

**WCM GLOBAL GROWTH LIMITED**  
**ABN 69 617 281 268**

**HALF-YEAR INFORMATION**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**  
**PROVIDED TO THE ASX UNDER LISTING RULE 4.2A.3**

# Appendix 4D

## Half Year Report for the six months to 31 December 2019

WCM GLOBAL GROWTH LIMITED

ABN 69 617 281 268

### 1. Reporting period

Report for the half year ended	31 December 2019
Previous corresponding periods:	Half-year ended 31 December 2018

### 2. Results for announcement to the market

	\$A'000	Up/ Down	\$A'000 Movement	% Movement
Revenues from ordinary activities ( <i>item 2.1</i> )	12,582	Up	13,764	n.a.
Profit from ordinary activities after tax attributable to members ( <i>item 2.2</i> )	7,267	Up	8,810	n.a.
Net profit for the period attributable to members ( <i>item 2.3</i> )	7,267	Up	8,810	n.a.

<b>Dividends paid (<i>item 2.4</i>)</b>	Amount per security	Franked amount per security at 30% tax rate
(1) Final dividend for year ended 30 June 2019	2.00 cents	0%
Previous corresponding half-year	NA	NA
Record dates for dividend entitlements ( <i>item 2.5</i> )	(1) 6 August 2019	

### 3. Net tangible assets per security

	Current period 31 Dec 2019	Previous corresponding period 31 Dec 2018
Net tangible asset backing per ordinary security (after provision for tax on unrealised gains)	\$1.254	\$1.151

**4. Details of entities over which control has been gained or lost during the period:**

Nil

**5. Dividends**

The final dividend for the year ended 30 June 2019 of \$0.02 per share (unfranked) was paid on 16 August 2019. The ex-date for the dividend was 5 August 2019 with a record date of 6 August 2019.

The interim dividend for the year ended 30 June 2020 has been declared at \$0.02 per share (unfranked) and is due to be paid on 31 March 2020. The ex-date for the dividend is 9 March 2020 with a record date of 10 March 2020.

**6. Details of dividend or distribution reinvestment plans in operation are described below:**

Nil

**7. Details of associates and joint venture entities**

Nil

**8. The financial information provided in the Appendix 4D is based on the half year condensed financial report which accompanies this report.**

**9. Independent review of the financial report**

The financial report has been independently reviewed by Ernst & Young. The financial report is not subject to a qualified independent review statement.

# **WCM Global Growth Limited**

**ABN 69 617 281 268**

## **Financial report for the half-year ended 31 December 2019**

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## Directors' Report

The directors present their report together with the condensed financial report of WCM Global Growth Limited (the "Company"), for the half-year ended 31 December 2019, and the independent review report thereon. This financial report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting*.

### Directors

The names of directors in office during the half-year up to 31 December 2019 and up to the date of this report (unless otherwise indicated) are:

Valentina Stojanovska	Non-executive Chairman
Michael Liu	Non-executive Director
Stephen Merlicek	Non-executive Director
Paul Rickard	Non-executive Director
Martin Switzer	Non-executive Director

### Principal activity

The principal activity of the Company during the financial period was investment into a diversified portfolio of globally listed quality high growth companies sourced from developed and emerging markets outside of Australia, with the primary objective of providing long-term capital growth.

### Results

The Company's net operating profit after tax for the half-year was \$7,267,156 (31 December 2018: loss of \$1,543,009). Basic and diluted earnings per share amounted to 4.2 cents per share for the half-year (31 December 2018: loss of 1.7 cents per share).

### Review of operations

#### Profit and performance

The current period profit is attributed to an increase in value of the Company's investment portfolio. This has occurred during a period of strong performance in global share markets.

The Company continued to invest funds in accordance with target asset allocations as set out in the governing documents of the Company, and in accordance with the provisions of its Constitution.

The Company's policy is to maintain an unhedged portfolio, that is, its value is exposed to foreign currency movements. A rise in the Australian dollar detracts from the portfolio's value and a fall increases the value in Australian dollar terms.

