

Dear Fellow Shareholder,

In response to the coronavirus, unprecedented monetary and fiscal stimulus drove global equity markets to record highs in April, with the S&P/ASX All Ordinaries Accumulation Index increasing 9.5%, the biggest monthly gain in 32 years. The MSCI AC World Index (AUD) rose 3.6% for the month.

During the month, the Future Generation Australia investment portfolio* increased 8.9% and the Future Generation Global investment portfolio* increased 2.8%. Since inception, Future Generation Australia's investment portfolio has increased 6.2% per annum and Future Generation Global's investment portfolio has increased 8.8% per annum. This performance has been achieved with less volatility than their respective indexes, as measured by standard deviation.

I spoke with David Gonski AC, Chairman of the Australia and New Zealand Banking Group, Chancellor of the University of New South Wales and President of the Art Gallery of NSW Trust for the second episode of our podcast series, Conversations with Future Generation, to reflect on some of the more positive impacts of coronavirus. You can listen to the podcast and view the transcript [here](#). [Join me](#) each month as I speak to amazing Australians who are leading the

way in investing, philanthropy, mental health and supporting children and youth at risk.

This week we also announced our first Virtual Investment Forum. [Join us](#) online from 25 May 2020 for an in-depth conversation between Future Generation Founder and Director Geoff Wilson AO, Paradise Investment Management Founder and Managing Director David Paradise AO and Regal Funds Management Chief Investment Officer Phil King, moderated by the Australian Financial Review's Tony Boyd.

The Forum will also provide shareholders with access to the best investment ideas in Australia and globally, with our Future Generation Australia and Future Generation Global fund managers sharing their top stock picks. [Register](#) your interest today.

Stay safe,



Louise Walsh
Chief Executive Officer



*Investment portfolio performance and Index returns are before expenses, fees and taxes.

\$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 management
fees, performance
fees and services
forgone

\$15.3m

Total fees
forgone since
inception to 2019

\$56.5m

Investment portfolio performance

The fully franked final dividend of 2.6 cents per share was paid on 28 April 2020. The shares traded ex-dividend on 15 April 2020.

Net tangible assets before tax cum dividend	Net tangible assets before tax ex dividend	Investment portfolio performance (pa since Sept 2014)
109.19c	106.59c	6.2%
Net tangible assets after tax and before tax on unrealised gains	Gross assets	2019 fully franked full year dividend
106.91c	\$429.9m	5.0c
Net tangible assets after tax	Market capitalisation [#]	Fully franked dividend yield
109.02c	\$361.5m	5.5%

[#]Based on the 30 April 2020 share price of \$0.905 per share and 399,421,517 shares on issue. During the month, 1,183,082 shares were issued under the Dividend Reinvestment Plan for the final dividend.

