

Dear Fellow Shareholder,

As you can see, Future Generation now has a fresh new look! We hope to continually improve our communications and engagement with our shareholders and welcome any feedback you may have.

Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG) will shortly be making their annual investments to charities focused on children and youth at risk and youth mental health. This year Future Generation Australia and Future Generation Global will together invest a record \$9.5 million in charities that change the lives of young Australians.

Throughout April, May and June we conducted a comprehensive review of our designated charities' performance to ensure our significant social investment continues to result in measurable improvements in the lives of vulnerable young Australians. Shareholders on the register on Wednesday 31 July 2019 have been invited to allocate their portion of the donation before 5:00pm AEST on Friday 30 August 2019. If you have any questions about the voting process please call Emily Macpherson on (02) 9258 4924.

During July, the Future Generation Australia and Future Generation Global investment portfolios delivered solid absolute performance, increasing 3.1% and 2.0% respectively. Since inception, Future Generation Australia has increased 9.7% per annum and Future Generation Global has increased 10.0%.

This performance has been achieved with less volatility than the index, as measured by standard deviation.

The spread between the broad equities strategies is currently 45.8% long equities, 30.9% absolute bias, 12.4% market neutral and 10.9% cash for Future Generation Australia and 54.1% long equities, 34.1% absolute bias and 11.8% cash for Future Generation Global.

Future Generation Australia and Future Generation Global will also announce their half year results for the 2019 financial year by the end of August.

We will discuss the half year results during our semi-annual investor conference call at 4:00pm AEST on Tuesday 17 September. Founder and Director Geoff Wilson AO will join me on the call, along with Future Generation Australia pro bono fund manager LHC Capital director Marcus Hughes and Future Generation Global pro bono fund manager Ellerston Capital co-portfolio manager Bill Pridham. The dial-in details are as follows:

Australia dial-in number: 1300 254 410

International dial-in number: +61 3 8687 0634

Access code: 3013976

We will also be travelling around Australia for our Shareholder Presentations during November 2019.

For more information on dates and venues, click [here](#).

Kind regards,

Louise Walsh
Chief Executive Officer



\$21.1m

SOCIAL
INVESTMENT
TO 2018



\$4.6m

FGX 2019

\$4.9m

FGG 2019

**2019 total social
investment**

\$9.5m

**2018 management
fees, performance
fees and services
forgone**

\$12.9m

**Total fees
forgone since
inception to 2018**

\$41.2m

Investment portfolio performance

Future Generation Australia

INVESTMENT & SOCIAL RETURNS

0% management fees
0% performance fees

Net tangible assets before tax*	Gross assets	Performance (pa since Sept 2014)
126.51c	\$507.7m	9.7%
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Volatility**
126.10c	\$476.8m	7.5% S&P/ASX All Ordinaries Accumulation Index: 11.0%
Net tangible assets after tax	2018 full year fully franked dividend	Fully franked dividend yield
123.71c	4.6c	3.8%

*The NTA before tax figure is after the payment of \$948k (0.24 cents per share) in tax during the month.

[#]Based on the 31 July 2019 share price of \$1.20 per share and 397,295,489 shares on issue.

**Volatility is measured by standard deviation.

Performance at 31 July 2019	6 mths	1 yr	3 yrs %pa	Since inception %pa (Sept-14)
Future Generation Australia	13.8%	5.1%	8.9%	9.7%
S&P/ASX All Ordinaries Accumulation Index	18.6%	12.9%	11.4%	8.8%

Investment performance and index returns are before expenses, fees and taxes.

Future Generation

INVESTMENT & SOCIAL RETURNS

0% management fees
0% performance fees

Future Generation Global

INVESTMENT & SOCIAL RETURNS

Net tangible assets before tax*	Gross assets	Performance (pa since Sept 2015)
143.29c	\$566.8m	10.0%
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Volatility**
143.08c	\$538.7m	8.5% MSCI AC World Index (AUD): 10.3%
Net tangible assets after tax	2018 full year fully franked dividend	ESG aware [^] (of the portfolio)
136.24c	1.0c	98.0%

*The NTA before tax figure is after the payment of \$211k (0.05 cents per share) in tax during the month.