For the half-year ended 31 December 2019, the diluted before tax Net Tangible Asset ("NTA") value per share, adjusted for the exercise and underwriting of options, of the Company has increased from \$1.29 as at 30 June 2019 to \$1.33. The increased NTA was after payment of a 2.0 cents per share dividend on 16 August 2019.

For the period ended 31 December 2019 the investment portfolio returned 4.45% (net of management and performance fees) compared with the benchmark return of 9.11%.

## Review of operations (continued)

### Options partial underwriting

Following on from the successful options exercise in June 2019, where 45,173,465 WCM Global Growth Limited options (WQG Options) were exercised increasing capital by \$49,690,811, the Board resolved to partially underwrite the balance of unexercised options and entered into an underwriting agreement to underwrite up to 46,302,632 of the WQG Options, at the exercise price of \$1.10 per share. In total, 41,872,487 shares were issued pursuant to the underwriting, increasing the Company's capital by \$46,059,736. The shares issued settled on 3 July 2019.

The Board was delighted with the large percentage of shareholders who supported the Company by exercising their options in June 2019 and the high level of interest it received from new investors. The successful WQG Options exercise and partial underwriting resulted in additional capital being raised of \$95,750,547, increasing the market capitalisation of the Company to approximately \$230 million.

The board believes the success of the issue will further enhance the Company's position in the market place by:

- significantly expanding its scale and improving the liquidity of its shares, both of which should reduce the present share price discount to NTA;
- increasing the breadth and depth of the Company's shareholder base through the introduction of a number of leading financial planning groups and high net worth investors;
- lowering the Company's fixed operating costs per share;
- increasing the relevance of the Company in the market; and
- enhancing the profile of the Investment Advisor, WCM Investment Management, among Australian investors.

All fees payable pursuant to the underwriting were incurred and paid by Contango Asset Management Limited.

### Closing discount to Net Tangible Assets

The key focus for the Board and the Investment Manager during the period has been to address the Company's share price discount to NTA, on which we are pleased to advise we are making good progress.

In May 2019, the Company announced that it reviewed the Company's dividend policy and decided to commence the payment of ordinary dividends to shareholders. This is consistent with the Company's ongoing commitment to shareholder value through active capital management and efficient capital allocation. The intention is to make ongoing interim and final dividend payments to shareholders subject to the Company having sufficient profit reserves and corporate, legal and regulatory considerations.

In addition to the dividend policy, the Board and Investment Manager have also deployed a new shareholder engagement strategy targeted at the direct and financial adviser market including:

- conferences and events targeting self-managed superannuation fund trustees and self-directed investors through channels such as the Switzer Financial Group;
- regular shareholder webinars;
- twice monthly email communications;
- ongoing targeting of adviser and broker channels; and
- the introduction of weekly NTA reporting.

## Review of operations (continued)

### Closing discount to Net Tangible Assets (continued)

During the period the Company continued with the Board approved on-market share buyback program. During the half-year 2,431,695 shares were purchased for a gross consideration of \$2,641,346.

The combination of these initiatives has resulted in a significant reduction in the share price discount and improved share trading liquidity. Closing the share price discount remains a high priority for the WQG Board and the Investment Manager.

### Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company that occurred during the half-year under review other than as noted in this report.

### Events subsequent to balance date

On 20 February 2020 the Board of WCM Global Growth Limited declared an interim dividend of 2.0 cents per share (unfranked). The dividend is to be paid on 31 March 2020.

Since the end of the half-year, and up to 14 February 2020, the investment portfolio returned 11.80% (net of management and performance fees) compared with the benchmark return of 7.57%. This has resulted in an increase in the before tax NTA value per share from \$1.33 as at 31 December 2019 to \$1.49 as at 14 February 2020.

### Rounding of Amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the directors' report have been rounded to the nearest dollar and in the financial statements have been rounded to the nearest thousand dollars (\$000's).

### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for the financial half-year is set out on page 4.

Signed in accordance with a resolution of the directors.



