

W | A | M *Global*

# 2020 Annual Report

For the year ended 30 June 2020

**W** Wilson  
Asset Management

OVER **20** Making a  
YEARS difference

ABN 76 624 572 925

## WAM Global Limited

WAM Global Limited (WAM Global or the Company) is a listed investment company and is a reporting entity. It is primarily an investor in listed global securities.

### Directors

Geoff Wilson AO (Chairman)  
Gabrielle Trainor AO  
Caesar Bryan  
Kate Thorley

### Company Secretary

Linda Kiriczenko

### Investment Manager

Wilson Asset Management  
(International) Pty Limited  
Level 26, Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000

### Auditor

Pitcher Partners

### Country of Incorporation

Australia

### Registered Office

Level 26, Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000

### Contact Details

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Sydney NSW 2001  
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E: [info@wilsonassetmanagement.com.au](mailto:info@wilsonassetmanagement.com.au)  
W: [wilsonassetmanagement.com.au](http://wilsonassetmanagement.com.au)

### Share Registry

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000  
T: 1300 420 372 (in Australia)  
+61 2 8023 5472 (International)  
F: (02) 9279 0664

For enquiries relating to shareholdings, dividends (including participation in the dividend reinvestment plan) and related matters, please contact the share registry.

### Australian Securities Exchange

WAM Global Limited  
Ordinary Shares (WGB)

## Shareholder Presentations

November 2020



Due to the coronavirus, our Annual General Meeting and Shareholder Presentation will be hosted online at [WAM Vault](http://WAM Vault).

[wilsonassetmanagement.com.au/vault](http://wilsonassetmanagement.com.au/vault)



W | A | M Vault

## Key highlights FY2020

# 7.0c

Fully franked full year dividend

# 3.8%

Fully franked dividend yield\*

# 3.4 yrs

Dividend coverage

# +3.1%

Investment portfolio performance

### Snapshot as at 30 June 2020

Listing date	June 2018
Gross assets	\$483.0m
Market capitalisation	\$395.8m
Shares on issue	212,249,854
Share price	\$1.865
Net tangible assets (pre-tax)	\$2.28
Net tangible assets (post-tax)	\$2.25
Fully franked dividends FY2020	7.0 cents
Fully franked FY2020 dividend yield*	3.8%

\*Based on 30 June 2020 share price of \$1.865.

### FY2020 results

WAM Global achieved an operating profit before tax of \$7.1 million for the year (FY2019: \$24.8 million) and an operating profit after tax of \$5.0 million (FY2019: \$17.5 million).

The operating profit for 2020 is reflective of the performance of the investment portfolio over the year. The investment portfolio increased 3.1% during the 12-month period to 30 June 2020, outperforming the MSCI World SMID (Small/Mid) Cap Index in AUD terms by 5.0%. The MSCI World Index (AUD) rose 4.8% during the year. The investment portfolio performance was achieved during a highly volatile 12-month period for global equities and with an average cash weighting of 11.1%.

The Board declared a fully franked full year dividend of 7.0 cents per share, with the fully franked final dividend being 4.0 cents per share. As at 31 July 2020, the Company had 30.1 cents per share available in its profits reserve, before the payment of the fully franked final dividend of 4.0 cents per share. The fully franked dividend has been achieved through the performance of the investment portfolio since inception and the profits reserves available and is consistent with the Company's investment objective of delivering investors a stream of fully franked dividends.

Since inception in June 2018, WAM Global has paid 5.0 cents per share in fully franked dividends to shareholders.

## Contents

Chairman's letter	5
Investing with Wilson Asset Management	10
Objectives and investment process	11
Directors' Report to shareholders	12
Auditor's Independence Declaration	22
Statement of comprehensive income	23
Statement of financial position	24
Statement of changes in equity	25
Statement of cash flows	26
Notes to the financial statements	27
Directors' Declaration	49
Independent Auditor's Report	50
Investments at fair value	55
ASX additional information	56

## Chairman's letter

Dear Fellow Shareholders,

I would like to thank you for your continued support during a challenging 2020 financial year and I would like to welcome all our new shareholders. I hope you are safe and well as we live through the dramatic changes brought about by the coronavirus pandemic. For the first time in 22 years, we were unable to meet with you in person at our Shareholder Presentations in May 2020. We have enjoyed our daily email and telephone correspondence, regular Investor Q&A Calls and providing you with a virtual alternative in WAM Vault, and hope to see you again as soon as it is safe to do so.

In 2020, WAM Global achieved an operating profit before tax of \$7.1 million (FY2019: \$24.8 million) and an operating profit after tax of \$5.0 million (FY2019: \$17.5 million). The operating profit for the year is reflective of the performance of the investment portfolio over the year. The investment portfolio increased 3.1%, outperforming the MSCI World SMID (Small/Mid) Cap Index in AUD terms by 5.0%, during a highly volatile 12-month period for global equities. The MSCI World Index (AUD) rose 4.8% during the year, driven primarily by a handful of large-cap technology companies with heightened valuations. As at 30 June, we held 63.1% of the investment portfolio in US equities, 3.9% in Hong Kong, 2.7% in Japan, 2.6% in Germany, 2.6% in the United Kingdom, 2.4% in Australia and 10.7% in other geographic countries. The 12.0% cash holdings provided diversified currency exposure, with 5.4% in the US dollar, 4.0% in the Japanese Yen, 1.8% in Euros, 0.7% in the Pound sterling and 0.1% in the Australian dollar as at 30 June 2020.

The Board of Directors have declared a fully franked final dividend of 4.0 cents per share, bringing the FY2020 fully franked full year dividend to 7.0 cents per share, which represents a 250% increase on FY2019 and a 100% increase on the fully franked final dividend. Since inception in June 2018, WAM Global has paid 5.0 cents per share in fully franked dividends to shareholders. As at 31 July 2020, the Company's profits reserve was 30.1 cents per share and forms part of the net tangible assets (NTA), representing 4.3 years of dividend coverage for shareholders.

### Company performance

The performance of a listed investment company is best evaluated by three key measures: investment portfolio performance; NTA growth; and total shareholder return (TSR). Investment portfolio performance measures the growth of the underlying portfolio of equities and cash before expenses, fees and taxes. A key objective of WAM Global is to outperform the MSCI World Index (AUD) by growing the investment portfolio at a greater rate, which is called outperformance. The MSCI World Index (AUD) is measured before expenses, fees and taxes. NTA growth is the change in value of the Company's assets, less liabilities and costs (including tax, management and performance fees) and is essentially the realisable value of the Company. The NTA is announced to shareholders on the ASX each month. TSR measures the tangible value shareholders gain from share price growth and dividends paid over the period. Importantly, TSR does not include the value of franking credits distributed to shareholders by way of fully franked dividends.

## 1. Investment portfolio performance

Performance at 30 June 2020	6 mths	1 yr	Since inception %pa (Jun-18)
WGB Investment Portfolio	-5.3%	3.1%	4.9%
MSCI World Index (AUD)	-3.8%	4.8%	7.4%
<b>Outperformance</b>	<b>-1.5%</b>	<b>-1.7%</b>	<b>-2.5%</b>
MSCI World SMID Cap Index in AUD terms	-9.2%	-1.9%	0.9%
<b>Outperformance</b>	<b>+3.9%</b>	<b>+5.0%</b>	<b>+4.0%</b>

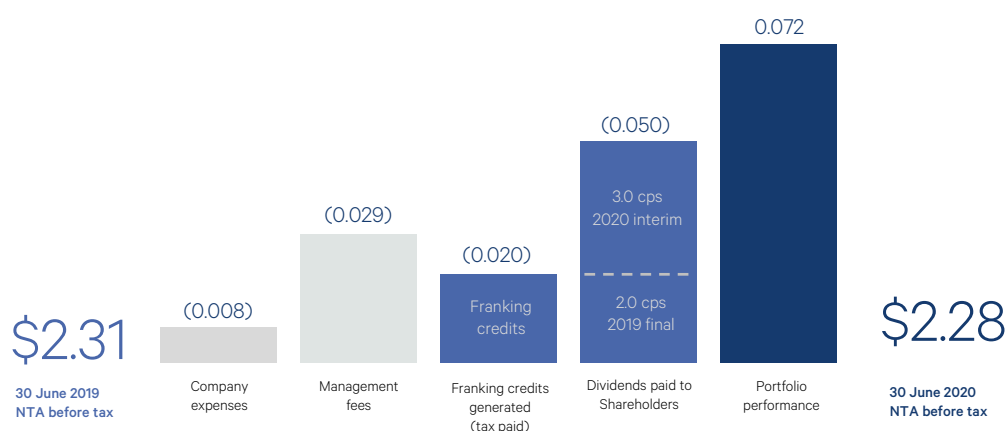
Investment portfolio performance and Index returns are before expenses, fees and taxes.

WAM Global's investment portfolio increased 3.1% for the year to 30 June 2020, while holding on average 11.1% of the investment portfolio in cash. The performance of the investment portfolio, the MSCI World Index (AUD) and MSCI World SMID (Small/Mid) Cap Index in AUD terms are all measured before expenses, fees and taxes. The MSCI World Index (AUD) comprises of large and mid cap representation across 23 developed markets in Australian dollars. With 1,601 constituents, the Index covers approximately 85% of the free float-adjusted market capitalisation in each country. The MSCI World SMID (Small/Mid) Cap Index in AUD terms captures mid and small cap representation across 23 developed markets in Australian dollars. With 5,128 constituents, the Index covers approximately 28% of the free float-adjusted market capitalisation in each country.

## 2. NTA growth

WAM Global's NTA before tax increased 0.6% for the year to 30 June 2020, including the 5.0 cents per share of fully franked dividends paid to shareholders during the year. This increase is after corporate tax paid of 2.0 cents per share or 0.9% during the year. Corporate tax payments made throughout the period and management fees of 1.25% were the major items of difference between the investment portfolio performance of 3.1% and the NTA performance. The franking credits attached to corporate tax payments are available for distribution to shareholders through fully franked dividends. Another item contributing to the change in value of the assets during the year was other company related expenses of 0.3%.

## WAM Global NTA before tax performance



### 3. Total shareholder return

This measure shows the tangible return to shareholders, being the change in the share price together with dividends, assuming the dividends when paid are reinvested during the year. The TSR for WAM Global for the year was reflective of the increase in the share price discount to NTA, partially offset by the investment portfolio performance. As at 30 June 2020, the share price discount to NTA was 18.1% (2019: discount of 14.9%), with TSR of -2.8% for the year. This measure does not value the potential benefit of franking credits distributed to shareholders through fully franked dividends.

#### Equity market overview and Investment portfolio performance

The 2020 financial year was historically volatile for global markets and, with the exception of a small selection of technology names, nearly all stocks declined. The year began with accommodative central bank policies driving markets against a backdrop of soft economic data and ongoing geopolitical tensions, including the US-China trade war, Brexit and the Hong Kong protests. The December quarter saw the US Federal Reserve announce its third interest rate cut for the calendar year and in January we had the announcement of a phase one US-China trade deal. The investment team spent considerable time within Europe and the United Kingdom as improving conditions presented opportunities within the region and a number of new positions were added to the investment portfolio.

