

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

**HALF-YEAR INFORMATION**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2017**  
**PROVIDED TO THE ASX UNDER LISTING RULE 4.2A.3**

# Appendix 4D

## Half Year Report for the six months to 31 December 2017

CONTANGO GLOBAL GROWTH LIMITED

ABN 69 617 281 268

### 1. Reporting period

Report for the half year ended	31 December 2017
Previous corresponding periods:	Financial year ended 30 June 2017
	The company commenced activities during June 2017 so no corresponding half-year results are applicable

### 2. Results for announcement to the market

	Movement*		2017 \$A'000
Revenues from ordinary activities ( <i>item 2.1</i> )	Up 7,336	to	7,336
Profit from ordinary activities after tax attributable to members ( <i>item 2.2</i> )	Up 4,548	to	4,548
Net profit for the period attributable to members ( <i>item 2.3</i> )	Up 4,548	to	4,548
*First six months of operation			

Dividends paid ( <i>item 2.4</i> )	Amount per security	Franked amount per security at 30% tax rate
Nil – see item 5 below	n/a	n/a

### 3. Net tangible assets per security

	Current period 31 Dec 2017	Previous corresponding period 31 Dec 2016
Net tangible asset backing per ordinary security (after provision for tax on unrealised gains)	\$1.095	n/a

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

Nil

### 5. Dividends

No dividends were paid or declared in respect of the half-year ended 31 December 2017

**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. The financial report is not subject to a qualified independent review statement.

# **Contango Global Growth Limited**

**ABN 69 617 281 268**

## **Financial report for the half-year ended 31 December 2017**

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## Directors' Report

The directors present their report together with the condensed financial report of Contango Global Growth Limited, for the half year ended 31 December 2017, 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 following persons held office as directors during the half-year and up to the date of this report:

Valentina Stojanovska (Chairman)	Stephen Merlicek	Martin Switzer
Michael Liu	Paul Rickard	

### 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 \$4,548,822. Basic earnings per share amounted to 4.8 cents per share for the half-year.

### Review of operations

The current period profit is primarily attributed to an increase in value of the Company's investment portfolio since the beginning of July 2017. 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.

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company that occurred during the half-year under review.

### Events subsequent to balance date

There have been no significant events subsequent to 31 December 2017 that have occurred that would have any material impact on the content of these financial statements.

### Auditor's Independence Declaration

A copy of the auditor's independence declaration in relation to the review for the half-year is provided with this report, as required under section 307C of the *Corporations Act 2001*.

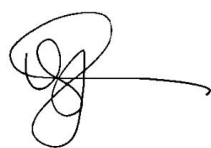
### Comparable Amounts

The Company commenced investment activities on 22 June 2017 so there is no comparative corresponding period for the half-year ended 31 December 2016.

### Rounding of Amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2017/191, 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).

This report is signed in accordance with a resolution of the directors.

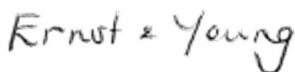


Valentina Stojanovska – Chairman  
20 February 2018

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

As lead auditor for the review of Contango Global Growth Limited for the half-year ended 31 December 2017, 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 audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Ernst & Young



Maree Pallisco  
Partner

Date: 20 February 2018

## Condensed Statement of Comprehensive Income

	Note	Half-year ended 31 Dec 2017 \$000's
<b><i>Revenue and other income</i></b>		
Interest and dividends	2	284
Fair value gain on financial assets through profit and loss	2	<u>7,052</u>
<b>Total revenue and other income</b>		<u>7,336</u>
<b><i>Less: Expenses</i></b>		
Management fees		628
Brokerage on investment transactions		14
Listing, custody and registry costs		93
Administration expenses		125
Directors' fees		87
Insurance		44
Professional services		49
Other expenses		<u>105</u>
		<u>1,145</u>
<b>Profit before income tax</b>		6,191
Income tax expense		<u>1,643</u>
<b>Profit from continuing operations</b>		<u>4,548</u>
<b>Profit for the half-year</b>		<u>4,548</u>
<b>Total comprehensive income for the half-year</b>		<u><u>4,548</u></u>
<b>Total comprehensive income attributable to Members of Contango Global Growth Limited</b>		<u><u>4,548</u></u>
		Cents
<b><i>Earnings per share for profit from continuing operations attributable to members of Contango Global Growth Limited:</i></b>		
Basic earnings per share		5.0
Diluted earnings per share		5.0

The accompanying notes form part of these financial statements.