Valentina Stojanovska – Chairman  
20 February 2020





**Building a better  
working world**

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## **Auditor's Independence Declaration to the Directors of WCM Global Growth Limited**

As lead auditor for the review of the half-year financial report of WCM Global Growth Limited for the half-year ended 31 December 2019, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

Ernst & Young

Luke Slater  
Partner  
20 February 2020

## Interim Condensed Statement of Profit or Loss and other Comprehensive Income For the half-year ended 31 December 2019

	Notes	Half-year ended	
		31 December 2019 \$'000	31 December 2018 \$'000
<b>Revenue and other income</b>			
Interest Income		15	2
Dividend Income		893	333
Fair value gain/(loss) on financial assets at fair value through profit or loss	2	11,674	(1,517)
<b>Total Income</b>		<b>12,582</b>	<b>(1,182)</b>
<b>Expenses</b>			
Investment management fees	6	1,429	699
Performance fee expenses	6	78	102
Transactions costs		92	21
Directors' remuneration		70	70
Business administration expenses	6	125	125
Other expenses		434	319
<b>Total Expenses</b>		<b>2,228</b>	<b>1,336</b>
<b>Profit/(loss) before income tax</b>		<b>10,354</b>	<b>(2,518)</b>
Income tax (expense)/ benefit		(3,087)	975
Net profit from continuing operations		7,267	(1,543)
<b>Profit/(loss) for the half-year</b>		<b>7,267</b>	<b>(1,543)</b>
Other comprehensive income for the half-year		-	-
<b>Total comprehensive income/(loss) for the half-year</b>		<b>7,267</b>	<b>(1,543)</b>
<b>Earnings per share for comprehensive income to the equity holders of the parent entity:</b>			
Basic and diluted earnings per share (cents per share)		4.2	(1.7)

The above statement should be read in conjunction with the accompanying notes.

## Interim Condensed Statement of Financial Position As at 31 December 2019

Notes	As at	
	31 December 2019 \$'000	30 June 2019 \$'000
<b>Assets</b>		
Cash and cash equivalents	4,646	15,750
Trade and other receivables	444	418
Investments at fair value through profit or loss	226,704	177,406
Underwriting cost reimbursement receivable	-	1,212
<b>Total assets</b>	<b>231,794</b>	<b>194,786</b>
<b>Liabilities</b>		
Trade and other payables	375	12,393
Dividend Payable	-	2,691
Underwriting cost payable	-	1,212
Current tax liability	283	-
Deferred tax liabilities	12,813	10,008
<b>Total liabilities</b>	<b>13,471</b>	<b>26,304</b>
<b>Net assets</b>	<b>218,323</b>	<b>168,482</b>
<b>Equity</b>		
Issued capital	188,964	145,554
Reserves	32,523	25,203
Accumulated losses	(3,164)	(2,275)
<b>Equity attributable to owners of WCM Global Growth Limited</b>	<b>218,323</b>	<b>168,482</b>

The above statement should be read in conjunction with the accompanying notes.

## Interim Condensed Statement of Changes in Equity For the half-year ended 31 December 2019

	Contributed Equity \$'000	Reserves \$'000	Accumulated Losses \$'000	Total Equity \$'000
<b>Balance as at 1 July 2018</b>	97,561	10,908	(2,275)	106,194
Loss for the year	-	-	(1,543)	(1,543)
Total comprehensive income for the period	-	-	(1,543)	(1,543)
<b>Transactions with owners in their capacity as owners:</b>				
Transfer to dividend payment reserve	-	-	-	-
Dividend for the year	-	-	-	-
Proceeds of partial options underwriting	-	-	-	-
On-market buy-back of shares	(1,314)	-	-	(1,314)
	(1,314)	-	-	(1,314)
<b>Balance as at 31 December 2018</b>	96,247	10,908	(3,818)	103,337
<b>Balance as at 1 July 2019</b>	<b>145,554</b>	<b>25,203</b>	<b>(2,275)</b>	<b>168,482</b>
Profit for the year	-	-	7,267	7,267
Total comprehensive income for the period	-	-	7,267	7,267
<b>Transactions with owners in their capacity as owners:</b>				
Transfer to dividend payment reserve	-	8,156	(8,156)	-
Dividend for the year	-	(836)	-	(836)
Proceeds of partial options underwriting	46,051	-	-	46,051
On-market buy-back of shares	(2,641)	-	-	(2,641)
	43,410	7,320	(8,156)	42,574
<b>Balance as at 31 December 2019</b>	<b>188,964</b>	<b>32,523</b>	<b>(3,164)</b>	<b>218,323</b>

The above statement should be read in conjunction with the accompanying notes.