The first three months of the 2020 calendar year were dominated by the spread of coronavirus and the unprecedented responses from central banks and governments around the world. The crash of major indices during the quarter was the fastest on record with the S&P 500 Index falling 34% over a four-week period. From a portfolio perspective, we rapidly reduced our exposure to companies within the travel, entertainment and consumer discretionary sectors, and increased our cash weighting. In March, we strengthened the defensive characteristics of the investment portfolio and identified companies that would be beneficiaries of a lockdown environment and greater in-home food consumption, such as fast-moving consumer goods producers, low-cost food retailers and dollar stores operators and global video gaming and entertainment businesses.

After March's dramatic sell-off, global equity indexes staged their best quarterly performance since June 2009. In the US, the S&P 500 Index posted the biggest quarterly gain since the final quarter of 1998 as state authorities across the country began relaxing restrictions and the US Federal Reserve continued to provide stimulus. US Federal Reserve Chair Jerome Powell has publicly stated that the central bank will continue "to do whatever it takes" to stimulate the US economy. The investment portfolio's cash weighting peaked at 19.5% in March and we progressively deployed capital as it became evident that central banks and government policies would continue to be highly supportive in the long-term. Given the uncertain outlook for global economies since the emergence of the coronavirus pandemic and our mandate to preserve shareholder capital, we held relatively conservative positioning throughout the June quarter.

The composition of returns over recent years is worth noting. The past 12 months have seen a significant concentration of returns; the three largest listed stocks in the world (Apple, Amazon and Microsoft) returned an average of 60% in US dollars. All other stocks in the MSCI World Index combined went down approximately 1% on a market capitalisation weighted basis over the year. The last two years have also seen small and mid-cap stocks underperform large-caps by a significant margin, compared to the 20-year history of its outperformance. At some point, we expect this to revert to its historic trend.

## Dividends

The Board declared a fully franked final dividend of 4.0 cents per share, bringing the fully franked full year dividend to 7.0 cents per share, which represents a 250% increase on FY2019 and a 100% increase on the fully franked final dividend. Since inception in June 2018, WAM Global has paid 5.0 cents per share in fully franked dividends to shareholders.

The Board is committed to paying a stream of fully franked dividends to shareholders, provided the Company has sufficient profits reserves and franking credits, and it is within prudent business practices. As at 31 July 2020, the Company had 30.1 cents per share available in its profits reserve, before the payment of the fully franked final dividend of 4.0 cents per share. The Company's ability to generate franking credits is dependent upon the payment of tax on profits. The dividend reinvestment plan is available to shareholders for both the interim and final dividend. The dividend reinvestment plan will be operating without a discount for the final dividend.

## Company outlook

WAM Global enters the 2021 financial year with a conservative balance sheet, no debt and a flexible and proven investment process with the patience and expertise of an experienced investment team. The Company will continue to seek opportunities irrespective of market conditions and we remain well positioned to capitalise on these as they emerge.

## Shareholder engagement and communication

Shareholders are the owners of WAM Global. Our responsibility is to manage the Company on their behalf and be available to report to them on a regular basis. We encourage all shareholders to meet with us and utilise our proactive approach to keeping them informed. We do this regularly in many ways, including:

- Updates from our Lead Portfolio Managers;
- Investment team insights at WAM Vault: [wilsonassetmanagement.com.au/vault](http://wilsonassetmanagement.com.au/vault);
- Roundtables with our shareholders and planners, advisers and their clients;
- NTA reports and investment updates;
- Shareholder Q&A calls;
- Presentations and lunches across Australia; and
- Annual and interim results announcements.



## Chairman's letter

WAM Global shareholders are encouraged to use the subscription feature on the Wilson Asset Management website to receive notifications of announcements, investor updates and other important information. We aim to provide valuable and insightful information and welcome all feedback on how we can improve our communication and engagement. Please contact myself or our Head of Corporate Affairs, James McNamara, on (02) 9247 6755 or email us at [info@wilsonassetmanagement.com.au](mailto:info@wilsonassetmanagement.com.au) with any questions or feedback.

Thank you for your continued support.

A handwritten signature in black ink, consisting of a large, stylized 'G' followed by a horizontal line extending to the right.

**Geoff Wilson AO**  
**Chairman**

## Investing with Wilson Asset Management

Wilson Asset Management has a strong track record of delivering risk-adjusted returns for shareholders and making a difference for investors and the community for more than 20 years. Established in 1997 by Geoff Wilson AO, Wilson Asset Management is responsible for investing more than \$3 billion in Australian and international companies on behalf of 85,000 retail investors across six LICs:

- WAM Capital (ASX: WAM) – the most compelling undervalued growth companies in the Australian market;
- WAM Leaders (ASX: WLE) – actively investing in the highest quality Australian companies;
- WAM Global (ASX: WGB) – the world’s most compelling undervalued growth companies;
- WAM Microcap (ASX: WMI) – the most exciting undervalued growth companies in the Australian micro-cap market;
- WAM Research (ASX: WAX) – the most compelling undervalued growth companies in the Australian market; and
- WAM Active (ASX: WAA) – market mispricing opportunities in the Australian market.

Wilson Asset Management created and is the lead supporter of the first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Wilson Asset Management advocates and acts for retail investors, is a member of the global philanthropic Pledge 1% movement and provides all team members with \$10,000 each year to donate to charities of their choice. This philanthropic investment is made by the Investment Manager.

WAM Global has an investment management agreement with Wilson Asset Management providing shareholders with the following benefits:

**Risk-adjusted returns.** Wilson Asset Management is focused on delivering strong returns while taking the least risk possible to protect shareholders’ capital.

**Diversification.** LICs managed by Wilson Asset Management hold small positions in many companies, providing shareholders with access to highly diversified portfolios.

**Experience.** Wilson Asset Management’s investment team is comprised of 13 professionals with a total focus on protecting and growing shareholder capital and is informed by more than 170 years’ of combined equity market experience.

**Market access.** Wilson Asset Management’s investment team hold more than 2,500 company meetings each year, that coupled with their extensive network in the market, provides insight, intelligence and opportunities.

**Transparency.** Wilson Asset Management values shareholder engagement and its LICs adhere to strict corporate governance requirements.

**Shareholder advocacy.** Wilson Asset Management regularly and actively engages in public debate on behalf of self-managed superannuation funds and retail investors.

**A positive impact.** Wilson Asset Management is passionate about making a difference to the broader community.

## Objectives and investment process

### Investment objectives

The investment objectives of WAM Global are to:

- provide capital growth over the medium-to-long term;
- deliver a stream of fully franked dividends; and
- preserve capital.

### Investment process – the world’s most compelling undervalued growth companies

WAM Global provides investors with access to Wilson Asset Management’s two distinctive processes:

- a research-driven process focused on identifying undervalued companies; and
- a market-driven process that takes advantage of mispricing opportunities.

### Research-driven investing

This investment process involves diligent and deep research that focuses on free cash flow, return on equity and the quality of a company. Each company is carefully rated with respect to management, earnings growth potential, valuation and industry position. Under this process, our investment team will only ever invest in a security once we can identify a catalyst or event that we expect will change the market’s valuation of the company.



### Market-driven investing

This investment process takes advantage of short-term mispricing opportunities in the global equity market, rather than investing in any individual companies or a portfolio of companies for a prolonged period of time. Opportunities are derived from initial public offerings, placements, block trades, rights issues, corporate transactions (such as takeovers, mergers, schemes of arrangement, corporate spinoffs and restructures), arbitrage opportunities, LIC discount arbitrages, short-selling and trading market themes and trends.

## Directors' Report to shareholders for the year ended 30 June 2020

The Directors present their report together with the financial report of WAM Global for the financial year ended 30 June 2020.

### Principal activity

The principal activity of the Company is making investments in listed global securities. The Company's investment objectives are to provide capital growth over the medium-to-long term, deliver a stream of fully franked dividends and preserve capital. No change in this activity took place during the year or is likely in the future.

### Operating and financial review

Investment operations over the year resulted in an operating profit before tax of \$7,126,951 (2019: \$24,780,901) and an operating profit after tax of \$5,049,644 (2019: \$17,511,056). The operating profit for 2020 is reflective of the performance of the investment portfolio over the year. The WAM Global investment portfolio increased 3.1% during the period, climbing 4.9% in the final quarter to 30 June 2020. This performance was achieved whilst being an average 88.9% invested in equities. As at 30 June 2020, WAM Global held 62 companies in the investment portfolio.

The operating profit for the year includes unrealised gains or losses arising from changes in the fair value of the investments held in the portfolio and foreign currency movements during the year. This movement in the fair value of investments and foreign exchange rates can add to or reduce the realised gains and losses on the investment portfolio, foreign currency and other revenue from operating activities (such as dividend and interest income) in each year. Because of this treatment under the Accounting Standards, this can cause large variations in reported operating profits between years.

The operating profit for each financial year is reflective of the underlying investment portfolio performance and is important to understand with context to the overall performance of equity markets in any given year. As a result, we believe the more appropriate measures of the financial results for the period are the investment portfolio performance, the change in net tangible assets (NTA) and fully franked dividends, together with total shareholder return.

Further information on the three key listed investment company performance measures and the operating and financial review of the Company is contained in the Chairman's letter.

### Financial position

The net asset value of the Company as at 30 June 2020 was \$478,753,760 (2019: \$483,047,825). Further information on the financial position of the Company is contained in the Chairman's letter.

### Significant changes in state of affairs

There was no significant change in the state of affairs of the Company during the year ended 30 June 2020.

## Dividends

Dividends paid or declared during the year are as follows:

	\$
Fully franked FY2019 final dividend of 2.0 cents per share paid on 25 October 2019	4,232,153
Fully franked FY2020 interim dividend of 3.0 cents per share paid on 28 April 2020	6,355,445

Since the end of the year, the Directors declared a fully franked final dividend of 4.0 cents per share to be paid 30 October 2020. The Board is committed to paying a stream of fully franked dividends to shareholders, provided the Company has sufficient profits reserves and franking credits, and it is within prudent business practices. The Company's ability to generate franking credits is dependent upon the payment of tax on profits.

## Directors

The following persons were Directors of the Company during the financial year and up to the date of this report:

- Geoff Wilson AO
- Gabrielle Trainor AO
- Caesar Bryan
- Kate Thorley

## Information on Directors

### Geoff Wilson AO (Chairman – non-independent)

#### Experience and expertise

Geoff Wilson has over 40 years' direct experience in investment markets having held a variety of senior investment roles in Australia, the UK and the US. Geoff founded Wilson Asset Management in 1997. Geoff created Australia's first listed investment companies to deliver both investment and social returns, Future Generation Investment Company Limited and Future Generation Global Investment Company Limited. Geoff holds a Bachelor of Science, a Graduate Management Qualification and is a Fellow of the Financial Services Institute of Australia and the Australian Institute of Company Directors (AICD).

Geoff has been Chairman of the Company since February 2018.

