

Dear Fellow Shareholder,

It was fantastic to see so many of our shareholders in nine cities during our November 2019 [Shareholder Presentations](#) which came to a close last month. Please [let us know](#) how we can improve our presentations for next time. We hope to see you all again in May 2020.

Another excellent Future Generation Investment Forum was held in Melbourne and an exciting line-up of our Australian and global fund managers presented their high-conviction investment ideas. You can watch the [video](#) and provide your [feedback](#).

During November, the Future Generation Global investment portfolio increased 5.2% for the month, outperforming the MSCI AC World Index (AUD) which rose 4.3%. The Future Generation Australia investment portfolio increased 2.2% as the S&P/ASX All Ordinaries Accumulation Index rose 3.1%.

Since inception, Future Generation Australia's investment portfolio has increased 9.8% per annum and Future Generation Global's investment portfolio has increased 10.3% per annum. This performance has been achieved with less volatility than their respective indices, as measured by standard deviation. The spread between the broad equities strategies is currently 47.4% long equities, 33.7% absolute bias, 10.4% market neutral and

8.5% cash for Future Generation Australia, and 55.4% long equities, 35.0% absolute bias and 9.6% cash for Future Generation Global.

Future Generation Australia and Future Generation Global are currently trading at attractive discounts to net tangible assets (NTA) of 9.1%* and 13.7%**. We continue to call shareholders for whom we have telephone numbers to receive feedback and discuss Future Generation's investment and social returns.

In a column for the [Australian Financial Review](#), Future Generation Founder Geoff Wilson AO discussed the dynamics of listed investment companies and the opportunity that discounts present.

Kind regards,

Louise Walsh
Chief Executive Officer



*Based on 12 December 2019 share price of \$1.165 per share.
**Based on 12 December 2019 share price of \$1.275 per share.

\$30.6m

SOCIAL
INVESTMENT
TO 2019



\$4.6m

Future
Generation
Australia 2019

\$4.9m

Future
Generation
Global 2019

2019 total social
investment

\$9.5m

2019 annualised
management fees,
performance fees
and services forgone

\$12.8m

Total fees
forgone since
inception to 2019

\$54.0m

Investment portfolio performance

Net tangible assets before tax*	Gross assets	Performance (pa since Sept 2014)
128.19c	\$512.6m	9.8%
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Volatility [^]
128.04c	\$475.9m	7.3%
		S&P/ASX All Ordinaries Accumulation Index: 10.8%
Net tangible assets after tax	2019 annualised fully franked interim dividend	Fully franked dividend yield
124.28c	4.8c	4.0%

*The NTA before tax figure is after the payment of \$571k (0.14 cents per share) in tax during the month.

[#]Based on the 29 November 2019 share price of \$1.195 per share and 398,238,435 shares on issue.