## Interim Condensed Statement of Cash Flows For the half-year ended 31 December 2019

	Half-year ended	
	31 December 2019 \$'000	31 December 2018 \$'000
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(2,385)	(1,260)
Payment for investments	(77,121)	(11,797)
Realised foreign exchange impacts	58	-
Proceeds from sale of investments	28,694	14,154
Dividends received	963	474
Interest received	15	2
<b>Net cash (used in)/provided by operating activities</b>	<b>(49,776)</b>	<b>1,573</b>
<b>Cash flows from financing activities</b>		
Proceeds of partial options underwriting net of underwriting costs	44,839	-
On market buyback of shares	(2,641)	(1,314)
Dividends paid	(3,526)	-
<b>Net cash provided by/(used in) financing activities</b>	<b>38,672</b>	<b>(1,314)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(11,104)</b>	<b>259</b>
Cash and cash equivalents at the beginning of the half-year	15,750	2,281
<b>Cash and cash equivalents at the end of the half-year</b>	<b>4,646</b>	<b>2,540</b>

The above statement should be read in conjunction with the accompanying notes.

## Notes to the Interim Financial Statements For the half-year ended 31 December 2019

### Note 1: Basis of preparation of the half-year financial report

This condensed half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by WCM Global Growth Limited during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

The half-year financial report was authorised for issue by the directors as at the date of the Directors' Report.

WCM Global Growth Limited is "for-profit" for the purpose of preparing financial statements.

#### (a) Basis of preparation of the financial report

This condensed half-year financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The key accounting policies applied in this half-year are described in Note 1(b) – (l).

The financial report covers the activities of WCM Global Growth Limited. The Company is limited by shares, incorporated and domiciled in Australia. The registered office is Level 6, 10 Spring Street, Sydney NSW 2000.

#### *Historical cost convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies. The Statement of Financial Position has been presented in order of liquidity.

#### New standards adopted as at 1 July 2019

AASB 16 *Leases* became mandatorily effective on 1 July 2019. Accordingly, these standards apply for the first time to this set of financial statements.

AASB 16 supersedes AASB 117 *Leases*. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The Company is not a Lessor and there is no impact of adopting this standard.

#### (b) Going concern

The financial report has been prepared on a going concern basis.

#### (c) Accounting for profits and losses

At the conclusion of each calendar month, the Company records profits earned to Retained Earnings with the intention of transferring undistributed Retained Earnings to a Dividend Reserve at the conclusion of the financial period. Losses incurred at the end of each calendar month are transferred to Accumulated Losses. The above process enables the Directors to declare or determine to pay dividends from the Reserve to shareholders at a future date.

**Note 1: Basis of preparation of the half-year financial report (continued)**

**(d) Revenue**

Dividend income is recognised on the ex-dividend date with any related withholding tax recorded as an expense. Dividends received from associates are accounted for in accordance with the equity method.

Interest income is recognised in the statement of comprehensive income using the effective interest method for all financial instruments that are not held at fair value through profit or loss.

Net gains/(losses) on financial assets and financial liabilities held at fair value through profit or loss arising on a change in fair value are calculated as the difference between the fair value at the end of the reporting period and the fair value at the previous valuation point. Net gains/(losses) do not include interest or dividend income.

All revenue is stated net of the amount of goods and services tax (GST).