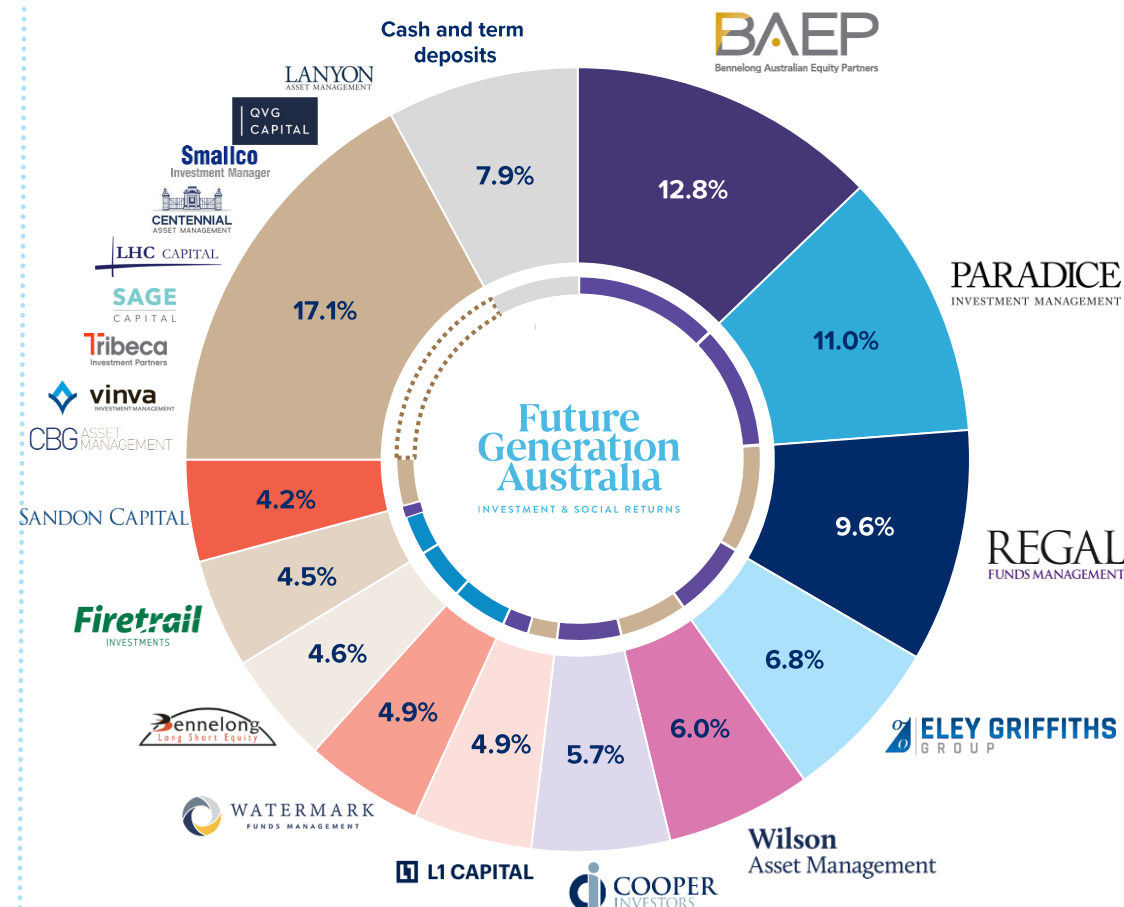
Investment portfolio performance at 30 April 2020	1 mth	6 mths	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (Sept-14)	Volatility [^]
Future Generation Australia	8.9%	(12.4%)	(6.4%)	3.7%	5.7%	6.2%	11.7%
S&P/ASX All Ordinaries Accumulation Index	9.5%	(15.7%)	(9.2%)	2.1%	3.7%	4.3%	14.9%

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

[^]Volatility is measured by standard deviation.

Fund manager allocations

0% management fees
0% performance fees



17.1% fund manager breakdown

CBG Asset Management	2.6%	Centennial Asset Management	1.8%	Long equities	47.4%
Tribeca Investment Partners	2.5%	Smallco Investment Manager	1.6%	Absolute bias	31.7%
Vinva Investment Management	2.4%	QVG Capital	1.2%	Market neutral	13.0%
Sage Capital	2.1%	Lanyon Asset Management	1.1%	Cash	7.9%
LHC Capital	1.8%				

Investment portfolio performance

Net tangible assets before tax	Gross assets	Investment portfolio performance (pa since Sept 2015)
142.62c	\$564.5m	8.8%
Net tangible assets after tax and before tax on unrealised gains	Market capitalisation [#]	Volatility [*]
142.91c	\$441.5m	9.4% MSCI AC World Index (AUD): 10.9%
Net tangible assets after tax	2019 fully franked dividend	ESG aware [^] (of the portfolio)
135.83c	1.5c	98.8%

[#]Based on the 30 April 2020 share price of \$1.125 per share and 392,455,012 shares on issue.

^{*}Volatility is measured by standard deviation.