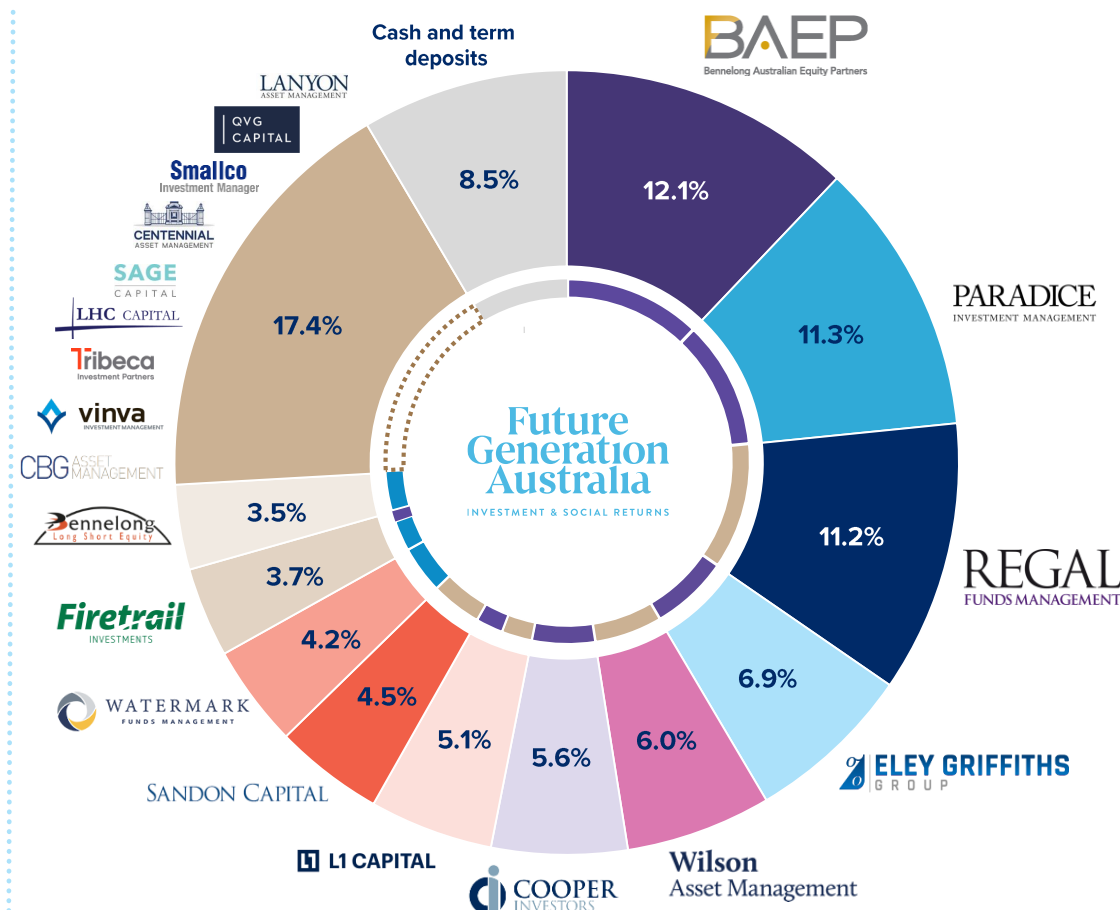
[^]Volatility is measured by standard deviation.

Performance at 30 November 2019	6 mths	Fin YTD	1 yr	3 yrs %pa	Since inception %pa (Sept-14)
Future Generation Australia	8.9%	21.5%	19.4%	10.5%	9.8%
S&P/ASX All Ordinaries Accumulation Index	9.2%	26.5%	25.9%	12.6%	8.7%

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

Fund manager allocations

0% management fees
0% performance fees



17.4% fund manager breakdown

CBG Asset Management	2.7%	Centennial Asset Management	1.6%
Vinva Investment Management	2.5%	Smallco Investment Manager	1.6%
Tribeca Investment Partners	2.4%	QVG Capital	1.3%
LHC Capital	2.3%	Lanyon Asset Management	1.0%
Sage Capital	2.0%		

Long equities 47.4%
Absolute bias 33.7%
Market neutral 10.4%
Cash 8.5%

Investment portfolio performance

Net tangible assets before tax	Gross assets	Performance (pa since Sept 2015)
147.69c	\$582.0m	10.3%
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Volatility [*]
147.31c	\$496.5m	8.5% MSCI AC World Index (AUD): 10.0%
Net tangible assets after tax	2019 fully franked dividend	ESG aware [^] (of the portfolio)
138.70c	1.5c	98.0%

[#]Based on the 29 November 2019 share price of \$1.265 per share and 392,455,012 shares on issue.

^{*}Volatility is measured by standard deviation.