## Condensed Statement of Financial Position

	As at 31 Dec 2017 \$000's	As at 30 Jun 2017 \$000's
<b>Assets</b>		
Cash and cash equivalents	4,221	5,835
Prepayments and receivables	151	384
Investments at fair value	95,364	87,835
Deferred tax asset	196	1,931
<b>Total assets</b>	<u>99,932</u>	<u>95,985</u>
<b>Liabilities</b>		
Payables	295	471
<b>Total liabilities</b>	<u>295</u>	<u>471</u>
<b>Net assets</b>	<u>99,637</u>	<u>95,514</u>
<b>Equity</b>		
Contributed equity	97,364	97,789
Retained earnings/(Accumulated losses)	2,273	(2,275)
<b>Equity attributable to owners of Contango Global Growth Limited</b>	<u>99,637</u>	<u>95,514</u>

The accompanying notes form part of these financial statements.

## Condensed Statement of Changes in Equity

	Contributed Equity \$000's	Accumulated Earnings/(Losses) \$000's	Total Equity \$000's
<b>As at 1 July 2017</b>	<b>97,789</b>	<b>(2,275)</b>	<b>95,514</b>
Profit/(loss) for the half-year	-	4,548	4,548
<b>Total comprehensive income for the half year</b>	<b>-</b>	<b>4,548</b>	<b>4,548</b>
<b>Transactions with owners in their capacity as owners:</b>			
Issue of shares from exercise of listed options	61	-	61
Capital raising costs	(276)	-	(276)
Deferred tax asset	(210)	-	(210)
<b>Total transactions with owners as in their capacity as owners:</b>	<b>(425)</b>	<b>-</b>	<b>(425)</b>
<b>As at 31 December 2017</b>	<b>97,364</b>	<b>2,273</b>	<b>99,637</b>

The accompanying notes form part of these financial statements.

## Condensed Statement of Cash Flows

	Half-year ended 31 Dec 2017 \$000's
<b><i>Cash flows from operating activities</i></b>	
Payments for investments	(6,453)
Payments to suppliers and employees	(1,083)
Foreign exchange fluctuations	(258)
Proceeds from sale of investments	6,234
Dividends received	455
Interest received	<u>1</u>
<b>Net cash outflow from operating activities</b>	<b><u>(1,104)</u></b>
<b><i>Cash flows from financing activities</i></b>	
Proceeds from shares issued	61
Capital raising costs	<u>(571)</u>
<b>Net cash inflow from financing activities</b>	<b><u>(510)</u></b>
<b>Net increase in cash and cash equivalents</b>	<b>(1,614)</b>
Cash and cash equivalents at the beginning of the half-year	<u>5,835</u>
<b>Cash and cash equivalents at end of the half-year</b>	<b><u>4,221</u></b>

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

### 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 2017 and any public announcements made by Contango Global Growth Limited during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

The financial report covers the activities of Contango Global Growth Limited. The Company is limited by shares, incorporated and domiciled in Australia. The Company is a for-profit entity for the purpose of preparing the financial statements.

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*. Compliance with AASB134, as appropriate for "for profit" entities, ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year financial report was authorised for issue by the directors on 20 February 2018.

#### (a) Going concern

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

#### (b) Revenue

Interest revenue is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates are accounted for in accordance with the equity method.

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.

Realised and unrealised gains are shown in the notes to the financial statements.

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

#### (c) 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.

#### (d) Income tax

Current income tax expense or revenue is the tax payable 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.

**(e) Accounting standards issued but not yet effective at 31 December 2017**

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2017 reporting period and have not yet been applied in the financial statements. The directors' assessment of the impact of these new standards (to the extent relevant to the Company) and interpretations are set out below:

**(i) AASB 9 Financial Instruments and applicable amendments (effective from 1 January 2018)**

AASB 9 Financial Instruments addresses the classification, measurement, recognition and derecognition of financial assets and financial liabilities. It has now also introduced revised rules for hedge accounting and impairment. The Standard is not applicable until 1 January 2018 but is available for early adoption. The Company does not expect this to have a significant impact on the recognition and measurement of the Company's financial instruments as they are carried at fair value through profit or loss. The derecognition rules have not been changed from the previous requirements, and the Company does not apply hedge accounting.

AASB 9 introduces a new impairment model. However, as the Company's investments are all held at fair value through profit or loss, the change in impairment rules will not impact the Company. The Company does not intend to early adopt AASB 9. The Company will apply AASB 9 in its financial statements for the reporting period commencing 1 July 2018.

**(ii) AASB 15 Revenue from Contracts with Customers (effective from 1 January 2018)**

The AASB has issued a new standard for the recognition of revenue. Once applied or effective, AASB 15 will replace AASB 118 *Revenue* which covers contracts for goods and services and AASB 11 *Construction Contracts* which covers construction contracts. AASB 15 is based on the notion that revenue is recognised when control of a good or service transfers to the customer.

