

CONTANGO GLOBAL GROWTH LIMITED (CQG)

GLOBAL BRANDS IN OUR PORTFOLIO

31 January 2018

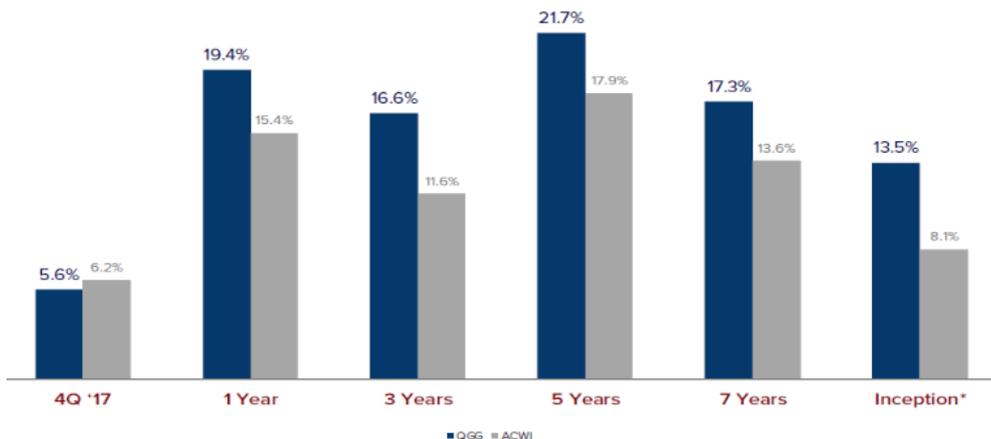
COMPANY	BRANDS	COMMENTARY
		Amazon is the largest Internet retailer in the world (by revenue and market capitalization), and second largest in terms of total sales. The company also produces consumer electronics and is the world's largest provider of cloud infrastructure services. It is the fourth biggest company in the world in terms of market capitalisation. The company reported its 2017 annual sales were up 31% to US\$177.9bn.
		Costco operates membership warehouses based on the concept of extremely low prices for bulk purchases. Costco stocks a selection of branded and private-label products. The company reported 2017 annual revenues of US\$129bn.
		With more than 2 billion monthly active users, Facebook is the world's premier social networking site with more than 1.4bn daily active users. Revenues in 2017 surged 47% to US\$12.9bn. It also owns fast growing social networking site Instagram, which reportedly has more than 500 million users worldwide.
		Ferrari manufactures super luxury sports cars unique in terms of performance, innovation, technology, driving pleasure and design. Following strong results for 3Q2017 Ferrari revised upward worldwide annual car sales to 8,400, revenues of €3.4bn and profits of €1.0bn for the first time. Ferrari remains the only constructor to have taken part in every Formula 1 World Championship since its launch.
		Reckitt Benckiser is a leading consumer health and hygiene company, with operations in over 60 countries. Its global brands such as Dettol, Mortein and Nurofen are recognisable the world over.
		Tencent is the world's biggest investment corporation, one of the largest Internet and technology companies, as well as the largest and most valuable gaming and social media company in the world. Based in China, its many services include social network, music, e-commerce, mobile games, payment systems, smartphones, and multiplayer online games, which are all among the world's biggest and most successful in their respective categories. One of its key assets is WeChat, a multipurpose Super App with over 980 million users.
		Mercado Libre is the largest online marketplace and e-commerce platform in Latin America with over 100 million active users. The company continues to report strong subscriber numbers and is well positioned to dominate the rapid growth of the e-commerce industry in Latin America.
		Techtronic Industries is a global leader in the design, manufacture and sale of home improvement products. Its main businesses are power tools, outdoor power equipment, and floor-care appliances. The business maintains manufacturing and research facilities in Asia, Europe and North America and employs more than 20,000 people.
		Boston Scientific engages in the development, manufacture and marketing of medical devices used in interventional medical specialties. Its products and technologies are used to diagnose or treat medical conditions, including heart, digestive and chronic pain conditions.
		Essilor is a French company and world leader in the provision of eye care health and sight improvement. Designs, manufactures and markets advanced eye care testing equipment and instruments, prescription lenses and sunglasses. More than 1 billion people worldwide wear Essilor lenses. Currently awaiting EU antitrust regulatory approval for their €48bn merger with Italian eyewear maker Luxottica, creating a global eyewear giant with annual revenue of €15bn.

ABOUT WCM INVESTMENT MANAGEMENT

WCM is Contango Global Growth Limited’s portfolio manager. Based in Laguna Beach, California, the firm manages more than AUD \$32 billion (at 31 December 2017), and has a long-term track record of successfully managing global equities portfolios.

WCM’s investment strategy is to have a high conviction, actively managed, long only portfolio of global equities. CQG mirrors WCM’s extremely successful Quality Global Growth strategy that has generated a return of 21.7% p.a over 5 years to December 2017.

WCM’s Long Term Performance



Source: WCM Investment Management. WCM’s Annualised Returns vs MSC ACWI Benchmark (gross of fees)

WCM Investment Management’s Global Equity Team | Investment Strategy Group



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Investment Process

The investment process examines a listed universe covering more than 2,500 companies worldwide, with a focus list of 225 companies. The portfolio is high conviction, actively managed, and typically holds around 20 – 40 high quality global growth companies.

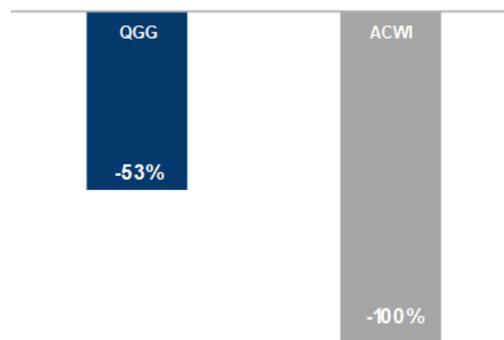
The portfolio is diversified across stocks and countries - both developed (including USA, UK, Europe, Japan) and emerging (including China, India, Brazil, Poland), and has ongoing structural bias to sectors under-represented in the Australian market, including information technology, consumer and healthcare.

The high conviction approach seeks to identify companies with superior fundamentals, such as long-term growth in revenue and earnings, and a strong probability for superior future growth. WCM’s process seeks companies that are industry leaders with strengthening competitive advantages, corporate cultures emphasising strong, quality and experienced management, low

or no debt and reasonable valuations.

Downside Protection

Because WCM’s investment strategy focuses on quality companies with defensive characteristics, in negative market environments the Quality Global Growth strategy has fallen less than the benchmark, offering investors excellent downside protection.



Source: WCM Investment Management, since inception March 2008

This update has been prepared for information purposes only related to the underlying investment portfolio. 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 Limited (CIM) ACN 617 319 123 AFSL No. 237119 is the investment manager of CQG. Neither CQG, CIM nor their respective related entities, directors or officers guarantees the performance of, or the repayment of capital or income invested within CQG 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. CQG 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