**Volatility is measured by standard deviation.

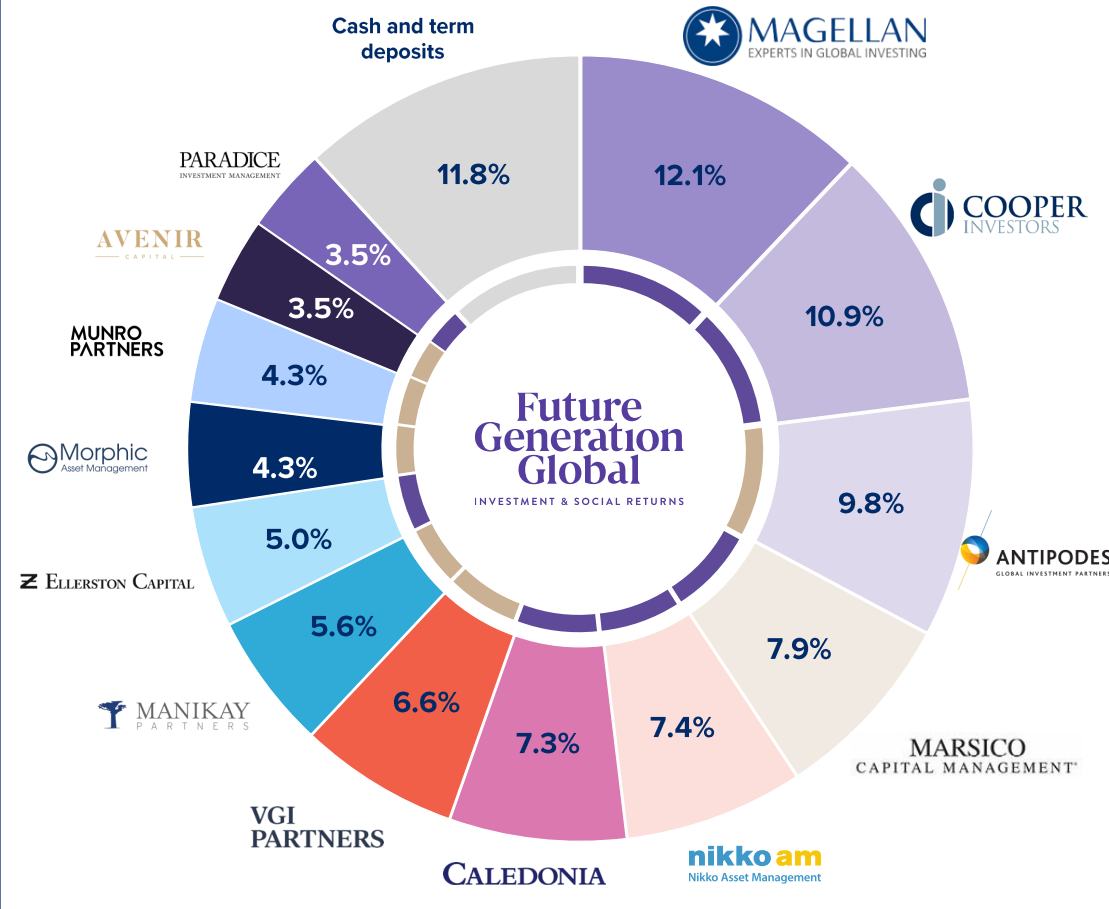
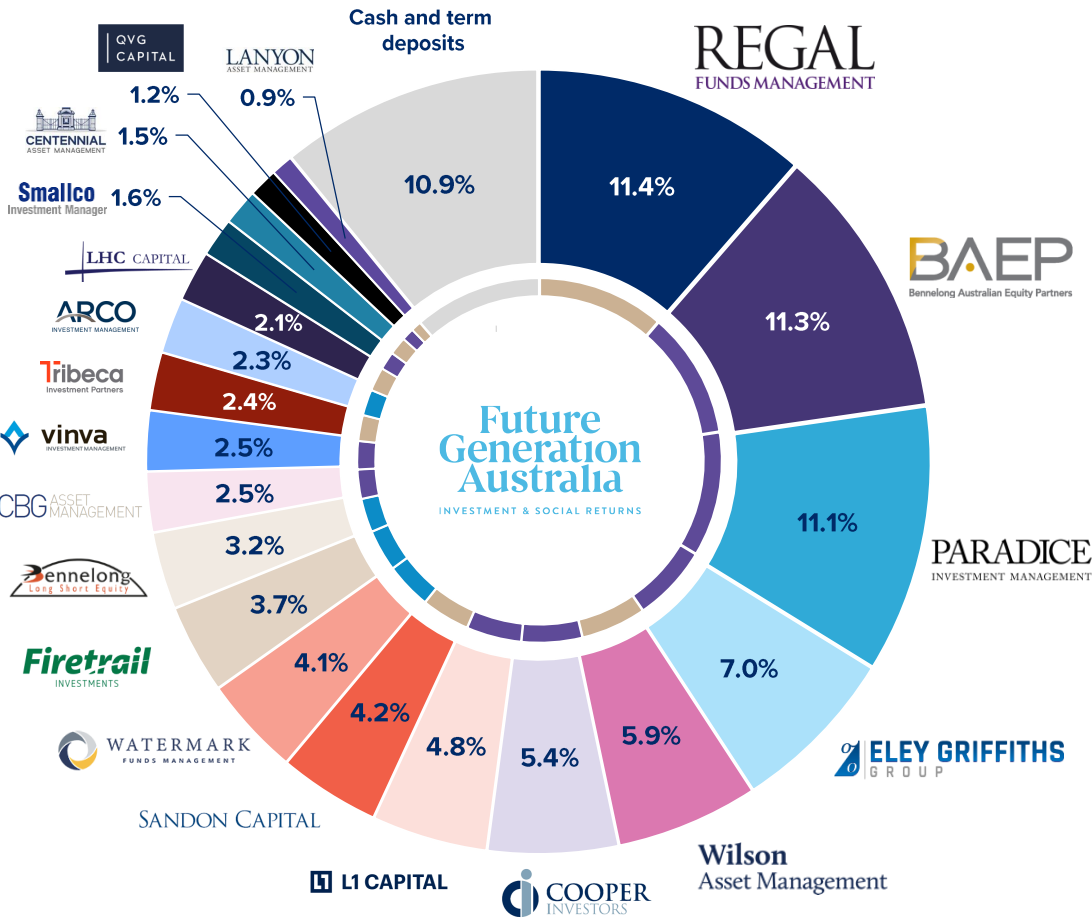
[#]Based on the 31 July 2019 share price of \$1.375 per share and 391,791,594 shares on issue.

