

**CONTANGO GLOBAL GROWTH LIMITED (ASX:CQG)**  
**ABN 69 617 281 268**

**ANNUAL GENERAL MEETING**  
**MONDAY 13 NOVEMBER 2017 | 10.00AM**

**CHAIRMAN'S ADDRESS**

**Delivered by Ms Valentina Stojanovksa**

**Welcome and Introduction**

Good morning ladies and gentlemen. Welcome to the inaugural Annual General Meeting for Contango Global Growth Limited.

It is 10.00am, and we have a quorum present. I now declare the meeting open.

Can I ask that you switch your mobile phone to silent if you have not done so already. Thank you.

Before we commence the formalities, I would like to start by acknowledging the Gadigal people of the Eora nation, and pay my respects to their Elders both past and present.

Allow me to introduce myself, and my colleagues.

I am Valentina Stojanovska, Chairman of Contango Global Growth Limited. With me today are Directors Mr Michael Liu, Mr Stephen Merlicek, Mr Martin Switzer and Mr Paul Rickard, and our Company Secretary, Ms Hari Morfis.

Mr Switzer has also been appointed as interim Chief Executive Officer for Contango Asset Management. So, we welcome him in this capacity as well.

Also in attendance from Contango Asset Management Mr Richard Dalidowicz, Senior Investment Consultant.

Finally, Mr Rick Henderson joins us from Ernst & Young, Contango Global Growth Limited's auditor.

On behalf of the Directors of Contango Global Growth Limited, I would like to thank you for taking the time to attend the Company's first Annual General Meeting.

Following my preliminary comments, Mr Dalidowicz will present a brief portfolio update. At the conclusion of the presentation, we will open the floor to questions, after which, we will proceed with the formal business of today's AGM, which is:

1. to receive and consider the Financial Statements, Directors' Report and Auditor's Report of the Company for the year ended 30 June 2017;
2. to adopt the Remuneration Report; and
3. the election of all Non-executive Directors.

After taking questions and once the formal business has been addressed, the meeting will formally close, and we invite you to join us for light refreshments.

### **Commentary**

It was an exciting first half of 2017, with the launch and subsequent successful listing of Contango Global Growth Limited, ASX code CQG.

I think most of us are well aware that the domestic equities market only represents about 2% of the world's share market capitalisation. Most of us have good knowledge about the domestic market but what about the rest of the world - the other 98%?

The opportunities outside of Australia are vast. We know about globally listed companies with significant public profiles (i.e. Amazon, Apple, Google) but how does an investor unearth high-quality companies with robust and compelling growth stories, in global markets with a universe of many thousands of listed companies?

For us, the answer was to co-partner with what we considered to be a best of breed specialist global equities fund manager. That is how California-based WCM Investment Management was appointed Investment Adviser to manage the portfolio.

As a company that is 100% owned and operated by employees, the alignment of interests between investors and WCM is very strong. They have worked hard to build and maintain the kind of company that nurtures a strong investment culture, excellence and innovation, and it is what informs their process to identify high quality growing companies in which the portfolio invests.

WCM has an exceptional performance track record. Over the last 10 years to June 2017, they have generated an average annualised return of 13.3% p.a., outperforming the MSCI benchmark by 5.7% p.a with a similar strategy. We believe our partnership with WCM gives us a distinct edge.

We are also delighted to have Contango Asset Management Limited, through its wholly owned subsidiary Contango International Management Pty Limited, as manager of the portfolio.

Following the recent departure of George Boubouras as Managing Director and Chief Investment Officer, Contango Asset Management has entered a period of change. Notwithstanding this, the relationships with both Contango Asset Management and WCM Investment Management remain strong.

We as a board have and will continue to work with the Investment Manager to ensure that the Company's investment objectives are delivered upon for the benefit of Contango Global Growth's shareholders. Importantly, the Board is comfortable that the changes will not impact on the management of the portfolio.

