



# Contango. Asset Management

Investor Presentation  
Marty Switzer | Managing Director and CEO  
August 2021

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Performance information is historical. Performance returns may vary. Past performance is not indicative of future performance. Performance has been calculated based on cumulative daily returns excluding any allowance for fees, expenses and taxes.

WCM manages the WCM Global Growth Limited (**WQG**) portfolio, the WCM Quality Global Growth Fund (**WCMQ**), the WCM Quality Global Growth Fund (Managed Fund) (**WCMM**), the WCM International Small Cap Growth Fund (Managed Fund) (**WCMS**) and the WCM Global Long Short (**WLS**) portfolio according to the same investment principles, philosophy and execution of approach as those used for its WCM Quality Global Growth Equity Strategy Composite (**QGG**) in the case of WQG, WCMQ and WCMM, WCM International Small Cap Growth Equity Strategy Composite (**SIG**) in the case of WCMS and the WCM Global Long Short Equity Strategy Composite (**QGLS**) in the case of WLS.

As the WQG, WCMQ, WCMM, WCMS and WLS investment portfolios have only been in operation for a relatively short period of time, this presentation makes reference to QGG (slide 9), SIG (slide 10) and QGLS (slide 13) to provide a better understanding of how WCM has managed these strategies over a longer period. The Composites contain fully discretionary QGG equity, SIG equity and QGLS equity accounts. The QGG Composite was created on 31 March 2008, the SIG Composite on 31 December 2014 and the QGLS Composite on 30 June 2014.

However, it should be noted that due to certain factors including, but not limited to, differences in cash flows, fees, expenses, performance calculation methods, and portfolio sizes and composition, there may be variances between the investment returns demonstrated by each of the portfolios in the future.

For the same reason, although this presentation makes reference to the performance of WCM as the Investment Manager of the Composites, the data for the Composites is provided purely for indicative purposes to demonstrate how WCM has performed historically in its role as the investment manager to this specific strategy. The performance for the composites is not the performance of the funds and is not an indication of how WQG, WCMQ, WCMM, WCMS and WLS would have performed in the past or will perform in the future. The material should not be viewed as a solicitation or offer of services by WCM. It is provided for information purposes only.

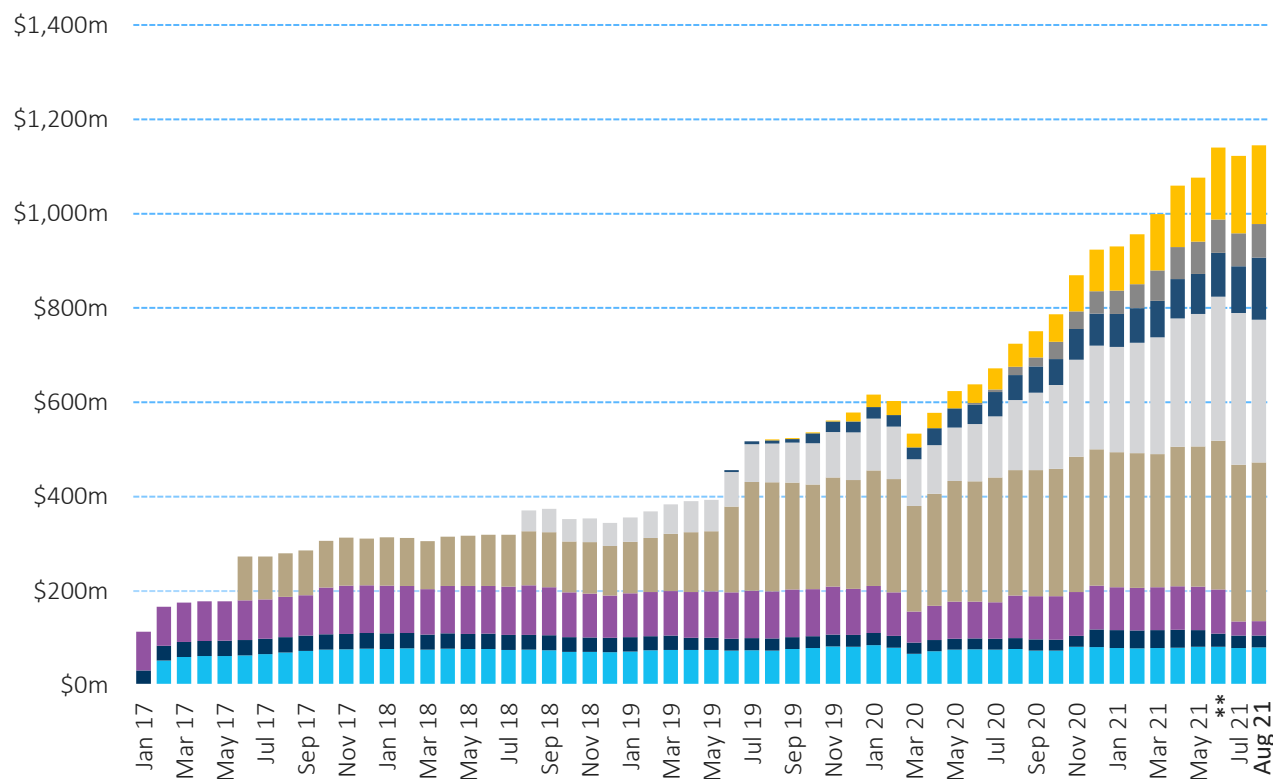
Any performance data quoted represents past performance of the respective strategy. Performance figures are also shown for the MSCI All Country World Index (gross) Return, (MSCI ACWI Index (\$AUD)) and MSCI ACWI Ex-US Small Cap Index Return. The MSCI All Country World Index (gross) is a trademark/service mark of Morgan Stanley Capital International and is designed to measure global developed and emerging equity market performance. The index is unmanaged and market-value weighted. The MSCI ACWI Ex-US Small Cap Index is a trademark/service mark of Morgan Stanley Capital International and is designed to measure global developed and emerging equity market performance of small capitalisation, excluding the US. The index is unmanaged and free-float adjusted market capitalisation weighted. These indices are shown for illustration only and cannot be purchased directly by investors.

