

Chairman's update

Geoff Wilson AO



- 7.0 cents per share FY2020 fully franked full year dividend, 250% increase
- 4.0 cents per share fully franked final dividend, 100% increase
- 3.1%^ investment portfolio performance in FY2020

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.

Pleasingly, WAM Global achieved an operating profit before tax of \$7.1 million and an operating profit after tax of \$5.0 million in 2020. 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.

The Board of Directors have 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, which represents a 250% increase on FY2019 and a 100% increase on the fully franked final dividend.

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.

The FY2020 full year dividend provides shareholders with a fully franked dividend yield of 3.8%^* and a grossed-up yield of 5.4%^**. 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.

We would like to thank all WAM Global shareholders for your continued support of the Company during the 2020 financial year and hope you are safe and well as we live through the dramatic changes brought about by the coronavirus pandemic. We look forward to providing an update at our next instalment of WAM Vault in November.

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

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

**Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

Fully franked full year dividend increase

+250%

Fully franked full year dividend

7.0c

Fully franked dividend yield*

3.8%

Fully franked final dividend

The Board 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. The DRP will be operating without a discount for the final dividend.

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

Key dividend dates

| | |
|----------------------------|-----------------|
| Ex dividend date | 19 October 2020 |
| Record date | 20 October 2020 |
| Last election date for DRP | 22 October 2020 |
| Payment date | 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 continue paying fully franked dividends is dependent on generating additional profits reserves and franking credits. The ability to generate franking credits is reliant on the payment of tax on profits.

The Company has a profits reserve of 30.1 cents per share as at 31 July 2020, before the payment of the fully franked final dividend of 4.0 cents per share, representing 4.3 years of dividend coverage for shareholders.

Lead Portfolio Manager's update

Catriona Burns



We employed our proven investment process during a volatile period for equity markets, focusing on preserving shareholder capital while providing exposure to undervalued global growth companies with a catalyst.

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. We 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. 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 Nomad Foods (NYSE: NOMD) and Nestle (SWX: NESN), low-cost food retailers Kobe Bussan (TYO: 3038) and Costco Wholesale (NASDAQ: COST) and dollar stores operator Dollar General (NYSE: DG). We added positions in global video gaming and entertainment businesses Activision Blizzard (NASDAQ: ATVI) and Electronic Arts (NASDAQ: EA) and increased our positions in Chinese internet-related services conglomerate Tencent Holdings (HKG: 0700) and Ubisoft Entertainment (EPA: UBI). 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.

Investment portfolio performance

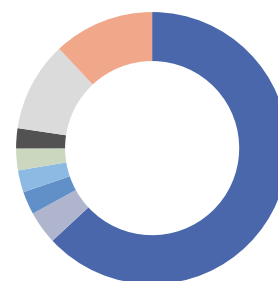
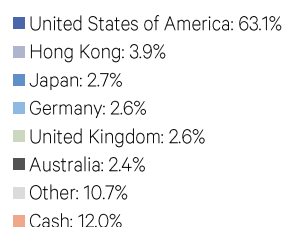
as at 30 June 2020

| | 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% |
| Outperformance | -1.5% | -1.7% | -2.5% |
| MSCI World SMID Cap Index in AUD terms | -9.2% | -1.9% | 0.9% |
| Outperformance | +3.9% | +5.0% | +4.0% |

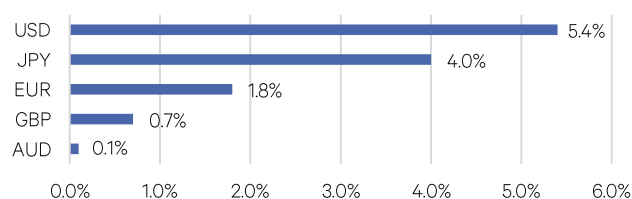
Investment portfolio performance and Index returns are before expenses, fees and taxes.

Portfolio composition by geographical exposure

as at 30 June 2020



Cash currency exposure



Top 20 holdings with portfolio weightings

as at 30 June 2020

| Code | Company | Country | % |
|---------|--|---------|------|
| NOMD US | Nomad Foods Limited | USA | 3.5% |
| 700 HK | Tencent Holdings Limited | HK | 3.3% |
| LOW US | Lowe's Cos Inc | USA | 3.3% |
| DG US | Dollar General Corporation | USA | 3.0% |
| TMO US | Thermo Fisher Scientific Inc | USA | 2.8% |
| 3038 JP | Kobe Bussan Co Limited | JPN | 2.7% |
| MSFT US | Microsoft Corporation | USA | 2.7% |
| AON US | Aon Plc | USA | 2.7% |
| AZO US | AutoZone Inc | USA | 2.4% |
| HAS US | Hasbro Inc | USA | 2.4% |
| INTU US | Intuit Inc | USA | 2.3% |
| CME US | CME Group Inc | USA | 2.2% |
| ICE US | Inercontinental Exchange inc | USA | 2.1% |
| CDW US | CDW Corporation | USA | 2.1% |
| HFG GR | HelloFresh SE | GER | 2.0% |
| LOGN SW | Logitech International SA | SUI | 2.0% |
| EW US | Edwards Lifesciences Corporation | USA | 2.0% |
| EA US | Electronic Arts Inc | USA | 2.0% |
| FIS US | Fidelity National Information Services Inc | USA | 2.0% |
| ANET US | Arista Networks Inc | USA | 2.0% |