### **Review of Performance**

Contango Global Growth Limited's investment objective is to seek quality, global growth businesses, with high returns on invested capital, superior growth prospects and low or no debt. The portfolio's benchmark is the MSCI All Country World Index ex Australia with gross dividends reinvested reported in Australian dollars and unhedged.

The portfolio targets capital growth over dividends.

The Company's investment strategy is to have an actively managed, long only, global equities portfolio invested in listed securities of developed and emerging markets, with the exclusion of investments in Australian securities.

The investment strategy takes a high conviction, active approach. The portfolio is concentrated across 20 to 40 high quality, global growth companies and is further diversified across global industries and countries around the world, in both developed markets (eg. USA, UK, Japan) and emerging markets (eg., China, India, Argentina).

Our most up to date performance for Contango Global Growth Limited is a solid 4.4% return for the month of October 2017. The return was in-line with the benchmark index, the MSCI All Country World Index ex-Australia return.

The company posted a strong absolute return of 9.2% for the 3 months to October 2017, outperforming the benchmark index by 0.2%. Since inception, the portfolio is up 6.8%. The strategy is performing well for shareholders and the company's return is double the Australian equities market's return over the same quarter. This highlights the benefits of diversification from global investing.

The company's performance was driven by gains in the share prices of companies held in the portfolio and the fall in the AUD. The underlying portfolio value is now close to \$100 million.

### **Portfolio Manager Update**

I will now hand over to Mr Richard Dalidowicz, Senior Investment Consultant at Contango Asset Management Limited for a brief portfolio update.

# CONTANGO GLOBAL GROWTH LIMITED

ANNUAL GENERAL MEETING 2017

13 NOVEMBER 2017

PORTFOLIO MANAGER'S UPDATE

# CONTANGO GLOBAL GROWTH LIMITED

## OVERVIEW

Long only portfolio invested in globally listed quality growth companies

Targets returns over each full investment cycle of at least 3% above the MSCI benchmark

Actively managed portfolio focused on capital growth

Diversified exposure to globally listed companies in developed markets and emerging markets

Shareholders benefit from the specialist investment advice of WCM Investment Management which has:

- Deep international equities experience of more than 15 years
- Successfully implemented the same investment strategy for more than 10 years
- Strong and robust investment process, implemented by a stable, experienced and cohesive team.

# CONTANGO GLOBAL GROWTH LIMITED

## INVESTMENT STRATEGY

- CQG targets capital growth over dividends
- Investment horizon >5 years
- Strategy seeks companies with durable and growing competitive advantages (growing economic moats), superior growth and low debt
- Diversified exposure to leading global companies
- Disciplined research of global companies
- Aims for above benchmark returns with lower volatility