# Key Highlights

May 20	WCM Global Growth Limited (ASX: <b>WQG</b> ) introduces a Dividend Reinvestment Plan ( <b>DRP</b> ).
June 20	Hedged version of WCM Quality Global Growth Fund (Managed Fund) ( <b>WCMM</b> ) launched.
July 20	WQG offers a DRP participation incentive and partial franking of dividends commences.
August 20	WCMM receives platform approval for inclusion on BT Wrap and BT Panorama, complementing Netwealth, HUB24 and Macquarie Wrap.
September 20	Contango Income Generator Limited (ASX: <b>CIE</b> ) adopts the new WCM Quality Global Growth Long Short Equity Strategy to be managed by WCM Investment Management, LLC ( <b>WCM</b> ).
December 20	Switzer Higher Yield Fund (Managed Fund) (Chi-X: <b>SHYF</b> ) relaunches as a quoted managed fund with investment management outsourced to Coolabah Capital Institutional Investments.
February 21	WQG announces the commencement of fully franked dividends and a 1 for 3 bonus issue of loyalty options.
April 21	Contango Asset Management Limited ( <b>Contango</b> ) funds under management ( <b>FUM</b> ) reach \$1 billion.
April 21	Blackmore Capital Pty Limited appointed to manage the Switzer Dividend Growth Fund (Quoted Managed Fund), successfully completing Contango's transition to a marketing and distribution platform.
May 2021	WCM International Small Cap Growth Fund (Managed Fund) passes \$150 million in assets.
June 2021	WCM Quality Global Growth Fund (Quoted Managed Fund) (ASX: <b>WCMQ</b> ) reaches \$300 million in assets.
June 2021	WCMM receives platform approval for inclusion across IOOF platforms.
July 21	CIE changes name to WCM Global Long Short Limited (ASX: <b>WLS</b> ) and completes a selective buy-back.

# Strong Growth in Retail FUM since 2017

As at 13 August 2021, CGA's FUM totalled \$1.143 billion\*.