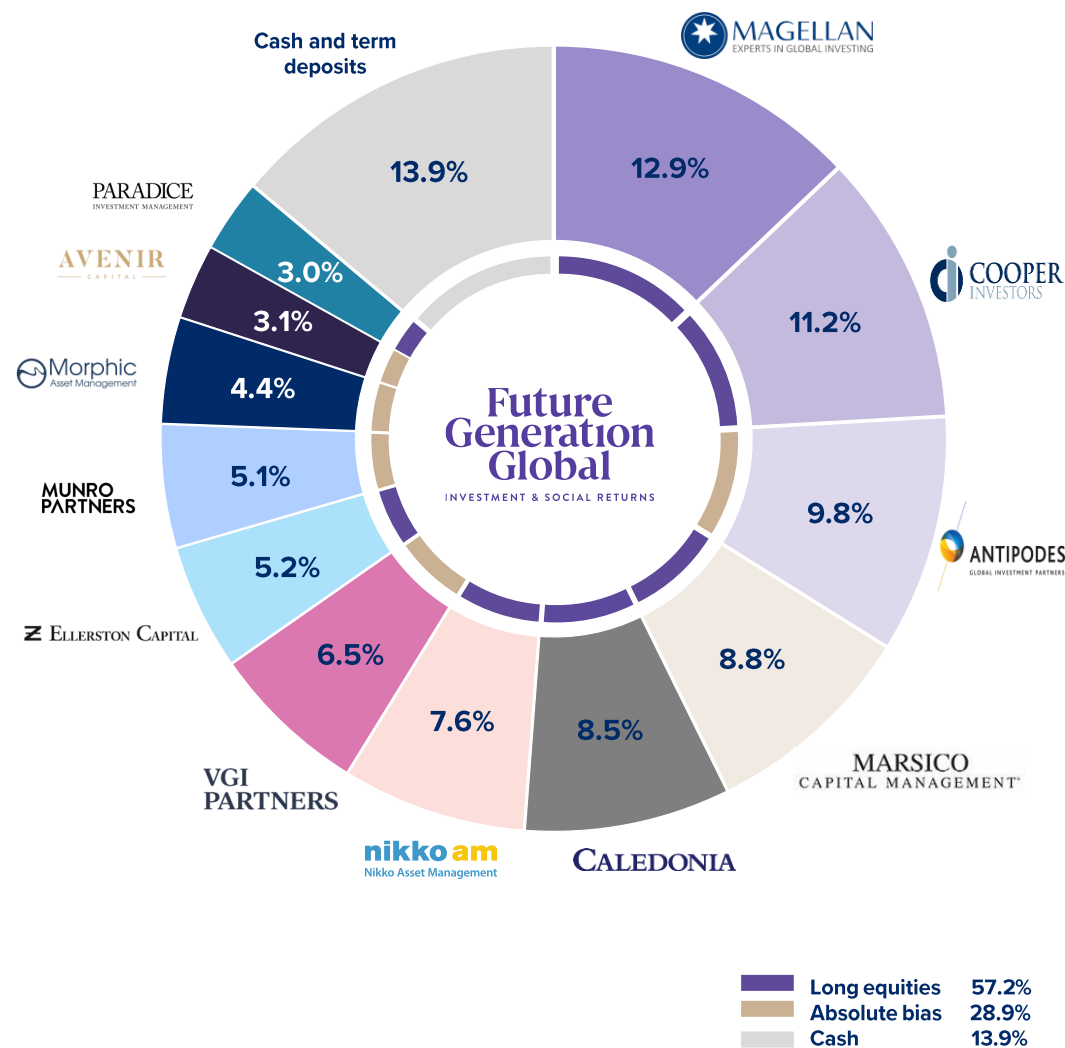
[^]Based on the 2019 Annual Report.

Investment portfolio performance at 30 April 2020	1 mth	6 mths	1 yr	3 yrs %pa	Since inception %pa (Sept-15)
Future Generation Global	2.8%	2.7%	5.8%	10.6%	8.8%
MSCI AC World Index (AUD)	3.6%	(2.5%)	2.7%	9.3%	8.8%

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

Fund manager allocations

0% management fees
0% performance fees



During the month, Future Generation Global exited its holding in the Manikay Partners Global Opportunistic USD Fund following the liquidation of the fund and return of capital to shareholders. The proceeds from the redemption are included in the cash and term deposits balance at the end of the month.

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:

MUNRO PARTNERS

About us

Munro Partners is a global investment manager with a core focus on growth equities. Established in 2016 by an award-winning investment team with a 14-year proven track record of strong returns, the business has over \$1 billion in assets under management and is owned and controlled by key staff. Via our proprietary investment process, we invest alongside our clients to benefit from some of the key structural changes that occur in our world today. The business is Australian domiciled, with its head office based in Melbourne.