#### Other current directorships

Geoff Wilson is currently Chairman of WAM Capital Limited (appointed March 1999), WAM Research Limited (appointed June 2003), WAM Active Limited (appointed July 2007), WAM Leaders Limited (appointed March 2016), WAM Microcap Limited (appointed March 2017) and the Australian Stockbrokers Foundation. He is the founder and a Director of Future Generation Investment Company Limited (appointed July 2014) and Future Generation Global Investment Company Limited (appointed May 2015) and a Director of Australian Leaders Fund Limited (appointed October 2003), Global Value Fund Limited (appointed April 2014), Century Australia Investments Pty Limited (appointed September 2014), 8IP Emerging Companies Limited (appointed April 2018), Incubator Capital Limited (appointed February 2000), Hearts and Minds Investments Limited (appointed September 2018), Wealth Defender Equities Pty Limited (appointed October 2018), Wollongong 2022 Limited (appointed March 2019),

### **Geoff Wilson AO (Chairman – non-independent) (cont'd)**

#### **Other current directorships (cont'd)**

Sporting Chance Cancer Foundation, Australian Fund Managers Foundation, Australian Children's Music Foundation, and he is a Member of the Second Bite NSW Advisory Committee. He is the founder and Director of investment management companies Wilson Asset Management (International) Pty Limited and MAM Pty Limited.

#### **Former directorships in the last 3 years**

Geoff Wilson resigned as a director of Clime Capital Limited in March 2018.

#### **Special responsibilities**

Chairman of the Board.

#### **Interests in shares of the Company**

Details of Geoff Wilson's interests in shares of the Company are included later in this report.

#### **Interests in contracts**

Details of Geoff Wilson's interests in contracts of the Company are included later in this report.

### **Gabrielle Trainor AO (Director – independent)**

#### **Experience and expertise**

Gabrielle Trainor is an experienced non-executive director and advisor with over 26 years on public and private boards. Gabrielle's executive career has spanned law, journalism, government and consultancy. Gabrielle has a Bachelor of Laws, Master of Arts and is a Fellow of the Australian Institute of Company Directors (FAICD) and was named an Officer of the Order of Australia in 2017.

Gabrielle Trainor has been a Director of the Company since February 2018.

#### **Other current directorships**

Gabrielle Trainor is a director of Zurich Australia Limited, Infrastructure Australia, the Western City and Aerotropolis Authority, the Major Transport Infrastructure Authority (Vic) and the ACT City Renewal Authority. She is a trustee of Western Sydney University and of the Charlie Perkins Trust, a Commissioner of the Australian Football League and of the Australian Sports Commission. She is a member of the advisory board of Wattle Hill RHC Fund #1.

#### **Former directorships in the last 3 years**

Gabrielle Trainor resigned as a director of Clarius Group Limited in July 2017.

#### **Special responsibilities**

Chairman of the Audit and Risk Committee.

#### **Interests in shares of the Company**

Details of Gabrielle Trainor's interests in shares of the Company are included later in the report.

#### **Interests in contracts**

Gabrielle Trainor has no interests in contracts of the Company.

## **Caesar Bryan (Director – independent)**

### **Experience and expertise**

Caesar Bryan is an international fund manager with 40 years' investment experience gained primarily with Gabelli Funds, which manages more than US\$40 billion. Caesar manages the GAMCO International Growth Fund and Gabelli Gold Fund. He is also a member of the global investment team which is responsible for the GAMCO Global Growth Fund and the Gabelli International Small Cap Fund. In addition, he is on the management team of the GAMCO Global Gold and Natural Resources & Income Trust and GAMCO Natural Resources, Gold & Income. He has been with GAMCO Investors, Inc. since 1994.

Prior to joining GAMCO, Caesar was a portfolio manager at Lexington Management for seven years managing international and precious metals equity portfolios. Caesar began his investment career in 1979 at Samuel Montagu Company Ltd., the London based merchant bank. While at Samuel Montagu he spent two years at Aetna Life and Casualty in Hartford, Connecticut assisting in the management of their global equity fund. Caesar is a graduate of the University of Southampton, England and is a member of the English Bar.

Caesar Bryan has been a Director of the Company since March 2018.

### **Other current directorships**

Caesar Bryan is currently a director of Gabelli Capital Structure Arbitrage Master Fund.

### **Former directorships in the last 3 years**

Caesar Bryan has not resigned as a Director from any other listed companies within the last three years.

### **Special responsibilities**

Member of the Audit and Risk Committee.

### **Interests in shares of the Company**

Caesar Bryan has no interest in shares of the Company.

### **Interests in contracts**

Caesar Bryan has no interests in contracts of the Company.

### **Kate Thorley (Director – non-independent)**

#### **Experience and expertise**

Kate Thorley has over 15 years' experience in the funds management industry and more than 21 years of financial accounting and corporate governance experience. Kate is the Chief Executive Officer of Wilson Asset Management (International) Pty Limited, Director of WAM Capital Limited, WAM Active Limited, WAM Research Limited, WAM Leaders Limited, WAM Microcap Limited and Future Generation Investment Company Limited. Kate is the Joint Company Secretary of Future Generation Global Investment Company Limited. She holds a Bachelor of Commerce, a Graduate Diploma in Applied Finance and Investment, Graduate Diploma of Applied Corporate Governance and is a fully qualified CA. She is a Graduate member of the AICD (GAICD).

Kate has been a Director of the Company since February 2018.

#### **Other current directorships**

Kate Thorley is a Director of WAM Active Limited (appointed July 2014), WAM Research Limited (appointed August 2014), Future Generation Investment Company Limited (appointed April 2015), WAM Capital Limited (appointed August 2016), WAM Leaders Limited (appointed March 2016) and WAM Microcap Limited (appointed March 2017).

#### **Former directorships in the last 3 years**

Kate Thorley has not resigned as a Director from any other listed companies within the last three years.

#### **Special responsibilities**

Member of the Audit and Risk Committee.

#### **Interests in shares of the Company**

Details of Kate Thorley's interests in shares of the Company are included later in this report.

#### **Interests in contracts**

Kate Thorley has no interests in contracts of the Company.

### **Company Secretary**

The following person held the position of Company Secretary at the end of the financial year:

#### **Linda Kiriczenko**

Linda Kiriczenko has over 16 years' experience in financial accounting including more than 12 years in the funds management industry. As the Finance Manager of Wilson Asset Management (International) Pty Limited, Linda oversees finance and accounting and is also the Company Secretary for six listed investment companies, WAM Capital Limited, WAM Research Limited, WAM Active Limited, WAM Leaders Limited, WAM Microcap Limited and WAM Global Limited. Linda holds a Bachelor of Commerce and is a fully qualified CPA. She is a certified member of the Governance Institute of Australia.

Linda was appointed Company Secretary of WAM Global in February 2018.



## Remuneration Report (Audited)

This report details the nature and amount of remuneration for each Director of WAM Global.

### a) Remuneration of Directors

All Directors of WAM Global are non-executive Directors. The Board from time to time determines remuneration of Directors within the maximum amount approved by the shareholders at the Annual General Meeting. Directors are not entitled to any other remuneration.

Fees and payments to Directors reflect the demands that are made on and the responsibilities of the Directors and are reviewed annually by the Board. The Company determines the remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced Directors.

The maximum total remuneration of the Directors of the Company has been set at \$90,000 per annum. Directors do not receive bonuses nor are they issued options on securities as part of their remuneration. Directors' fees cover all main Board activities and membership of committees.

Directors' remuneration received for the year ended 30 June 2020:

Director	Position	Short-term employee benefits Directors' Fees \$	Post-employment benefits Superannuation \$	Total \$
Geoff Wilson	Chairman	9,132	868	10,000
Gabrielle Trainor	Director	27,398	2,602	30,000
Caesar Bryan	Director	30,000	-	30,000
Kate Thorley	Director	9,132	868	10,000
		<b>75,662</b>	<b>4,338</b>	<b>80,000</b>

Directors receive a superannuation guarantee contribution required by the government, which was 9.5% of individuals' benefits for FY2020 and do not receive any other retirement benefits. Directors may also elect to salary sacrifice their fees into superannuation.

Directors' remuneration received for the period ended 30 June 2019:

Director	Position	Short-term employee benefits Directors' Fees \$	Post-employment benefits Superannuation \$	Total \$
Geoff Wilson	Chairman	9,358	889	10,247
Gabrielle Trainor	Director	28,073	2,666	30,739
Caesar Bryan	Director	30,740	-	30,740
Kate Thorley	Director	9,358	889	10,247
		<b>77,529</b>	<b>4,444</b>	<b>81,973</b>

\*Includes Directors' fees for the period from date of listing, 22 June 2018 to 30 June 2019.

**Remuneration Report (Audited) (cont'd)****a) Remuneration of Director (cont'd)**

The following table reflects the Company's performance and Directors' remuneration over two years:

	2020	2019
Operating profit after tax (\$)	\$5,049,644	\$17,511,056
Dividends (cents per share)	7.0	2.0
NTA after tax (\$ per share)	\$2.25	\$2.28
Total Directors' remuneration (\$)	\$80,000	\$81,973*
Shareholder's equity (\$)	\$478,753,760	\$483,047,825

\*Includes Directors' fees for the period from date of listing, 22 June 2018 to 30 June 2019.

**b) Director related entities remuneration**

All transactions with related entities during the year were made on normal commercial terms and conditions and at market rates.

The Company has an investment management agreement with Wilson Asset Management (International) Pty Limited (the Investment Manager or the Manger). Geoff Wilson is the Director of Wilson Asset Management (International) Pty Limited, the entity appointed to manage the investment portfolio of WAM Global. Entities associated with Geoff Wilson hold 100% of the issued shares of Wilson Asset Management (International) Pty Limited. In its capacity as the Manager and in accordance with the investment management agreement, Wilson Asset Management (International) Pty Limited was paid a management fee of 1.25% p.a. (plus GST) of the value of the portfolio amounting to \$6,944,357 inclusive of GST (2019: \$6,495,826). As at 30 June 2020, the balance payable to the Manager was \$553,275 inclusive of GST (2019: \$557,158).

In addition, Wilson Asset Management (International) Pty Limited is to be paid, annually in arrears, a performance fee being 20% (plus GST) of the amount by which the value of the portfolio exceeds the return of the MSCI World Index (AUD) over that period. If the value of the portfolio is less than the return of the MSCI World Index (AUD), no performance fee will be payable in respect of that period and the negative amount is to be carried forward to the following calculation period(s) until it has been recouped in full against future positive performance fees. No performance fees will be payable until the full recoupment of prior underperformance.

For the year ended 30 June 2020, no performance fee was payable to the Manager (2019: nil). The current period underperformance of \$3,364,299 inclusive of GST (2019: \$5,008,829) has been carried forward to the following calculation period(s) until it has been recouped in full against future positive performance fees. The total underperformance to be recouped against future performance fees payable is \$8,373,128 inclusive of GST.

Wilson Asset Management (International) Pty Limited has a service agreement in place with WAM Global to provide accounting and Company Secretarial services on commercial terms. For the year ended 30 June 2020, the fee for accounting services amounted to \$46,200 inclusive of GST (2019: \$47,339) and the fee for Company Secretarial services amounted to \$16,500 inclusive of GST (2019: \$16,907).

**Remuneration Report (Audited) (cont'd)****b) Director related entities remuneration (cont'd)**

Under the investment management agreement, the Investment Manager has agreed to be responsible for the payment of the offer costs that the Company would normally be liable for. These costs were paid upfront by the Company however, under the investment management agreement, the Investment Manager will repay the offer costs to the Company in 30 equal monthly repayments. The total offer costs in relation to the initial public offering were \$7,830,659 (\$5,481,461, net of tax) with \$6,264,527 being repaid to the Investment Manager to date and \$3,132,263 being repaid during the year to 30 June 2020. The remaining balance to be repaid by the Investment Manager of \$1,566,132 has been included in trade and other receivables as at the end of the period.