FUM increases by \$505 million to \$1.14 billion in FY2021 – a 79% increase

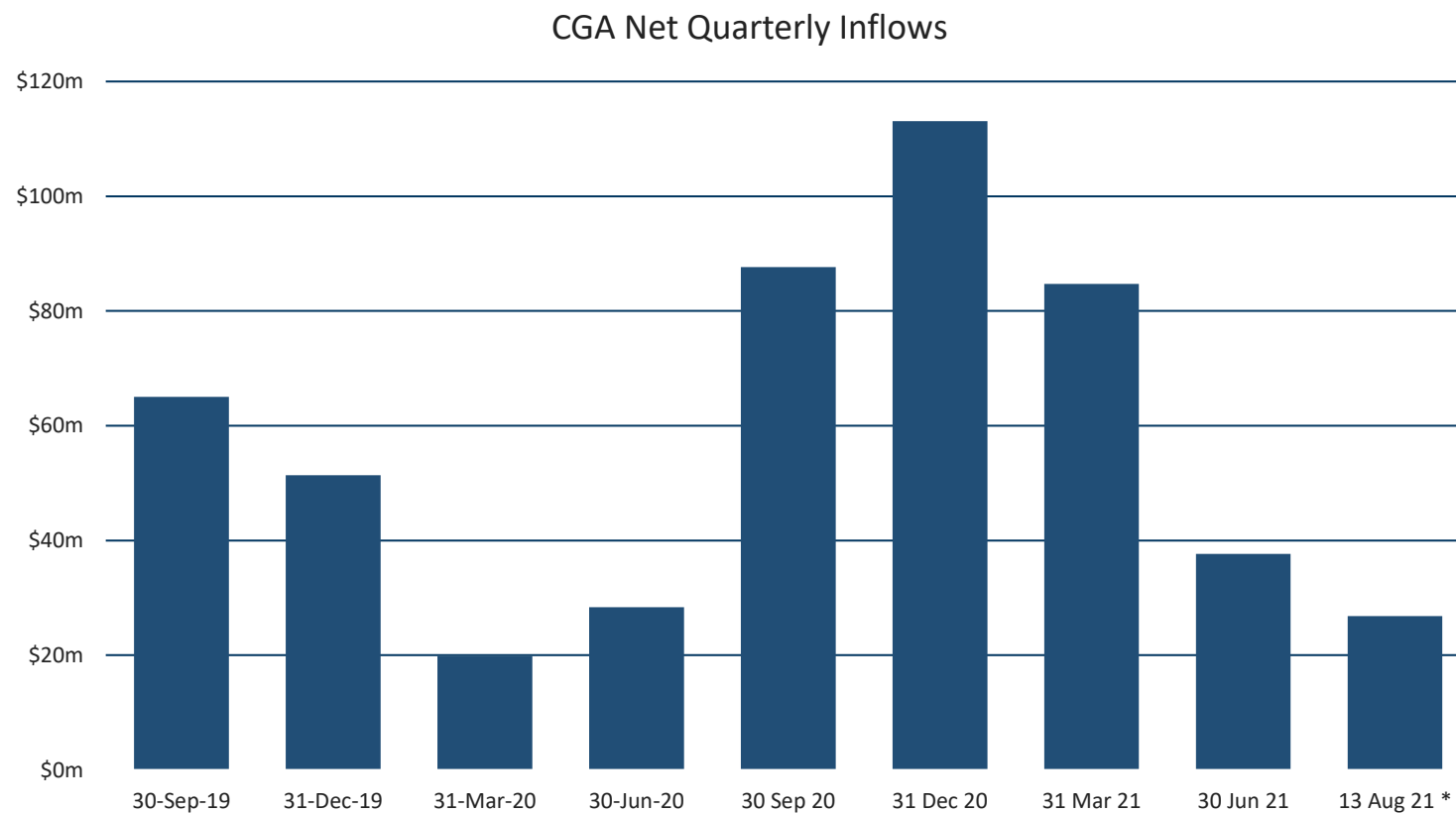


\*FUM and flow information are approximate, rounded, and have not been audited. The FUM information is provided by CGA's appointed custodian NAB Asset Servicing.

\*\*July 2021 includes outflows of \$89m in relation to the WLS selective buy-back and fund distributions. These outflows were partially offset by other inflows and positive investment performance.

# Strong Growth in Retail FUM Inflows

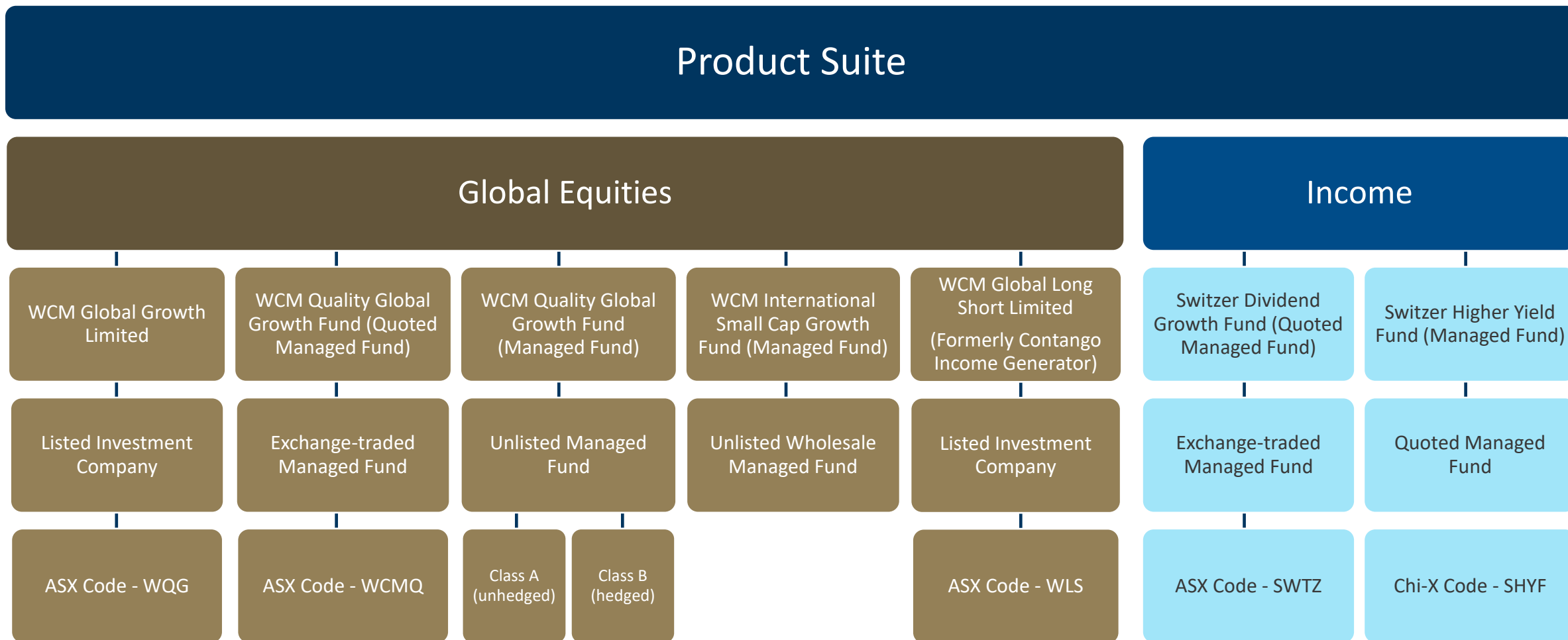
Total net FUM inflow of \$323m was achieved in FY2021, together with positive net inflows in every month, including during the COVID-19 market downturn.



*\*Data as at 13 August 2021. Excludes WLS selective buyback and includes the underwriting of the WQG options in June 2019 and the CIE share placement in September 2020. FUM and flow information are approximate, rounded, and have not been audited. The FUM information is provided by CGA's appointed custodian NAB Asset Servicing.*



# Contango Asset Management Product Suite



# Global Equities Update – WCM Investment Management

Since partnering with Contango in June 2017, WCM now has \$1.039b in retail FUM in Australia\*.