Our investment style

Munro is a growth manager. We identify sustainable growth trends that are under-appreciated, not well understood and mispriced by the market. The philosophy is based on three overriding principals: earnings growth drives stock prices; sustained earnings growth is worth more than cyclical earnings growth; and the market will often misprice growth and its sustainability. The investment process generates a high hit rate of performing ideas and allows them to be appropriately sized and monetised over the longer term.

Munro runs the long/short absolute return mandate: the Munro Global Growth Fund. The strategy is index-unaware, aiming for meaningful absolute returns through the investment cycle, whilst maintaining a capital preservation mindset. Munro's flexible investment mandate allows it to dynamically manage its market exposure and its currency exposure to protect clients' capital and to enhance the long term returns of our investments.

Our market outlook

There have been a number of recent developments that lend itself to more confidence than since the COVID-19 crisis began. Firstly, and obviously, the COVID-19 curve has continued to flatten and we are moving into a market reopening phase. Secondly, on markets, the US Federal Reserve basically moved to support investment grade and high-yield credit markets. This was a fairly dramatic move which reduced some solvency concerns and combined with the flattening curve, reduced market volatility. Despite these positive developments, we expect the economic growth downturn to be sharp and with continued weakness as small to medium sized businesses attempt to stay solvent, while companies with strong balance sheets and those prepared for structural change should continue to win in a post COVID-19 world.

Munro Global Growth Fund (AUD) performance

Performance at 30 April 2020	3 mths	6 mths	1 yr	2 yrs %pa	3 yrs %pa	Since Inception %pa (Aug-16)
Munro Global Growth Fund (AUD)*	6.1%	18.1%	14.4%	11.7%	14.3%	14.1%
MSCI AC World TR Index (AUD)	(10.0%)	(2.9%)	2.2%	7.3%	9.2%	10.8%
Outperformance	+16.1%	+21.0%	+12.2%	+4.4%	+5.1%	+3.3%

*Investment performance is based on the exit price, with distributions reinvested, after ongoing fees and expenses but excluding taxation.

For more information, visit munropartners.com.au

Charity in focus:



About DEBRA Australia

DEBRA Australia assists in improving the lives of children and adults living with Epidermolysis Bullosa (EB), a rare genetic skin disease which is debilitating and sometimes fatal. Our goal is to ensure access to the best quality support services and medical care, supporting EB families in improving their quality of life, assisting with transition to independent living, promoting awareness and understanding of EB whilst also driving research for effective treatments and a cure.

DEBRA Australia and Future Generation

The generous funds we have received from Future Generation have allowed us to deliver specialised nurse support in major hospitals and home nursing care for children and young people with EB where government funding is not provided. We currently fund a part-time paediatric EB Nurse in Melbourne and also two nurses who focus on young people moving from the paediatric to the adult hospital setting in Sydney and Melbourne.

In 2019, the additional funds received from Future Generation enabled us to expand the psychology program, with two psychologists now available for consultation with individuals and families living with EB in Sydney and Melbourne.

Q&A with Lise Angus, General Manager DEBRA Australia



What is your driving motivation in your current role?

Having had no experience with EB prior to joining DEBRA 12 months ago, it has been a learning curve. However I knew this was an opportunity that I couldn't turn my back on. I have met many of our EB families over the course of the last 12 months, and deeply admire their resilience and attitude to life. My primary motivation is growing and leading the DEBRA team to build on the excellent and essential services we offer to support families living with EB.

What is the most challenging aspect of your role?

EB is a rare condition, and DEBRA is a small and relatively unknown organisation. Together these factors can create limitations in both human and financial resources. A large part of my role is managing a remote and diverse team across Australia, to build awareness of EB and of DEBRA, and to grow our supporter database. Growth of our supporter database allows us to build sustainability into the organisation and to continue to build on and grow the great work the DEBRA team do.

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

Our much valued partnership with Future Generation has made a significant difference to the support that we are able to deliver to our EB individuals and families, by giving us greater year-to-year security and allowing us to continually expand our programs. We are now able to commit to multi-year funding agreements for our nurses, consider adding new nurses, further expand our psychology program and increase family support services with more in-home nurse visits.

How is DEBRA coping during coronavirus?