**(e) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

**(f) Income tax**

Current income tax expense or benefit is the tax payable or receivable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

*Deferred tax balances*

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. No deferred tax asset or liability is recognised in relation to temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

**(g) Financial instruments**

***(i) Classification and measurement***

**Financial assets**

The Company classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

For equity securities and derivatives, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss. The Company's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Company's documented investment strategy. The Company's policy is to evaluate the information about these financial assets on a fair value basis together with other related financial information.

**Note 1: Basis of preparation of the half-year financial report (continued)**

**(g) Financial instruments (continued)**

***(i) Classification and measurement (continued)***

A financial asset is measured at amortised cost only if both of the following conditions are met:

- the asset is held with a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The assessment of the Company's business model was made as of the date on initial recognition being 1 July 2018, and then applied retrospectively to those financial assets that were not derecognised before 1 July 2018. The assessment of whether contractual cash flows are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets. Financial assets at amortised cost are subsequently measured using effective interest rate (EIR) method and are subject to impairment.

**Financial liabilities**

Classification of financial liabilities remains unchanged for the Company. Financial liabilities continue to be measured at either amortised cost or fair value through profit or loss.

***(ii) Recognition/Derecognition***

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in the fair value of the financial assets and financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Company has transferred substantially all the risks and rewards of ownership.

***(iii) Impairment***

Impairment of financial assets is recognised based on the lifetime expected credit loss which is determined when the credit risk on a financial asset has increased significantly since initial recognition. In order to determine whether there has been a significant increase in credit risk since initial recognition, the entity compares the risk of default as at the reporting date with risk of default as at initial recognition using reasonable and supportable data, unless the financial asset is determined to have low credit risk at the reporting date.

For trade and other receivables, the simplified approach is used, which requires recognition of a loss allowance based on the lifetime expected credit losses. As a practical expedient, the Company uses a provision matrix based on historical information and adjusted for forward looking estimates in order to determine the lifetime expected credit losses.

Any change in expected credit losses between the previous reporting period and the current reporting period is recognised as an impairment gain or loss in profit or loss. There is no material impact on the Company as of 31 December 2019.



**Note 1: Basis of preparation of the half-year financial report (continued)**

**(h) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(i) Trade and other payables**

Trade and other payables are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services. Payables include liabilities, amounts due to brokers and accrued expenses owed by the Company which are unpaid as at the end of the reporting period.

**(j) Standards issued but not effective**

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2019 reporting period.

The Directors have assessed that the implementation of these standards does not have a material impact on the interim condensed financial report.

**(k) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

**(l) Rounding of amounts**

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the directors' report have been rounded to the nearest dollar and in the financial statements have been rounded to the nearest thousand dollars (\$000's).

**Note 2: Fair value gain/(loss) on financial assets through profit and loss**

	Half-year ended	
	31 December 2019 \$'000	31 December 2018 \$'000
Realised and unrealised gains/(losses) on portfolio investments	11,541	(1,757)
Realised and unrealised foreign exchange gains	133	240
<b>Total fair value gains/(losses) on financial assets through profit and loss</b>	<b>11,674</b>	<b>(1,517)</b>

**Note 3: Dividend**

The final dividend of \$3,526,150 for the year ended 30 June 2019, declared on 8 May 2019, was paid during the half-year ended 31 December 2019 (31 December 2018: Nil).

On 20 February 2020 the Board of WCM Global Growth Limited declared an interim dividend of 2.0 cents per share (unfranked). The dividend is to be paid on 31 March 2020.

**Note 4: Contributed Capital**

	Half-year ended			
	31 December 2019		31 December 2018	
	No. of Shares	\$'000	No. of Shares	\$'000
Beginning of the half-year	134,570,678	145,554	90,969,878	97,561
Movements during the half-year:				
Shares bought back on-market	(2,431,695)	(2,641)	(1,211,145)	(1,314)
Shares issued from exercise of options	41,872,487	46,051	-	-
<b>End of the half-year</b>	<b>174,011,470</b>	<b>188,964</b>	<b>89,758,733</b>	<b>96,247</b>

**Note 5: Fair value measurement**

The carrying amounts of the Company's Investments in the Statement of Financial Position are carried at fair value.

