

Tuesday, 25 June 2019

The Manager
ASX Market Announcements
Australian Securities Exchange Limited
Melbourne VIC 3000

By e- lodgement

Dear Manager,

MARKET UPDATE

WCM Global Growth Limited

WCM Global Growth Limited (“WCM”) floated two years ago with Contango Asset Management Limited (“Contango” or the “Company”) as the investment manager. At its initial public offering, WCM issued to its founding shareholders 90.9 million options which were exercisable at \$1.10 per option expiring on Monday, 24 June 2019 (the “Options”).

As of Friday, 21 June 2019, WCM had received exercise notices for 36.4 million options.

On Monday, 24 June 2019 WCM entered into an underwriting agreement with Taylor Collison Limited and Morgans Corporate Limited to underwrite 46.3 million Options at \$1.10 per share, equating to \$50.9 million. In accordance with industry best practice, Contango is funding all the underwriting costs of approximately \$1.25 million, which will be met from its existing cash reserves.

The strong participation from WCM option holders, together with support from a broad range of intermediaries and sophisticated investors in the underwriting demonstrates Contango’s growing distribution capability. The Company recently added to its distribution team with a senior appointment in Sydney, expanding Contango’s reach throughout the NSW and QLD markets and providing additional depth to the issue.

The quantum of the Options underwriting also demonstrates investors’ support for WCM.

WCM has produced outstanding portfolio performance, outperforming its benchmark since inception and over the past 1, 3, 6 and 12 month periods to 31 May 2019.

Contango believes the success of the issue will further enhance WCM’s position in the market place by:

- improving the liquidity of its shares, which could reduce its share price discount to NTA;
- offering new investors the chance to join the investor base and diversify the share registry.
- lowering WCM’s fixed cost per share;
- increasing the relevance of WCM in the market; and
- enhancing the profile of WCM Investment Management (WCMIM) among Australian investors.

New Product Launches

Contango is pleased to announce the launch of its new product the WCM Quality Global Growth Managed Fund (WCMM). WCMM has just received seed capital, a recommended rating from leading research house Lonsec and will be accessible to retail investors via several wrap platforms.

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This follows on from the August 2018 launch of the exchange-traded managed fund, WCM Quality Global Growth Fund (WCMQ). WCMQ now has funds under management of approximately \$73 million, an increase of 66% in the 10 months since its initial listing.

Contango has an exclusive arrangement with WCM Investment Management to distribute the WCM Quality Global Growth Strategy in Australia via a listed investment company (WCM), an exchange-traded managed fund (WCMQ) and the recently launched retail managed fund (WCMM).

Funds Under Management

Following the exercise of the Options and successful completion of the underwriting, Contango's funds under management is expected to be approximately \$500 million.

ENDS

For further information contact:

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About Contango Asset Management Limited and Switzer Asset Management Limited

Contango Asset Management Limited (ASX: CGA) is a financial services company with a marketing and distribution platform that partners with, and promotes, high quality fund managers to the self-directed and IFA channels of the \$2 trillion superannuation industry.

With a current investment focus on Australia for income and global for growth, Contango manages the ASX ex-30 dividend income strategy, Contango Income Generator Limited (ASX: CIE), and the large cap global growth strategy, WCM Global Growth Limited (ASX: WQG). WCM Global Growth's portfolio manager is US based WCM Investment Management.

Switzer Asset Management Limited (SAML) is a wholly owned subsidiary of Contango Asset Management Limited. SAML is the responsible entity for the exchange-traded managed fund WCM Quality Global Growth Fund (Quoted Managed Fund) (ASX: WCMQ), the WCM Quality Global Growth Fund (Managed Fund), the Switzer Dividend Growth Fund (Quoted Managed Fund) (ASX: SWTZ) and the Switzer Higher Yield Fund (Managed Fund).

About WCM Investment Management (WCMIM)

WCMIM is a California based investment management firm specialising in active global and emerging market equities. Founded in 1976, WCMIM is 100% employee owned and manages over AUD \$49bn of assets on behalf of institutional and retail investors around the world including Australia. WCMIM is the investment adviser of WCM Global Growth Limited (ASX: WQG), the manager of the WCM Quality Global Growth Fund (Quoted Managed Fund) (ASX: WCMQ) and the WCM Quality Global Growth Fund (Managed Fund).

WCMIM's investment process is based on the belief that corporate culture is the biggest influence on a company's ability to grow its competitive advantage or 'moat'. This process has resulted in WCMIM's Quality Global Growth strategy outperforming the MSCI World Index by an annualised 5.6% per annum over more than a decade.

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