre-tax NTA and the objective to provide shareholders both capital growth (i.e. movement in the Company's share price) and income (i.e. through franked dividends paid to shareholders on a semi-annual basis) returns. To maintain the annualised grossed-up dividend yield of 7.0%[^], the investment portfolio would need to increase more than 8% per annum to ensure that the NTA does not decline and shareholders receive a combination of capital and income returns.

Since inception, Future Generation Global has paid 38.1 cents per share in fully franked dividends to shareholders, including the value of franking credits. At 31 July 2024, the Company had 8.0 years of dividend coverage, based on 59.1 cents per share in the profits reserve, before the payment of the fully franked interim dividend of 3.7 cents per share.

Fund managers and service providers

Through their investment in Future Generation Global, shareholders gain unprecedented access to leading global equity fund managers and make a significant contribution to the mental health and wellbeing of young Australians. This is made possible by our leading global fund managers forgoing management and performance fees. The Board of Directors, the Investment Committee and most service providers also work on a pro bono basis.

We would like to thank our fund managers and service providers for their outstanding and continued generosity throughout the period. The value of the management and performance fees forgone by the fund managers for the half year period ended 30 June 2024 totalled \$3.6 million (June 2023: \$3.3 million) and the estimated value of the service providers working for the Company on a pro bono basis totalled \$1.0 million (June 2023: \$0.9 million). Currently we estimate the value of this pro bono support to be approximately \$9.2 million per annum, and at 1.6% of the net assets of the Company, these savings to shareholders far exceed the annual 1.0% investment to our social impact partners.

The Future Generation Global Board would like to thank Frank Casarotti for his exceptional service and contribution to the Company as a valued member of the Board of Directors since the Company was founded in 2015, and congratulate him on a remarkable 40 year career in the financial services industry.

Social impact update

The Company will deliver its ninth annual social investment by the end of the year. The social investment of \$5.9 million will be made to organisations with a focus of youth mental health and wellbeing, bringing the total investment since inception to \$43.9 million. This investment will be made to Future Generation Global's social impact partners and other not-for-profit organisations, making the Company one of the biggest private funders in youth mental health.

At Future Generation Global, we have a bold ambition to understand the combined impact of the work undertaken by our 14 not-for-profit partners on the mental health and wellbeing of young Australians. This is a challenging and emergent pursuit. It may well mark the first time an Australian philanthropic group and its grantees have attempted to measure impact at this level.

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

Directors' Report to Shareholders

For the half year ended 30 June 2024

With the release of our groundbreaking Impact Report, we have begun to bring this ambition to reality. This award-winning initiative reveals that, in our first year, Future Generation Global's partners had 5,533,459 young participants – across every state and territory – in programs and services that safeguard wellbeing and prevent the onset of mental ill-health.

As a large private funder of youth mental health, we believe it is incumbent on us to be transparent and accountable to our shareholders about the impact of our giving. We were delighted to be awarded the 2024 Philanthropy Australia Collaboration Award for this work, alongside our impact partners; Social Outcomes, which developed our Impact Measurement Framework; and Seer Data & Analytics, which operationalises it on their platform.

Our sincere thanks go to our partners for their dedication to this ambitious initiative and for their relentless pursuit of mental health and wellbeing for all young Australians.

After balance sheet date events

Since the end of the period, the Company has declared a fully franked interim dividend of 3.7 cents per share to be paid on 30 October 2024.

No other matters or circumstances have occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Rounding of amounts

In accordance with ASIC Corporations (rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report have been rounded to the nearest thousand dollars, or in certain cases, the nearest dollar, unless otherwise indicated.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* in relation to the review for the half year is set out on page 5 of the Financial Report.

Signed in accordance with a resolution of the Board of Directors.



Jennifer Westacott AO

Chair

Dated this 30th day of August 2024

Auditor's Independence Declaration**To the Directors of Future Generation Global Limited****ABN 52 606 110 838**

In relation to the independent auditor's review of Future Generation Global Limited for the half-year ended 30 June 2024, I declare that to the best of my knowledge and belief there have been:

- i. No contraventions of the auditor's independence requirements of the *Corporations Act 2001*; and
- ii. No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

**S S Wallace**
Partner**Pitcher Partners**
Sydney

30 August 2024

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Statement of Comprehensive Income