These amounts are in addition to the above Directors' remuneration. Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related Company of the Director or with a firm of which he/she is a member or with a Company in which he/she has substantial financial interest.

**c) Remuneration of executives**

There are no executives that are paid by the Company. Wilson Asset Management (International) Pty Limited, the Investment Manager of the Company, provides the day-to-day management of the Company and is remunerated for these services as outlined above.

**d) Equity instruments disclosures of Directors and related parties**

As at the date of this report, the Company's Directors and their related parties held the following interests in the Company:

Ordinary shares held Directors	Balance at 30 June 2019	Acquisitions	Disposals	Balance at 30 June 2020	Balance at the date of this report
Geoff Wilson	3,429,954	726,936	-	4,156,890	4,156,890
Gabrielle Trainor	50,000	1,300	-	51,300	51,300
Caesar Bryan	-	-	-	-	-
Kate Thorley	63,225	20,051	-	83,276	83,276
	<b>3,543,179</b>	<b>748,287</b>	<b>-</b>	<b>4,291,466</b>	<b>4,291,466</b>

Directors and Director related entities disposed of and acquired ordinary shares in the Company on the same terms and conditions available to other shareholders. The Directors have not, during or since the end of the financial year, been granted options over unissued shares or interests in shares of the Company as part of their remuneration.

- End of Remuneration Report -

**Directors' meetings**

Director	No. eligible to attend	Attended
Geoff Wilson	5	5
Gabrielle Trainor	5	5
Caesar Bryan	5	5
Kate Thorley	5	5

### Audit and Risk Committee

The main responsibilities of the Audit and Risk Committee are set out in the Company's 2020 Corporate Governance Statement.

Director	No. eligible to attend	Attended
Gabrielle Trainor	4	4
Caesar Bryan	4	4
Kate Thorley	4	4

### After balance date events

Since the end of the year, the Directors declared a fully franked final dividend of 4.0 cents per share to be paid on 30 October 2020.

No other matter or circumstance has arisen since the end of the financial year, other than already disclosed, which significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

### Future developments

The Company will continue to pursue investment activities – primarily investing in equities listed on Global Securities Exchanges – to achieve the Company's stated objectives.

The Company's future performance is dependent on the performance of the Company's investments. In turn, the performance of these investments is impacted by investee company-specific factors and prevailing industry conditions. In addition, a range of external factors including economic growth rates, interest rates, exchange rates and macro-economic conditions impact the overall equity market and these investments.

As such, we do not believe it is possible or appropriate to accurately predict the future performance of the Company's investments and, therefore, the Company's performance.

### Environmental regulation

The Company's operations are not regulated by any environmental regulation under a law of the Commonwealth or of a State or Territory.

### Indemnification and insurance of officers or Auditors

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary and any related body corporate against liability incurred as such by a Director or Secretary to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is or has been an auditor of the Company.

### Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

### Non-audit services

During the year Pitcher Partners, the Company's auditor, performed taxation and other services to the Company. Details of the amounts paid to the auditors and their related parties are disclosed in Note 5 to the financial statements.

The Board of Directors, in accordance with advice from the Audit and Risk Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed in Note 5 did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Audit and Risk Committee to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with the APES 110: Code of Ethics for Professional Accountants (including Independence Standards) set by the Accounting Professional and Ethical Standards Board.

### Rounding of amounts to nearest dollar

In accordance with ASIC Corporations (rounding in Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report have been rounded to the nearest dollar, unless otherwise indicated.

### Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2020 is provided on the Company's website at [wilsonassetmanagement.com.au](http://wilsonassetmanagement.com.au).

### Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 22 of the Financial Report.

Signed in accordance with a resolution of the Board of Directors.



**Geoff Wilson AO**  
Chairman

Dated in Sydney this 27<sup>th</sup> day of August 2020

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**Auditor's Independence Declaration  
To the Directors of WAM Global Limited  
ABN 76 624 572 925**

In relation to the independent audit of WAM Global Limited for the period ended 30 June 2020,  
I declare that to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor's independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.



**S M Whiddett**  
Partner

**Pitcher Partners**  
Sydney

27 August 2020

## Statement of comprehensive income for the year ended 30 June 2020

	Note	2020 \$	For the period 21 February 2018 to 30 June 2019 \$
Net realised and unrealised gains on financial assets and foreign currency		9,636,630	26,006,560
Other revenue from operating activities	2	5,389,022	6,543,638
Management fees		(6,470,878)	(6,052,929)
Directors fees		(80,000)	(81,973)
Brokerage expense on share purchases		(558,241)	(961,540)
Expenses on borrowed stock		(64,380)	-
Custody fees		(45,877)	(39,693)
ASX listing and chess fees		(113,181)	(138,197)
Share registry fees		(130,327)	(156,567)
Disbursements, mailing and printing		(105,378)	(24,508)
ASIC industry funding levy		(20,499)	(20,883)
Audit fees		(56,707)	(49,623)
Accounting fees		(46,200)	(47,339)
Company secretary fees		(16,500)	(16,907)
Other expenses from ordinary activities		(190,533)	(179,138)
<b>Profit before income tax</b>		<b>7,126,951</b>	<b>24,780,901</b>
Income tax expense	3(a)	(2,077,307)	(7,269,845)
<b>Profit after income tax attributable to members of the Company</b>		<b>5,049,644</b>	<b>17,511,056</b>
<b>Other comprehensive income</b>			
Other comprehensive income for year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>5,049,644</b>	<b>17,511,056</b>
<b>Basic and diluted earnings per share</b>	14	<b>2.38 cents</b>	<b>10.78 cents</b>

The accompanying notes form part of these financial statements.

## Statement of financial position as at 30 June 2020

	Note	2020 \$	2019 \$
<b>Current assets</b>			
Cash and cash equivalents	12	36,864,655	52,858,624
Trade and other receivables	6	40,177,357	51,643,970
Financial assets	7	425,179,149	415,051,239
<b>Total current assets</b>		<b>502,221,161</b>	<b>519,553,833</b>
<b>Non-current assets</b>			
Deferred tax assets	3(b)	2,154,432	1,630,033
Trade and other receivables	6	-	1,566,132
<b>Total non-current assets</b>		<b>2,154,432</b>	<b>3,196,165</b>
<b>Total assets</b>		<b>504,375,593</b>	<b>522,749,998</b>
<b>Current liabilities</b>			
Trade and other payables	8	18,380,738	30,802,295
Current tax liabilities	3(c)	7,241,095	3,842,040
<b>Total current liabilities</b>		<b>25,621,833</b>	<b>34,644,335</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	3(d)	-	5,057,838
<b>Total non-current liabilities</b>		<b>-</b>	<b>5,057,838</b>
<b>Total liabilities</b>		<b>25,621,833</b>	<b>39,702,173</b>
<b>Net assets</b>		<b>478,753,760</b>	<b>483,047,825</b>
<b>Equity</b>			
Issued capital	9	466,780,658	465,536,769
Profits reserve	10	50,955,202	17,511,056
Accumulated losses	11	(38,982,100)	-
<b>Total equity</b>		<b>478,753,760</b>	<b>483,047,825</b>

The accompanying notes form part of these financial statements.



## Statement of changes in equity for the year ended 30 June 2020

	Note	Issued capital \$	Accumulated losses \$	Profits reserve \$	Total equity \$
<b>Balance at 21 February 2018 (date of incorporation)</b>		-	-	-	-
Profit for the period		-	17,511,056	-	17,511,056
Transfer to profits reserve		-	(17,511,056)	17,511,056	-
Other comprehensive income for the period		-	-	-	-
<b>Transactions with owners:</b>					
Share issued on incorporation	9(b)	1	-	-	1
Shares issued via initial public offering	9(b)	465,536,768	-	-	465,536,768
<b>Balance at 30 June 2019</b>		<b>465,536,769</b>	<b>-</b>	<b>17,511,056</b>	<b>483,047,825</b>
Profit for the year		-	5,049,644	-	5,049,644
Transfer to profits reserve		-	(44,031,744)	44,031,744	-
Other comprehensive income for the year		-	-	-	-
<b>Transaction with owners:</b>					
Shares issued via dividend reinvestment plan	9(b)	1,243,889	-	-	1,243,889
Dividends paid	4(a)	-	-	(10,587,598)	(10,587,598)
<b>Balance at 30 June 2020</b>		<b>466,780,658</b>	<b>(38,982,100)</b>	<b>50,955,202</b>	<b>478,753,760</b>

The accompanying notes form part of these financial statements.

## Statement of cash flows for the year ended 30 June 2020

	Note	2020 \$	For the period 21 February 2018 to 30 June 2019 \$
<b>Cash flows from operating activities</b>			
Proceeds from sale of investments		1,131,153,468	598,014,089
Payments for purchase of investments		(1,172,865,675)	(1,021,089,050)
Realised foreign exchange gains		41,004,561	13,263,627
Dividends received		5,227,752	4,600,367
Interest received		209,826	1,881,122
Management fee (GST inclusive)		(6,948,240)	(5,938,668)
Brokerage expense on share purchases (GST inclusive)		(561,364)	(967,234)
Payments for administration expenses (GST inclusive)		(895,110)	(1,105,157)
Income tax paid		(4,260,489)	-
GST on brokerage expense on share sales		(3,232)	(4,549)
Net GST received from ATO		496,621	878,014
<b>Net cash used in operating activities</b>	<b>13</b>	<b>(7,441,882)</b>	<b>(410,467,439)</b>
<b>Cash flows from financing activities</b>			
Dividends paid – net of investment		(9,343,709)	-
Repayment of offer costs		3,132,263	3,132,264
Shares issued via initial public offering and on incorporation		-	465,536,769
Share issue costs		-	(7,830,659)
<b>Net cash (used in)/provided by financing activities</b>		<b>(6,211,446)</b>	<b>460,838,374</b>
<b>Net (decrease)/increase in cash and cash equivalents held</b>		<b>(13,653,328)</b>	<b>50,370,935</b>
Cash and cash equivalents at beginning of financial year		52,858,624	-
Effects of foreign currency exchange rate changes on cash and cash equivalents		(2,340,641)	2,487,689
<b>Cash and cash equivalents at the end of the year</b>	<b>12</b>	<b>36,864,655</b>	<b>52,858,624</b>
<b>Non-cash transactions:</b>			
Shares issued via dividend reinvestment plan		1,243,889	-

The accompanying notes form part of these financial statements.

# Notes to the financial statements for the year ended 30 June 2020

## 1. Significant accounting policies

### Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

WAM Global is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report was authorised for issue on 27 August 2020 by the Board of Directors.

WAM Global is a listed public company, incorporated and domiciled in Australia.

Australian Accounting Standards set out the accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the Company's financial statements and notes also comply with International Financial Reporting Standards (IFRS) as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, with the exception of certain financial assets and liabilities which have been measured at fair value. All amounts are presented in Australian dollars.

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

### a) Financial instruments

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. For financial assets, trade date accounting is adopted, which is equivalent to the date that the Company commits itself to purchase or sell the assets.

Financial instruments are initially measured at fair value. Transaction costs related to financial instruments are expensed to the Statement of comprehensive income immediately.

