

INVESTMENT UPDATE AND NTA STATEMENT

31 December 2020

PORTFOLIO UPDATE

The portfolio delivered a return of 0.70% during the month, above the benchmark MSCI All Country World (ex-Australia) Index return of 0.07%. 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.

A turbulent year ended on a positive note in December. Global equities were initially buoyed by the roll out of COVID-19 vaccines in the US and Europe. The final week of the year saw a further boost when President Trump approved a new fiscal relief bill and an agreement was reached on the key terms of the UK's withdrawal from the European Union.

Economic data remains mixed heading into 2021 as ongoing expansionary global fiscal and monetary policies continue to compete with the negative impact of the COVID-19 induced lockdowns. December's market rise was broad based with growth, value, cyclical and smaller capitalisation stocks all delivering strong returns. Regionally, emerging market and Japanese equities continued to set the pace during the month completing the quarter as the top performing regions. The stronger Australian dollar (AUD) in December was again a headwind for unhedged portfolios. Having dipped below US60c during March 2020, the AUD ended the year at close to US77c.

In December the better performing stocks in the portfolio came from a range of sectors, including two financial sector holdings, US private bank First Republic Bank and Asian insurer AIA Group. Payments platform provider Adyen, electronic design automation company Synopsys and regulated exchange operator Intercontinental Exchange also made strong contributions to relative performance. Athletic apparel retailer Lululemon Athletica and communications infrastructure group Crown Castle were two portfolio holdings which lagged the market during the month.

2020 was challenging for investors following a predominantly top-down macroeconomic focused investment process. Firstly, the COVID-19 induced global recession was outside the forecasting scope of even the best macroeconomic researchers. Secondly, and arguably more challenging for top-down investors, is retrospectively trying to rationalise how a year that included so much 'bad' news ended with global equities recording returns in excess of 15% with many benchmark indices reaching all-time highs. While the investment team at WCM does not engage in macroeconomic forecasting, it is always alert to investment opportunities presented by economic and market volatility. This was very evident in 2020, particularly towards the end of the March quarter, when markets reached their lows for the year. Several high-quality companies (i.e. those with an expanding economic moat) were purchased at attractive price levels during this period which subsequently made a material contribution to

PERFORMANCE ¹	PORTFOLIO	MSCI ACWI (ex-AU)	VALUE ADDED ³
1 Month	0.70%	0.07%	0.63%
3 Months	8.17%	6.85%	1.32%
6 Months	14.75%	11.24%	3.51%
1 Year	29.21%	6.80%	22.41%
3 Year (p.a.)	22.87%	11.30%	11.57%
Inception ² (p.a.)	20.69%	11.83%	8.86%

Notes: 1. Portfolio return is calculated before expenses and after investment management and performance fees are paid. 2. Inception date is 21 June 2017. 3. Value added equals portfolio return minus benchmark return.

NET TANGIBLE ASSETS ¹ (PER SHARE)	31 DEC 2020	30 NOV 2020
NTA before tax	\$1.654	\$1.645
NTA after tax and before tax on unrealised gains	\$1.631	\$1.626
NTA after tax	\$1.470	\$1.467
Month end closing share price	\$1.590	\$1.510

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	31 December 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	\$288.95m
Shares on issue	174.90m
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.

the portfolio's outstanding returns for the remainder of the year.

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\$93.1 billion of assets* on behalf of institutional and retail investors around the world including Australia.



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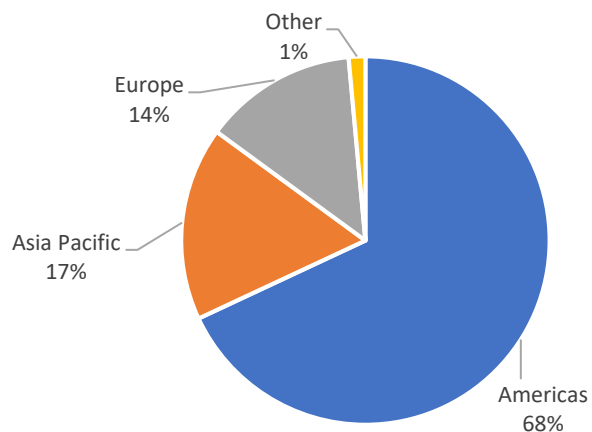
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REGIONAL MARKETS ALLOCATION



TOP TEN PORTFOLIO HOLDINGS	WCM GLOBAL GROWTH (%)
MercadoLibre	6.05
Taiwan Semiconductor	4.30
Shopify	4.13
Stryker Corp.	3.88
West Pharmaceuticals	3.64
Visa Inc.	3.31
LVMH (Moet Hennessy Louis Vuitton)	3.28
Amphenol Corp.	3.15
Tencent Holdings	3.09
First Republic Bank	2.94
Total	37.77

SECTOR BREAKDOWN	WCM GLOBAL GROWTH (%)
Information Technology	27.50
Health Care	18.63
Consumer Discretionary	15.10
Financials	11.68
Industrials	10.96
Consumer Staples	6.48
Materials	5.14
Communication Services	3.09
Cash	1.42
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 30 September 2020.