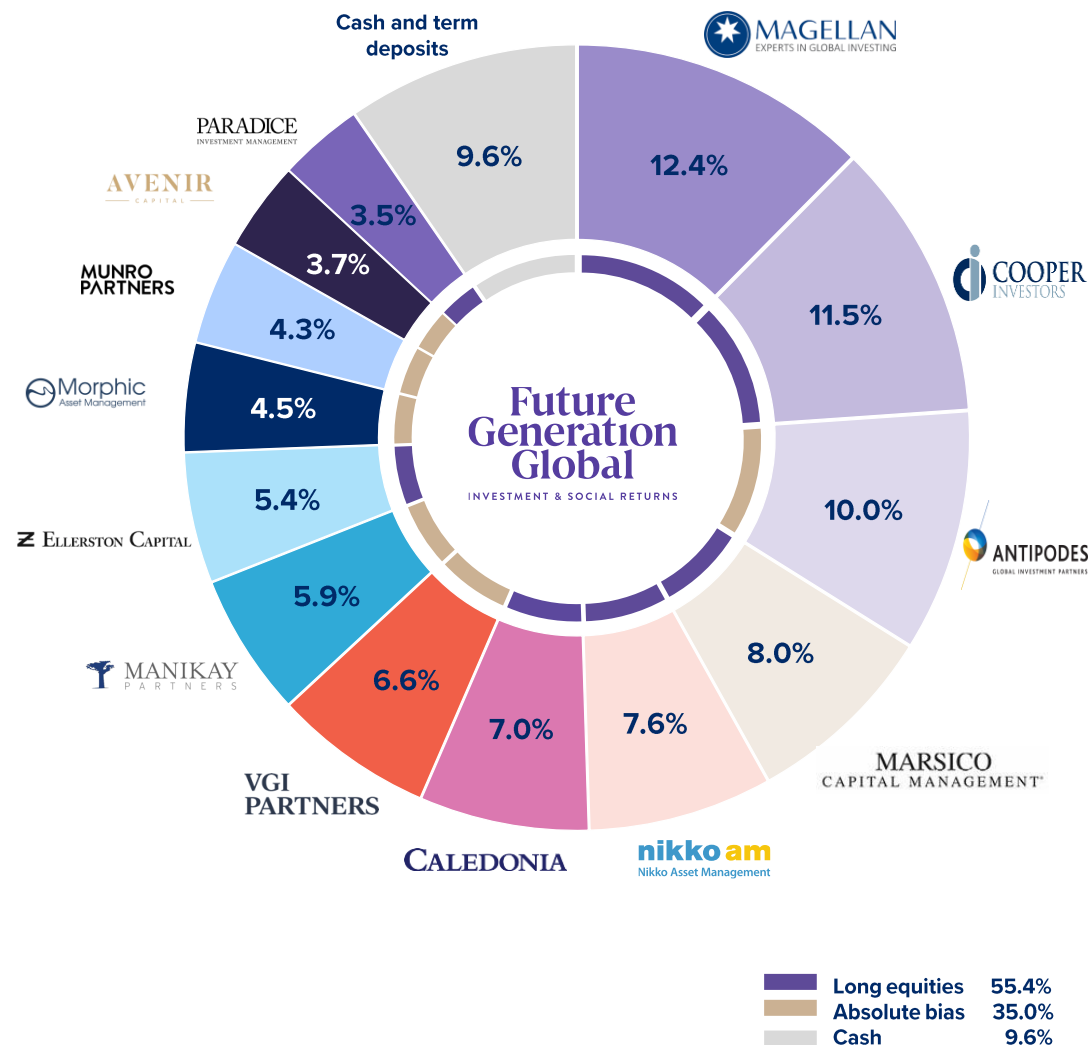
[^]Based on the 2018 Annual Report.

Performance at 30 November 2019	6 mths	Fin YTD	1 yr	3 yrs %pa	Since inception %pa (Sept-15)
Future Generation Global	10.7%	20.1%	18.4%	14.3%	10.3%
MSCI AC World Index (AUD)	14.9%	27.3%	22.6%	15.3%	11.5%

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

Fund manager allocations

0% management fees
0% performance fees



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

Founded by Shane Finemore in 2008, Manikay Partners is a partnership based global investment management firm. Manikay is SEC-registered and headquartered in New York with offices in London and Sydney. The team of seasoned investment professionals has over 25 years' industry experience on average.