#### Classification and subsequent measurement

Financial instruments are subsequently measured at fair value. Current market prices for all quoted investments are used to determine fair value. For all listed or unlisted securities that are not traded in an active market, valuation techniques are applied to determine fair value, including recent arm's length transactions and reference to similar instruments.

## 1. Significant accounting policies (cont'd)

### a) Financial instruments (cont'd)

#### Classification and subsequent measurement (cont'd)

The Company classifies its financial instruments into the following categories:

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified 'at fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of comprehensive income in the period in which they arise.

#### (ii) Financial liabilities at fair value through profit or loss

Financial liabilities such as borrowed stock are classified 'at fair value through profit or loss'. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of comprehensive income in the period in which they arise.

#### Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or have expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the Statement of comprehensive income.

### b) Income tax

The charge of current income tax expense is based on profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantially enacted at the reporting date. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred tax is accounted for using the balance sheet method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets relating to temporary differences and unused tax losses are recognised, to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

## 1. Significant accounting policies (cont'd)

### b) Income tax (cont'd)

Current tax assets and liabilities are offset only where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are only offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, at call deposits with banks or financial institutions and term deposits maturing within six months or less.

### d) Revenue and other income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. All revenue is stated net of the amount of goods and services tax (GST).

### e) Foreign currency translation

The financial statements of the Company are presented in Australian Dollars, which is the Company's functional and presentation currency, as determined in accordance with Australian Accounting Standard AASB 121: The Effects of Changes in Foreign Exchange Rates.

Foreign currency transactions during the year are translated into Australia Dollars using the exchange rate at the transaction date. At each reporting date, assets and liabilities denominated in foreign currency are retranslated using the rates prevailing at the reporting date. Foreign exchange gains or losses resulting from the settlement of foreign denominated assets and liabilities will be recognised in the Statement of comprehensive income. Net exchange gains and losses arising on the revaluation of investments will be included in net gains or losses on financial assets in the Statement of financial position.

### f) Trade and other receivables

Trade and other receivables are non-derivative financial assets and are initially recognised at fair value. They are subsequently stated at amortised cost, less any provision for impairment. Refer to Note 1(g) for further detail.

### g) Impairment of assets

The Company applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition (this has replaced the incurred loss model). All the trade receivables of the Company share the same credit risk characteristics. Indicators that there is no reasonable expectation of recovery include, amongst others, the Standard & Poor's credit risk rating of a debtor, and a failure to make contractual payments for a period of greater than 30 days past due.

## 1. Significant accounting policies (cont'd)

### g) Impairment of assets (cont'd)

Impairment losses on trade receivables and contract assets are presented as net impairment losses within the Statement of comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item. As at 30 June 2020, there are no expected credit losses recognised (2019: nil).

### h) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period, which are classified as non-current assets. Loans and receivables are included in trade and other receivables within the Statement of financial position.

### i) Trade and other payables

Trade and other payables are non-derivative financial liabilities and are stated at amortised cost.

### j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised exclusive of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of financial position.

Cash flows are presented in the Statement of cash flows on a gross basis (inclusive of GST), except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### k) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### l) Profits reserve

The profits reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

### m) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### n) Dividends

Dividends are recognised when declared during the financial year.

### o) Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

## 1. Significant accounting policies (cont'd)

### o) Critical accounting estimates and judgments (cont'd)

There are no estimates or judgments that have a material impact on the Company's financial results for the year ended 30 June 2020. All material financial assets are valued by reference to quoted prices and therefore no significant estimates or judgments are required in respect to their valuation.

### p) New standards and interpretations not yet adopted

There are no new standards or interpretations applicable that would have a material impact for the Company.

## 2. Other revenue

	2020 \$	2019 \$
Foreign sourced dividends	4,962,027	4,123,746
Australian sourced dividends	245,967	508,304
Interest	179,360	1,911,588
Underwriting fees	1,668	-
	<b>5,389,022</b>	<b>6,543,638</b>

## 3. Income tax

### a) Income tax expense

The prima facie tax on profit before income tax is reconciled to the income tax expense as follows:

	2020 \$	2019 \$
Prima facie tax on profit before income tax at 30% (2019: 30%)	2,138,085	7,434,270
Imputation credit gross up	33,947	61,492
Franking credit offset	(113,155)	(204,974)
Foreign income tax gross up	-	6,654
Foreign income tax offset	-	(22,178)
Other non-assessable items*	5,419	(5,419)
Under provision in prior period	13,011	-
	<b>2,077,307</b>	<b>7,269,845</b>
Effective tax rate	29.1%	29.3%

The effective tax rate reflects the benefit to the Company of franking credits and foreign income tax offsets received on dividend income during the year. The decrease in the effective tax rate on the comparative year is reflective of the higher proportion of franked dividend income received in comparison to the net profit before tax for the period.

\*Other non-assessable items relate to timing differences on franked dividends receivable.

### 3. Income tax (cont'd)

#### a) Income tax expense (cont'd)

<b>Total income tax expense results in a:</b>	2020 \$	2019 \$
Current tax liability	7,659,544	3,842,040
Deferred tax liability	(5,057,838)	2,786,482
Deferred tax asset	(524,399)	641,323
	<b>2,077,307</b>	<b>7,269,845</b>

#### b) Deferred tax assets

	2020 \$	2019 \$
Tax losses	195,540	195,540
Accruals	10,973	11,962
Capitalised share issue costs	939,679	1,422,531
Fair value adjustments and timing differences on receivable	1,008,240	-
	<b>2,154,432</b>	<b>1,630,033</b>

#### Movement in deferred tax assets

Balance at the beginning of the year	1,630,033	-
Credited/(charged) to the Statement of comprehensive income	524,399	(641,323)
Capitalised share issue costs	-	2,271,356
At reporting date	<b>2,154,432</b>	<b>1,630,033</b>

#### c) Current tax liabilities

	2020 \$	2019 \$
Balance at the beginning of the year	3,842,040	-
Current year income tax on operating profit	7,659,544	3,842,040
Income tax paid	(4,260,489)	-
At reporting date	<b>7,241,095</b>	<b>3,842,040</b>



### 3. Income tax (cont'd)

#### d) Deferred tax liabilities

	2020 \$	2019 \$
Fair value adjustments	-	3,723,344
Timing differences on receivable	-	1,334,494
	<b>-</b>	<b>5,057,838</b>
<b>Movement in deferred tax liabilities</b>		
Balance at the beginning of the year	5,057,838	-
(Credited)/charged to the Statement of comprehensive income	(5,057,838)	2,786,482
Offer costs receivable	-	2,271,356
At reporting date	<b>-</b>	<b>5,057,838</b>

### 4. Dividends

#### a) Ordinary dividends paid during the year

	2020 \$	2019 \$
Final dividend FY2019: 2.0 cents per share fully franked at 30% tax rate, paid 25 October 2019	4,232,153	-
Interim dividend FY2020: 3.0 cents per share fully franked at 30% tax rate, paid 28 April 2020	6,355,445	-
	<b>10,587,598</b>	<b>-</b>

#### b) Dividends not recognised at year end

	2020 \$	2019 \$
In addition to the above dividends, since the end of the year, the Directors have declared a 4.0 cents per share fully franked dividend (2019: 2.0 cents per share fully franked) which has not been recognised as a liability at the end of the financial year:	<b>8,489,994</b>	<b>4,232,152</b>

#### 4. Dividends (cont'd)

##### c) Dividend franking account

	2020 \$	2019 \$
Balance of franking account at year end	41,079	204,974
Adjusted for franking credits arising from: - Estimated income tax payable	7,241,095	3,842,040
Subsequent to the reporting period, the franking account would be reduced by the proposed dividend disclosed in Note 4(b):	(3,638,569)	(1,813,779)
	<b>3,643,605</b>	<b>2,233,235</b>

The Company's ability to continue to pay franked dividends is dependent upon the payment of tax on profits.

The balance of the franking account does not include tax on unrealised investment gains at the end of the reporting period. As at 30 June 2020, the deferred tax in relation to fair value movements on the investment portfolio is in a debit balance of \$1,403,031 and this amount has been presented as a deferred tax asset (2019: credit balance of \$3,723,344 presented as a deferred tax liability).

#### 5. Auditor's remuneration

	2020 \$	2019 \$
Remuneration of the auditor for:		
Auditing and reviewing the financial report	56,707	49,623
Other services provided by a related practice of the auditor:		
Taxation services	8,250	12,210
Investigating accountant's fee on initial public offering	-	26,400
	<b>64,957</b>	<b>88,233</b>

The Company's Audit and Risk Committee oversees the relationship with the Company's external auditors. The Audit and Risk Committee reviews the scope of the audit and review and the proposed fee. It also reviews the cost and scope of other services provided by a related entity of the audit firm, to ensure that they do not compromise independence.

## 6. Trade and other receivables

	2020 \$	2019 \$
<b>Current:</b>		
Outstanding settlements	38,476,633	48,332,968
Repayment of offer costs receivable	1,566,132	3,132,263
GST receivable	120,999	116,590
Investment income receivable	9,360	57,916
Other receivables	4,233	4,233
	<b>40,177,357</b>	<b>51,643,970</b>
<b>Non-current:</b>		
Repayment of offer costs receivable	-	1,566,132
	-	<b>1,566,132</b>

Outstanding settlements are on the terms operating in the securities industry. These do not incur interest and require settlement within three days from the date of the transaction. Investment income receivable relates to interest and dividends receivable at the end of the reporting period.

Under the investment management agreement, the Investment Manager has agreed to be responsible for the payment of the offer costs that the Company would normally be liable for. These costs were paid upfront by the Company however, under the investment management agreement, the Investment Manager will repay the offer costs to the Company in 30 equal monthly repayments. The total offer costs in relation to the initial public offering were \$7,830,659 (\$5,481,461, net of tax) with \$6,264,527 being repaid to the Investment Manager to date and \$3,132,263 being repaid during the year to 30 June 2020. The remaining balance to be repaid by the Investment Manager of \$1,566,132 has been included in trade and other receivables as at the end of the period.

## 7. Financial assets

	2020 \$	2019 \$
Listed investments at fair value	425,179,149	415,051,239
	<b>425,179,149</b>	<b>415,051,239</b>

The fair values of individual investments held at the end of the reporting period are disclosed on page 55 of the Annual Report.

## 8. Trade and other payables

	2020 \$	2019 \$
Outstanding settlements	17,640,660	30,054,002
Management fee payable	553,275	557,158
Sundry payables	186,803	191,135
	<b>18,380,738</b>	<b>30,802,295</b>

Outstanding settlements are on the terms operating in the securities industry. These do not incur interest and require settlement within three days from the date of the transaction. Sundry payables are settled within the terms of payment offered. No interest is applicable on these accounts.

## 9. Issued capital

### a) Paid-up capital

	2020 \$	2019 \$
212,249,854 ordinary shares fully paid (2019: 211,607,623)	<b>466,780,658</b>	<b>465,536,769</b>

### b) Movement in issued capital

	2020 \$	2019 \$
Balance at the beginning of the year	465,536,769	-
240,526 ordinary shares issued on 25 October 2019 under a dividend reinvestment plan	504,234	-
401,705 ordinary shares issued on 28 April 2020 under a dividend reinvestment plan	739,655	-
1 ordinary share issued on 21 February 2018 (incorporation date)	-	1
211,607,622 ordinary shares issued on 15 June 2018 under the initial public offering	-	465,536,768
At reporting date	<b>466,780,658</b>	<b>465,536,769</b>

Holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at shareholder meetings, otherwise each member present at a meeting or by proxy has one vote on a show of hands. In the event of winding up of the Company, ordinary shareholders rank after creditors and share in any proceeds on winding up in proportion to the number of shares held.