Product	FUM	Highlights
<b>WCM Global Growth Limited (ASX:WQG)</b>	\$336m	<ul style="list-style-type: none"> <li>• Unfranked dividends commence in August 2019, with partial franking from September 2020.</li> <li>• DRP introduced with attractive DRP incentive – participation rate of 31.3% for FY2021 interim dividend.</li> <li>• Dividend policy enhanced with fully franked dividends commencing in February 2021.</li> <li>• Bonus loyalty options issue on a 1 for 3 basis exercisable at \$1.50 per option by 31 August 2022.</li> <li>• FUM growth of \$81m since 1 July 2020.</li> </ul>
<b>WCM Quality Global Growth Fund (Quoted Managed Fund) (ASX:WCMQ)</b>	\$303m	<ul style="list-style-type: none"> <li>• ‘Recommended’ rating from research house Lonsec.</li> <li>• Strong HY 2021 net inflows from IFA’s and direct investors.</li> <li>• FUM growth of \$181m since 1 July 2020.</li> </ul>
<b>WCM Quality Global Growth Fund (Managed Fund)</b>	\$203m	<ul style="list-style-type: none"> <li>• Currency hedged class of units launched in June 2020.</li> <li>• ‘Recommended’ rating from research house Zenith for both the unhedged and hedged products.</li> <li>• Further approvals on leading wealth platforms and inclusion in model portfolios.</li> <li>• FUM growth of \$158m since 1 July 2020.</li> </ul>
<b>WCM International Small Cap Growth Fund (Managed Fund)</b>	\$167m	<ul style="list-style-type: none"> <li>• Launched in August 2019 as a wholesale vehicle targeted at leading wealth managers and HNW investors.</li> <li>• Seed funding from leading wealth management firms.</li> <li>• Strong investment performance generates meaningful performance fees for Contango in FY2020 &amp; HY2021.</li> <li>• FUM growth of \$128m since 1 July 2020.</li> </ul>
<b>WCM Global Long Short Limited (ASX:WLS) (formerly Contango Income Generator Limited)</b>	\$30m	<ul style="list-style-type: none"> <li>• WLS shareholders approve a new global long short investment strategy managed by WCM, replacing the previous mid-cap Australian equities strategy in September 2020.</li> <li>• Name changed to WCM Global Long Short Limited, to align with the underlying manager of the portfolio, and selective buy-back completed in July 2021.</li> </ul>
<b>Total FUM</b>	<b>\$1.039b*</b>	

# WCM Platform Availability Expanding

WCM's product suite has been approved for use on the following platforms:

WCM Global Growth Limited	WCM Quality Global Growth Fund (Quoted Managed Fund)	WCM Quality Global Growth Fund (Managed Fund)	WCM International Small Cap Growth Fund (Managed Fund)
<ul style="list-style-type: none"> <li>• AMP North</li> <li>• BT Panorama</li> <li>• BT Wrap</li> <li>• Macquarie</li> <li>• Netwealth</li> </ul>	<ul style="list-style-type: none"> <li>• AMP North</li> <li>• BT Panorama</li> <li>• BT Wrap</li> <li>• HUB24</li> <li>• Macquarie</li> <li>• Netwealth</li> <li>• PowerWrap</li> </ul>	<ul style="list-style-type: none"> <li>• Ausmaq</li> <li>• <b>BT Panorama</b></li> <li>• <b>BT Wrap</b></li> <li>• Colonial First Wrap</li> <li>• HUB24</li> <li>• Investment Exchange</li> <li>• IOOF</li> <li>• <b>IOOF Employer Super</b></li> <li>• <b>IOOF Expand</b></li> <li>• <b>Macquarie</b></li> <li>• <b>Netwealth</b></li> <li>• Omniport</li> <li>• PowerWrap</li> <li>• Praemium</li> <li>• <b>Pursuit Select</b></li> <li>• <b>Rhythm</b></li> <li>• <b>Wealth02</b></li> </ul>	<ul style="list-style-type: none"> <li>• Ausmaq</li> <li>• Macquarie</li> <li>• Managed Accounts</li> <li>• <b>Netwealth</b></li> <li>• PowerWrap</li> <li>• <b>Praemium</b></li> <li>• <b>HUB24</b></li> </ul>

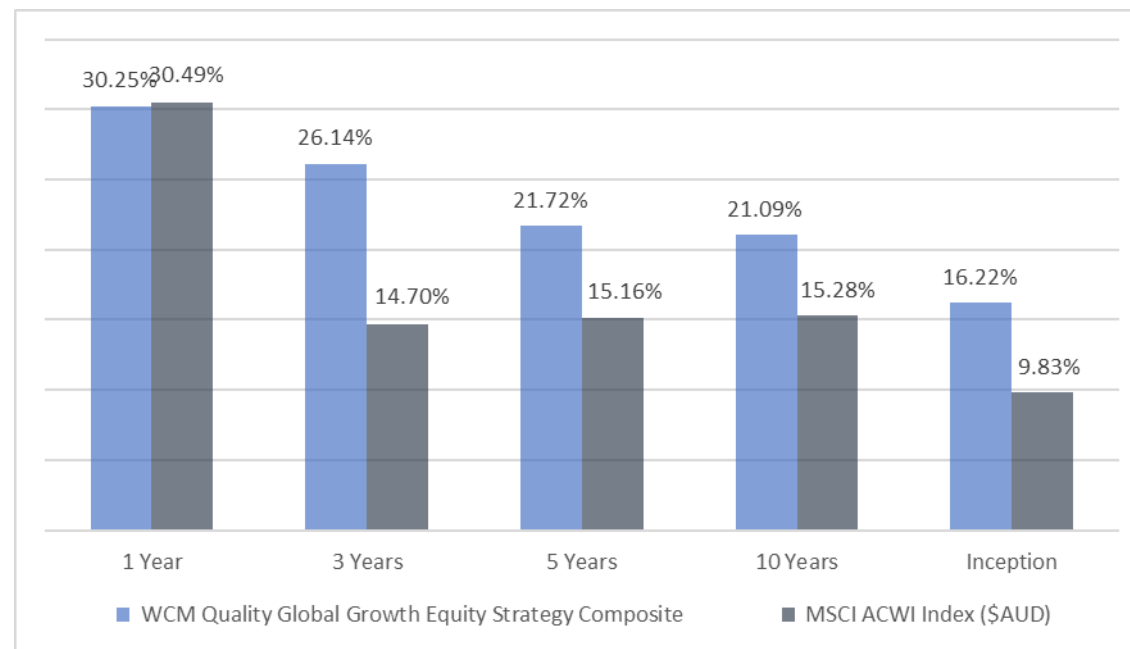
Platforms added since 30 June 2020 are shown in **bold**.