Our fundraising revenue for the rest of the year is expected to be reduced as some activities have been cancelled or pared back. Demand for our services is still strong. Some EB clinics have been cancelled and our Family Support Coordinator is unable to travel interstate at present but is still in close contact with our EB families and health professionals via electronic media. We have widened the scope of our psychological support service so that it is available countrywide via telehealth sessions.

For more information, visit debra.org.au

Our designated charities



SANE AUSTRALIA



Our pro bono service providers

Wilson
Asset Management



PWN.



Lonsec



**Fund manager
allocation and
investments at
market value as
at 30 April 2020**

Fund Manager	Investment	Strategy	% of Gross Assets
Bennelong Australian Equities Partners	Bennelong Australian Equities Fund	Long equities	12.8%
	Mid/Large Cap Funds (split out below)		11.0%
Paradice Investment Management	Paradice Mid Cap Fund – B Class	Long equities	6.1%
	Paradice Large Cap Fund	Long equities	4.9%
Regal Funds Management	Regal Australian Long Short Equity Fund	Absolute bias	9.6%
	Small/Emerging Companies Funds (split out below)		6.8%
Eley Griffiths Group	Eley Griffiths Group Small Companies Fund	Long equities	5.7%
	Eley Griffiths Group Emerging Companies Fund	Long equities	1.1%
Wilson Asset Management	Wilson Asset Management Equity Fund	Absolute bias	6.0%
Cooper Investors	Cooper Investors Australian Equities Fund	Long equities	5.7%
	Long Short/Australian Equities Funds (split out below)		4.9%
L1 Capital	L1 Capital Long Short Fund – Retail Class	Absolute bias	2.6%
	L1 Capital Australian Equities Fund	Long equities	2.3%
Watermark Funds Management	Watermark Market Neutral Trust	Market neutral	4.9%
Bennelong Long Short Equity Management	Bennelong Long Short Equity Fund	Market neutral	4.6%
	Absolute Return/High Conviction Funds (split out below)		4.5%
Firetrail Investments	Firetrail Absolute Return Fund	Market neutral	3.5%
	Firetrail High Conviction Fund	Long equities	1.0%
Sandon Capital	Sandon Capital Activist Fund	Absolute bias	4.2%
CBG Asset Management	CBG Asset Australian Equities Fund	Long equities	2.6%
Tribeca Investment Partners	Tribeca Alpha Plus Fund	Absolute bias	2.5%
Vinva Investment Management	Vinva Australian Equities Fund	Long equities	2.4%
Sage Capital	Sage Capital Equity Plus Fund	Absolute bias	2.1%
LHC Capital	LHC Capital Australia High Conviction Fund	Absolute bias	1.8%
Centennial Asset Management	The Level 18 Fund	Absolute bias	1.8%
Smallco Investment Manager	Smallco Broadcap Fund	Long equities	1.6%
QVG Capital	QVG Opportunities Fund	Long equities	1.2%
Lanyon Asset Management	Lanyon Australian Value Fund	Absolute bias	1.1%
	Cash and term deposits		7.9%

**Fund manager
allocation and
investments at
market value as
at 30 April 2020**

Fund manager	Investment	Strategy	% of Gross assets
Magellan Asset Management	Magellan Global Fund	Long equities	12.9%
Cooper Investors	Cooper Investors Global Equities Fund (Unhedged)	Long equities	11.2%
Antipodes Partners	Antipodes Global Fund	Absolute bias	9.8%
Marsico Capital Management	Marsico Global Fund	Long equities	8.8%
Caledonia	Caledonia Fund	Long equities	8.5%
Nikko Asset Management Australia	Nikko AM Global Share Fund	Long equities	7.6%
VGI Partners	VGI Partners Funds	Absolute bias	6.5%
Ellerston Capital	Ellerston Global Mid Small Cap Fund	Long equities	5.2%
Munro Partners	Munro Global Growth Fund	Absolute bias	5.1%
	Global/Ethical Strategies (split out below):		4.4%
Morphic Asset Management	Morphic Global Opportunities Fund	Absolute bias	3.6%
	Morphic Ethical Equities Fund Limited	Absolute bias	0.8%
Avenir Capital	Avenir Global Fund	Absolute bias	3.1%
Paradice Investment Management	Paradice Global Small Mid Cap Fund Unhedged	Long equities	3.0%
	Cash and term deposits		13.9%