# CONTANGO GLOBAL GROWTH LIMITED

## WCM's GLOBAL EQUITY TEAM

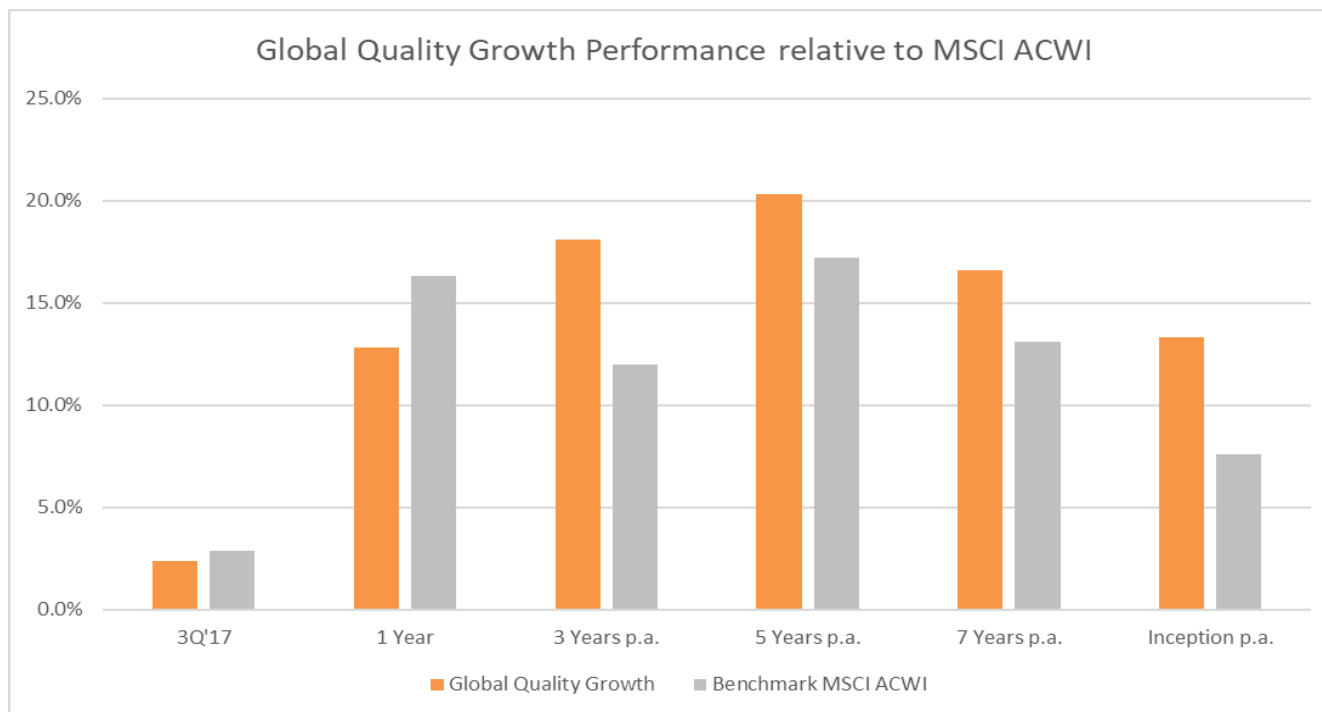
- Investment Strategy Group (ISG) is responsible managing the CQG portfolio and comprises WCM's most experienced investors
- ISG average experience is 24 years. Team is very stable with no changes for the last 7 years
- ISG is supported by a research team of 11 investment professionals

Members	Title	Investment Strategy Group	Investment Experience
Paul Black	Portfolio Manager	✓	34
Kurt Winrich	Portfolio Manager	✓	33
Pete Hunkel	Portfolio Manager / Business Analyst	✓	19
Mike Trigg	Portfolio Manager / Business Analyst	✓	17
Sanjay Ayer	Portfolio Manager / Business Analyst	✓	15



# CONTANGO GLOBAL GROWTH LIMITED

## WCM's LONG TERM PERFORMANCE



Trailing Returns to September 2017

	3Q'17	1 Year	3 Years p.a.	5 Years p.a.	7 Years p.a.	Inception p.a.*
<b>Global Quality Growth</b>	2.4%	12.8%	18.1%	20.3%	16.6%	13.3%
<b>Benchmark MSCI ACWI</b>	2.9%	16.3%	12.0%	17.2%	13.1%	7.6%
<b>Out Performance</b>	-0.5%	-3.5%	6.1%	3.1%	3.5%	5.7%

\*Since Inception is March 2008

All returns are before fees and in AUD. The above WCM performance information is historical. Performance returns of the Contango Global Growth Limited Portfolio may vary. WCM's past performance of the Global Quality Growth is not indicative of future performance of Contango Global Growth Limited.

# CONTANGO GLOBAL GROWTH LIMITED

## PERFORMANCE FOR OCTOBER 2017

PERFORMANCE	CONTANGO GLOBAL GROWTH (%)	MSCI ACWI (EX-AUST) (%)	VALUE ADD (%)
1 Month	4.4	4.5	-0.1
3 Months	9.2	9.0	0.2
Since 1 Jul 2017	6.8	7.8	-1.0

Performance is in AUD, before fees

- October returned 4.4%, in line with the benchmark that returned 4.5%
- Portfolio returned an impressive 9.2% for the 3 months to October, against the benchmark of 9.0%
- Portfolio benefited from its exposure to quality / high growth companies and investments in emerging markets companies
- Fall in AUD was a positive contributor