Contango's distribution team continues to work with a number of other wrap platform providers.



# An Impressive Large-Cap Track Record

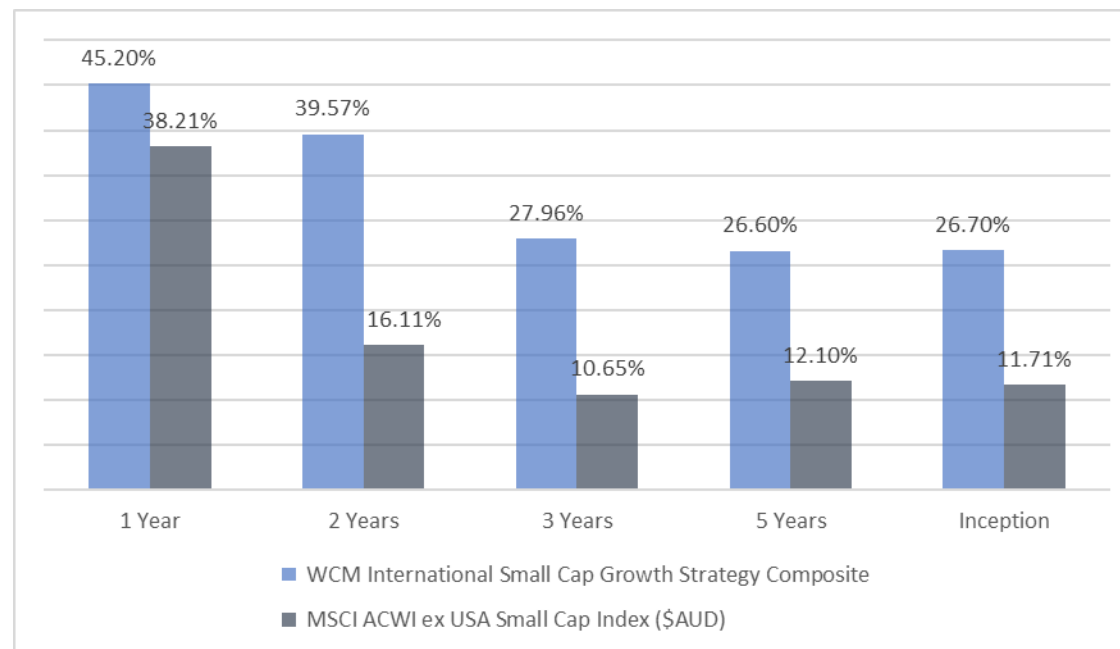
Annualised returns of WCM's Quality Global Growth Equity Strategy Composite vs its benchmark.



Data as at 31 July 2021 in AUD. Performance is in AUD, net of fees and includes the reinvestment of all dividends and income. Past performance is not indicative of future performance. WCM applies the same investment principles, philosophy and execution approach of its WCM Quality Global Growth Equity Strategy (QGG Strategy) Composite, which was created on 31 March 2008, to WCM Global Growth Limited, the WCM Quality Global Growth Fund (Quoted Managed Fund) and the WCM Quality Global Growth Fund (Managed Fund) (collectively 'Large Cap Portfolios'). Even though the QGG Strategy is applied in managing the Large Cap Portfolios, certain factors including, but not limited to, differences in cash flows, fees, expenses, performance calculation methods, portfolio sizes and composition may result in variances between the investment returns for the Large Cap Portfolios and that of the QGG Composite. The performance of the QGG Composite is not the performance of the Large Cap Portfolios and is not an indication of how the portfolios would have performed in the past or will perform in the future. The benchmark for the QGG Composite is the MSCI ACWI Index. The benchmark for the Large Cap Portfolios is the MSCI ACWI ex-Australia.

# An Impressive Small-Cap Track Record

Annualised returns of WCM's International Small Cap Growth Strategy Composite vs its benchmark.



Data as at 31 July 2021 in AUD. Performance is in AUD, net of fees and includes the reinvestment of all income. Past performance is not indicative of future performance. WCM applies the same investment principles, philosophy and execution approach of its International Small Cap Growth Strategy (**SIG Strategy**) Composite, which was created 31 December 2014, to the WCM International Small Cap Growth Fund (Managed Fund). Even though the SIG Strategy is applied in managing the WCM International Small Cap Growth Fund (Managed Fund) (**Small Cap Portfolio**), certain factors including, but not limited to, differences in cash flows, fees, expenses, performance calculation methods, portfolio sizes and composition may result in variances between the investment returns for the Small Cap Portfolio and that of the SIG Composite. The performance of the SIG Composite is not the performance of the Small Cap Portfolio and is not an indication of how the portfolio would have performed in the past or will perform in the future. The benchmark for the SIG Composite is the MSCI ACWI ex US Small Cap Index.