Our investment style

Manikay adopts an opportunistic approach to investing and believes there is not one strategy for all market conditions and that attractive risk-adjusted returns can be achieved by constructing a portfolio with a diversified set of risks across multiple timeframes. By combining two market-neutral strategies, arbitrage and trading, with a long-term value investment strategy, Manikay creates one portfolio designed to compound over the long term while protecting capital on the downside. The trading and arbitrage strategies focus on hard catalyst events and attempt to take advantage of perceived mispricings in the market. The investment strategy takes a long-term value approach, seeking to purchase high quality businesses with a sustainable edge and high returns on capital that are trading at a significant discount to intrinsic value estimations.

Our market outlook

Manikay maintains an approximately equal amount of risk exposure in the trading and arbitrage strategies and investment strategies. Manikay believes any resolution of the US-China trade war will lead to a significant increase in global merger activity.

Manikay Global Opportunistic USD Fund performance

Performance at 30 November 2019	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (Aug-08)
Manikay Global Opportunistic USD Fund	26.8%	10.8%	11.6%	12.1%

Investment performance data presented above is in AUD and reflects reinvestment of dividends, interest and capital gains (if any) and is net of all fees and expenses incurred by an investor who has been invested in the Fund since inception, who pays the highest management fees (2% management and 20% performance) charged by the Fund, who participates in any new issue and side-pocket investments.

Future Generation Global does not incur any performance or management fees on its investment in the Fund. All fees are rebated back to Future Generation Global by Manikay Partners.

Why we support Future Generation

Manikay Partners is proud to be a founding fund manager for Future Generation and to support the great work the charities carry out to help young Australians affected by mental illness.

Top five stocks in alphabetical order



For more information, visit manikaypartners.com

Charity in focus:



About the Butterfly Foundation for Eating Disorders

The Butterfly Foundation for Eating Disorders supports the needs of more than one million Australians living with an eating disorder, their families and carers. The Butterfly Foundation provides evidence-based prevention, treatment and support programs as well as counselling and referrals through its National Helpline over the phone, email and webchat, seven days a week.

Butterfly and Future Generation

Funding from Future Generation supports the Youth Intensive Outpatient Program (IOP), a 10-week group therapy treatment program for young people aged between 14 and 24 years old who have early signs and symptoms of an eating disorder. The Youth IOP has consistently demonstrated positive results, where participants have shown a reduction in restraint and food avoidance behaviours while reporting that they feel better understood and connected to those around them. Future Generation also supports a new initiative, the Virtual Youth IOP which aims to help more young people across Australia regardless of their location.

Q&A with Chief Executive Officer, Kevin Barrow



What is your driving motivation in your current role?

What drives me is the desire to make Australia a better place for people living with an eating disorder and those with body image issues. At the Butterfly Foundation, we want to continually pursue innovation and change in the areas of prevention, early intervention, education, training, treatment and support.

What is the most challenging aspect of your role?

My first meeting at the Butterfly Foundation was with parents who lost their daughter after a long battle with an eating disorder. They made a donation to us, with the request that we work to stop this happening to someone else's child. That request lives with me to this day. It motivates us to push the boundaries, challenge the current system and make sure that every dollar counts to prevent such a loss occurring again.

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

Future Generation is saving lives. Eating disorders have the highest mortality rate of any mental illness and we know that early intervention is key. The funding from Future Generation enables us to intervene at this early stage which we know will have the best chance of preventing the disorder from developing further. Future Generation has also recently agreed to fund our preliminary investigation into a virtual online program which will allow us to deliver care to people across Australia regardless of where they live.

For more information, visit thebutterflyfoundation.org.au

Our designated charities



SANE AUSTRALIA



Our pro bono service providers

Wilson
Asset Management



PWN.



Lonsec