### c) Capital Management

The Board manages the Company's capital by regularly reviewing the most efficient manner by which the Company deploys its capital. At the core of this, the Board is of the belief that shareholder value should be preserved through the management of the level of distributions to shareholders, share placements, share purchase plans, option issues and share buy-backs. These capital management initiatives will be used when deemed appropriate by the Board. The Company is not subject to any externally imposed capital requirements.

## 10. Profits reserve

	2020 \$	2019 \$
Profits reserve	<b>50,955,202</b>	<b>17,511,056</b>

The profits reserve is made up of amounts transferred from current year profits and are preserved for future dividend payments.

	2020 \$	2019 \$
<b>Movement in profits reserve</b>		
Balance at the beginning of the year	17,511,056	-
Transfer of profits during the year	44,031,744	17,511,056
Final dividend paid (refer to Note 4(a))	(4,232,153)	-
Interim dividend paid (refer to Note 4(a))	(6,355,445)	-
At reporting date	<b>50,955,202</b>	<b>17,511,056</b>

## 11. Accumulated losses

	2020 \$	2019 \$
Balance at the beginning of the year	-	-
Profit for the year attributable to members of the Company	5,049,644	17,511,056
Transfer to profits reserve	(44,031,744)	(17,511,056)
At reporting date	<b>(38,982,100)</b>	-

## 12. Cash and cash equivalents

Cash at the end of the financial year as shown in the Statement of cash flows is reconciled to the related items in the Statement of financial position as follows:

	2020 \$	2019 \$
Cash at bank	36,864,655	41,523,658
Term deposit	-	11,334,966
	<b>36,864,655</b>	<b>52,858,624</b>

There were no term deposits held at the end of the year (2019: the term deposit balance of \$11.3 million was denominated in US dollars (\$USD 7.8 million)).

## 12. Cash and cash equivalents (cont'd)

At the end of the financial year, the Company's exposure to currencies was as follows:

Currency	2020 %	2019 %
United States Dollar	45.3	66.2
Japanese Yen	33.5	18.3
Euro	15.1	7.0
Pound Sterling	5.6	2.1
Australian Dollar	0.5	6.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Currency is expressed as a percentage of portfolio exposure

The weighted average interest rate for cash and term deposits as at 30 June 2020 is -0.25% reflecting the global interest rate environment during the financial year (2019: 1.0%). There were no term deposits held at 30 June 2020. Term deposits held in the prior year had an average maturity of 51 days from the end of the period, and were invested with major Australian banks and their 100% owned banking subsidiaries that have Standard & Poor's A-1+ rating.

## 13. Cash flow information

	2020 \$	2019 \$
<b>Reconciliation of profit after tax to cash flow from operations:</b>		
Profit after income tax	5,049,644	17,511,056
Fair value gains and movements in financial assets	(10,344,276)	(435,817,894)
<b>Changes in assets and liabilities:</b>		
Decrease/(increase) in receivables	44,147	(178,739)
Decrease in deferred tax assets	483,841	641,323
(Decrease)/increase in payables	(8,215)	748,293
Increase in current tax liabilities	3,399,055	3,842,040
(Decrease)/increase in deferred tax liabilities	(6,066,078)	2,786,482
<b>Net cash used in operating activities</b>	<b>(7,441,882)</b>	<b>(410,467,439)</b>

## 14. Earnings per share

	2020 Cents per share	2019 Cents per share
Basic and diluted earnings per share	2.38	10.78

	2020 \$	2019 \$
Profit after income tax used in the calculation of basic and diluted earnings per share	5,049,644	17,511,056

	2020 No.	2019 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted earnings per share	211,840,505	162,446,256

There are no outstanding securities that are potentially dilutive in nature for the Company at the end of the year.

At 30 June 2019, the basic and diluted earnings per share for the period would have been 8.28 cents if calculated from 15 June 2018 (allotment date for the initial public offering), as the Company only had one share on issue and no earnings up to this date.

## 15. Financial risk management

The Company's financial instruments consist of listed investments, trade receivables and trade payables. The risks exposed to through these financial instruments are discussed below and include credit risk, liquidity risk and market risk consisting of interest rate risk, foreign exchange risk and other price risk. There have been no substantive changes in the types of risks the Company is exposed to, how these risks arise, or the Board's objective, policies and processes for managing or measuring the risks during the year.

Under delegation from the Board, the Manager has the responsibility for assessing and monitoring the financial market risk of the Company. The Manager monitors these risks daily. On a formal basis, the investment team meet daily to monitor and manage the below risks as appropriate.

### a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge a contracted obligation. The Manager monitors the credit worthiness of counterparties on an ongoing basis and evaluates the credit quality of all new counterparties before engaging with them.

The maximum exposure to credit risk on financial assets, excluding investments of the Company which have been recognised in the Statement of financial position, is net of any expected credit losses.

## 15. Financial risk management (cont'd)

### a) Credit risk (cont'd)

The Manager is responsible for ensuring there is appropriate diversification across counterparties and that they are of a sufficient quality rating. The Manager is satisfied that the counterparties are of sufficient quality and diversity to minimise any individual counterparty credit risk. The majority of the Company's receivables arise from unsettled trades at year end which are settled three days after trade date. Engaging with counterparties via the Australian Securities Exchange facilitates the Company in both mitigating and managing its credit risk on an ongoing basis.

Credit risk is not considered to be a major risk to the Company as the majority of cash and term deposits held by the Company or in its portfolios are invested with major Australian banks and their 100% owned banking subsidiaries that have a Standard and Poor's short-term rating of A-1+ and long-term rating of AA-. The majority of all maturities for cash and term deposits are within six months.

None of the assets exposed to a credit risk are overdue or considered to be impaired.

### b) Liquidity risk

Liquidity risk represents the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's major cash payments are the purchase of securities and dividends paid to shareholders, the levels of which are managed respectively by the Manager and the Board.

The Company's cash receipts depend upon the level of sales of securities, dividends and interest received, or other capital management initiatives that may be implemented by the Board from time to time.

The Manager monitors the Company's cash flow requirements daily by reference to known sales and purchases of securities, dividends and interest to be paid or received. Should these decrease by a material amount the Company can alter its cash outflows as appropriate. The Company also holds a portion of its portfolio in cash and term deposits sufficient to ensure that it has cash readily available to meet all payments. Furthermore, the assets of the Company are largely in the form of tradable securities which, where liquidity is available, can be sold on market when and if required.

The table below reflects an undiscounted contractual maturity analysis for the Company's liabilities. The timing of cash flows presented in the table to settle liabilities reflects the earliest possible contractual settlement date to the reporting date.

30 June 2020	>1 month \$	<1 month \$	Total \$
<b>Liabilities</b>			
Trade and other payables	-	18,380,738	18,380,738
<b>Total</b>	-	<b>18,380,738</b>	<b>18,380,738</b>



**15. Financial risk management (cont'd)****b) Liquidity risk (cont'd)**

30 June 2019	>1 month \$	<1 month \$	Total \$
<b>Liabilities</b>			
Trade and other payables	-	30,802,295	30,802,295
<b>Total</b>	<b>-</b>	<b>30,802,295</b>	<b>30,802,295</b>

**c) Market risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange and other market prices will affect the fair value or future cash flows of the Company's financial instruments.

By its nature, as a listed investment company that invests in tradable securities, the Company will always be subject to market risk as it invests its capital in securities which are not risk free, as the market price of these securities can fluctuate.

**(i) Interest rate risk**

The Company's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing level of market interest rates on its financial position and cash flows. The Company however is not materially exposed to interest rate risk as the majority of its cash and term deposits mature within six months. As the Company's exposure to interest rate risk is not significant, interest rate sensitivities have not been performed.

At the end of the reporting period, the Company's exposure to interest rate risk and the effective weighted average interest rate was as follows:

30 June 2020	Weighted average interest rate (% pa)	Interest bearing \$	Non-interest bearing \$	Total \$
<b>Assets</b>				
Cash and cash equivalents	-0.25%	36,864,655	-	36,864,655
Trade and other receivables		-	40,177,358	40,177,358
Financial assets		-	425,179,149	425,179,149
<b>Total</b>		<b>36,864,655</b>	<b>465,356,507</b>	<b>502,221,162</b>
<b>Liabilities</b>				
Trade and other payables		-	18,380,738	18,380,738
<b>Total</b>		<b>-</b>	<b>18,380,738</b>	<b>18,380,738</b>

**15. Financial risk management (cont'd)****c) Market risk (cont'd)****(i) Interest rate risk (cont'd)**

30 June 2019	Weighted average interest rate (% pa)	Interest bearing \$	Non-interest bearing \$	Total \$
<b>Assets</b>				
Cash and cash equivalents	1.00%	52,858,624	-	52,858,624
Trade and other receivables		-	53,210,102	53,210,102
Financial assets		-	415,051,239	415,051,239
<b>Total</b>		<b>52,858,624</b>	<b>468,261,341</b>	<b>521,119,965</b>
<b>Liabilities</b>				
Trade and other payables		-	30,802,295	30,802,295
<b>Total</b>		<b>-</b>	<b>30,802,295</b>	<b>30,802,295</b>

**(ii) Foreign exchange risk**

The Company invests in global listed securities and enters into transactions that are denominated in currencies other than its functional currency. Consequently, the Company is exposed to the movements in exchange rates that may have an adverse effect on the fair value of future cash flows of the Company's cash, receivables and financial assets denominated in currencies other than Australian dollars.

The table below summaries the Company's financial assets, monetary and non-monetary, which are denominated in foreign currencies and the Australian dollar:

30 June 2020	USD \$	JPY \$	EUR \$	AUD \$	GBP \$	Total \$
Cash and cash equivalents	6,550,218	19,308,585	7,138,528	299,831	3,567,493	36,864,655
Trade and other receivables	33,569,300	-	4,868,436	1,691,365	48,257	40,177,358
Financial assets	348,004,146	13,244,084	39,875,356	11,544,662	12,510,901	425,179,149
Trade and other payables	(13,991,423)	-	(3,282,728)	(740,078)	(366,509)	(18,380,738)
<b>Total</b>	<b>374,132,241</b>	<b>32,552,669</b>	<b>48,599,592</b>	<b>12,795,780</b>	<b>15,760,142</b>	<b>483,840,424</b>

**15. Financial risk management (cont'd)****c) Market risk (cont'd)****(ii) Foreign exchange risk (cont'd)**

30 June 2019	USD \$	JPY \$	EUR \$	AUD \$	GBP \$	Total \$
Cash and cash equivalents	24,001,328	16,064,810	4,957,456	4,470,665	3,364,365	52,858,624
Trade and other receivables	48,203,808	-	-	4,837,280	169,014	53,210,102
Financial assets	271,486,492	20,223,285	79,383,450	6,853,401	37,104,611	415,051,239
Trade and other payables	(24,985,912)	(3,035,953)	-	(748,293)	(2,032,137)	(30,802,295)
<b>Total</b>	<b>318,705,716</b>	<b>33,252,142</b>	<b>84,340,906</b>	<b>15,413,053</b>	<b>38,605,853</b>	<b>490,317,670</b>

**Sensitivity analysis**

For foreign currency exposure held by the Company at the end of the reporting period, a sensitivity analysis was performed relating to its exposure to other price risk. This analysis demonstrates the effect on current year net assets after tax as a result of a reasonably possible change in the risk variable. The sensitivity assumes all other variables to remain constant.