# WCM Global Long Short Limited (ASX:WLS)

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WCM Long Short Limited (ASX:WLS) (formerly Contango Income Generator Limited (ASX:CIE))

- On 18 September 2020, WLS shareholders resolved to adopt a new strategy for the company's investment portfolio, moving to a global long short strategy managed by WCM from the previous mid-cap Australian equities strategy.
- The WCM Quality Global Growth Long Short Equity Strategy Composite is a new addition to the WCM product suite in Australia.
- On 15 January 2021, WLS entered into a binding term sheet with WAM Capital Limited (ASX:WAM) (**WAM**) and its investment manager in relation to a selective buy-back of WAM's 69.6% holding of ordinary shares in WLS following the close of WAM's takeover offer for WLS on 13 November 2020.
- At an Extraordinary General Meeting on 14 July 2021, WLS shareholders approved a selective buy-back of WAM's shares and the change of the company's name to WCM Global Long Short Limited.
- This name change aligns WLS with the new investment strategy and the WCM brand, increasing its relevance in the marketplace.

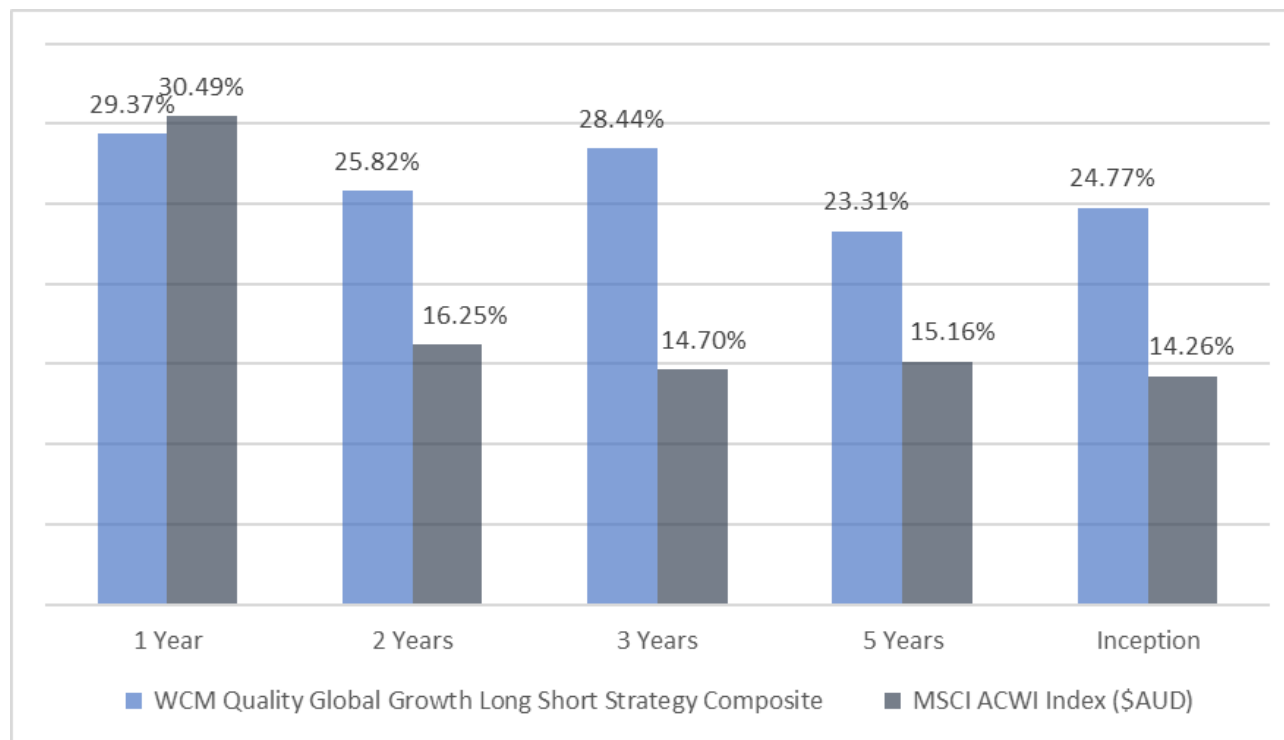
# WCM Quality Global Growth Long Short Equity Strategy Composite

- The WCM Quality Global Growth Long Short Equity Strategy Composite (the **Strategy**) has, since inception on 30 June 2014, generated a return of 24.8% per annum<sup>1</sup>, outperforming its benchmark, the MSCI All Country World Index by an annualised 10.5% per annum<sup>1</sup>.
- The Strategy provides investors with an actively managed portfolio of long and short positions in global large and mega-cap companies.
- The Strategy seeks to outperform its benchmark by owning businesses with growing competitive advantages, supported by tailwinds and aligned corporate cultures, while shorting businesses with deteriorating competitive advantages, confronting headwinds and challenged corporate cultures.
- Long and short ideas are sourced from similar sectors, focusing on healthcare, technology, consumer, financial and niche industrials.

<sup>1</sup> Data as at 31 July 2021 in AUD. Performance is in AUD, net of fees and includes the reinvestment of all dividends and income. Past performance is not indicative of future performance. WCM Global Long Short Limited's (ASX:WLS, formerly known as Contango Income Generator Limited (ASX:CIE)) investment portfolio, as at 14 July 2021, is managed according to the same investment principles, philosophy and execution approach of the WCM Quality Global Growth Long Short Equity Strategy Composite (**Strategy**) which was created on 30 June 2014. Even though the Strategy is applied in managing the investment portfolio for WLS, certain factors including, but not limited to, differences in cash flows, fees, expenses, performance calculation methods, portfolio sizes and composition, there may be variances between the investment returns demonstrated by the Strategy and that of WLS. For comparison purposes, the composite is measured against the MSCI ACWI Index (\$AUD).

# An Impressive Long Short Track Record

Annualised returns of WCM's Quality Global Growth Long Short Equity Strategy Composite vs its benchmark.



