

INVESTMENT UPDATE AND NTA STATEMENT

30 June 2020

PORTFOLIO UPDATE

The portfolio delivered a return of -0.45% during the month, outperforming the benchmark MSCI All Country World (ex-Australia) Index return of -0.56%. The portfolio has delivered returns in excess of the benchmark over the previous one, three, six and 12 month periods, as well as over three years and since inception. For the year ended 30 June 2020, the portfolio returned 17.62%, well exceeding its benchmark return of 4.75%.

Although global equity markets were relatively flat during the month, the June quarter saw a very strong rebound from the mid-March lows. In fact, it was the strongest quarter for the US blue-chip S&P 500 Index since 1998. The recovery in global markets, which was initially driven by the larger US technology stocks, has slowly shown signs of broadening into other sectors, regions and risk assets.

European and emerging market equities, which had been relative laggards during the market rebound, were among the better performing regions in June. The prospect of a €750 billion crisis fund and the reopening of borders helped European markets, while emerging markets were assisted by the weaker US dollar. Growth stocks and sectors continued to outperform in June despite the more positive global economic data. This environment typically provides a positive tailwind for value-style investing. The weaker US dollar (stronger Australian dollar) in June was a drag on returns for unhedged global equity portfolios during the month.

The portfolio's internet and ecommerce related holdings including Tencent, MercadoLibre and Shopify, once again lead the way in terms of monthly performance. Indian bank HDFC, Dutch payments platform group Adyen and Taiwan Semiconductor Manufacturing Company were other positive contributors to portfolio returns. Medical device firms Cooper Companies and Boston Scientific, and eye care products specialist Alcon underperformed in June.

'Value' versus 'growth' is an age-old investment debate. However, the consistent outperformance of large capitalisation growth stocks over the past decade has brought this debate back to the forefront for market participants. Advocates of value-style investing have been warning of an unsustainable disconnect between current market and fair intrinsic value of many of these growth stocks. Growth style investors are often accused of ignoring valuation and being overly focused on long-term thematic and momentum.

The investment team at WCM Investment Management have a clearly defined investment approach which is focused on identifying companies with expanding economic moats (i.e. a rising return on invested capital) and corporate cultures aligned to this moat trajectory. While valuation plays a role in the process, the team does not rely on traditional techniques such as discounted cash flow models to the same extent other investment management firms do. In WCM's view, these models

PERFORMANCE ¹ (after management fees)	PORTFOLIO	MSCI ACWI (ex-AU)	VALUE ADDED ³
1 Month	-0.45%	-0.56%	0.11%
3 Months	13.94%	5.59%	8.35%
6 Months	12.60%	-4.00%	16.60%
1 Year	17.62%	4.75%	12.87%
3 Year (PA)	20.15%	10.74%	9.41%
Inception ² (PA)	18.99%	9.99%	9.00%

Notes: 1. Portfolio return is calculated before expenses and after investment management and performance fees are paid. The company's operating bank account balance is excluded from the portfolio value. 2. Inception date is 21 June 2017. 3. Value Add equals portfolio return minus benchmark return.

NET TANGIBLE ASSETS ¹ (PER SHARE)	30 JUNE 2020	31 MAY 2020
NTA before tax	\$1.453	\$1.458
NTA after tax and before tax on unrealised gains	\$1.447	\$1.451
NTA after tax	\$1.338	\$1.342
Month end closing share price	\$1.245	\$1.260

Notes: 1. NTA is calculated after all fees and expenses and incorporates all company assets including WQG's operating bank account.