This notion of control replaces the existing notion of risks and rewards. The Company's main sources of income include interest, dividends/distributions and gains on financial instruments held at fair value through profit or loss. All of these are outside the scope of the Revenue standard. Consequently, the Company does not expect AASB 15 to have any significant impact on the Company's financial statements. The Company does not intend to early adopt AASB 15. The Company will apply AASB 15 in its financial statements for the reporting period commencing 1 July 2018.

**(iii) AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15 (effective 1 January 2017)**

AASB 2016-3 amends AASB 15 *Revenue from Contracts with Customers* to clarify the requirements of identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. It also provides further practical expedients on transition to AASB 15. No significant impact is expected upon adoption of the amendments. The Company does not intend to early adopt AASB 2016-2. The Company will apply AASB 2016-2 in its financial statements for the reporting period commencing 1 July 2018.

**(f) Financial instruments**

*Classification*

The company classifies its financial instruments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification

depends on the purpose for which the instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

#### *Financial Assets at Fair Value Through Profit or Loss*

Investments in listed securities are carried at fair value through profit and loss. They are measured at their fair value at each reporting date and any increment or decrement in fair value from the prior period is recognised in the profit and loss of the current period. Fair values of listed investments are based on closing bid prices at the reporting date.

#### *Derivative financial instruments*

The company may hold derivative financial instruments for trading purposes only.

Derivatives are initially recognised at fair value and applicable transaction costs are recognised in profit or loss as they are incurred. After initial recognition, derivatives that are not designated in a qualifying hedge relationship are measured at fair value and changes in value are recognised immediately in profit or loss.

#### *Financial Liabilities*

Financial liabilities include trade and other payables, tax payable and borrowings.

#### **(g) 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.

#### **(h) Comparatives**

The Company was incorporated on 9 February 2017 and commenced investment activities on 22 June 2017. Consequently, no comparative amounts for the previous financial period ended 31 December 2016 are applicable.

#### **(i) 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).

	<b>Half-year ended 31 Dec 2017 \$000's</b>
<b>2. Revenue</b>	
Interest	1
Dividends	283
	<hr/> 284 <hr/>
Realised foreign exchange losses	(393)
Unrealised foreign exchange gains	20
Realised investment losses	(393)
Unrealised investment gains	7,818
	<hr/> 7,052 <hr/>

### 3. Contributed Capital

	Half-year ended 31 Dec 2017 shares	Half-year ended 31 Dec 2017 \$000's
Opening balance	90,926,415	97,789
Exercise of listed options	55,463	61
Capital raising costs	-	(276)
Deferred tax asset	-	(210)
<b>Closing balance</b>	<b><u>90,981,878</u></b>	<b><u>97,364</u></b>

### 4. Events occurring after the balance sheet date

There have been no significant events specific to the Company of which the Directors are aware which have had a material effect on the Company or its financial position since balance date.

### 5. Contingent liabilities

As at 31 December 2017, the Company had no contingent liabilities.

### 6. Related Parties

There are no related party arrangements requiring disclosure in respect of the period ended 31 December 2017.

### 7. Fair Value Measurement

The carrying amounts of the Company's Investments at fair value ("Investments") in the Statement of Financial Position are carried at fair value. The fair values of the Company's Investments for the period ended 31 December 2017 were determined directly, by reference to quoted prices from the global securities exchanges or by input other than quoted prices that were observable. Investments measured and recognised at fair value have been determined by the following fair value measurement hierarchy:

Level 1: Quoted prices (unadjusted) in active markets

Level 2: Input 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 \$95,364,000 Level 1 assets as at 31 December 2017 (30 June 2017: \$87,835,000).

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.

### 8. Dividends

No dividend has been declared in respect of the half-year ended 31 December 2017.

## DIRECTORS' DECLARATION

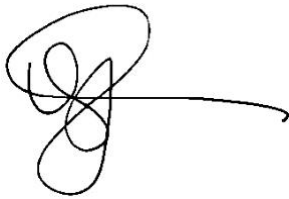
The directors declare that the financial statements and notes set out on pages 3 to 10 in accordance with the *Corporations Act 2001*:

(a) Comply with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and

(b) Give a true and fair view of the financial position of the company as at 31 December 2017 and of its performance for the half-year ended on that date.

In the directors' opinion there are reasonable grounds to believe that Contango Global Growth Limited 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.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Valentina Stojanovska  
Chairman  
20 February 2018



# Independent Auditor's Report to the Members of Contango 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 Contango Global Growth Limited (the Company), which comprises the condensed statement of financial position as at 31 December 2017, the condensed statement of 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 2017 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.

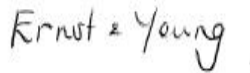
#### Auditor's Responsibility

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 2017 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.

### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the Company a written Auditor's Independence Declaration, a copy of which is included in the Directors Report.



Ernst & Young  
Date: 20 February 2018