For the half-year ended 31 December 2019 and year ended 30 June 2019, the Company did not have any financial assets and financial liabilities that were determined using valuation techniques. The fair values of the Company's financial assets and liabilities for the periods then ended were determined directly, by reference to quoted prices from the global securities exchanges or by input other than quoted prices that were observable. Financial assets and liabilities measured and recognised at fair value have been determined by the following fair value measurement hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data.

The Company held \$226,704,307 Level 1 assets as at 31 December 2019 (30 June 2019: \$177,406,169).

For all other financial assets and financial liabilities in the Statement of Financial Position, the directors consider that the carrying amounts approximate their fair values as all financial assets and financial liabilities not fair valued are short-term in nature.

## **Note 6: Related party disclosures**

The Company's investment manager is Contango International Management Pty Limited ("Investment Manager"). The Company paid management fees of \$1,428,813 (2018: \$698,765) to the Investment Manager during the half-year.

The Company's investment advisor is WCM Investment Management ("Investment Advisor"). The Company paid performance fees of \$78,293 (2018: \$101,946) to the Investment Advisor during the half-year. The \$78,293 performance fee relates to the year ended 30 June 2019. This is the difference between the performance fee accrued for the year ended 30 June 2019 and the performance fee paid in the current period.

In addition, the Company has a services agreement with 2735 CSM Holdings Pty Limited to provide the use of premises and facilities, company secretarial, administrative, financial and accounting services. For the financial half-year ended 31 December 2019 the fees paid to 2735 CSM Holdings Pty Limited for these services were \$125,000 (2018: \$125,000).

The Investment Manager and 2735 CSM Holdings Pty Limited are director associated entities.

In addition to these payments and as part of its normal payment of dividends on its shares the Company made payments to directors that held shares in WCM Global Growth Limited. Dividend amounts were paid to current directors; \$100 to Valentina Stojanovska; \$400 to Michael Liu; \$4,800 to Steve Merlicek; \$3,000 to Paul Rickard; and \$200 to Marty Switzer.

## **Note 7: Segment information**

The Company operates solely in the business of investment in companies listed on the global share markets. Revenue, profit, net assets and other financial information reported to and monitored by the Chief Operating Decision Maker (CODM) for the single identified operating segment are the amounts reflected in the Statement of Profit & Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows. The CODM has been identified as the Board of Directors.

## **Note 8: Contingent liabilities & commitments**

As at 31 December 2019, the Company had no contingent liabilities or capital commitments (30 June 2019: Nil).

## **Note 9: Events occurring after the balance sheet date**

On 20 February 2020 the Board of WCM Global Growth Limited declared an interim dividend of 2.0 cents per share (unfranked). The dividend is to be paid on 31 March 2020.

Since the end of the half-year, and up to 14 February 2020, the investment portfolio returned 11.80% (net of management and performance fees) compared with the benchmark return of 7.57%. This has resulted in an increase in the before tax NTA value per share from \$1.33 as at 31 December 2019 to \$1.49 as at 14 February 2020.

There has been no other matter or circumstance, which has arisen since 31 December 2019 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2019, of the Company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2019, of the Company.

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of WCM Global Growth Limited (the Company), I state that:

In the opinion of the directors:

- (a) the interim financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
  - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Valentina Stojanovska  
Chairman  
20 February 2020

## Independent Auditor's Report to the Members of WCM Global Growth Limited

### Report on review of interim financial information

#### Report on the Half-Year Financial Report

##### Conclusion

We have reviewed the accompanying half-year financial report of WCM Global Growth Limited (the Company), which comprises the condensed statement of financial position as at 31 December 2019, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Company is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its financial performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

##### Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

##### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2019 and its financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



WCM Global Growth Limited

### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

A handwritten signature in black ink that reads 'Ernst &amp; Young' in a cursive, flowing script.

Ernst & Young

A handwritten signature in black ink that reads 'Luke Slater' in a cursive, flowing script.

Luke Slater  
Partner  
Melbourne  
20 February 2020