[^]Based on the 2018 Annual Report.

Performance at 31 July 2019	6 mths	1 yr	3 yrs %pa	Since inception %pa (Sept-15)
Future Generation Global	12.5%	9.1%	13.5%	10.0%
MSCI AC World Index (AUD)	14.2%	11.3%	13.8%	10.6%

Fund manager allocations

as of 31 July 2019



■ Long equities
■ Absolute bias
■ Market neutral
■ Cash

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

Future Generation Australia fund managers:



Future Generation Global fund managers:



Fund manager in focus:



About us

Eley Griffiths Group (EGG) was founded in 2003 by Ben Griffiths and Brian Eley. We are a specialist investment management company focused on mispricing opportunities among the Australian listed small and emerging companies. Our investment process and team have delivered consistent outperformance through all market cycles since inception.

Our investment style

EGG is committed to building portfolios that exceed our investors' expectations. Our style is centred on the insights and actions of an experienced investment team that has been in place for over 19 years. The process combines both quantitative and qualitative assessments of a given company, as well as a dissection of the industry in which the company is operating. We then score and rank these stocks and assemble a portfolio subject to certain risk parameters.

Our market outlook

We see stock valuations as a defensible measure considering the equity versus bonds risk, prevailing levels of inflation and the historical yardsticks. Based on the recent stock valuations, we are experiencing some constructive features within the Australian equity market. Investor scepticism is currently running at 'healthily' high levels, several of our major indices or sub-indices are at

historic highs and the retail investor appears to be awakening from a deep slumber. Despite these attractive factors, we will continue to monitor the current pockets of investor exuberance, especially in technology stocks. For the foreseeable future, the global central bank management of cash rates will also continue to underwrite the hunt for modest high-yielding financial assets such as equities and we will also be keeping a close watch on their actions.

EGG Emerging Companies fund performance

Performance at 31 July 2019	1 yr	2 yrs %pa	Since inception %pa (Mar-17)
EGG Emerging Companies Fund	14.6%	25.4%	24.7%
S&P/ASX Small Ordinaries Accumulation Index	7.6%	14.9%	13.4%
Outperformance	+7.0%	+10.5%	+11.3%

Investment performance is net of all fees.

Top five stocks in alphabetical order



For more information, visit eleygriffithsgroup.com

Charity in focus:



About United Way Australia

United Way work collaboratively with our partners and the community to improve early childhood outcomes and school-to-work transitions. One-in-five Australian children start school developmentally vulnerable, while in some disadvantaged communities this can be as many as one-in-three. United Way understands the importance of improving early childhood outcomes for vulnerable children.

United Way and Future Generation Australia

Generous support from Future Generation Australia has helped United Way to reach more than 10,000 of the youngest members of our society in over 60 communities across NSW, VIC, QLD, SA and WA over the past five years. Through the Dolly Parton Imagination Library program free monthly books are delivered to the child's home, building critical early learning skills alongside literacy resources for parents and carers, and community reading events and workshops. Children who have a poor foundation or are behind in their language or reading capabilities are more likely to lag behind their peers, drop out of high school and not progress to tertiary education. The act of reading a storybook aloud to a child has been referred to as the single-most important thing adults can do to promote the emergent literacy skills of young children.

Currently, the funding from Future Generation Australia is helping United Way support 1,300 families enrolled in the Imagination Library program. Follow up surveys show that 84% of parents and carers have found that the books and learning resources have made a positive difference to their children's reading habits.

Q&A with the Clayton Noble, CEO of United Way Australia



What is your driving motivation in your current role?

We are very fortunate to live in Australia; to have access to universal healthcare, a solid economy with low unemployment and a democracy in which we can exercise our voice. However, we undervalue the importance of early education. Every child deserves the best start in life and governments must play their part in the provision of quality early education, and parents and carers need to help our children be ready for school. Sadly in many cases, children who start school unprepared never catch-up and fail to take advantage of the great learning opportunities we have in Australia. My passion and mission is to assist communities to ensure their children start school well.

What is the most challenging aspect of your role?

I often research what is happening around the world in relation to access to quality education, with particular interest in early literacy. Shared reading between parent and child makes a big difference and the data shows that having books in the home are important. The first few years of childhood provide a key window of opportunity to support the development of cognitive, creative, emotional, literacy and language skills needed for future success in education, work and life. The most challenging part of my role is visiting the disadvantaged communities where local children have been denied this opportunity and are now facing significant headwinds in their lives.

What does it mean to have the support of Future Generation Australia?

As the saying goes 'it takes a village to raise a child'. Future Generation Australia's fund managers, service providers and shareholders play a critical role in providing the resources for parents and carers to be the enablers. Future Generation Australia funding changes the child's narrative from 'starting behind and staying behind', to 'thriving in life'. Working together, we are all making a difference.

For more information, visit unitedway.com.au

We would like to thank our pro bono fund managers



Our designated charities



And thank you to our pro bono service providers