1 Data as at 31 July 2021 in AUD. Performance is in AUD, net of fees and includes the reinvestment of all dividends and income. Past performance is not indicative of future performance. WCM Global Long Short Limited's (ASX:WLS, formerly known as Contango Income Generator Limited (ASX:CIE)) investment portfolio, as at 14 July 2021, is managed according to the same investment principles, philosophy and execution approach of the WCM Quality Global Growth Long Short Equity Strategy Composite (**Strategy**) which was created on 30 June 2014. Even though the Strategy is applied in managing the investment portfolio for WLS, certain factors including, but not limited to, differences in cash flows, fees, expenses, performance calculation methods, portfolio sizes and composition, there may be variances between the investment returns demonstrated by the Strategy and that of WLS. For comparison purposes, the composite is measured against the MSCI ACWI Index (\$AUD).

# Income Update: Appointment of New Manager for SWTZ

## Switzer Dividend Growth Fund (Quoted Managed Fund)

*Powered by*  
**BLACKMORE CAPITAL**  
EQUITY INVESTORS



### Switzer Dividend Growth Fund (Quoted Managed Fund) (ASX:SWTZ)

- On 21 April 2021, Contango announced the appointment of Blackmore Capital Pty Limited (**Blackmore**) to manage the Switzer Dividend Growth Fund (Quoted Managed Fund) (**SWTZ**).
- SWTZ aims to provide investors with tax effective income and long-term capital growth by investing in a core portfolio of blue-chip Australian shares.
- Blackmore is an employee-owned asset management firm focusing on 'long only' Australian equities within the S&P/ASX 300.
- The appointment of Blackmore as the investment manager of SWTZ completed Contango's transition from a product manufacturer to a marketing and distribution platform offering high quality fund managers access to the self-directed and independent financial adviser channels of the \$3.1 trillion Australian superannuation industry\*.

