

ASX Announcement

19 November 2024

Chairman's Address to 2024 Annual General Meeting

Welcome everyone to today's Annual General Meeting for Generation Development Group. My name is Rob Coombe and I am privileged to Chair the Board of your Company and this meeting.

I would like to begin by acknowledging the traditional owners of the land on which we meet today, the Wurundjeri people of the Kulin Nation and pay my respects to the elders past and present.

Joining me today are fellow Board members Bill Bessemer, Giselle Collins and Christine Christian who is seeking election as a Director. In addition, we have in attendance our audit partner Dean Waters from KPMG.

Also present are senior members of our management team namely the CEO of Generation Life, Grant Hackett, our CFO, Terence Wong and our Company Secretary, Amanda Gawne.

Financial Year 24 has been another year of exceptional growth across the majority of our key metrics, as our business continues to go from strength to strength.

2024 saw record levels of activity and more financial advisers aware of Generation Life. The industry now sees us as an expert for tax aware investing, estate planning and retirement income.

Throughout FY24, our product development has focused on continuing to innovate our flagship products, Generation Life Investment Bonds and LifeIncome, and this has helped underwrite strong net flows.

Generation Life's brand tracking survey in FY24 conducted by CoreData recorded an increase in unprompted brand awareness from 27% to 33% over last 12 months, making it the top brand that comes to mind when thinking about investment solutions offered by life insurance companies. This represents an impressive uplift of 22%.

Throughout the year, Generation Life has won several industry awards including Money magazine, Best of the Best and Consumer Finance awards for our innovation in the tax aware category, eight Plan for Life awards for both our Investment Bond and lifetime annuity products, as well as three marketing industry awards.

The market has certainly recognised the significant results, with TSR for Generation Development Group increasing 109% year on year, placing it in the top 5% of companies in the ASX All Ordinaries index.

Looking into the 2025 financial year

Financial Year 2025 is off to a good start with overall inflows year to date for FY25 up 40% (as at 30 September 2024) compared to the same period last year. The stage three tax cuts and the proposed Division 296 tax on superannuation balances above \$3m on realised and unrealised gains have certainly created some strong tailwinds for investment bonds.

Pleasingly, as at 30 September 2024 Generation Life has recorded a year to date increase in funds under management of \$288m, which takes us to a total of \$3.6bn, representing an uplift of 9%. Our total active advisers continue to trend upwards into FY25 and illustrates the growing demand for alternative tax-effective solutions to superannuation.

Lonsec Investment Solutions continues to achieve strong growth, with \$11.7bn of funds under management as at September 2024. This included an increase of 10% in the September 2024 quarter, or 29% for the last twelve months.

In FY25, Lonsec will start to execute on the second phase of its accelerated growth plan. It will be focused on building out new products for Lonsec Investment Solutions, and increasing its research capability to over 2000 products, as it remains focused on maintaining its position as Australia's number one investment product research provider.

With the completion of the acquisition of 100% of Lonsec in August 2024, this business will make a much more meaningful contribution to the overall profitability of the Group in Financial Year 2025. Given our current market capitalization, liquidity and free float, we would also expect to be included in the Top 300 of ASX listed companies this financial year.

With an increase in earnings, the Group is currently finalising a new dividend policy and we would expect to increase dividends and our dividend payout ratio in FY26.

I wish to thank my fellow board members, the executive team, and the wider management team for their continued efforts, in what has proved to be an outstanding year of performance delivered to shareholders.

I'll now hand over to Grant for his overview of the Company's performance in 2024.

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