# CONTANGO GLOBAL GROWTH LIMITED

## MARKET ALLOCATIONS

DEVELOPED & EMERGING MARKETS ALLOCATION	31-OCT-17	30-JUN-17	DIFFERENCE
Developed Markets	84.0%	79.9%	4.1%
Emerging Markets	14.8%	14.5%	0.3%
Cash	1.2%	5.6%	-4.4%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

- Cash allocation reduced by 4.4% and re-invested in developed markets equities 4.1% and emerging markets equities 0.3%
- Portfolio is well diversified by region and country:
  - Americas 56.4%, Europe 22.7% and Asia 19.7%; and
  - Invested in 15 countries worldwide

# CONTANGO GLOBAL GROWTH LIMITED

## SECTOR POSITIONS

SECTOR POSITIONS	31-OCT-17	30-JUN-17	DIFFERENCE
Technology	24.4%	25.2%	-0.8%
HealthCare	18.3%	14.0%	4.3%
Consumer Discretionary	16.9%	15.4%	1.5%
Financials	9.9%	10.1%	-0.2%
Consumer Staples	8.6%	8.6%	0.0%
Industrials	8.3%	8.5%	-0.2%
Materials	5.6%	5.4%	0.2%
Energy	3.9%	4.3%	-0.4%
Real Estate	2.9%	2.9%	0.0%
Telecom Services	0.0%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%
Cash	1.2%	5.6%	-4.4%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

- Overweights to high growth Technology, Healthcare and Consumer sectors
- No holdings in low growth sectors of Utilities and Telecoms
- CQG complements local market with its heavy allocations to resources and banks
- Key change has been the re-deployment of cash to Healthcare sector
- All other sector changes small

# CONTANGO GLOBAL GROWTH LIMITED

## TOP 10 STOCK HOLDINGS

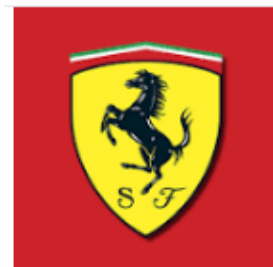
TOP 10 STOCK HOLDINGS	31-OCT-17	TOP 10 STOCK HOLDINGS	30-JUN-17
Techtronic industries Co Ltd	3.8%	The Cooper Companies	3.9%
The Cooper Companies	3.7%	Amazon	3.8%
Keyence Corp	3.5%	Reckitt Benckiser	3.5%
Quintiles Transnational Hold	3.5%	HDFC Bank Ltd	3.5%
Amphenol Corp	3.5%	Canadian Natl Railway Co	3.4%
Taiwan Semiconductor MFG	3.4%	Boston Scientific Corp	3.2%
Visa Inc	3.4%	Techtronic Industries	3.1%
HDFC Bank Ltd	3.4%	Amphenol Corp	3.1%
Tencent Holdings Ltd	3.3%	Quintiles Transnational Hold	3.1%
Canadian Railway Co	3.2%	Visa Inc	3.1%
<b>TOTAL</b>	<b>34.7%</b>	<b>TOTAL</b>	<b>33.7%</b>

- Top 10 stocks operate in a diverse range of industries
- This helps to generate strong returns and reduces risk by providing protection in weak markets
- Total weight of top 10 stocks held largely unchanged over the quarter but changes to composition and weights
- New investments in Italy (Ferrari: luxury sports cars) and France (Essilor: prescription lenses and eye testing equipment)

# CONTANGO GLOBAL GROWTH LIMITED

## STOCK EXAMPLE: FERRARI

- Ferrari purchased in July 2017 for CQG
- Headquartered in Maranello, Italy
- Listed on NYSE. Code: RACE
- Features:
  - Famous, high quality maker of super luxury sports cars.
  - High barriers to entry and very few genuine competitors.
  - Buyers have no price bargaining power. Long waiting lists of up to 2 years.
  - Very strong demand from the fastest growing market of China.



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