For the half year ended 30 June 2024

	NOTE	JUNE 2024 \$'000	JUNE 2023 \$'000
Investment income			
Net realised and unrealised gains on financial investments		44,092	61,293
Distributions received		18,843	7,604
Investment management and performance fee rebates	2	2,766	2,591
Interest income		361	762
		66,062	72,250
Expenses provided on a pro bono basis			
Share registry maintenance costs		-	-
Directors fees		-	-
Investment Committee fees		-	-
Accounting fees		-	-
Audit fees		-	-
ASX listing fees		-	-
Expenses			
Social investment accrual	3	(3,055)	(2,761)
Service agreement costs		(175)	(121)
Other expenses		(194)	(144)
Share registry transaction costs		(9)	(7)
ASIC industry funding levy		(2)	(5)
ASX CHESS fees		(15)	(17)
Tax fees		(3)	(4)
		(3,453)	(3,059)
Profit before income tax		62,609	69,191
Income tax expense		(17,728)	(20,395)
Profit after income tax for the period attributable to members		44,881	48,796
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		44,881	48,796
Basic and diluted earnings per share			
		11.29 cents	12.33 cents

The accompanying notes form part of these half year financial statements.

Statement of Financial Position

As at 30 June 2024

	NOTE	JUNE 2024 \$'000	DECEMBER 2023 \$'000
Assets			
Current assets			
Cash and cash equivalents		14,149	14,844
Trade and other receivables		11,427	1,872
Financial assets at fair value through profit or loss	7	586,024	553,806
Other current assets		-	21
Total current assets		611,600	570,543
Non-current assets			
Deferred tax assets		2,679	1,762
Total non-current assets		2,679	1,762
Total assets		614,279	572,305
Liabilities			
Current liabilities			
Trade and other payables		193	378
Current tax liabilities		6,894	5,471
Social investment accrual	3	5,980	2,925
Total current liabilities		13,067	8,774
Non-current liabilities			
Deferred tax liabilities		23,170	17,185
Total non-current liabilities		23,170	17,185
Total liabilities		36,237	25,959
Net assets		578,042	546,346
Equity			
Issued capital	5(a)	457,215	456,098
Profits reserve	6	231,218	194,381
Accumulated losses	6	(110,391)	(104,133)
Total equity		578,042	546,346

The accompanying notes form part of these half year financial statements.

Statement of Changes in Equity

For the half year ended 30 June 2024

	NOTE	ISSUED CAPITAL \$'000	PROFITS RESERVE \$'000	ACCUMULATED LOSSES \$'000	TOTAL EQUITY \$'000
Balance at 1 January 2023		453,831	164,617	(101,972)	516,476
Net profit for the period		-	-	48,796	48,796
Transfer to profits reserve		-	48,796	(48,796)	-
Other comprehensive income, net of tax		-	-	-	-
Transactions with owners:					
Shares issued via Dividend Reinvestment Plan	5(b)	1,132	-	-	1,132
Dividends paid	4(a)	-	(13,837)	-	(13,837)
Balance at 30 June 2023		454,963	199,576	(101,972)	552,567
Balance at 1 January 2024		456,098	194,381	(104,133)	546,346
Net profit for the period		-	-	44,881	44,881
Transfer to profits reserve	6	-	51,139	(51,139)	-
Other comprehensive income, net of tax		-	-	-	-
Transactions with owners:					
Shares issued via Dividend Reinvestment Plan	5(b)	1,117	-	-	1,117
Dividends paid	4(a)	-	(14,302)	-	(14,302)
Balance at 30 June 2024		457,215	231,218	(110,391)	578,042

The accompanying notes form part of these half year financial statements.

Statement of Cash Flows

For the half year ended 30 June 2024

	JUNE 2024 \$'000	JUNE 2023 \$'000
Cash flows from operating activities		
Proceeds from sale of financial assets	23,678	-
Payments for purchase of financial assets	-	(35)
Interest income received	361	762
Distribution income received	254	161
Income tax paid	(11,238)	(1,213)
Net GST received from ATO	3	5
Social investment fee	-	(97)
Payments for other expenses	(568)	(407)
Net cash provided by/(used in) operating activities	12,490	(824)
Cash flows from financing activities		
Dividends paid to the Company's shareholders, (net of Dividend Reinvestment Plan)	(13,185)	(12,704)
Net cash used in financing activities	(13,185)	(12,704)
Net decrease in cash and cash equivalents held	(695)	(13,528)
Cash and cash equivalents at the beginning of the period	14,844	46,614
Cash and cash equivalents at the end of the period	14,149	33,086
Non-cash transactions		
Distributions and rebate income reinvested	11,827	5,083
Shares issued via Dividend Reinvestment Plan	1,117	1,132

The accompanying notes form part of these half year financial statements.

Notes to the Financial Statements

For the half year ended 30 June 2024

1. Material accounting policies

These interim financial statements and notes for the half year represent those of Future Generation Global Limited (Future Generation Global or the Company).