Foreign currency exposure represents 98.4% (2019: 98.3%) of net assets at year end. A 5.0% movement in the foreign exchange rate of each of the above currency exposures would result in a 3.4% (2019: 3.4%) movement in the net assets after tax. This would result in the 30 June 2020 net asset backing after tax moving by 7.8 cents per share (2019: 7.9 cents per share).

**(iii) Other price risk**

Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

As the majority of the Company's investments are carried at fair value with fair value changes recognised in the Statement of comprehensive income, all changes in market conditions will directly affect net investment income. Due to the short-term nature of receivables and payables, the carrying amounts of these financial assets and financial liabilities approximate their fair values.

The Manager seeks to manage and reduce the other price risk of the Company by diversification of the investment portfolio across numerous stocks and multiple industry sectors. The relative weightings of the individual securities and market sectors are reviewed daily in order to manage risk. The Company does not have set parameters as to a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

## 15. Financial risk management (cont'd)

### c) Market risk (cont'd)

#### (iii) Other price risk (cont'd)

The Company's industry sector weighting of gross assets as at 30 June 2020 is as below:

Industry sector	2020 %	2019 %
Information technology	22.5	10.6
Consumer discretionary	20.9	11.1
Communications services	12.0	10.1
Consumer staples	10.1	9.7
Financials	8.3	15.3
Industrials	6.5	12.7
Health care	4.8	14.9
Materials	2.9	-
Energy	-	0.9
<b>Total</b>	<b>88.0</b>	<b>85.3</b>

There were no securities representing over 5 per cent of the gross assets of the Company as at 30 June 2020 (2019: nil).

#### Sensitivity analysis

For investments held by the Company at the end of the reporting period, a sensitivity analysis was performed relating to its exposure to other price risk. This analysis demonstrates the effect on current period net assets after tax as a result of a reasonably possible change in the risk variable. The sensitivity assumes all other variables to remain constant.

Investments represent 88.0% (2019: 85.3%) of gross assets at year end. A 5.0% movement in the fair value of each of the investments within the investment portfolio would result in a 3.1% (2019: 3.0%) movement in the net assets after tax. This would result in the 30 June 2020 net asset backing after tax moving by 7.0 cents per share (2019: 6.9 cents per share).

#### d) Financial instruments measured at fair value

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

**Level 1:** Quoted prices in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices).

**Level 3:** Inputs for the asset or liability are not based on observable market data (unobservable inputs).

## 15. Financial risk management (cont'd)

### d) Financial instruments measured at fair value (cont'd)

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets and liabilities have been based on the closing quoted last prices at the end of the reporting period, excluding transaction costs.

There were no transfers between levels during the year (2019: nil).

30 June 2020	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets	425,179,149	-	-	425,179,149
<b>Total</b>	<b>425,179,149</b>	<b>-</b>	<b>-</b>	<b>425,179,149</b>

30 June 2019	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets	415,051,239	-	-	415,051,239
<b>Total</b>	<b>415,051,239</b>	<b>-</b>	<b>-</b>	<b>415,051,239</b>

## 16. Investment transactions

The total number of contract notes that were issued for transactions in securities during the financial year was 1,299 (2019: 1,627). Each contract note could involve multiple transactions. The total brokerage paid on these contract notes was \$1,030,693 (2019: \$1,342,161).

## 17. Segment reporting

The Company engages in investing activities, including cash, term deposits and equity investments. The Company continues to have foreign equity and currency exposure as part of its principal activity in making investments in listed global securities. It has no other reportable business or geographic segments.

## 18. Capital commitments

There were no capital commitments for the Company as at 30 June 2020 (2019: nil).

## 19. Contingent liabilities

There were no contingent liabilities for the Company as at 30 June 2020 (2019: nil).

## 20. Key management personnel compensation

The names and position held of the Company's key management personnel (including Directors) in office at any time during the financial year are:

- Geoff Wilson AO                      Chairman
- Gabrielle Trainor AO                Director
- Caesar Bryan                          Director
- Kate Thorley                          Director

### a) Remuneration

There are no executives that are paid by the Company.

Information regarding individual Directors' remuneration is provided in the Remuneration Report of the Directors' Report on page 17, as required by Corporations Regulations 2M.3.03 and 2M.6.04.

	Short-term employee benefits Directors' fees \$	Post-employment benefits Superannuation \$	Total \$
Total Directors remuneration paid by the Company for the year ended 30 June 2020	75,662	4,338	<b>80,000</b>
Total Directors remuneration paid by the Company for the period ended 30 June 2019	77,529	4,444	<b>81,973*</b>

\*Includes Directors' fees for the period from date of listing, 22 June 2018 to 30 June 2019.

### b) Share holdings

The number of ordinary shares held in the Company during the financial year by each key management personnel of the Company and their related parties are set out below:

Ordinary shares held Directors	Balance at 30 June 2019	Acquisitions	Disposals	Balance at 30 June 2020
Geoff Wilson	3,429,954	726,936	-	4,156,890
Gabrielle Trainor	50,000	1,300	-	51,300
Caesar Bryan	-	-	-	-
Kate Thorley	63,225	20,051	-	83,276
	<b>3,543,179</b>	<b>748,287</b>	<b>-</b>	<b>4,291,466</b>

## 20. Key management personnel compensation (cont'd)

### b) Share holdings (cont'd)

Ordinary shares held Directors	Balance at 21 February 2018	Acquisitions	Disposals	Balance at 30 June 2019
Geoff Wilson	1*	3,429,953	-	3,429,954
Gabrielle Trainor	-	50,000	-	50,000
Caesar Bryan	-	-	-	-
Kate Thorley	-	63,225	-	63,225
	<b>1</b>	<b>3,543,178</b>	<b>-</b>	<b>3,543,179</b>

\*Sole share on issue in the Company on incorporation.

Directors and Director related entities disposed of and acquired ordinary shares in the Company on the same terms and conditions available to other shareholders. The Directors have not, during or since the end financial year, been granted options over unissued shares or interests in shares of the Company as part of their remuneration.

## 21. Related party transactions

All transactions with related parties during the year were made on normal commercial terms and conditions and at market rates.

The Company has an investment management agreement with Wilson Asset Management (International) Pty Limited. Geoff Wilson is the Director of Wilson Asset Management (International) Pty Limited, the entity appointed to manage the investment portfolio of WAM Global. Entities associated with Geoff Wilson hold 100% of the issued shares of Wilson Asset Management (International) Pty Limited. In its capacity as the Manager and in accordance with the investment management agreement, Wilson Asset Management (International) Pty Limited was paid a management fee of 1.25% p.a. (plus GST) of the value of the portfolio amounting to \$6,944,357 inclusive of GST (2019: \$6,495,826). As at 30 June 2020, the balance payable to the Manager was \$553,275 inclusive of GST (2019: \$557,158).

In addition, Wilson Asset Management (International) Pty Limited is to be paid, annually in arrears, a performance fee being 20% (plus GST) of the amount by which the value of the portfolio exceeds the return of MSCI World Index (AUD) over that period. If the value of the portfolio is less than the return of the MSCI World Index (AUD), no performance fee will be payable in respect of that period and the negative amount is to be carried forward to the following calculation period(s) until it has been recouped in full against future positive performance fees. No performance fees will be payable until full recoupment of prior underperformance.

For the year ended 30 June 2020, no performance fee was payable to the Manager (2019: nil). The current period underperformance of \$3,364,299 inclusive of GST (2019: \$5,008,829) has been carried forward to the following calculation period(s) until it has been recouped in full against future positive performance fees. The total underperformance to be recouped against future performance fees payable is \$8,373,128 inclusive of GST.

## 21. Related party transactions (cont'd)

Wilson Asset Management (International) Pty Limited has a service agreement in place with WAM Global to provide accounting and Company Secretarial services on commercial terms. For the year ended 30 June 2020, the fee for accounting services amounted to \$46,200 inclusive of GST (2019: \$47,339) and the fee for Company Secretarial services amounted to \$16,500 inclusive of GST (2019: \$16,907).

Under the investment management agreement, the Investment Manager has agreed to be responsible for the payment of the offer costs that the Company would normally be liable for. These costs were paid upfront by the Company however, under the investment management agreement, the Investment Manager will repay the offer costs to the Company in 30 equal monthly repayments. The total offer costs in relation to the initial public offering were \$7,830,659 (\$5,481,461, net of tax) with \$6,264,527 being repaid to the Investment Manager to date and \$3,132,263 being repaid during the year to 30 June 2020. The remaining balance to be repaid by the Investment Manager of \$1,566,132 has been included in trade and other receivables as at the end of the period.

No Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related Company of the Director or with a firm of which he/she is a member or with a Company in which he/she has substantial financial interest.

## 22. Events subsequent to reporting date

Since the end of the year, the Directors declared a fully franked final dividend of 4.0 cents per share to be paid on 30 October 2020.

No other matter or circumstance has arisen since the end of the financial year, other than already disclosed, which significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.



## Directors' Declaration

The Directors of WAM Global Limited declare that:

- 1) The financial statements as set out in pages 23 to 48 and the additional disclosures included in the Directors' Report designated as "Remuneration Report", as set out on pages 17 to 19, are in accordance with the *Corporations Act 2001*, including:
  - a) complying with Australian Accounting Standards, which, as stated in Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS), the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - b) giving a true and fair view of the financial position of the Company as at 30 June 2020 and of its performance, as represented by the results of the operations and the cash flows, for the year ended on that date; and
- 2) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer of the Manager, Wilson Asset Management (International) Pty Limited declaring that:
  - a) the financial records of the Company for the financial year have been properly maintained in accordance with the Section 286 of the *Corporations Act 2001*;
  - b) the Company's financial statements and notes for the financial year comply with the Accounting Standards; and
  - c) the Company's financial statements and notes for the financial year give a true and fair view.
- 3) At the date of this declaration, in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



**Geoff Wilson AO**  
**Chairman**

Dated in Sydney this 27<sup>th</sup> day of August 2020

**Independent Auditor's Report  
To the Members of WAM Global Limited  
ABN 76 624 572 925**

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report of WAM Global Limited ("the Company"), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of WAM Global Limited is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be on the same terms if given to the Directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Key audit matter</b>	<b>How our audit addressed the matter</b>
<p><b>Existence and Valuation of Financial Assets</b> <b>Refer to Note 7: Financial Assets</b></p>	
<p>We focused our audit effort on the existence and valuation of the Company's financial assets as they represent the most significant driver of the Company's Net Tangible Assets and Profit.</p> <p>The majority of the Company's investments are considered to be non-complex in nature with fair value based on readily observable data from various global markets. Consequently, these investments are classified under Australian Accounting Standards as "level 1" (i.e. where the valuation is based on quoted prices in active markets).</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ Obtaining an understanding of and evaluating the investment management processes and controls;</li> <li>▪ Reviewing and evaluating the independent audit reports on the design and operating effectiveness of internal controls (ASAE 3402 Assurance Reports on Controls at a Service Organisation) for the Custodians;</li> <li>▪ Making enquiries as to whether there have been any changes to these controls or their effectiveness from the periods to which the audit reports relate to and where necessary obtaining bridging letters;</li> <li>▪ Obtaining confirmations of the investment holdings directly from the Custodians;</li> <li>▪ Assessing and recalculating the Company's valuation of individual investment holdings using independent pricing sources;</li> <li>▪ Evaluating the accounting treatment of revaluations of financial assets for current/deferred tax and unrealised gains or losses; and</li> <li>▪ Assessing the adequacy of disclosures in the financial statements.</li> </ul>