KEY DETAILS

Report Date	30 June 2020
ASX Code	WQG
Investment Adviser	WCM Investment Management
Benchmark	MSCI All Country World Index (ex-Australia) with gross dividends reinvested reported in Australian dollars and unhedged
Number of stocks	20-40
Maximum cash position	7%
Stock universe	Global (ex-Australia)
Portfolio size	\$254.88m
Shares on issue	174.01m
Management Fee	1.25% (ex-GST)
Performance Fee ¹	10% (ex-GST)
Hedging	Unhedged

Notes: 1. Performance Fee is 10% (ex-GST) of the Portfolio's outperformance relative to the benchmark plus Management Fee and subject to high water mark. Maximum fee is capped at 0.75% of the closing market value of the Portfolio in each financial year.

require an unrealistic level of precision and fail to appreciate the value of companies with growing economic moats.

HOW INVESTMENTS ARE CHOSEN FOR THIS PORTFOLIO

WCM’s two key criteria for any company to be considered for inclusion in the WCM Quality Global Growth Strategy are 1) a rising competitive advantage (or expanding economic moat); and 2) a corporate culture that supports the expansion of this moat. WCM believes the direction of a company’s economic moat is of more importance than its absolute width or size.

Its research is therefore focused on identifying those companies with a positive moat trajectory as measured by a rising return on invested capital (ROIC) as opposed to those with a large but static or declining moat. WCM also strongly believes that corporate culture is a key determinant of a firm’s ability to achieve a consistently growing moat. WCM has developed a proprietary approach to analysing corporate culture and has investment team members solely dedicated to this part of their process.

WHO MANAGES THE PORTFOLIO?

WCM is a California based asset management firm specialising in active global and emerging market equities.

Founded in 1976, the business is majority employee owned and manages over A\$71.6 billion of assets* on behalf of institutional and retail investors around the world including Australia.



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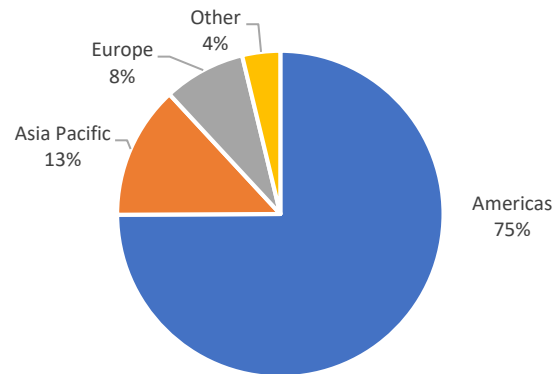
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REGIONAL MARKETS ALLOCATION



TOP TEN PORTFOLIO HOLDINGS	WCM GLOBAL GROWTH (%)
Shopify	6.55
West Pharmaceuticals	4.68
MercadoLibre	4.66
Visa Inc	3.90
Stryker Corp	3.80
Tencent Holdings	3.47
lululemon athletica	3.02
Taiwan Semiconductor	2.94
Crown Castle International	2.90
Ecolab	2.78
Total	38.70

SECTOR BREAKDOWN	WCM GLOBAL GROWTH (%)
Information Technology	25.26
Health Care	22.58
Financials	10.88
Industrials	10.80
Consumer Discretionary	9.63
Consumer Staples	6.05
Materials	4.65
Cash	3.77
Communication Services	3.47
Real Estate	2.90
Total	100.00

DISCLAIMER: Past performance is not a predictor of future returns. This update has been prepared for information purposes only related to the underlying investment portfolio. The NTA figures provided in this document are unaudited and approximate. This document does not contain investment recommendations nor provide investment advice. Investors in LICs should understand the distinction between Investment Portfolio Performance, NTA Performance and Share Price return. Contango International Management Pty Ltd (CIM) ACN 617 319 123 Corporate Authorised Representative (CAR No. 1254169) of Switzer Asset Management Limited (AFSL No. 312 247) is the investment manager of WQG. Neither WQG, CIM nor their respective related entities, directors or officers guarantees the performance of, or the repayment of capital or income invested within WQG or any associated product. You are strongly encouraged to obtain detailed professional advice and to read any relevant offer document in full before making any investment decision. WQG may not be suitable for your investment needs. This is not an offer to invest in any security or financial product. © 2018 Contango Asset Management Limited. *WCM AUM data in AUD at 31 March 2020.