The half year financial report was authorised for issue on 30 August 2024 by the Board of Directors.

Basis of preparation

These interim financial statements for the half year reporting period ended 30 June 2024 are general purpose financial statements and have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The interim financial statements of the Company also comply with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB).

These interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Financial Report for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Except for cash flow information, the interim financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

In accordance with ASIC Corporations (rounding in Financial/Directors' reports) Instrument 2016/191, the amounts in the Financial Report have been rounded to the nearest thousand dollars, or in certain cases, the nearest dollar, unless otherwise stated.

The accounting policies applied for the period are consistent with those in the most recent annual financial statements.

2. Investment income from ordinary activities

As at 30 June 2024, the investment portfolio was made up of 15 leading global equity fund managers with investments in 14 unlisted unit trusts and one direct listed investment company.

Where available, the Company has invested in unit classes that have zero management and performance fees. The unit trusts with a zero fee unit class are the Caledonia Global Fund, Plato Global Alpha Fund and Vinva International Equity Fund. The aggregated value of management and performance fees forgone by the unit trusts with a zero fee unit class for the six months ended 30 June 2024 was \$0.9 million (June 2023: \$0.7 million).

The remaining investments are made in unlisted unit trusts with global equity fund managers that normally charge management and performance fees. These fund managers have rebated the fees charged. The aggregate value of management and performance fees rebated to the Company was \$2.8 million for the six months ended 30 June 2024 (June 2023: \$2.6 million).

The estimated value of the other pro bono services provided to the Company for the six months ended 30 June 2024, including the Board and Investment Committee working on a pro bono basis, totalled \$1.0 million (June 2023: \$0.9 million).

Notes to the Financial Statements

For the half year ended 30 June 2024

3. Social investment

The Company invests a percentage of its assets each year in organisations with a focus on preventing mental ill-health in young Australians. The investment is accrued monthly and is equal to 1.0% per annum of the Company's average monthly net tangible assets. All social investments are made to organisations with deductible gift recipient (DGR) status. The social investment represents a tax deduction for the Company.

For the six months ended 30 June 2024, the amount recognised in the Statement of Comprehensive Income was \$3.1 million (June 2023: \$2.8 million).

As at 30 June 2024, the 12 month accrued commitment is \$5.9 million (June 2023: \$5.4 million). The Company will pay its ninth annual investment by the end of the year. The social investment of \$5.9 million will be made to organisations with a focus on youth mental health and wellbeing, bringing the total investment since inception to \$43.9 million. This investment will be made to Future Generation Global's social impact partners and other not-for-profit organisations, making the Company one of the biggest private funders in youth mental health. The specific allocation to each organisation will be determined by shareholder votes and directions, with the Board distributing undirected monies between our social impact partners.

As at 30 June 2024, the social investment accrual in the Statement of Financial Position was \$6.0 million (December 2023: \$2.8 million and \$0.1 million to be utilised in research and convening for our social impact partners), which includes the 12 month accrued commitment of \$5.9 million to 30 June 2024 and \$0.1 million to be utilised in research and convening for our social impact partners.

4. Dividends

a) Ordinary dividends paid during the period

	JUNE 2024 \$'000	JUNE 2023 \$'000
2023 Final dividend: 3.6 cents per share fully franked at 30% paid 24 May 2024 (2022 Final dividend: 3.5 cents per share fully franked at 30% paid 21 April 2023)	14,302	13,837

b) Dividends not recognised during the period

	JUNE 2024 \$'000	JUNE 2023 \$'000
Since the end of the half year, the Directors have declared a fully franked interim dividend of 3.7 cents per share payable on 30 October 2024 (2023 Interim dividend: 3.6 cents per share fully franked)	14,732	14,267

5. Issued capital

a) Paid-up capital

	JUNE 2024 \$'000	DECEMBER 2023 \$'000
398,161,484 ordinary shares fully paid (December 2023: 397,277,724)	457,215	456,098

Notes to the Financial Statements

For the half year ended 30 June 2024

5. Issued capital (continued)

b) Movements in ordinary share capital

	JUNE 2024 \$'000	DECEMBER 2023 \$'000
Balance at the beginning of the period 397,277,724 ordinary shares fully paid (December 2022: 395,310,793)	456,098	453,831
883,760 shares issued on 24 May 2024 under a Dividend Reinvestment Plan	1,117	-
982,654 shares issued on 21 April 2023 under a Dividend Reinvestment Plan	-	1,132
984,277 shares issued on 20 October 2023 under a Dividend Reinvestment Plan	-	1,135
At reporting date	457,215	456,098

6. Reserves and accumulated losses

	JUNE 2024 \$'000	DECEMBER 2023 \$'000
Profits reserve	231,218	194,381
Accumulated losses	(110,391)	(104,133)

The profits reserve is made up of amounts transferred from current period profits which are preserved for future dividend payments.