<i>Key audit matter</i>	<i>How our audit addressed the matter</i>
<p><b>Accuracy, Completeness and Existence of Management and Performance Fees</b>  <b>Refer to Note 8: Trade and other payables and Note 21: Related party transactions</b></p>	
<p>We focused our audit effort on the accuracy, completeness and existence of management and performance fees as they are significant expenses of the Company and their calculation requires adjustments and key inputs. Adjustments include company dividends, tax payments, capital raisings, capital reductions and other relevant expenses. Key inputs include the value of the portfolio, the performance of the relevant comparable benchmark and application of the correct fee percentage in accordance with the Investment Management Agreement between the Company and the Investment Manager.</p> <p>In addition, to their quantum, as these transactions are made with related parties, there are additional inherent risks associated with these transactions, including the potential for these transactions to be made on terms and conditions more favourable than if they had been with an independent third-party.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ Obtaining an understanding of and evaluating the processes and controls for calculating the management and performance fees;</li> <li>▪ Making enquiries with the Investment Manager and those charged with governance with respect to any significant events during the period and associated adjustments made as a result, in addition to reviewing ASX announcements and Board meeting minutes;</li> <li>▪ Testing of adjustments such as company dividends, tax payments, capital raisings, capital reductions as well as any other relevant expenses used in the calculation of management and performance fees;</li> <li>▪ Testing of key inputs including the value of the portfolio, the performance of the relevant comparable benchmark and application of the correct fee percentage in accordance with our understanding of the Investment Management Agreement; and</li> <li>▪ Assessing the adequacy of disclosures made in the financial statements.</li> </ul>

*Other Information*

The Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on the Remuneration Report**

#### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 17 to 19 of the Directors' Report for the year ended 30 June 2020. In our opinion, the Remuneration Report of WAM Global Limited, for the year ended 30 June 2020, complies with section 300A of the *Corporations Act 2001*.

#### *Responsibilities*

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



**S M Whiddett**  
Partner

27 August 2020



**Pitcher Partners**  
Sydney

## Investments at fair value as at 30 June 2020

Company Name	Stock Exchange	Code	Fair Value \$	% of Gross Assets
<b>United States of America</b>				
Nomad Foods Limited	NYSE	NOMD US	16,961,845	3.5%
Lowe's Cos Inc	NYSE	LOW US	16,047,629	3.3%
Dollar General Corporation	NYSE	DG US	14,453,977	3.0%
Thermo Fisher Scientific Inc	NYSE	TMO US	13,541,952	2.8%
Microsoft Corporation	NASDAQ	MSFT US	13,200,585	2.7%
Aon PLC	NYSE	AON US	12,949,092	2.7%
AutoZone Inc	NYSE	AZO US	11,442,990	2.4%
Hasbro Inc	NASDAQ	HAS US	11,421,976	2.4%
Intuit Inc	NASDAQ	INTU US	11,016,483	2.3%
CME Group Inc	NASDAQ	CME US	10,860,959	2.2%
Intercontinental Exchange Inc	NYSE	ICE US	10,333,165	2.1%
CDW Corporation	NASDAQ	CDW US	9,929,915	2.1%
Edwards Lifesciences Corporation	NYSE	EW US	9,665,989	2.0%
Electronic Arts Inc	NASDAQ	EA US	9,652,294	2.0%
Fidelity National Information Services Inc	NYSE	FIS US	9,649,119	2.0%
Arista Networks Inc	NYSE	ANET US	9,486,188	2.0%
Fiserv Inc	NASDAQ	FISV US	8,158,192	1.7%
Amazon.com Inc	NASDAQ	AMZN US	7,305,697	1.5%
Barrick Gold Corporation	NYSE	GOLD US	7,199,728	1.5%
The Simply Good Foods Co	NASDAQ	SMPL US	7,154,578	1.5%
Activision Blizzard Inc	NASDAQ	ATVI US	7,060,690	1.5%
PayPal Holdings Inc	NASDAQ	PYPL US	7,012,865	1.5%
Visa Inc	NYSE	V US	6,981,320	1.4%
Alibaba Group Holding Limited	NYSE	BABA US	6,857,529	1.4%
Newmont Corporation	NYSE	NEM US	6,828,160	1.4%
Allison Transmission Holdings	NYSE	ALSN US	6,753,070	1.4%
Keysight Technologies Inc	NYSE	KEYS US	6,116,731	1.3%
World Wrestling Entertainment	NYSE	WWE US	5,502,345	1.1%
Adobe Inc	NASDAQ	ADBE US	5,473,063	1.1%
API Group Corporation	NYSE	APG US	5,173,686	1.1%
Aspen Technology Inc	NASDAQ	AZPN US	4,873,107	1.0%
Alphabet Inc	NASDAQ	GOOG US	4,845,142	1.0%
Costco Wholesale Corporation	NASDAQ	COST US	4,697,712	1.0%
Quanta Services Inc	NYSE	PWR US	3,879,752	0.8%
Booking Holdings Inc	NASDAQ	BKNG US	2,175,252	0.4%
			<b>304,662,777</b>	<b>63.1%</b>
<b>Hong Kong</b>				
Tencent Holdings Limited	HKG	700 HK	16,066,214	3.3%
Techtronic Industries Co Limited	HKG	669 HK	2,941,173	0.6%
			<b>19,007,387</b>	<b>3.9%</b>
<b>Japan</b>				
Kobe Bussan Co Limited	TYO	3038 JP	13,244,084	2.7%
			<b>13,244,084</b>	<b>2.7%</b>
<b>Germany</b>				
HelloFresh SE	XTR	HFG GR	9,790,710	2.0%
Scout24 AG	XTR	G24 GR	2,821,536	0.6%
			<b>12,612,246</b>	<b>2.6%</b>

Company Name	Stock Exchange	Code	Fair Value \$	% of Gross Assets
<b>United Kingdom</b>				
B&M European Value Retail SA	LON	BME LN	8,514,654	1.8%
Biffa PLC	LON	BIFF LN	3,425,172	0.7%
Photo-Me International PLC	LON	PHTM LN	571,074	0.1%
			<b>12,510,900</b>	<b>2.6%</b>
<b>Australia</b>				
Infomedia Limited	ASX	IFM	4,745,661	1.0%
Aristocrat Leisure Limited	ASX	ALL	3,325,863	0.7%
BWX Limited	ASX	BWX	1,343,344	0.3%
Idp Education Limited	ASX	IEL	1,076,663	0.2%
Helloworld Limited	ASX	HLO	830,290	0.2%
Myer Holdings Limited	ASX	MYR	199,231	0.0%
Templeton Global Growth Fund Limited	ASX	TGG	23,611	0.0%
			<b>11,544,663</b>	<b>2.4%</b>
<b>France</b>				
Ubisoft Entertainment SA	EPA	UBI FP	4,906,045	1.0%
Danone SA	EPA	BN FP	2,743,575	0.6%
LVMH Moet Hennessy Louis Vuitton SE	EPA	MC FP	2,468,709	0.5%
			<b>10,118,329</b>	<b>2.1%</b>
<b>Switzerland</b>				
Logitech International SA	SWX	LOGN SW	9,756,937	2.0%
			<b>9,756,937</b>	<b>2.0%</b>
<b>Netherlands</b>				
Pershing Square Holdings Limited	AEX	PSH NA	6,314,872	1.3%
Signify NV	AEX	LIGHT NA	2,519,355	0.5%
			<b>8,834,227</b>	<b>1.8%</b>
<b>Canada</b>				
Spin Master Corporation	TSX	TOY CN	4,796,608	1.0%
Alimentation Couche-Tard Inc	TSX	ATD/B CN	2,365,774	0.5%
			<b>7,162,382</b>	<b>1.5%</b>
<b>Spain</b>				
Applus Services SA	BME	APPS SM	5,319,294	1.1%
Amadeus IT Group SA	BME	AMS SM	2,068,550	0.4%
			<b>7,387,844</b>	<b>1.5%</b>
<b>Korea</b>				
AfreecaTV Co Limited	KRX	067160 KS	6,984,311	1.5%
			<b>6,984,311</b>	<b>1.5%</b>
<b>New Zealand</b>				
Tourism Holdings Limited	NZX	THL NZ	1,353,062	0.3%
			<b>1,353,062</b>	<b>0.3%</b>
<b>Total long portfolio</b>			<b>425,179,149</b>	<b>88.0%</b>
<b>Total cash and cash equivalents, income receivable and net outstanding settlements</b>			<b>57,800,440</b>	<b>12.0%</b>
<b>Gross assets</b>			<b>482,979,589</b>	

<sup>1</sup> The total number of stocks held at the end of the financial period was 62.

## ASX additional information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report.

### Shareholdings

**Substantial shareholders (as at 31 July 2020)** - there are currently no substantial shareholders.

**On-market buy back (as at 31 July 2020)** - there is no current on-market buy back.

### Distribution of shareholders (as at 31 July 2020)

Category	Number of shareholders	Percentage of issued capital held
1 – 1,000	1,112	0.3%
1,001 – 5,000	4,436	6.6%
5,001 – 10,000	2,902	11.2%
10,001 – 100,000	4,654	57.9%
100,001 and over	187	24.0%
	<b>13,291</b>	<b>100.0%</b>

The number of shareholdings held in less than marketable parcels is 126.

### Twenty largest shareholders – Ordinary shares (as at 31 July 2020)

Name	Number of ordinary shares held	% of issued capital held
Entities associated with Mr Geoff Wilson	4,156,890	2.0%
Navigator Australia Limited	3,165,740	1.5%
HSBC Custody Nominees (Australia) Limited	3,049,332	1.4%
888 Corporation Pty Limited	2,000,000	0.9%
Netwealth Investments Limited	1,360,968	0.6%
Marbear Holdings Pty Limited	1,300,000	0.6%
Sterda Pty Limited	1,300,000	0.6%
Takita Exploration Pty Limited	1,016,733	0.5%
Mrs F Martin-Weber	1,000,000	0.5%
Invia Custodian Pty Limited	1,000,000	0.5%
BNP Paribas Nominees Pty Limited	662,309	0.3%
Lital Pty Limited	545,253	0.3%
Kalart Pty Limited	500,000	0.2%
Elphinestone Holdings Pty Limited	500,000	0.2%
Gold Tiger Equities Pty Limited	500,000	0.2%
Endoras Super Pty Limited	488,339	0.2%
Bannaby Investments Pty Limited	466,358	0.2%
McKendrick Family Nominees Pty Limited	454,500	0.2%
Angueline Capital Pty Limited	450,000	0.2%
Kerridge Foundation Pty Limited	450,000	0.2%
	<b>24,366,422</b>	<b>11.3%</b>

### Stock exchange listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the ASX Limited.



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