\*As at March 2021. Source: Association of Superannuation Funds of Australia



# Income Update: Relaunch of SHYF

## Switzer Higher Yield Fund (Managed Fund)

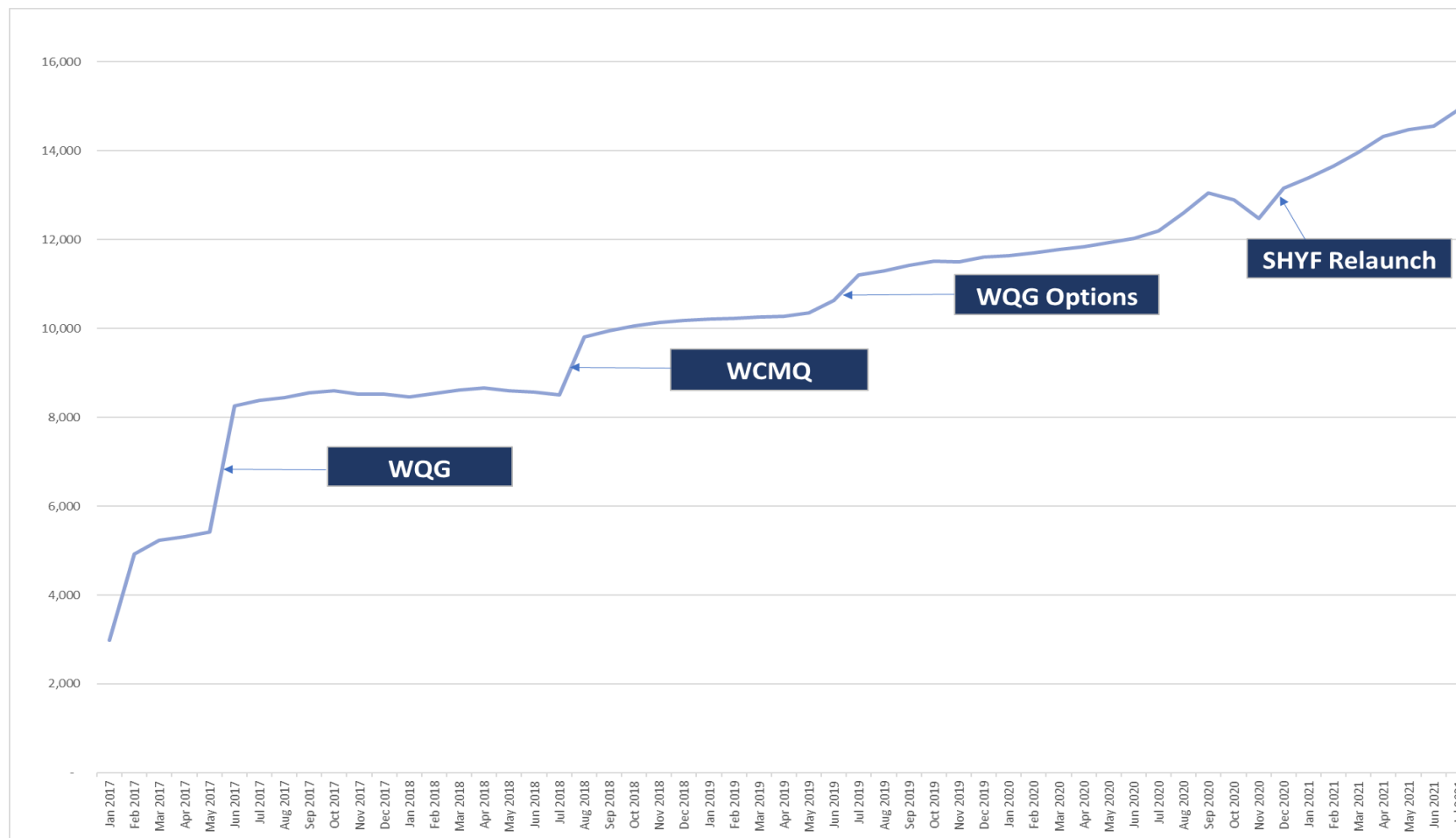


### Switzer Higher Yield Fund (Chi-X: SHYF)

- On 2 December 2020, Contango announced the appointment of Coolabah Capital Institutional Investments, a leading active credit manager, to manage the Switzer Higher Yield Fund (SHYF).
- SHYF is a floating-rate bond fund that seeks to provide investors with an attractive cash yield with low capital volatility by investing in a portfolio of high quality and liquid fixed income securities.
- SHYF is a quoted managed fund with its units quoted on the Chi-X Australia Exchange.
- Investors can purchase and redeem units in SHYF via their broker or directly with Switzer Asset Management Limited, the responsible entity.
- SHYF was the first fixed income product in Australia to launch as a quoted managed fund and just the third product to use this structure.

# Growth in Retail Investor Base

As at 31 July 2021, Contango had 14,925 unitholders and shareholders\* across its product suite



Product	Shareholders / Unitholders
WCM Global Growth Limited (ASX:WQG)	3,966
WCM Quality Global Growth (ASX:WCMQ)	6,556
Switzer Higher Yield Fund (Chi-X:SHYF)	471
WCM Global Long Short Limited (ASX:WLS)	1,117
Switzer Dividend Growth Fund (ASX:SWTZ)	2,453
Unlisted Funds	362
<b>Total</b>	<b>14,925</b>

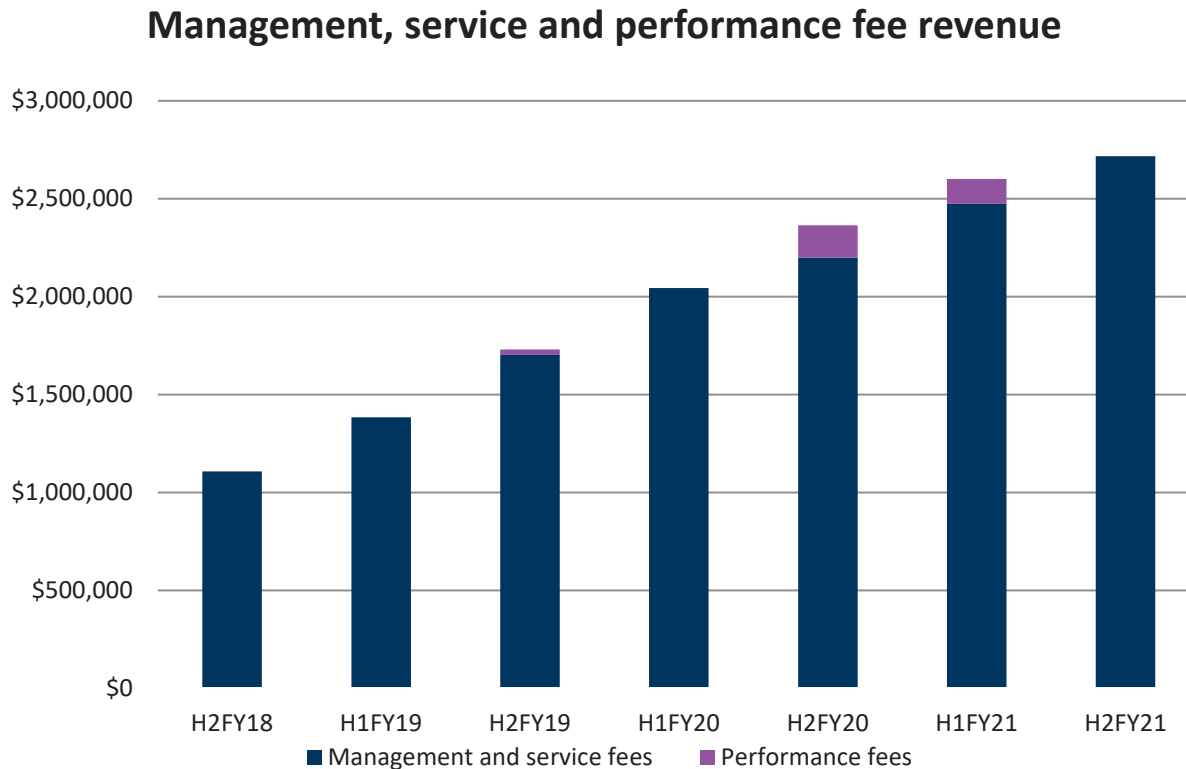
# Strong Financial Position

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## Cash

- Contango's cash balance as at 31 July 2021 was \$5.2 million.
- Contango currently has a receivable of \$1.67 million in total (net of GST) from NAOS Asset Management Limited (**NAOS**) for the assignment of an investment mandate.
- The NAOS receivable represents the final installment and is payable in June 2022.
- As at 31 July 2021, Contango remains well capitalised with:
  - cash and the NAOS receivable being approximately \$6.9 million in total; and
  - non-current debt of \$1.25 million.

# Improving Financial Performance



## Financial Performance

- Investment management and service fees increased by 22% in the year to 30 June 2021 compared with last year.
- The reported FY2021 net loss of \$800,000 included costs in excess of \$450,000, primarily related to Contango's successful transition from a manufacturer of product to a marketing and distribution platform, as well as other strategic initiatives to grow FUM.
- Annualised revenue is continuing to increase as a result of the 79% growth in FUM in FY2021.
- Strict cost control remains a key focus for management.
- Contango will continue to invest in marketing initiatives, distribution capability and new products to drive further increases in FUM.

# Strategic Priorities FY2022



# Contact Details

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