MOVEMENTS:

	JUNE 2024 \$'000	DECEMBER 2023 \$'000
Profits reserve		
Opening balance	194,381	164,617
Transfer of profits during the period	51,139	57,866
Final dividend paid (refer Note 4(a))	(14,302)	(13,837)
Interim dividend paid	-	(14,265)
At reporting date	231,218	194,381

Notes to the Financial Statements

For the half year ended 30 June 2024

6. Reserves and accumulated losses (continued)

	JUNE 2024 \$'000	DECEMBER 2023 \$'000
Accumulated losses		
Opening balance	(104,133)	(101,972)
Net profit for the period	44,881	55,705
Transfer to profits reserve	(51,139)	(57,866)
At reporting date	(110,391)	(104,133)

7. Fair value measurements

The Company measures and recognises financial assets at fair value through profit and loss on a recurring basis. The Company has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

I) RECOGNISED FAIR VALUE MEASUREMENTS

The following table presents the Company's assets and liabilities measured and recognised at fair value at 30 June 2024 on a recurring basis:

	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	TOTAL \$'000
At 30 June 2024				
Financial assets at FVTPL	4,196	581,828	-	586,024

At 31 December 2023

Financial assets at FVTPL	5,485	548,321	-	553,806
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There were no transfers between levels for recurring fair value measurements during the period (December 2023: nil). The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

II) DISCLOSED FAIR VALUES

For all financial instruments other than those measured at fair value their carrying value approximates fair value.

The carrying amounts of trade and other receivables and payables are assumed to approximate their fair values due to their short-term nature.

Notes to the Financial Statements

For the half year ended 30 June 2024

7. Fair value measurements (continued)

III) VALUATION TECHNIQUES USED TO DETERMINE FAIR VALUES

Recurring fair value measurements

Included within Level 1 of the hierarchy is the Company's direct investment in a listed investment company. The fair value of the investment is based on the closing quoted last price at the end of the reporting period.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The Board of Directors value the Company's investments in unlisted unit trusts using the unit prices derived from the unaudited net asset backing of the unlisted unit trusts managed by prominent global equity fund managers at the end of the period. The unlisted unit trusts are subject to an annual audit.

8. Segment information

The Company is engaged in investing activities including cash, term deposits and investments in unlisted unit trusts funds managed by prominent global equity fund managers. It has no reportable business or geographical segment.

9. Contingencies

There were no contingent liabilities for the Company as at 30 June 2024 (December 2023: nil).

10. Commitments

The Company invests a percentage of its assets each year in organisations with a focus on preventing mental ill-health in young Australians. The investment is accrued monthly and is equal to 1.0% per annum of the Company's average monthly net tangible assets. As at 30 June 2024, the social investment accrual in the Statement of Financial Position was \$6.0 million (December 2023: \$2.8 million and \$0.1 million to be utilised in research and convening for our social impact partners), which includes the 12 month accrued commitment of \$5.9 million to 30 June 2024 and \$0.1 million to be utilised in research and convening for our social impact partners.

The Company will make its ninth annual investment by the end of the year. The social investment of \$5.9 million will be made to organisations with a focus on youth mental health and wellbeing, bringing the total investment since inception to \$43.9 million. This investment will be made to Future Generation Global's social impact partners and other not-for-profit organisations, making the Company one of the biggest private funders in youth mental health. The specific allocation to each organisation will be determined by shareholder votes and directions, with the Board distributing undirected monies between our social impact partners.

11. Events occurring after the reporting period

Since the end of the period, the Board declared a fully franked interim dividend of 3.7 cents per share to be paid on 30 October 2024.

No other matters or circumstances have occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Directors' Declaration

The Directors of Future Generation Global Limited declare that:

1. The half year financial report, as set out in pages 6 to 14, are in accordance with the *Corporations Act 2001*, including:
 - a) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the financial position of the Company as at 30 June 2024 and of its performance for the half year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



Jennifer Westacott AO

Chair

Dated this 30th day of August 2024

Independent Auditor's Review Report
To the Members of Future Generation Global Limited
ABN 52 606 110 838

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Future Generation Global Limited ("the Company"), which comprises the statement of financial position as at 30 June 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, a summary of material accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Future Generation Global Limited does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the half-year then ended; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's review report.

Responsibility of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



S S Wallace
Partner



Pitcher Partners
Sydney

30 August 2024

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